



**Connecting globally.  
Connecting responsibly.**

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

Corporate Social Responsibility Report for

**2020**



# Structure of the report

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# Letter to Stakeholders



# Year of challenges, new horizons

GRI 102-14

2020 was marked by the most disturbing global event in decades – the COVID-19 pandemic. It shook the global markets, and put to test the resilience and rapid emergency response capabilities of all social and economic actors. TFK.Group faced this crisis – we continued uninterrupted operations, with the utmost priority given to the health and safety of our employees, contractors and other stakeholders globally.

This was also the year when Brexit became a challenging fact. Fortunately, it did not manage to delay our deepening integration with JDR Cable Systems in the United Kingdom. We have broadened our joint portfolio of products, services and projects, developing cutting edge technologies. Together, we have completed reporting the fourth year of corporate social responsibility.

In challenging times, constant high quality communication is the key for thriving. Therefore we have become even more intensely engaged in dialogue with our stakeholders, including suppliers. This resulted in continuity of successful operations and coordinated activities towards common goals. We intend to carry this effort well into the future.

2020 was also the year of new horizons. As the European and global policy shifts more and more towards climate change mitigation and prevention, environmental protection and renewable energy, the global markets follow. This opens new perspectives and brings exciting new challenges, steering us towards ventures that actively support the green transformation worldwide and the transition towards lower carbon sources in our energy systems.. In Poland, for example, we are witnessing the mainstreaming of prospective wind energy on the Baltic Sea, that, according to the Polish Association of Wind Energy, could cover almost 60% of the projected annual domestic electricity demand in 2050. We have introduced environmentally friendly (green) technologies, as well as efficient and intelligent (automated) production lines, continuing our ever strengthening journey towards a responsible and sustainable future.

During this year, we progressed significantly in developing our Extra High Voltage (EHV) Laboratory in Bydgoszcz, which allows us to conduct research aimed at developing prototypes and technological guidelines for production of EHVAC cables, to a wider extent than before. We continue our investments in Research & Development

infrastructure in, among others, our Kraków-Bieżanów facility in Poland. We have also begun construction of the new JDR Cable Systems US headquarters in Tomball, Texas, USA. The new facility will consolidate three of JDR's existing facilities in the region to expand its IWOCs rental business to support current demand in 2021.

Last but not least, 2020 was the year of celebrations. It marked the 100<sup>th</sup> anniversary of our production plant in Bydgoszcz, Poland, that bears witness to our contribution to the development of the modern industry in Poland as generations pass.

Whatever the circumstances, our constant priority is stable growth based on sustainable development. This means that our production processes use resources rationally and economically, while limiting the emission of harmful pollutants into the atmosphere.

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



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# TFK.Group →

## Key highlights:

- TFK.Group – who we are and what we do
- Our history and strategy
- Corporate governance at TFK.Group
- Risk management across our operations
- Our approach towards ethics



# Key numbers

GRI 102-2, 102-7



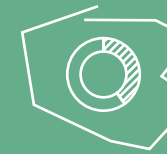
**25,000+**

types of wires and cables



**100%**

Polish capital



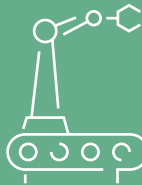
**40%\***

market share in Poland



**N°1**

The largest cables and wires manufacturer in Eastern Europe



Over

**500**

production lines



Almost

**1bn** EUR

annual revenue



**359**

international quality certificates granted by 39 certification centers from around the world



**4th\***

place on the European market among technologically advanced cables and wires manufacturers



**5th\***

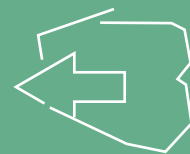
place among rubber cables manufacturers in the world



Present in more than

**80**

countries



**One of the top**

Polish exporters



**8** manufacturing plants

**6** distribution units

**2** service units

\*Management estimates

# 2.1 General overview

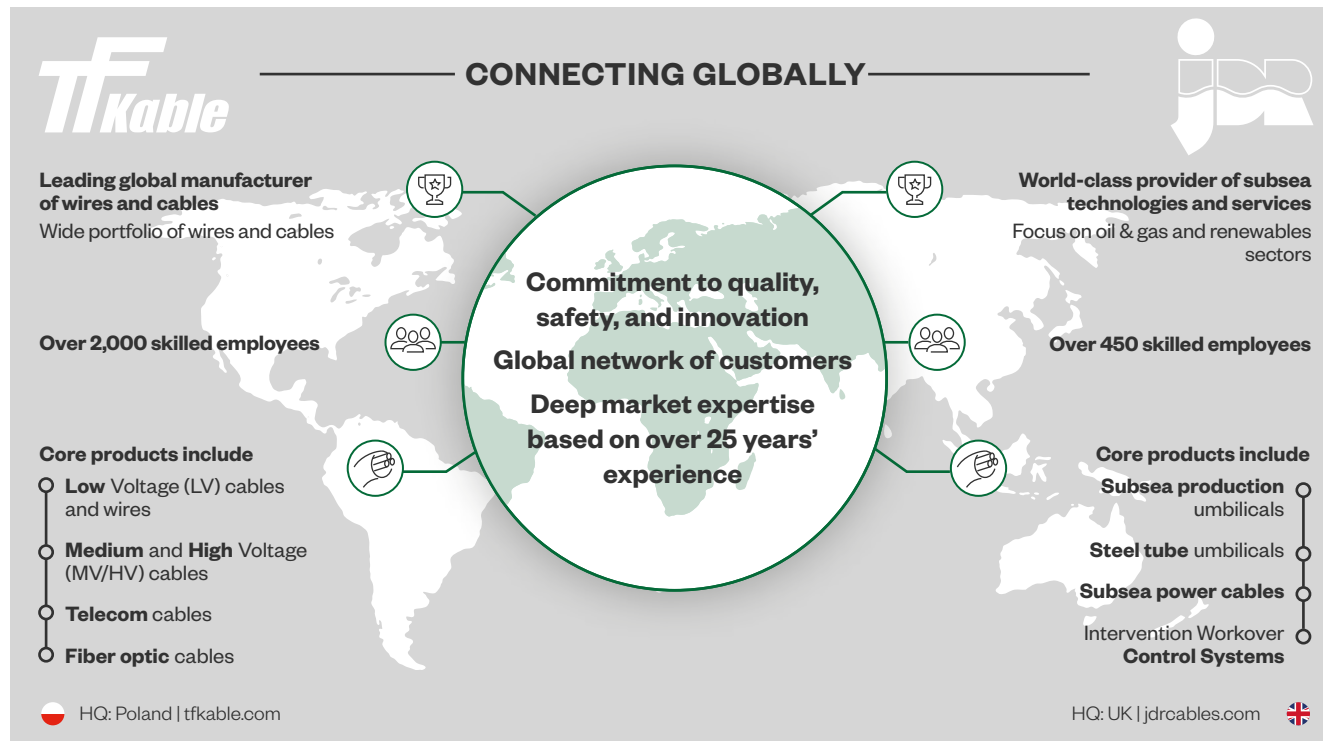
TFK.Group emerged in 2017 as a result of joining forces between TELE-FONIKA Kable S.A. (TFKable), one of the top European manufacturers of cables and wires, and JDR Cable Systems (Holdings) Ltd. (JDR) – global leader in subsea production umbilicals, subsea power cables and Intervention Workover Control Systems for the offshore oil and gas industry. JDR operates in harsh, dynamic, subsea environments and is a pioneer in the development of cutting-edge inter-array power cables for offshore wind, wave and tidal energy projects. On August 29<sup>th</sup> 2017 JDR was acquired by TFKable's owner and both companies formed TFK.Group, which instantly became one of the leaders in the global market for cables and cable systems with production plants across Europe and distribution networks worldwide.

Our network of experienced and certified project managers, engineers, technicians, available anytime when needed, support customers through full life cycle of their projects. For example, JDR's global offshore installation and maintenance service supports customers through project planning, mobilisation, installation, repair, planned maintenance, spare parts supply and asset management.

We deliver custom-made services and products to the strategic energy industries globally, being the key supplier to, among others, the renewable energy sector. Transition towards mainstreaming environmentally friendly energy sourcing lies at the core of our business. Onshore and offshore wind farms construction and



Image 1. Key facts about TFK.Group



operation utilizes broad range of our products, including cables and wires of low (EPR), medium and high voltages (XLPE), as well as control/optical cables for telecommunications, data transmission and provision of security.

Global leadership requires constant progress and utilizing cutting-edge technologies. We invest in our Research & Development intelligence, facilities and service units, such as Fire Test Laboratory in the Krakow-Wielicka Plant, R&D Center with Extra High Voltage Laboratories at the Bydgoszcz Plant (Poland), Tomball Service Center (USA) and Newcastle Service Center (UK). Such strategic orientation allows us to develop High Voltage (HV) and Extra High Voltage (EHV) products' portfolio, via, among others, allowing to conduct research focused on the development of prototypes and technological guidelines to produce HVAC and HVDC cables.

Fast-paced business development requires also ever-deepening integration, with the latest example of new US Tomball based JDR headquarters, consolidating three existing facilities in the region into the new facility, which will feature more space to improve efficiencies and safety measures in supply chain, as well as reduce transportation costs.

Our global leadership started in 2008, with close cooperation between TFKable and JDR, manufacturing complementary products and expanding their markets in close cooperation. Our first common undertaking was delivery of medium voltage cores for the then largest offshore wind farm, Greater Gabbard, located on the Suffolk coast in

the UK. Since then, we have successfully completed 73 projects all over the world, including 34 onshore projects, providing 2,500 km of LV, MV and HV water-blocked cores for JDR products and 39 offshore wind projects providing 9,000 km of LV, MV and HV water-blocked cores for JDR products.

Image 2. Key offshore and onshore projects in 2020

### Kriegers Flak, Denmark, 2020

Will provide renewable energy to more than 600,000 Danish households. At the beginning of 2021, the production and delivery of 170 km of 33 kV aluminium core inter-array cables and JDR accessories to the Kriegers Flak Wind Farm project will be completed.

### Seamade, Belgium, 2020

The 78.1 km of aluminium core inter-array cables and cable accessories design, production and delivery to the SeaMade Offshore Wind project completed in April 2020.

### Anyala & Madu, Nigeria, 2020

Safe loading of 23.7 km of the power and control umbilicals to five oil wells in Nigeria, that will contribute to optimising the cost of gas extraction from the Anyala and Madu fields.

### Formosa 1, Taiwan, 2020

The first commercial scale offshore wind project in Taiwan. 21 km of inter-array cable, 13 km of export cable, and a further 16 km of land cable to transmit power from the shore to the local substation was delivered to the site.

### Changhua, Taiwan, 2020

Will provide renewable energy to over 2.8 million households in Taiwan. 65 km of array and export cable for power transmission from wind turbines to shore designed and manufactured.



## Organisational structure

GRI 102-1, 102-3, 102-4, 102-5, 102-7, 102-45

TFKable is a joint-stock company, with the headquarters in Myślenice, Poland. JDR is a private limited company, with the headquarters in Edinburgh, UK. The sole shareholder and owner of TFKable and JDR is Bogusław Cupiał.

TFKable and JDR, together with their production plants and branch offices, create TFK.Group. Therefore, this report contains data for both TFKable and JDR. When cited information is relevant to both companies they are referred to as TFK.Group, despite it not being a separate legal entity.

TFKable and JDR publish consolidated financial statements that include all their production daughter companies.





Table 1. Organisational structure of TFK.Group

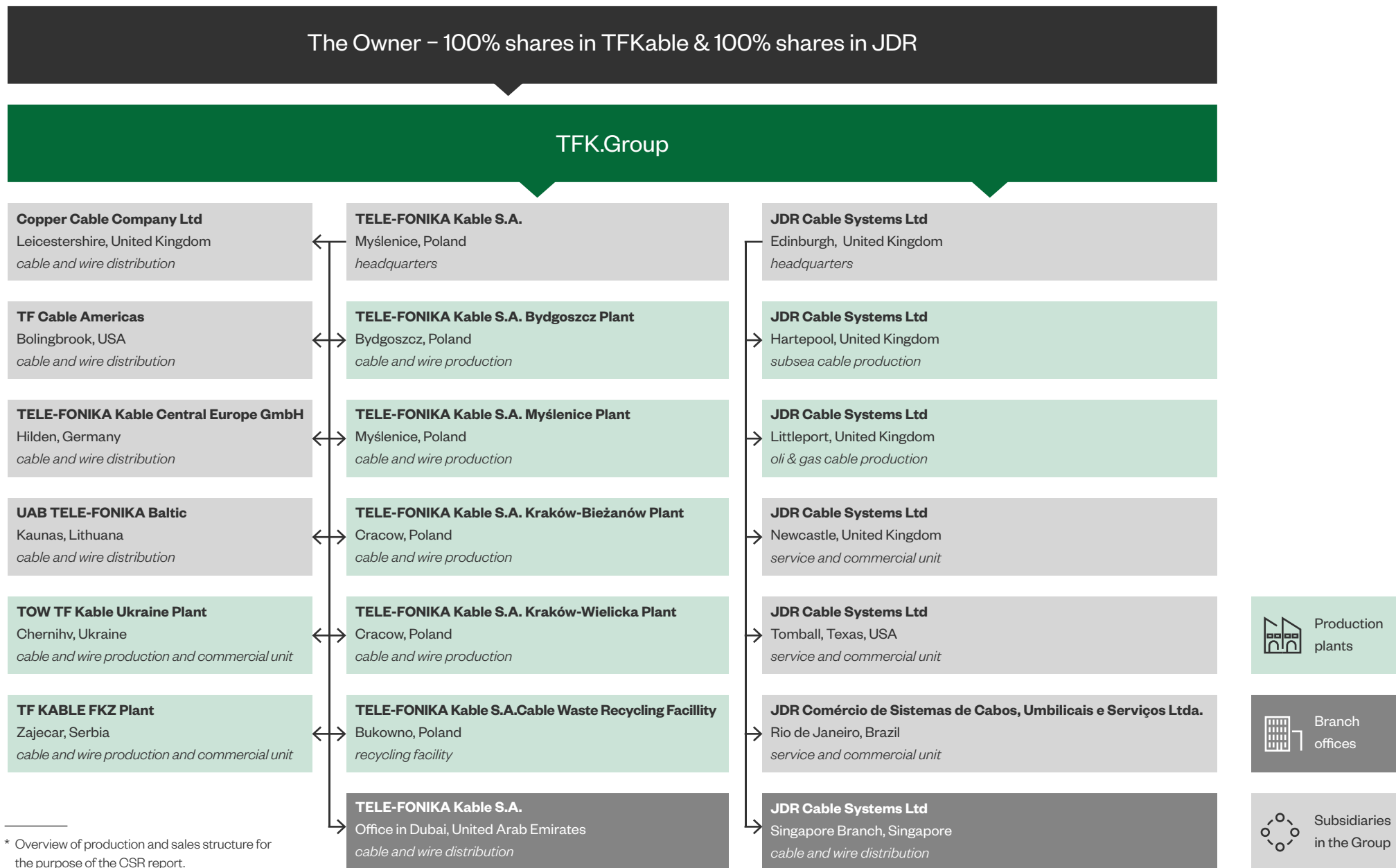


Image 3. Scale of the organization

GRI 102-7

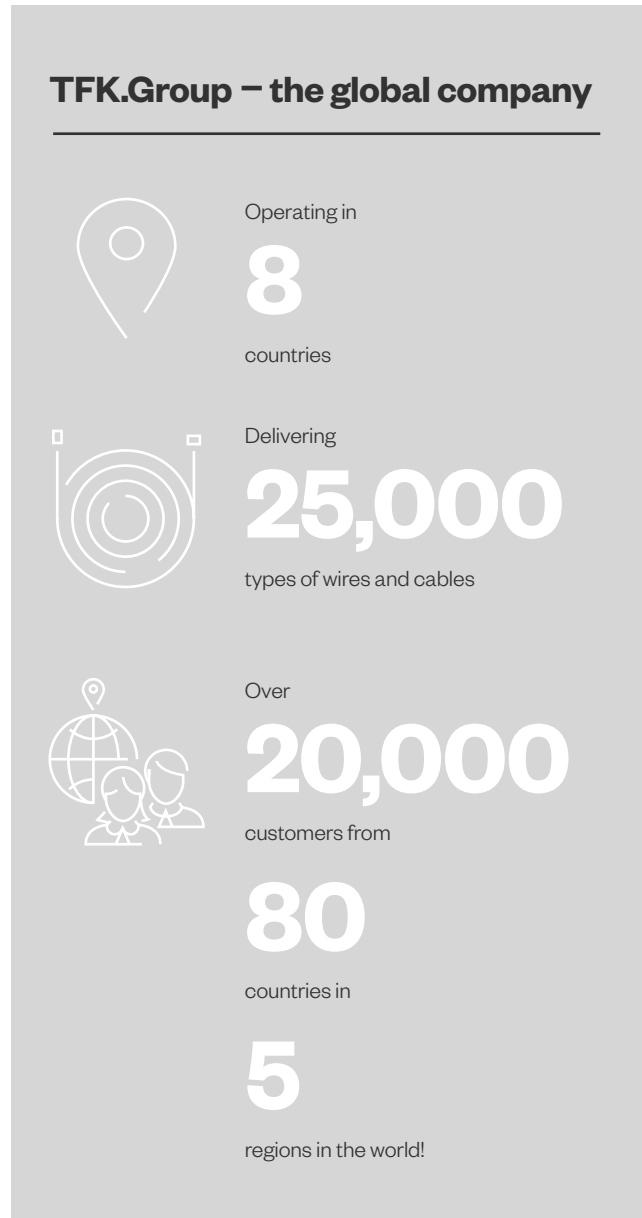
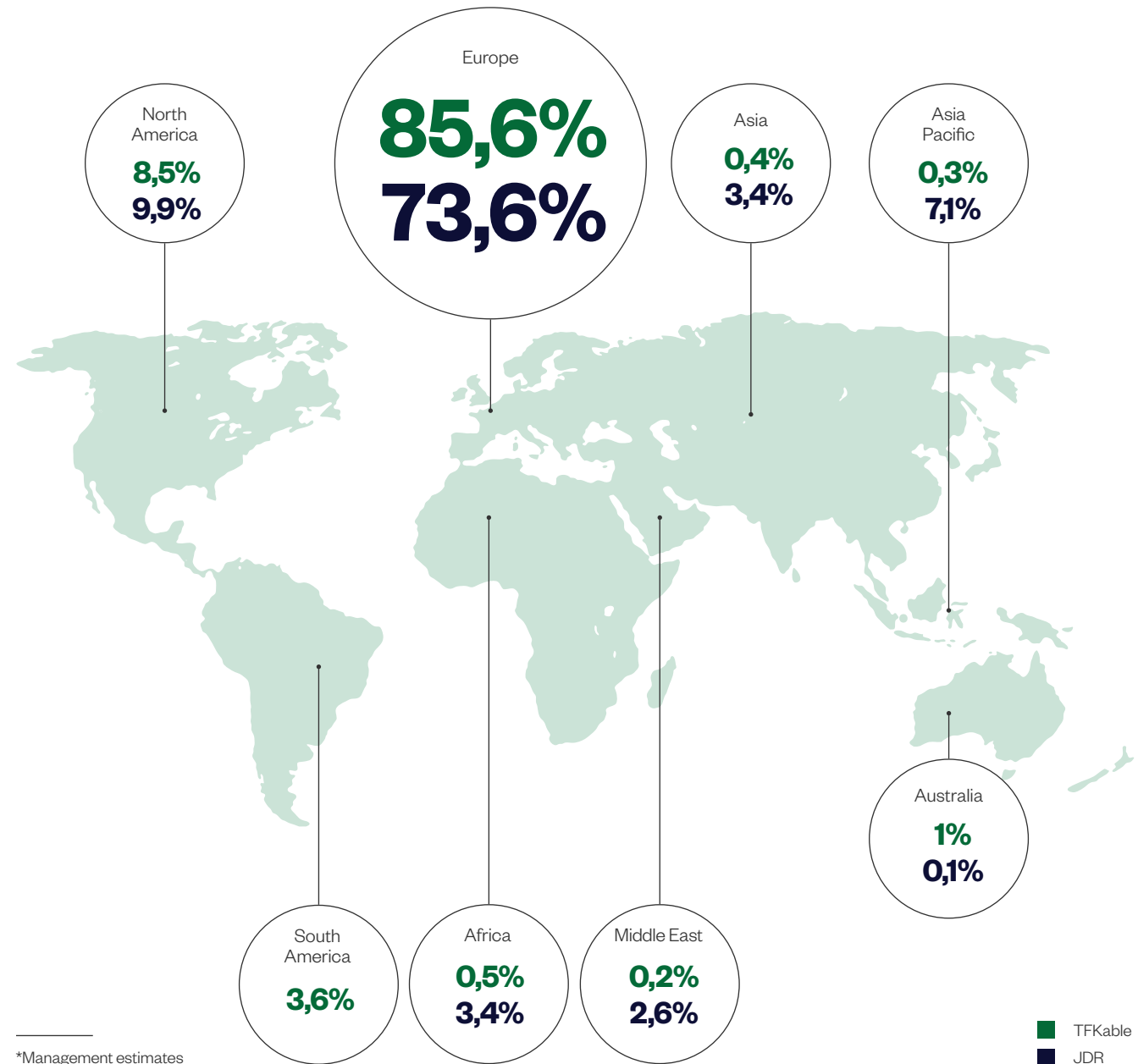


Image 4. Sales by region and key markets in 2020



## Economic value

GRI 102-7, 201-1

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

Table 2. Key TFK.Group's financial data for 2019 and 2020

Metrics	Value [1,000 EUR] in 2019	Value [1,000 EUR] in 2020
Total Assets	783,077	685,704
Equity	178,916	171,272
Total turnover	925,728	777,447
EBITDA	58,096	57,435
Current income tax	8,051	6,230
Net profit	1,781	1,258
CAPEX	18,317	21,347

Financial data for 2019 presented above include adjustments made in the 2020 financial statement and therefore differ from data presented in CSR report for 2019.

Exchange rates of Polish zloty (PLN) to euro (EUR) applied in financial reporting.:

Year	Balance sheet rate	Result rate
2019	4.26	4.30
2020	4.61	4.47

Exchange rate values were rounded up to two decimal places.

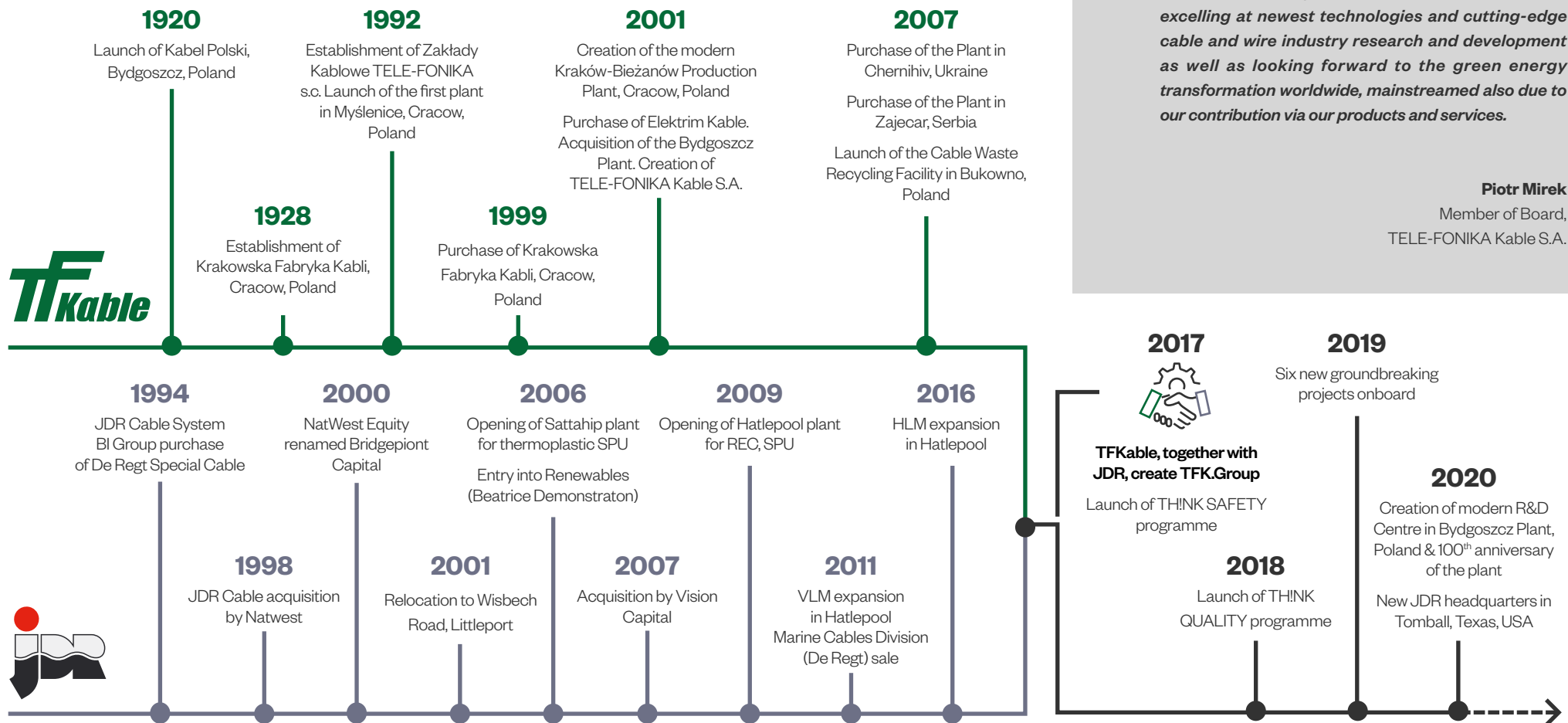


## 2.2 History and strategy

Our experience dates back to the early 20<sup>th</sup> century. TFKable started as a family business with one plant that distributed cables domestically. Our Kraków-Wielicka Plant for 60 years served as the biggest power cable and wire manufacturing facility in Poland. Driven by its strategic growth, on August 29<sup>th</sup>, 2017 TFKable acquired JDR. The increase

in assets went hand in hand with valuing the experience and skills of workers from the acquired plants. Today, TFK.Group builds on more than 25 years legacy of TFKable and JDR's position on the market. It has transformed into a global leader in the cable and wire industry, contributing to the development of economies across continents.

Image 5. History of TFKable and JDR



*2020 marks 100 years of continuous operation of our plant in Bydgoszcz, Poland. We might be rooted in tradition and strategy passed through generations, yet we are reaching towards new horizons. We aim at excelling at newest technologies and cutting-edge cable and wire industry research and development as well as looking forward to the green energy transformation worldwide, mainstreamed also due to our contribution via our products and services.*

**Piotr Mirek**

Member of Board,  
TELE-FONIKA Kable S.A.

## Our strategy

Our business model creates value for customers through the use of four key company's resources – **our strategic development pillars.**

Table 3. Strategic development pillars of TFKable

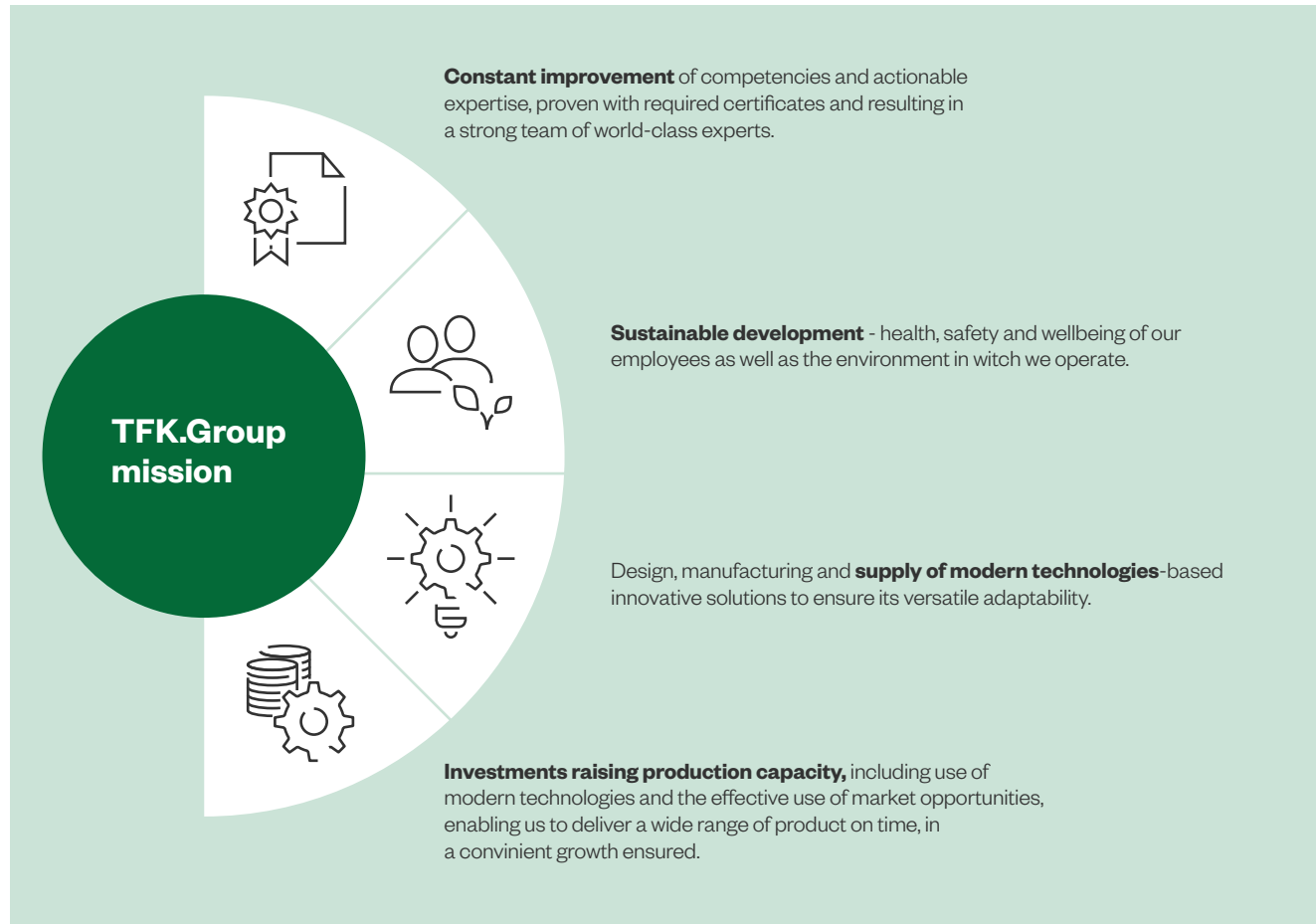
<p>Pillar 1 <b>Commodity</b></p>	<p>Development in this area involves managing business relations with numerous suppliers of TFKable to guarantee optimal raw material prices. At the same time, this should limit the risk of disruption to the supply and manufacturing process. This strategy allows for expanding the sales volume of products. Its purpose is to reinforce the position of TFKable as a leader in key markets, to increase the process efficiency and reduce cost and to maintain competitive advantage.</p>
<p>Pillar 2 <b>Speciality cables</b></p>	<p>Our goals in this area are focused around selective production development and sales of cables and wires to customers operating in market segments aligned with TFKable.</p>
<p>Pillar 3 <b>Cable solutions</b></p>	<p>Growth in this area means continuing to manufacture and sell high and extra-high voltage cables together with accessories, as well as further cooperation with customers to whom we deliver undersea cables.</p>
<p>Pillar 4 <b>Acquisitions</b></p>	<p>Development in this area entails acquiring entities in attractive market segments, while considering geographic diversification.</p>



## 2.3 Corporate governance

We understand corporate governance as the daily operation, management and supervision of an organisation which is based on the highest corporate standards and applicable law. This results in sustainable, transparent and trusted relationships with employees, suppliers, partners and investors which form a stable environment for successful thriving on global markets.

Image 6. Four elements of TFK.Group mission



### Results? Let's see!

#### Think Quality

Bydgoszcz Plant is equipped with Extra High Voltage Laboratories with 3 Faraday chambers for routine testing, type testing and cable systems testing along with an impulse generator and its own prequalification (PQ) tests field with 500 kV test system and sets of 5,000 A heating transformers.

#### Think Green

Serving as sustainability leaders in the industry, we have implemented environmentally friendly technology – our **cable waste recycling facility in Bukowno**, Poland (currently under modernisation) has the capacity to process up to

**10,000 tonnes**

**of cable waste per year**, which means we recover fractions with a **purity of over**

**99.5%**

## Governance structure

GRI 102-18, 102-19, 102-22

### TFKable

TFKable is a joint-stock company. According to the Code of Commercial Companies (Journal of Laws 2000 Nr 94 item 1037) this means decisions regarding company matters are made by the General Meeting of Shareholders and the Management Board. The responsibilities of these bodies are compliant with the aforementioned Code and Articles of Association of TFKable.

**The sole shareholder and owner** of TFKable and JDR is Bogusław Cupiał.

**The General Meeting of Shareholders** is Bogusław Cupiał as the sole shareholder and owner of the company.

**The Supervisory Board** has permanent supervision over the activity of TFKable in all areas of its operation. The Audit Commission is a permanent commission appointed at the Supervisory Board. Issues pertaining to the functioning of the Supervisory Board, not regulated in the Code of Commercial Companies, are specified by the Supervisory Board Code adopted at TFKable. The Supervisory Board currently consists of five men.

**The Management Board** of TFKable, the dominant company of TFK Group, serves also as the Management Board of the TFK.Group. Board members are responsible for specific operational areas of TFK.Group. The Management Board of TFKable comprises of four people –one woman and three men. These are:

- Chief Executive Officer,
- Vice-President of Board, Treasury, M&A, Investor Relations,
- Member of Board, Director of Bydgoszcz Plant,
- Member of Board, Director of Południe Plant.

Issues related to the Board's operations, not regulated by the Code of Commercial Companies, including the management of organisation and certain procedures, are specified by the internal **Management Board Code**.

### JDR

JDR Cable Systems Limited is governed by a **Board of Directors**. The Board of Directors of JDR Cable Systems Ltd is comprised of a number of the Executive Management teams of TFKable and includes the **JDR Chief Executive Officer (CEO), Chief Technology Officer (CTO), Chief Operating Officer (COO) and Chief Sales Officer Renewable Energy (CSO) since 2020**.

Reporting to the **CEO** of JDR is the JDR's **Executive Management Team**, which is assigned the relevant roles and responsibilities to operate the business.

For some elements of internal and external social responsibility, JDR Hartlepool, Newcastle and Littleport facilities operate **an Employee Forum** – one for joint Hartlepool and Newcastle location and one for Littleport. This body has the purpose of discussing wider matters for the business and its staff.

JDR also operates a **Charity Committee** which is tasked with selecting the nominated charities for the organisation on an annual basis, and organising charity events and fund raising.

The **CEO** of JDR provides the leadership commitment to the policies of the organisation, including Health & Safety, Environment, Quality, Ethics, Anti-Bribery and Corruption, as well as Privacy Policy.

The **CTO** acts as the **Compliance Officer**, and leads the organisation in the review of Anti-Bribery and Corruption Procedures, Modern Slavery Compliance, Gifts and Hospitality Register Review, and confidential whistle-blowing hotline review.

The **Data Protection Officer (DPO)** is responsible for ensuring JDR's Data Protection policies are compliant with the regulations. The DPO reports to the TFKable and JDR Boards.

Table 4. Corporate Governance Structure

The Owner of TFK.Group	
TELE-FONIKA Kable S.A The General Meeting of Shareholders	JDR Cable Systems Ltd The General Meeting of Shareholders
The Supervisory Board	The Board
The Management Board, including Chief <ul style="list-style-type: none"> <li>• Chief Executive Officer,</li> <li>• Vice-President of Board, Treasury, M&amp;A, Investor Relations,</li> <li>• Member of Board, Director of Bydgoszcz Plant,</li> <li>• Member of Board, Director of Południe Plant.</li> </ul>	Board of Directors: <ul style="list-style-type: none"> <li>• Chief Executive Officer (CEO),</li> <li>• Chief Technology Officer (CTO),</li> <li>• Chief Operating Officer (COO),</li> <li>• Chief Sales Officer Renewable Energy (CSO).</li> </ul>
Departments, including HR and enviroment	Departments, including HR and environment, Employee Forum, Charity Forum.

## Excelling at risk management

GRI 102-11, 102-15

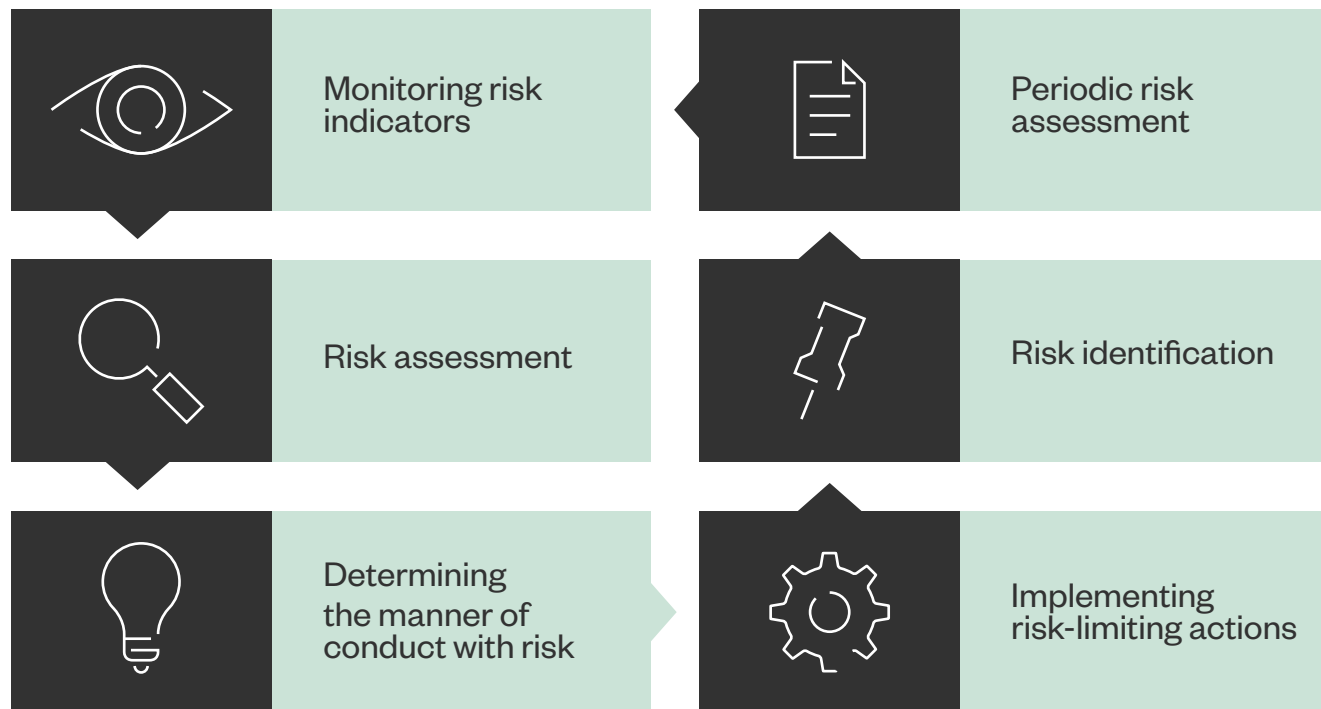
Risk management lies at the core of TFK.Group's corporate governance. And at the foundation of our risk management process lies the precautionary principle – meaning that we do not undertake any decisions or operations without prior risk assessment. By risk we understand not only the risk to the TFK.Group itself, but also to communities we operate in as well as the environment. Therefore, we make sure that precaution is the overarching philosophy for each of our decision-making processes.

As a company operating on a global scale, we are influenced, among others, by:

- competitive marketplace,
- global fluctuations in demand and commodity pricing,
- increasing customer expectations and complex supply chains and operations,
- customer insolvency,
- changes in prices of copper and other raw materials,
- financial risks, such as currency risk, liquidity risk,
- changes in managerial staff or loss of assets.
- COVID-19 pandemic,
- Brexit,
- supply chain operations.



Image 7. Risk management process at TFK.Group



Therefore, in order to ensure our primary goal – manufacturing and efficient delivery of high quality products on location and on time – we examine and diagnose risks and opportunities in key areas of our operations, especially in the distribution and energy segments.

This approach allows us to make good business decisions i. e. ones which will enable us to continue to deliver safe, technologically advanced cables and wires, while minimising the environmental impact of our manufacturing activities, developing innovations and maintaining our position as one of the leading cable manufacturers in the European and global market.

Risk management process is the basic tool we use to continuously examine risks and opportunities across all of our operations and to take appropriate action. This approach consists of several stages during which we identify and assess risk, monitor it, report it and check the effectiveness of our risk reduction measures. The risk management process is supported by internal policies which regulate conduct in key areas of the company's operations. We follow industry management policies and standards which are regulated through suitable certificates and permits.



## COVID-19 pandemic response in TFKable and JDR

A global pandemic is one of the greatest risks TFK.Group ever faced. Due to our precautionary approach, our multi-dimensional and immediate response allowed for uninterrupted operation of our facilities, despite numerous challenges. COVID-19-related risk management included financial liquidity risks, supply chain risks, operational risks as well as risks concerning human resources and health & safety.

On the strategic level, TFKable Board of Directors established a team responsible for the business impact of the SARS-CoV2 coronavirus outbreak response. The team consists of members from various business areas and a lawyer. The team has been working continuously till date.

### The main tasks of the team are:



monitoring the internal situation,



monitoring the legal environment related to COVID-19,



monitoring of individual stages of the supply chain, including the ability to fulfill contractual obligations by suppliers, financial obligations by recipients,



developing internal procedures to prevent SARS-CoV2 presence among employees and contractors,



maintaining stock levels of disinfectants and personal protective equipment,



accounting for COVID-19 costs on an internal accounting account,



managing internal correspondence to employees,



drafting replies to letters and enquiries from contractors,



cooperation with state bodies involved in the fight against pandemic.

### On the operational level, TFKable implemented, among others:

- (virtual) meetings with stakeholders,
- surveys with suppliers,
- cybersecurity and effectiveness solutions related to the home office work,
- system of internal digital trainings and verification of achieved results on Moodle platform.




## 2.4 Ethics and values

GRI 102-16

### Values, principles and norms of behavior

After acquiring JDR, one of the biggest challenges we face is the coherent merging of both companies' internal cultures in a way that is enriching for both and serves TFK.Group as a whole. Despite differently formulated values in the, so far, independent entities, we share the common ground of aiming to conduct business with the highest standard of ethical behavior.

Table 5. Values of TFK.GROUP

 <b>Values of TFK.GROUP</b>	
TFKable	JDR
<b>Reliability</b> Reliable and efficient products, professional services and expert knowledge.	<b>Health, safety and environment</b> Always our priority.
<b>Integrity</b> Acting properly, earning trust & respect.	<b>Customer focus</b> Working in partnership with our customers.
<b>Responsibility</b> Respect for human dignity, rights and freedom.	<b>Leadership</b> We lead by example, at all levels.
<b>Passion</b> Inspiration, creativity and expanding our knowledge & competences	<b>Agility</b> Responsiveness to the needs of our customers.
<b>Governance</b> To be proud of our products and services.	<b>Ethics and integrity</b> Honesty, fair play and respect.
<b>Innovation</b> We work together within a safe, communicative and transparent organisation.	<b>People</b> We care about our employees and the communities in which we operate.
<b>Teamwork</b> Encouraging responsibility, development, leadership and equality.	<b>Quality &amp; innovation</b> better ways of doing things, every day.

### Documents on ethics

GRI 205-2



#### Code of Professional and Ethical Conduct @TFKable:

- main document framing our values, principles and behaviour norms for employees at all levels of the company's day-to-day operations,
- mandatory induction training for all employees,
- ensures **a no tolerance policy on corruption and unethical behaviour** of any sort and compliance with the rules of **non-discriminatory selection and treatment of contractors, as well as forbids any forms of retaliation against employees who reported suspected or actual infringement/abuse.**



#### Code of Ethics @JDR:

- **applies to everyone working for and with JDR** including full time and part time employees, temporary staff and those who conduct business on our behalf,
- regulates working relationships, health and safety and human rights rules on respecting the environment and communities, engaging in and supporting political activities as well as management of information and company's property.

We treat our customers, suppliers and other third parties with integrity and professionalism at all times. Both TFK and JDR are also committed to working only with third parties whose standards are consistent with our own. This includes customers, contractors, suppliers, partners and agents. We also treat the data of our stakeholders with utmost respect and have implemented the General Data Protection Regulation.

## Standards for work relations

Our employment policy is driven by respect for every employee, protection of human rights and creation of a work environment in which everyone feels valued with equal opportunities for all. We behave towards each other with integrity, honesty, courtesy, consideration, respect and dignity. We are committed to helping our employees achieve their best.

### Our fundamental rules on work relations include:

- equal opportunity and diversity of employees,
- personal dignity and the right to privacy,
- no tolerance for harassment, bullying, abuse, discrimination, coercion, threat, insult, exploitation, with sensitivity towards cultural differences,
- statutory minimum wage,
- conformance with the general regulations on the work time, in line with the laws,
- ban on child labour,
- appropriate working conditions according to occupational health and safety regulations.

## Reporting misconducts

TFKable has internal mechanisms for reporting both misconducts – unethical and/or illegal activities – as well as concerns.

### TFKable employees can, among others:

- leave messages in a contact box available at each plant, administered by the Human Resources and Administration Department;
- send messages to [kadry@tfkable.pl](mailto:kadry@tfkable.pl);
- report misconducts/concerns to trade unions;
- refer to regulations included in the **Internal Anti-harassment Policy**, whose purpose is to counter violence and discrimination in the Group's daily conduct. An employee who considers themselves the subject of harassment, may report this fact orally, in writing or by e-mail as a complaint to the Director of Human Resources or directly to the Management Board. Complaints may be filed by every employee who believes that somebody has been harassed;
- possibility of filing formal complaints and requests. Reported doubts are treated as confidential matters. Only those involved in a given case have access to information about the process of verifying reports of unethical or unlawful conduct. The Head of

Human Resources and Administration is responsible for the proper functioning of the reporting mechanisms.

### No cases of corruption were registered in 2020.

At JDR, any serious concern should be voiced with trust. All issues raised are treated with utmost importance and confidence. To report a concern non-JDR employees should contact personal assistant to the Compliance Officer in JDR's headquarters in Littleport. JDR staff has access to a confidential reporting service – by telephone and online.

## Advice on ethical matters

GRI 102-17, 205-3

TFKable has internal mechanisms in place that enable employees to obtain information on ethical and legal behaviour and corporate integrity issues. In case of doubt, employees and other personnel may submit remarks and requests for information and interventions to independent trade unions operating within the company.

The manner in which a company employee can obtain assistance from trade unions is determined in the **Complaints Procedure**. All requests for information are treated with confidentiality.

## Anti-bribery and anti-corruption policies

GRI 205-2

Both TFKable and JDR operate under strict "no tolerance for bribery and corruption in all its forms" policy, according to internal norms and standards, as well as common laws in both Poland and UK.

The JDR **Anti-bribery and Corruption Policy** sets out our anti-bribery and corruption rules and expectations towards employees and third parties representing or dealing with JDR, as well as provides all necessary information on, among others, understanding and recognizing bribery and corruption, available trainings.



## Human rights

### Social and human rights screening of suppliers

GRI 412-3, 414-1

Both TFKable and JDR operate under the rule that wherever we work in the world, we will ensure that we do not exploit anyone. We uphold the rights of all those who work for or with us, and of the communities in which we operate. This means refusing to do business with any individual, company or organisation that fails to uphold the standards and principles of basic human rights, as set out in the United Nations Declaration of Human Rights, International Labour Organisation's standards and national legal requirements.

### The Conflict Minerals Policy

The **Conflict Minerals Policy** is one of key policies for TFKGroup. We do not buy tin from regions affected with armed conflicts. Some of the raw materials used by the industry have their global production concentrated in such areas e.g. in the Democratic Republic of Congo and neighbouring countries, where extraction is linked to illegal activities and human rights violations. For this reason, we require all our tin suppliers to declare their sources up to refinery level. Based on this principle, we only work with companies that can confirm legality of their sources. This way we are able to strive towards more transparent business ethics and social responsibility throughout the entire supply chain.

### Modern Slavery Statement

Both TFKable and JDR are committed to ensuring that the human rights of people that work with us and those working within our supply chains are protected. We do not tolerate any forms of slavery or human trafficking in our business and supply chain. Both TFKable and JDR have adopted an **Anti-Modern Slavery and Human Trafficking Policy**, updating our terms and conditions of purchase and annually carrying out a due diligence process on our suppliers. The Policy is coherent with our **Integrated Management System** based on ISO standards.

### Significant investment agreements and contracts regarding human rights

GRI 412-3, 414-1

At TFKable, one of the suppliers' evaluation criteria is the supplier's self-assessment survey that includes an "Ethics" part, which we send once a year to all our suppliers from the **List of Accepted Suppliers**. In addition, the topic of ethics is discussed during internal audits at suppliers. This questionnaire is also filled out by the potential supplier and sent back to TFKable.

In 2019, JDR created a **Supplier Declaration** to align its supply chain with its **Code of Business Ethics**. The declaration itself covers areas such as Modern Slavery and Child Labour through to the use of Conflict Minerals within its products. Ongoing due diligence is supported by a regular questionnaire and follow-up as necessary.

In 2020, JDR further aligned with its customer base and deepened its commitment by the introduction of a full **Human Rights Due Diligence** process which will flow down into the tiers of its supply chain. It will be built around the requirements of Articles 18 & 19 in the "Guiding Principles on Business and Human Rights" issued by the United Nations. This integrated process will access its entire supply chain against country, commodity and industry risks. By utilising internationally recognised Human Rights indexes, JDR will identify any areas of concern within its supply chain and engage through development and audit activity with the support of its customers to improve overall performance in this area. In 2020 JDR also integrated its requirements towards suppliers into a comprehensive **Responsible Sourcing Code**.





# 3

## Sustainability →

### Key highlights:

- Sustainability management: our approach, impacts we are exposed to and CSR policy
- Our stakeholders: who they are and how we do manage them, our supply chain
- TFK.Group in the industry: our membership in industry organisations, conferences and fairs and TFK Academy
- Local communities: our engagement in local communities



# Key data & facts



In 2020, we celebrated

# 90<sup>th</sup>

anniversary of  
a voluntary Firefighter Brigade



We have a

# CSR Policy

in place at TFKable

Every year we receive the

# ECO-Vadis rating



# ISO and REACH

are some of the assessment criteria for  
our suppliers



TFKable Academy: 25 trainings for

# 730

participants in 2020



TFK.Group is an active member of

# 29

industry associations



TFKable received an honourable  
mention in the

# Sustainable Development Leaders

2020 category



*Year 2020 was challenging for everyone, especially in terms of business responsibility towards employees and partners. It was a period with a high level of activity within the industries we serve, requiring intense communication with our suppliers, customers and local communities. This difficult time forced changes in the tools of communication and necessitated an increase in the frequency of communication, enhanced stakeholder dialogues and sharing of ideas to sustain operations throughout the businesses. At the same time, as TFK.Group, we continued to implement the principles and tools of sustainable development, which resulted, among others, in distinction in the Sustainable Development Leaders 2020 category during the 2nd Family Business Congress.*

**Bartłomiej Zgryzek**

Vice President,  
TELE-FONIKA Kable S.A.

# 3.1 Sustainability management

GRI 103-1, 103-3

2020 has shown how important it is to implement the principles of sustainable development in everyday business activities. Managing non-financial risks and good relations with stakeholders are the basis of the organisation's resilience and building its value.

## At TFK.Group we do this on many levels:



From the analysis of risks and trends,



monitoring the impact of our activities and products on the environment and our surroundings,



through implementing a series of policies and procedures,



to reporting and evaluating for continuous improvement.

## Sustainable Development Leaders 2020

TFKable received a honourable mention in the **Liderzy zrównoważonego Rozwoju 2020** (Sustainable Development Leaders 2020) category during the 2nd Family Business Congress. It is one of the most important events organised by the FORBES magazine (Polish edition). It integrates Polish family owned businesses of all sizes, from the largest to the smallest.

## Sustainability management

Sustainable development management covers the entire value chain of TFK.Group. This is reflected in policies and procedures implemented at different stages, for example:

- Raw Material Sourcing – Conflict Minerals Policy.
- Production – Quality, Health and Safety and Environmental Policy (QHSE).
- Sales and partner relations – Anti-corruption policy.
- Employee management – Code of Ethics.

Full list of TFK and JDR policies – page 34

## Corporate Social Responsibility Policy

**From 2019, TFKable has a CSR Policy that defines our goals:**

- We invest in safety and comfort at work.
- We have adopted the Code of Professional and Ethical Conduct.
- We support our staff's development through implementation of training programmes for our employees.
- We conduct business in an environmentally responsible manner.
- We implement the principles of Corporate Social Responsibility in our supply chain.

**We evaluate the progress in the implementation of sustainable development every year by:**

- Publishing a Corporate Social Responsibility Report prepared in accordance with the standards of the Global Reporting Initiative. Reports are available on our website ([CSR – TFKable](#)).
- Passing the audit of Eco-Vadis – a rating company focused on sustainable procurement and supporting international organisations in reducing risks and stimulating innovation through sustainable development.



## Non-financial risks

The starting point for managing sustainable development is continuous analysis of the surrounding environment. We consider operational and financial factors and track megatrends that could affect our business and use them as the basis for sustainability and resilience. The pandemic and Brexit were key factors influencing TFK.Group in 2020.



Image 8. Key factors, that influence our operations<sup>1</sup>

GRI 102-15



### OPERATIONAL

1. Technology obsolescence
2. Quality
3. Suppliers
4. External and internal fraud
5. Health and safety



### FINANCIAL

1. Climate change and low-carbon strategy as part of green financing
2. Cost and availability of raw materials
3. Transparency and investor expectations
4. Environmental regulations



### MEGATRENDS

1. Macroeconomic factors
2. Geopolitical factors
3. Urbanisation & Smart cities
4. Energy revolution

<sup>1</sup>Detailed explanation of each factor – see page 34, more information about risk management – see Chapter 2, page 16



## 3.2 Our stakeholders

Awareness of the needs, expectations and possible influence of our stakeholders on our business has been an important aspect of our strategy<sup>2</sup> for many years. We have strong roots within local communities. Our active presence and dialogue within the industry, and close relations with our suppliers and customers are the basis of TFK Group's competitiveness.

### Stakeholders groups

GRI 102-40

We divide our stakeholders according to the degree of relationship and the level of impact. We use this knowledge to build relationships based on a different set of measures and tools, so as to adjust the means of communication to the needs and expectations of individual groups of stakeholders. The tools we use and corresponding groups are listed below.

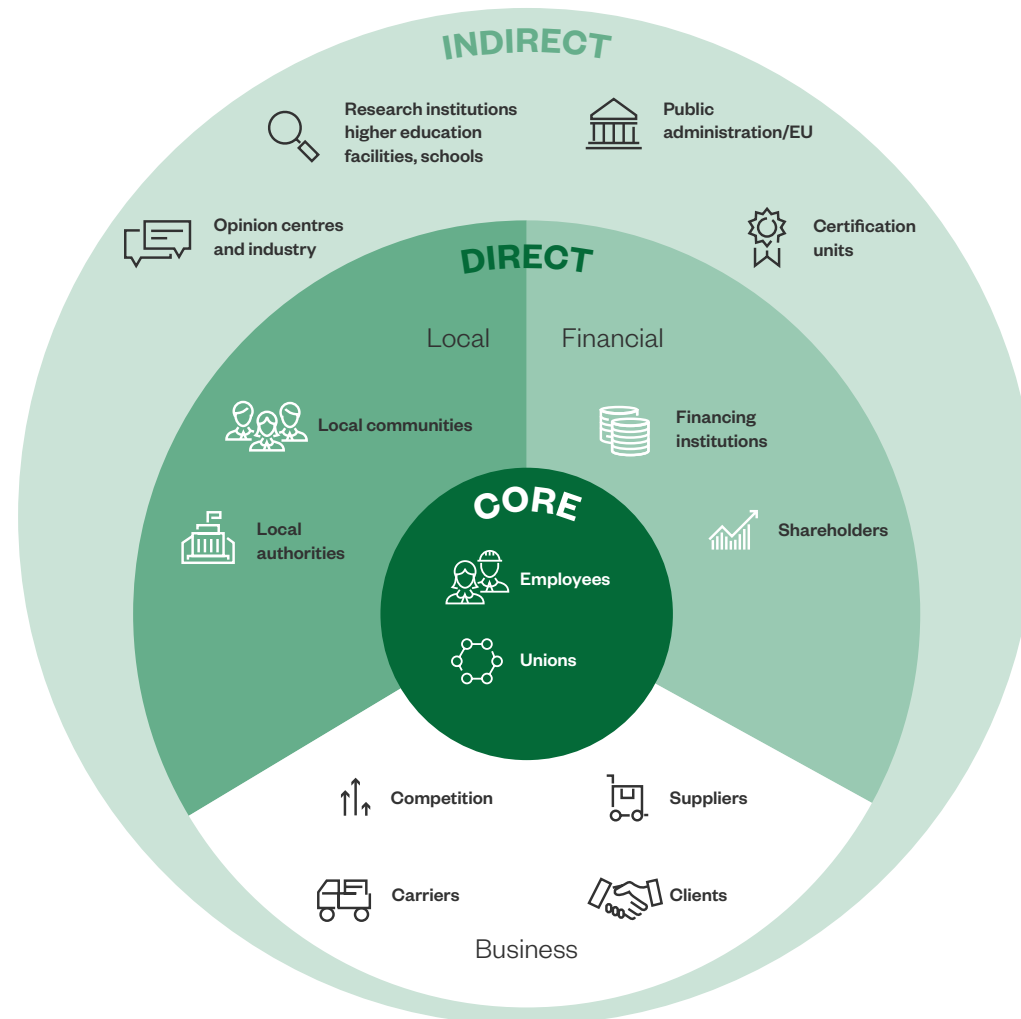
**ENGAGING** – groups of stakeholders of the highest importance for our business. We strive for close relationships with this group and engage it in our activities.

**INFORMING** – these stakeholders have either high significance or high potential impact on our operations. We need to keep them fully informed and contented.

**MONITORING** – stakeholders in this area need to be monitored for attitude and expectations.

Image 9. Map of stakeholders

GRI 102-42



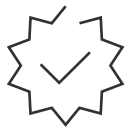
<sup>2</sup> Full list of topics and concerns raised by each group of stakeholders – see page 35

# Stakeholder dialogue

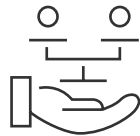
GRI 102-42, 102-43

By being aware of the interactions, setting priorities, means and communication tools, we enable ourselves to be properly prepared and react when it is required. Our dialogue with the stakeholders is based on principles such as inclusion, relevance and responsiveness, and it is a part of our daily business activities.

**We spare no effort to ensure that our communication is:**



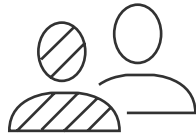
**adequate**



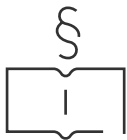
**ethical**



**reliable**



**non-discriminatory**



**legal**



**honest**

Table 6: Communication tools and methods

GRI 102-43

## Shareholders

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

## Employees Unions

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

## Financing institutions

- Meetings\*
- Reporting

## Public administration / EU

- Reporting
- Consultations
- Working groups\*

## Competition

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

## Suppliers Carriers

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

## Clients

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

## Local authorities

- Meetings\*
- Reporting

## Local communities

- Meetings\*
- Charity and sport activities
- Factory visits\*

## Certification units

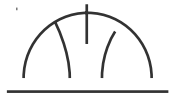
- Meetings\*
- Audits
- Reporting

\* In 2020, cancelled or limited due to COVID-19

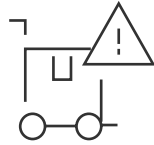
## Supply chain

GRI 102-9, 102-10

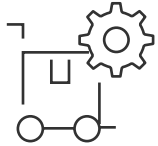
Supply chain management nowadays determines the competitiveness of our business. TFK.Group's activities in this area are based on clearly defined goals and principles:



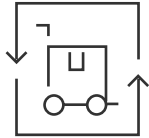
**safety and quality**



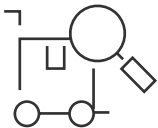
**supplier risk assessment**



**supplier management and performance evaluation**



**maintaining security and longevity of supply**

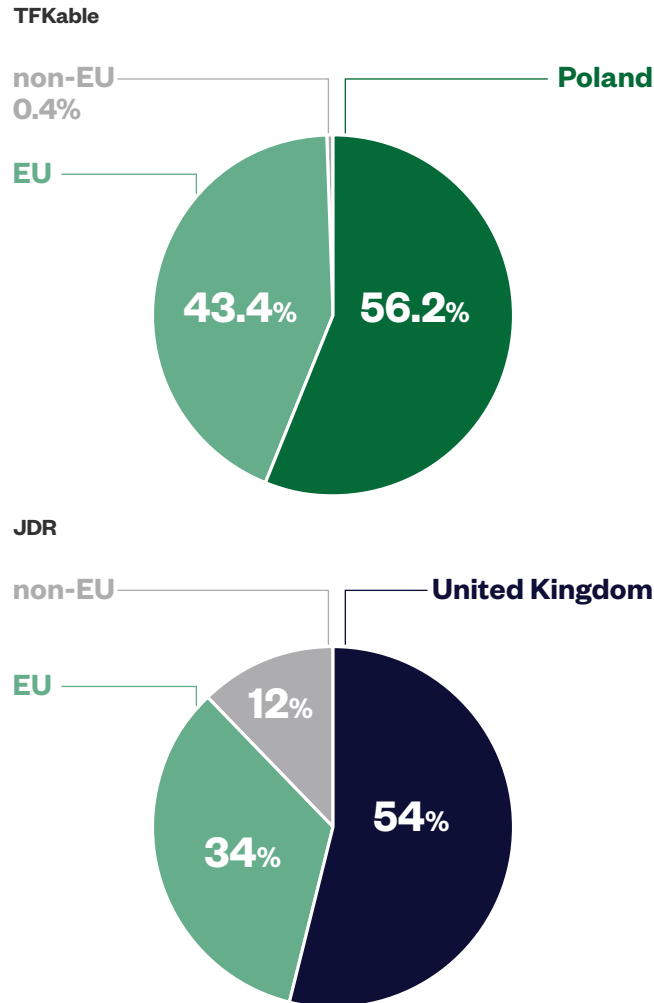


**identification of critical suppliers, commodities and materials**

## Our suppliers

TFK.Group sources supplies from local and EU markets. We always prioritize deliveries from local suppliers, as a result we impact the local economies in a positive way – creating new jobs and increasing income for households.

Image 10. Geographical breakdown of raw material purchases



### JDR Responsible Sourcing Code – to be implemented in 2021

We recognise the critical role our suppliers play in helping us to source responsibly and sustainably. Our Responsible Sourcing Code for suppliers planned for implementation in 2021 provides the foundation for our continuous engagement with suppliers and dialogue in good faith on their ethical, social and environmental performance.

It sets out our expectations regarding basic compliance with applicable law, respect for labour and human rights, environmental management and anti-corruption. This code is an integral part of our relationships and part of all contracts with suppliers.



# 3.3 TFK.Group within the industry

GRI 102-12, 102-13

An important aspect of our operations is being actively present within the industry, we accomplish this through membership in **29 industry associations and organisations**, and participation in top events (conferences and fairs). We are also involved in educational activities through our projects Akademia TFKable.

## Key industry organisations<sup>3</sup>:

- EUROPACABLE
- International Cablemakers Federation
- WindEurope
- Offshore Wind Industry Council (UK)
- American Wind Energy Association
- PIGE: Polska Izba Gospodarcza Elektrotechniki (Polish Economic Chamber of Electrotechnics)
- Umbilical Manufacturers Federation
- British Cable Makers Association
- Renewable UK
- NOF Energy
- PSEW: Polskie Stowarzyszenie Energii Wiatrowej (The Polish Wind Energy Association)
- PTMEW: Polskie Towarzystwo Morskiej Energetyki Wiatrowej (Polish Offshore Wind Energy Society)

2020, despite appearances, was a period of increased activity of industry organisations. This was a result of joint actions in response to the pandemic and the subsequent necessity to change the way events are organised – many important industry events were cancelled, while some were carried out online. In total, we participated in 13 such events. At the same time, Brexit was a crucial factor driving industry activities. TFK Group activities within key associations, incl. NOF, Renewable UK, BPCC and Europacable have been maintained at the required level.

<sup>3</sup> Description of each organisation and our role in it – see page 36



## Vision for Development Forum

The third edition of the largest economic event in Northern Poland was held on August 24th-25th, 2020. The agenda included several dozen panels covering a wide range of key issues from the point of view of economic development and the challenges we will face during the crisis caused by the pandemic. Since the first edition of the Forum, one of the leading themes was maritime economy. Hence the active presence of TFKable. Piotr Mirek, Director of Bydgoszcz Production Plant, Member of the Management Board of TFKable. He participated in two discussion panels:

- “Integration with the Electric Power Network” within the “Offshore wind power” theme,
- “Independence of the economy from foreign production” within the “Challenges” theme.



## Global Offshore Wind

JDR actively participated in the Global Offshore Wind 2020 online edition exhibiting and running a virtual career fair during this event to engage students aged 15 to 23. The event allowed participants to immerse themselves in the fascinating world and topic of offshore wind energy and its role in green economic recovery. The conference programme included insights and case studies from industry and science experts on topics such as Operations & Maintenance, Floating Wind and Net Zero. International challenges and opportunities, barriers and innovations were also discussed. The fair included a network of over 4,000 participants and 70 exhibitors from the entire offshore industry, enabling knowledge acquisition and networking.

## Education

As part of the Akademia TFKable, in 2020, we organised a number of webinars and training sessions using the hybrid model, for example:



autumn edition of seminars for designers and installers of power grids



e-training “CPR Regulation and new products in offered by TFKable Group”



e-training “Cable and wire fire tests”



internal webinar “Renewable energy – onshore and offshore cables”



## Akademia TFKable (TFKable Academy)



An educational project carried out in the form of lectures and seminars, aimed at developing the knowledge and competences of our employees, which translates into better customer service thanks to the identification of their needs. Akademia TFKable is also a knowledge base for new employees and increases our attractiveness as an employer by supporting the creation of a learning organisation. Each training session ends with a participant knowledge test and an evaluation questionnaire. Participants receive certificates after completing each series of training.



## Strefa Projektanta



A platform for exchanging knowledge about TFKable products, current industry trends and applicable regulations and requirements. The website [www.strefaprojektanta.tfkable.com](http://www.strefaprojektanta.tfkable.com) contains a knowledge base, information about our seminars and tools that enable contacting experts quickly.

## Europacable CPR Campaign



All cables intended for permanent installation in buildings are subject to the requirements of the Construction Products Regulation (CPR). TFKable, in collaboration with Europacable, started the next phase of the new "INSIDE CPR" information campaign in 2020. The campaign aims to support stakeholders in making the right choice when purchasing cables based on CPR principles. We strive to raise the awareness of all market participants.

### Are you aware of your responsibilities?



#### Authorities

- Regulate fire resistance of cables through CPR Classification
- Survey the market for correct application of the CPR Regulation



#### Specifiers

- Evaluate possible risks must prescribe the level of fire performance required using the CPR classification
- Evaluate eventual specific risks, which means understanding the level of fire performances of the cable



#### Wholesalers

- Ensure that they only market cables that comply with the CPR requirements
- Be sure that the product bears the CE marking and is accompanied by the documents required by CPR



#### Installers

- Follow national installation standards
- Only install CPR certified cables of the appropriate performance

An important aspect of the campaign is to educate manufacturers about actions they should take to provide users with cables classified and declared under CPR. This also includes communicating market-specific requirements derived from national regulations, design requirements, and product and installation standards.



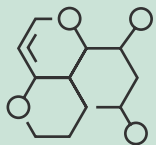
## Market demand

Everything starts with the market; manufacturers need to provide their customers with cables that have the performance levels needed. Cables are constructed according to national and/or international standards in order to comply with regulations.



## Design

Existing cable designs and standards are well-established. CPR adds additional requirements which the cable designer must assess.



## Materials

The materials used in the cable's construction need to be assessed and a change might be required to meet a CPR requirements such as for the emission of acidic gases or to limit fire spread. To achieve higher performance classes manufacturers may need to change the materials they use.



# 3.4 Local communities

GRI 413-1

We are a global company, yet we are firmly embedded in local communities around our plants in Poland, United Kingdom, USA. We are active in build relationships with stakeholder groups in the immediate vicinity of individual locations. We listen to their needs and expectations and engage in charity, sponsorship and voluntary activities.

## Quality and Safety

### Mum, Dad, work safe during the COVID-19 pandemic

In 2020, we extended the art competition for employees' children to the entire TFK.Group. The topic was adapted to the current situation, focusing on safety during the pandemic. Children of TFKable and JDR employees submitted 93 works presenting creative instructions describing safety rules in the workplace. The images depicted parents and their colleagues working in production plants or at home, colourful comics and 3D constructions. The youngest participant was only 20 months old and the oldest 19 years old.



## COVID – 19

### Production of protective visors at the Bydgoszcz Plant

In an effort to prevent the spread of the coronavirus, employees of the Medium and High Voltage Department of the Bydgoszcz Plant developed a prototype of protective visors that are perfect for production conditions. The visors are made of materials available at the factory: foil, glue, universal PVC tape and black foam, used to secure the flow of water in the cooling tubs of the extrusion lines. The prototype underwent internal tests and 270 pieces were produced. The visors are another element of personal protection used at work daily, not only by the production department employees, but also by the quality control and maintenance services staff.



### A minute of silence

On April 28, 2020 at 11am, JDR stood down operations across its facilities for a 1 minute's silence, with employees standing two metres apart to honour the brave National Health Service frontline staff who have died during this coronavirus pandemic.



### US Army Corps of Engineers mobile hospitals

The TFCA team, a company owned by TFK.Group, provided the US Army Corps of Engineers with 9 trucks of portable power cables for a Mobile Hospital project. The cables were used during the construction of temporary hospitals and laboratories in New York. The order was placed by one of TFCA's partners and it received the highest priority – we completed and delivered the shipment within 48 hours.

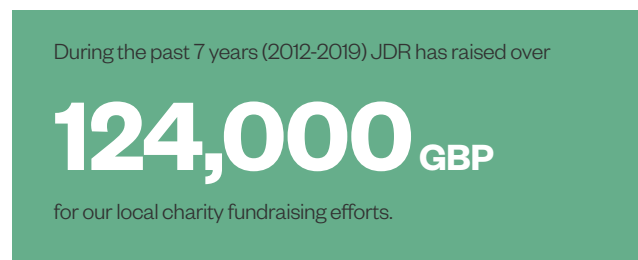
## Charity

For years, TFKable employees have provided funds to recognized non-governmental organisations aimed at supporting those in need. In 2020, we participated in a **Szlachetna Paczka** campaign. Its main goal is material and psychological support for families and individuals in difficult life situations.



As a result, the family we chose to support could receive a refrigerator and hot water installation, apart from 31 gift packages. Employees got involved by making payments to a special account, adding items to boxes or helping with organisational tasks such as moving parcels and providing transport.

For many years, JDR has focused on organising an annual ball as a part of their charity activity. The aim of the event is to raise funds to support local charity organisations. Selection of entities that received support depended on predefined factors, including: adaptation to JDR's vision and values as well as mutual benefits from the collaboration.



In 2020, due to the pandemic, the event was postponed till next year, while support focused on sponsoring events such as the Westbank Oilman's Charity Golf Tournament in New Orleans, the Ely City Crusaders football team for children under 11. A JDR employee took part in a triathlon – Half Iron Man Triathlon, collecting funds for the charity organisation One to One Project, which supports adults experiencing emotional and/or social problems and mental health problems.

## Sport

Over the years, employees of the Bydgoszcz Plant have been successfully competing in various sports disciplines. In the 1930s, there was an in-company sports club KS Kabel Polski Bydgoszcz in "Kabel". In 1957, the current chairman of the company's Pensioners' Club qualified for the Provincial Championships of Bydgoszcz in Junior Wrestling. In 2019, Bartosz Kachelski, an employee of the Medium and High Voltage Department, won the appointment to the national team in bench press. At TFKable, we support the commitment and sporting ambitions of our employees.

### Kabel Team Bydgoszcz



Currently, the team of the Bydgoszcz Plant boasts an amateur team – Kabel Team Bydgoszcz and is involved in numerous running, swimming, triathlon, regional, national and charity events. They have been awarded many medals and cups. In addition, a number of employees of the Bydgoszcz Plant practice strength sports and futsal, and actively operate as an Angling Club.



In 2020, five members of the club took part in the 5th PKO Bydgoszcz Running Festival. This time, instead of the traditional joint start, September 4<sup>th</sup> – 6<sup>th</sup>, the runners could individually cover three routes of various lengths – 5 km, 10 km and 21 km (half marathon), prepared in Myśloinek, Bydgoszcz region. The Kabel Team representatives ran a total of 71 km.

### TFKable football tournament

5 teams – representatives of individual production shifts and a team of functional employees – competed in a sports competition in the Krakow – Biezanów 2020 Football Championship. The winners, as well as the best shooter and the best goalkeeper were selected.



## Volunteer Fire Brigade “Kabel”

The Volunteer Fire Department has been operating on the premises of the Bydgoszcz Plant since 1930. In 2020, we celebrated its 90th anniversary.

The firefighters also participate in firefighting operations outside the plant. They are involved in the life of the local community, organising numerous events and conducting trainings for children and teenagers from Bydgoszcz and beyond. The brigade consists of 19 people – men and women, including firefighters with over 30 years of experience. They are authorized to participate directly in rescue and firefighting operations, part of the brigade is specially trained in the field of technical rescue.

Among the activities in 2020, it is worth to mention the Brigade’s participation in a local futsal tournament (Halowy Turniej Piłki Nożnej Drużyn OSP o Puchar Prezesa OW woj. Kujawsko-Pomorskiego), fighting hornets in the drum storage yard and taking part in the Gaszyn Challenge, a nationwide challenge, which raises funds for the treatment and rehabilitation of a boy suffering from spinal muscular atrophy (SMA1).



In 2020,  
we celebrated

# 90<sup>th</sup>

anniversary  
of Fire Brigade “Kabel”

# Appendix

Table 7. Impacts and risks

GRI 102-15	
Megatrends	
<b>1. Macroeconomic factors</b>	changes in GDP and interest rates, access to loans, cost of raw materials and the general level of power consumption that determine levels of investment.
<b>2. Geopolitical factors</b>	the economic and political situation in some regions of the world can cause instability disrupting smooth business operations (e.g. Brexit).
<b>3. Urbanization &amp; Smart cities</b>	an increasing demand for SMART urban infrastructure and aging energy infrastructure and at the same time demands for flexibility and new solutions.
<b>4. Energy revolution</b>	a need for diversification of energy sources, smart grids, and decrease in energy production costs followed by increased regulation requires a new approach towards product innovation.
Financial risks	
<b>1. Climate change and low-carbon strategy</b>	financial risks due to increased regulations and pressure on product and process improvements.
<b>2. Cost and availability of raw materials</b>	depletion of non-renewable raw material sources and increasing purchase costs.
<b>3. Transparency and investor expectations</b>	demand for reporting and open communication.
<b>4. Environmental regulations</b>	legal and compliance risks resulting from fines and fees.
Operational risks	
<b>1. Technology obsolescence</b>	increased need for cutting-edge technologies and solutions.
<b>2. Quality</b>	product defects risk.
<b>3. Suppliers</b>	risk related to labour rights violations and/or environmental and quality standards compliance which requires additional actions e.g. supplier and projects audits.
<b>4. External and internal fraud</b>	human factor risk managed by Code of Conduct procedures.
<b>5. Health and safety</b>	standards and procedures put in place to monitor and secure safety.

Table 8. Selected sustainability-related policies at TFKable and JDR

TFKable	JDR
Conflict Minerals Policy	Code of ethics
Occupational Health and Safety Policy	Anti-Bribery and Corruption Policy
Quality Policy	Quality, Health & Safety and Environmental Policy
Environmental Policy	Corporate Social Responsibility Policy
Anti-Modern Slavery and Human Trafficking Policy	
Corporate Social Responsibility Policy	
Code of Professional and Ethical Conduct	

Image 11. Stakeholders Materiality Matrix

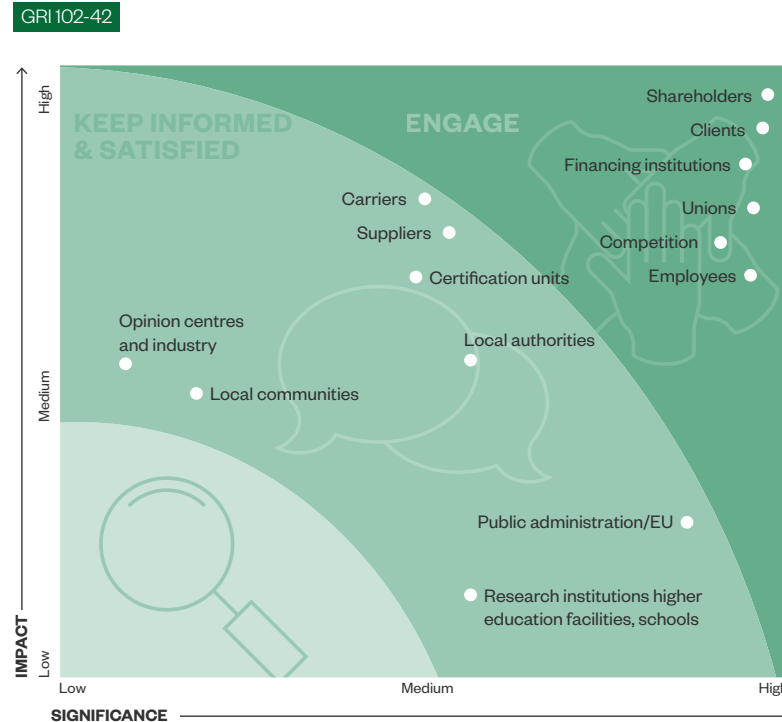







Table 9. Key topics and concerns raised by groups of stakeholders

GRI 102-44

 <p><b>Local communities</b></p>	 <p><b>Local authorities</b></p>	 <p><b>Public administration / EU</b></p>
<ul style="list-style-type: none"> <li>• Legislative compliance</li> <li>• Nuisance free</li> <li>• Aesthetic plant surroundings</li> </ul>	<ul style="list-style-type: none"> <li>• Complying to requirements</li> <li>• Influx of local investment and jobs</li> <li>• Represent local community</li> </ul>	<ul style="list-style-type: none"> <li>• Reporting</li> <li>• Legislative compliance</li> <li>• Supporting renewables and energy decarbonisation</li> </ul>
 <p><b>Shareholders</b></p>	 <p><b>Carriers</b></p>	 <p><b>Competition</b></p>
<ul style="list-style-type: none"> <li>• Stable profit, growth</li> <li>• Stable operations</li> <li>• Market prosperity</li> <li>• Advancing into new markets</li> <li>• ROI / investment raising</li> </ul>	<ul style="list-style-type: none"> <li>• Long-term cooperation</li> <li>• Timely payments</li> <li>• Regular shipments</li> <li>• Good communication</li> <li>• Fixed contracts with quality guarantees</li> </ul>	<ul style="list-style-type: none"> <li>• Benchmarking</li> <li>• Price competition</li> <li>• "Monitoring" solutions, technology,</li> <li>• Competition for skilled workers, customers, materials, investment</li> </ul>
 <p><b>Certification units</b></p>	 <p><b>Unions</b></p>	 <p><b>Clients</b></p>
<ul style="list-style-type: none"> <li>• Complying with ISO system requirements</li> <li>• Complying with requirements for certified products</li> </ul>	<ul style="list-style-type: none"> <li>• Holding consultations, arrangement</li> <li>• Providing information</li> </ul>	<ul style="list-style-type: none"> <li>• Quality of products and packaging</li> <li>• Pricing</li> <li>• Availability</li> <li>• On-time delivery</li> <li>• Shorter delivery times</li> <li>• Meeting requirements</li> <li>• Full product information</li> <li>• Service quality and speed</li> <li>• Sales representative visits with clients</li> <li>• Product training</li> <li>• Smaller minimum production</li> </ul>
 <p><b>Employees</b></p>	 <p><b>Suppliers</b></p>	
<ul style="list-style-type: none"> <li>• Good work environment</li> <li>• Attractive salary</li> <li>• Motivation, recognition</li> <li>• Increasing qualifications</li> <li>• Stable employment</li> <li>• Clearly defined tasks and duties</li> </ul>	<ul style="list-style-type: none"> <li>• Long-term cooperation</li> <li>• Defined rules of cooperation</li> <li>• Planning deliveries</li> <li>• Competitive price and quick payments</li> <li>• Longest possible delivery deadlines</li> <li>• Flexible delivery deadlines</li> <li>• Timely due payments</li> </ul>	
 <p><b>Financing institutions</b></p>		
<ul style="list-style-type: none"> <li>• Complying to requirements</li> <li>• Reporting</li> <li>• Strategic investment – opportunity/risk</li> <li>• EBRD – environmental clauses</li> </ul>		

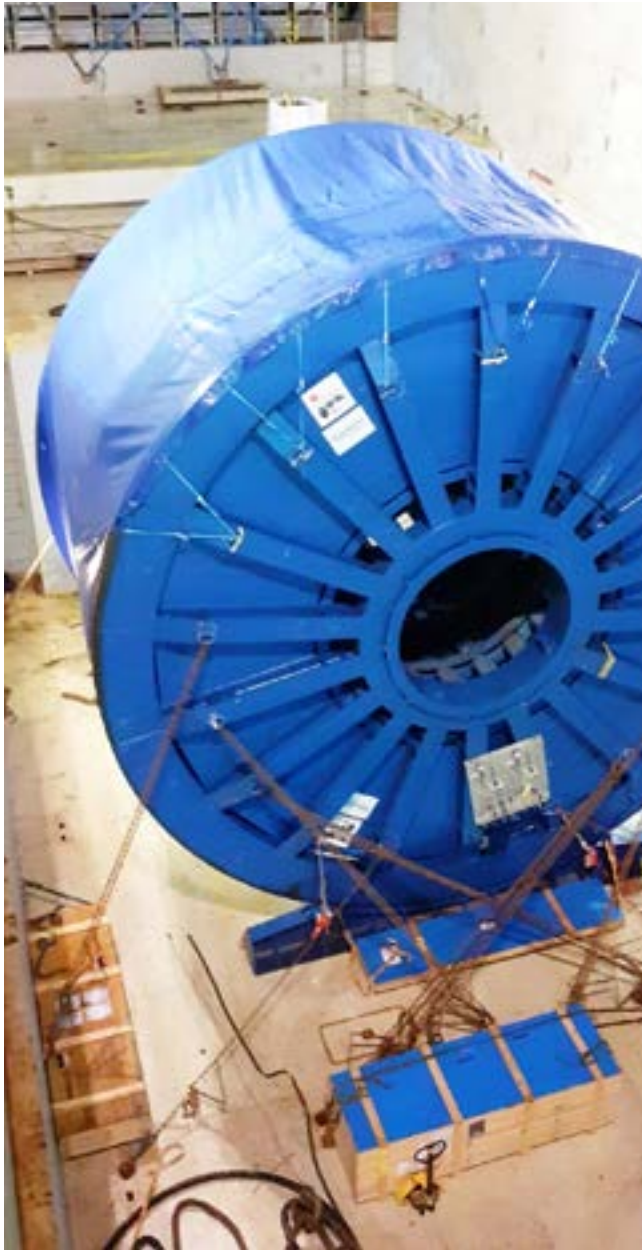


Table 10. Associations and industry organisations we participate in:

GRI 102-13

<b>EUROPACABLE</b>	The largest industry association that gathers the largest cable manufacturer. The CEO of TFKable is upholding the position as the Vice President of Europacable. We are engaged in works multiple working groups.
<b>International Cablemakers Federation</b>	Represents most of the global manufacturing capacity of the Wire & Cable Industry.
<b>WindEurope</b>	WindEurope is the voice of the wind industry, actively promoting wind power in Europe and worldwide.
<b>Offshore Wind Industry Council (UK)</b>	A senior Government and industry forum, established to drive the development of the world-leading offshore wind sector in the UK.
<b>American Wind Energy Association</b>	Is the national trade association for the U.S. wind industry. With thousands of wind industry members and wind policy advocates, AWEA promotes wind energy as a clean source of electricity for American consumers.
<b>PIGE, i.e. Polish Economic Chamber of Electrotechnics</b>	We are an active member of the quality and e-mobility teams. A representative of TFKable serves as member of the Board.
<b>Umbilical Manufacturers Federation</b>	Organisation's objective is to promote the benefits of umbilical products for the offshore oil and gas industry.
<b>British Cable Makers Association</b>	The UK trade association for manufacturers of insulated metallic and fibre optic cables, wires and their accessories.
<b>Renewable UK</b>	The trade association for wind power, wave power and tidal power industries in the UK.
<b>NOF Energy</b>	A not for profit organisation helping to make valuable connections between businesses in the global energy sector.
<b>PSEW: Polskie Stowarzyszenie Energii Wiatrowej (The Polish Wind Energy Association)</b>	An organisation supporting and promoting the development of wind energy, whose aim is to create favourable conditions for investing in wind energy in Poland and to systematically increase the use of wind energy as a clean source of electricity generation.
<b>PTMEW: Polskie Towarzystwo Morskiej Energetyki Wiatrowej (Polish Offshore Wind Energy Society)</b>	A non-governmental organization (NGO) that gathers entities interested in supporting the offshore wind energy sector in Poland.

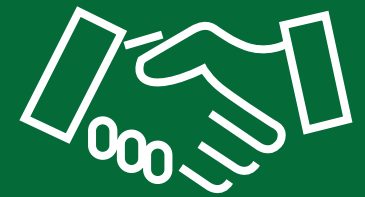


4

## Our clients

### Key highlights:

- A diverse range of products and services
- Key markets and client segments served
- Key projects with focus on offshore solutions
- Product quality, safety and innovations centered approach



# Key data & facts



We offer

# 25,000

types of wires and cables



# 359

quality certificates granted by 39 certifying centres



# 9,330 km

cables provided only for renewables sector since 2008



# 160

number of Continuous Improvement Forms at JDR



# 100%

Construction Products Regulation (CPR) requirements are met



# 98

number of Kaizen ideas at Bydgoszcz Plant



The only modern

# Fire Test Laboratory

in Poland in place at TFKable



# 956

Think Quality Cards raised in 2020 at JDR



*Quality, health and safety management and close cooperation with customers were particularly important in 2020. The pandemic forced a change in operating patterns, communication and cooperation throughout the entire value chain, starting from our suppliers, experts and ending with customers. We also place great emphasis on ensuring safety in our plants while maintaining the continuity of work and supplies.*

**Alex MacPhee**

QHSE, Business Improvement and Services Director,  
JDR Cable Systems Ltd

# 4.1 Products and services

## Our goals:

- Safety of products for people and the environment.
- Satisfaction of our clients.
- Implementation of product innovations and continuous improvement of products.

TFKable is one of the global leaders in the cable and cable systems market. The services and products offered by the TFK.Group have numerous applications in the most important industry sectors – they include over 25,000 proven standard constructions and a specialist assortment of products tailored to the individual needs of business partners.

JDR Cable Systems part of TFK.Group since 2017 is a leader in subsea production umbilicals, subsea power cables, and Intervention Workover Control Systems for the offshore oil and gas industry. Also, JDR provides market leading services to support customers including project concept, design or selection, installation, commissioning, and full field lifecycle services.

## Sustainable Development Goals (SDG)

Our activities are in line with the following Sustainable Development Goals defined by the United Nations:



### Goal 7

Ensure access to affordable, reliable, sustainable and modern energy for all.



### Goal 9

Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation.



### Goal 11

Make cities and human settlements inclusive, safe, resilient and sustainable.



### Goal 13

Take urgent action to combat climate change and its impacts.



## Portfolio of TFKable products

Our portfolio includes, among others the following products:



low voltage cables



fibre optic cables



signalling (controlling) cables



high and extra high voltage cables



electroinstalation wires



medium voltage cables



rubber cables and wires



copper telecommunication cables

JDR's cable production covers:



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



Subsea Power Umbilicals  
Steel Tube Umbilicals



IWOCS rental and oil & gas services

### TFKable production and technical capabilities:

#### Bydgoszcz plant

- 50 production lines
- 10 – 500 kV voltage range
- 50 – 3,000 mm<sup>2</sup> conductor size range

#### Kraków – Wielicka plant

- 100 production lines
- 1,458 t monthly wire production capacity
- Rubber compound mixers **GMM01 and GMM02**

#### Myślenice Plant

- 60 machines
- 1,169 t monthly production capacity
- **Classes I, II, V, VI** produced in the plant

For more information please visit:

TFKable products



JDR products





## 4.2 Our clients

### Markets served

GRI 102-6, 103-2

Our clients represent the most important industrial sectors. We constantly change, improve and develop our product and service offer based on the market needs, close cooperation with customers as well as thanks to our research and development facilities.



#### High voltage

- security
- error-free energy transmission
- reliable water blocking design, sealing
- meeting the requirements of high current carrying capacity



#### Energy and Railway

- durable
- resistant to extreme working conditions
- guaranteeing safe operation
- resistant to mechanical damage
- resistant to flame spreading and gas emissions



#### Mining

- safe and reliable operation in a challenging environment
- resistant to high temperature, humidity, UV radiation
- resistant to tearing and abrasion, twisting, bending, water, oils and other chemical substances
- flame retardant
- ensuring the continuity of underground work and on the surface
- visible from a considerable distance (reflective cables)



#### Construction

- flexible
- non-spreading flames, gases and fumes
- very good identification (spatial-graphic marking)
- easy to process – separating thread
- durable – high-quality insulation
- anti-rodent barrier
- torsion resistant and able to work in low temperatures



#### Telecommunication

- wide application – to be installed in cable ducts or directly in the ground
- reinforced construction preventing mechanical damage
- high-performance
- durable
- resistant to flame spreading

For more information please visit:

TFKable sales sectors

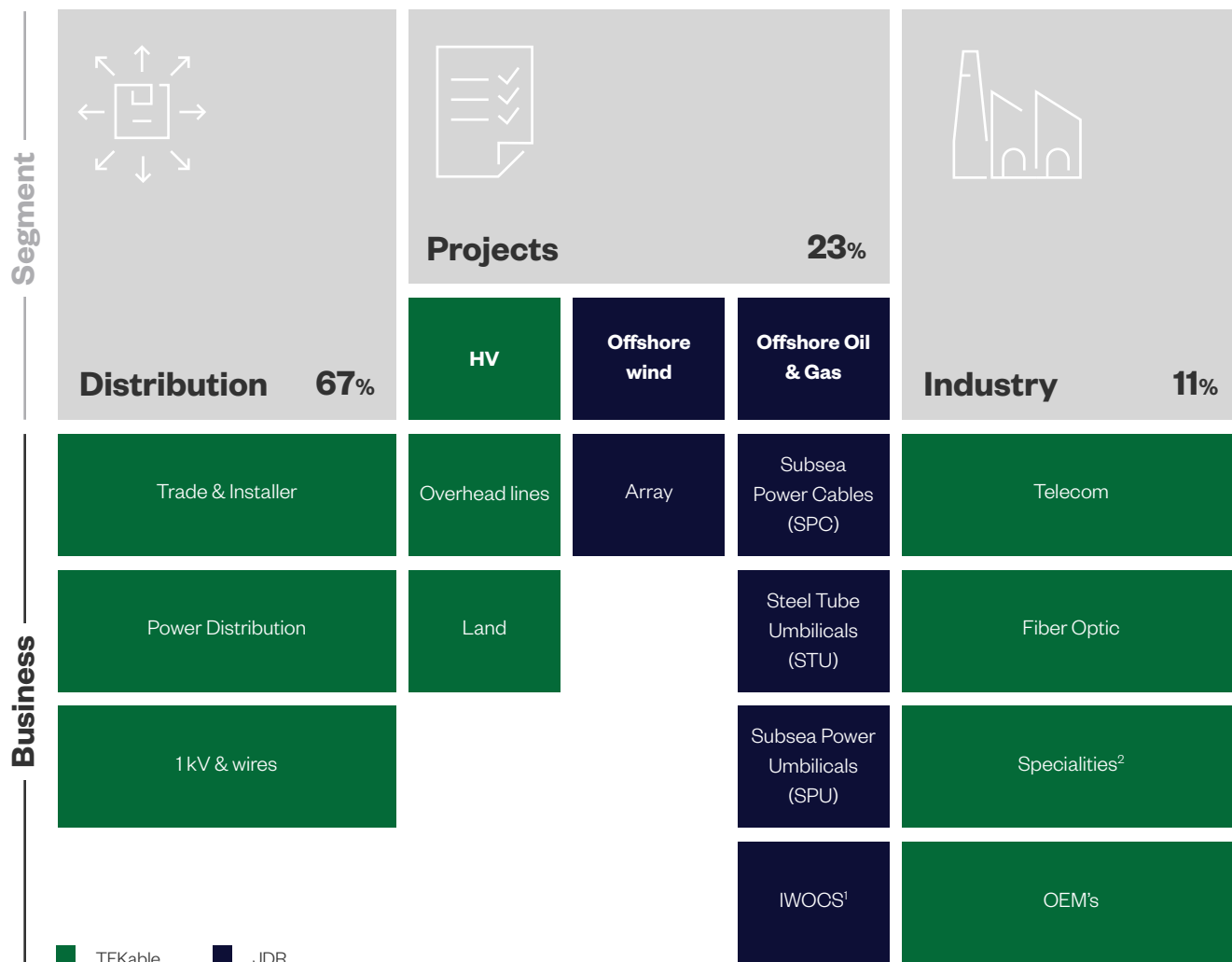


JDR sales sectors



Our diversified product portfolio is broken down into three key segments based on sales and offer type.

Image 12. Reporting segments



<sup>1</sup> Intervention Workover Control System

<sup>2</sup> Including rubber insulated cables

## Client relations

We build long-term relationships with our clients, often based on very close cooperation and exchange of experiences. Our goal is to ensure their satisfaction – both in terms of products and services, as well as communication and service level.

The integrated marketing strategy ensures the maintenance, improvement and building relationships with new and existing clients.

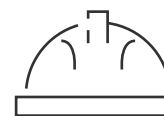
### Our external communication tools:



Presentation of implemented projects highlighting our comprehensive offer



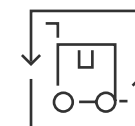
Participation in trade fairs and industry events as well as media relations



Integrated communication campaigns (ATL, BTL, social media)



Descriptions of products and services that highlight the potential of solutions and innovation



Expert and industry communication

## Listening to our clients

Year on year, we conduct the Customer Satisfaction Survey in accordance with the ISO procedure. The sales and export department selects domestic and foreign customers to participate in the survey.



### The 2020 survey covered areas such as:

- product offer evaluation,
- assessment of order execution,
- complaints filed,
- customer satisfaction regarding cooperation,
- product information communication channels,
- product knowledge.

The results of the study are carefully analysed and are the basis for implementing improvements.

The specificity of JDR's activity, consisting of projects with a long implementation period, means that satisfaction is assessed on the basis of daily and periodic contacts and project statuses.

## Media coverage



### Business Live

*North East offshore specialist  
JDR seals deal to supply  
Luxembourg engineering giant*



### Offshore Engineer

*JDR to Link Two Azeri Platforms  
with Fiber Optic Power Cable*



### Cable Technology News

*JDR to conduct array cable  
termination and testing on Moray  
East Offshore Wind Farm*



### Renewables Now

*JDR finalises cable delivery for  
109-MW Changhua offshore  
wind project*

## 4.3 Key projects

One of the three key areas of our activity is the implementation of onshore and offshore projects.

### Since 2008 we completed:

42 projects in renewables sector

9,330 km

of cables.

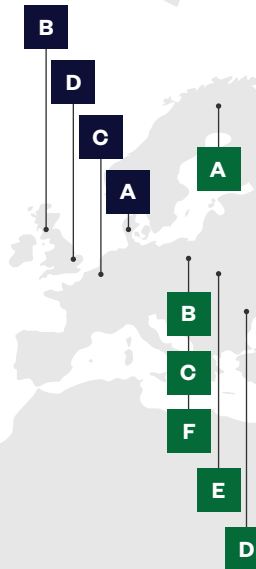


- A** **Kriegers Flak** – 70 km of 33kV cables (Denmark)
- B** **Moray East** – 196 km of 66kV cables (Scotland)
- C** **MERMAID & SEASTAR OWF** – 78 km of 66kV cables (Belgium)
- D** **London Array** – 32 km of 33kV cables (Great Britain)

### Selected key projects in 2020



- A** **Kajave Strömsö-project** – 390km utility cables (Finland)
- B** **Wind Parks Dębsk, Dobrzyca and Biały Bór** – 540km of MV cables and 45km of 110kV cables (Poland)
- C** **Wind Parks Dunowo** – 230km of MV cables and 100km of 110kV cables (Poland)
- D** **Project Statia Domnesti** – 110kV cables and accessories (Romania)
- E** **Projekt Pivdennyi Elektrotekhnichniy Zavod** – MV cables (Ukraine)
- F** **Varso Tower office building complex** – Flameblocker cables (Poland)



**HV**  
1,897 km

**MV**  
17,801 km\*

**Array**  
408 km

Development of the offshore and renewable energy sector, which focuses on the international market of alternative and renewable energy is one of the priorities of TFK.Group. This falls in line with the implementation of the Sustainable Development Goals (SDG) and the goal of the European Climate Policy, which assumes a reduction in greenhouse gas emissions by 40% by 2030 (compared to 1990 levels) and ensuring an at least 27% share of renewable energy in the EU.

\* In 2020, the production of cables with larger cross-sections took place, hence the decrease in the number of kilometers. The tonnage of the cables produced was the same as in 2019.

## 2020 in a nutshell



Designed in JDR, Lars has returned from implementation in the **Gulf of Mexico**. This is the first solution of this type in the JDR portfolio. Installation time has been cut in half and customer costs are significantly lower.



JDR will manufacture over 170 km of aluminum core inter-array cables 33kV and provide accessories for the largest offshore wind farm in **Denmark – Kriegers Flak**.



JDR and TFKable have completed the production and delivery of 78.1 km of aluminum core inter-array cables and cable accessories, including repair joints and connectors for the **SeaMade Offshore Wind project**.



The new, modular design of **IWOCS** reeler mark II, thanks to which it is possible to reduce costs and implementation time.



Cooperation of **Bydgoszcz and Hartlepool Plants** in the offshore project involving the production and delivery of a 5.5 km long 33kV fiber optic power cable and a steel tube subsea isolation valve (SSIV) umbilical for the offshore platform project in Azerbaijan.



Supply of accessories for the offshore team working on termination & testing at the **Moray East wind farm in Scotland**. It complements the supply of 200 km of 66kV cable and a range of termination accessories manufactured by JDR.



Completed loading of the subsea power cable to the Isaac Newton vessel for the **Changua project in Taiwan**. The Hartlepool plant together with the Bydgoszcz plant designed and produced a 65 km array and export cable for transmitting energy from wind turbines to the shore.



Shipboard loading of JDR-produced static subsea umbilicals, hydraulic and electrical flying leads to the **Gazprom Kirinskoye Project**.



Completion of loading 23.7 km of umbilicals to five oil wells in Nigeria in the **Anyala & Madu project**. The supplied cables will contribute to the optimization of gas extraction costs from the Anyala and Madu fields and will be directed to the gas processing node for the local market.



JDR's partnership in **Windfloat Atlantic**, the first 66kV floating project in Europe. The solution designed and delivered by JDR is the first of its kind in the world.



Production and supply of cables for power lines and fiber optic lines built at the bottom of the **Czorsztyn Reservoir in Poland** and the transformer stations located around it.

Work has been completed on the largest **umbilical**, which is to be ultimately installed in the North Sea.

JDR solutions such as **IWOCS, winches, OEDL, HPU, flying cables** are tested in the Gulf of Mexico.

Supply and installation of umbilicals for the **Russian Waters** project.

## 4.4 Product safety and innovations

Our priority is to ensure the highest quality and safety of our products. This aspect is guaranteed by our research and development facilities. A vast number of tests and research projects result in innovations that we introduce to the market in close cooperation with our clients and in response to their needs and design challenges.

- We carry out numerous tests and trials of our cables and wires.
- We constantly invest in laboratory and research equipment and specialised measuring and control instruments.
- We cooperate with national and international academic and certification institutions and universities.



**359 quality certificates granted by 39 certifying centres worldwide.**

### In 2020 our Technology Department:

- created **1,850** product codes,
- performed **26** development works related to new product groups,
- runned **840** process trials.

### Research & Development facilities and service units

**Fire Test Laboratory at the Kraków-Wielicka Plant** – equipped with apparatus that enables conducting research ranging from basic flame-spreading tests on individual samples to flame-spreading tests on bundles. Furthermore, it is equipped for testing density of emitted fumes and emission of corrosive gases. This laboratory performs several hundred pre-tests of flammability per year.

**High and Extra-High Voltage Laboratory at our production Plant in Bydgoszcz** – equipped with 3 Faraday chambers for routine testing, type testing and cable systems testing along with an impulse generator and its own prequalification (PQ) tests field with a 500 kV test system and sets of 5000 A heating transformers. Using the surge generator, we locate damages in cables and wires.

At the beginning of 2021, expansion of the **new Laboratory in the R&D Center** will be completed. It will conduct extensive research in the field of prototyping HVDC DC cables and EHVAC alternating current cables for higher rated voltages and technological guidelines for their production.

**Newcastle Service Center** – the multi-functional research and development center includes a workshop and warehouse. The unit also serves as the central base for JDR's service activities in Europe and the Asia region and the Pacific.

**Houston Service Center** – assembly, integration and testing of umbilicals, reelers and associated packages. The unit provides technical support for projects mainly in the Gulf of Mexico, and for offshore commissioning, testing, and repair work at sea.

*Despite the global challenges that we faced in 2020 we have successfully consolidated our three separate facilities operating in Houston into one custom built facility to serve our customers. This demanding project took one year to complete and now provides us with 10 acres of space, allowing us to increase our production and service support, accommodate innovation and improving the efficiency of our offshore oil and gas support businesses.*

**Tomasz Nowak**  
CEO at JDR Cable Systems

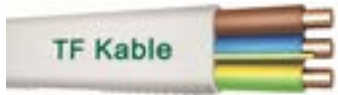


### Krakow-Wielicka plant introduces Improved Halogen-Free Cables

– In 2021, a research and development project, conducted at the Kraków-Wielicka Plant since 2018 in cooperation with the West Pomeranian University of Technology, will end. The project was aimed at implementing the production of improved flame retardant cables, manufactured with the use of a new type of halogen-free materials with advanced properties. The results achieved in the form of fire-resistant cables manufactured with the use of LSOH compounds using the synergy of halloysite fillers (nanotubes), layered aluminosilicates, and metal hydroxides and oxides meets the requirements of the CPR and international standards, such as the range of the highest B2ca, s1, d0, a1 class.

In 2021, the **Bydgoszcz Plant** will finalize a research project dedicated to power plants, industrial plants including mining facilities, wind farms, and other entities which at the investment stage, both in terms of overhead and underground installations, require accessories, made in various technologies adapted to cable constructions. The positive results of tests carried out in extreme operating conditions extend the TFK.Group's offer with the possibility of providing a complementary product – high voltage cables with accessories.

## Our solutions



### Flameblocker 750v HDX(p)

is a product that meets the fire safety requirements in compliance with the EN 50575 standard with a positive fire reaction test result within the Dca-s2,d1,a1 class, in compliance with the CPR Regulation. The material used to manufacture the LSOH (Low Smoke Zero Halogen) coating guarantees limited smoke emission during fires and a low corrosive gas emission rate, above 4.3 pH.



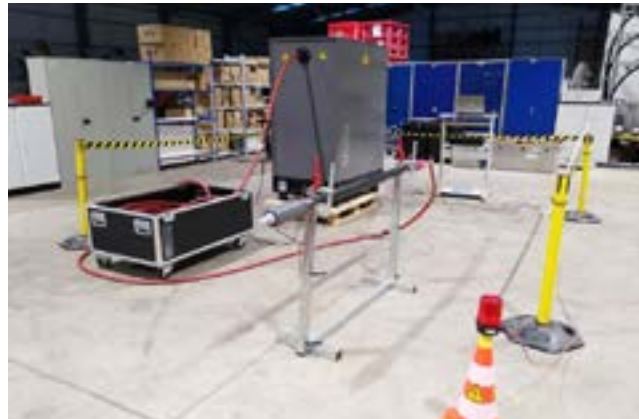
### TYPE THOF ENHANCED

the shore-to-ship power cable is a solution that provides safe mooring for ships in the port. In this way, it reduces exhaust emissions, enabling engines to be shut down, while maintaining business continuity through a portable power system.



### Flameblocker N2XH

is a zero halogen power cable, from the FLAMEBLOCKER product line. It is a non-fire spreading, with low emission of toxic, aggressive and corrosive gases and limits the emission thick smoke in the event of a fire in cable installation locations. In case of N2XH cables, cross-linked polyethylene (XLPE) was used as conductor insulation and a halogen-free thermoplastic (LSOH) as outer sheath material. As a result, N2XH is designed for installation in buildings specifying the highest fire-protection standards, especially where the safety of people and property is the critical requirement.



### Damped AC test unit

this new technology is added to our range of capabilities to support the high voltage power cable market. This unit will shortly be making its way offshore to test substation interconnector cables on a large Scottish offshore wind farm.



### Electric Down Line (EDL)

equipment is used primarily for subsea testing on new subsea installations and older assets, checking for insulation resistance and electrical fault finding. We have added this new equipment to our rental fleet.



### High Voltage Cable Repair Jointing Habitat

is designed for providing a clean environment for critical high voltage jointing operations. It can be configured as a pair or singularly on the vessel back deck to minimise the need for hazardous cable movements by allowing the container to be placed on top of the cable being repaired, creating a clean and stable environment.



## 66KV (72.5KV) CABLE DEVELOPMENT

66 kV cable technology is critical to support the offshore wind industry as it moves to increased power transmission between turbines at higher capacity offshore windfarms. Such 66kV cables have already been supplied by JDR and TFKable and deployed on projects such as East Anglia One (the world's first commercial application of 66kV cable technology) and Windfloat. They are now becoming standard in the next generation of wind farms.

## Safety

Quality management, research and development facilities or the THINK SAFETY programme are selected elements to ensure the safety of our products, protection of customers, end-users and the environment.

The THINK SAFETY program, implemented as part of quality management, is based on shaping behavior. We want to create a safety culture – give employees the tools and enable them to take responsibility for safety in their work environment.

Our Quality Control Laboratories, equipped with specialised control and measurement equipment as well as numerous research projects, are used to develop products that meet the highest standards. Our cables and wires are subjected to numerous tests and trials by external certification and notification bodies as well as by independent external laboratories.

Image 13. FLEXTREME TO TRAY CABLE



## Construction Products Regulation (CPR)

### TFKable products meet 100% of the CPR requirements

The Construction Products Regulation (CPR) – the Construction Products Regulation (Regulation (EU) No. 305/2011 of the European Parliament and of the Council) classifies construction products and specifies the provisions on their testing methods. It covers all construction products intended for permanent installation, including cables and wires, in construction works, and specifies requirements for the use of specific classes of reaction to fire, among others.

- ✓ Declaration of Performance (DoP) compliance with all the CPR regulations
- 📄 Implementation of new labels in accordance with the requirements of the CPR Directive
- CE Implementation of CE marking on products
- 🏆 Successful passing of all the required production process audits
- ↓ Reduction in use of PVC material in higher class products
- 🔥 Over several hundred flammability tests at the Fire Test Laboratory
- 👤 Introduction of full range of products in various classes of reaction to fire
- CPR Introduction of a uniform classification of cables and wires produced by TFKable

CPR  
F<sub>ca</sub>

CPR  
E<sub>ca</sub>

CPR  
D<sub>ca</sub>

CPR  
C<sub>ca</sub>

CPR  
B2<sub>ca</sub>





Together with partners associated within Europacable, we have implemented an educational and information campaign "Fire safety is our responsibility. Yours too". In the summer of 2020, another edition of the campaign was launched – "Inside CPR", it includes a free training program "My CPR coach".

We have appointed a team of specialists, who will provide the necessary explanations and answer any questions that may arise in connection with the changes resulting from the CPR regulation.

More information: [cpr@tfkable.com](mailto:cpr@tfkable.com)

<sup>1</sup>More information you can find in Chapter 3 on pages 29-30

## Quality management

The Integrated Management System of TFK.Group includes:

- ISO 9001 Quality Management Standard
- ISO 45001 Health and Safety Management Standard
- ISO 14001 Environmental Management Standard

Quality management at TFK.Group covers both the implemented norms and standards as part of the Integrated Management System, meeting the requirements such as CPR, continuous improvement activities and the THINK QUALITY Program.

### Crucial aspects for quality implementation



#### Context

Ensuring we understand our customers' needs and expectations.



#### Assurance

We understand performance and identify the risks related to trust and reputation.



#### Leadership

We align values and culture to account for these expectations.



#### Business Improvement

Investing in the right improvements to improve performance and trust.



#### Operational Governance

We build management systems to help the organisation consistently make the right decisions for customers, stakeholders and the organisation.

## THINK QUALITY

The THINK QUALITY program defines 6 key areas of quality assurance that we want to improve or develop.



## Continuous improvement

The basic element of quality and safety management at TFK.Group is the involvement of employees in continuous improvement activities. We use several tools and methodologies in this area, while the key to success is to provide space and give employees real opportunities to influence the implementation of improvements within their area of qualification and as part of their workplace.

### Continuous improvement methodologies in place



**SMED (Single Minute Exchange of Die)**



**TPM (Total Productive Maintenance)**



**KAIZEN**



**5s (6s)**



## Quality Connects Us Programme results in TFKable Plants in 2020



### Bydgoszcz Plant

- Continuous improvement methodologies: 6S, KAIZEN, TPM, SMED,
- 98 KAIZEN ideas, including:
  - 33 waste elimination ideas
  - 25 ideas on improving work safety
  - 40 ideas (more than twice as many as in 2019) for improvement in quality topics
- 34 machines in the TPM regular inspection program
- 74 inspections of machines as part of TPM



### South Plant (Myślenice, Kraków-Wielicka, Kraków-Bieżanów)

- Continuous improvement methodologies: 5S, KAIZEN, TPM, SMED,
- Additional tools: Problem Solving, Action Planing, Brainstorming, Multitasking, GEMBA walk, TWI,
- 10 new 5S standards
- 5S Standards Database
- 20 work stations covered by SMED
- 5 Kaizen ideas implemented
- 134 so-called "Short Operator Lessons" as part of training
- New measures of the effectiveness of production processes were implemented

## Change Management at JDR

Continuous improvement at JDR is implemented through a change management procedure. It aims to control the lifecycle of all changes affecting the manufacturing processes, machinery, and equipment used in the production processes or the facilities where these processes take place. We want to ensure that all changes are recorded, evaluated, authorised, prioritised, planned, tested, implemented, documented, and reviewed in a controlled and sustainable manner without negatively affecting health, safety or the environment.

Apart from standard process and production activities such as new product or HSE (eg. standards, legislation) requirements, Communities of Practice meetings, on-the-job observations we also engage our employees to record improvement ideas.

**Once identified, these changes and improvements can be captured in three ways:**

- via Think Quality Cards (956 cards raised against a target of 675 in 2020 of which: 736 opportunities for improvement (77%) and 220 positive observations (23%)),
- via the Engineering Process Change Form,
- via a Continuous Improvement Form.



The total Number of Continuous Improvement Forms raised in 2020 was

# 160





5

## Our employees →

### Key highlights:

- Our management approach towards employee relations
- Organisational culture of dialogue and diversity
- Closing the gap on gender pay
- Health and safety at the heart of our work
- Investing in youth STEM skills



# Key data & facts



More than  
**99%**

of our staff is employed under labour contracts.



**THINK SAFETY  
& THINK QUALITY**

our QHSE



We value experience:  
**33%**

of our employees are over 50 years old.



**Code of Professional  
and Ethical Conduct**

@TFKable and

**Code of Ethics**

@JDR in place



We provide stable work conditions:

**92%** of our employees work on permanent contracts.

**99%** of them are employed full time.



Global frontrunners of

**STEM**

trainings



*2020 was a year of stress-test for the TFK.Group – facing the COVID-19 pandemic outbreak, we needed to ensure health and safety of not only our employees, but also protect our customers and contractors wherever we work. Such disruptive events demonstrate, how essential effective human resources policies, practices and an everyday teamwork are in order to maintain stable operations. It took a significant effort and extraordinary capabilities from the whole team to navigate this global crisis that affected every single process. But we managed to successfully navigate the situation and emerge even stronger.*

**James Young**

Chief Strategy & Compliance Officer,  
JDR Cable Systems Ltd

# 5.1 General overview

GRI 103-2, 103-3

## Our management approach

Foundation for day-to-day human resources (HR) and employee relations within TFK.Group are managed based on labour laws in respective countries of operation, as well as internal policies.

Executive bodies of both TFKable and JDR are responsible of respectful, ethical and effective implementation of human resources policies. This responsibility is carried out executively by human resources and occupational health and safety departments integrated into the general management schemes. Human resources management in both TFKable and JDR is subject to periodical performance assessment, in order to ensure utmost quality and continuous improvement.



### Our goals:

- Respectful, ethical and inclusive working environment.
- Highest health and safety standards.
- Support in vocational training for youth.

## Sustainable Development Goals (SDG)

Our activities are in line with the following Sustainable Development Goals defined by the United Nations:



### Goal 3

Ensure healthy lives and promote well-being for all at all ages.



### Goal 4

Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.



### Goal 5

Achieve gender equality and empower all women and girls.



### Goal 8

Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.

**Code of Professional and Ethical Conduct @TFKable & Code of Ethics, Anti-bribery and Corruption Policy and Health and Safety Policy @JDR**



**key resources that sets out ethics, values and principles for employees relations at all levels**



**built on respect for human rights, justice, and a safe work environment**



**part of an induction training for each employee**



**actively circulated internally online and offline**



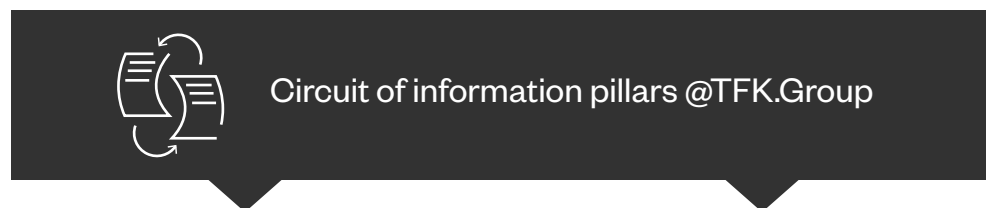
**HR Department or supervisors as contact points in case of any inquiry**

Other regulatory documents include **Work Regulations and the Internal Anti-harassment Policy**. TFKable and JDR work together on the integration of relevant policies within TFK.Group, in order to enhance efficiency and seamlessness in mutual collaboration.

## Communication with employees

We understand good communication within the company as the hallmark of our effectiveness, but also satisfaction at work. We employ diverse means of communications with employees, tailored to specific needs.

Image 14. Internal communication in TFK.Group



### TFKable

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

### JDR

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

## TFPortal @TFKable – integration of internal trainings, recruitment and information

At the end of March 2020, we launched an internal information service called 'TFPortal', integrating all internal communication and employees' related resources.

The overarching philosophy that constitutes the foundation of TFPortal is the understanding of TFKable as learning organisation.

### Sections of TFPortal



**Emergency contacts**



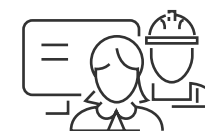
**Latest internal news**



**Details on recruitment, onboarding and trainings – TFKable Academy**



**Guidelines on quality and safety – KAIZEN, THINK QUALITY and THINK SAFETY campaigns**



**“Employee area” – the latest news and resources on COVID-19, onboarding information, postmaster and data on health care and retirement plans**



**information on TFK.Group, including Values, web directory and multimedia**

## Webinars – increased availability of trainings

TFKable Academy section on TFPortal provides information and access to webinars and e-learning materials – due to COVID-19 pandemic, all trainings are run virtually. Topics include:

- Renewable Energy – offshore and onshore cables,
- COVID-19 related challenges,
- Digital signatures of internal documents,
- Information Security.

Persons delegated to participate in the mandatory information security training, receive a link to the Moodle platform, with a request to solve a test to check the level of knowledge and understanding of the rules in force according to **Information Security Policy**. A positive result is forwarded to the Human Resources department, other results require re-learning the content of Information Security Policy and retaking the test.

## Employment structure

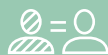
GRI 102-8

**More than 99,5%** of employees are employed under labour contracts. The remaining staff is self – employed, these are mainly experts and consultants. Numerical data in Table 11. on employment structure (see the end of the chapter) was compiled based on statistics gathered by HR department at TFKable and JDR respectively using internal HR IT systems and are not subject to any interpretations (absolute numbers provided).

Employment at TFK.Group is not subject to substantial seasonal changes.

## Cherishing diversity

### At TFK.Group, we:



counteract any act of discrimination



promote diversity and inclusion at every stage of recruiting process and employment



adjust working conditions to the needs of employees with disabilities



guarantee the employment of our long-standing employees at a time when health issues prevent them from carrying out their duties

## Trade unions and collective bargaining agreements

GRI 102-41

At TFK.Group, we know that taking care of employee relations in a friendly and safe work atmosphere, positively influences commitment and has a direct impact on creating high quality products. TFKable has four independent trade union organisations, with membership of around 30% of our staff. JDR does not have any trade unions. Neither TFKable nor JDR have a collective agreement with any trade union. Although TFKable does not have a collective labour agreement,

any changes to internal regulations such as the **Work Regulations** or **Remuneration Regulations**, are consulted with trade unions representing employees. These consultations are based on the Labour Code and the Trade Union Act.



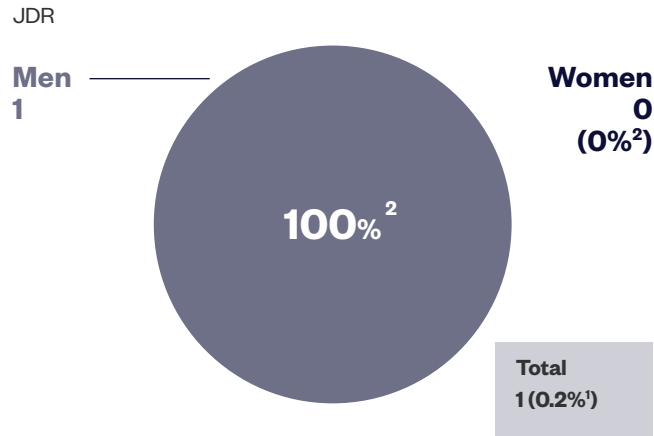
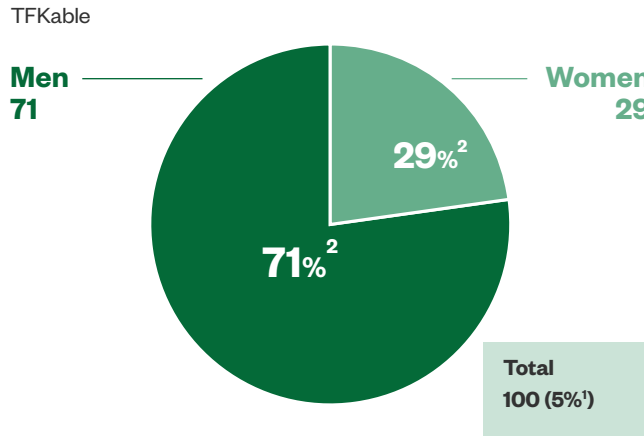


## Parental leave

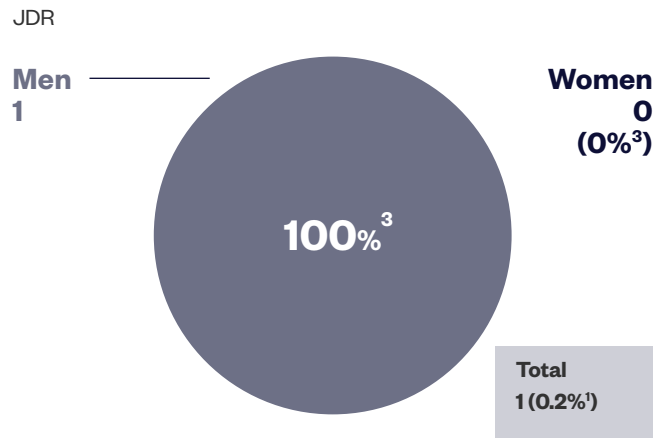
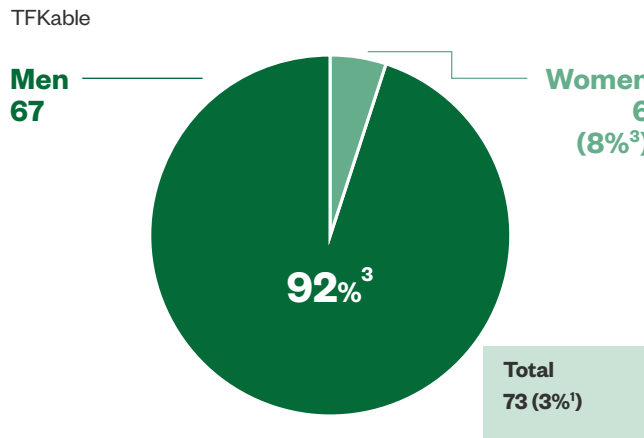
Image 15. Parental leave

GRI 401-3

### Number of employees, who took parental leave in 2020



### Number of employees, who returned from parental leave in 2020



<sup>1</sup> of all employees

<sup>2</sup> of all employees who took parental leave

<sup>3</sup> of all employees who returned from parental leave

## Services and benefits for employees

GRI 401-2

At TFKable, bearing in mind the work comfort and work-life balance of our employees, we offer them a number of benefits under the Labour Code, as well as additional ones. As a result we are considered an attractive employer. These benefits include, among others:



shopping vouchers



additional life insurance



hardship benefits for employees affected by accidents or illnesses



medical care



awards as well as favourable working conditions for employees with longstanding tenure

We also run the “Kabel” holiday resort in Zakopane in Poland. Employees and their families, as well as retired employees can use its services as part of the benefit scheme.

A significant portion of our employee benefits are financed by the Corporate Social Benefits Fund. The funds are allocated by the Social Committee based on applications submitted by employees.

JDR has a health benefit in the form of Health Shield – a tailored health plan for JDR employees. This plan has 4 levels which include cover for a spouse and children, with the employee paying a set amount and JDR paying into the plan. The plan includes dental, and medical care, hospital consultations, health and wellbeing screening, fitness and exercise and counselling. Level 1 of the Health Shield plan is paid for by the company and includes voluntary health checks.

## Gender and remuneration

GRI 405-2

In TFKable, an equal pay comparison – a direct comparison of two or more people carrying out same, similar or equivalent jobs is carried out as part of HR statistics.

The ratio of women's pay to that of men employed at the different levels and positions in 2020 was as follows:

Table 11. Equal pay comparison in TFKable

Employment structure	Women-to-men pay ratio	
	2019	2020
Top executives	101%	122%
Management	100%	99%
Administration	96%	94%
Blue collar workers	80%	83%
Equipment operators	100%	100%

The differences stem from the fact, that the company's activity is to a large extent industrial production in difficult conditions, requiring physical resilience. Hence the advantage of men on production. Nevertheless, we are constantly working towards providing equal pay in TFKable.

The 4<sup>th</sup> JDR Gender Pay Gap Report for 2020 was published in July 2021, ahead of the updated required release deadline on October 5<sup>th</sup>

2021. The key conclusion is continuing to attract and retain more female employees to further reduce gender pay gap in JDR – the challenge typical for this industry. COVID-19 did not have an impact regarding the scope of the report. The full text of the Report can be found here.

JDR Gender Pay Gap Report



## 5.2 Health and safety

GRI 403-3

Due to the nature of our industry, we make life and health of our employees our highest priority. Various measures and procedures increasing safety and wellbeing are implemented and enforced at every stage of the production process in our facilities. We are committed to ensuring all of our employees, visitors and contractors, wherever they may be in our global organisation, return from work unharmed.

Both TFKable and JDR have internal **Health & Safety Policies**, that are audited and reviewed on a regular basis and contain all the commitments that allow us to always make the wellbeing of our people and our partners our utmost priority.

**THINK SAFETY** and **THINK QUALITY** are programmes started in JDR and being implemented across TFK.Group, respectively, since 2017 and 2019, as a part of implementing good practices from JDR, that ensures highest health, safety and environmental risk management standards. They are at the core of TFK.Group operations, including lean management principles such as continual, agile approach and waste prevention. TFKable's flagship Bydgoszcz Plant has already implemented both programmes.

### **THINK SAFETY and THINK QUALITY AIM TO:**

- promote a culture of quality and safety thinking among employees,
- reduce operating costs resulting from the effects of quality loss as well as threats to the health and life of employees;
- ensure greater repeatability, maintaining quality and safety at a high level;
- lead to employee involvement, increased motivation, indirectly attachment to the workplace through direct involvement in projects,
- building strategic competitive advantages of TFK.Group on the markets;
- build the image of TFK.Group among clients and employees as a reliable and responsible supplier / employer.



### **COVID-19 pandemic response**

TFKable Board of Directors established a **team responsible for the business impact of the SARS-CoV2 coronavirus outbreak response**. The team has been working continuously till date. Employees can find all related practical information on the TFPortal, launched in March 2020 that serves as an employment-related information and training center.

JDR implemented JDR COVID-19 **Pandemic Policy** that applies to all JDR Employees in the UK regardless of the position held, their contractual status, working location or the number of hours worked.

### **Occupational health and safety management system**

GRI 403-1

At TFKable the occupational health and safety (OHS) management system (ISO 45001) has been implemented in our plant in Bydgoszcz. We plan to introduce Health and Safety Management based on ISO 45001 in remaining facilities in the coming years even though there is no legal requirement. There are also special health and safety rules for external contractors working within our facilities. They were put in place in order to ensure safety of all deliveries, works, and visits carried out within our facilities by third party personnel.



At JDR, **Vision and Values** include **Quality, Health, Safety and Environment (QHSE)** not only because it is vital to our success, but it is central to providing a safe, healthy and environmentally sustainable workplace for our employees and anyone working with us, allowing us to be a trusted partner in day-to-day work. We achieve this goal through the commitment to our **Operational Excellence and Right First Time Quality** principles.

We integrate QHSE into everything we do and strive to set the benchmark for QHSE for others to follow. To meet this vision, JDR actively involves all employees, empowering them with the authority and responsibility to play their part in maintaining our commitment to continual improvement.

The Executive Team at JDR Cable Systems has the ultimate responsibility for QHSE management and champion its effective implementation, through their active visible leadership in the organisation. **QHSE Policy** is available and communicated to all employees and contractors, and also available upon request for anyone interested.

JDR also has a **Whistleblower Policy** which protects those who raise issues and this complements a STOP for Safety approach. A confidential reporting line called "Speak Up" protects those who raise issues and fully supports a STOP for Safety approach. The reporting line is operated by an external independent third party called Navex Global with cases managed through software called Ethicspoint. A person is able to make a report anonymously and the case will be investigated based on the information or evidence provided.

# Hazard identification, risk assessment, and incident investigation

GRI 403-2

Image 16. OHS risk management in TFK.Group



Image 17. Occupational health services in TFK.Group

**TFKable**

- contracts with private health care centres that evaluate employees' ability to work at a specific workstations;
- internal health and safety service ensure that employees are directed to appropriate work in accordance with recommendations;
- external contractors working at our facilities, present their medical fitness certificate for inspection;
- regular monitoring by responsible third parties.

**JDR**

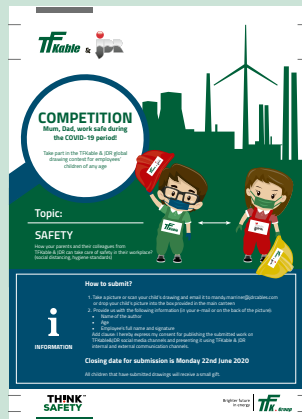
- all employees complete a pre-employment medical questionnaire;
- OGUK (Oil & Gas UK) medical certificate is standard prior to deployment for all working in an offshore environment;
- Night Shift Medicals, audiometry and DSE corporate eye care scheme, counselling and helpline are in place via Health Shield;
- ensuring driver medicals for fork lift drivers and crane operators.



# Employee participation, consultation, and communication on occupational health and safety

GRI 403-4, 403-5

## Social campaigns for safety@work at TFKable



"Mum, Dad, work safely during a coronavirus pandemic" competition for children of employees who submitted their artwork as part of the competition



Launch of „There is always time for quality" – the next stage of the ongoing campaign "QUALITY CONNECT US" on the occasion of 2020's summary of employee initiatives around quality, process improvement and building a quality culture that was held in the Bydgoszcz plant of the TFKable Group. Initiatives undertaken in 2020 were presented and employees were honored.



## Daily HSE communications at JDR



Daily HSE communications at **JDR Daily HUB meetings** with HSE, quality, manufacturing and maintenance topics covered.



Monthly Employee Forums with HSE first on the agenda.



**Monthly board reports** that include recognition and celebration of THINKERS of the Month – employees with exceptional achievements on HSE field.



Executive Team and Senior Managers conduct **Safety, Quality Walk and Talks**, positively engaging employees during the safety tour.



## Employees covered by an occupational health and safety management system

GRI 403-8, 403-10

At the Bydgoszcz Plant of TFKable, all employees are covered by the management and work safety system. In other facilities supervision over employees is based on procedures and instructions that in principle overlap the ISO 45001 system.

At JDR, all employees (including temporary agency workers), are covered by the management and work safety system which undergoes internal and external audits (external ones followed by relevant certification). Audits are performed under the requirements of ISO 45001:2015.

## Employees health promotion

GRI 403-6

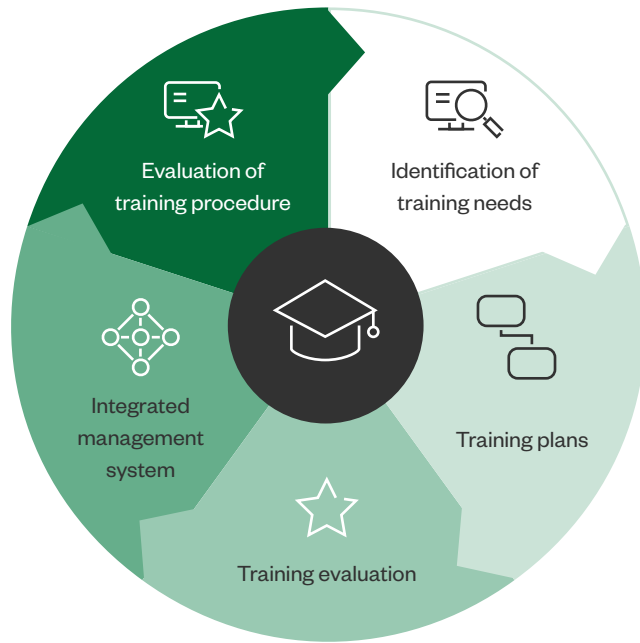
At TFKable, we support our employees in maintaining their health via medical assistance as well as prepaid sports programmes – FitProfit and FitSport – that our employees can enjoy.

At JDR, worker health promotion takes place primarily via Healthshield – a tailored health plan for JDR employees.



# 5.3 Skills' Building

Image 18. TFK.Group's training system



All employees and third party employees that work on our premises undergo mandatory trainings on occupational health and safety according to the common law.

GRI 403-5

At JDR, all employees apart from mandatory training on environmental, QHSE and technical competency requirements, take part in performance development process involving progress tracking, career aspirations and development needs for the year ahead. Employees are encouraged to adopt a proactive approach to their learning and recognize opportunities both in and outside the classroom. There are many opportunities available to develop new skills through on-the-job training, in-house and bespoke courses, learning networks and peer groups.



## Sharing expertise with younger generations

### TFKable – comprehensive knowledge sharing programme

	<p>School trips and tours around our manufacturing plants – students can learn about our industry.</p>		<p>Research partnerships with Universities of Science and Technology.</p>
	<p>Local and municipal career days, internships and traineeships for labour offices' beneficiaries.</p>		<p>Access to materials for the purpose of preparing academic papers.</p>
	<p>Internships and traineeships for students – learning for future executive or administrative positions.</p>	<p>Know-how sharing for expertise and skills development in Akademia TFKable (TFKable Academy).</p>	

## TFK ACADEMY



### 01 Staff

- **12** internal trainers,
- **2** external trainers.



### 02 Internal training

- Access to **18** internal training courses;
- access to materials from internal and external trainings;
- database of questionnaires, participants and constant updating of the schedule;
- access to training information from the employee portal.



### 03 External trainings

- Promotion of new products of TFK.Group;
- promotion of new CPR standards compliant with ITB and SEP recommendations;
- lobbying of LSOH products meeting the requirements of SEP and ITB standards.



### 04 Online trainings

- Due to the COVID pandemic, online training platforms (Skype, Teams) and internal communication platform were launched;
- internal training, for distributors and training seminars were held in this format.

## TFK Academy in 2020



**Training sessions**

**25**



**Organisation**

rating: **4.67/5.0**



**Overall assessment**

rating: **4.36/5.0**



**Participants**

internal training:  
**approx. 50,**  
external training:  
**approx. 680**



## Employer branding

As part of the anniversary campaign, 2 animations in 2 language versions (Polish and English) were prepared and published:

"100 years of cable tradition" – animated timeline presenting the most important events in the history of the plant;

"Our generations #100LatZakładuBydgoszcz", presenting photos of employees over the years of the factory's activity. It includes acknowledgements for the contribution to the development of the plant and TFKable Group.



## JDR – at the cutting edge of youth vocational training

JDR strongly supports preparing young people to enter the workforce through providing knowledge of our operations to the community. JDR is engaged in Science, Technology, Engineering and Mathematics (STEM) training, which enables students from local schools to learn more about the offshore energy sector. Many staff members at JDR have become STEM Ambassadors or mentors and attend careers fairs, factory tours, in-house events, school events, regional events, practice interviews and workshops.

As an example, JDR Cables Systems encourages and inspires local apprentices at Hartlepool College of Further Education.



*This event was an excellent opportunity for JDR to be inspiring the next generation of apprentices into the world of work locally in Hartlepool, whether that be apprenticeships in engineering or supporting functions.*

**Vicki Ashton**

Head of Human Resources,  
JDR Cable Systems Ltd

### January 2020 – Jobs Fair at Macmillan Academy

Employers are invited in to the school to set up a stand and students rotate around asking questions regarding employment opportunities.

### March 2020 – Aaron Ellis speaks to FE News

Aaron Ellis, Cost Estimating Lead at JDR Cables [speaks to FE News](#) sharing his apprenticeship journey and how the exposure to different departments has ultimately shaped his career.



### May 2020 – Mental Health Awareness Week

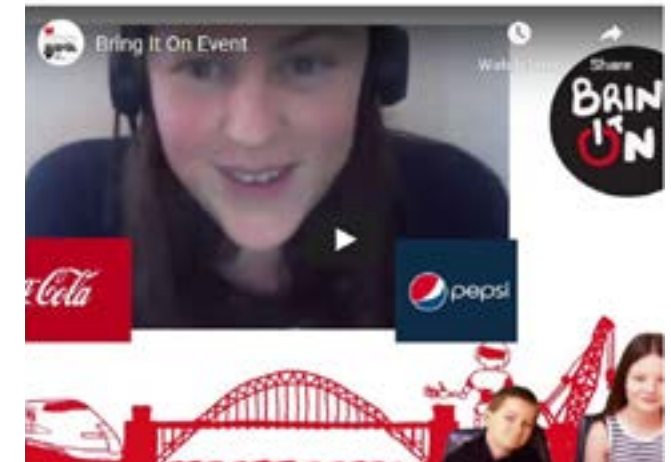
At JDR we believe that mental health is everyone's business and in 2020, we wanted to reach out within JDR and support our colleagues. This year's theme was "Kindness", as it is so important in supporting other people's and your own mental health.



### June 2020 – Bring It On virtual event

JDR's Graduates were keen to support the 2020 [virtual Bring It On event](#) which was an online programme of inspirational video content aimed at 9-14 year olds. The new videos educated, inspired and informed young people across the North East about the engineering opportunities available to them in the future.

#### Bring It On Event



### 27 July 2020 – Emily French interview with the Guardian

Emily French, one of JDR's Production Engineers, joined JDR as an apprentice in September 2012 and through her own commitment and determination, Emily completed her Mechanical Engineering Degree and hopes to inspire many more women to take up engineering careers. Through the [interview with the Guardian](#), she hopes to encourage more women to take up careers in engineering.

28 October 2020 – virtual careers fair by Global Offshore Wind

To engage students from 15 to 23 years old, Siobhan Doole, JDR's Analysis Engineer supported Simon Copp, Orsted's UK Head of People & Development in the session entitled 'The structure of the sector, the types of business and how to make choices.'



*My time as a graduate engineer at JDR has been genuinely enjoyable. Working within the analysis department over only a short period of 3 months I feel I have already gained a solid grasp of the subject, allowing me to contribute to many different projects. An engineering career can lead to exciting industries and interesting work. I am keen to promote the profession and support STEM events as I believe they support in younger people in accessing opportunities that will lead them to gaining beneficial experience and developing real world skills and knowledge.*

**Alexander Hart**  
Graduate Engineer,  
JDR Cable Systems Ltd

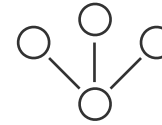
## Mutual win-wins



**Promotion of STEM career opportunities within JDR & TFK.**



**Engagement with engineers of the future.**



**Introduction to different industry professions.**



**Creation of a lower level talent pipeline.**



**Positioning JDR as a local business.**



**Insight into different job roles.**



**Encouraging next generation to work at TFK.Group.**



**Promotion of the industry**



**Building perception of TFK. Group as a great place to work.**



**Interaction between staff and students.**



## Appendix 2

Table 12. Employment in 2020

	TFKable		JDR	
	Nr	%	Nr	%
<b>Total</b>	<b>2138</b>		<b>458</b>	
Women	304	14% <sup>3</sup>	63	14% <sup>3</sup>
Men	1834	86% <sup>3</sup>	395	86% <sup>3</sup>
<b>Permanent contract</b>	<b>1973</b>	<b>92%<sup>3</sup></b>	<b>446</b>	<b>97%<sup>3</sup></b>
Women	266	13% <sup>1</sup>	386	87% <sup>1</sup>
Men	1707	87% <sup>1</sup>	60	13% <sup>1</sup>
<b>Temporary contract</b>	<b>165</b>	<b>8%<sup>3</sup></b>	<b>12</b>	<b>3%<sup>3</sup></b>
Women	38	23% <sup>2</sup>	3	25% <sup>2</sup>
Men	127	77% <sup>2</sup>	9	75% <sup>2</sup>
<b>Full time</b>	<b>2123</b>	<b>99%<sup>3</sup></b>	<b>445</b>	<b>97%<sup>3</sup></b>
Women	298	14% <sup>5</sup>	55	12% <sup>4</sup>
Men	1825	86% <sup>5</sup>	390	88% <sup>4</sup>
<b>Part time</b>	<b>15</b>	<b>0,7%<sup>3</sup></b>	<b>13</b>	<b>3%<sup>3</sup></b>
Women	6	40% <sup>4</sup>	8	62% <sup>5</sup>
Men	9	60% <sup>4</sup>	5	38% <sup>5</sup>

<sup>1</sup> of permanent contract employees

<sup>5</sup> of total part-time employment

<sup>2</sup> of temporary contract employees

Percentage values were rounded up or down to full value.

<sup>3</sup> of total employment

<sup>4</sup> of total full-time employment

Table 13. New employee hires and employee turnover in 2020

GRI 401-1

	TFKable				JDR			
	Hires		Leaves		Hires		Leaves	
	Nr	%	Nr	%	Nr	%	Nr	%
<b>Total</b>	<b>121</b>	<b>6%<sup>1</sup></b>	<b>369</b>	<b>17%<sup>1</sup></b>	<b>58</b>	<b>13%<sup>1</sup></b>	<b>45</b>	<b>10%<sup>1</sup></b>
<b>Age</b>								
Under 30	49	40% <sup>2</sup>	88	24% <sup>3</sup>	14	24% <sup>2</sup>	6	13% <sup>3</sup>
30-50	56	46% <sup>2</sup>	171	46% <sup>3</sup>	37	64% <sup>2</sup>	22	49% <sup>3</sup>
Over 50	16	13% <sup>2</sup>	110	30% <sup>3</sup>	7	12% <sup>2</sup>	17	38% <sup>3</sup>
<b>Gender</b>								
Women	14	12%	40	11% <sup>3</sup>	6	10% <sup>2</sup>	11	24% <sup>3</sup>
Men	107	88%	329	89% <sup>3</sup>	52	90% <sup>2</sup>	34	76% <sup>3</sup>
<b>Turnover<sup>4</sup></b>	17%				10%			

<sup>1</sup> of total employment

<sup>2</sup> of total hires

<sup>3</sup> of total leaves

<sup>4</sup> number of leaves as of Dec 31st 2020/number of total employment as of Dec 31st 2020 x 100

Percentage values were rounded up or down to full value.

Table 14. Diversity of governance bodies and employees in 2020

GRI 405-1

	TFKable			JDR		
	Supervisory board	Management board	Employees	The Board	The Executive Team	Employees
Women	20%	50%	14%	0%	0%	14%
Men	80%	50%	86%	100%	100%	86%
<30 years old	0%	0%	10%	100%	88%	14%
30-50 years old	0%	25%	57%	0%	12%	56%
50+ years old	100%	25%	33	0%	0%	27





# 6

## Environmental protection

### Key highlights:

- Environmental policy and management system
- Key impact areas resulting from our business model
- Data about environmental indicators



# Key data & facts



**45%**

of new TFKable suppliers verified



**6,847%**

percentage of water reused @TFKable

**6,131.2** tCO<sub>2</sub>e

Total Scope 1 CO<sub>2</sub> emissions @TFKable



**1.11** MWh/tonne

TFKable energy intensity indicator

**966,260** kgCO<sub>2</sub>e

Total Scope 2 CO<sub>2</sub> emissions @JDR



**ISO 9001, ISO 45001  
and ISO 14001**

our Quality, Health, Safety, and  
Environment Management System



**Recycling**

key disposal method @TFK.Group



*In our daily activities, we are aware of our responsibility for the impact on the natural environment. Our cables are used in a wide variety of areas, including areas with high biodiversity value. Therefore, the highest priority is the quality and safety of products and services for users and ecosystems. At the same time, we place great emphasis on optimizing and increasing the environmental efficiency of our activities in the field of production and logistics.*

**Robert Słapak**

Head of Quality Management Department,  
TELE-FONIKA Kable S.A.

# 6.1 Environmental management

## Our goals:

- Safety of products for people and the environment.
- Effective and economical use of natural resources.
- Preventing and limiting emissions of pollutants and greenhouse gases.
- Rational management of raw materials and application of the principles of a circular economy.

## Sustainable Development Goals (SDG)

Our activities are in line with the following Sustainable Development Goals defined by the United Nations:



### Goal 7

Ensure access to affordable, reliable, sustainable and modern energy for all.



### Goal 9

Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation.



### Goal 12

Ensure sustainable consumption and production patterns.

Our products are used in all important sectors of the economy, which sets us a high bar in terms of quality, safety and environmental impact. Through numerous tests and endurance tests, compliance with the highest requirements and standards, as well as continuous development of innovation, we strive to minimize our impact on the environment.

GRI 103-1

## Environmental policy

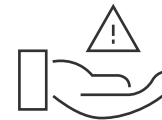
GRI 103-3

Management of the environmental impact area at TFK.Group is regulated by the Environmental Management System and Environmental Policy as well as implemented standards and certificates.

We implement environmental policy through:



best management practice and innovation



risk management



efficient use of resources and raw materials



impact, waste and pollution minimalisation



suppliers selection and people management and education



## Quality and environmental management system in place



ISO 9001  
ISO 14001  
ISO 45001

### Regulations we adhere to:

RoHS  
REACH

The key areas of our environmental impact are production, products and services. We focus on continuous improvement of standards, risk analysis and the use of best practices. In particular, this means, inter alia, avoiding the use of raw materials containing substances harmful to humans and the environment, limiting pollutant emissions and waste production, and efficient management of natural resources and energy in the production process.

At the same time, through education and exchange of knowledge, we strive to build awareness of responsibility for the environment among employees, which is accompanied by the pursuit of the development of environmentally friendly innovations.



## Our impact activities and results

The materiality analysis of our business model identifies four key areas with the greatest environmental impact. We describe each in the following chapters.



### Energy consumption and emissions

Climate change is one of the main threats associated with energy consumption and GHG (greenhouse gases) emissions. We strive to minimise our carbon footprint and energy usage by searching for possibilities to consume less energy and by focusing on obtaining energy from renewable sources.



### Raw materials and waste management

Sustainable resource management includes purchasing raw materials from selected suppliers, optimising their consumption and recovering, recycling and reducing waste and emission of hazardous pollutants into the atmosphere. We take action along the entire value chain from suppliers to waste disposal and treatment.



### Water management

We aim to continuously improve our water management. We are aware that fresh water is a scarce resource, this is why, in the manufacturing process, we apply closed water circuits to maximize the percentage of water collected by the organisation for further reuse.



### Our products and services

We aim to achieve sustainable growth and permanent market advantage. Our strategy is focused on developing and providing high quality products with due consideration given to the environmental impact of our activities. The solutions we apply combine benefits with the least environmental impact possible.

*See Chapter 4 – Clients*



## 6.2 Energy consumption and emissions<sup>1</sup>



Total energy consumption @TFKable in 2020

**160,087.9** MWh

and

**4,836.6** MWh

@JDR



The largest part of non-renewable energy resources @TFKable is natural gas

**36,164.4** MWh



Total Scope 1 direct CO<sub>2</sub> emissions @TFKable

**6,131.2** tCO<sub>2</sub>e

Total Scope 2 direct CO<sub>2</sub> emissions @JDR

**966,260** kgCO<sub>2</sub>e

Reducing energy consumption and thus lowering greenhouse gas emissions is a continuous work along the entire value chain. The improvements, new technologies and innovations that we implement are aimed at increasing the efficiency and reliability of products in order to reduce energy and power dissipation. The scale of energy consumption is a direct derivative of the production volume, therefore we also analyse the energy intensity indicator.

Table 15. TFK.Group energy intensity

GRI 302-3

TFKable:

**1.11** MWh/tonne

JDR:

**13.3** MWh per day

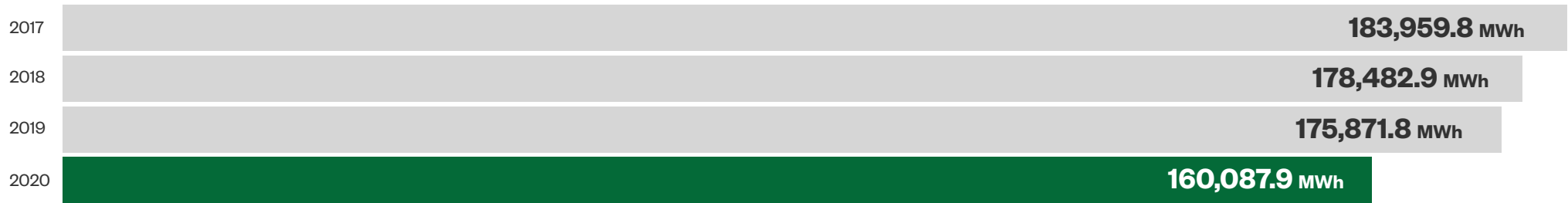


<sup>1</sup> More data and year to year comparisons you can find in Appendix on page 80

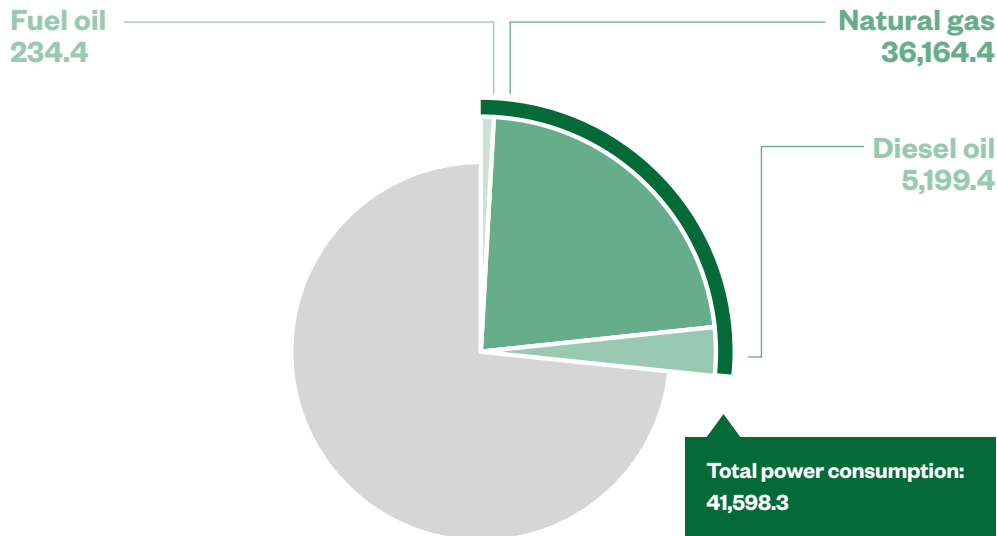
Table 16. TFKable energy consumption

GRI 302-1

**Total energy consumption**



**Energy consumption from non-renewable resources (MWh)**



**Total consumption of own or purchased energy (MWh)**

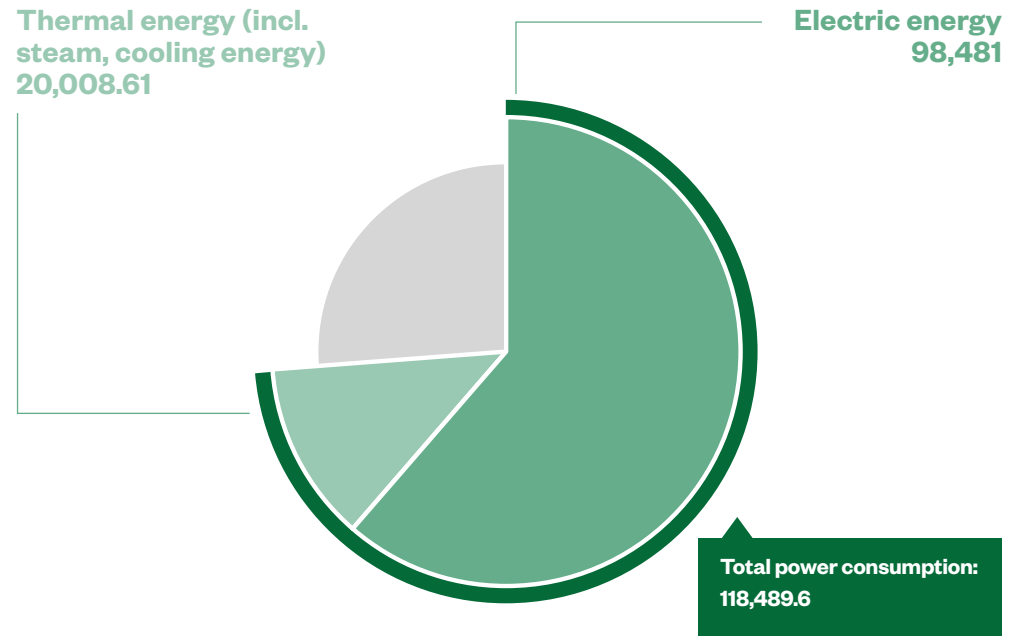
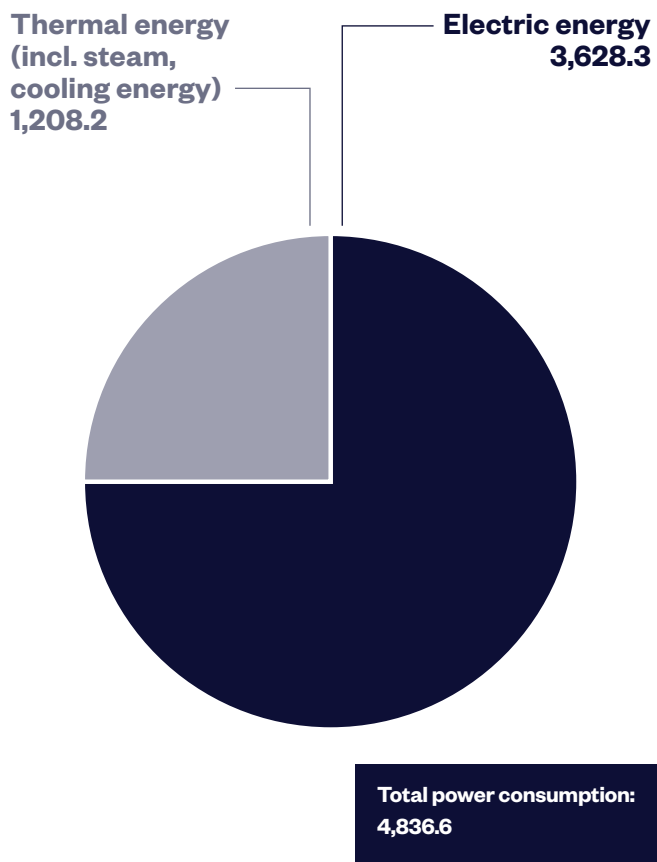


Table 17. JDR energy consumption (MWh)

GRI 302-1

**Total consumption of own or purchased energy**



The differences in energy consumption between TFKable and JDR result from the scope of operations and production profiles in particular locations. TFKable plants are equipped with various types of energy saving solutions, which enable production of cable components, semi-finished products and finished products. Operations at JDR plants cover mainly the final stage of cable production, namely assembly of component parts, using the semi-finished products manufactured and result in the much lower consumption requirements.

## Reduction of energy consumption

GRI 302-4

We are constantly modernizing the TFK.Group plants, replacing lighting with LED and introducing improvements, including ideas of employees as part of continuous improvement. At TFKable, we use a ERCO.Net media management program, thanks to which we analyze and manage the use of utilities (electricity and heat or natural gas).


**Examples of activities carried out at @TFKable in 2020:**

- Modernization of the main lighting of production halls and lighting of the premises of the plants in Kraków and Bydgoszcz. Installation of energy-saving LED lighting.
- Modernization of the compressor room in Kraków – replacement of compressors with energy-saving ones.
- Replacement of internal transport vehicles – withdrawal from use of 25 old diesel lift trucks and purchase of 7 new electric forklifts and 13 internal combustion trucks meeting the current EURO standards in the field of exhaust emissions.




# 6.3 Water management<sup>2</sup>

The total volume of water collected by TFKable in 2020 was




**311,305 m<sup>3</sup>**

The total volume of waste @TFKable in 2020 amounted to




**municipal sewage treatment companies.**

The volume of wastewater treated by TFKable in 2020 amounted to



**26,440 m<sup>3</sup>**

In 2020, a total of



**26,440 m<sup>3</sup>**

of treated wastewater was carried off to surface water (rivers).

Image 19. TFKable total water intake per source

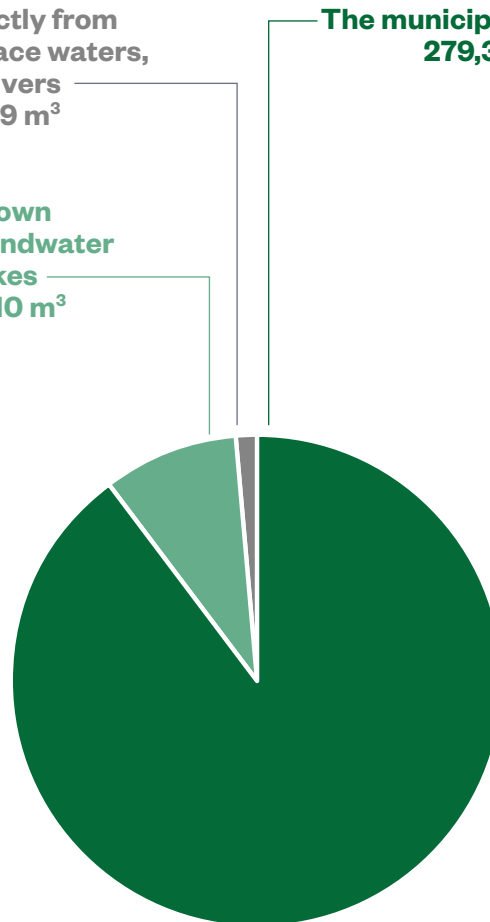
GRI 303-1

We take water from three different sources:

Directly from surface waters, i.e. rivers **4,099 m<sup>3</sup>**

Our own groundwater intakes **27,810 m<sup>3</sup>**

The municipal grid **279,396 m<sup>3</sup>**



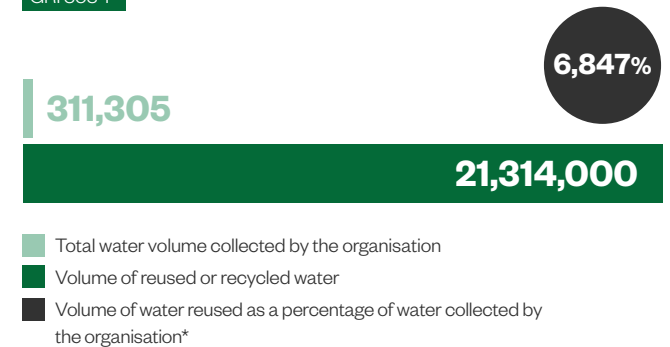
## Wastewater treatment

GRI 306-1

Water recovery and recycling technologies allow us to use water in the production process even several dozen times. The total volume of wastewater treated by TFKable in 2020 was **26,440 m<sup>3</sup>**. All treated sewage was discharged to surface waters (rivers). In JDR, all water discharges are processed within the discharge consent parameters set by the relevant water authority.

Table 18. The percentage and total water volume subject to recycling and reuse in TFKable [m<sup>3</sup>]

GRI 303-1



\*The percentage of water reused is the ratio of water volume pumped in closed cooling systems to the volume of water collected by the organisation.

In addition to sanitary wastewater, our mechanical-biological-chemical wastewater treatment plant at the Bydgoszcz plant also receives technological wastewater – generated in the production process. The capacity of the wastewater treatment plant installation is **120 m<sup>3</sup> / day, i.e. 43,800 m<sup>3</sup> per year.**

<sup>2</sup>More data and year to year comparisons you can find in Appendix on page 80

## 6.4 Raw materials and waste management<sup>3</sup>



The total volume of waste @TFKable in 2020 amounted to

**16,676 Mg**

of non-hazardous waste and

**609.7 Mg**

of hazardous waste.



In 2020 we processed most of our waste @TFKable by recycling it. This method was applied to

**14,983 Mg**

of waste.



**45%**

of TFKable new suppliers verified in 2020



@JDR

**all non-hazardous waste**

has been recycled in 2020.

### Raw materials management

Responsible resource management of TFKGroup includes purchases from selected suppliers, optimization of the use of raw materials in production processes and minimization of waste using a circular economy. We design, manufacture and install our products with care for the environment and the use of natural resources.

Table 19. Raw materials / materials used by weight and volume in TFKable in 2020

GRI 301-1

#### Total consumption (t, m<sup>3</sup>)

Natural gas (m <sup>3</sup> )	1,881,083
Fuel oil (m <sup>3</sup> )	12
Diesel oil (m <sup>3</sup> )	454.6
Other (t)	159,933

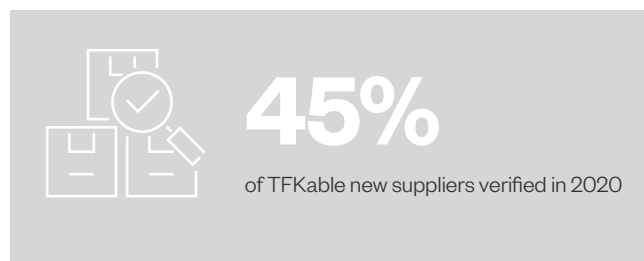


<sup>3</sup>More data and year to year comparisons you can find in Appendix on page 80

## Environmental verification of suppliers

GRI 102-9, 103-2, 103-3, 308-1

The supply chain is another area in which we care about minimizing the impact on the environment. Through a number of selection criteria and regular verifications, we strive to ensure the required quality of services and the supplied raw materials and materials.



### The basic supplier evaluation parameters at TFKable include:

- Complying with the ISO 14001 environmental management system
- REACH Environmental declarations
- RoHS (EU Restriction of Hazardous Substances directive)

Working in the offshore environment, JDR understands the need for awareness of the impact a business can have on the environment. Our **Responsible Sourcing Code** planned for implementation in 2021 sets out our expectations regarding basic compliance. At the very least, we expect our suppliers to carry out operations with care for the environment, comply with all relevant local and national environmental regulations and maintain all applicable licenses, registrations or permits. JDR is committed to minimising our Environmental Impact and want to work with Suppliers who strive to minimise their adverse impacts on the environment, human health and livelihoods of their products or services throughout their life cycle.

## Waste management

The TFK.Group waste management system in most plants includes the reduction of waste production and its environmentally safe processing. In the case of the Bukowno Recycling Plant in Poland, it is also possible to reuse the waste in line with the circular economy principle.

### Our production plants employ the following waste processing methods:

- recycling
- recovery, including energy recovery (not applied to hazardous waste)
- incineration or use as fuel
- short term on-site storage

Table 20. Total weight of waste per disposal method in TFKable in 2020

GRI 306-2

Total consumption (t, m <sup>3</sup> )	non-hazardous waste [Mg]	hazardous waste [Mg]
Recycling	14,983	332.7
Recovery (including energy recovery)	741.8	0
Incineration (or use as fuel)	197.7	208.8
On-site storage	753.4	68.3
<b>TOTAL</b>	<b>16,676</b>	<b>609.7</b>

Table 21. Total weight of waste in JDR in 2020

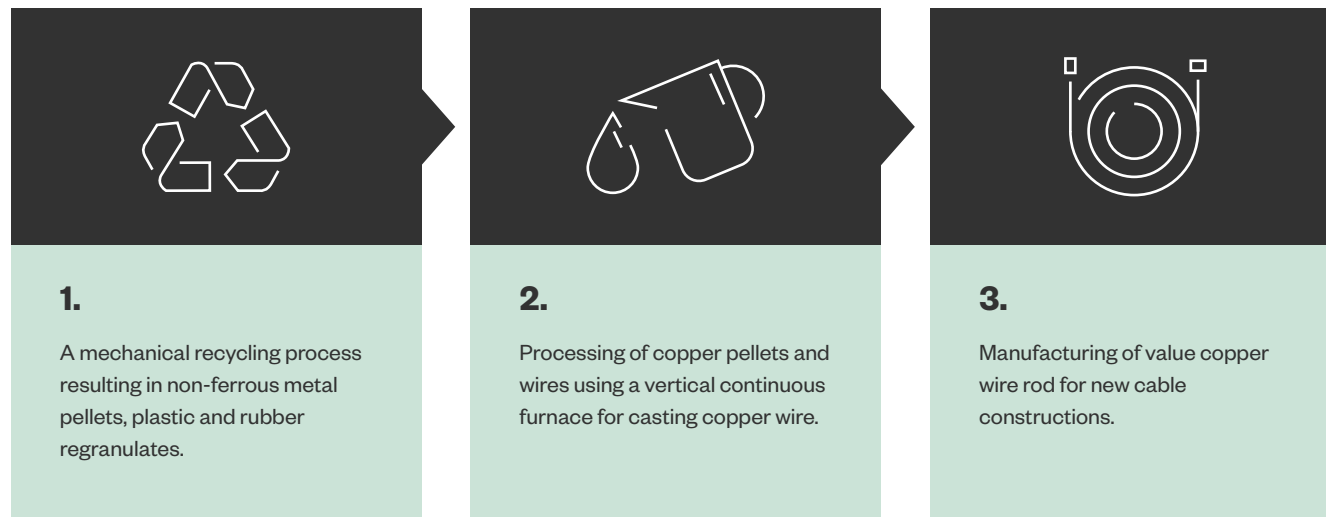
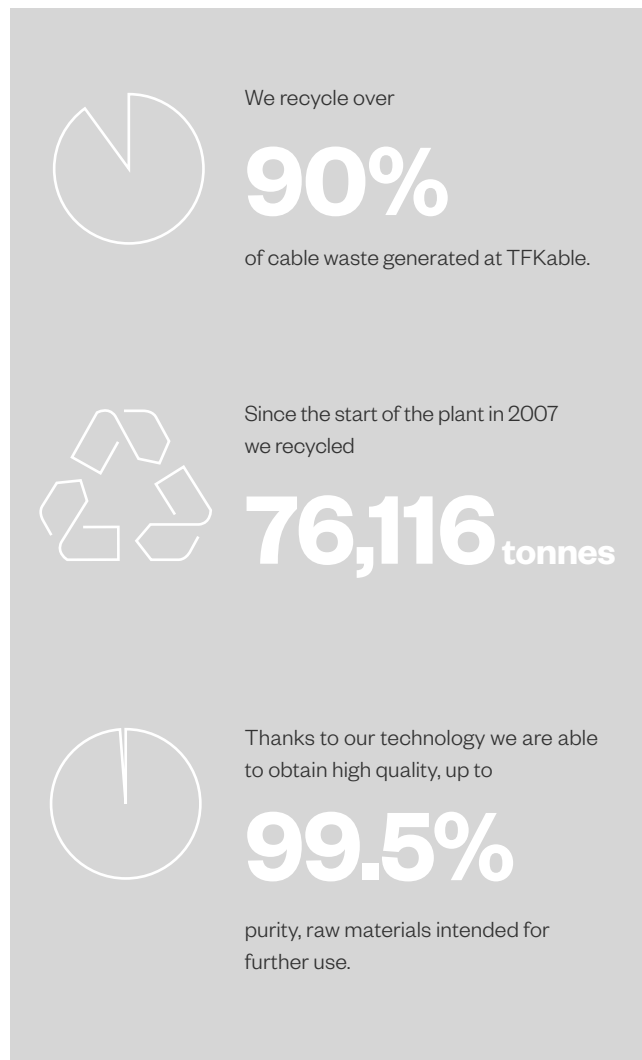
GRI 306-2

non-hazardous waste [kg]		hazardous waste [kg]	
General	191,391	Armoured Wire	482,700
Waste Water/ Glycol	53,000	Copper	223,382
Polymer	7,660	Metals	141,005
Kevlar Dirty	2079	Aluminium	141,005
Oil (full, empty,rags)	900	Scrap Cable	61,067
W.E.E.	500	Wood Waste	47,606
Hazardous	300	Cardboard/ Paper	5,686
Glycol Empty IBC's	220	Other: Ropes, Stainless Steel, Tin Cans, Ferrous Metals, Kevlar Clean	113
Other: Plastic Tube, Adhesive Tins, Aerosols, Batteries, Ink Bottles	360		
<b>TOTAL</b>	<b>256,410</b>	<b>TOTAL</b>	<b>1,102,564</b>

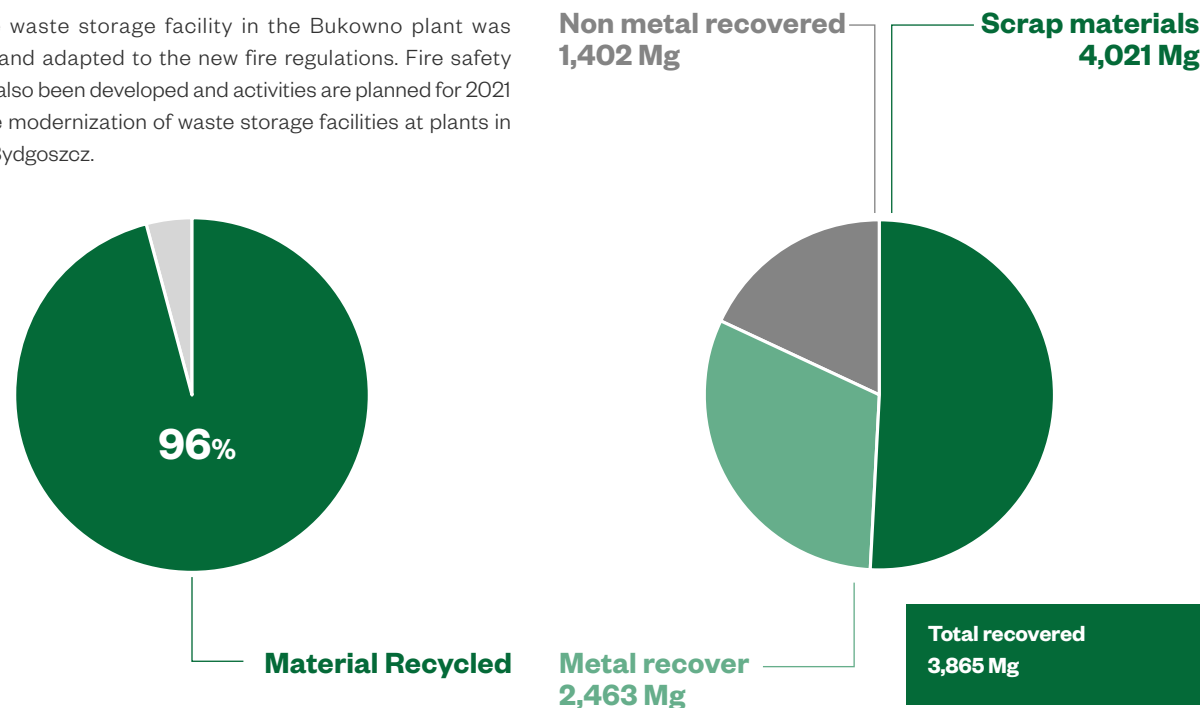
All non-hazardous waste apart from general waste has been recycled.

## Circular economy at Bukowno Recycling Plant in Poland

Our plant reuses production waste as a secondary raw material. The installations process waste from the production of cables and post-operational cables from renovation and construction works in the facilities of the TFK.Group.



In 2020, the waste storage facility in the Bukowno plant was modernized and adapted to the new fire regulations. Fire safety reports have also been developed and activities are planned for 2021 as part of the modernization of waste storage facilities at plants in Kraków and Bydgoszcz.



## Appendix

### Energy consumption and emissions

Table 22. TFKable energy consumption

GRI 302-1

#### Total consumption of energy from non-renewable (own or purchased) resources

	(MWh) 2017	(MWh) 2018	(MWh) 2019	(MWh) 2020	(GJ) 2017	(GJ) 2018	(GJ) 2019	(GJ) 2020
Coal	0	0	0	0	0	0	0	0
Natural gas	43,491	38,553.3	38,946.9	<b>36,164.4</b>	156,567.6	138,792	140,209	<b>130,192</b>
Fuel oil	1,495.3	1,074.8	623.9	<b>234.4</b>	5,383	3,869.3	2,246	<b>844</b>
Diesel oil	7,200	6,672	6,132.2	<b>5,199.4</b>	25,920	24,019.5	22,076	<b>18,718</b>
<b>Total consumption</b>	<b>52,186.3</b>	<b>46,300.2</b>	<b>45,703</b>	<b>41,598.3</b>	<b>187,870.6</b>	<b>166,680.8</b>	<b>164,531</b>	<b>149,754</b>

#### Total consumption of own or purchased energy, divided into: electrical, thermal, in joules or their multiple

	(MWh) 2017	(MWh) 2018	(MWh) 2019	(MWh) 2020	(GJ) 2017	(GJ) 2018	(GJ) 2019	(GJ) 2020
Electric energy	112,081	111,323	111,351	<b>98,481</b>	403,491.6	400,762.8	400,863.6	<b>354,531.6</b>
Thermal energy (incl. steam, cooling energy)	19,692.5	20,859.7	18,817.8	<b>20,008.6</b>	70,893	75,095	67,744	<b>72,031</b>
<b>Total power consumption</b>	<b>131,773.5</b>	<b>132,182.7</b>	<b>130,168.8</b>	<b>118,489.6</b>	<b>474,384.6</b>	<b>475,857.8</b>	<b>468,607.6</b>	<b>426,562.6</b>

#### Total energy consumption

	(MWh) 2017	(MWh) 2018	(MWh) 2019	(MWh) 2020	(GJ) 2017	(GJ) 2018	(GJ) 2019	(GJ) 2020
	183,959.8	178,482.9	175,871.8	<b>160,087.9</b>	662,255.2	642,538.6	633,138.6	<b>576,316.6</b>



Table 23. JDR energy consumption

GRI 302-1

**Total consumption of own or purchased energy, divided into: electrical, thermal, in joules or their multiple**

	(MWh) 2018	(MWh) 2019	(MWh) 2020
Electric energy	2,047.2	4,070	<b>3,628.3</b>
Thermal energy (incl. steam, cooling energy)	260.9	1,936	<b>1,208.2</b>
<b>Total power consumption</b>	<b>2,308.1</b>	<b>6,006</b>	<b>4,836.6</b>

Table 24. TFKable energy intensity

GRI 302-1

Energy intensity	2017	2018	2019	2020	Unit
Dividend – total energy consumption* (GJ, MWh)	187,870.6	178,482.9	175,871.8	<b>160,087.9</b>	MWh
Divisor, Gross tonne of raw processed material (including waste)	179,407	180,052	171,454	<b>144,773</b>	Tonnes
<b>Energy consumption indicator</b>	<b>1.0</b>	<b>0.99</b>	<b>1.03</b>	<b>1.11</b>	MWh/tonne

\*The total energy consumption includes electrical energy, natural gas, purchased grid heat, fuel oil and diesel oil.

Table 25. JDR energy intensity

GRI 302-3

# 13.3 MWh per day

The total energy consumption includes electricity and gas (heating) and energy consumption within the manufacturing sites at Hartlepool and Littleport.

Table 26. TFKable Direct greenhouse gas emissions

GRI 305-1

Energy intensity	Greenhouse gas emission [tCO <sub>2</sub> e] 2017	Greenhouse gas emission [tCO <sub>2</sub> e] 2018	Greenhouse gas emission [tCO <sub>2</sub> e] 2019	Greenhouse gas emission [tCO <sub>2</sub> e] 2020	Greenhouse gases included in calculations description
Emission related to electrical energy generation	0	0	0	0	n/a
Emissions resulting from heat generation	5,454.1	4,792.6	4,849.8	192	CO <sub>2</sub>
Emission from cooling processes and steam generation	0	0	0	4,534	n/a
Emission from physical and chemical processing	0	0	0	0	n/a
Hydrofluorocarbon (HFC) emissions	75.4	168.3	4.4	22.8	HFC 32, HFC 125, HFC 134a
Emissions resulting from transportation of materials, products, and waste	0	0	0	1,382	n/a
<b>Total direct emissions</b>	<b>5,529.6</b>	<b>4,960.8</b>	<b>4,854.3</b>	<b>6,131</b>	
Biogenic CO <sub>2</sub> emission in metric tons of CO <sub>2</sub> equivalent	0	0	0	0	n/a
Other	0	0	0	0	
<b>TOTAL</b>	<b>5,529.6</b>	<b>4,960.8</b>	<b>4,854.3</b>	<b>6,131</b>	

Table 27. JDR Energy indirect (Scope 2) GHG emissions

GRI 305-2

Direct emissions	Greenhouse gas emission 2018 [kgCO <sub>2</sub> e]	Calculation based on UK Conversion Factors	Greenhouse gas emission 2019 [kgCO <sub>2</sub> e]	Calculation based on UK Conversion Factors	Greenhouse gas emission 2020 [kgCO <sub>2</sub> e]	Calculation based on UK Conversion Factors
CO <sub>2</sub> emissions	644,953	<ul style="list-style-type: none"> <li>2017 Conversion factor 0.34885, expiry date 31.07.2018</li> <li>2018 Conversion factor 0.28088, expiry date 31.07.2019</li> </ul>	644,953	<ul style="list-style-type: none"> <li>2018 Conversion factor 0.28088, expiry date 31.07.2019</li> <li>2019 Conversion factor 0.2556, expiry date 31.07.2020</li> </ul>	966,260	<ul style="list-style-type: none"> <li>2019 Conversion factor 0.2556 expiry 31.07.20</li> <li>2020 Conversion factor 0.28088 expiry 01.06.21</li> </ul>
CH <sub>4</sub> emissions	1,308	<ul style="list-style-type: none"> <li>2017 Conversion factor 0.00062, expiry date 31.07.2018</li> <li>2018 Conversion factor 0.00066, expiry date 31.07.2019</li> </ul>	1,308	<ul style="list-style-type: none"> <li>2018 Conversion factor 0.00066, expiry date 31.07.2019</li> <li>2019 Conversion factor 0.00065, expiry date 31.07.2020</li> </ul>	2,466	<ul style="list-style-type: none"> <li>2019 Conversion factor 0.00065 expiry 31.07.20</li> <li>2020 Conversion factor 0.00072 expiry 01.06.21</li> </ul>
N <sub>2</sub> O emissions	3,710	<ul style="list-style-type: none"> <li>2017 Conversion factor 0.00209, expiry date 31.07.2018</li> <li>2018 Conversion factor 0.00153, expiry date 31.07.2019</li> </ul>	3,710	<ul style="list-style-type: none"> <li>2018 Conversion factor 0.00153, expiry date 31.07.2019</li> <li>2019 Conversion factor 0.00137, expiry date 31.07.2020.</li> </ul>	4,986	<ul style="list-style-type: none"> <li>2019 Conversion factor 0.00137 expiry 31.07.20</li> <li>2020 Conversion factor 0.00138 expiry 01.06.21.</li> </ul>

**JDR GHG emissions intensity in 2020**

GRI 305-4

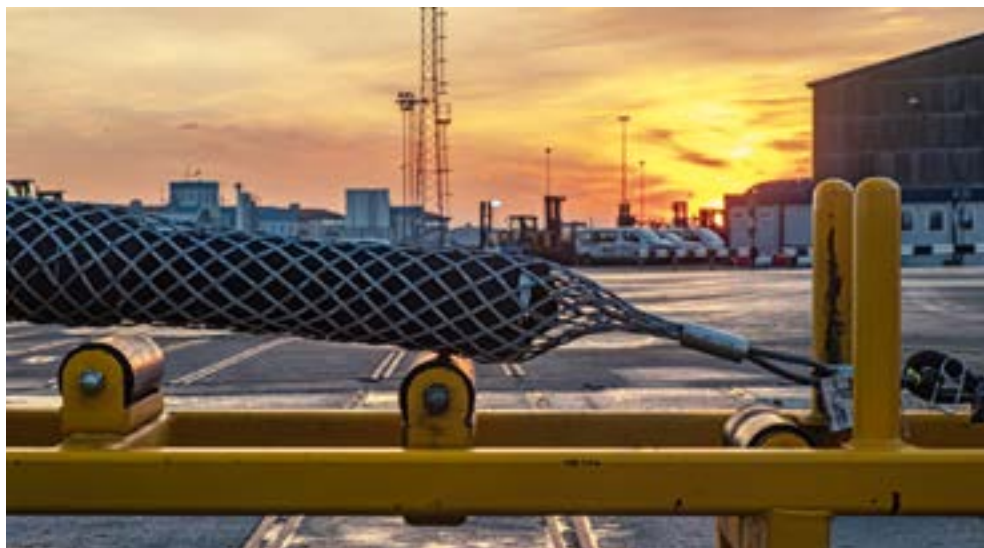
a. GHG emissions intensity ratio for the organization	100 kg CO <sub>2</sub> e per day.
b. Organization-specific metric (the denominator) chosen to calculate the ratio.	kg CO <sub>2</sub> e per day.
c. Types of GHG emissions included in the intensity ratio	Scope 2: manufacturing
d. Gases included in the calculation	CO <sub>2</sub> , CH <sub>4</sub> & N <sub>2</sub> O



Table 28. TFKable Emissions of NOx, SOx, and other significant compounds

GRI 305-7

Emission of NOx, SOx, and other significant compounds	Weight of significant air emissions (tonnes)			
	2017	2018	2019	2020
NOx	5	4.5	4.3	<b>4.1</b>
SOx	0.4	0.5	0.14	<b>0.1</b>
Persistent organic pollutant (POP)	0	0	0	<b>0</b>
Volatile organic compounds (VOC)	35	25.8	28.6	<b>23.3</b>
Hazardous Air Pollutant (HAP)	0	0	0	<b>0</b>
Particulate matter (PM)	1.4	1.3	1.1	<b>0.9</b>
Other standard categories of atmospheric emissions	17.8	16.6	16.5	<b>11.7</b>



## Water management

Table 29. TFKable Total water intake per source

GRI 303-1

Total volume of water collected by the company by source (in m <sup>3</sup> )	Total volume			
	2017	2018	2019	2020
Water from rivers	2,038	3,660	5,774	4,099
Water from lakes	0	0	0	<b>0</b>
Sea water	0	0	0	<b>0</b>
Water from wetlands	0	0	0	<b>0</b>
Groundwater	30,126	25,008	28,185	<b>27,810</b>
Rainwater collected directly and stored by the organisation	0	0	0	<b>0</b>
Municipal water supply	290,168	269,832	301,835	<b>279,396</b>
Stormwater from other organisations	0	0	0	<b>0</b>
<b>TOTAL</b>	<b>322,332</b>	<b>298,500</b>	<b>335,794</b>	<b>311,305</b>

Table 30. The percentage and total water volume subject to recycling and reuse in TFKable

GRI 303-3

	Volume [m <sup>3</sup> ]			
	2017	2018	2019	2020
Total water volume collected by the organisation	322,332	298,500	335,794	<b>311,305</b>
volume of reused or recycled water	24,132,000	22,241,000	22,241,000	<b>21,314,000</b>
volume of water reused as a percentage of water collected by the organisation*	7,487%	7,451%	6,623%	<b>6,847%</b>

\*The percentage of water reused is the ratio of water volume pumped in closed cooling systems to the volume of water collected by the organisation.

Table 31. The percentage and total water volume subject to recycling and reuse in TFKable

GRI 303-3

Water discharge destination	Volume [m <sup>3</sup> ]			
	2017	2018	2019	2020
To groundwater	0	0	0	<b>0</b>
To surface water (including lakes and rivers)	24,366	22,637	22,048	<b>26,440</b>
To municipal utilities	51	0	0	<b>0</b>
Total wastewater	0	0	0	<b>0</b>

Water discharge destination	Volume [m <sup>3</sup> ]			
	2017	2018	2019	2020
By the organisation	24,417	22,637	22,048	<b>26,440</b>
By the waste treatment plant	0	0	0	<b>0</b>
Total treated	24,417	22,637	22,048	<b>26,440</b>

## Raw materials and waste management

Table 32. Raw materials / materials used by weight and volume in TFKable

GRI 301-1

Raw materials/materials used by weight weight/volume (t, m <sup>3</sup> )	Total consumption			
	2017	2018	2019	2020
Natural gas (m <sup>3</sup> )	4,349,100	3,855,336	2,306,796	<b>1,881,083</b>
Fuel oil (m <sup>3</sup> )	123.7	104.3	24.5	<b>12</b>
Diesel oil (m <sup>3</sup> )	637.8	456.5	492.7	<b>454.6</b>
Other (t)	194,954	190,027.4	208,253	<b>159,933</b>



Table 33. Total weight of waste per type and disposal method in TFKable

GRI 306-2

Total weight of non-hazardous and hazardous waste by disposal method	non-hazardous waste [Mg]				hazardous waste [Mg]			
	2017	2018	2019	2020	2017	2018	2019	2020
Reuse	0	0	0	0	0	0	0	0
Recycling	18,393.5	18,497.5	19,686.8	<b>14,983</b>	194.3	310.9	272.7	<b>332.7</b>
Composting	0	0	0	0	0	0	0	0
Recovery (including energy recovery)	795.9	761.2	707.6	<b>741.8</b>	0	0	0	0
Incineration (or use as fuel)	153.8	156	207.2	<b>197.7</b>	165.1	161.8	128.3	<b>208.8</b>
Deep well injection	0	0	0	0	0	0	0	0
Storage on waste dumps	0	0	0	0	0	0	0	0
On-site storage	988.7	955.7	761.3	<b>753.4</b>	69.4	13	51.7	<b>68.3</b>
Other	0	0	0	0	0	0	0	0
<b>TOTAL</b>	<b>20,331.9</b>	<b>20,370.4</b>	<b>21,362.9</b>	<b>16,676.1</b>	<b>428.9</b>	<b>485.7</b>	<b>452.8</b>	<b>609.7</b>

Table 34. Recycling at Bukowno plant

	2012	2013	2014	2015	2016	2017	2018	2019	2020	TOTAL
Scrap materials (Tonne/year)	4,734	4,564	6,847	4,773	6,052	5,464	5,280	5,666	4,021	47,401
Metal recovered (Tonne/year)	2,760	2,695	3,953	3,036	3,907	3,578	3,352	3,740	2,463	29,484
Non metal recovered (Tonne/year)	1,775	1,710	2,630	1,614	1,980	1,776	1,783	1,729	1,402	16,399
Total recovered (Tonne/year)	4,535	4,405	6,583	4,650	5,887	5,354	5,135	5,470	3,865	45,883
Material Recycled	96%	97%	96%	97%	97%	98%	97%	97%	96%	97%

Table 35. Materials recycled in 2020

GRI 301-3

- Non-ferrous metals – **2,439.7 Mg** – which was processed into **3,125.4 Mg** of copper rod transferred to future manufacturing
- Ferrous metals – **23 Mg**
- Plastic and rubber pellets – **1401.8 Mg**

**Wooden packaging recycled in 2020**

- **1,840 Mg** of wooden packaging (drums, pallets) handed over to wood recycling companies

# 7

# Glossary

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

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

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

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

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

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

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

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

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

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

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

**REACH Environmental declarations** – EU regulation regarding Registration, Evaluation, Authorisation and Restriction of Chemicals. It is the EU regulation adopted to protect the human health and environment from risks posed by chemicals. In line with the REACH regulation TFKable requires its suppliers to provide information on the properties

of supplied chemicals and the risks associated with human health and the environment. This information enables effective risk management and minimization of the negative impact of these substances.

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

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

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

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

**5s (6s)** – a set of techniques and methods to establish and maintain high-quality workplaces. It is directly related to the proper organization of the work environment, improvement of the company's organizational culture and it allows to increase the stability of processes. The 5S system consists of 5 consecutive steps: "Sort", "Set In order", "Shine", "Standardize" and "Sustain". The list describes how to organize a work space for efficiency and effectiveness by identifying and storing the items used, maintaining the area and items, and sustaining the new order. At TFKable 5S has become 6S, the sixth element being safety.

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

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

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

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

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

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

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# 8 About the report

## Report creation process

This is our fourth Corporate Social Responsibility report. It contains data for 2020 and the reporting cycle of TFK.Group is annual. The data presented in the report was prepared as at December 31, 2020.

GRI 102-49, 102-50, 102-51, 102-52

Reporting scope and content is based on materiality assessment performed in 2017, annual industry benchmark and GRI Guidelines. We verified the accuracy of all the issues and updated the report content in accordance with current business strategy and operations.

GRI 102-46

The general information presented in the report refers to the TFK.Group. If not – each time we indicate if that part describes either TFKable or JDR.

This report has been prepared in accordance with the Global Reporting Initiative GRI G4 'core' level and has not been subjected to external assurance

GRI 102-54, 102-56

Questions, remarks and suggestions related to this year's report should be sent to Magdalena Kardela, the Marketing Director at TFKable, at [magdalena.kardela@tfkable.com](mailto:magdalena.kardela@tfkable.com)

GRI 102-53

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102-2 Activities, brands, products, and services	6, 40-41	2. TFK.Group 4. Our clients
102-3 Location of headquarters	8	2. TFK.Group
102-4 Location of operations	8	2. TFK.Group
102-5 Ownership and legal form	8	2. TFK.Group
102-6 Markets served	7, 41	2. TFK.Group 4. Nasi klienci
102-7 Scale of the organization	4, 7, 8	2. TFK.Group
102-8 Information on employees and other workers	56	5. Our people
102-9 Supply chain	27	3. Sustainability
102-10 Significant changes to the organization and its supply chain		no significant changes to the supply chain
102-11 Precautionary Principle or approach	16	2. TFK.Group
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102-15 Key impacts, risks, and opportunities	24	3. Sustainability

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201-1 Direct economic value generated and distributed	11	2. TFK.Group
201-2 Financial implications and other risks and opportunities due to climate change	72-73	6. Environmental protection
<b>GRI 205 Anti-corruption</b>		
GRI 205-3 Confirmed incidents of corruption and actions taken		No confirmed incidents
<b>GRI 301 Materials</b>		
301-1 Materials used by weight or volume	77	6. Environmental protection
301-2 Recycled input materials used	78-79	6. Environmental protection
301-3 Reclaimed products and their packaging materials	78-79	6. Environmental protection

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<b>GRI 302 Energy</b>		
302-1 Energy consumption within the organization	73-75	6. Environmental protection
302-3 Energy intensity	73	6. Environmental protection
302-4 Reduction of energy consumption	73-75	6. Environmental protection
<b>GRI 303 Water and Effluents</b>		
303-1 Interactions with water as a shared resource	76	6. Environmental protection
303-2 Management of water discharge-related impacts		No material impact
303-3 Water withdrawal	83-84	6. Environmental protection
303-4 Water discharge	83-84	6. Environmental protection
<b>GRI 304 Biodiversity</b>		
304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas		no material impact
304-2 Significant impacts of activities, products, and services on biodiversity		No material impact
304-3 Habitats protected or restored		JDR: No habitats protected or restored
304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations		No species listed in the IUCN Red List and national conservation lists affected by UK JDR site operations.
<b>GRI 305 Emissions</b>		
305-1 Direct (Scope 1) GHG emissions	73, 81-83	6. Environmental protection
305-2 Energy indirect (Scope 2) GHG emissions	73, 81-83	6. Environmental protection

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305-4 GHG emissions intensity	82	6. Environmental protection
305-5 Reduction of GHG emissions	73, 81-83	6. Environmental protection
305-6 Emissions of ozone-depleting substances (ODS)		JDR UK operations do not produce, import or export Ozone depleting substances (ODS) including the substances included in Annexes A, B, C, and E of the 'Montreal Protocol'.
305-7 Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	73, 81-83	6. Environmental protection N/A to JDR UK operations.
<b>GRI 306 Effluents and Waste</b>		
306-1 Water discharge by quality and destination	76	6. Environmental protection
306-2 Waste by type and disposal method	78-79, 85	6. Environmental protection
306-3 Significant spills		JDR – no significant spills
306-4 Transport of hazardous waste		JDR do not transport, import, export or treat hazardous waste.
306-5 Water bodies affected by water discharges and/or runoff		JDR did not have any spills into any water course and have not breached the water authority discharge consents we have in place.
<b>GRI 307 Environmental Compliance</b>		
307-1 Non-compliance with environmental laws and regulations		TFKable – no such accidents
<b>GRI 308 Supplier Environmental Assessment</b>		
308-1 New suppliers that were screened using environmental criteria	78	6. Environmental protection

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<b>GRI 401 Employment</b>		
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401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	57	5. Our employees
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403-1 Occupational health and safety management system	59	5. Our employees
403-2 Hazard identification, risk assessment, and incident investigation	60	5. Our employees
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403-8 Workers covered by an occupational health and safety management system	62	5. Our employees
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<b>GRI 405 Diversity and Equal Opportunity</b>		
405-1 Diversity of governance bodies and employees	68	5. Our employees
405-2 Ratio of basic salary and remuneration of women to men	52	5. Our employees

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412-1 Operations that have been subject to human rights reviews or impact assessments	20	2. TFK.Group
412-3 Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	20	2. TFK.Group
<b>GRI 413 Local Communities</b>		
413-1 Operations with local community engagement, impact assessments, and development programs	31-33	3. Sustainability
<b>GRI 414 Supplier Social Assessment</b>		
414-1 New suppliers that were screened using social criteria	20	2. TFK.Group



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