TFK.Group TFKable

Sustainability Report

2025

Table of Contents

1.

Letter from the President of the Management Board

Dear Madam or Sir,

For the TELE-FONIKA Kable S.A. Capital Group, 2025 was a year of consistent implementation of the development strategy in a challenging and rapidly changing environment. Ongoing geopolitical instability, changing economic conditions and the growing importance of energy security are presenting the energy infrastructure sector with new challenges. At the same time, the growing demands associated with the modernisation of electricity networks, the development of renewable energy sources and industrial investment highlight the vital role played today by modern, high-quality cable infrastructure. Our response is to invest consistently in technology, innovation and skills development, which enable us to support a safe and sustainable energy transition in Poland and abroad.

We are developing technologies that improve the efficiency of energy transmission, reduce losses in power systems and promote a more rational use of raw materials. We provide solutions for offshore wind energy, implement technologies that use recycled materials and develop infrastructure to support reliable electricity grids, combining business growth with a responsible approach to resources. We are also consistently strengthening our technological and manufacturing capabilities.

This year, we commissioned a new continuous vulcanisation line at our Bydgoszcz plant, materially boosting our capacity to manufacture high- and extra-high-voltage cables up to 550 kV AC and 640 kV DC. The new production line, supported by advanced testing and logistics infrastructure, enables the production of longer cable lengths, reduces the number of joints during installation and enhances the reliability and efficiency of energy infrastructure projects. At the same time, we have opened a new materials laboratory in Myślenice, strengthening our expertise in the development, testing and validation of advanced material formulations and sealing solutions for cable systems. These investments strengthen both our production capacity and our research and development capabilities, thereby strengthening the Group's long-term technological advantage.

For us, responsible development means not only investing in technology, but also continuously improving our management practices and raising standards of transparency. The 2025 report has been prepared in accordance with the European Sustainability Reporting Standards (ESRS). Although the obligation to report in accordance with these standards will not apply to our Group until 2027, we are already implementing their principles and aligning our ESG reporting scope with our financial reporting to provide our stakeholders with consistent, reliable and comparable information on the operations of the Group.

I would like to thank all our employees for their dedication, our customers for their trust and our business partners for their collaboration. It is through our joint efforts that we can develop solutions that address the challenges facing the modern energy sector and industry and create value for our stakeholders and future generations.

Monika Cupiał-Zgryzek
President of the Management Board
TELE-FONIKA Kable S.A.

2.

General information

ESRS 2 – General disclosures

[BP-1] General basis for preparation of sustainability statements

The TELE-FONIKA Kable S.A. Group (hereinafter referred to as: 'the Group' or 'the Capital Group') publishes its Sustainability Report (hereinafter referred to as: 'the Report') for the period from 1 January 2025 to 31 December 2025.

This document has been prepared on a voluntary basis in accordance with the European Sustainability Reporting Standards (hereinafter referred to as: the ESRS) and the requirements of the Act of 6 December 2024 amending the Act on accounting, the Act on statutory auditors, audit firms and public oversight, and certain other Acts. The formal reporting obligation arising from the above regulations will apply to the Group from the 2027 financial year onwards, which will result in the publication of the first mandatory report in 2028. The Report also includes disclosures in accordance with the provisions of Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 establishing a framework to facilitate sustainable investment (the EU Taxonomy).

The information, data, indicators and statements contained in the Report relate to the Parent Undertaking, TELE-FONIKA Kable S.A. and the TELE-FONIKA Kable S.A. Capital Group, unless otherwise stated. The scope of consolidation in this Report is identical to that applied in the consolidated financial statements for the year 2025. During the 2025 financial year, the company had subsidiary undertakings located in the following countries: Poland, the United Kingdom, the USA, Germany, Lithuania, Ukraine and Serbia.

As at 31 December 2025, the TELE-FONIKA Kable S.A. Capital Group comprised, in addition to the Parent Undertaking, 13 subsidiary undertakings:

NO.	NAME OF THE UNDERTAKING	REGISTERED OFFICE	INTEREST OF THE PARENT UNDERTAKING IN THE EQUITY OF THE COMPANY
1.	TELE-FONIKA Infrastruktura Energetyczna Sp. z o.o. (Ltd.)[1]	Myślenice	100%
2.	TELE-FONIKA UK Ltd.[2]	Measham, Swadlincote – United Kingdom	100%
3.	TF Kable Tele-Fonika Kable Central Europe GmbH (Ltd.)	Hilden – Germany	100%
4.	TELE-FONIKA Cable Americas Corporation	Lockport, IL – USA	100%
5.	UAB 'TELE-FONIKA Baltic' (Ltd.)	Kaunas – Lithuania	100%
6.	TOW TF Cable Ukraine (Ltd.)	Chernihiv – Ukraine	100%
7.	TF Kable FKZ d.o.o. Zaječar (Ltd.)	Zajecar – Serbia	100%
8.	TELE-FONIKA Nieruchomości Sp. z o.o. (Ltd.)	Krakow	99.99%
9.	Agro Polanka Sp. z o.o. (Ltd.)	Myślenice	100%
10.	Agro Jawornik Sp. z o.o. (Ltd.)	Myślenice	100%[3]
11.	Eko Polanka Sp. z o.o. (Ltd.)	Myślenice	100%[3]
12.	Eko Jawornik Sp. z o.o. (Ltd.)	Myślenice	100%[3]
13.	Green Power Jawornik Sp. z o.o. (Ltd.)	Myślenice	100%[3]

[1] Previously, the company was known as TELE-FONIKA Zakład Integracji Sieci Sp. z o.o. (name changed on 23 February 2026)
[2] Previously known as Copper Cable Company LTD (name changed on 17 January 2025)
[3] An indirect subsidiary undertaking (100% of the shares are held by Tele-Fonika Nieruchomości Sp. z o.o.)

In preparing the Report, the upstream and downstream value chains of the Group were taken into account to the extent necessary to carry out the double materiality assessment. This analysis involved identifying material impacts, risks and opportunities (IROs) throughout the entire life cycle of the products and services of the Group. Upstream in the value chain, the operations of the Group focus on relationships with suppliers of key products and services and on synergies with other companies within the Capital Group. These processes are underpinned by the staff and the decisions taken by the administrative, management and supervisory bodies. The downstream the value chain involves collaboration with customers, as well as an impact on end users. A detailed diagram and description of the value chain are set out in the disclosure SBM-1.

The Group did not make use of the option to omit specific information related to intellectual property, know-how or the results of innovation to the extent that its disclosure would be seriously prejudicial to the commercial position of the Group.

ESRS 2 – General disclosures

[BP-2] Disclosure of information in relation to specific circumstances

The TELE-FONIKA Kable S.A. Capital Group applies short-, medium- and long-term time horizons in accordance with the definitions set out in section 6.4 of ESRS 1. The short term is defined as 1 year (coinciding with the financial year), the medium term as 2 to 5 years and the long term as more than 5 years.

This Report for 2025 is the ninth sustainability report to date and also the first document prepared in full compliance with the European Sustainability Reporting Standards (ESRS) for the entire consolidated TELE-FONIKA Kable S.A. Capital Group (in accordance with the scope of financial consolidation).

In previous reporting periods (including the 2024 report prepared in accordance with sustainability reporting standards), the scope of the non-financial data presented covered selected companies from the TELE-FONIKA Kable S.A. Capital Group, as well as their partner company, JDR Cable Systems Ltd. This form of collaboration was referred to in the 2024 report under the trade name 'TFKable Group'. The consolidation model in use at the time was of an organisational and communication-based and was not equivalent to the full scope of financial consolidation as defined in the Accounting Act. The trade name 'TFKable Group' described the close collaboration between the above-mentioned companies operating internationally, based on close operational collaboration between them. As part of this collaboration, each undertaking retained its own operational and technological identity, whilst at the same time capitalising on synergies in key areas such as innovation, research and development, quality, ESG management and global logistics. As indicated above, within the TFKable Group, certain entities belonging to two separate groups of companies collaborated with one another. Consequently, this collaboration should not be interpreted as a group of companies within the meaning of the Code of Commercial Partnerships and Companies, a Capital Group within the meaning of the Accounting Act, or a Tax Capital Group within the meaning of the CIT Act.

With effect from the 2025 financial year, the Group has fully aligned the scope of its sustainability reporting with that of its financial reporting, in accordance with the requirements of ESRS 1. This means that this Report covers the Parent Undertaking, TELE-FONIKA Kable S.A. and all its subsidiary undertakings included in the consolidated financial statements. This change ensures consistency between the scope of financial and non-financial data, which represents a material change from the practice followed in previous years.

Due to the change in reporting boundaries described above, the data for 2024 may not be fully comparable with the data for the current year. In cases where it was impracticable or would have required an excessive amount of effort to restate historical data, the Group opted not to present such data, in accordance with the requirements of ESRS BP-2, paragraph 13. For the same reasons, the Group does not identify errors related to prior periods within the meaning of ESRS BP-2, paragraph 14, but treats the change in scope as an adjustment to the reporting boundaries.

When compiling data on the value chain, the Group aims to make maximum use of primary data. In areas where access to primary data was limited, reasonable estimates based on the best available expert knowledge were used. The document does not contain any quantitative indicators that would be subject to a high level of measurement uncertainty, which could materially affect the interpretation of the results. The Group is implementing processes aimed at further automation and increasing the proportion of primary data obtained directly from all subsidiary undertakings and key business partners.

In addition to the information required by the sustainability reporting standards, the Group includes in this Report the disclosures required by Article 8 of Regulation (EU) 2020/852 (the EU Taxonomy). No other non-financial reporting standards have been applied.

The TELE-FONIKA Kable S.A. Capital Group has applied selected transitional provisions set out in Appendix C to ESRS 1. This applies in particular to the decision not to disclose information on the anticipated financial impacts arising from material risks and opportunities related to climate change. In all other respects, the aim was to ensure a high level of completeness of the reported information right from the first year of preparing the report in accordance with sustainability reporting standards. The Group plans to gradually address the data gaps relating to financial impacts over subsequent reporting cycles, whilst improving the processes for monitoring and quantifying non-financial risks.

ESRS 2 – General disclosures

[GOV-1] The role of administrative, management and supervisory bodies

The management structure, including matters related to sustainable development, within the TELE-FONIKA Kable S.A. Capital Group is based on the division of responsibilities between, as well as the management and supervisory bodies of the Subsidiaries. Members of the Management Board are executive directors, whilst members of the Supervisory Board are non-executive directors. In 2025, there were no employee representatives on these bodies.

During the 2025 financial year, there were no changes to the composition of the administrative, management and supervisory bodies of the Parent Undertaking.

Supervisory Board

The Supervisory Board exercises ongoing oversight of the operations of the Group across all areas. Its key responsibilities include assessing the compliance of the Management Board's reports on the operations of the Parent Undertaking and the TELE-FONIKA Kable S.A. Capital Group with the accounting records and documents and with the actual state of affairs, as well as assessing the financial statements for the relevant financial year. Capital Group, as well as the financial statements for the relevant financial year. It also assesses the proposals of the Management Board regarding the distribution of profits or the coverage of losses. The Supervisory Board also oversees the accuracy of non-financial reporting and ensures that the actions of the Management Board are in line with the sustainability strategy.

In 2025, the Supervisory Board consisted of six members with extensive experience in management, finance, law and the energy and industrial sectors. The members of this body combined expertise in the areas of corporate governance, risk management, development strategy and ESG standards. Its members included people with backgrounds in economics and engineering, with experience gained in private and public companies, including within corporate groups. The remit of the Board also covers internal audit, corporate finance, investments and the implementation of corporate governance principles. At present, no members of the Board meet the formal criteria for independence.

The Parent Undertaking has an Audit Committee appointed by the Supervisory Board, whose remit includes overseeing the financial reporting process and monitoring the effectiveness of the internal control, internal audit and risk management systems. The committee also supervises the conduct of external and internal audits. Members of the Audit Committee are elected from among the members of the Supervisory Board, and their work is supported by a legal expert.

As at 31 December 2025, the Supervisory Board comprised six members, including one woman (16.67%), and five men (83.33%). During 2025, the Supervisory Board consisted of the following members:

1. **Bogusław Cupiał** – Chairman of the Supervisory Board
2. **Mirosław Pawełczyk** – Vice Chairman of the Supervisory Board
3. **Genowefa Borkowska** – Member of the Supervisory Board
4. **Hubert Praski-Ćwiok** – Member of the Supervisory Board
5. **Jan Wieluński** – Member of the Supervisory Board
6. **Marcin Jędrychowski** – Member of the Supervisory Board

Management Board

As at 31 December 2025, the Management Board of the Parent Undertaking, TELE-FONIKA Kable S.A., consisted of three members appointed for an indefinite term by the General Meeting of Shareholders. When selecting them, consideration is given both to legal requirements (including, amongst other things, a clean criminal record and full legal capacity) and to best practice, including the level of knowledge, skills and experience, personal qualities, and the principle of diversity and complementarity of competences.

The Management Board operates as a collegial body, and no internal committees or other structures with management functions have been established within it. The Management Board is responsible for the day-to-day management of all areas of the operations of the Group, with the exception of those powers assigned to the Supervisory Board and the General Meeting. The Management Board represents the Parent Undertaking externally in dealings with all natural persons, legal persons and other legal entities; in particular, it carries out legal acts such as entering into contracts, making and accepting declarations of intent, and appearing before the courts and central and local government bodies.

As at 31 December 2025, the Management Board comprised three members, including one woman (33.33%) and two men (66.66%):

1. **Monika Cupiał-Zgryzek** – President of the Board
   A graduate with a degree in strategic management, who has been with the Company since 2001, where she has held managerial positions in the Internal Audit Department and in the areas of organisation and administration. She has held the post of President of the Management Board since 2015.
2. **Bartłomiej Zgryzek** – Vice-President of the Management Board
   A graduate in finance and banking. He began his career with the Company in 2001, developing his expertise within the finance division in senior management roles, where he was responsible for financial management and treasury. He has served as Vice-President of the Management Board since 2010.

ESRS 2 – General disclosures

3. **Piotr Mirek – Member of the Management Board**
   He holds a degree in economics and has completed a postgraduate course in offshore wind energy. He has been with the Company since 1993 and has experience in production management, development and investment, technology, strategic procurement and sales.

Members of the administrative, management and supervisory bodies of the Company enhance their expertise in sustainability through active participation in ongoing strategic processes and the systematic exchange of knowledge with employees of the Company who have academic qualifications and experience in this area. Furthermore, in order to ensure access to the specialist knowledge and skills required to fulfil their roles, the administrative, management and supervisory bodies also draw on the support of external experts specialising in sustainability on an ongoing basis. This model of collaboration enables management processes to be adapted on an ongoing basis to changing regulatory requirements and reporting standards, providing the administrative, management and supervisory bodies of the Company with the necessary expertise without having to rely solely on formal external training courses.

During the preparation of this report and the interpretation of the sustainability reporting standards, employees of the Parent Undertaking responsible for ESG matters and external advisers ensured continuous access to the knowledge necessary to identify material reporting topics. This model of collaboration enables the administrative, management and supervisory bodies of the Company to continuously enhance their expertise and lay the foundations for the effective management of sustainability matters in the coming years. Information on material impacts, ESG risks and opportunities is reported by the Compliance and Sustainability Team to the Vice-President of the Management Board on a regular basis, at least once a quarter, which ensures an ongoing exchange of information and enables progress towards achieving the objectives.

Direct responsibility for ESG matters rests with the Vice-President of the Management Board of the Parent Undertaking. His responsibilities include integrating environmental, social and corporate governance considerations into the day-to-day operations of the Company. In carrying out these tasks, the Vice-President of the Management Board is supported by the Sustainability Manager, who is responsible for the operational coordination of sustainability activities and for monitoring progress towards ESG objectives. Furthermore, the Compliance Manager plays a key role within the management structure, overseeing compliance with ethical standards and anti-corruption procedures, as well as ensuring that the operations of the Parent Undertaking comply with applicable laws and regulations. The Vice-President of the Management Board supervises the implementation of best practice in the area of social and corporate responsibility, ESG reporting processes, and communication with investors regarding environmental, social and corporate governance issues.

ESRS 2 – General disclosures

[GOV-2] Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies

The aforementioned Vice-President of the Management Board receives information on impacts, risks and opportunities (IROs) in the area of sustainability matters through regular reports and dedicated analyses prepared by internal specialist teams, including the Sustainability Manager and the Compliance Manager, or by specialist external organisations. The reporting process takes place on an ongoing basis, at least once a quarter, which ensures ongoing oversight of the implementation of the sustainability strategy and progress in the reporting process. All documents prepared, including the results of stakeholder mapping and surveys, and the double materiality assessment, are submitted to the aforementioned Vice-President of the Management Board or to the Management Board for approval.

In 2025, the Management Board considered and adopted resolutions on sustainability matters. Furthermore, it took ESG considerations into account during discussions on the strategy and planned investments of the Group. The key areas of work supervised by the Management Board in 2025 included:

1. The appointment of teams to handle reports of legal and ethical breaches, and the adoption of resolutions in this regard.
2. Purchase of Guarantees of Origin for 28,000 MWh of electricity in 2025.
3. Photovoltaic installations in Bydgoszcz (949 kWp) and Myślenice (1 MWp).
4. Replacing the fleet of diesel-powered cars with hybrid vehicles.
5. The plan to replace forklift trucks with electric ones was approved by the Management Board.
6. Mowing 30 hectares of meadows and reed beds in the Przemków Landscape Park, thereby supporting the conservation of biodiversity of this area.
7. Adoption of a package of ESG-related documents, including:
   - → Procedure for counteracting harassment and discrimination at TELE-FONIKA Kable S.A.,
   - → Standards for the protection of minors undertaking internships and practical training at TELE-FONIKA Kable S.A.,
   - → Living Wage Policy,
   - → Employee Career and Qualification Development Policy,
   - → Guidelines on ethical interactions with competitors,
   - → Personal Data Security Policy,
   - → Internal procedures for reporting ethical violations and taking follow-up action,
   - → Anti-money laundering and counter-terrorist financing procedure,
   - → Human Rights Impact Assessment – Summary Report,
   - → Internal procedure for reporting legal violations and taking follow-up action (introduced in connection with the provisions transposing Directive (EU) 2019/1937).

The Vice-President of the Management Board of TELE-FONIKA Kable S.A., responsible for ESG matters, played an active role in the stakeholder mapping process and the double materiality assessment.

The Management Board and senior management set ESG-related objectives with the support of dedicated internal teams. The process of monitoring the implementation of these objectives takes place on a regular basis and involves both the analysis of quantitative data and qualitative assessments.

When making strategic decisions concerning the TELE-FONIKA Kable S.A. Capital Group, the Management Board of TELE-FONIKA Kable S.A. takes into account the impacts, risks and opportunities associated with sustainability matters, particularly in relation to key transactions and investments. This management model ensures full control over production processes in line with ESG requirements and enables the Company to respond effectively to changing market needs and the expectations of key stakeholders, including financial institutions and customers.

[GOV-3] Integration of sustainability-related performance in incentive schemes

During the reporting period covering the year 2025, the Group did not operate any incentive schemes or remuneration mechanisms for members of the Management Board and the Supervisory Board of the Parent Undertaking, or for members of the management and supervisory bodies of the Subsidiaries, that were directly linked to sustainability matters, including climate-related issues. Despite the greenhouse gas emission reduction targets that had been set, the activities of the aforementioned bodies in this area were not assessed.

ESRS 2 – General disclosures

[GOV-4] Statement on due diligence

During the current reporting period, the TELE-FONIKA Kable S.A. Capital Group has based its management of impacts, risks and opportunities primarily on internal regulations and applicable national legislation.

In 2025, the Group carried out a detailed analysis of compliance with the Minimum Safeguards under the EU Taxonomy, which enabled the identification of gaps in relation to the full due diligence processes set out in the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises. The development of a due diligence procedure for the Capital Group, based on the OECD guidelines, and its implementation are scheduled for 2026.

The table below sets out the elements of the due diligence process described in this Report.

KEY ELEMENTS OF THE DUE DILIGENCE PROCESS	SECTION IN THE SUSTAINABILITY REPORT
Incorporating due diligence into corporate governance, strategy and the business model	GOV-2, SBM-1, SBM-3, S1-1, G1-1
Engaging with affected stakeholders at all key stages of the due diligence process	SBM-2, IRO-1, S1-2, S2-2, S4-2, G1-2
Identification and assessment of adverse impacts	SBM-3, IRO-1
Taking action to mitigate the identified adverse impacts	E1-3, E2-2, E5-2, S1-3, S1-4, S2-3, S2-4, S4-3, S4-4
Monitoring the effectiveness of these efforts and providing relevant information in this regard	E1-5, E1-6, E2-4, E2-5, E5-4, E5-5, S1-14, S1-16, S1-17

[GOV-5] Risk management and internal controls over sustainability reporting

At present, the TELE-FONIKA Kable S.A. Capital Group does not have a fully integrated risk management system which, in a systematic and automated manner, would take into account specific sustainability matters within the overall corporate risk management framework. Nevertheless, in order to ensure the highest quality of data and the reliability of the reporting process for 2025, the Group has introduced a process to monitor the preparation of the Report. This document was prepared in accordance with an established procedure comprising a series of control stages, the primary aim of which was to eliminate the risk of reporting incorrect, unverified or incomplete data.

In the first phase of the process, a comprehensive double materiality assessment was carried out. This stage formed the basis for the substantive review, enabling the scope of reporting to be precisely defined and allowing the focus to be placed on issues that have a real impact on the Group and its environment. Thanks to the involvement of external advisers and internal specialist teams, the risk of overlooking material ESG issues (known as the 'completeness risk') was minimised right from the planning stage.

The next stage involved the systematic collection of quantitative and qualitative data from all the entities included in the consolidation. This process was based on a cascading model of data collection, in which partial data were verified at the level of individual subsidiary undertakings and then aggregated and verified at Group level by the specialist teams of the Parent Undertaking.

ESRS 2 – General disclosures

A key element of the internal control system was the involvement of the Sustainability Manager and the Compliance Manager in reviewing the content of the Report prior to its submission for verification by the relevant specialist teams and subsequently the decision-making bodies. The purpose of the expert internal review was to confirm that the information presented was accurate. Compliance with the requirements of the sustainability reporting standards was overseen by an external team of advisers. These measures were aimed at eliminating the risk of human error and ensuring the objectivity of the indicators and descriptions presented.

The process was concluded with the Vice-President of the Management Board of the Parent Undertaking giving his substantive approval of the content. Given the voluntary nature of the reporting, the Management Board decided not to adopt the report by way of a formal resolution.

[SBM-1] Strategy, business model and value chain

The TELE-FONIKA Kable S.A. Capital Group is the largest producer of cables and wires in Central and Eastern Europe, offering a wide range of cables, wires and cable systems. The Group offers a wide range of cable products used in the power industry, construction, manufacturing, the railway sector, and automation and telecommunications systems. The products of the company are used in both infrastructure and industrial projects, ranging from local distribution networks to installations in large manufacturing plants. The Group supplies solutions for low, medium, high and extra-high voltage power systems, as well as halogen-free, specialised and signal cables. The principal and predominant economic activity of the Group, in accordance with the Polish Classification of Activities, is the manufacture of other electronic and electrical wires and cables (PKD 27.32.Z).

The global operations of the Group comprise a network of manufacturing, distribution and service companies. This enables the Group to provide efficient customer service across different geographical areas, respond swiftly to changing market needs and carry out large-scale international contracts.

Whilst competing for market share with specialist companies from Germany, France, Italy, the United States and Japan, the Group meets all the high technological standards required in this sector. The company currently holds 336 quality certificates for the products it manufactures, awarded by 36 renowned certification bodies worldwide. The systematic development of products and expansion into new markets mean that the Group is required to obtain new certificates. The high capital intensity of the business in terms of machinery and working capital creates barriers to entry for potential new competitors, with the result that the market is dominated by a few major players. Additional barriers to market entry include the need to comply with a large number of standards, obtain certificates, and implement international regulations.

Procurement processes within the TELE-FONIKA Kable S.A. Group are carried out in accordance with certified quality and environmental management systems. The Parent Undertaking and the production plant in Serbia comply with the ISO 9001 and 14001 standards, whilst TF Kable Tele-Fonika Kable Central Europe GmbH has implemented the ISO 9001 standard. A key feature is the wide and varied range of products manufactured, and consequently, the raw materials purchased. To ensure the security and continuity of supply, alternative sources of procurement are utilised across all raw material groups, and commercial agreements are entered into with leading suppliers, setting out the terms of collaboration and guaranteeing base and optional quantities.

The business model of the Group integrates strategic leadership with social and environmental responsibility. Administrative, management and supervisory bodies play a key role in shaping an organisational culture based on transparency, ethics and sustainable development. The management models adopted by the Group take into account both the achievement of business objectives and the changing expectations of stakeholders, including customers, employees, partners and local communities. The Group believes that a responsible approach to management is not only part of due diligence, but also a factor that supports the long-term creation of economic and social value within its operating environment. The business model of the Group is based on collaboration with business partners and local communities, high-quality products and services, and a commitment to sustainable development, including through investment in new technologies, employee training and responsible supply chain management.

ESRS 2 – General disclosures

PRODUCTS OF TELE-FONIKA KABLE S.A:

- installation cables,
- low-voltage cables, 1 kV, with a copper or aluminium conductor,
- XLPE-insulated medium-voltage cables,
- high-voltage power cables ranging from 36 to 150 kV,
- extra-high-voltage cables ranging from 220 to 400 kV,
- copper and fibre-optic telecommunications cables,
- rubber-insulated cables, including mining and hoisting cables,
- signalling and control cables,
- medium-voltage cables with EPR insulation,
- three-core medium-voltage cables with corrugated aluminium sheaths, for the US market, in the 66 kV and 132 kV high-voltage cable range – cables with a smooth welded aluminium sheath (SWAS) for the UK market,
- comprehensive energy storage solutions for the modern energy transition – TFPowerPack – industrial energy storage systems.

Cables and wires for onshore and wind energy applications

ESRS 2 – General disclosures

The main product groups on offer in 2025 remained largely unchanged compared with the previous year. The Group consistently adheres to strict guidelines regarding the nature of its business, and does not offer products that are prohibited in its target markets. The Group does not engage in the extraction of fossil fuels, the production of chemicals or controversial types of weapons, or the cultivation and production of tobacco, which is in line with the principles of its sustainability strategy and the requirements for non-financial disclosures.

The markets served by the Group show material geographical and sectoral diversity. In 2025, the United States remained the key export market, accounting for a material proportion of total sales volume (35%). The domestic market (Poland – 24%) and the German market (20%) play an important role in the revenue structure. The remainder of sales is generated in, amongst other places, the United Kingdom, Southern Europe, the Baltic states and markets outside Europe. The stability of this structure confirms the Group's strong position as a global provider of solutions.

By sector, distribution (44%) and the energy sector (38%) – including high-voltage systems (18%) – accounted for the largest share of sales of the TELE-FONIKA Kable S.A. Group in 2025. In the assessment of the Group, these areas form a stable foundation for its operations, with high growth potential stemming from the growing demand for the modernisation and expansion of electricity networks in Europe and worldwide. The remainder of the revenue came from supplies to the industrial and mining sectors, which complements the diversified market profile of the Group.

In 2025, the Group continued to grow by increasing sales of technologically advanced products whilst reducing sales of low-margin products, resulting in a year-on-year increase in sales of several percent.

Net turnover from the sale of products and goods for the period from 1 January 2025 until 31 December 2025 amounted to PLN 4,707,266 thousand (in the 2024 financial year, total sales revenue amounted to PLN 4,366,720 thousand).

The main objective of activities of the Management Board in 2025 was to strengthen safety standards, maintain production continuity, minimise disruptions to the supply chain and ensure financial liquidity.

Sustainable Development Management

TELE-FONIKA Kable S.A., acting as the Parent Undertaking exercising control over the other entities comprising the Group, has a formalised sustainability strategy in place and is implementing it. This strategy involves actively embracing the concept of a low-carbon society and working in partnership with suppliers to develop sustainable practices throughout the value chain.

The first pillar of the strategy, dedicated to environmental issues, encompasses measures to mitigate climate change by increasing the share of renewable energy in the energy mix and monitoring emissions intensity, measured as the following indicator: tCO_2e per tonne of product. In 2024, the Parent Undertaking also began calculating its carbon footprint under Scope 3 and took steps to set short- and long-term emission reduction targets based on the SBTi methodology.

The area of social responsibility and corporate governance complements the strategic objectives of the Company. In the social sphere, the Group pursues its business objectives whilst respecting human rights, equality and diversity, and is committed to acting responsibly towards its employees, business partners, suppliers and contractors. In the area of corporate governance, the Company places emphasis on combating corruption and unfair competition. An integral part of these processes is the established mechanism for internal reporting and the protection of whistleblowers.

The effectiveness of these measures is confirmed by the rating results: the Parent Undertaking was awarded the EcoVadis 2025 Silver Medal (a score of 94th percentile, placing the company amongst the top 15% of rated organisations) and improved its rating in the Carbon Disclosure Project (CDP) to a 'B' rating. The current rating reflects the level of sustainability practices and efforts to reduce greenhouse gas emissions in order to achieve net-zero emissions.

Furthermore, the Group continues to participate in the Science Based Targets Initiative (SBTi) and the UN Global Compact.

Value chain

The value chain diagram of the TELE-FONIKA Kable S.A. Capital Group forms the basis of the double materiality assessment process and covers the full life cycle of the products offered, enabling a precise reflection of value creation processes and the identification of impacts, risks and opportunities within the operational structure of the Group. This model is divided into three main stages: upstream (the upper tier), own operations, and downstream (the lower tier).

ESRS 2 – General disclosures

Further up the value chain (upstream), activities focus on the procurement of strategic raw materials and materials, such as copper, aluminium, plastics, rubber, and semiconductive and water-blocking tapes. The Parent Undertaking, TELE-FONIKA Kable S.A., fulfils a dual role in this area: as a direct purchaser of raw materials for its own production, and as a strategic supplier of products to its subsidiary undertakings. This model enables cost optimisation and full control over the quality and origin of the materials used throughout the structure of the Group, while also facilitating the analysis stage from the perspective of environmental, social and corporate governance matters.

The Group's own operations encompass advanced manufacturing processes for copper and aluminium cables and fibre-optic cables, as well as key warehousing and logistics functions for finished products. A key element of the business model of the Group, which integrates its operational activities with its sustainability objectives, is the fact that it owns its own recycling plant located in Poland. This enables the effective closure of the post-production raw materials cycle and minimises the negative impact on the environment through the recovery of valuable materials, which directly supports the implementation of the principles of the circular economy.

The downstream segment of the value chain focuses on the sale and distribution of cables and wires, as well as advanced energy storage systems, to a diverse range of economic sectors. The products of the TELE-FONIKA Kable S.A. Group are a critical component of the infrastructure in conventional power stations and renewable energy sources (RES), at electricity distribution network operators, as well as in the railway, construction, mining, telecommunications and industrial machinery manufacturing sectors. The specific nature of the solutions on offer means that they are also used in the extractive sector, including on oil and gas drilling platforms. A material expansion of the product portfolio is the range of comprehensive, turnkey energy storage solutions, designed primarily for the renewable energy sector, electricity grids and industry. Although the operations of the Group are primarily focused on the supply of products, this model is complemented by specialist installation services provided by TELE-FONIKA Infrastruktura Energetyczna Sp. z o.o. Furthermore, in selected complex infrastructure projects, the Group acts as the main contractor, collaborating within consortia with key industry partners, which enables it to supply and install complete cabling systems. This model is part of a closed-loop system thanks to its own Cable Waste Recycling Plant in Bukowno.

Thanks to this value chain framework, the Group is able to precisely identify key material issues, such as climate change (E1), the circular economy (E5) and labour standards among suppliers (S2). The integration of raw materials trading processes with its subsidiary undertakings, combined with its own recycling capacity, enables TELE-FONIKA Kable S.A. to effectively manage its impacts throughout the entire product life cycle.

ESRS 2 – General disclosures

UPSTREAM

Procurement of raw materials/ materials:
- copper cathode
- copper wire rod
- aluminium wire rod
- PE, PVC, LSOH
- steel wires and strips
- rubber, filler rubber

Logistics

Other suppliers
(including electricity and gas)

OWN OPERATIONS

Production:
- copper cables
- aluminium cables
- fibre-optic cables

Storage and sales

Recycling

DOWNSTREAM

Logistics

Clients:
- power stations (conventional and renewable energy sources)
- electricity distribution network operators
- railways, construction, mining, telecommunications, industrial machinery manufacturing
- drilling platforms (oil and gas)
- data centres

End users

End of the product life cycle

ESRS 2 – General disclosures

[SBM-2] Interests and views of stakeholders

In 2025, the TELE-FONIKA Kable S.A. Capital Group carried out a comprehensive stakeholder mapping and research process with a view to preparing this report in accordance with sustainability reporting standards. This process was based on the guidelines set out in the AA1000 standard.

As a result of this work, eight key stakeholder groups were identified, including: employees, administrative, management and supervisory bodies, customers, financial institutions, key product and service suppliers, public authorities, other companies within the Group, and the environment (as a silent stakeholder).

For many years, the Group has maintained close relationships with its stakeholders, based on respect and dialogue, providing comprehensive and reliable information about its results, activities and plans. The frequency and format of communication, as well as the topics covered, are tailored to the needs of both the Group and specific stakeholders.

STAKEHOLDERS	ENGAGEMENT CHANNELS
Employees	→ direct communication → internal communication → training courses → whistleblowing mechanism → consultations with trade union representatives → one-to-one meetings → employee satisfaction survey → website and social media
Administrative, management and supervisory bodies	→ meetings of the Management Board and the Supervisory Board → adoption of Management Board resolutions outside of meetings → current and periodic reports → thematic analyses → internal audit
Customers	→ direct contact as part of the collaboration → trade negotiations and agreements → customer satisfaction survey → industry events, including trade fairs and conferences → whistleblowing mechanism → website and social media

STAKEHOLDERS	ENGAGEMENT CHANNELS
Financial institutions	→ current and periodic reports → direct contact as part of the collaboration
Suppliers of key products and services	→ direct contact as part of the collaboration → supplier audits → evaluation based on surveys → industry events, including trade fairs and conferences → breach reporting mechanism → website and social media
Public administration	→ current and periodic reports → direct contact as part of the collaboration
Other companies within the Group	→ ongoing collaboration → joint meetings and workshops → industry events, including trade fairs and conferences → current and periodic reports
Natural environment (silent stakeholder)	→ systems for monitoring the impacts and consumption of resources → environmental audits and certification → environmental product declarations → reporting to environmental protection authorities

ESRS 2 – General disclosures

A key element of the dialogue was an anonymous survey conducted between 23 March and 15 April 2026. Representatives of all key stakeholder groups took part in the survey. The views and preferences gathered from stakeholders formed a direct input into the double materiality assessment (identification of material impacts, risks and opportunities). Respondents assessed the significance of the individual topics covered by the sustainability reporting standards and were given the opportunity to identify the actual or potential impacts of the operations of the Group in each of the three ESG areas.

In the environmental area (E), measures related to climate change mitigation and adaptation, as well as energy consumption and energy efficiency (E1), were considered particularly important. The use of raw materials and other materials, as well as waste management within the circular economy (E5), was also considered to be of high importance. Issues related to pollution, water resources and biodiversity did not exceed the agreed materiality threshold in the assessment of the stakeholders of the Group.

In the social area (S), stakeholders highlighted the high level of importance attached to issues related to working conditions, occupational health and safety, and equal treatment – both with regard to their own employees (S1), and workers in the value chain (S2). Issues related to product safety and the provision of reliable information to users were also considered to be of very high importance (S4).

In the area of corporate governance (G), the most important issues identified were conducting business in an ethical manner, preventing corruption and bribery, and protecting whistleblowers, whilst also highlighting the key role of building responsible relationships with suppliers.

The TELE-FONIKA Kable S.A. Group regards the insights gained from its dialogue with stakeholders as a catalyst for development and a source of market knowledge. Stakeholder feedback is also analysed in terms of risks, which is reflected in the assessment of the impact on human rights by the organisation.

The results of the stakeholder survey are submitted to the Vice-President of the Management Board. This enables the Management Board to keep abreast of key signals from the external environment.

Based on the information gathered for the year 2025, no changes had been made to the strategy or the business model at the time of drafting this Report. At the same time, the Group plans to continue its efforts to support the energy transition.

[SBM-2 ESRS S1 – Own workforce]

The TELE-FONIKA Kable S.A. Group regards its workforce as a key source of intellectual and operational capital, which is essential to the implementation of its development strategy in the field of advanced cable systems. Within this stakeholder group, the Company identifies two key categories of employees – production and office personnel – each with distinct roles and varied needs. Understanding their interests is the cornerstone of building the operational resilience of the Group.

Production employees are primarily responsible for operating the machinery and equipment used in the production process. These include machine operators, quality control personnel and employees supporting production processes. The primary interest of this group is on ensuring the highest standards of occupational health and safety (OHS) in relation to mechanical risks, exposure to noise and the physical strain associated with shift work. An additional challenge is the high employee turnover typical of the industry, which may affect the effectiveness of the team.

Office employees carry out administrative and office tasks using a computer. The interests of this group focus on workplace ergonomics, mental and physical wellbeing, and maintaining a work-life balance. The nature of office work presents certain challenges, such as time pressure, responsibility and the physical strain associated with sedentary work. In response to these circumstances, the following are considered key factors: flexible working arrangements, clear career development paths and transparent internal communication.

One tool for engaging employees is the employee satisfaction survey, the results of which are analysed the results of which are analysed by the Management Board and the HR management team with a view to optimising and improving working conditions. A key element of dialogue with personnel is collaboration with trade unions and employee representatives, which takes the form of regular meetings and consultations. This structure of social dialogue enables the ongoing monitoring of employee sentiment and a swift response to the needs raised by personnel. The mechanisms for gathering feedback are described in detail in the disclosure S1-2.

Furthermore, the involvement of employees in the double materiality assessment process was an important tool for dialogue during the current reporting period. It was carried out via an anonymous survey in which employees assessed the impact of the Group on environmental, social and corporate governance issues. This enabled employees' views to be directly incorporated into the process of setting sustainability priorities. Employees' views have a real influence on the investment strategy of the Company. The systematic preparation of occupational risk assessment sheets in collaboration with employee representatives and the consultation of health and

ESRS 2 – General disclosures

safety issues with operators at the planning stage for the purchase of new machinery, enable the direct incorporation of employees' recommendations into the technical specifications. In practice, this means prioritising capital expenditure, including increasing spending on the automation of workstations with the highest level of risk. In turn, the identified development needs lead to the creation of dedicated training programmes. This approach ensures the operational stability of the Group and enables it to maintain its position as a technology leader, building a competitive advantage based on a loyal and highly qualified team of experts.

[SBM-2 ESRS S2 – Workers in the value chain]

TELE-FONIKA Kable S.A. identifies individuals working within the value chain as employees of its suppliers and contractors, whose activities are essential to maintaining the operational continuity of the Group. In the stakeholder mapping process, two main categories of entities were identified whose employees fall within the scope of the disclosure:

- Suppliers of key products and services: staff employed by suppliers of materials and raw materials, packaging, as well as by importers and transport operators handling raw materials, finished products and waste.
- Suppliers of other products and services: individuals carrying out work on behalf of suppliers who support the operations of the Group in areas other than those considered key.

The interests of these groups centre on ensuring ethical working conditions and physical safety, which, in the cable industry, is linked to the specific nature of raw material sourcing and installation work.

The most important aspects include:

- Occupational health and safety (H&S): ensuring standards for the protection of health and life.
- Respect for human rights: eliminating the risk of forced labour and child labour, and ensuring fair working conditions.
- Ethics and transparency: a clear definition of the standards of conduct set out in the Supplier Code of Conduct.

The main tool for gathering information on the needs and views of this group is the supplier management system, which encompasses qualification processes, ESG surveys and on-site audits. Whistleblowing mechanisms provide an additional channel of communication.

A detailed description of the collaboration processes, channels for raising concerns and mechanisms for monitoring feedback from individuals within the value chain is set out in the disclosures S2-2 and S2-3.

The data obtained through these channels has a real impact on the procurement strategy of the Parent Undertaking; this is reflected in the selection of suppliers who meet high social standards and in the systematic updating of procurement policies, procedures and operational guidelines. This approach strengthens the resilience of the business model to regulatory and reputational risks throughout the supply chain.

[SBM-2 ESRS S4 – Consumers and end users]

The TELE-FONIKA Kable S.A. Capital Group identifies the end users of its products as employees and specialists working in sectors with high technical and safety requirements. These include, inter alia, fitters and operators in the following sectors:

- renewable energy – including, amongst others, onshore and offshore wind farms and photovoltaic installations,
- power transmission and distribution – low, medium and high-voltage cable systems, the gas and oil industries (specialist cables),
- crane industry (crane cables),
- shipbuilding, transport, railways, automation, welding (power and control cables, traction, welding, automotive and marine systems),
- telecommunications (copper and fibre-optic cables),
- residential and industrial construction (installation cables),
- energy storage facilities,
- mining and tunnel construction (mining cables).

The key concerns of this group centre on physical safety, minimising the risk of electric shock, the reliability of cable systems under extreme operating conditions, and an appropriate response to fire and smoke emission in the event of a fire, which is reflected in the technological priorities of the Company.

The primary mechanism for gathering feedback that influences strategy formulation is the systematic Customer Satisfaction Survey, which is described in more detail in the information disclosure S4-2. The data collected during the survey is used to modify internal processes and to implement any necessary corrective measures. The strong results achieved year on year serve as proof to the Group of the effectiveness of its business model, which is based on confidence in technical quality. Another channel for dialogue is the joint development of technical specifications with customers, which enables products to be tailored to the individual safety requirements specified by end-users. This approach confirms that the feedback gathered throughout the value chain genuinely shapes the capability of the Company to deliver solutions that minimise the risk of failures that threaten life and property.

ESRS 2 – General disclosures

[SBM-3] Material impacts, risks and opportunities, and their interrelationships with the strategy and business model

On the basis of a double materiality analysis, which takes into account the interests and views of stakeholders, the impact of the TELE-FONIKA Kable S.A. Capital Group on sustainability matters was assessed, taking into account environmental, social and corporate governance aspects.

A double materiality assessment made it possible to determine:
- type of impact (positive/negative, actual/potential),
- risks and opportunities,
- time horizon (short-, medium- or long-term),
- value chain element (own operations, higher level of the value chain, lower level of the value chain).

Material impacts identified by the TELE-FONIKA Kable S.A. Capital Group during the double materiality assessment process

ESRS TOPIC	ESRS SUB-THEME / SMALLER THEMATIC UNIT	ACTUAL OR POTENTIAL IMPACT	NEGATIVE OR POSITIVE IMPACT	SITE	DESCRIPTION OF THE IMPACT
E1: Climate change	Climate change mitigation	Actual	Negative	Own operations	Greenhouse gas emissions during production
		Actual	Negative	Downstream	Greenhouse gas emissions during transport and at the end of the product life cycle
		Actual	Negative	Upstream Downstream	Emissions of the Group in the value chain
		Actual	Positive	Downstream	Contributing to climate change mitigation by supporting electrification
		Actual	Positive	Downstream	Facilitating the energy transition by supplying cable systems that support the connection of renewable energy
	Energy	Actual	Positive	Own operations	Planned sourcing of energy from renewable sources (100% from 2026)

ESRS 2 – General disclosures

Material impacts identified by the TELE-FONIKA Kable S.A. Capital Group during the double materiality assessment process

ESRS TOPIC	ESRS SUB-THEME / SMALLER THEMATIC UNIT	ACTUAL OR POTENTIAL IMPACT	NEGATIVE OR POSITIVE IMPACT	SITE	DESCRIPTION OF THE IMPACT
E2: Pollution	Air pollution	Actual	Negative	Own operations	Emissions into the atmosphere (SOx, NOx, VOCs, particulate matter and others)
	Substances of concern, including substances of very high concern	Actual	Negative	Own operations Downstream	Use of substances of very high concern (SVHCs) in manufacturing processes and their presence in finished products
E5: The circular economy	Resource inflows	Actual	Negative	Own operations	Consumption of non-renewable raw materials (approx. 140,000 tonnes)
		Actual	Positive	Own operations	Use of recycled materials (9.13%) and an in-house recycling facility
	Outflows related to products and services	Actual	Positive	Downstream	High recyclability of cables – in cables, the metals Cu and Al (depending on the design, from 25% to 80% by weight of raw materials) – in cables, thermoplastic materials: PVC, PE, LSOH (from 20% to 75% by weight of raw materials) - metal and wood packaging (100%)
	Discharged materials (waste)	Actual	Negative	Own operations	Generation of 22,767 tonnes of production waste
		Actual	Positive	Own operations	96.7% of the waste generated and transferred was sent for recovery (only 3.3% was sent for disposal, 91.6% of cable waste was recycled at the Company's own waste recycling plant, and the copper recovered in this process was used in the manufacture of cables

ESRS 2 – General disclosures

Material impacts identified by the TELE-FONIKA Kable S.A. Capital Group during the double materiality assessment process

ESRS TOPIC	ESRS SUB-THEME / SMALLER THEMATIC UNIT	ACTUAL OR POTENTIAL IMPACT	NEGATIVE OR POSITIVE IMPACT	SITE	DESCRIPTION OF THE IMPACT
S1: Own workforce	Working conditions (including living wage, work-life balance, working hours, job security and social protection)	Actual	Positive	Own operations	Employment stability – over 81% of employees have contracts for an indefinite period of time
		Actual	Positive	Own operations	No reports of inadequate pay, timely payments, competitive rates and benefits
		Actual	Positive	Own operations	Promoting a healthy work-life balance
	Social dialogue, freedom of association, works councils, employees' rights to participation and collective bargaining	Actual	Positive	Own operations	Social dialogue and employee engagement
		Actual	Positive	Own operations	Freedom of association, the existence of works councils, and employees' rights to information, consultation and participation
	Occupational health and safety	Actual	Positive	Own operations	Preventing accidents and safeguarding the physical well-being of staff through a safety culture
		Actual	Positive	Own operations	The 'Think Safety' programmes and training courses
	Training and skills development	Actual	Positive	Own operations	Regular training courses to enhance skills, health and safety training, and internship programmes

ESRS 2 – General disclosures

Material impacts identified by the TELE-FONIKA Kable S.A. Capital Group during the double materiality assessment process

ESRS TOPIC	ESRS SUB-THEME / SMALLER THEMATIC UNIT	ACTUAL OR POTENTIAL IMPACT	NEGATIVE OR POSITIVE IMPACT	SITE	DESCRIPTION OF THE IMPACT
S1: Own workforce	Diversity and equal treatment (including gender equality, equal pay for work of equal value, the employment and integration of people with disabilities, non-discrimination, and measures to prevent violence and harassment in the workplace)	Actual	Positive	Own operations	Declaring support for diversity and the principle of equal treatment as the foundation of the corporate culture
		Actual	Positive	Own operations	Measures to prevent violence and harassment and to improve safety in the workplace
	Other human rights related to work (including child labour, forced labour, privacy and adequate housing)	Actual	Positive	Own operations	Measures to protect employees' privacy
S2: Workers in the value chain	Social dialogue, freedom of association, works councils, employees' rights to participation and collective bargaining	Actual	Positive	Upstream	Social dialogue – managing working conditions in the supply chain
	Occupational health and safety	Actual	Positive	Upstream	Requirement to comply with health and safety standards
	Diversity and equal treatment (including gender equality, equal pay for work of equal value, the employment and integration of people with disabilities, non-discrimination, and measures to prevent violence and harassment in the workplace)	Actual	Positive	Upstream	Tackling inequalities affecting workers in the supply chain
	Other human rights related to work (including child labour, forced labour, privacy and adequate housing)	Actual	Positive	Upstream	Requiring compliance with human rights, including the prohibition of forced labour

ESRS 2 – General disclosures

Material impacts identified by the TELE-FONIKA Kable S.A. Capital Group during the double materiality assessment process

ESRS TOPIC	ESRS SUB-THEME / SMALLER THEMATIC UNIT	ACTUAL OR POTENTIAL IMPACT	NEGATIVE OR POSITIVE IMPACT	SITE	DESCRIPTION OF THE IMPACT
S4: Consumers and end users	The personal safety of consumers or end-users (including health and safety, child protection and personal safety)	Actual	Positive	Downstream	Products that comply with safety standards, minimising the risk of electric shock or fire during installation
		Actual	Positive	Downstream	Durable and certified cables minimise the risk of failures that could endanger lives or property
G1: Business conduct	Corporate culture, including the prevention of corruption and bribery, the protection of whistleblowers and animal welfare	Actual	Positive	Own operations	Clearly defined values, prioritising employee safety and mutual respect
		Actual	Positive	Own operations	Anonymous whistleblowing channels, with a guarantee of protection against retaliation
		Actual	Positive	Own operations	Resilience training and procedures have been implemented, and a corruption risk analysis has been carried out
	Political influence, including lobbying activities	Actual	Positive	Downstream	Positive impact of initiatives carried out within trade organisations on regulatory transparency and the development of the sector
	Management of supplier relationships, including payment practices, in particular late payments to small and medium-sized enterprises (SMEs)	Actual	Positive	Upstream	A responsible approach to payments, and requirements for partners to meet ethical and social standards

ESRS 2 – General disclosures

Material risks and opportunities identified by the TELE-FONIKA Kable S.A. Capital Group during the double materiality assessment process

ESRS TOPIC	ESRS SUB-THEME / SMALLER THEMATIC UNIT	CATEGORY	PLACE WHERE THE RISK/OPPORTUNITY ARISES	TIME HORIZON	DESCRIPTION OF THE RISK/ OPPORTUNITY
E1: Climate change	Climate change mitigation	Risk	Upstream	short-term/medium-term/ long-term time horizon	Shortages of critical minerals in the supply chain (copper, aluminium, plastics)
		Opportunity	Downstream	short-term/medium-term/ long-term time horizon	Growing demand for products and solutions that support decarbonisation, electrification and the energy transition, creating potential for revenue growth
	Climate change adaptation	Risk	Own operations	short-term/medium-term/ long-term time horizon	Higher operating costs resulting from high energy prices
		Risk	Upstream	short-term/medium-term/ long-term time horizon	Increase in the cost of raw materials covered by the CBAM mechanism and the risk of non-EU competitors circumventing this regulation, which affects the competitiveness of the products of the Group
		Risk	Own operations	short-term/medium-term/ long-term time horizon	Rising operating costs (carbon taxes, audits, EPD declarations, product passports)
		Risk	Downstream	short-term/medium-term/ long-term time horizon	A decline in profitability due to high and volatile energy prices on global markets
		Risk	Downstream	short-term/medium-term/ long-term time horizon	A loss of market share to competitors from outside the EU who do not bear the costs of climate regulation

ESRS 2 – General disclosures

Material risks and opportunities identified by the TELE-FONIKA Kable S.A. Capital Group during the double materiality assessment process

ESRS TOPIC	ESRS SUB-THEME / SMALLER THEMATIC UNIT	CATEGORY	PLACE WHERE THE RISK/OPPORTUNITY ARISES	TIME HORIZON	DESCRIPTION OF THE RISK/ OPPORTUNITY
E1: Climate change	Climate changeadaptation	Opportunity	Downstream	short-term/medium-term/ long-term time horizon	Revenue from new technological solutions supporting mitigation (e.g. cables for renewable energy sources)
	Energy	Risk	Own operations	short-term/medium-term/ long-term time horizon	Fluctuations in energy prices affecting the Group's own operations
		Risk	Own operations	short-term/medium-term/ long-term time horizon	Continued reliance on fossil fuels in operations, which generates costs, regulatory risks and greenhouse gas emissions
		Risk	Upstream	short-term/medium-term/ long-term time horizon	Fluctuations in energy prices affecting commodity prices
		Opportunity	Own operations	short-term/medium-term/ long-term time horizon	Use of green energy at the Group's own plants (renewable energy sources, solar panels)

ESRS 2 – General disclosures

During the reporting period, the Group did not observe any immediate effects of material sustainability-related risks and opportunities that would have a direct, adverse impact on its current financial position. With regard to the material risks and opportunities identified in the climate area, a detailed description of which is set out in this disclosure, the Group has exercised the rights provided for in the transitional provisions set out in Appendix C to ESRS 1. Confirmation of the exercise of this exemption is provided in the disclosure E1-9. At the same time, in the areas of pollution and the circular economy, the double materiality assessment did not identify any material financial risks or potential market opportunities. For this reason, in the disclosures E2-6 and E5-6, the Group reported that no financial impacts had been identified in these subject areas, which is fully consistent with the overall risk profile of the organisation as set out in this Report.

With regard to ESRS E1 Climate Change, the business model of the Group is closely linked to the global energy transition. The negative impacts identified relate mainly to greenhouse gas emissions in production processes and throughout the value chain (transport, product life cycle). These risks, which include energy price volatility and the impact of regulatory measures such as the CBAM mechanism and carbon taxes, are mitigated through a strategic transition to renewable energy sources (including the planned target of 100% of electricity coming from renewables from 2026) and the implementation of the SBTi methodology. The resilience of the business model is built on capitalising on market opportunities, namely the growing demand for cable systems that support the connection of renewable energy sources to the grid.

Within the ESRS E2 Pollution area, the Group monitors the actual impact of atmospheric emissions (including SOx, NOx and particulate matter) and manages the risks associated with the use of substances of very high concern (SVHCs). Resilience in this area is ensured by optimising manufacturing processes with a view to minimising contamination.

In the context of ESRS E5 – Circular Economy, the business model of the Group demonstrates high resilience thanks to its own recycling plant and the achievement of high recovery indicators (91.6% of production cable waste is processed in-house). The copper recovered in this process is returned as raw material for use in cable production. This enables the effective mitigation of the risk of non-renewable resources being depleted and the development of a competitive advantage based on the high recyclability of products.

With regard to ESRS S1 – own workforce, the business model of the Group is based on employment stability (over 81% of contracts are permanent) and a strong safety culture implemented through programmes such as ‘Think Safety’. Positive impacts include timely payments, social dialogue and the promotion of diversity. Within the area of ESRS S2 – ‘Workers in the value chain’ – resilience is built by requiring compliance with health and safety standards and human rights, including an absolute ban on forced labour and child labour.

Under ESRS S4 – Consumers and End Users – a material positive impact is achieved by supplying durable and certified products that minimise the risks of breakdown, electric shock or fire. The strategy of the Group is based on strict adherence to safety standards, which helps to build trust in strategic infrastructure markets.

With regard to ESRS G1: Business Conduct, the resilience of the business model is underpinned by the corporate culture and formalised compliance procedures. The positive impacts identified include the operation of anonymous whistleblowing channels and the systematic analysis of risks related to corruption, anti-competitive practices and information security. The Group verifies the reliability and effectiveness of the measures adopted through internal audits of anti-corruption procedures, thereby ensuring the continuous improvement of control mechanisms. Furthermore, involvement in industry organisations promotes regulatory transparency and supports the long-term development of the energy sector.

The analysis did not identify any material impacts, risks or opportunities requiring additional disclosures specific to own operations.

[SBM-3 ESRS E1 – Climate change]

As at the date of this report, no formalised resilience analysis or climate strategy had been drawn up at the level of the entire Group. The disclosure below has been prepared solely on the basis of the data contained in the Climate Strategy drawn up for the Parent Undertaking, TELE-FONIKA Kable S.A.

The climate resilience analysis and climate risk map cover the Parent Undertaking, TELE-FONIKA Kable S.A., including its central departments, production plants and recycling plant. Given the similar climatic conditions and the scale and scope of operations at the individual plants, the undertaking adopted a consolidated approach – no separate analyses were carried out for individual plants, as it was considered that the results were representative of the undertaking as a whole.

ESRS 2 – General disclosures

The analysis of resilience of the Parent Undertaking was carried out on the basis of the identification of 33 material risks and opportunities. The process was based on two climate scenarios presented by the IPCC:

- **RCP 4.5 scenario:** assuming technological transformation and a material reduction in emissions (temperature rise of approx. 2.5°C).
- **RCP 8.5 scenario:** a 'business as usual' scenario, assuming that emission rates remain unchanged and climate instability is high (a temperature rise of approx. 4.5°C).

Three time horizons have been adopted, in line with the objectives of the Parent Undertaking related to emissions reduction:

- **Short-term:** 2023–2025.
- **Medium term:** 2026–2030 (objectives: a 40% share of renewable energy and a reduction in emissions intensity of >20%).
- **Long-term:** 2031–2050 (targets in line with the SBTi methodology).

All material climate risks identified during the analysis were classified as transition risks.

The Parent Undertaking considers its strategy and business model to be resilient to climate change. The analysis did not identify any critical risks that could jeopardise the continuity of business operations in any of the time horizons analysed.

TELE-FONIKA Kable S.A., acting as the Parent Undertaking exercising control over the other entities comprising the Group, highlights specific mechanisms for adapting its business model:

- **Changes to the product and service portfolio:** The transformation scenario (RCP 4.5) has identified opportunities for the development of products for the renewable energy sector. The adaptation plan involves reviewing the product range to focus on products resistant to extreme temperatures and innovations that support climate change mitigation.
- **Modernisation of existing assets:** The decarbonisation plan aims to reduce energy consumption by modernising production plants, installing the Company's own renewable energy systems (photovoltaics), replacing lighting with energy-efficient alternatives, and electrifying the in-house fleet.
- **Ability to adjust strategy:** The Parent Undertaking drew up an adaptation plan involving a review of its infrastructure to ensure its resilience to extreme weather events and fires. A full reassessment of the scenarios and risks for the Parent Undertaking is planned by 2026 at the latest.
- **Access to funding:** As part of its operational plans, the Parent Undertaking intends to seek external funding for research and development (R&D) projects aimed at adapting its product portfolio to climate requirements.

[SBM-3 ESRS S1 – Own workforce]

The manufacture of advanced cable systems requires a high level of expertise; therefore, the stability of the Group depends directly on the knowledge, safety and commitment of its employees. The double materiality assessment carried out showed that maintaining a high level of employment stability and continuously improving the health and safety culture are essential for ensuring production continuity and implementing the strategy of a technology leader.

As part of the materiality assessment, a number of material positive actual impacts were identified, arising from the organisational culture and the operational standards adopted within the entities of the Group. The main areas of positive impact include:

- **Working conditions and job security:** A key positive factor is the high level of social security provided – over 82% of staff are on permanent contracts. The Group generates a positive impact through timely payments, competitive remuneration rates and a benefits package, which helps to ensure a high level of retention of specialist technical expertise.
- **Occupational health and safety (H&S):** Through programmes such as 'Think Safety' and regular training, the Company effectively protects the physical well-being of its employees. Active accident prevention is integrated into day-to-day operations, which minimises health risks in a demanding manufacturing environment.
- **Social dialogue and development:** The existence of works councils, freedom of association and regular consultations foster a culture of participation. Furthermore, investment in internship programmes and upskilling training strengthens the intellectual capital of the Company.
- **Equality and diversity:** Promoting the principle of equal treatment and mechanisms to prevent violence and harassment form the foundation of a safe workplace, which in turn has a positive impact on the atmosphere and effectiveness of teams.

The materiality analysis showed that rigorous internal procedures and a safety culture effectively mitigate the occurrence of material financial risks related to staff.

The positive impacts identified directly strengthen the resilience of the Group's business model. A stable and skilled workforce ensures the continuity of production and the ability to fulfil even the most complex contracts.

ESRS 2 – General disclosures

The integration of material impacts into the strategy is reflected, above all, in the emphasis placed on operational continuity, achieved through rigorous health and safety standards and a commitment to staff wellbeing, which effectively minimises the risk of downtime caused by accidents or absences. A key element of this process is building team loyalty and effectiveness through active social dialogue and transparent internal communication, which reduces the risk of labour disputes and enables a flexible response to dynamic market changes. The strategy is complemented by investments in skills development and a culture of equal treatment, which enable the Group to maintain its status as an attractive employer and recruit key technical specialists, thereby building the long-term value of the Company in the face of a global skills shortage.

In summary, the material impacts identified in the own workforce area are closely linked to the strategic objectives of the Capital Group; the Group not only monitors these indicators but also regards them as key determinants of market success and security of supply for its business partners.

[SBM-3 ESRS S2 – Workers in the value chain]

The business model of the TELE-FONIKA Kable S.A. Group is based on the manufacture of specialist cable systems, which creates a close link between the operational stability of the Company and its responsibility and working standards within the global supply chain. The Group builds long-term value by working with business partners who respect human rights and safety standards.

The double materiality assessment carried out did not identify any material adverse impacts, whether actual or potential, in relation to those working within the value chain. The materiality assessment, however, confirmed the existence of a number of material positive actual impacts realised in the Upstream (supply chain) sector. The positive impact of the Group focuses on:

- **Occupational health and safety (H&S):** by strictly requiring compliance with health and safety standards throughout the supply chain.
- **Equal treatment:** by tackling inequalities amongst employees of the contractors.
- **Human rights:** by enforcing the ban on forced labour and other forms of exploitation.

A full list of the identified impacts, together with the methodology used to assess them, is set out in the 'General Information' section (disclosure IRO-1: Description of the process for identifying and assessing material impacts, risks and opportunities).

The identified positive impacts directly strengthen the business model of the Group and are integrated into its operational processes. Managing working conditions throughout the value chain helps to ensure supply continuity, as minimising social risks among suppliers of key raw materials, such as copper and aluminium, reduces the risk of disruptions to production processes. Furthermore, transparency regarding human rights and the ethical sourcing of minerals positions the Group as a trusted partner in sectors with high regulatory requirements, including, amongst others, the renewable energy sector.

The strategy of the Group for addressing these impacts, and the policies adopted, such as the Supplier Code of Conduct and the Responsible Mineral Sourcing Policy, are described in disclosure S2-1. Measures aimed at maintaining positive impacts and operational objectives are set out in the disclosures S2-4 and S2-5, respectively.

The integration of material impacts into the business model is reflected in the systematic monitoring of the database of key and other suppliers, in accordance with instruction IJ-0-05 adopted by the Parent Undertaking. This approach ensures the Group has a stable order book and minimises the risk of incidents in the value chain that could jeopardise the business continuity or reputation of the Group.

[SBM-3 ESRS S4 – Consumers and end users]

The business model of the TELE-FONIKA Kable S.A. Group is based on the supply of specialist cable systems to key sectors of the economy, which creates a direct link between the market success of the Group and the safety of end users.

The double materiality assessment did not identify any material negative impacts, whether actual or potential, with respect to end users. The absence of any material negative impacts is due to the rigorous approach of the Group to quality control and strict adherence to safety procedures during the design and production stages.

The double materiality assessment carried out confirmed that the key positive impacts actually occur in the areas of personal safety and the protection of life and property during the operational phase of the products (downstream). By supplying products that meet stringent safety standards, the Group minimises the risk of electric shock and fire during the installation and use of the infrastructure.

A detailed presentation and description of material impacts in the area of end users, taking into account the results of the materiality assessment, are set out in the 'General Information' section (disclosure IRO-1: Description of the process for identifying and assessing material impacts, risks and opportunities).

ESRS 2 – General disclosures

The strategy of the Group for addressing these impacts is closely integrated with its operating model. The products comply with the relevant product standards, as confirmed by certificates or declarations of conformity. They also comply with the requirements of safety standards and directives.

The integration material impacts into the business model is reflected in the provision of full technical transparency. Certificates confirming the results of post-production tests in accordance with the requirements are supplied with the product. At the customer's request, relevant documents – declarations and certificates – are also provided. Detailed descriptions of declarations of conformity and other certificates are available on the website of the Group. This forms the basis for mitigating operational risks on the part of end users.

The identified positive impacts strengthen the business model of the Group. The durability and certification of the cables minimise the risk of failure in critical systems, positioning the Group as the partner of choice in highly regulated sectors such as renewable energy, mining and transport. The ability to collaborate with the customer on technical specifications allows the product to be flexibly tailored to individual, stringent safety requirements, which in turn helps to build long-term value based on minimising the risk of incidents that threaten life or property.

[IRO-1] Description of the processes used to identify and assess material impacts, risks and opportunities

The scope of this Report was determined on the basis of a double materiality assessment. The methodology used has been adapted to the requirements of the CSRD Directive and the sustainability reporting standards. The identification and assessment process covered both the Group's own operations and its value chain, encompassing both upstream and downstream activities.

The process of assessing the materiality of the impact began with a detailed analysis of the Group's operations, carried out in accordance with the guidelines of EFRAG. The sector classification was carried out in accordance with the European Sustainability Reporting Standards – SEC 1 Sector Classification and General Requirements (Exposure Draft). As a result of this analysis, the dominant macro-sector and sector for the Group were identified as Industry – Electronics and Electrical Equipment (MEL). Furthermore, within the structure of the subsidiary undertakings, sectors have been identified that support the core business of the Group, generating more than 10% of net turnover or being key in terms of the balance sheet total and strategic objective, namely: Sales and Trade (SST), Real Estate (RRE) and Professional Services (SPS). This classification, based on NACE codes, has enabled the catalogue of potential impacts, risks and opportunities to be precisely tailored to the market specifics of the Group.

The assessment of the materiality of the impact was based on a multi-criteria scoring model, which was designed to ensure maximum objectivity and comparability of results within the sector in which the Group operates. This methodology involved aggregating data from five distinct analytical areas, using specific percentage weights. The largest component of the final assessment, accounting for 40%, was the in-depth self-assessment of impact carried out by the Group using a dedicated analytical tool, taking into account the scale, scope, irremediable character and likelihood of any potential impact. A key component, accounting for 20%, was the results of a survey carried out amongst representatives of key internal and external stakeholder groups. A further 20% was attributed to the analysis of peer companies, whilst the analysis of ESG ratings, sector reports and global trends each accounted for 10% of the final result.

Those issues that received an overall score of at least 50% were considered material in terms of their impact. This threshold was set to ensure that results are comparable and to focus on the aspects of greatest substantive importance.

The financial materiality perspective focused on identifying sustainability-related risks and opportunities that could affect the performance of the Group and access to capital over various time horizons. This process involved identifying market risks and opportunities, and then assessing them. When assessing individual issues, the parameters related to the likelihood of an event occurring and the scale of the potential financial impact on the Group were taken into account.

All the significance parameters described above were assessed on a four-point scale. The results of the assessment were then validated by an internal expert team and a representative of the Management Board of the Parent Undertaking. An external adviser also oversaw the process. In accordance with the overarching principle of double materiality, a given topic was deemed reportable if it met the materiality criteria from the perspective of impact, the financial perspective, or both of these dimensions simultaneously.

The final analysis identified a total of 20 material topics covered by the sustainability reporting standards, including sub-topics and smaller thematic units set out in ESRS 1, Appendix A, AR 16. The Group did not identify any need to disclose undertaking-specific matters that would go beyond the scope of the ESRS.

ESRS 2 – General disclosures

Double-materiality matrix – summary of results broken down by topics and subtopics according to the ESRS

Financial materiality

E1 – Climate change
- → Climate Change Adaptation

E1 – Climate change
- → Climate change mitigation
- → Energy

E2 – Pollution
- → Pollutants to air
- → Substances of concern
- → Substances of very high concern

S2 – Workers in the value chain
- → Working conditions
- → Equal treatment and equal opportunities for all
- → Other employment-related rights

E5 – Circular Economy
- → Resource inflows, in that resource use
- → Resource outflows related to products and services
- → Waste

S4 – Consumers and end users
- → Personal safety of consumers or end users

S1 – Own workforce
- → Working conditions
- → Equal treatment and equal opportunities for all
- → Other employment-related rights

G1 – Business conduct
- → Corporate culture
- → Protection of whistleblowers
- → Management of relationships with suppliers, including payment practices
- → Corruption and bribery

Impact materiality

Legend

Financial materiality
Subjects in which risks and opportunities were identified as key in terms of financial impact.

Financial and impact materiality
Subjects that were assessed as key in terms of both impact, and risks and opportunities.

Impact materiality
Subjects where the impact was deemed to be of key importance.

ESRS 2 – General disclosures

[IRO-1 ESRS E1 – Climate change]

The process of identifying and assessing material climate issues forms an integral part of the overall double materiality assessment methodology of the TELE-FONIKA Kable S.A. Capital Group and is based on a multi-criteria scoring model, in which an in-depth self-assessment of impact accounts for 40% of the weighting. In the area of climate change, this assessment is based on the results of the regular calculation of Scope 1, 2 and 3 greenhouse gas emissions carried out for the Parent Undertaking, the results of which were deemed representative for determining the materiality profile of the impact across the entire Group. Through an emissions inventory using market-based and location-based methods, the actual negative impacts arising from operational activities, the supply chain, transport processes and the end-of-life phase were identified. At the same time, this process enables the identification and quantification of positive impacts arising from the provision of cable systems that help mitigate climate change by connecting renewable energy sources to the grid as part of the commercial activities of the Group.

In its financial materiality assessment process, the Group uses scenario analysis based on three time horizons, which are fully consistent with the definitions set out in ESRS 1 and have been operationally aligned with the cycles of the Climate Strategy. The short-term outlook, covering a period of up to one year, corresponds to the final stage of the current strategic cycle (up to 2025), the medium-term outlook, covering a period of between 1 and 5 years, corresponds to the years 2026–2030, whilst the long-term outlook, covering a period of more than 5 years, extends to 2050. Given the absence of material differences in the assessment results for the short- and medium-term horizons, these have been aggregated into a single block covering the years 2023–2030 for the purposes of presenting the results in the Climate Strategy, which is reflected in the assignment of identical risks and opportunities in the financial materiality matrix for these periods. The identification of physical risks is based on the high-emission scenario RCP 8.5 of the IPCC, which enables the assessment of the vulnerability of key production assets to phenomena such as heatwaves, wildfires and floods. The financial implications of these risks are analysed in terms of their probability and the scale of their impact on the financial results of the Group, taking into account materiality thresholds ranging from 1 million to over 20 million EUR.

The RCP 4.5 transition scenario was used to identify transition risks and opportunities, whilst verifying the consistency of reduction targets with the 1.5°C warming limitation pathway in accordance with the SBTi methodology. This process made it possible to identify material financial risks across the entire value chain of the Group, related to the shortage of critical raw materials, including copper and aluminium, the impact of the CBAM mechanism, and volatility in energy prices.

The potential for revenue growth from solutions for the renewable energy sector and the ongoing decarbonisation of the Group's own operations through the achievement of full renewable energy supply have been identified as opportunities of strategic financial importance. The entire identification and assessment process is subject to validation by an internal expert team and the Management Board of the Parent Undertaking, which ensures that climate action is consistent with the business model of the Group.

[IRO-1 ESRS E2 – Pollution]

The process of identifying and assessing the material impacts, risks and opportunities associated with pollution formed an integral part of the overall double materiality assessment carried out by the TELE-FONIKA Kable S.A. Capital Group for the purposes of this Report. The identification of impacts was based on a detailed review of production processes and the monitoring of chemicals used in the Company's own operations and throughout the value chain. The key sources of information in this process were the internal emissions records maintained for environmental reporting purposes, as well as the material qualification procedures ensuring compliance with the REACH and CLP Regulations and the RoHS Directive. In this way, the Group precisely identified the areas in which its operations may have an impact on specific components of the natural environment.

The list of sites where the issue of pollution has been identified as material includes five of the Parent Undertaking's production plants located in Poland, namely the sites in Myślenice, Kraków on Nad Drwiną Street and Wielicka Street, Bydgoszcz and Bukowno, as well as the production plant of TF Kable Fabrika Kablova d.o.o. Zaječar in Serbia. Upstream inthe value chain, the analysis covered first-tier suppliers providing strategic raw materials, such as copper, aluminium and components for the production of polymer blends. Downstream in the value chain, potential impacts associated with the use phase of products and their decommissioning at end-user sites in the energy, construction and extractive industries have been identified. The main economic activity generating material impacts is the manufacture of wires and cables, a process which involves the emission of pollutants into the air and the use of substances of very high concern.

As a result of the assessment carried out, the most material aspects were identified as emissions of nitrogen oxides, sulphur oxides and volatile organic compounds, as well as the presence of substances such as lead and medium-chain paraffins in production processes. Transition risks have been identified primarily in the area of increasingly stringent regulatory requirements concerning the phasing out of hazardous substances from the market. At the same time, the Group has identified opportunities arising

ESRS 2 – General disclosures

from the optimisation of technological processes and the implementation of safer alternative raw materials, which enables it to mitigate legal risks and build a competitive advantage by supplying products with a lower toxicity profile.

The TELE-FONIKA Kable S.A. Capital Group did not carry out any dedicated public consultations, focusing exclusively on the issue of pollution, with the affected local communities in the vicinity of its plants. However, these issues were included in the scope of the survey conducted in 2026 amongst key stakeholder groups as part of the double materiality assessment process. As part of this survey, respondents were given the opportunity to assess the Group's impact on air quality and its management of hazardous substances. The outcome of this dialogue confirmed that issues related to pollution are monitored and managed in line with stakeholders' expectations, which is reflected in the low level of identified social risks and the fact that no corrective action was required during the reporting period.

[IRO-1 ESRS E5 – Resource use and the circular economy]

The process of identifying and assessing material impacts, risks and opportunities in the area of resource use and the circular economy was carried out as an integral part of the double materiality assessment of the TELE-FONIKA Kable S.A. Capital Group. The identification process was based on a detailed review of material flows throughout the product life cycle, carried out using data from the SAP system, waste records and technical analyses related to product design. The Group monitors resource use both at the raw material sourcing stage, and in production processes, as well as during the end-of-life phase of its products. A key element of this process is the systematic assessment of the recyclability of the cable products on offer, and an analysis of the efficiency of the Company's own processing capacity for raw material recovery.

The list of sites where resource utilisation and waste management are particularly important includes five of the production plants of the Parent Undertaking located in Myślenice, Kraków, Bydgoszcz, and Bukowno, as well as the TF Kable Fabrika Kablova plant in Serbia. The nature of the operations at these sites involves the processing of significant volumes of non-ferrous metals and plastics. Upstream in the value chain, the identification of impacts primarily concerns suppliers of strategic raw materials, such as copper and aluminium, the extraction and refining of which are highly resource-intensive processes. Downstream in the value chain, the process focuses on the management of end-of-life products.

The analysis identified only material actual impacts (both positive and negative); at this stage, no material financial risks or opportunities requiring separate reporting were identified.

The most material negative impacts included the consumption of non-renewable raw materials and the generation of production waste. At the same time, the Group has identified material positive impacts resulting from the implementation of the circular model, as evidenced by the use of recycled materials at a rate of 9.13% and the achievement of a very high waste recovery rate of 91.6%. A key advantage in mitigating negative impacts is the high recyclability of the cables themselves, enabling the recovery of copper and PVC granulate at a rate exceeding 99%, which directly contributes to closing the loop across the entire electricity sector.

During the reporting period, the TELE-FONIKA Kable S.A. Capital Group did not conduct any dedicated public consultations focusing exclusively on the topic of the circular economy. However, these issues were included in the scope of the survey conducted in 2026 among representatives of key stakeholder groups for the purposes of a double materiality assessment.

ESRS 2 – General disclosures

[IRO-2] Disclosure requirements in ESRS covered by the sustainability statement of the undertaking

NO.	DISCLOSURE NAME	PAGE
ESRS 2 General disclosures		
BP-1	General basis for preparation of sustainability statements	6
BP-2	Disclosure of information in relation to specific circumstances	7
GOV-1	Role of administrative, management, and supervisory bodies	8
GOV-2	Information provided to the administrative, management and supervisory bodies of the undertaking, and sustainability matters reporting addressed by them. Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	10
GOV-3	Integration of sustainability-related performance in incentive schemes	10
GOV-4	Statement on due diligence	11
GOV-5	Risk management and internal controls over sustainability reporting	11
SBM-1	Strategy, business model, and value chain	12
SBM-2	Interests and views of stakeholders	17

NO.	DISCLOSURE NAME	PAGE
SBM-3	Material impacts, risks, and opportunities, and their interrelationships with the strategy and business model	20
IRO-1	Description of the processes used to identify and assess material impacts, risks, and opportunities	32
IRO-2	Disclosure requirements in ESRS covered by sustainability statement of the undertaking	34
ESRS E1 Climate change		
E1-1	Transition plan for climate change mitigation	49
E1-2	Policies related to climate change mitigation and adaptation	51
E1-3	Actions and resources related to climate policy	54
E1-4	Targets related to climate change mitigation and adaptation	57
E1-5	Energy consumption and the energy mix	60
E1-6	Gross Scopes 1, 2, 3 and Total GHG emissions	62
E1-9	Anticipated financial effects from material physical and transition risks and potential climate-related opportunities	63

ESRS 2 – General disclosures

[IRO-2] Disclosure requirements in ESRS covered by the sustainability statement of the undertaking

ESRS 2 – General disclosures

[IRO-2] Disclosure requirements in ESRS covered by the sustainability statement of the undertaking

ESRS 2 – General disclosures

[IRO-2] Disclosure requirements in ESRS covered by the sustainability statement of the undertaking

ESRS 2 – General disclosures

[IRO-2] Disclosure requirements in ESRS covered by the sustainability statement of the undertaking

Disclosure requirement and associated data para	Reference to the Regulation on the disclosure of sustainability related information in the financial services sector	Reference to the third pillar	Reference to the Regulation on benchmarks	Reference to European climate law	Section number / Chapter number
ESRS 2 GOV-1 Gender diversity among members of the management board – paragraph 21(d)	Indicator No. 13 in Table 1 of Annex I		Annex II to the Commission delegated regulation (EU) 2020/1816		1.1.
ESRS 2 GOV-1 Percentage of members of administrative, management and supervisory bodies who are independent, paragraph 21(e)			Annex II to the Commission Delegated Regulation (EU) 2020/1816		1.1.
ESRS 2 GOV-4 Statement on due diligence, paragraph 30	Indicator no. 10 in Table 3 of Annex I				1.1.
ESRS 2 SBM-1 Involvement in activities related to fossil fuels, paragraph 40(d)(i)	Indicator No. 4 in Table 1 of Annex I	Article 449a of Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453(6), Table 1: Qualitative information on environmental risks and Table 2: Qualitative information on social risks	Annex II to Delegated Regulation (EU) 2020/1816		1.1.
ESRS 2 SBM-1 Participation in activities related to the production of chemicals, paragraph 40(d)(ii)	Indicator no. 9 inTable 2 of Annex I		Annex II to the Commission Delegated Regulation (EU) 2020/1816		1.1.
ESRS 2 SBM-1 Involvement in activities related to controversial weapons, paragraph 40(d)(iii)	Indicator No. 14 in Table 1 of Annex I		Article 12(1) of Delegated Regulation (EU) 2020/1818(7), Annex II to Delegated Regulation (EU) 2020/1816		1.1.

ESRS 2 – General disclosures

[IRO-2] Disclosure requirements in ESRS covered by the sustainability statement of the undertaking

Disclosure requirement and associated data para	Reference to the Regulation on the disclosure of sustainability related information in the financial services sector	Reference to the third pillar	Reference to the Regulation on benchmarks	Reference to European climate law	Section number / Chapter number
ESRS 2 SBM-1 Participation in activities related to the cultivation and production of tobacco, paragraph 40(d)(iv)			Article 12(1) of Delegated Regulation (EU) 2020/1818(7), Annex II to Delegated Regulation (EU) 2020/1816		1.1.
ESRS E1-1 Transition plan for achieving climate neutrality by 2050, paragraph 14				Article 2(1) of Regulation (EU) 2021/1119	2.2.
ESRS E1-1 Entities excluded from the scope of the Paris Agreement-aligned benchmarks, paragraph 16(g)		Article 449a of Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, Template 1: Banking book – Climate-related transition risk: credit quality of exposures by sector, emissions and residual maturity	Article 12(1)(d) to (g) and Article 12(2) of Delegated Regulation (EU) 2020/1818		2.2.
ESRS E1-4 Greenhouse gas emission reduction targets, paragraph 34	Indicator No. 4 in Table 2 of Annex I	Article 449a of Regulation (EU) No. 575/2013; Commission Implementing Regulation (EU) 2022/2453, Template 3: Banking Book – Climate change transition risk: alignment metrics	Article 6 of Delegated Regulation (EU) 2020/1818		2.2.
ESRS E1-5 Energy consumption from fossil fuels, disaggregated by source (applies only to sectors with a material impact on the climate), paragraph 38	Indicator No. 5 in Table 1 and Indicator No. 5 in Table 2 of Annex I				2.2.

ESRS 2 – General disclosures

[IRO-2] Disclosure requirements in ESRS covered by the sustainability statement of the undertaking

Disclosure requirement and associated data para	Reference to the Regulation on the disclosure of sustainability related information in the financial services sector	Reference to the third pillar	Reference to the Regulation on benchmarks	Reference to European climate law	Section number / Chapter number
ESRS E1-5 Energy consumption and energy mix, paragraph 37	Indicator No. 5 in Table 1 of Annex I				2.2.
ESRS E1-5 Energy consumption associated with activities in sectors with a material impact on the climate, paragraphs 40–43	Indicator No. 6 in Table of Annex I				2.2.
ESRS E1-6 Scope 1, 2, and 3 gross greenhouse gas emissions and total greenhouse gas emissions, paragraph 44	Indicators Nos. 1 and 2 in Table 1 of Annex I	Article 449a of Regulation (EU) No. 575/2013; Commission Implementing Regulation (EU) 2022/2453, Template 1: Banking Book – Climate-related transition risk: credit quality of exposures by sector, emissions and residual maturity	Article 5(1), Article 6, and Article 8(1) of Delegated Regulation (EU) 2020/1818		2.2.
ESRS E1-6 Gross greenhouse gas emissions intensity, paragraphs 53–55	Indicator No. 3 in Table 1 of Annex I	Article 449a of Regulation (EU) No. 575/2013; Commission Implementing Regulation (EU) 2022/2453, Template 3: Banking Book – Climate change transition risk: alignment metrics	Article 8(1) of Delegated Regulation (EU) 2020/1818		2.2.
ESRS E1-7 Removal of greenhouse gases and carbon dioxide emission units, paragraph 56				Article 2(1) of Regulation (EU) 2021/1119	In 2025, the TELE-FONIKA Kable S.A. Group did not make use of green-house gas removal projects or carbon dioxide emission units

ESRS 2 – General disclosures

[IRO-2] Disclosure requirements in ESRS covered by the sustainability statement of the undertaking

Disclosure requirement and associated data para	Reference to the Regulation on the disclosure of sustainability related information in the financial services sector	Reference to the third pillar	Reference to the Regulation on benchmarks	Reference to European climate law	Section number / Chapter number
ESRS E1-9 Exposure of the reference portfolio to physical climate-related risks, paragraph 66			Annex II to Delegated Regulation (EU) 2020/1818, Annex II to Delegated Regulation (EU) 2020/1816		Used an exemption in 2025
ESRS E1-9 Breakdown of monetary amounts by sudden and long-term physical risks, paragraph 66(a) ESRS E1-9 Location of material assets subject to material physical risk, paragraph 66(c)		Article 449a of Regulation (EU) No 575/2013; paragraphs 46 and 47 of Commission Implementing Regulation (EU) 2022/2453; Template 5: Banking book – Physical risk associated with climate change: exposures subject to physical risk.			Used an exemption in 2025
ESRS E1-9 Allocation of the carrying amount of property by energy efficiency class, paragraph 67(c)		Article 449a of Regulation (EU) No 575/2013; paragraph 34 of Commission Implementing Regulation (EU) 2022/2453; Template 2: Banking book – Transition risk associated with climate change: loans secured by immovable property – energy efficiency of collateral			Used an exemption in 2025
ESRS E1-9 Degree of the exposure of a portfolio to climate related opportunities, paragraph 69			Annex II to Delegated Regulation (EU) 2020/1818		Used an exemption in 2025
ESRS E2-4 Amount of each pollutant listed in Annex II to the E-PRTR (European Pollutant Release and Transfer Register) Regulation emitted to air, water and soil, paragraph 28	Indicator No. 8 in Table 1 in the Annex I, Indicator No. 2 in Table 2 of Annex I, Indicator No. 1 in Table 2 of Annex I and Indicator No. 3 in Table 2 of Annex I				2.3.

ESRS 2 – General disclosures

[IRO-2] Disclosure requirements in ESRS covered by the sustainability statement of the undertaking

Disclosure requirement and associated data para	Reference to the Regulation on the disclosure of sustainability related information in the financial services sector	Reference to the third pillar	Reference to the Regulation on benchmarks	Reference to European climate law	Section number / Chapter number
ESRS E3-1 Water and Marine Resources, paragraph 9	Indicator No. 7 in Table 2 of Annex I				Not material
ESRS E3-1 Dedicated Policy, paragraph 13	Indicator No. 8 in Table 1 of Annex I				Not material
ESRS E3-1 Sustainable practices related to seas and oceans, paragraph 14	Indicator No. 12 in Table 2 of Annex I				Not material
ESRS E3-4 Total volume of water recycled and reused, paragraph 28(c)	Indicator No. 6.2 in Table 2 of Annex I				Not material
ESRS E3-4 Total water consumption in m³ per net turnover from own operations, paragraph 29	Indicator No. 6.1 in Table 2 of Annex I				Not material
ESRS 2 SBM 3-E4, paragraph 16(a)(i)	Indicator No. 7 in Table 1 of Annex I				Not material
ESRS 2 SBM 3-E4, paragraph 16(b)	Indicator No. 10 in Table 2 of Annex I				Not material
ESRS 2 SBM 3-E4, paragraph 16(c)	Indicator No. 14 in Table 2 of Annex I				Not material
ESRS E4-2 Sustainable land/agricultural practices or policies, paragraph 24(b)	Indicator No. 11 in Table 2 of Annex I				Not material

ESRS 2 – General disclosures

[IRO-2] Disclosure requirements in ESRS covered by the sustainability statement of the undertaking

Disclosure requirement and associated data para	Reference to the Regulation on the disclosure of sustainability related information in the financial services sector	Reference to the third pillar	Reference to the Regulation on benchmarks	Reference to European climate law	Section number / Chapter number
ESRS E4-2 Sustainable oceans / seas practices or policies, paragraph 24(c)	Indicator No. 12 in Table 2 of Annex I				Not material
ESRS E4-2 Policies to combat deforestation, paragraph 24(d)	Indicator No. 15 in Table 2 of Annex I				Not material
ESRS E5-5 Non-recyclable waste, paragraph 37(d)	Indicator No. 13 in Table 2 of Annex I				2.4.
ESRS E5-5 Hazardous waste and radioactive waste, paragraph 39	Indicator No. 9 in Table 1 of Annex I				2.4.
ESRS 2 SBM-3-S1 Risk of forced labour, paragraph 14(f)	Indicator No. 13 in Table 3 of Annex I				3.1.
ESRS 2 SBM-3-S1 Risk of child labour, paragraph 14(g)	Indicator No. 12 in Table 3 of Annex I				3.1.
ESRS S1-1 Human rights policy commitments, paragraph 20	Indicator No. 9 in Table 3 and Indicator No. 11 in Table 1 of Annex I				3.1.

ESRS 2 – General disclosures

[IRO-2] Disclosure requirements in ESRS covered by the sustainability statement of the undertaking

Disclosure requirement and associated data para	Reference to the Regulation on the disclosure of sustainability related information in the financial services sector	Reference to the third pillar	Reference to the Regulation on benchmarks	Reference to European climate law	Section number / Chapter number
ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labour Organisation Conventions 1 to 8, paragraph 21			Annex II to Delegated Regulation (EU) 2020/1816		3.1.
ESRS S1-1 Procedures and measures to prevent human trafficking, paragraph 22	Indicator No. 11 in Table 3 of Annex I				3.1.
ESRS S1-1 Policy or management system for the prevention of accidents at work, paragraph 23	Indicator No. 1 in Table 3 of Annex I				3.1.
ESRS S1-3 Complaint-handling mechanisms, paragraph 32(c)	Indicator No. 5 in Table 3 of Annex I				3.1.
ESRS S1-14 Number of work-related deaths and the number and rate of work-related accidents, paragraph 88(b) and (c)	Indicator No. 2 in Table 3 of Annex I		Annex II to Delegated Regulation (EU) 2020/1816		3.1.
ESRS S1-14 Number of days lost due to injuries, accidents, fatalities or illnesses – paragraph 88(e)	Indicator No. 3 in Table 3 of Annex I				3.1.
ESRS S1-16 Unadjusted gender pay gap, paragraph 97(a)	Indicator No. 12 in Table 1 of Annex I		Annex II to Delegated Regulation (EU) 2020/1816		3.1.
ESRS S1-16 Excessive remuneration of the Managing Director, paragraph 97(b)	Indicator No. 8 in Table 3 of Annex I				NONE

ESRS 2 – General disclosures

[IRO-2] Disclosure requirements in ESRS covered by the sustainability statement of the undertaking

Disclosure requirement and associated data para	Reference to the Regulation on the disclosure of sustainability related information in the financial services sector	Reference to the third pillar	Reference to the Regulation on benchmarks	Reference to European climate law	Section number / Chapter number
ESRS S1-17 Cases of discrimination, paragraph 103(a)	Indicator No. 7 in Table 3 of Annex I				3.1.
ESRS S1-17 Non-compliance with the UN Guiding Principles on Business and Human Rights and the OECD Guidelines, paragraph 104(a)	Indicator No. 10 in Table 3 and Indicator No. 14 in Table 1 of Annex I		Annex II to Delegated Regulation (EU) 2020/1816, Article 12(1) of Delegated Regulation (EU) 2020/1818		3.1.
ESRS 2 SBM-3-S2 Material risk of cases of child labour or forced labour in the value chain – paragraph 11(b)	Indicators Nos. 12 and 13 in Table 3 of Annex I				3.2.
ESRS S2-1 Human rights policy commitments, paragraph 17	Indicator No. 9 in Table 3 and Indicator No. 11 in Table 1 of Annex I				3.2.
ESRS S2-1 Policies related to workers in the value chain paragraph 18	Indicators Nos. 11 and 4 in Table 3 of Annex I				3.2.
ESRS S2-1 Non-compliance with the UN Guiding Principles on Business and Human Rights and the OECD Guidelines, paragraph 19	Indicator No. 10 in Table 1 of Annex I		Annex II to Delegated Regulation (EU) 2020/1816, Article 12(1) of Delegated Regulation (EU) 2020/1818		3.2.
ESRS S2-1 Due diligence strategies in relation to matters covered by the core conventions of the International Labour Organisation Conventions Nos. 1–8, paragraph 19			Annex II to Delegated Regulation (EU) 2020/1816		3.2.

ESRS 2 – General disclosures

[IRO-2] Disclosure requirements in ESRS covered by the sustainability statement of the undertaking

Disclosure requirement and associated data para	Reference to the Regulation on the disclosure of sustainability related information in the financial services sector	Reference to the third pillar	Reference to the Regulation on benchmarks	Reference to European climate law	Section number / Chapter number
ESRS S2-4 Issues and incidents related to respect for human rights associated with the upstream and downstream value chain, paragraph 36	Indicator No. 14 in Table 3 of Annex I				3.2.
ESRS S3-1 Human rights policy commitments, paragraph 16	Indicator No. 9 in Table 3 of Annex I and Indicator No. 11 in Table 1 of Annex I				Not material
ESRS S3-1 Non-compliance with the UN Guiding Principles on Business and Human Rights, ILO principles and the OECD Guidelines, paragraph 17	Indicator No. 10 in Table 1 of Annex I		Annex II to Delegated Regulation (EU) 2020/1816, Article 12(1) of Delegated Regulation (EU) 2020/1818		Not material
ESRS S3-4 Issues and incidents related to respect for human rights, paragraph 36	Indicator No. 14 in Table 3 of Annex I				Not material
ESRS S4-1 Policy related to consumers and end-users, paragraph 16	Indicator No. 9 in Table 3 and Indicator No. 11 in Table 1 of Annex I				3.3.
ESRS S4-1 Non-compliance with the UN Guiding Principles on Business and Human Rights and the OECD Guidelines, paragraph 17	Indicator No. 10 in Table 1 of Annex I		Annex II to Delegated Regulation (EU) 2020/1816, Article 12(1) of Delegated Regulation (EU) 2020/1818		3.3.

ESRS 2 – General disclosures

[IRO-2] Disclosure requirements in ESRS covered by the sustainability statement of the undertaking

Disclosure requirement and associated data para	Reference to the Regulation on the disclosure of sustainability related information in the financial services sector	Reference to the third pillar	Reference to the Regulation on benchmarks	Reference to European climate law	Section number / Chapter number
ESRS S4-4 Issues and incidents related to respect for human rights, paragraph 35	Indicator No. 14 in Table 3 of Annex I				3.3.
ESRS G1-1, United Nations Convention against Corruption, paragraph 10(b)	Indicator No. 15 in Table 3 of Annex I				4.1.
ESRS G1-1 Protection of whistleblowers, paragraph 10(d)	Indicator No. 6 in Table 3 of Annex I				4.1.
ESRS G1-4 Fines for breaches of anti-corruption legislation and legislation on combating bribery, paragraph 24(a)	Indicator No. 17 in Table 3 of Annex I		Annex II to Delegated Regulation (EU) 2020/1816		4.1.
ESRS G1-4 Standards on the prevention of corruption and bribery, paragraph 24(b)	Indicator No. 16 in Table 3 of Annex I				4.1.

3.

Environmental information

ESRS E1 - Climate change

[E1-1] Transition plan for climate change mitigation

During the reporting period, running from 1 January to 31 December 2025, the TELE-FONIKA Kable S.A. Capital Group did not have a formally adopted transition plan for climate change mitigation within the meaning of ESRS requirement E1-1. During the period under analysis, work was carried out on developing the guidelines for this document, which was formally approved by the Management Board of the Parent Undertaking after the end of the reporting year, i.e. on 26 March 2026.

The measures taken in 2025 to mitigate climate change were based on the existing Climate Strategy and on the working assumptions of the plan then being drawn up. The initiatives undertaken formed part of a long-term approach to decarbonising the Group's operations and reducing its impact on the climate.

Some of the initiatives set out in the adopted transformation plan had already been identified and put into action whilst the document was being developed, which meant that their implementation could begin before the plan was officially approved.

In light of the above, this report describes both the targets and actions set and implemented during the reporting period, and those planned for the future. To ensure the transparency of the information reported, the relevant period was specified in each description.

Description of the Transformation Plan for TELE-FONIKA Kable S.A. until 2030 and 2035, with an outlook to 2050

The main objective of the Transformation Plan is to bring the business model of the TELE-FONIKA Kable S.A. Capital Group into line with the target of limiting global warming to 1.5°C and achieving climate neutrality by 2050, in accordance with the European Climate Law and the requirements of the ESRS and SBTi.

The Transformation Plan was drawn up for the Parent Undertaking and its five production plants in Poland, located in Myślenice, Kraków (on Nad Drwiną and Wielicka Streets), Bydgoszcz and Bukowno.

The following were excluded from the scope of the transition plan:

- Zajecar plant in Serbia – as its share of the production of the Group is less than 5%,
- distribution offices whose economic activities differ materially from the core business of the Group and account for a marginal share of the total greenhouse gas emissions of the Group.

In the work carried out in 2025, the Parent Undertaking examined the decarbonisation of its operations across three emission scopes in the baseline scenario and across four alternative scenarios, characterised by varying levels of decarbonisation measures and based on scientific evidence (IPCC). Following a comparative analysis of the scenarios, Scenario 4 was selected as the strategy to be implemented by the Parent Undertaking until 2030 and 2035, with an outlook to 2050. This scenario was deemed to be both economically viable and ambitious.

The Transformation Plan sets out decarbonisation targets in line with the SBT initiative. Detailed information on the reduction targets adopted under the Plan for 2030, 2035, the ambitions for 2050, and the key assumptions and methodology used are set out in disclosure E1-4: Targets related to climate change mitigation and adaptation.

Decarbonisation levers and locked-in emissions

Decarbonisation levers taken into account under the strategy adopted by TELE-FONIKA Kable S.A. are as follows:

- electrification of the fleet and processes – the gradual replacement of the passenger car fleet with hybrid or electric vehicles,
- development of the Company's own renewable energy sources – the expansion of photovoltaic installations at our plants in Bydgoszcz and Myślenice,
- reduction in fuel oil consumption at the main boiler house in Myślenice,
- replacement of forklift trucks with electric vehicles (from 2035),
- guarantees of origin for electricity (up to 100% from 2026),
- guarantees of origin for thermal energy (from 2039).

At the same time, with regard to the decarbonisation targets and levers set, the Parent Undertaking has identified locked-in GHG emissions in the form of:

- a vehicle fleet which, for economic and organisational reasons, will not be replaced with a zero-emission fleet until at least 2030,
- energy installations used for industrial production, for which there is currently no economically viable alternative,
- development of assets in new locations,
- decommissioning of selected plants and installations,
- use of products sold (Cat. 11, Scope 3).

ESRS E1 - Climate change

Progress in implementing the transition plan

The table below sets out the progress made in implementing the transition plan and the associated expenditure incurred on climate change mitigation measures by TELE-FONIKA Kable S.A. during the period from 1 January until 31

Decarbonisation lever / action	Progress in implementing the plan during the reporting period – 2025	Status (completed / in progress / planned / delayed)	CapEx/OpEx amount allocated to the implementation of the plan (PLN)	Source of funding
Electrification of the fleet and processes	Partial replacement of diesel vehicles with hybrid cars	Partially completed	PLN 3,117,210.21	The TELE-FONIKA Kable S.A. Group finances its investments using both its own funds and bank loans The Group is aware that the difficulties faced in securing external financing, or an increase in the cost of securing such financing, may adversely affect its ability to carry out investments aimed at reducing emissions Should such a risk materialise, the Group will consider using other forms of financing
Development of our own renewable energy sources	Installation of a photovoltaic system at the plant in Myślenice (phase 2)	Completed – handover took place in 2026	PLN 449,786.02	
	Installation of a photovoltaic system at the plant in Bydgoszcz (phase 1)	Completed	PLN 987,466.10	
Purchase of guarantees of origin for electricity (target: up to 100% by 2026)	Purchase of guarantees of origin covering 30.1% of electricity demand	Partially completed	- [4]	
Reduction in consumption of fuel oil	Complete shift away from burning fuel oil in the main boiler house at the TF1 plant in Myślenice in favour of lower-emission natural gas	Completed	No data available	

[4] Data not disclosed for reasons of confidentiality (trade secret of the TELE-FONIKA Kable S.A. Capital Group)

ESRS E1 - Climate change

During the reporting period, the Parent Undertaking carried out a project to modernise the main boiler house at the plant in Myślenice, the aim of which was to completely phase out the use of fuel oil in favour of natural gas. The financial expenditure related to this investment was not incurred in 2025, but in previous years. The project involved infrastructure using natural gas, which is a fossil fuel; however, its aim was to reduce emissions from the heat generation process. At present, heating oil is used exclusively in the event of a breakdown. The project forms part of the efforts of the Group to reduce greenhouse gas emissions and improve the environmental performance of its production processes.

The Group regards investment in the use of fossil fuels as a transitional measure to support the achievement of decarbonisation targets until the implementation of final solutions based on low- or zero-emission energy sources.

In 2025, the activities of the TELE-FONIKA Kable S.A. Group did not meet any of the exclusion criteria set out in Article 12(1)(d)–(g) and Article 12(2) of Commission Delegated Regulation (EU) 2020/1818 (the Regulation on standards for climate-related benchmarks).

All information related to compliance and the alignment of economic activities with the criteria set out in Commission Delegated Regulation 2021/2139 (the EU Taxonomy), as well as information on how the objectives of the transition plan relate to the business strategy and finances of the undertaking, can be found in the EU Taxonomy section.

[E1-2] Policies related to climate change mitigation and adaptation

TELE-FONIKA Kable S.A., acting as the Parent Undertaking exercising control over the other entities comprising the Group, has implemented a number of internal regulations and policies to support the management of the impacts, risks and opportunities associated with climate change. These documents cover both measures aimed at climate change mitigation by reducing greenhouse gas emissions and improving energy efficiency, and measures to support the identification and management of climate risks in the short, medium- and long-term time horizons.

ESRS E1 - Climate change

Key documents of TELE-FONIKA Kable S.A. governing climate-related matters

DOCUMENT	SCOPE AND MAIN ASSUMPTIONS	SCOPE OF APPLICATION	RESPONSIBILITY FOR IMPLEMENTATION	REFERENCE TO STANDARDS AND INITIATIVES	LINK TO MATERIAL CLIMATE ISSUES
Climate Strategy	It sets out the approach to climate change management, the findings of the analysis of climate-related risks and opportunities, and the direction of decarbonisation measures, as well as climate change mitigation targets	Parent Undertaking	Management Board (Vice-President responsible for sustainability ESG), the Compliance Manager and the relevant organisational units responsible for quality and environmental supervision	It takes into account the provisions of the Paris Agreement and the greenhouse gas emission reduction targets in line with current EU climate policy	→ Climate change mitigation → Climate Change Adaptation → Energy efficiency
Transformation Plan up to 2030, 2035, with an outlook to 2050 (formally adopted in 2026)	It sets out the decarbonisation targets, the emissions reduction pathway and the measures necessary to achieve the climate targets	Parent Undertaking	The Management Board, the Sustainability Department and the owners of the various decarbonisation initiatives	Compliant with the requirements of the European Climate Law, the CSRD and the ESRS. The emission reduction targets have been developed in accordance with and in line with the requirements of the SBTi	→ Climate change mitigation → Climate Change Adaptation → Energy efficiency → Use of renewable energy
Environmental Policy of TELE-FONIKA Kable S.A.	It specifies the environmental commitments, areas of focus, the responsibilities of the Management Board of the Company and the principles for the continuous improvement of the environmental management system	Parent Undertaking	Management Board of TELE-FONIKA Kable S.A.	Complies with the requirements of the ISO 14001 standard	→ Climate change mitigation → Energy efficiency
Strategic objectives of TELE-FONIKA Kable S.A.	They establish directions for environmental and climate actions, including the reduction of GHG emissions, the development of an energy management system and raising awareness of ESG issues	Parent Undertaking	Management Board and the management of the individual areas	They take into account preparations for the implementation of the ISO 50001 standard and the climate targets of the Company	→ Climate change mitigation → Energy efficiency → Use of renewable energy

ESRS E1 - Climate change

Key documents of TELE-FONIKA Kable S.A. governing climate-related matters

DOCUMENT	SCOPE AND MAIN ASSUMPTIONS	SCOPE OF APPLICATION	RESPONSIBILITY FOR IMPLEMENTATION	REFERENCE TO STANDARDS AND INITIATIVES	LINK TO MATERIAL CLIMATE ISSUES
Process sheet KP.3.1.2.TF0 'Supervision over utilities'	It governs the monitoring of utility consumption and energy efficiency indicators. It supports the implementation of energy efficiency measures	Parent Undertaking	Chief Energy Engineer of the Group		→ Energy efficiency
Procedure PJ/PS-3-916: Monitoring of utility consumption and key process parameters in TF03	It sets out the rules for monitoring and reporting on the consumption of energy, fuel, heat and water. It supports energy and environmental performance management	Production plant in Kraków	Chief Energy Engineer at the Plant		→ Energy efficiency
Procedure PS-3-004: Environmental Monitoring and Measurements	It regulates the monitoring of environmental parameters, including equipment containing fluorinated greenhouse gases, with a view to preventing GHG emissions. It helps to reduce greenhouse gas emissions	Production plant in Kraków	The relevant environmental departments at the plant; the Chief Energy Engineer at the plants	-	→ Climate change mitigation
TELE-FONIKA Kable S.A. Supplier Code of Conduct	It specifies the environmental and social requirements for suppliers, contractors and subcontractors. It covers requirements related to environmental protection, climate change mitigation, the responsible sourcing of raw materials and respect for human rights	Suppliers, business partners and subcontractors working with the Parent Undertaking	Organisational units responsible for procurement and supplier relations	→ GHG Protocol → Universal Declaration of Human Rights → 10 Principles of the UN Global Compact → UN Guiding Principles on Business and Human Rights → OECD Guidelines for Multinational Enterprises	→ Climate change mitigation → Responsible sourcing of materials

ESRS E1 - Climate change

Key documents of TELE-FONIKA Kable S.A. governing climate-related matters

In the process of developing and implementing climate management documents, the Parent Undertaking takes into account the expectations of key stakeholder groups, in particular customers, employees, investors, financial institutions, suppliers, subcontractors and regulatory authorities. Of particular significance are customers' growing demands to reduce the carbon footprint of products, the expectations of investors and financial institutions regarding climate risk management, and the regulatory requirements arising from European and national climate policies.

One of the ways in which these expectations are being met is through the implementation of the Supplier Code of Conduct of TELE-FONIKA Kable S.A., which extends environmental requirements to participants in the value chain, as well as through educational initiatives and awareness-raising activities for employees in the area of ESG.

The environmental policy is communicated to all employees and made available to external stakeholders, including customers, suppliers and subcontractors, via the website. The remaining documents are for internal use only and are made available to employees in accordance with the rules applicable in the organisation. Selected information regarding the Climate Strategy, environmental targets and decarbonisation measures is communicated to stakeholders through reports and other corporate communication channels.

The current policies are regularly reviewed and updated in the light of legislative changes and technological advances. In order to manage climate-related issues effectively and implement the relevant provisions, individuals have been appointed to take responsibility at the level of the Management Board of the Parent Undertaking and at individual plants.

[E1-3] Actions and resources related to climate policy

In 2025, the Parent Undertaking TELE-FONIKA Kable S.A. implemented initiatives arising from its Climate Strategy and the environmental targets it had adopted, focused primarily on reducing greenhouse gas emissions, increasing the share of energy from renewable sources, improving energy efficiency and gradually reducing the use of fossil fuels.

The projects undertaken focused on the own operations of the Parent Undertaking (Scope 1 and Scope 2), covering production plants located in Poland and the fleet of business vehicles. These measures form an integral part of the long-term decarbonisation process, the framework for which is set out in the Climate Strategy and the Transformation Plan.

Decarbonisation levers and actions implemented between 1 January and 31 December 2025

DECARBONISATION LEVERS	KEY ACTIONS	REDUCTION IN GREENHOUSE GAS EMISSIONS ACHIEVED IN 2025 [t CO_2e]
Use of renewable energy	Installation and commissioning of a 1 MW photovoltaic system at the Bydgoszcz plant (phase one of the investment).	**6.04**
Use of renewable energy	Construction of a photovoltaic system in Myślenice (acceptance and commissioning of the system – January 2026)	**0**
Use of renewable energy	The purchase of guarantees of origin for electricity from renewable sources covering 28,000 MWh of electricity, representing 30.1% of the electricity demand of the Parent Undertaking.	**15,484**
Improving energy efficiency	Replacement of the lighting with energy-efficient fixtures in the production hall at the Myślenice plant.	**No data available**
Electrification of the fleet	Purchase of 27 hybrid company cars and the decommissioning of 36 diesel-powered vehicles.	**No data available**

ESRS E1 - Climate change

The Group carries out activities aimed at achieving its climate objectives and incurs capital and operating expenditure associated with their implementation. The specific monetary amounts related to individual activities have not been disclosed, as their publication could lead to the disclosure of information constituting a trade secret, in particular the commercial terms of contracts and the procurement strategy. The total amount of CapEx and OpEx allocated to the aforementioned activities in 2025 was PLN 4,904,462. The information is presented in aggregated form, which allows for an assessment of the scale of the involvement of the Group whilst maintaining the confidentiality of commercial information.

Key actions planned for the coming years

DECARBONISATION LEVER	PLANNED ACTIONS	IMPLEMENTATION HORIZON	EXPECTED OUTCOME	PLANNED REDUCTION IN GREENHOUSE GAS EMISSIONS (COMPARED WITH THE BASE YEAR)	
				2030	2035
Use of renewable energy	Purchase of guarantees of origin for 100% of the electricity consumed – continuation of the initiative	2026	Further reduction of emissions under Scope 2	-79.68%	-80.64%
Use of renewable energy	Expansion of existing photovoltaic installations to increase generation capacity (up to 2.5 MW) – continuation of the project	by 2029	Increasing the share of renewable energy in the energy mix of the Company	-1.86%	-1.58%
Switching to other types of fuel	Discontinuation of the use of fuel oil at the Myślenice plant (retaining fuel oil as a reserve fuel) and the permanent decommissioning of the oil-fired boiler house at the Bieżanów plant	2027	A reduction in fuel oil consumption of approximately 20,000 litres per year and a reduction in Scope 1 GHG emissions	-	-
Switching to lower emission vehicles	Continuation of the replacement of the company vehicle fleet with hybrid vehicles	by 2028	Reducing emissions from the company fleet	-0.09%	-0.36%
Electrification of auxiliary processes	Gradual replacement of forklift trucks with electric vehicles	after 2034	Reducing the consumption of fossil fuels and direct emissions	-	-1.44%
Use of renewable energy	Purchase of guarantees of origin for district heating	from 2039	Further reductions in emissions associated with purchased energy	-	-

ESRS E1 - Climate change

In 2025, the Parent Undertaking continued to implement the measures set out in its Climate Strategy, focusing on increasing the share of renewable energy in the energy mix, improving energy efficiency and gradually reducing the use of fossil fuels. The key achievements in this area included the commissioning of the first phase of the photovoltaic installation at the Bydgoszcz plant, increasing the share of renewable energy through the purchase of guarantees of origin for electricity, and the launch of the process to electrify the business vehicle fleet.

Furthermore, in 2025, work was underway on the construction of a photovoltaic installation at the Myślenice plant. The investment was completed and commissioned in January 2026, marking the next stage in the implementation of measures aimed at increasing the share of energy from renewable sources in the operations of the Parent Undertaking.

During the reporting period, the TELE-FONIKA Kable S.A. Capital Group did not identify any need to take remedial action in relation to the negative impacts on individuals or communities resulting from climate change.

The capital expenditure of the Group is funded using its own resources and debt financing in the form of bank loans. The Group monitors the risks associated with the availability of external capital and fluctuations in its cost, which may affect the pace of implementation of decarbonisation projects. Should such a risk materialise, the Group will consider using other forms of financing.

Expected and achieved GHG emission reductions

VALUE OF GHG EMISSIONS FROM TELE-FONIKA KABLE S.A. IN THE BASE YEAR ($ktCO_2e$)		EXPECTED REDUCTION IN EMISSIONS ($ktCO_2e$, % OF BASE VALUE)				GHG EMISSION REDUCTIONS ACHIEVED BY TELE-FONIKA KABLE S.A. DURING THE REPORTING YEAR	
2023*	2024	2030		2035		2025 (% of the base value)	
Scope 1+2	Scope 3	Scope 1+2	Scope 3	Scope 1+2	Scope 3	Scope 1+2	Scope 3
80,114	36,313,158	-79.68%	TELE-FONIKA Kable S.A. did not adopt or set any reduction targets in relation to Scope 3	-80.64%	TELE-FONIKA Kable S.A. did not adopt or set any reduction targets in relation to Scope 3	-15%	-8.8%

* *The base year for calculating Scope 1 and 2 emissions was determined as 2023, whilst for Scope 3 - 2024*

ESRS E1 - Climate change

[E1-4] Targets related to climate change mitigation and adaptation

During the reporting period, the Climate Strategy adopted in 2023 was the governing document setting out the direction of climate action within the Parent Undertaking. This document sets out an approach of TELE-FONIKA Kable S.A. to managing the impacts, risks and opportunities associated with climate change, contains the results of an analysis of climate-related risks and opportunities, and outlines strategic directions for action in the areas of decarbonisation and Climate Change Adaptation.

In 2025, the Parent Undertaking implemented measures arising from its Climate Strategy, including, inter alia:

- increase in the share of energy from renewable sources to 40% by 2030,
- reduction in greenhouse gas emission intensity by than 20% by 2030 compared with 2023,
- taking into account requirements related to the disclosure and reduction of the carbon footprint in dealings with suppliers,
- calculation of GHG emissions in Scope 3,
- preparation of a comprehensive decarbonisation plan that complies with the requirements of the ESRS transition plan.

At the same time, as part of the implementation of the targets set out in the Strategy, work was carried out on drawing up a Transformation Plan, the aim of which was to set out in detail the decarbonisation pathway, identify options for reducing greenhouse gas emissions, and set long-term climate targets in line with the methodology of the Science Based Targets initiative (SBTi). This document was formally adopted by the Management Board of the Parent Undertaking after the end of the reporting period, i.e. in the first quarter of 2026; it sets out and operationalises the principles of the Climate Strategy. The measures implemented in 2025 were in line with the direction of the transformation set out in both of these documents.

The reduction targets set out in this chapter stem directly from the provisions of the Transformation Plan and define the long-term decarbonisation pathway of the Parent Undertaking for the time horizons up to 2030and 2035 and while taking into account the outlook up to 2050. These have been developed in response to the identified climate impacts, risks and opportunities, taking into account both the need to reduce greenhouse gas emissions—which constitute a material environmental impact for the Parent Undertaking—and the transition risks arising from increasingly stringent climate regulations, market trends and rising customer expectations. The objectives set do not apply to the Group as a whole.

Greenhouse gas emission reduction targets adopted under the Transformation Plan

SCOPE OF THE TARGETS	BASE YEAR	EMISSIONS IN THE BASE YEAR	INTERIM TARGET – 2030		INTERIM TARGET - 2035		ULTIMATE TARGET FOR 2050	
		[tCO_2e]	[tCO_2e]	[%]	[tCO_2e]	[%]	[tCO_2e]	[%]
Scopes 1 and 2 (combined)	2023	80,114	16,275	-79.68	15,513	-80.64	9,887	-87.66
Scope 1	2023	7,774	Target to be achieved jointly for Scopes 1 and 2		Objective to be achieved jointly for Scopes 1 and 2		Objective to be achieved jointly for Scopes 1 and 2	
Scope 2 (market-based method)	2023	72,339	Objective to be achieved jointly for Scopes 1 and 2		Objective to be achieved jointly for Scopes 1 and 2		Objective to be achieved jointly for Scopes 1 and 2	
			Ambition for 2030		Ambition for 2035		Ambition for 2050	
Scope 3 [5]	2024	526,969 [6]	446,800	-15.21	469,600	-10.89	353,400	-32.94

[5]No quantitative reduction target has been set for Scope 3. The company has, however, set out its ambitions and course of action, which includes working with suppliers and reducing emissions in the most material categories of indirect emissions.

[6] The emission figure shown in the table relates to Scope 3, excluding Category 11. Category 11 has not been included in the decarbonisation ambitions, as emissions during the operational phase of cables result primarily from energy losses during transmission (i.e. heat emissions in accordance with Joule's law) and from network operating conditions, which are beyond the control of the Group. The scope for reducing these emissions is materially limited.

The Group has not set any objectives for climate change adaptation.

ESRS E1 - Climate change

Scope and boundaries of the targets, and the methodology for setting them

The emission reduction targets cover the operations of the Parent Undertaking, including all production plants located in Poland. The scope of the targets is consistent with the organisational boundaries adopted for the calculation of greenhouse gas emissions reported in accordance with disclosure E1-6.

The targets set out in the Transformation Plan cover direct emissions (Scope 1) and indirect emissions associated with purchased energy (Scope 2). With regard to Scope 3, the Parent Undertaking has calculated emissions for the most material categories, i.e. Categories 1, 4, 5, 6, 7 and 11, in accordance with the GHG Protocol, and has identified measures aimed at gradually reducing them in line with its stated ambitions.

The targets were set using the results of a climate risk analysis carried out for the RCP 4.5 and RCP 8.5 scenarios, covering the short-, medium- and long-term time horizons. Furthermore, the process of drawing up the Transformation Plan took into account the reduction of TELE-FONIKA Kable S.A.'s carbon footprint in the baseline scenario (assuming no decarbonisation measures and a steady 1% year-on-year increase in fuel consumption in connection with potential growth in sales and production), and in four alternative scenarios, characterised by varying levels of decarbonisation measures:

- **Scenario 1** – a scenario involving minimal decarbonisation measures,
- **Scenario 2** – based mainly on the implementation of planned investments and the purchase of guarantees of origin for energy from renewable sources,
- **Scenario 3** – the most ambitious scenario, involving the widespread use of renewable energy and investments to reduce emissions,
- **Scenario 4** – the target scenario, selected for implementation, combining the most effective measures from all the options.

The targets adopted are in line with the principles of the Science Based Targets initiative (SBTi) and support the alignment of operations of TELE-FONIKA Kable S.A. with a low-carbon economy, consistent with the pathway to limit the rise in global average temperature to 1.5°C. These targets have not yet been formally validated by the SBTi, but the Company has committed to submitting them for verification in 2026.

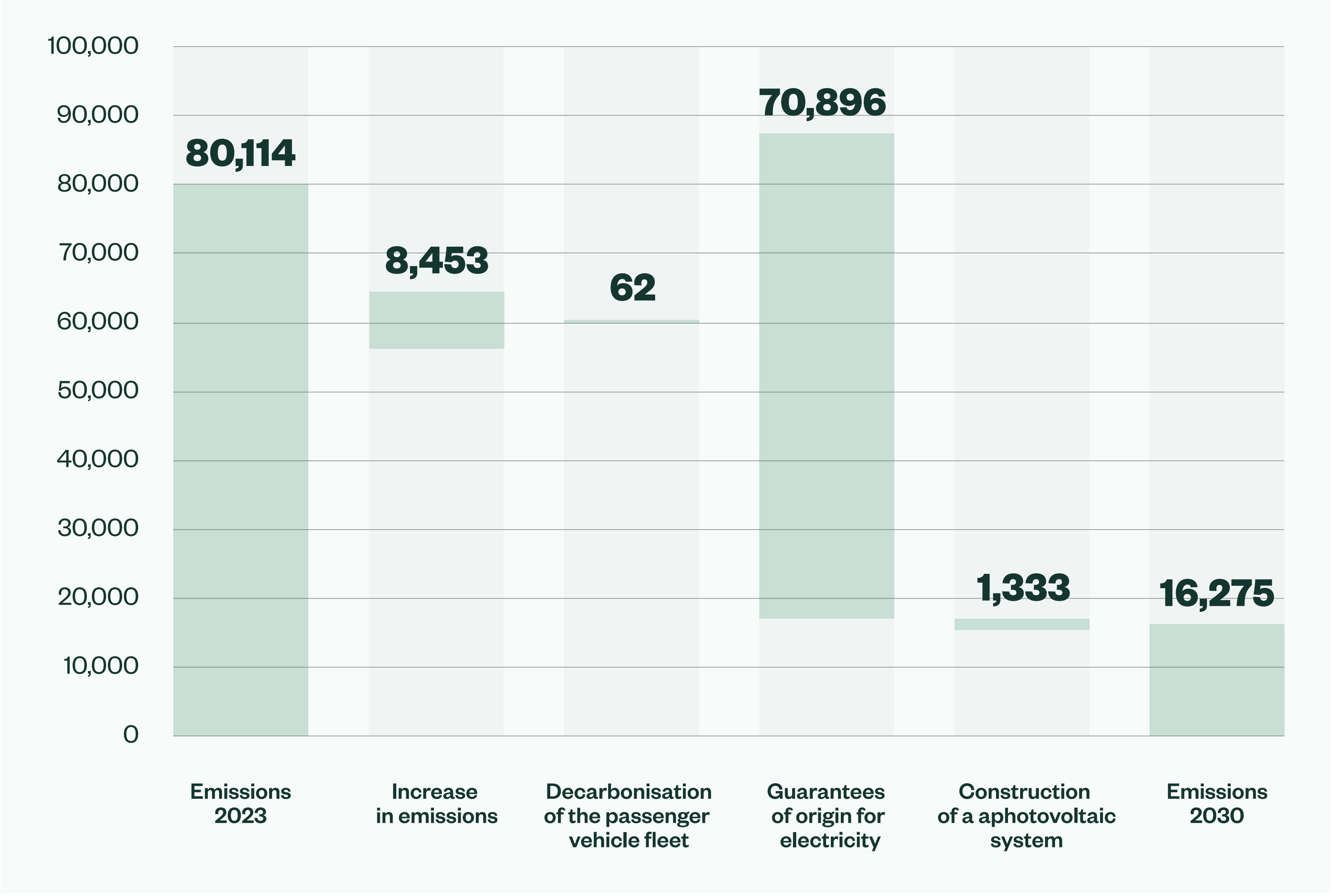
Representativeness of the base year

For emissions in Scopes 1 and 2, 2023 has been adopted as the base year. This year's emissions level reflects the typical level of operational activity of the Parent Undertaking and provides a reliable benchmark for measuring progress towards its targets. The base year for Scope 3 emissions has been set as 2024. This decision was due to the fact that the earlier emissions calculations were based on incomplete input data, and therefore did not provide a reliable basis for setting reduction targets.

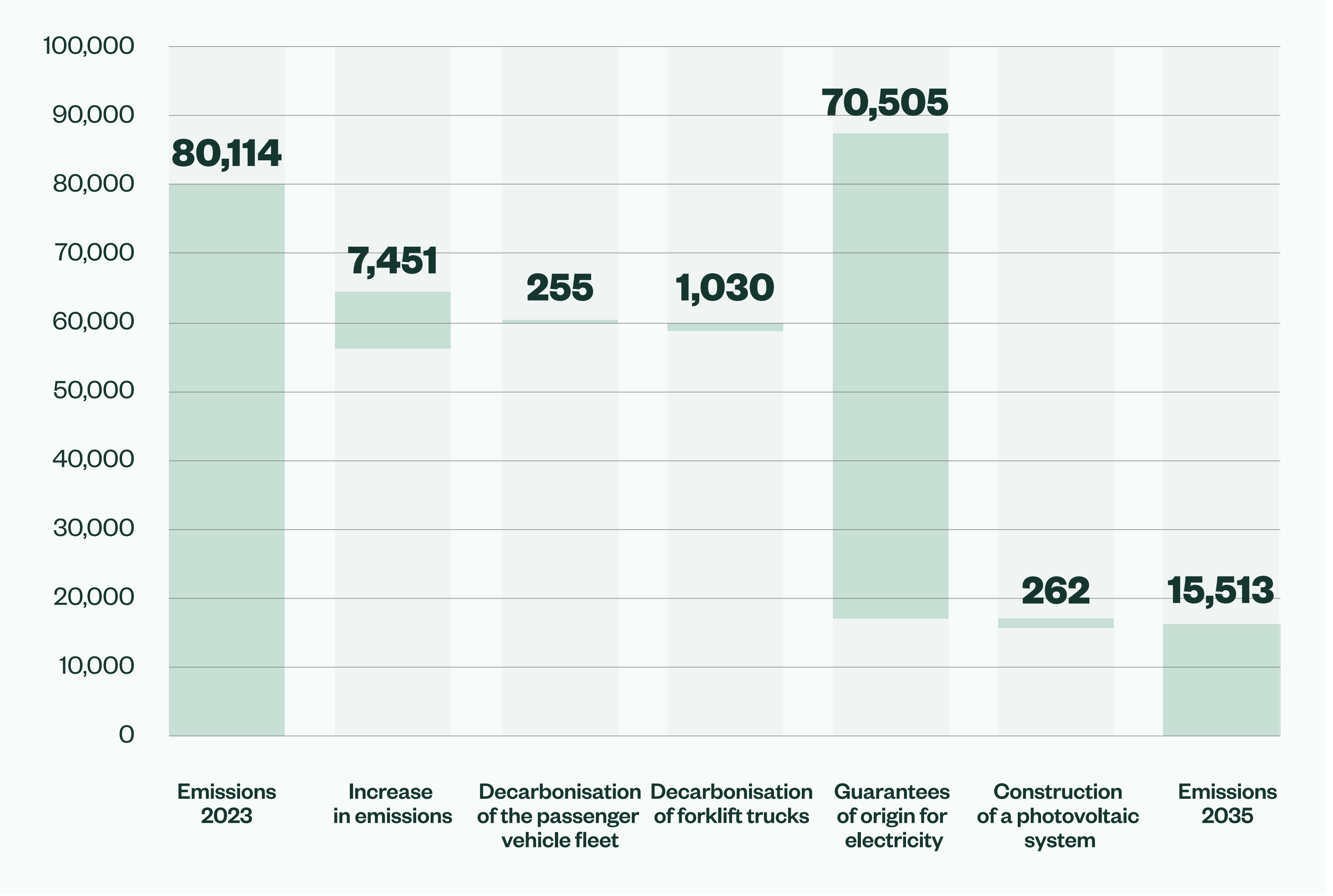
ESRS E1 - Climate change

Main decarbonisation levers

Summary of the targets set for Scope 1 and Scope 2 and the associated decarbonisation levers – outlook to 2030 [tCO_2]



Summary of the objectives set for Scopes 1 and 2 and the associated decarbonisation levers – outlook to 2035 [tCO_2]



Monitoring progress towards targets

Progress towards achieving these objectives is monitored as part of the environmental and energy management systems in place at TELE-FONIKA Kable S.A. Progress is measured on the basis of data on energy and fuel consumption and greenhouse gas emissions, calculated in accordance with the GHG Protocol methodology.

As at the date of this report, the Parent Undertaking considers that the implementation of decarbonisation measures is proceeding in accordance with the assumptions set out in the Transformation Plan and will enable the achievement of the of the established interim and long-term targets.

ESRS E1 - Climate change

[E1-5] Energy consumption and energy mix

Total energy consumption associated with own operations*

	2024	2025
Total energy consumption from fossil fuels (MWh)	**130,210.3**	**108,755.54**
Consumption of coal and coal products (MWh)	**0**	**0**
Fuel consumption from crude oil and petroleum products (MWh)	**6,015.07**	**5,455.66**
Natural gas consumption (MWh)	**30,822.89**	**37,871.29**
Fuel consumption from other fossil sources (MWh)	**124.78**	**388.46**
Consumption of purchased or generated electricity, heat, steam and cooling from fossil fuel sources (MWh)	**93,247.56**	**65,040.13**
Percentage share of fossil fuels in total energy consumption (%)	**90.89**	**79.49**
Total energy consumption from nuclear sources (MWh)	**0**	**0**
Percentage share of energy consumption from nuclear sources in total energy consumption (%)	**0**	**0**

	2024	2025
Total energy consumption from renewable sources (MWh), including	**13,055.31**	**28,066.67**
Consumption of fuel from renewable sources (biomass, industrial and municipal waste of biological origin, biofuels, biogas, hydrogen from renewable sources, etc.) (MWh)	**0**	**0**
Consumption of purchased electricity, heat, steam and cooling from renewable sources (MWh)	**13,000**	**28,000**
Consumption of self-generated renewable energy produced without the use of fuel (MWh)	**55.31**	**66.67**
Percentage share of energy consumption from renewable sources in total energy consumption (%)	**9.11**	**20.51**
Total energy consumption associated with the own operations (MWh)	**143,265.61**	**136,822.21**

** The figures presented relate to the Parent Undertaking.*

ESRS E1 - Climate change

In 2025, total energy consumption related to the operating activities of the Parent Undertaking amounted to 136,822.21 MWh, representing a decrease of approximately 4.5% compared with 2024 (143,265.61 MWh).

Total energy consumption from fossil fuel sources amounted to 108,755.54 MWh, which represented 79.49% of total energy consumption. Compared with the previous year, this represents a reduction of 11.4 percentage points reduction in the share of fossil fuels in the energy mix.

The energy mix of the Parent Undertaking continues to be dominated by energy from fossil fuels, although the use of energy from renewable sources increased materially during the reporting year – from 9.11% to 20.51%. The vast majority of the energy in this breakdown consisted of purchased electricity covered by guarantees of origin (28,000 MWh), although a small proportion (66.67 MWh) came from its own renewable sources.

Self-generation of energy

CATEGORY	2024	2025
Renewable energy generation	**55.31**	**66.67**
Production of non-renewable energy	**30,947.67**	**38,259.75**

During the period under review, the Parent Undertaking did not use energy from nuclear sources. The observed increase in the share of renewable energy and the reduction in the share of fossil fuels in the energy mix are in line with the decarbonisation measures set out in the Climate Strategy and the Transformation Plan, and support the gradual reduction of emissions from operational activities.

ESRS E1 - Climate change

[E1-6] Gross greenhouse gas emissions in Scopes 1, 2 and 3, and total greenhouse gas emissions

Gross greenhouse gas emissions in Scopes 1, 2 and 3, and total greenhouse gas emissions (t CO_2e)

		Base year 2023	2024	2025	Year-on-year change
Scope 1	GHG emissions – Scope 1 (gross)	7,774.23	8,200.46	8,462.42	3.19%
Scope 1	Percentage of greenhouse gas emissions in Scope 1 from regulated emissions trading schemes (%)	0	0	0	0
Scope 2	GHG emissions – Scope 2 gross, calculated using a location-based method	63,742.07	59,180.09	58,515.69	-1.12%
Scope 2	GHG emissions – Scope 2 gross, calculated using a market-based method	72,339.37	65,895.65	59,616.92	-9.53%
Scope 3	Total indirect greenhouse gas emissions (Scope 3) (in tonnes of carbon dioxide equivalent)	-	36,313,158	33,118,502	-8.80%
Scope 3	1. Purchased goods and services	-	499,758	516,686	3.39%
Scope 3	2. Capital goods	-	-	-	-
Scope 3	3. Fuel and energy-related activities (not included in Scope 1 or 2)	-	-	-	-
Scope 3	4. Upstream transportation and distribution	-	24,608	30,914	25.63%
Scope 3	5. Waste generated in operation	-	160	104	-35.00%
Scope 3	6. Business travel	-	472	346	-26.69%
Scope 3	7. Employee commuting	-	1,971	2,081	5.58%
Scope 3	8. Upstream leased assets	-	-	-	-
Scope 3	9. Downstream transport and distribution	-	-	-	-
Scope 3	10. Processing of sold products	-	-	-	-
Scope 3	11. Use of sold products	-	35,786,189	32,568,371	- 8.99%
Scope 3	12. End-of-life treatment of sold products	-	-	-	-
Scope 3	13. Downstream leased assets	-	-	-	-
Scope 3	14. Franchises	-	-	-	-
Scope 3	15. Investments	-	-	-	-
Scope 3	Total GHG emissions (location-based method)	-	36,380,538.55	33,185,480.11	-8.78%
Scope 3	Total greenhouse gas emissions (market based approach)	-	36,387,254.11	33,186,581.34	-8.80%

ESRS E1 - Climate change

Methodology for calculating greenhouse gas emissions
The greenhouse gas emissions calculation was carried out in accordance with the GHG Protocol methodology and covers only the Parent Undertaking, TELE-FONIKA Kable S.A. During the reporting period, there were no material changes to the organisational boundaries or the scope of the reported value chain that could affect the comparability of data between 2024 and 2025. All greenhouse gas emissions were calculated for the Parent Undertaking using consistent reporting principles. The company did not identify any material events or changes in circumstances within the value chain that could affect the level of reported emissions.

Emissions under Scope 1 were calculated using emission factors from DEFRA, the GHG Protocol Transport Tool and the IPCC AR6. For electricity, the emission factors published by the National Centre for Emissions Management (KOBiZE, National Centre for Emissions Management) were used for the location-based method, and residual mix coefficients were used for the market-based method. In the case of thermal energy, the coefficients published by the Energy Regulatory Office (URE) were used. For Scope 3 emissions, supplier-specific data, DEFRA factors, Hotel Footprints indicators and the Europacable sector-specific methodology for category 11 were used.

GHG emissions calculations in Scope 3 cover categories 1, 4, 5, 6, 7 and 11. The absence of calculations in the other categories is due to a lack of data or the fact that the category in question does not apply to the operations of TELE-FONIKA Kable S.A. and its value chain.

In 2025, the Parent Undertaking utilised guarantees of origin for electricity corresponding to 28,000 MWh of energy, which accounted for 30.1% of its total electricity consumption. These instruments were included in the calculation of Scope 2 emissions using the market-based method.

Biogenic emissions
In 2025, biogenic CO_2 emissions from the combustion or biodegradation of biomass amounted to 0 tonnes of CO_2e in Scope 1, Scope 2 and across the value chain.

Intensity of greenhouse gas emissions
The company monitors the intensity of its greenhouse gas emissions by relating total GHG emissions to net turnover. In 2025, the emissions intensity indicator calculated using the location-based method stood at 7,422 kg CO_2e per monetary unit of net turnover, compared with 8,633 kg CO_2e in 2024, representing a 14% decrease.

Analogously, the emissions intensity indicator calculated using the market-based method stood at 7,422 kg CO_2e per monetary unit of net turnover, compared with 8,629 kg CO_2e in the previous year, representing a decrease of 14%.

During the period under review, the net turnover of the Parent Undertaking grew from PLN 4.22 billion in 2024 to PLN 4.47 billion in 2025. The change in emission intensity indicators reflects the relationship between the level of greenhouse gas emissions and the scale of the economic activities of the Company.

[E1-7] GHG removals and GHG mitigation projects financed through carbon credits

During the reporting period, the TELE-FONIKA Kable S.A. Capital Group did not undertake any CO_2 removal projects of its own, nor did it make use of any external offsetting projects.

In 2025 and in previous years, the objective of the Group was to reduce its own emissions and, consequently, to reduce the need for offsetting. Any future purchases of carbon credits will be considered solely for unavoidable emissions after 2035, with projects being selected in accordance with the quality and integrity criteria set out in ESRS E1.

[E1-8] Setting internal carbon prices

During the reporting period, the TELE-FONIKA Kable S.A. Capital Group did not apply a mechanism for setting an internal carbon price.

[E1-9] Anticipated financial effects from material physical and transition risks and potential climate-related opportunities

The TELE-FONIKA Kable S.A. Capital Group has identified material risks and opportunities associated with climate change, both physical and transition risks, which are described in detail in section SBM-3 of this Report.

With regard to the disclosure of the anticipated financial effects of these events, the Group has exercised the options provided for in the transitional provisions set out in Appendix C to ESRS 1. Consequently, in the current reporting period, the Group has refrained from disclosing detailed monetary estimates and quantitative data regarding the impact of the identified climate-related factors on the financial position of the organisation, results and cash flows.

ESRS E2 - Pollution

[E2-1] Policies related to pollution

TELE-FONIKA Kable S.A. has a range of policies, procedures and instructions designed to manage the impacts, risks and opportunities associated with environmental pollution and to ensure compliance with applicable legal and regulatory requirements. The framework for managing this area is based on the Environmental Policy of the Parent Undertaking and on detailed procedures governing the use of chemicals, the qualification of materials, the monitoring of environmental impact and emergency response. Work is currently underway on the Environmental Policy of the Group, which is due to be adopted in 2026.

The environmental policy of the Parent Undertaking complies with the requirements of the ISO 14001 standard. The document sets out the objectives and priorities for environmental initiatives and defines the commitments of the management regarding their implementation. The Management Board of TELE-FONIKA Kable S.A. is responsible for its implementation. The policy has been communicated to all employees and external stakeholders, including subcontractors, customers and business partners, and is also publicly available on the website of the Company.

Other documents governing the issue of pollution take the form of procedures and guidelines dedicated to specific issues. They are made available to employees in accordance with the rules applicable in the organisation. The technology departments are responsible for their implementation, with the support of the health and safety services and those responsible for environmental protection and compliance with regulatory requirements regarding the management of chemicals. The detailed scope of the documents is set out in the table.

The policies, procedures and guidelines that have been implemented relate to:

- prevention and control of air, water and soil pollution;
- management of hazardous substances and substances of very high concern (SVHCs), including their phasing out and replacement with safer alternatives;
- monitoring of emissions, waste, effluent and noise;
- preventing environmental incidents and minimising their impact;
- responding to emergency situations involving the release of substances into the environment.

The scope of application of the individual documents covers, first and foremost, the Parent Undertaking's own operations, its employees and entities carrying out activities on the premises of the Parent Undertaking. The selected procedures also cover relations with suppliers of materials and raw materials, as well as relations with customers, in particular with regard to compliance with REACH and RoHS requirements and the provision of information on SVHC substances.

The issues of microplastics, water and soil pollution, and light and odour pollution were assessed as not material to the operations of the Group; consequently, the policies described below do not include any specific provisions related to them.

ESRS E2 - Pollution

Key policies, procedures and instructions related to pollution management

AREA AND ASSOCIATED IROS	DOCUMENT	THEMATIC SCOPE AND MAIN ASSUMPTIONS	SCOPE OF APPLICATION	RESPONSIBILITY FOR IMPLEMENTATION	REFERENCES TO STANDARDS AND INITIATIVES
Framework for managing pollution	Environmental Policy of the Parent Undertaking	It sets out the direction of environmental activities and commitments of the management regarding the management of environmental aspects, including pollution prevention and control	Employees and stakeholders, including subcontractors, customers and business partners of the Parent Undertaking	Management Board of TELE-FONIKA Kable S.A.	In conformity with the requirements of ISO 14001
Material qualification and product compliance Related material impact: The use of substances of very high concern (SVHCs) in manufacturing processes and their presence in finished products.	Instructions: IJ-3/1-027, IJ-5-049 General rules for the qualification of materials; IS-0-47 Assessment of product compliance with the requirements of the RoHS Directive; IS-0-48 Guidelines for compliance with the requirements of the REACH Regulation	They govern the processes for approving new materials and raw materials, assessing the compliance of products with legal requirements, and identifying and limiting the use of SVHCs, including the search for safe alternatives	All of the production plants of the Parent Undertaking, as well as the processes related to the procurement of materials and product design. Information on SVHC substances is also provided to customers	IJ-3/1-027, IJ-5-049 – Materials Engineering Manager, Plant Chief Technologists, supported by, amongst others, the Procurement and Quality Departments IS-0-47 – Regulatory Risk Specialist and Chief Specialist for REACH and Environmental Protection IS-0-48 – Chief Specialist for REACH and Environmental Protection	In conformity with the requirements of the REACH and CLP Regulations and the RoHS Directive
Management of Chemical Substances Related Material Impact: The use of substances of very high concern (SVHCs) in manufacturing processes and their presence in finished products	Instructions: IS-0-38 / IB-0-38 Guidelines for handling chemicals	It sets out the rules for the introduction of hazardous substances into use, control measures and procedures for handling hazardous materials. The objective of this document is to minimise the risk of hazardous substances being released into the environment	All of the production plants of the Parent Undertaking and all employees	Managers of specific Departments, Divisions or Warehouses	-
Waste management and the transport of hazardous materials	Procedures: PS-0-10 Waste management guidelines; PS-0-19 Loading and unloading of dangerous goods (ADR)	They regulate the management of waste, including hazardous waste, and the rules governing the transport of hazardous materials, with a view to minimising the risk of environmental pollution	Processes related to waste management and the transport of hazardous materials	PS-0-10 – Chief Specialist in REACH and Environmental Protection PS-0-19 – Warehouse Team Manager at a given plant	Agreement concerning the International Carriage of Dangerous Goods by Road (ADR)

ESRS E2 - Pollution

Key policies, procedures and instructions related to pollution management

AREA AND ASSOCIATED IROS	DOCUMENT	THEMATIC SCOPE AND MAIN ASSUMPTIONS	SCOPE OF APPLICATION	RESPONSIBILITY FOR IMPLEMENTATION	REFERENCES TO STANDARDS AND INITIATIVES
Environmental monitoring and compliance controls	Procedures: PS-1-009 Monitoring and measurement of key parameters that may have a material impact on the environment; PS-3-004 Environmental monitoring and measurement; PS-5-002 Environmental monitoring and measurement	They set out the rules for monitoring and assessing compliance in relation to air emissions, waste management, waste water and noise. The procedure is supported by the KOBiZE, BDO and CRO registers	Production plants of the Parent Undertaking	PS-1-009, PS-3-004- Chief Specialist in REACH and Environmental Protection PS-5-002 – Specialist in Environmental Protection at the plant	Legal requirements related to environmental monitoring
Emissions reduction and pollution prevention Related material impact: Atmospheric emissions	Instruction: IS-3-002 Inspection and supervision of emission reduction equipment	It regulates the operation and supervision of equipment used to reduce emissions of pollutants into the air. It includes measures to prevent pollution	Production plant in Kraków	Manager of the Maintenance Service Department	-
Emergency preparedness and response to environmental incidents	Procedures/Instructions: IB-1-003, IB-2-10, IB-3-001 Fire safety instructions; IS/IB-5-024 Alerting procedures in the event of extraordinary hazards; IS/IB-5-025 Procedures in the event of hazardous substance leaks; PS/PB-3-005 Readiness and response to major accidents and environmental incidents; PS-5-003 Readiness and response to breakdowns	They set out the rules for preventing emergencies and for dealing with fires, spills of hazardous substances and other environmental incidents, with a view to minimising their impact on people and the environment	Production plants of the Parent Undertaking subject to specific procedures	IB-1-003, IB-2-10, IB-3-001, IS/IB-5-024, IS/IB-5-025, PS/PB-3-005 – Directors of the respective plants PS-5-003 – Manager of an organisational unit	-

ESRS E2 - Pollution

[E2-2] Actions and resources related to pollution

During the reporting period, the Parent Undertaking carried out activities aimed at mitigating the risks associated with the use of hazardous substances and substances of very high concern (SVHCs), as well as measures aimed at minimising potential environmental impacts associated with the own operations of the Parent Undertaking and those of entities carrying out work at the plants of the Parent Undertaking.

In 2025, measures were taken to phase out the use of one of the main raw materials containing substances of very high concern (SVHCs), namely medium-chain chlorinated paraffins (MCCP). To this end, an analysis was carried out of the safer alternatives available on the market, and their supply capabilities and commercial terms were assessed. A technological assessment was also carried out on products manufactured without the use of SVHC substances. The test results proved satisfactory; consequently, plans have been made to phase out all purchases and discontinue the use of raw materials containing MCCP by 2026–2027, which is expected to reduce the quantity of SVHCs used by approximately 48% compared with 2025.

The Parent Undertaking continuously carries out activities related to the management of environmental impacts and risks, including within the value chain, focusing on entities carrying out work on the premises of its plants. To this end, instruction IS/IB-0-07, ‘Rules related to the supervision of contractors and visitors’, has been drawn up, setting out the requirements applicable to persons on the premises of the Plant with regard to occupational health and safety and environmental protection. Information regarding the applicable rules is provided to external visitors before they enter the premises, before work on an order commences, and before work begins. These measures are designed to minimise the risk of adverse environmental impacts arising from the activities of third parties.

The measures taken are in line with the objectives of the Environmental Policy and other documents governing pollution issues, and are consistent with them.

During the reporting period, no material adverse impacts related to pollution or any affected persons were recorded; consequently, no remedial measures were implemented.

ESRS E2 - Pollution

[E2-3] Targets related to pollution

Objectives related to pollution management of TELE-FONIKA Kable S.A. are derived from its Environmental Policy and the documents governing the management of chemical substances. These measures focus on reducing emissions of pollutants into the environment and the phasing out of substances of very high concern (SVHCs).

TARGET	MEANS OF ACHIEVING THE TARGET	BASE YEAR	TARGET LEVEL	TARGET YEAR	SCOPE	STATUS
Reduction of air pollutant emissions	Discontinuation of the use of fuel oil in the main boiler house at the Myślenice plant	2023	Complete elimination of heating oil consumption (consumption at 0)	2027	Parent Undertaking	In progress
Withdrawal from use of medium-chain paraffin (MCCP)	Substances of Very High Concern (SVHC)	2025	Complete phase-out of MCCP (a reduction of approximately 48% in the use of SVHCs compared with the previous year)	2027	Production plants of the Parent Undertaking, raw material suppliers and customers	In progress

One of the environmental targets of the Group is to prevent, control and reduce emissions of pollutants into the environment, and in particular into the air. As part of this initiative, an absolute target has been set to completely phase out the use of fuel oil in the main boiler house at the Myślenice plant by 2027. This objective was also incorporated into the Transformation Plan adopted in 2026. At present, the Group does not have precise calculations regarding the extent to which individual air pollutants have been reduced.

In the area of hazardous substances management, the Company has set an absolute target to phase out the use of raw materials containing medium-chain paraffin (MCCP). This substance accounts for the largest share of the SVHCs used by the Parent Undertaking – in 2025, the base year, this amounted to 615 tonnes. The complete phase-out of the substance is planned for 2027 and will reduce the use of SVHCs by the Company by approximately 48% compared with the base year. This objective is linked to the principles of the Environmental Policy and to internal procedures related to the qualification of materials and the management of chemicals.

The targets are voluntary. At the same time, the objective of phasing out MCCP remains consistent with the direction of EU regulations, in particular with the provisions of the REACH Regulation concerning the restriction of substances of very high concern.

The scope of the objectives covers both own operations of the Parent Undertaking and selected elements of the value chain.

In the case of the MCCP-related objective, the measures relate to raw material suppliers and customers, as the Company will not purchase raw materials containing MCCP or place products containing this substance on the market.

The objectives were set on the basis of internal analyses and were not developed on the basis of scientific evidence; furthermore, no external stakeholders were involved in the process of setting them.

The results of the measures taken will be assessed once their implementation periods have ended – that is, at the end of 2026. Progress towards the objectives and the related activities are proceeding according to the previously set timetable.

ESRS E2 - Pollution

[E2-4] Air pollution

Pollutants emitted into the air as a result of the own operations

Name of the substance as reported to the E-PRTR	Quantity/weight [kg]			Trend compared with the base year 2023	Reasons for the changes	Source of emissions	Location (Company/Plant)
	2023	2024	2025				
NOx	4,471.58	4,593.92	4,923.72	10.11%	Increase in gas consumption and a reduction in fuel oil consumption	Power and steam boilers	Production plants in Myślenice, Bieżanów, Kraków and Bydgoszcz
SOx	300.08	237.51	211.19	-29.62%	Reduction in fuel oil consumption	Power and steam boilers	Production plants in Myślenice, Bieżanów, Kraków and Bydgoszcz
VOC	21,312.53	22,113.62	21,746.86	2.04%	Technological changes: a reduction in the use of raw materials and/or a change in chemical composition	Cable extrusion and marking systems, cable degassing systems	Production plants in Myślenice, Kraków and Bydgoszcz
PM	348.59	351.13	359.2	3.04%	Change to the calculation methodology	Power and steam boilers; plant for the production and extrusion of rubber compounds	Production plants in Myślenice, Bieżanów, Kraków, Bukowno and Bydgoszcz
Lead	0.00005	0.00008	0.00003	-40.00%	Phasing out production	Lead coating extrusion plant	Production plant in Bydgoszcz

ESRS E2 - Pollution

[E2-4] Air pollution

Pollutants emitted into the air as a result of the own operations

Name of the substance as reported to the E-PRTR	Quantity/weight [kg]			Trend compared with the base year 2023	Reasons for the changes	Source of emissions	Location (Company/Plant)
	2023	2024	2025				
Benzene	128.59	128.364	127.109	-1.15%	Cable cross-linking process, during which benzene is emitted, applies only to certain products – a decline was recorded despite an overall increase in production	Cable degassing systems	Production plant in Bydgoszcz
Hydrogen chloride	97.76	84.21	104.95	7.35%	Technological developments – in relation to PVC consumption	PVC extrusion lines	Production plant in Myślenice and Kraków
Halons	9.7	25.9	2	-79.38%	Decommissioning of obsolete equipment. Furthermore, the systems in operation are subject to ongoing monitoring and maintenance, which has significantly reduced the risk of leaks and refrigerant releases	Refrigeration and air-conditioning equipment	Production plants in Myślenice, Bieżanów, Kraków, Bukowno and Bydgoszcz

ESRS E2 - Pollution

The Parent Undertaking monitors air pollutant emissions arising from its own operations. Emissions are primarily associated with sourcing of energy processes and certain technological processes. Emissions data are collected and reported in the database of National Centre for Emissions Management for Emissions Management (KOBiZE, The National Centre).

In 2025, the highest emission levels were recorded for volatile organic compounds (VOCs) and nitrogen oxides (NOx).

During the period under review, there was a decrease in emissions of sulphur oxides (SOx), lead, benzene and halons compared with 2023, which was taken as the base year. The greatest reduction was achieved in the case of halons, whose emissions fell by 79.38%, as well as lead (a 40% reduction) and sulphur oxides (a 29.62% reduction). The changes observed were primarily due to a reduction in fuel oil consumption and its replacement with natural gas, as well as technological and operational measures implemented at individual plants.

Following the double materiality assessment described in the general section of ESRS 2, 'General Disclosures', the Group did not identify any material emissions of pollutants into water or soil, nor any material microplastic pollution.

Methodology for determining emissions

The volume of air pollutant emissions is determined primarily on the basis of measurements carried out at energy sources and selected industrial sources. The results obtained form the basis for determining the emission factors used in the environmental reporting process.

In the case of sources for which no direct measurements are taken, emissions are estimated on the basis of the operating time of the process equipment or the quantity of raw materials consumed, together with information on their chemical composition. The emission factors used in the calculations are derived from historical measurement results, data from the literature, or measurements carried out on installations with comparable technical characteristics and capacity. The company assesses the uncertainty of the calculation data as low.

The data used to determine pollutant emission levels are derived from both environmental measurements and operational data collected on an ongoing basis in internal systems. The primary source of information is the reports and records of emission measurements produced by accredited laboratories. Moreover, data on the operating times of production equipment and the consumption of raw materials and production materials, obtained from the SAP system and procurement records, are also used. Emissions monitoring is carried out periodically, in accordance with the approved measurement schedule covering selected emitters, and the data are consolidated and analysed once the reporting period has ended.

[E2-5] Substances of concern and substances of very high concern

Due to the nature of its manufacturing operations, the Company uses substances that are potentially hazardous and substances of very high concern (SVHCs). These substances are not manufactured by the Group, but are purchased as materials used in production and ancillary processes. In the vast majority of cases, they occur in the form of mixtures and are not directly released into the environment; however, they may be present in waste streams generated in the course of operations. With regard to the protection of the trade secret of the company and the confidentiality of information regarding the formulas and materials used, the specific names of substances of concern are not disclosed. They are presented broken down by hazard category, i.e. as posing physical, health or environmental hazards.

In terms of quantity, the largest proportion of the substances of concern used was accounted for by materials classified as posing a health hazard, in particular substances labelled with the hazard statements H360d, H412, H319, H410 and H373. The company monitors their use in accordance with the applicable legal requirements and internal procedures related to the management of chemical substances.

ESRS E2 - Pollution

Substances of concern

SUBSTANCES CATEGORISED BY HAZARD CLASS	QUANTITY / WEIGHT [KG]	HAZARD CLASS (CLP)	STAGE OF ACTIVITY AT WHICH THE SUBSTANCE IS PRESENT	POTENTIAL FOR THE RELEASE OF SUBSTANCES INTO THE AIR/WATER/SOIL	FORM IN WHICH THE SUBSTANCE OCCURS
various raw materials that pose physical hazards	4,270	H225	use in the manufacturing process	No release occurs, but the substance may be present in waste	mixture
various raw materials that pose physical hazards	331.27	H226	use in the manufacturing process	No release occurs, but the substance may be present in waste	mixture
various raw materials that pose physical hazards	349,435	H228	use in the manufacturing process	No release occurs, but the substance may be present in waste	mixture
various raw materials that pose physical hazards	63,600	H242	use in the manufacturing process	No release occurs, but the substance may be present in waste	mixture
various raw materials that pose physical hazards	2,325	H290	use in the manufacturing process	No release occurs, but the substance may be present in waste	mixture
various raw materials that pose a risk to health	21,102	H302	use in the manufacturing process	No release occurs, but the substance may be present in waste	mixture
various raw materials that pose a risk to health	5,760	H302+H332	use in the manufacturing process	No release occurs, but the substance may be present in waste	mixture
various raw materials that pose a risk to health	20	H312	use in the manufacturing process	No release occurs, but the substance may be present in waste	mixture
various raw materials that pose a risk to health	6,285.4	H314	use in the manufacturing process	No release occurs, but the substance may be present in waste	mixture
various raw materials that pose a risk to health	243,782	H315	use in the manufacturing process	No release occurs, but the substance may be present in waste	mixture

ESRS E2 - Pollution

Substances of concern

SUBSTANCES CATEGORISED BY HAZARD CLASS	QUANTITY / WEIGHT [KG]	HAZARD CLASS (CLP)	STAGE OF ACTIVITY AT WHICH THE SUBSTANCE IS PRESENT	POTENTIAL FOR THE RELEASE OF SUBSTANCES INTO THE AIR/WATER/SOIL	FORM IN WHICH THE SUBSTANCE OCCURS
various raw materials that pose a risk to health	89,098.67	H317	use in the manufacturing process	No release occurs, but the substance may be present in waste	mixture
various raw materials that pose a risk to health	158,602	H318	use in the manufacturing process	No release occurs, but the substance may be present in waste	mixture
various raw materials that pose a risk to health	2,360,758.27	H319	use in the manufacturing process	No release occurs, but the substance may be present in waste	mixture
various raw materials that pose a risk to health	4,940.43	H332	use in the manufacturing process	No release occurs, but the substance may be present in waste	mixture
various raw materials that pose a risk to health	156,331.27	H335	use in the manufacturing process	No release occurs, but the substance may be present in waste	mixture
various raw materials that pose a risk to health	4,270	H336	use in the manufacturing process	No release occurs, but the substance may be present in waste	mixture
various raw materials that pose a risk to health	367,234.27	H351	use in the manufacturing process	No release occurs, but the substance may be present in waste	mixture
various raw materials that pose a risk to health	47,982	H360	use in the manufacturing process	No release occurs, but the substance may be present in waste	mixture
various raw materials that pose a risk to health	17,122,913	H360d	use in the manufacturing process	No release occurs, but the substance may be present in waste	mixture
various raw materials that pose a risk to health	238,860	H360FD	use in the manufacturing process	No release occurs, but the substance may be present in waste	mixture

ESRS E2 - Pollution

Substances of concern

SUBSTANCES CATEGORISED BY HAZARD CLASS	QUANTITY / WEIGHT [KG]	HAZARD CLASS (CLP)	STAGE OF ACTIVITY AT WHICH THE SUBSTANCE IS PRESENT	POTENTIAL FOR THE RELEASE OF SUBSTANCES INTO THE AIR/WATER/SOIL	FORM IN WHICH THE SUBSTANCE OCCURS
various raw materials that pose a risk to health	100,342	H361d	use in the manufacturing process	No release occurs, but the substance may be present in waste	mixture
various raw materials that pose a risk to health	5,760	H361fd	use in the manufacturing process	No release occurs, but the substance may be present in waste	mixture
various raw materials that pose a risk to health	903,844	H362	use in the manufacturing process	No release occurs, but the substance may be present in waste	mixture
various raw materials that pose a risk to health	344,160	H372	use in the manufacturing process	No release occurs, but the substance may be present in waste	mixture
various raw materials that pose a risk to health	708,216	H373	use in the manufacturing process	No release occurs, but the substance may be present in waste	mixture
various raw materials that pose environmental hazards	166,685	H400	use in the manufacturing process	No release occurs, but the substance may be present in waste	mixture
various raw materials that pose environmental hazards	775,684	H410	use in the manufacturing process	No release occurs, but the substance may be present in waste	mixture
various raw materials that pose environmental hazards	122,435.4	H411	use in the manufacturing process	No release occurs, but the substance may be present in waste	mixture
various raw materials that pose environmental hazards	1,391,193	H412	use in the manufacturing process	No release occurs, but the substance may be present in waste	mixture
various raw materials that pose environmental hazards	325,360	H413	use in the manufacturing process	No release occurs, but the substance may be present in waste	mixture

ESRS E2 - Pollution

The Group also uses substances of very high concern (SVHCs) included on the ECHA Candidate List. The list of substances used is monitored and updated on an ongoing basis as part of the REACH compliance process. These substances are used as components of materials employed in the manufacture of products and are present in the form of both substances and mixtures. Most of them are used as components of finished products sold on the domestic and export markets.

Substances of Very High Concern (SVHC)

NAME OF THE SUBSTANCE		QUANTITY / WEIGHT [MG]	BASIS FOR CLASSIFICATION AS AN SVHC (REACH) / HAZARD PROPERTIES	APPLICATION	FORM IN WHICH THE SUBSTANCE OCCURS
115-86-6	Triphenyl phosphate	0.17	Disrupting the functioning of the endocrine system	used in the manufacturing process of products	mixture
3648-18-8	Dioctyltin Dilaurate	0.24	It has negative impacts on fertility	used in the manufacturing process of products	mixture
3896-11-5	Bumetrizole	0.11	vPvB	used in the manufacturing process of products	mixture
540-97-6	Dodecamethylcyclohexasiloxane	0.04	PBT, vPvB	used in the manufacturing process of products	mixture
556-67-2	Octamethylcyclotetrasiloxane	0.31	PBT, vPvB	used in the manufacturing process of products	mixture
7439-92-1	Lead	226.92	It has negative impacts on fertility	used in the manufacturing process of products	substance
80-43-3	Dicumyl peroxide; bis(α,α-dimethylbenzyl) peroxide	436.09	It has negative impacts on fertility	used in the manufacturing process of products	mixture
85535-85-9	C14–17 chloroalkanes (MCCP)	614.90	PBT, vPvB	used in the manufacturing process of products	substance
96-45-7	imidazolidine-2-thione	4.04	It has negative impacts on fertility	used in the manufacturing process of products	mixture

ESRS E2 - Pollution

[E2-6] Anticipated financial effects arising from the risks and opportunities associated with pollution

Following the double materiality assessment process, the TELE-FONIKA Kable S.A. Capital Group did not identify any material financial risks or potential opportunities related to environmental pollution.

As no material risks or opportunities were identified in this area, the Group does not present the anticipated financial effects and does not disclose any monetary estimates in this regard. This approach is fully consistent with the findings of the double materiality assessment presented in the general section of this Report and reflects the current risk profile of the organisation in the area of pollution.

ESRS E5 - Resource use and the circular economy

[E5-1] Policies related to resource use and the circular economy

TELE-FONIKA Kable S.A. has implemented a range of policies, procedures and instructions governing the sourcing, use and management of resources at each stage of its operations. These documents support the implementation of measures related to the circular economy, increasing the proportion of recycled materials, the responsible sourcing of raw materials, and reducing waste.

The adopted management principles relate to the identified material impacts associated with the use of resources, in particular the consumption of non-renewable raw materials, the management of production waste, the use of recycled materials, and the high recyclability of the products on offer.

Key policies and documents related to resource use and the circular economy

AREA	DOCUMENT	THEMATIC SCOPE AND MAIN ASSUMPTIONS	SCOPE OF APPLICATION	RESPONSIBILITY FOR IMPLEMENTATION	REFERENCES TO STANDARDS AND INITIATIVES
Frameworks for environmental management and the circular economy	Environmental Policy of TELE-FONIKA Kable S.A.	It sets out the general directions for environmental action, including measures related to the efficient use of resources and the circular economy	Employees and stakeholders, including subcontractors, customers and business partners of the Parent Undertaking	Management Board of TELE-FONIKA Kable S.A.	ISO 14001
Sustainable sourcing of raw materials and materials	Sustainable Procurement Policy Responsible Minerals Sourcing Policy	They set out the principles for the responsible sourcing of raw materials and other materials, as well as the direction of action in the area of the circular economy, including increasing the proportion of recycled materials, optimising the use of packaging, promoting returnable packaging, and the responsible sourcing of minerals throughout the supply chain	The own operations of the Parent Undertaking and its value chain, including the suppliers, recipients and customers of the Parent Undertaking	Purchasing Department	Responsible Minerals Initiative

ESRS E5 - Resource use and the circular economy

Key policies and documents related to resource use and the circular economy

AREA	DOCUMENT	THEMATIC SCOPE AND MAIN ASSUMPTIONS	SCOPE OF APPLICATION	RESPONSIBILITY FOR IMPLEMENTATION	REFERENCES TO STANDARDS AND INITIATIVES
Waste management and recycling	Waste management and recycling procedures (PS-0-10, 'List of authorised waste recipients', PJ-6-001 Waste treatment at the Bukowno plant)	They regulate the waste management process in accordance with the waste management hierarchy. They set out the rules for selecting the entities responsible for the transport and treatment of waste, and the process for treating cable waste at the recycling plant in Bukowno	The Parent Undertaking, and in the case of PJ-6-001, solely the Waste Recycling Plant in Bukowno	PS-0-10 – Chief Specialist in REACH and Environmental Protection managers of individual departments, warehouses and other organisational units PJ-6-001 – Bukowno Plant Manager	National and EU implementing regulations on the classification, storage and record keeping of waste Agreement concerning the International Carriage of Dangerous Goods by Road (ADR)
Packaging management and resource reuse	Packaging management procedures (IJ-0-40, IJ-0-50)	They set out the principles for selecting packaging suppliers and the requirements for responsible timber sourcing. In addition, they set out the rules governing the operation of the reusable packaging system, including the reuse, repair and recycling of wooden packaging	The Parent Undertaking and packaging suppliers	Packaging Management Manager	FSC, PEFC
Managing circular economy issues in relations with suppliers and eco-design of products	Supplier management and product design procedures (IJ-0-05, PJ-0-24)	They govern the supplier qualification and assessment process, including the criteria for selection, evaluation and audits. They set out the documentation requirements for conflict minerals. They set out the principles for the design of products, taking into account product life-cycle analysis and eco-design requirements	The Parent Undertaking and its suppliers	Director of the Procurement Department, Director of Product Development and Quality Management	CMRT, EMRT, AMRT Directive 2009/125/EC (eco-design requirements)

ESRS E5 - Resource use and the circular economy

The principles of the Environmental Policy and the Sustainable Procurement Policy support the implementation of measures aimed at reducing the use of virgin resources by increasing the proportion of recycled materials and developing solutions that are in line with the circular economy model. This applies both to the raw materials used and to the packaging and waste generated during production processes.

The policies also address the issue of the sustainable sourcing of renewable resources. Requirements related to responsible timber sourcing have been taken into account in the process of selecting and assessing packaging suppliers. One of the criteria for working with suppliers of wooden packaging is that they hold documentation confirming the responsible sourcing of the timber (FSC or PEFC certificates are recommended).

Furthermore, a key element of the raw materials management system at the Parent Undertaking is the incorporation of environmental considerations right from the product design stage. The product design and development process incorporates a product life-cycle analysis and an assessment of compliance with eco-design requirements, which helps to minimise the potential environmental impact of products at subsequent stages of their life cycle.

All of the documents described address, either directly or indirectly, the material impacts of the TELE-FONIKA Kable S.A. Group in the area of the circular economy, namely:

→ **Negative impacts:**
- Consumption of non-renewable raw materials (-) – Environmental Policy of TELE-FONIKA Kable S.A., Sustainable Procurement Policy, product design procedures (IJ-0-05, PJ-0-24), Procedure PJ-6-001
- Generation of production waste (-) – Procedure PS-0-10 setting out the guidelines for the management of waste at every stage of the production process

→ **Positive impacts:**
- Use of recycled materials and our Group's own recycling plant (+) – Procedure PJ-6-001 'Waste processing at the Bukowno plant', Sustainable Procurement Policy
- High recyclability of cables (+) – Procedure PJ-0-24 on product design principles; Procedure PJ-6-001 setting out the principles for the processing of cable waste
- Waste recovery and reuse as raw material (+) – Procedure PJ-6-001 setting out the rules for processing cable waste; Procedure PS-0-10 setting out the rules for handling waste at every stage of the production process.

The Environmental Policy of TELE-FONIKA Kable S.A. was communicated to all employees and external stakeholders, including subcontractors, customers, and business partners, and is also publicly available on the website of the Company. The Sustainable Procurement Policy, as well as the procedures and instructions, are internal documents. These are available to staff via the internal portal of the Parent Undertaking. The policy on responsible sourcing of minerals is communicated externally to suppliers and customers, and is also available on the website of the Company.

In the double materiality assessment, the topic of water and biomass as renewable resources was not assessed as material; consequently, the Parent Undertaking does not have any specific documents governing matters related to their use.

ESRS E5 - Resource use and the circular economy

[E5-2] Actions in and resources related to resource use and the circular economy

During the reporting period, the Group implemented a number of initiatives aimed at reducing raw material consumption and promoting the circular economy. These measures addressed the material impacts identified in relation to the high consumption of non-renewable raw materials and the generation of production waste, whilst at the same time promoting the use of recycled materials.

Since 2023, measures have been continuously implemented to increase the proportion of recycled materials in the products manufactured. The Parent Undertaking maintains a regular dialogue with its metal suppliers, with the aim of developing less resource-intensive solutions and sourcing recycled materials, and this is proving effective. Progress is monitored using an indicator of the proportion of recycled materials in copper cables. The indicator increased from 18.98% in 2024 to 19.47% in 2025.

A key element in the implementation of the circular economy principles, and at the same time a crucial technological asset, is the Waste Recycling Plant in Bukowno, which enables the recovery and reuse of raw materials from cable waste. During the period under review, the Group continued its activities aimed at improving the cable recycling process and copper recovery, as a result of which the volume of waste processed increased from 5,793 tonnes in 2023 to 6,026 tonnes in 2024 and 7,553 tonnes in 2025. At the same time, the volume of copper wire rod produced increased, amounting to 2,222 tonnes, 2,818 tonnes and 3,162 tonnes respectively.

In 2025, the technological capacity of the plant in Bukowno was increased through the purchase of a Stripper machine used in the cable recycling process. The capital expenditure associated with the implementation of this project amounted to PLN 345,933.

The Group also carries out activities aimed at optimising the use of reusable packaging. These measures focus on improving the wooden drum rotation rate by extending their service life, which helps to reduce the consumption of raw materials.

ESRS E5 - Resource use and the circular economy

Key actions related to resource use and the circular economy

ACTION	INTENDED IMPACT, RISK OR OPPORTUNITY	SCOPE OF ACTION	STATUS AND TIME HORIZON	EXPECTED OUTCOME
Increasing the proportion of recycled materials in manufactured products	Consumption of non-renewable resources (-) Increasing the use of secondary resources (+)	Own operations and the supply chain (metal suppliers)	An action implemented continuously since 2023	An increase in the proportion of recycled materials in products (19.47% recycled materials in copper cables)
Improving the cable recycling and copper recovery process at the Bukowno plant	Generation of production waste (-) Increasing the recovery of raw materials (+)	Own operations – Bukowno plant	An action carried out on a continuous basis	Increasing the volume of waste processed and the amount of copper recovered
Purchase of a new cable waste processing machine (Stripper)	Increasing the efficiency of raw material recovery processes (+)	Own operations – Bukowno plant	Completed in 2025	Improving the cable recycling and copper recovery process
Optimisation of the wooden drum turnover rate	Reducing the use of virgin resources (+)	Own operations and downstream operations	An action carried out on a continuous basis	Extending the service life of packaging and reducing the use of new materials

ESRS E5 - Resource use and the circular economy

[E5-3] Targets related to resource use and the circular economy

The group has set objectives related to reducing the use of virgin resources, increasing the proportion of recycled materials, extending the life cycle of reusable packaging, and maximising the recovery of materials from waste. These objectives are consistent with the principles of the Environmental Policy, the Sustainable Procurement Policy and the initiatives being implemented in the area of the circular economy.

Key targets related to resource use and the circular economy

THEMATIC AREA	TARGET	SCOPE	BASE YEAR	BASE VALUE	RESULT ACHIEVED IN 2025	TIME HORIZON
Increase in the material reuse indicator	Increasing the proportion of recycled materials in manufactured copper products	Own operations and raw material suppliers	2024	18.98%	19.47%	A target pursued on an ongoing basis, with no set end date
Minimising the use of virgin raw materials	Increasing the number of times wooden drums can be reused	Own operations and packaging users	2024	2.53 times the average usage	2.55 times the average usage	An objective pursued on an ongoing basis, with no set end date
Waste management	Maximising waste recovery	Own operations and waste collection companies	2024	98%	97% of waste undergoes recovery processes	An objective pursued on an ongoing basis, with no set end date
Waste management	Minimising waste disposal	Own operations and waste collection companies	2024	0	0.097% of waste sent to landfill	An objective pursued on an ongoing basis, with no set end date
Eco-design	Reduction in the amount of XLPE insulation used in 110 kV and 132 kV cables[7]	Production plant in Bydgoszcz	-	-	114,700 kg of insulation material saved	

[7] *For this activity, it is not possible to specify a base value, a base year or a time horizon, as raw material consumption depends on the size and profile of the order book, which varies over time (year-on-year). As a result achieved in 2025, the savings in raw materials for the sale of the product range containing that material in 2025 were calculated*

ESRS E5 - Resource use and the circular economy

One of the key objectives of the Group is to gradually increase the proportion of recycled materials in the products it manufactures. The activities undertaken as part of these objectives (i.e. collaboration with suppliers and the recovery of raw materials from cable waste), together with the progress made to date, are described in more detail in disclosure E5-2.

The objectives of the Group also include reducing the use of virgin resources by extending the service life of reusable packaging. In this regard, the wooden drum reuse frequency monitored. In 2025, it reached 2.55 times the average usage, compared with 2.53 in 2024. These activities are supported by the in-house carpentry workshops of the Company, where packaging is repaired and refurbished to enable its continued use.

In the area of waste management, the Group has adopted the principle of minimising the volume of waste generated and maximising the rate of its recovery. In 2025, 97% of the waste generated was subjected to recovery processes. Landfilling was used only in exceptional and justified cases and accounted for 0.097% of all waste.

Moreover, as part of its eco-design initiatives, the Bydgoszcz Plant has set objectives for 2026 aimed at reducing the consumption of raw materials and other materials at the product design stage. These objectives include reducing the amount of XLPE insulation used in 110 kV and 132 kV cables. These activities are carried out through the qualification of new cable designs and associated accessories.

When setting objectives, data from raw material suppliers is used, in particular the declarations and statements regarding the proportion of recycled materials, as well as data on production volumes. In the case of packaging, monitoring is based on records of the trade in reusable packaging. Both customers and financial institutions were involved in the process of setting objectives.

During the reporting period, no changes were made to the objectives, indicators or methods used to monitor them. All the objectives set out are voluntary in nature, and their implementation covers the own operations of the Group and, where recycled materials are used, selected parts of the supply chain. The objectives described are monitored annually and form part of the long-term efforts of the Group to improve its resource management system; as such, they do not have a predetermined end date.

[E5-4] Resource inflows

The most important resources supplied to the organisation include the raw materials used in the production of cables and wires, packaging, process and auxiliary materials, as well as fuel and water used in cooling processes.

Non-ferrous metals, in particular copper and aluminium, as well as steel, plastics, rubber, components for the production of rubber compounds and non-metallic tapes, play a key role in manufacturing processes. Of these, copper is the only one classified as a critical raw material for the Group under the Critical Raw Materials Act (CRMA). The Group does not use rare-earth metals in its operations.

Wooden, metal and plastic packaging, as well as process and auxiliary materials such as oils, lubricants, coolants, paints, varnishes and industrial gases, as well as fuels used in operational activities, are also important elements of the introduced resources. The business also utilises property, plant and equipment, including buildings and production infrastructure, process machinery, IT equipment, vehicles and internal transport equipment. These resources form the basis for the implementation of production, logistics and administrative processes.

Materials used in the business

In 2025, the total mass of products, technical materials and biological materials introduced into the organisation amounted to 143,848 tonnes. The vast majority – 97% of them – were technical materials used in production processes, whilst just under 3% were biological materials.
Of the materials introduced, 2.2% were recycled materials – mainly copper and steel.

CATEGORY OF MATERIALS	MASS [T]
Total weight of materials supplied to the organisation	143,848
Technical materials	139,599
Biological materials	4,248
Biological materials sourced from sustainable sources	0
Materials derived from recycling or reuse	3,162

ESRS E5 - Resource use and the circular economy

Methodology for data collection and calculation
Data on the consumption of raw materials and other materials is taken from purchase reports generated in the SAP system. The information covers materials and raw materials purchased for the manufacturing and operational activities of the Parent Undertaking.

No estimates or additional conversion factors were used in the calculations to determine the mass of the materials. The reporting was based on accounting records.

[E5-5] Resource outflows

Products designed in accordance with the principles of the circular economy
TELE-FONIKA Kable S.A. incorporates the principles of the circular economy into the design and manufacture of its products. This applies primarily to cables and wires, which are characterised by a long service life, the possibility of recovering the materials they contain, and a high level of recyclability at the end of their useful life.

The expected service life of low-, medium- and high-voltage power cables is around 40 years. For fibre-optic, telecommunications, control, command and signalling cables, the expected service life is approx. 30 years. The figures given are in line with industry averages for the service life of the various cable categories.[8] In certain cases of damage, it is possible to restore product functionality by installing cable joints, which extends their service life without the need to replace the cable entirely.

Recyclability of products and packaging
A key feature of the products of the Group is that the materials can be recovered and recycled at the end of their useful life. Depending on the product design, the proportion of recyclable materials includes:
- non-ferrous metals (copper and aluminium) accounting for between approximately 25% and 80% of the product weight,
- thermoplastic materials, including PVC, PE and LSOH, accounting for between 20% and 75% of the product weight.

The principles of the circular economy also apply to packaging. Used wooden and metal packaging can be reused or repaired, and recycled at the end of its useful life. The packaging materials are 100% recyclable.

In 2025:
- recyclability of the products stood at 59%,[9]
- recyclability of the packaging was 100%.

The product recyclability indicator was defined as the ratio of the mass of recyclable materials to the total mass of materials used during the reporting period. In the case of packaging, account has been taken of the recoverability of the materials used in its manufacture.

[8] *The industry values are specified in accordance with standards HD 620 S2 and S3, Part 10-J, and DIN VDE 0276-622:2024.*
[9] *This figure refers to all metals used in the manufacture of the products.*

ESRS E5 - Resource use and the circular economy

Waste

In 2025, the total amount of waste generated by the Parent Undertaking was 22,767.02 tonnes, of which 16,816.8 tonnes were managed during the reporting year. The vast majority of waste was sent for recovery, which reduced the need for its disposal.

Waste diverted from disposal

WASTE STREAM	MASS [T]
Total amount of waste diverted from disposal	**16,261.2**
Hazardous waste (total)	**540.4**
– prepared for reuse	**46.1**
– recycled	**162.7**
– subjected to other recovery processes	**331.7**
Waste other than hazardous waste (total)	**15,720.8**
– prepared for reuse	**960.0**
– recycled	**12,458.3**
– subjected to other recovery processes	**2,302.5**

Waste sent for disposal

WASTE STREAM	MASS [T]
Total quantity of waste sent for disposal	**555.6**
Hazardous waste	**90.0**
– combustion	**24.3**
– landfill	**0**
– other disposal processes	**65.8**
Waste other than hazardous waste	**465.6**
– combustion	**413.8**
– landfill	**15.8**
– other disposal processes	**35.9**

ESRS E5 - Resource use and the circular economy

The total quantity of hazardous waste managed amounted to 630.424 t (620.8 t generated), whilst the quantity of non-hazardous waste was 16,186.364 t (22.146 tonnes generated). No radioactive waste was generated during the reporting period.

Non-recycled waste amounted to 577.762 tonnes, which represented 3.44% of the total volume of waste managed.

Key waste streams
The most material waste streams generated by the operations of the Group were:
- cable waste – 27 %, from which copper (a critical raw material) is recovered,
- non-ferrous metals – 26%,
- plastics and rubber – 22%,
- packaging waste – 18%,
- ferrous metals – 4%,
- other waste – 3 %.

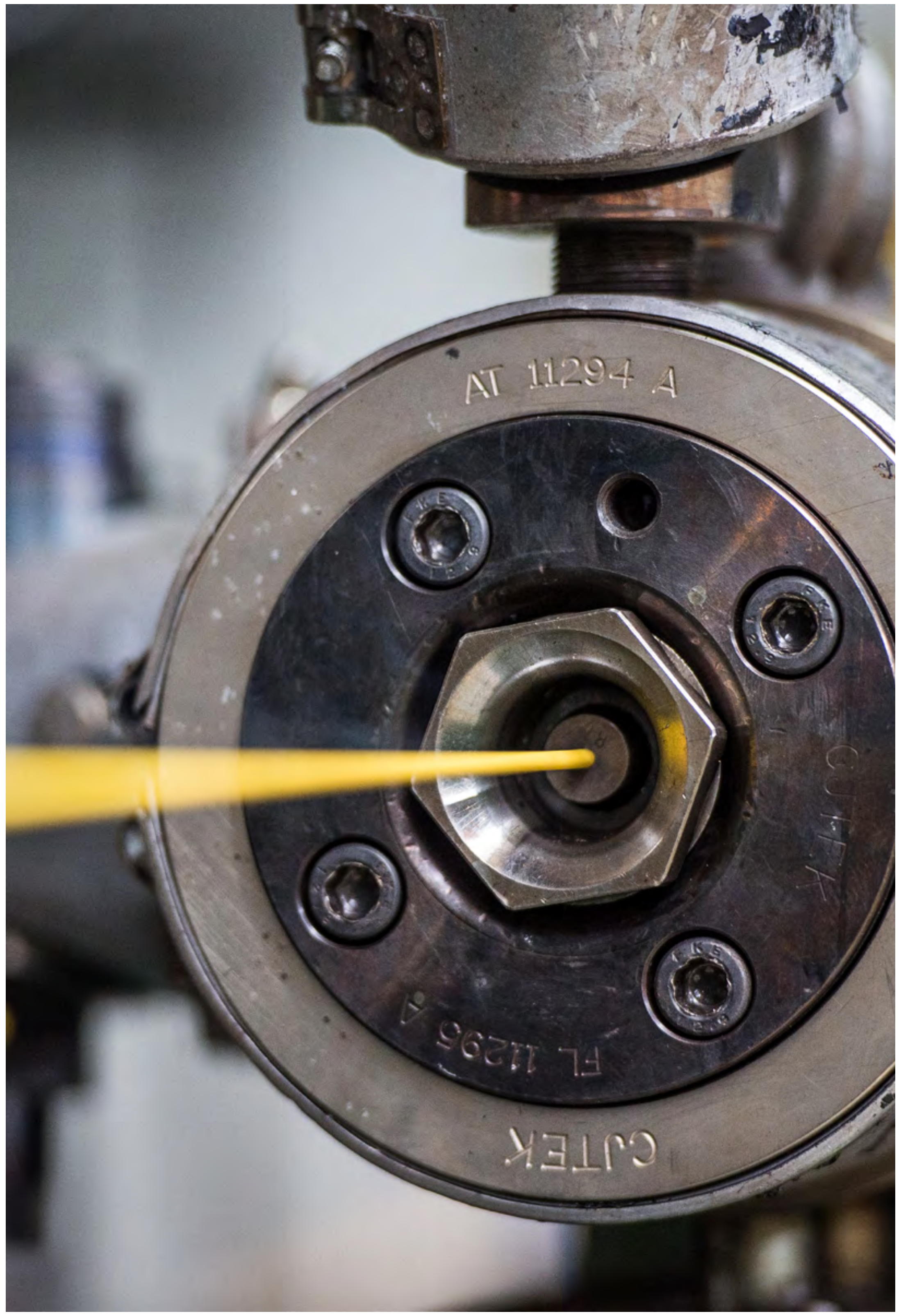
This structure reflects the nature of the manufacturing activities of the Group and the predominant share of metals and polymeric materials in the raw materials used.

The waste data is derived from the waste record-keeping systems used by the Parent Undertaking. Information on the quantities of individual waste streams is collected on the basis of documentation related to waste management , including records kept for the purposes of transferring waste for recovery or disposal.

[E5-6] Anticipated financial effects arising from the risks and opportunities associated with resource use and the circular economy

As a result of the double materiality assessment process, the TELE-FONIKA Kable S.A. Capital Group did not identify any material financial risks or potential opportunities related to resource use and the circular economy.

As no material risks or opportunities have been identified in this area, the Group does not present the anticipated financial effects and does not disclose any monetary estimates in this regard. This approach is fully consistent with the results of the double materiality analysis presented in the general section of this Report and reflects the current risk profile of the organisation in the area of resource management.



EU Taxonomy

Introduction

This report covers the period of the operations of TELE-FONIKA Kable S.A. Group from 1 January until 31 December 2025 and sets out the percentage share of each economic activity:

- Taxonomy-aligned,
- Eligible but not Taxonomy-aligned,
- Taxonomy-non-eligible economic activities,

in relation to three areas: turnover, CapEx (capital expenditure) and OpEx (operating expenditure).

These indicators have been compiled with due diligence and in accordance with the current legal framework.

The following legal acts form the basis:

- Commission Delegated Regulation (EU) 2026/73 of 4 July 2025 amending Delegated Regulations (EU) 2021/2139, (EU) 2021/2178 and (EU) 2023/2486 as regards sustainability reporting requirements and the simplification of technical criteria under the EU taxonomy,
- Regulation 2020/852, together with Commission Delegated Regulation (EU) 2021/2139 of 4 June 2021 (Delegated Act laying down technical screening criteria, as updated by Commission Delegated Regulation (EU) 2023/2485 of 27 June 2023),
- Commission Delegated Regulation (EU) 2021/2178 of 6 July 2021 (Delegated Act pursuant to Article 8 of the Taxonomy),
- Commission Delegated Regulation (EU) 2022/1214 of 9 March 2022 (Delegated Act in the field of activities related to nuclear energy and natural gas),
- Commission Delegated Regulation (EU) 2023/2486 of 27 June 2023, supplementing Regulation (EU) 2020/852 of the European Parliament and of the Council and amending Commission Delegated Regulation (EU) 2021/2178, and
- Commission Delegated Regulation (EU) 2023/2485 of 27 June 2023, amending Delegated Regulation (EU) 2021/2139.

The disclosure also includes qualitative information, prepared in accordance with Delegated Regulation (EU) 2021/2178, taking into account the amendments introduced by Delegated Regulation (EU) 2022/1214 and Delegated Regulations (EU) 2023/2486 and 2023/2485.

Minimum Safeguards

Minimum safeguards are one of the criteria used to determine whether a particular activity complies with the EU Taxonomy. These are internal regulations, including policies, procedures, instructions and codes of conduct applied by a company carrying out economic activities, which are intended to ensure compliance with the OECD Guidelines and the UN Guiding Principles on Business and Human Rights, including the principles and rights set out in the fundamental conventions referred to in the Declaration on Fundamental Principles and Rights at Work of the International Labour Organisation, and the principles and rights set out in the International Bill of Human Rights.

Consequently, the assessment of compliance with the minimum safeguards took into account the issues set out in the 'OECD Due Diligence Guidance for Responsible Business Conduct' and the 'UN Guiding Principles on Business and Human Rights'. The analysis carried out established that the Parent Undertaking, TELE-FONIKA Kable S.A., meets the minimum social safeguards referred to in Article 18 of Regulation (EU) 2020/852, whilst the subsidiary undertakings within the Group do not meet the minimum safeguards.

Corruption

The Parent Undertaking, TELE-FONIKA Kable S.A., effectively meets the minimum social guarantee criteria in relation to the fight against corruption. Due diligence mechanisms governing corporate governance in this area form an integral part of the Code of Conduct and Ethical Standards, as well as the Anti-Corruption Policy. Within the organisation, there is a strict ban on engaging in any form of corrupt behaviour, coupled with a requirement for employees to report any suspicious behaviour immediately and the implementation of detailed guidelines on identifying and resolving conflicts of interest. Business integrity is also safeguarded in external relations through the inclusion of appropriate anti-corruption clauses in contracts with business partners. These measures are a direct result of the systematic mapping and assessment of risks in this area of operations, and a culture of compliance is being fostered amongst staff through training. During the reporting period covering 2025, there were no cases of the organisation or individuals acting on its behalf being convicted of breaching applicable anti-corruption regulations.

Fair competition

The Parent Undertaking, TELE-FONIKA Kable S.A., complies with the mandatory requirements regarding minimum safeguards in the area of protecting and promoting the principles of fair competition. All due diligence mechanisms and the legal framework governing corporate governance in this regard have been incorporated into the Code of Conduct and Ethical Standards, which categorically prohibits the use of any unfair market practices, with particular emphasis on bid-rigging, unlawful price-fixing agreements, dumping practices and anti-competitive market sharing. In order to minimise the exposure of the organisation to regulatory risks, staff undergo training on how to identify prohibited practices and are strictly required to

EU Taxonomy

make fully autonomous and independent business decisions. The Code in question imposes a formal obligation on staff to report potential incidents and breaches immediately, and sets out strict expectations of business partners and external contractors regarding their unconditional adherence to free-market standards. An integral part of the security system is the procedure for reporting irregularities, the effectiveness of which is verified through audits and compliance reviews. Evidence of the effectiveness of the corporate governance framework put in place is the fact that, in 2025, there were no court rulings or decisions by competition authorities imposing fines or sanctions on the organisation for breaches of competition and consumer protection legislation.

Taxes

The Parent Undertaking, TELE-FONIKA Kable S.A., fully complies with the mandatory requirements regarding minimum safeguards in terms of the transparency and accuracy of its tax returns. The current Tax Strategy provides the formal basis for all management and operational processes aimed at maintaining the highest standards of due diligence. This document sets out in detail the framework for fiscal risk management, structures internal tax processes, and its provisions are subject to systematic evaluation and updating in order to adapt to the dynamic market environment. The organisation takes a proactive approach to identifying actual and potential tax risks, which is achieved by monitoring evolving legislation and analysing the tax implications of planned business initiatives. In order to effectively mitigate and limit the negative consequences of these risks, the company has implemented best market practices within its organisational structure, which are fully compliant with the official guidelines of the tax authorities, and regularly seeks specialist advice from independent external advisers and institutions regarding individual interpretations. A further safeguard for a culture of compliance is a dedicated procedure for reporting irregularities. The high standard of corporate governance is evidenced by the fact that throughout 2025, neither the organisation nor any of its authorised representatives were subject to final convictions or criminal and fiscal sanctions in relation to breaches of tax law.

Human rights

The Parent Undertaking, TELE-FONIKA Kable S.A., consistently and effectively complies with the mandatory requirements regarding minimum safeguards, with particular emphasis on the protection of human rights. All preventive and corrective measures taken by the organisation, aimed at effectively identifying and mitigating operational risks in this area, must be documented. A key element of a compliance culture remains a transparent reporting procedure, which enables stakeholders to report any potential irregularities or misconduct. The system in operation is monitored for its operational effectiveness and integrity. The high effectiveness of the control mechanisms put in place is demonstrated by the fact that, throughout 2025, no final court judgements were handed down in cases concerning any breaches of fundamental human rights.

Assessment of compliance with the EU Taxonomy

In light of the requirements set out in Regulation (EU) 2020/852 of the European Parliament and of the Council, a given economic activity may be classified as Taxonomy-aligned only if it meets all four fundamental criteria.

The first of these is to make a measurable, substantial contribution to the achievement of at least one of the six defined environmental targets, which include: climate change mitigation, Climate Change Adaptation, the sustainable use and protection of water and marine resources, the transition to a circular economy, the prevention and control of pollution, and the protection and restoration of biodiversity and ecosystems. The second mandatory condition is strict compliance with the do no significant harm (DNSH) principle to any of the other environmental targets. Thirdly, the economic activities must be carried out in full compliance with the minimum safeguards referred to in Regulation 2020/852. The final stage of the verification process is to ensure that the technical screening criteria are met.

For each identified type of operational activity deemed eligible under the EU Taxonomy, an assessment was carried out to determine compliance with both the criteria for a substantial contribution and the guidelines on the 'does not significantly harm' principle, based on the relevant and currently applicable delegated acts.

The financial indicators, aggregated and presented later in this document, covering turnover, capital expenditure and operating expenditure, have been calculated and determined on the basis of the definitions and methodology set out in Annex I to Commission Delegated Regulation (EU) 2021/2178, taking into account subsequent amending and supplementary regulations. In order to ensure the highest level of reporting accuracy and

EU Taxonomy

to eliminate the risk of double counting the same financial items, the various types of economic activities conducted by the TELE-FONIKA Kable S.A. Capital Group have been uniquely assigned to one specific Taxonomy-eligible activity only. Furthermore, as part of internal control mechanisms, the finance team carried out a review confirming the correctness and clarity of the allocation of funds within the Taxonomy-related classifications.

KPI: Turnover

Accounting principles
The process of calculating the key performance indicator for turnover (Turnover KPI) was based on the consolidated financial data of the TELE-FONIKA Kable S.A. Group for the 2025 financial year, prepared and approved in accordance with the applicable provisions of the Accounting Act. For methodological purposes, net sales revenue, as reported in the approved financial statements of the Group, was adopted as the base denominator for the performance indicator in question.

Information on the assessment of compliance with Regulation (EU) 2020/852
For all of the identified business streams of the Group deemed eligible under the EU Taxonomy framework, an assessment was carried out to determine compliance with the technical screening criteria, as well as a verification of compliance with the 'does not significantly harm' (DNSH) principle.

Following the analysis, it was concluded that all the activities examined meet the aforementioned technical criteria and DNSH environmental standards.

An analysis of sales revenue generated in 2025 showed that 34.634% of the total turnover of the Group relates to Taxonomy-eligible activities, broken down into the following types of activities under Objective I (Climate Change Mitigation):

- 3.1: Manufacturing of renewable energy technology – Production of cables for photovoltaic systems and wind turbines sold to customers in the market of renewable energy manufacturing.
- 3.6: Production of other low-carbon technologies – Optical fibre manufacturing.
- 3.20: Manufacture, installation and servicing of high, medium and low-voltage electrical equipment used for the transmission and distribution of electricity, which entails or enables a substantial contribution to climate change mitigation – Manufacture of power cables and wires (high, medium and low voltage), intended for the expansion of electricity grids in countries with a share of renewable energy equal to or higher than the 2030 target of the EU at the level of 42.5% of renewable sourcing of energy.
- 4.9: Electricity transmission and distribution – Products, including installation services, designed for the onshore transmission and distribution network.

Given that the Parent Undertaking, TELE-FONIKA Kable S.A., meets the minimum safeguards referred to in Article 18 of Regulation (EU) 2020/852, these activities within the scope of the Parent Undertaking may be considered Taxonomy-aligned (31.978%).

However, given that the subsidiary undertakings within the Group do not meet the Minimum Safeguards, these activities carried out by the subsidiary undertakings have been deemed Taxonomy-non-aligned (2.656%).

Contribution to the achievement of a number of objectives
During the identification processes carried out, no economic activities were identified that contribute simultaneously to the achievement of more than one environmental targets as defined in EU legislation.

Disaggregation of key performance indicators
This does not apply to the TELE-FONIKA Kable S.A. Capital Group.

Contextual information
Neither in the calculation of the key performance indicator nor within the scope of eligible activities were any amounts reported that reflected activities carried out for the purposes of internal consumption within the Capital Group.

EU Taxonomy

Financial year N	2025			Criteria related to a substantial contribution						Criteria related to the DNSH principle										
Economic Activities (1)	Code(s) (2)	Turnover (3)	Proportion of turnover, year N (4)	Climate change mitigation (5)	Climate Change Adaptation (6)	Water and marine resources (7)	Pollution (8)	Circular Economy (9)	Biodiversity and Ecosystems (10)	Climate change mitigation (11)	Climate Change Adaptation (12)	Water and marine resources (13)	Pollution (14)	Circular Economy (15)	Biodiversity and Ecosystems (16)	Minimum Safeguards provided - the Parent Undertaking (17)	Minimum Safeguards - the subsidiary undertakings (17)	Proportion of activities falling within the taxonomy (A.1) or eligible for inclusion in the taxonomy (A.2) Turnover, Year N-1 (18)	Category: enabling activity (19)	Category: Transitional activity (20)
		thousand PLN	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	T/N	T/N	T/N	T/N	T/N	T/N	T/N	T/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																				
A.1 Environmentally sustainable activities (Taxonomy-aligned)																				
Manufacture of renewable energy technology	CCM 3.1	382,124	8.118%	Y	N	N	N	N	N	Y	Y	Y	Y	Y	Y	N	N	8.57%		
Manufacture of other low-emission technologies	CCM 3.6	16,469	0.350%	Y	N	N	N	N	N	Y	Y	Y	Y	Y	Y	N	N	0.36%		
The manufacture, installation and maintenance of high-, medium- and low-voltage electrical equipment used for the transmission and distribution of electricity, which either contributes to or enables a substantial contribution to climate change mitigation	CCM 3.20	797,114	16.934%	Y	N	N	N	N	N	Y	Y	Y	Y	Y	Y	N	N	21.15%		
Electricity transmission and distribution	CCM 4.9	309,585	6.577%	Y	N	N	N	N	N	Y	Y	Y	Y	Y	Y	N	N	4.59%		
Turnover from environmentally sustainable operations (taxonomy-aligned) (A.1)		1,505,292	31.978%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	34.66%		
Enabling economic activity		-	-																	
Transitional economic activity		-	-																	
A.2 Taxonomy-eligible but not environmentally sustainable activities (taxonomy-non-aligned activities)																				
Turnover from taxonomy-eligible but not environmentally sustainable activities (taxonomy-non-aligned activities) (A.2)	125,036	2.656%	-	-	-	-	-	-												
A. Turnover of Taxonomy-eligible activities (A.1+A.2)	**1,630,330**	**34.634%**	**-**	**-**	**-**	**-**	**-**	**-**										**34.66%**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																				
Turnover from taxonomy-non-eligible activities	3,076,936	65.366%																		
IN TOTAL	**4,707,266**	**100%**																		

	Share of turnover / Total turnover	
	Taxonomy alignment by objective	Taxonomy eligibility by objective
CCM	31.978%	-
CCA	-	-
WTR	-	-
CE	-	-
PPC	-	-
BIO	-	-

Explanatory notes:

Y – Yes, taxonomy-eligible activity and taxonomy-aligned activities, in case of the relevant environmental target

N – No, taxonomy-eligible, but taxonomy-non-aligned activities in case of the relevant environmental target

EL – taxonomy-eligible activities under the system, in case of the relevant objective

N/EL – taxonomy-non-eligible activity in case of the relevant objective

EU Taxonomy

CapEx KPI

Accounting principles
The methodological basis for determining the key performance indicator for capital expenditure (CapEx KPI) was the financial flows reported in the approved financial statements of the Group. These figures correspond directly to the cost categories defined in the EU guidelines for the denominator of the indicator in question. In accordance with the adopted accounting policy, the denominator of the CapEx KPI includes the gross positive amounts of expenditure incurred on property, plant and equipment, as well as on intangible assets during the reporting period.

Information on the assessment of compliance with Regulation (EU) 2020/852
A compliance assessment was carried out in relation to the identified economic activities of the Group that meet the eligibility criteria for the EU taxonomy. This process focused on verifying compliance with the technical screening criteria and the 'does not significantly harm' (DNSH) principle.

An analysis of the structure of capital expenditure incurred in the 2025 financial year shows that 34.634% of capital expenditure relates to Taxonomy-eligible activities, of which 31.978% complies with the requirements of the EU Taxonomy, whilst 2.656% is eligible but non-aligned. The expenditure in question has been allocated under Objective I (Climate Change Mitigation) to the following types of activity:

- 3.1: Manufacture of renewable energy technologies.
- 3.6: Manufacture of other low-emission technologies.
- 3.20: Production, installation, and maintenance of high-, medium-, and low-voltage electrical equipment used for the transmission and distribution of electricity, which entails or enables a substantial contribution to climate change mitigation.
- 4.9: Transmission and distribution of electricity.
- 4.10: Electricity storage.

Contribution to the achievement of a number of objectives
During the identification processes carried out, no economic activities were identified that contribute simultaneously to the achievement of more than one environmental target as defined in EU legislation.

Disaggregation of key performance indicators
This does not apply to the TELE-FONIKA Kable S.A. Capital Group.

Contextual information
The reported value of capital expenditure eligible under the EU Taxonomy incurred in the 2025 financial year related to assets or processes associated with the economic activities carried out by the TELE-FONIKA Kable S.A. Group (activities: 3.1; 3.6; 3.20 and 4.9 for Objective I) and those originating from entities carrying out taxonomy-eligible activities under the EU Taxonomy (investments related to the acquisition of Taxonomy-eligible economic activities and individual measures enabling the target activity to become low-carbon or to reduce its greenhouse gas emissions – activity 4.10).

The Taxonomy-eligible numerator of the CapEx KPI included the value of expenditure related to the manufacturing activities of the Group, in proportion to the share of turnover from the sale of eligible products compared with total sales revenue. Other capital expenditure has been recognised as ineligible under the EU Taxonomy. The basis for adopting this approach was the inability to separate the portion of the expenditure of the Group related to specific eligible activities from the total capital expenditure, which stems, amongst other things, from the lack of technical feasibility of separating out production assets used exclusively for the manufacture of eligible products.

EU Taxonomy

Financial year N	2025			Criteria related to a substantial contribution						Criteria related to the DNSH principle										
Economic Activities (1)	Code(s) (2)	Capital expenditure, Capex (3)	Part of capital expenditure (4)	Climate change mitigation (5)	Climate Change Adaptation (6)	Water and marine resources (7)	Pollution (8)	Circular Economy (9)	Biodiversity and Ecosystems (10)	Climate change mitigation (11)	Climate Change Adaptation (12)	Water and marine resources (13)	Pollution (14)	Circular Economy (15)	Biodiversity and Ecosystems (16)	Minimum Safeguards provided - the Parent Undertaking (17)	Minimum Safeguards - the subsidiary undertakings (17)	Share of taxonomy-aligned activities (A.1.) or taxonomy-eligible activities (A.2.) Capex, Year N-1 (18)	Category: enabling activity (19)	Category: Transitional activity (20)
		thousand PLN	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%		E	Y
A. TAXONOMY-ELIGIBLE ACTIVITIES																				
A.1 Environmentally sustainable activities (taxonomy-aligned)																				
Manufacture of renewable energy technology	CCM 3.1	29,588	8.118%	Y	N	N	N	N	N	Y	Y	Y	Y	Y	Y	Y	N	10.54%		
Manufacture of other low-emission technologies	CCM 3.6	1,275	0.350%	Y	N	N	N	N	N	Y	Y	Y	Y	Y	Y	Y	N	0.85%		
The manufacture, installation and maintenance of high-, medium- and low-voltage electrical equipment used for the transmission and distribution of electricity, which either contributes to or enables a substantial contribution to climate change mitigation	CCM 3.20	61,721	16.934%	Y	N	N	N	N	N	Y	Y	Y	Y	Y	Y	Y	N	20.56%		
Electricity transmission and distribution	CCM 4.9	23,971	6.577%	Y	N	N	N	N	N	Y	Y	Y	Y	Y	Y	Y	N	4.46%		
Storage of electricity	CCM 4.10	0	0.000%	Y	N	N	N	N	N	Y	Y	Y	Y	Y	Y	Y	N	0.10%		
Capital expenditure related to environmentally sustainable activities (taxonomy-aligned) (A.1)		116,555	31.978%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	36.50%		
Enabling economic activities																				
Transitional economic activities																				
A.2 Taxonomy-eligible activities but are not environmentally sustainable (taxonomy-non-aligned activities)																				
Capital expenditure related to taxonomy-eligible activities but are not environmentally sustainable (taxonomy-non-aligned activities) (A.2)	9,682	2.656%	-	-	-	-	-	-												
A. CapEx of Taxonomy-eligible activities (A.1+A.2)	**126,237**	**34.634%**	**-**	**-**	**-**	**-**	**-**	**-**										**36.50%**		

B. TAXONOMY-NON-ELIGIBLE ACTIVITIES		
Capital expenditure related to taxonomy-non-eligible activities	238,248	65.366%
IN TOTAL	**364,485**	**100%**

Explanatory notes:

Y – Yes, taxonomy-eligible activity and taxonomy-aligned activities, in case of the relevant environmental target

N – No, taxonomy-eligible, but taxonomy-non-aligned activities in case of the relevant environmental target

EL – taxonomy-eligible activities under the system, in case of the relevant objective

N/EL – taxonomy-non-eligible activity in case of the relevant objective

	Share of capital expenditure / Total capital expenditure	
	Taxonomy alignment by objective	Taxonomy eligibility by objective
CCM	31.978%	-
CCA	-	-
WTR	-	-
CE	-	-
PPC	-	-
BIO	-	-

EU Taxonomy

OpEx KPIs

Accounting principles
The basis for calculating the OpEx indicator, in accordance with the definition set out in Annex I to Delegated Regulation 2021/2178 and other amending Regulations is the identification within the overhead costs presented in the financial statements, of operating expenses related to:
- research and development work,
- activities related to the renovation of buildings,
- short-term leasing,
- maintenance and repairs, and any other direct expenditure related to the day-to-day maintenance of tangible fixed assets by the company or by a third party to whom the necessary activities have been outsourced in order to ensure the continuous and efficient operation of those assets.

As such data is not presented in the financial statements, the denominator does not correspond to any item in the financial statements. Detailed data on operating costs incurred are taken from the financial and accounting records. These are costs related to the cost of materials and spare parts, insofar as they correspond to the costs of maintenance services, the costs of refurbishments, repairs, maintenance and inspections, hire and lease services, and other services (including cleaning costs for keeping premises and grounds clean, the certification of measurement inspections, and UDT inspections of forklift trucks), the costs of Maintenance Services staff whose role is to directly carry out activities related to ensuring the proper functioning of machinery, equipment, etc. which form part of the plants' technical infrastructure (excluding machine operators) and the Facilities Management Departments, whose duties relate to maintaining order and cleanliness (cleaners, maintenance personnel).

Information on the assessment of compliance with Regulation (EU) 2020/852
An assessment was carried out to determine whether the operations of the Group eligible for the EU Taxonomy comply with the technical screening criteria and the DNSH requirements. The criteria were met for each activity. The final assessment of alignment with the EU Taxonomy also took into account compliance with the minimum safeguards.

An analysis of operating expenditure incurred in 2025 shows that 34.634% of expenditure is eligible, of which 31.978% complies with the requirements of the EU Taxonomy, whilst 2.656% is eligible but non-aligned. These have been allocated under Objective I (Climate Change Mitigation) to the following types of activities:
- 3.1: Production of renewable energy technologies.
- 3.6: Production of other low-emission technologies.
- 3.20: Production, installation, and maintenance of high-, medium-, and low-voltage electrical equipment used for the transmission and distribution of electricity, which entail or enable a substantial contribution to climate change mitigation.
- 4.9: Transmission and distribution of electricity.

Contribution to the achievement of a number of objectives
During the identification processes carried out, no economic activities were identified that contribute simultaneously to the achievement of more than one environmental target as defined in EU legislation.

Disaggregation of key performance indicators
This does not apply to the TELE-FONIKA Kable S.A. Capital Group.

Contextual information
The reported value of operating expenses in accordance with the EU Taxonomy incurred in the 2025 financial year related to assets or processes associated with the economic activities carried out by the TELE-FONIKA Kable S.A. Capital Group, i.e. those from which sales revenue is derived.

The numerator value for the OpEx KPI includes the amount of expenses related to the production activities of the Group, which corresponded to the share of revenue from sales of products compliant with the EU Taxonomy relative to total sales revenue. Other operating expenses were classified as ineligible under the EU Taxonomy. This approach was based on the inability to allocate a portion of the operating expenses of the Group related to specific eligible activities from total OpEx, which stems, among other things, from the lack of a technical capability to segregate production assets used exclusively for the manufacture of Taxonomy-aligned products.

EU Taxonomy

Financial year N	2025			Criteria related to a substantial contribution						Criteria related to the DNSH principle										
Economic Activities (1)	Code(s) (2)	Operating expenditure, OpEx (3)	Part of operating expenditure (4)	Climate change mitigation (5)	Climate Change Adaptation (6)	Water and marine resources (7)	Pollution (8)	Circular Economy (9)	Biodiversity and Ecosystems (10)	Climate change mitigation (11)	Climate Change Adaptation (12)	Water and marine resources (13)	Pollution (14)	Circular Economy (15)	Biodiversity and Ecosystems (16)	Minimum Safeguards provided - the Parent Undertaking (17)	Minimum Safeguards - the subsidiary undertakings (17)	Share of taxonomy-aligned activities (A.1.) or taxonomy-eligible activities (A.2.) OpEx, Year N-1 (18)	Category: enabling activity (19)	Category: Transitional activity (20)
		thousand PLN	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	Y
A. TAXONOMY-ELIGIBLE ACTIVITIES																				
A.1 Environmentally sustainable activities (Taxonomy-aligned)																				
Manufacture of renewable energy technology	CCM 3.1	4,942	8.118%	Y	N	N	N	N	N	Y	Y	Y	Y	Y	Y	Y	N	8.54%		
Manufacture of other low-emission technologies	CCM 3.6	213	0.350%	Y	N	N	N	N	N	Y	Y	Y	Y	Y	Y	Y	N	0.52%		
Production, installation, and maintenance of high-, medium-, and low-voltage electrical equipment used for the transmission and distribution of electricity, which entail or enable a substantial contribution to climate change mitigation.	CCM 3.20	10,309	16.934%	Y	N	N	N	N	N	Y	Y	Y	Y	Y	Y	Y	N	21.31%		
Electricity transmission and distribution	CCM 4.9	4,004	6.577%	Y	N	N	N	N	N	Y	Y	Y	Y	Y	Y	Y	N	4.57%		
Operating expenditure relating to environmentally sustainable activities (taxonomy-aligned) (A.1)		19,468	31.978%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	34.93%		
Enabling economic activity																				
Transitional economic activity																				
A.2 Taxonomy-eligible but not environmentally sustainable activities (taxonomy-non-aligned activities)																				
Operating expenses related to taxonomy-eligible activities but are not environmentally sustainable (taxonomy-non-aligned activities) (A.2)	1,617	2.656%	-	-	-	-	-	-												
A. Operating expenses related to taxonomy-eligible activities (A.1+A.2)	**21,085**	**34.634%**	**-**	**-**	**-**	**-**	**-**	**-**										**34.93%**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																				
Operating expenses from taxonomy-non-eligible activities	39,794	65.366%																		
IN TOTAL	**60,879**	**100,000%**																		

	Share of operating expenditure / Total operating expenditure	
	Taxonomy alignment by objective	Taxonomy eligibility by objective
CCM	31.978%	-
CCA	-	-
WTR	-	-
CE	-	-
PPC	-	-
BIO	-	-

Explanatory notes:

Y – Yes, taxonomy-eligible activity and taxonomy-aligned activities, in case of the relevant environmental target

N – No, taxonomy-eligible, but taxonomy-non-aligned activities in case of the relevant environmental target

EL – taxonomy-eligible activities under the system, in case of the relevant objective

N/EL – taxonomy-non-eligible activity in case of the relevant objective

EU Taxonomy

Activities related to nuclear energy and natural gas

The Group does not carry out, finance or have exposure to the types of activities listed in sections 4.26–4.31 of Annexes I and II to Commission Delegated Regulation (EU) 2021/2139, as reflected in the tables below.

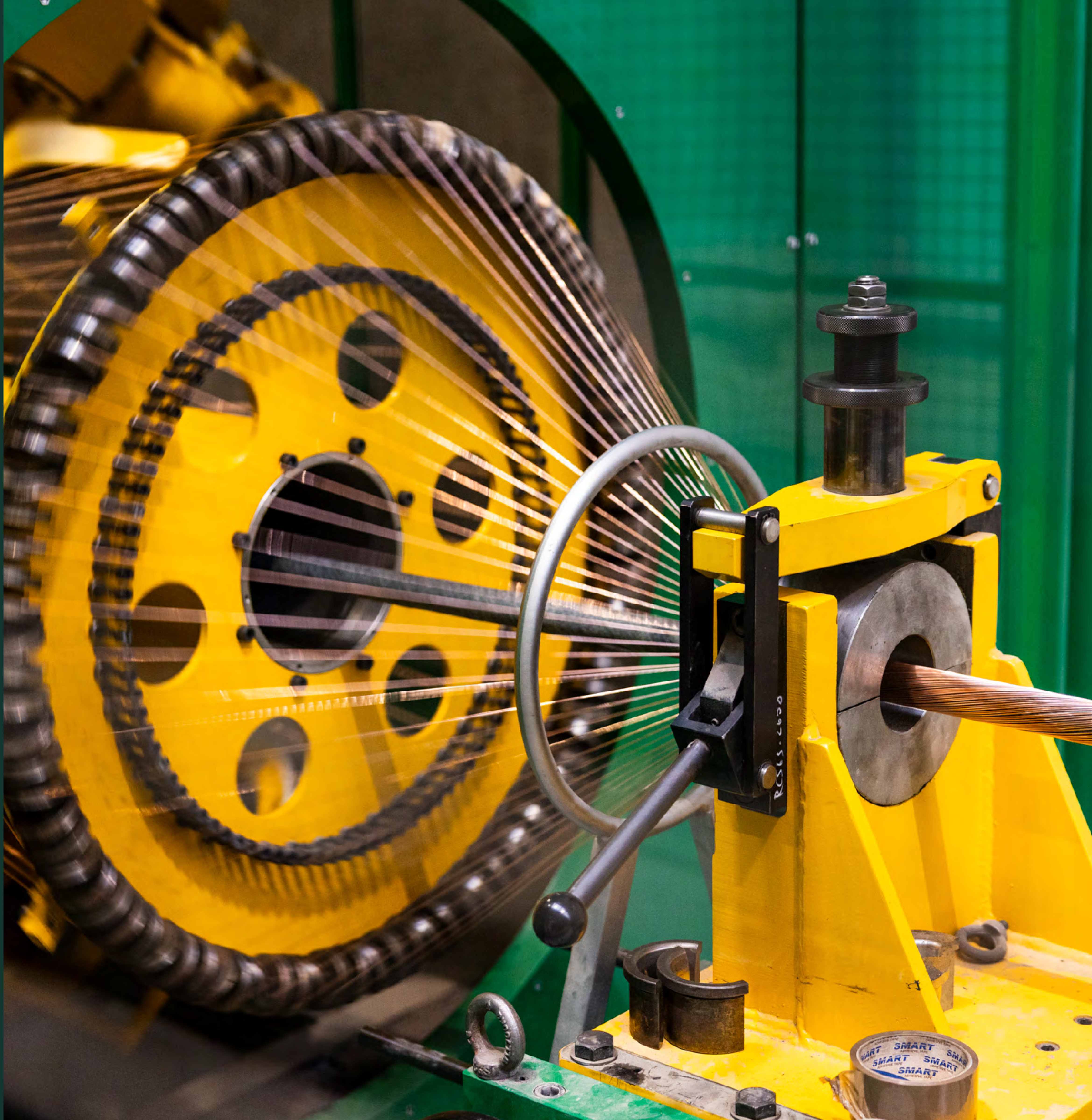
	ACTIVITIES RELATED TO NUCLEAR ENERGY	KPI: TURNOVER	KPI CAPEX	KPI OPEX
1	The company carries out research, development, demonstration and deployment of innovative electricity generation facilities that produce energy through nuclear processes whilst minimising waste from the fuel cycle; it either funds these activities or has an exposure to them.	NO	NO	NO
2	The company is involved in the construction and safe operation of new nuclear facilities for the generation of electricity or process heat, including for district heating systems or industrial processes such as hydrogen production, as well as their modernisation with a focus on safety, using the best available technologies; it finances these activities or has exposure to them.	NO	NO	NO
3	The enterprise operates existing nuclear facilities that generate electricity or process heat—including for district heating systems or industrial processes such as the production of hydrogen from nuclear energy—in a safe manner, and modernizes them to enhance safety; it finances these activities or has exposure to them.	NO	NO	NO

	ACTIVITIES RELATED TO NATURAL GAS	KPI: TURNOVER	KPI CAPEX	KPI OPEX
1	The company is involved in the construction or operation of power generation facilities using gaseous fossil fuels, finances such activities, or has exposure to them.	NO	NO	NO
2	The enterprise is engaged in the construction, modernization, and operation of combined heat and power (CHP) plants that generate heat, cooling, and electricity using gaseous fossil fuels; it finances these activities or has exposure to them.	NO	NO	NO
3	The enterprise is engaged in the construction, modernisation, and operation of heat generation facilities that produce thermal and/or cooling energy using gaseous fossil fuels, finances these activities, or has exposure to them.	NO	NO	NO

Due to the lack of involvement in the activities described in sections 4.26–4.31, the detailed tables set out in Annex XII to Commission Delegated Regulation (EU) 2022/1214 have not been presented.

4.

Information on social issues



ESRS S1 – Own workforce

[S1-1] Policies related to own workforce

Within the TELE-FONIKA Kable S.A. Capital Group, there are a number of documents governing the management of its workforce (hereinafter collectively referred to as 'the policies'). Given the organisational structure of the Group, some of these apply across the entire Capital Group, whilst others have been implemented exclusively within the Parent Undertaking.

At the level of the Capital Group, the following documents apply:
- Code of Conduct and Ethical Standards,
- Compliance Code.

Code of Conduct and Ethical Standards sets out the ethical principles and standards of conduct applicable to the employees and business partners of the Group. The document promotes conducting business in a fair, transparent and responsible manner, setting out requirements related to business ethics, anti-corruption, fair competition and responsible information management. The Code emphasises the importance of respecting human rights and workers' rights, whilst promoting a working environment based on responsibility, equality and compliance with applicable standards. The document also sets out mechanisms for reporting irregularities and the consequences of breaches of ethical principles, thereby strengthening a culture of compliance and accountability within the organisation.

The compliance and Sustainability Team is responsible for monitoring compliance with the principles set out in the Code within the Parent Undertaking. In the subsidiary undertakings, responsibility for ensuring compliance with this document rests with the Management Boards of those Companies or with persons appointed by them.

The Compliance Code sets out the values, principles and standards of conduct applicable to the employees and business partners of the Group. The document promotes conducting business in accordance with the law and ethical standards, emphasising honesty, responsibility and compliance in business relationships and in employees' day-to-day activities. The Code covers human rights, labour standards, occupational health and safety, and environmental protection. It prohibits child labour, forced labour, discrimination, corruption and other unethical practices. The document also sets out mechanisms for reporting irregularities and for protecting whistleblowers from reprisals, thereby helping to create a safe and ethical working environment.

Compliance and sustainability Team is responsible for monitoring compliance with the principles set out in the Code within the Parent Undertaking. In the case of the subsidiary undertakings, the responsibility for ensuring compliance with the provisions of the document rests with the Management Boards or persons appointed by them.

In addition, TELE-FONIKA Kable S.A., acting as the Parent Undertaking of the TELE-FONIKA Kable S.A. Capital Group, applies the following internal regulations related to its own workforce:
- *Work Regulations,*
- *Pay Regulations,*
- *Policy on occupational health and safety,*
- *Procedure on counteracting workplace bullying and discrimination,*
- *Living Wage Policy,*
- *Employee Career and Qualification Development Policy,*
- *Policy on child labour,*
- *Policy on freedom of association in the workplace,*
- *Policy on dialogue with employees,*
- *Human Rights and Diversity Policy,*
- *Corporate Code,*
- *Procedure for reporting breaches of the law,*
- *Internal procedure for reporting ethical violations and taking follow-up action.*

Work Regulations set out the principles governing the organisation of work, as well as the rights and obligations of employees and the employer. The objective of this document is to ensure transparent and non-discriminatory working conditions, including rules governing working hours, work procedures, occupational health and safety, the justification of absences, the taking of leave, and the protection of property. The regulations guarantee that employees are assigned work in line with their qualifications and terms of employment, and ensure their right to remuneration, rest and safe working conditions. The document also sets out the obligations of the employer regarding ensuring appropriate health and safety conditions, providing employees with personal protective equipment, and organising medical examinations and training.

The Human Resources and Administration Department is responsible for overseeing the implementation of the *Work Regulations*.

Pay Regulations set out the rules for determining and paying remuneration and other work-related benefits. The Regulations set out the criteria for awarding bonuses and prizes, as well as the principles of equal treatment of employees with regard to remuneration. The document supports the establishment of transparent remuneration policies and helps to minimise the risk of unequal treatment in relation to pay and employee benefits.

The Human Resources and Administration Department is responsible for implementing the *Pay Regulations*.

ESRS S1 – Own workforce

Policy on Occupational Health and Safety sets out the principles governing the provision of safe and hygienic working conditions in accordance with the applicable legislation. The policy focuses on minimising hazards and risks in the workplace, organising work in a way that ensures employee safety, preventing accidents at work and occupational diseases, and improving employee skills and raising their awareness of safety and their responsibility for working conditions. This document supports the creation of a safe working environment and the mitigation of risks associated with the performance of official duties.

The Management Board is responsible for implementing the objectives of the *Policy on Occupational Health and Safety* and undertakes to monitor working conditions, ensure compliance with legal requirements and continuously improve the health and safety management system.

Procedure for Counteracting Workplace Bullying and Discrimination governs the complaints procedure in the event of reports concerning suspected workplace bullying, discrimination or harassment – including sexual harassment. It sets out the rules governing the operation of the Anti-bullying Committee, the procedure for examining complaints and investigating reported incidents, as well as the rules for the protection of complainants, in particular the prohibition of retaliatory action. The procedure also sets out the follow-up measures to be taken once the investigation has been concluded.

The Human Resources and Administration Department is responsible for overseeing the implementation and operation of the Procedure for counteracting workplace bullying and discrimination.

Living Wage Policy – this document sets out the principles for ensuring that employees receive an living wage and for promoting these standards throughout the supply chain. The policy is based on international regulations and guidelines, including documents from the United Nations, the International Labour Organisation, the OECD, the Universal Declaration of Human Rights and the provisions of the Labour Code. The document sets out the principles governing the minimum and living wage, and outlines employers' obligations to ensure at least the minimum remuneration, equal pay, an analysis of the cost of living, and to take action where a living wage gap is identified. The policy combats unequal treatment of employees and wages below an adequate living-wage level, and promotes awareness of the living wage. The document provides for the monitoring of indicators related to pay levels, reporting, and the operation of mechanisms for reporting irregularities.

The Human Resources and Administration Department is responsible for overseeing the implementation of the principles set out in the *Living Wage Policy.*

Employee Career and Qualification Development Policy – the aim of this policy is to support employees' professional development and enhance their skills by providing access to various forms of skills development and improvement. The policy covers issues related to, amongst other things, training, educational funding, mentoring, feedback processes and employee satisfaction surveys. The document also sets out criteria related to professional development and promotions, as well as mechanisms for monitoring the effectiveness of the measures implemented. The policy promotes equal opportunities, transparent career paths and an ethical approach to employee development. It also takes into account mechanisms for reporting irregularities and the roles of employees, line managers, the HR department and the Management Board in implementing its objectives.

The Human Resources and Administration Department is responsible for implementing the provisions of the policy.

Policy on Child Labour sets out the principles for preventing the employment of children both within the organisation and throughout the supply chain. The document refers to International Labour Organisation Convention No. 138 and the applicable provisions of national law, and prohibits any form of child labour involving children under the age of 15, as well as the employment of persons under the age of 18 in conditions that may endanger their health, safety or morals. The policy sets out the obligations of the Company regarding the verification of job applicants' ages and the retention of documentation confirming compliance with the age requirements for employees. The document also sets out mechanisms for reporting irregularities and defines the roles involved in identifying and investigating potential breaches.

The Human Resources and Administration Department is responsible for reviewing the policy on a regular basis.

Policy on Freedom of Association in the Workplace focuses on ensuring that employees have the right to associate freely and to engage in dialogue with their employer. The document is based on international and national regulations concerning human rights and freedom of association, including the Universal Declaration of Human Rights, the conventions of the International Labour Organisation (in particular Nos. 87 and 98), the European Convention on Human Rights, the Charter of Fundamental Rights of the European Union, and the provisions of the national Labour Code and the Trade Unions Act. The policy reaffirms employees' right to form and join trade unions and other forms of employee representation, and prohibits repressive or discriminatory measures related to trade union activities. The document sets out provisions for collaboration with employee representatives, mechanisms for reporting irregularities, and measures to be taken to resolve disputes and conflicts in the workplace amicably.

The Human Resources and Administration Department is responsible for implementing and monitoring the policy.

ESRS S1 – Own workforce

Policy on Employee Dialogue promotes two-way communication and the involvement of employees in the decision-making processes at the Company. This dialogue takes place, amongst other channels, through trade unions, and its format and frequency are tailored to the needs of the organisation and its employees. The document promotes collaboration, the exchange of information and the taking into account of employees' views in the day-to-day running of the Company.

The Human Resources and Administration Department is responsible for implementing the provisions of the policy.

Human Rights and Diversity Policy sets out the principles of respect for human rights and the promotion of equal treatment in the workplace. The document is based on international standards and guidelines, including the Universal Declaration of Human Rights, the principles of the UN Global Compact, the UN Guiding Principles on Business and Human Rights, and the OECD Guidelines for Multinational Enterprises. The policy includes, inter alia, a commitment to respect employees' rights, including the right to organise and form trade unions, as well as to promote equal opportunities in the areas of recruitment, training, performance appraisal, promotion and remuneration. The document also emphasises the importance of dialogue with internal and external stakeholders and of taking their perspectives into account in the operations of the Company.

The Human Resources and Administration Department is responsible for implementing the policy.

The Corporate Code sets out the principles governing the operations of the Company, based on transparency, accountability and a sustainable approach to business. The document takes into account the interests of key stakeholder groups, including employees, and supports the development of a responsible organisational culture.

The Compliance and Sustainability Team is responsible for implementing the provisions of the *Corporate Code*.

Procedure for Reporting Breaches of the Law sets out how reports of breaches of the law are received, verified and investigated, and how follow-up action is taken. A key element of the procedure is the mechanisms for protecting whistleblowers from reprisals, which help to create a safe working environment and foster a culture of openness, accountability and compliance within the organisation.

The Compliance and Sustainability Team is responsible for ensuring that the mechanisms set out in the procedure operate effectively.

Internal Procedure for Reporting Ethical Violations and Taking Follow-up Action sets out the mechanisms for reporting, receiving and investigating reports of breaches of the ethical standards in force within the Company. The document sets out the available reporting channels, including the option to make anonymous reports, and defines the rules governing follow-up actions, the protection of whistleblowers against retaliation, confidentiality and the protection of personal data. This procedure supports the creation of a safe working environment and fosters a culture of integrity, enabling staff to report potential irregularities without fear of negative consequences. The document also sets out the role of the Ethics Committee in reviewing reports and monitoring the process of their consideration.

Compliance and Sustainability Team is responsible for implementing the provisions of this procedure.

The above documents apply to employees hired under an employment contract and set out the rules governing areas that are relevant to the management of the organisation's own workforce.

The effectiveness of the policies implemented is monitored as part of existing management and control processes. To this end, the following are used, inter alia: operational indicators and objectives, analyses of risks and opportunities, internal audits, management reviews, and information on identified non-conformities and corrective actions being implemented.

The Parent Undertaking consults with employees and their representatives on the development and updating of policies and regulations related to human resources, taking into account the needs and expectations expressed. Policies are communicated via internal communication channels, as well as through onboarding processes and training sessions. Where justified, selected documents are also made available to external stakeholders, such as contractors or partners in the value chain.

Policies on its own workforce refer to national labour laws, occupational health and safety regulations, and recognised international standards on human rights, including the International Bill of Human Rights, the fundamental conventions of the International Labour Organisation, the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises.

The Group is committed to respecting human rights and labour rights, including the right to dignity, equal treatment, freedom from discrimination, safe working conditions, a living wage, freedom of association and the prohibition of child labour. These commitments are reflected in the codes and policies on human rights and responsible business conduct applicable within the Group.

ESRS S1 – Own workforce

Commitments regarding respect for human rights and labour rights stem from the ***Human Rights and Diversity Policy*** and related thematic policies, including, amongst others, the ***Procedure for Counteracting Workplace Bullying and Discrimination, The Living Wage Policy, Employee Career and Qualification Development Policy, Policy on Child Labour and the Policy on Freedom of Association in the Workplace.*** These documents set out the principles for preventing human rights abuses and the mechanisms for responding to potential and actual impacts associated with own workforce.

In addition, the ***Modern Slavery and Human Trafficking Policy*** (described in more detail in disclosure G1-2) and the ***Policy on Child Labour*** directly address the issues of human trafficking, forced or compulsory labour and child labour, and set out the commitments of the Parent Undertaking to combat such practices both in its own operations and in its business relationships.

The Parent Undertaking has also put in place mechanisms to enable the reporting of human rights breaches, their analysis and the implementation of corrective measures. These include investigation procedures, corrective measures, support for those affected by the breach, and disciplinary measures against those responsible for the breach.

With regard to the prevention of accidents at work, the Parent Undertaking has the Policy on occupational health and safety and an occupational health and safety management system, covering the identification of hazards, occupational risk assessment, preventive measures, monitoring of accidents and the implementation of corrective and preventive measures. The operation of the system is governed by the Occupational Health and Safety Management Process (ZSBHP), the principles of which are set out in the Health and Safety Process Charter (KP.3.5.1/TF0), which sets out, inter alia, the process objectives, areas of responsibility and the method for monitoring its effectiveness. The system is also supported by the following procedures:

- PB-0-18 'Identification of hazards and assessment of occupational risks' – sets out the principles for identifying hazards, assessing and periodically updating occupational risks, and for planning risk-mitigation measures.
- PJ/PS/PB-0-04 'Corrective Actions' – sets out the rules for identifying non-conformities, analysing their causes, implementing corrective and preventive actions, and monitoring the effectiveness of the actions taken.
- IB-0-35 'Rules for Handling Accident-related Incidents' – sets out the rules for reporting, recording, investigating and documenting accidents, determining their causes, and implementing measures to prevent similar incidents from occurring in the future.

In addition, the Company is developing its occupational health and safety management system in accordance with the requirements of the ISO 45001 standard. The Bydgoszcz plant is currently covered by the certification scheme; as at the end of 2025, it employed 850 staff (35% of the total workforce), and there are plans to extend the certification to the South plant as well.

This approach helps to reduce the risk of accidents at work and occupational diseases.

As part of its activities in this area, the Company conducts health and safety training, monitors working conditions and implements measures aimed at the continuous improvement of safety standards. The health and safety services are responsible for carrying out activities in this area.

TELE-FONIKA Kable S.A. also has policies and procedures aimed at combating discrimination, including harassment, promoting equal opportunities, and supporting diversity and social inclusion. Key regulations in this area include the Procedure for counteracting workplace bullying and discrimination and the Human Rights and Diversity Policy. The policies are implemented through the standard procedures applicable at the Company.

The applicable regulations cover all legally protected characteristics, groups particularly vulnerable to discrimination, and other forms of unequal treatment prohibited by law.

The Parent Undertaking provides mechanisms for reporting irregularities and procedures for investigating cases of discrimination. Furthermore, the Parent Undertaking organises training sessions on combating discrimination, including discrimination in employment, to help foster a working environment based on equality and respect for diversity.

The Group fully complies with labour law and regulations designed to promote equal treatment and the social inclusion of employees. As part of fulfilling these obligations, it ensures that all eligible employees are able to exercise their statutory rights and make use of the facilities to which they are entitled.

This includes, inter alia, measures designed for people with disabilities, such as reduced working hours, additional breaks, restrictions on night work and overtime, and an increased annual leave entitlement. Women returning to work are provided with arrangements set out in labour law, including protection of job security, the option to return to their previous or an equivalent post, breastfeeding breaks, paid childcare leave and the option to make use of flexible working arrangements.

ESRS S1 – Own workforce

[S1-2] Processes for engaging with own workforce and workers' representatives about impacts

TELE-FONIKA Kable S.A., acting as the Parent Undertaking of the Group, provides a framework for collaboration with employees and their representatives on matters that may affect this stakeholder group.

The Company engages with its workforce primarily through employee representatives, including trade unions. An additional source of feedback is employee satisfaction surveys, the results of which are used in decision-making processes related to human resources.

Collaboration takes place within the limits of available organisational resources at various stages of the HR processes and includes, in particular, consultations on the Work Regulations and the Pay Regulations to the extent provided for by law, consultations regarding the intention to terminate an employment contract or to amend terms and conditions of employment and pay, as well as an ongoing dialogue on staff matters. This involvement takes place on a regular basis and takes the form of consultation, information-sharing and dialogue, depending on the nature of the issue in question.

The Director of the Human Resources and Administration Department is responsible for ensuring that collaboration with employees is effectively managed and that the outcomes of this collaboration are taken into account in the decisions taken by the organisation.

The company has not entered into any global framework agreements on human rights in relation to its own workforce. However, collaboration with staff representatives takes place within the framework of the obligations arising from labour law, which enables the systematic gathering of employee feedback on matters related to working conditions, occupational health and safety, equal treatment and the organisation of work.

The effectiveness of collaboration is assessed by monitoring and analysing the outcomes of the consultations held and by evaluating the quality of the dialogue with staff representatives. The information obtained through this collaboration is used to improve internal regulations and activities carried out in the field of human resources management.

The Company does not have any specific collaboration mechanisms aimed exclusively at employees who are particularly vulnerable to impacts or marginalisation. Feedback from these individuals is gathered as part of general consultation and communication processes involving all employees. In particular, employees have the opportunity to submit feedback, take part in satisfaction surveys and liaise directly with their line managers and the HR department. These mechanisms help to identify the needs and views of, amongst others, people with disabilities, migrants and women returning from maternity and parental leave.

[S1-3] Processes to remediate negative impacts and channels for own workers to raise concerns

During the reporting year, the TELE-FONIKA Kable S.A. Group did not identify any material negative impacts on its own workforce. At the same time, the Group ensures that processes and channels are in place to enable employees to report potential irregularities, breaches or situations that could have negative impacts, and to obtain appropriate remedies.

The approach of the Parent Undertaking is based on the whistleblowing system it has established, which covers both reports made within the meaning of the legislation on the protection of whistleblowers (referred to as a 'Whistleblower Report'), as well as reports concerning breaches of internal regulations, ethical standards or other situations that may pose a threat to the Company's interests, good name or reputation (referred to as a 'Non-Compliance Report'). Furthermore, employees may lodge complaints related to workplace bullying and discrimination in accordance with the applicable Procedure for counteracting workplace bullying and discrimination.

The channels available – for the operation and management of which the Parent Undertaking is responsible – enable employees to report potential breaches securely, whilst ensuring the confidentiality of the process and protecting whistleblowers from retaliation. Reports are examined impartially, taking into account the need to clarify the circumstances of the case, identify the causes of the breach and implement appropriate corrective and preventive measures.

The expected outcomes of the measures taken are in line with current labour law and human rights standards, including the principles of equal treatment, respect for dignity and protection against reprisals. The Parent Undertaking has also implemented provisions to protect those using the reporting channels – including whistleblowers and employees reporting instances of bullying and discrimination – from reprisals. This protection includes a ban on retaliation, a definition of actions considered to be forms of retaliation, and a specification of the duration of this protection.

ESRS S1 – Own workforce

The availability of reporting channels within the Parent Undertaking is supported by organisational and communication measures, including the publication of information on reporting procedures on the intranet, during onboarding and training sessions, and in internal policies on human rights and employees. Staff have access to instructions on how to use the reporting channels, reporting forms and the contact details of the staff responsible for receiving and handling reports. The channels remain available to all staff, regardless of their role or type of employment.

The Parent Undertaking ensures the effectiveness and accountability of the system by appointing persons responsible for handling reports and by applying standardised procedures covering the manner in which reports are received, investigations are conducted and communication with the reporter takes place. The persons responsible for handling reports have the necessary knowledge and skills to conduct investigations and provide support to staff. Reporting persons are informed of the receipt of their complaint, the progress of the proceedings and their outcome, in accordance with the principles of timeliness, confidentiality and the protection of personal data.

The findings from the analysis of reports are used to update procedures, strengthen preventive measures and reduce the risk of similar breaches occurring in the future. The Parent Undertaking also maintains ongoing communication with those making reports, viewing this as a means of building trust in the existing mechanisms and supporting the process of investigating reported irregularities.

The effectiveness of the existing reporting channels and the level of employee awareness regarding the options for reporting irregularities are assessed, amongst other things, by analysing the use of these reporting channels, the results of employee satisfaction surveys, and feedback obtained through ongoing communication with employees and their representatives. Regular training, internal communication and the provision of clear instructions on how to use the channels help to raise staff awareness and build trust in the system.

[S1-4] Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions

During the reporting period, TELE-FONIKA Kable S.A., acting as the Parent Undertaking exercising control over the other entities comprising the Group, focused on strengthening the positive impacts related to its own workforce and on further improving HR, occupational health and safety, and compliance processes, which support a safe, transparent and stable working environment. The key activities carried out in this area are set out below.

Measures to ensure good working conditions:

- ensuring job security by achieving an indicator of 81% of the workforce employed under contracts for indefinite period of time,
- ensuring that remuneration is paid on time,
- monitoring remuneration levels,
- analysis of the pay gap,
- increase in remuneration levels,
- updates to the Work Regulations and the Pay Regulations,
- subsidies for employee holidays and cash holiday allowances from the Company Social Benefits Fund,
- subsidies for sports cards.

Expected outcomes: improving the stability of working conditions, reducing the risk of unequal treatment, and increasing staff engagement and their sense of social security.

Measures to promote a work-life balance:

- supporting staff in exercising their parental and carer's rights,
- creating a working environment free from pressure to work excessive hours and ensuring the right to rest, whilst at the same time guaranteeing full record-keeping and transparency in the accounting of any overtime worked,
- monitoring HR processes (including promotions, appraisals and pay) in order to minimise the risk of unequal treatment of employees exercising their parental rights,
- implementing administrative and social measures to support staff wellbeing, including providing staff with access to a holiday centre on preferential terms, processing applications for holiday subsidies, and organising summer camps for employees' children,

Expected outcomes: enhancing staff wellbeing, improving work-life balance, and increasing staff satisfaction and engagement.

ESRS S1 – Own workforce

Occupational health and safety measures:

- carrying out occupational risk assessments and keeping health and safety documentation up to date,
- delivering health and safety training: induction, periodic and job-specific training,
- monitoring accidents and accident-related incidents, analysis of their causes and implementation of corrective measures,
- monitoring of the working environment, including supervision of personal protective equipment,
- supporting the involvement of the social labour inspectorate,
- implementing the Think Safety programme, covering three areas of activity: occupational health and safety information and education campaigns carried out in response to identified hazards and undesirable behaviour, promoting employee initiatives to improve workplace safety through a system of recognition and awards, as well as educational activities aimed at employees' families, designed to build and strengthen the safety culture.

Expected outcomes: improved workplace safety, a reduction in the number of near-miss incidents, increased staff awareness of health and safety, greater staff involvement in identifying and eliminating hazards, and improved compliance with legal requirements.

Measures related to preventive healthcare and employee wellbeing:

- carrying out preventive measures (e.g. reimbursing the cost of flu vaccinations),
- ensuring that employees have access to private healthcare on preferential terms,
- ensuring that employees have access to group insurance with preferential terms for employees.

Expected outcomes: a reduction in sickness absence, an improvement in employee wellbeing, and an increased sense of health security.

Measures related to diversity, equal treatment, and combating workplace bullying and discrimination:

- implementing the Procedure for counteracting workplace bullying and discrimination,
- training initiatives on combating workplace bullying, discrimination and harassment,
- maintaining and developing the whistleblowing scheme,
- ensuring the protection of those who report breaches.

Expected outcomes: strengthening an organisational culture based on respect, reducing the risk of breaches, and raising employee awareness of labour rights and human rights.

Competence development and training activities:

- providing vocational, technical and management training,
- developing soft and specialist skills,
- supporting skills development (courses, degree programmes).

Expected outcomes: improving employee skills, increasing their motivation and commitment, and developing human capital.

Internal communication and social dialogue:

- regular meetings with employee representatives,
- consultations with trade unions on amendments to the rules and regulations,
- involvement of the social labour inspectorate.

Expected outcomes: strengthening employee relations, improving the flow of information, and increasing employee engagement and satisfaction.

Measures to safeguard employees' privacy:

- implementation of the Policy on Personal Data Security and related procedures governing the processing and protection of employees' personal data, whilst simultaneously implementing an Information Security Management System compliant with the ISO 27001 standard, for which the Parent Undertaking will apply for certification,
- clarification of the rules governing monitoring in the Work Regulations, including a ban on the monitoring of employees' private correspondence and staff facilities,
- the application of data minimisation principles and the storage of employee data solely within the scope of and for the period required by applicable law and internal data retention policies,
- maintaining a record of processing activities, carrying out periodic risk assessments, and implementing procedures in the event of a personal data breach, including a risk assessment and the implementation of corrective measures,
- providing support to the Data Protection Officer responsible for overseeing compliance with data processing procedures, handling reports and advising staff on the protection of personal data,
- using technical and organisational measures to protect data, including periodic reviews of access rights to systems and measures restricting access to data exclusively to authorised persons,
- conducting training and awareness-raising activities in the field of data protection and cybersecurity, e.g. the training session held in February 2025 for key staff in connection with the planned implementation of the ISO 27001 standard at TELE-FONIKA Kable S.A.

ESRS S1 – Own workforce

Expected outcomes: to ensure a high level of protection for employees' privacy and personal data, to minimise the risk of information security breaches, and to strengthen employees' trust in the way the Company processes their data.

The above measures cover the employees of the Parent Undertaking and are implemented on an ongoing basis, whilst HR improvement initiatives are carried out on an annual and multi-year basis.

The Group does not have a separate, formalised process for determining the actions to be taken in response to negative impacts on its own workforce; however, it applies established HR, health and safety, and compliance practices which enable it to assess the situation on an ongoing basis and select appropriate measures.

In the event of any negative impacts, the following are analysed in particular:
- nature of the impact – including whether it was caused by the Group, arose with its involvement or is linked to business relationships,
- scale and gravity of the incident,
- probability of recurrence.

The assessment is carried out on the basis of information derived from reports of irregularities, the findings of investigations, analyses of health and safety incidents, and feedback provided by staff. On this basis, the Group implements appropriate measures, including remedial, corrective and preventive actions, and, in the case of matters related to business relationships, also measures concerning its business partners. The findings from these analyses are used to further improve practices and procedures in the areas of HR, occupational health and safety, and compliance.

The remedial measures implemented by the Group include impartial investigations, corrective and preventive actions, and support for those affected by the incident.

The Group does not currently identify any material risks arising from the impact on, or dependence on, its own workforce; however, it implements preventive measures carried out by the Parent Undertaking, including the operation of a system for reporting irregularities and the protection of whistleblowers, ongoing verification of the compliance of HR processes with labour law, and measures to mitigate risks in the areas of health and safety, workplace bullying and discrimination, remuneration and staff competencies. The findings from these analyses are used to further improve practices and procedures in the areas of HR, occupational health and safety, and compliance.

The progress and effectiveness of all measures taken are monitored by the Parent Undertaking through:
- monitoring of health and safety indicators, including the number of accidents and near-misses,
- results of the employee satisfaction survey,
- feedback from ongoing communication,
- analysis of reports and the outcomes of investigations within the whistleblowing system,
- assessment of the effectiveness of corrective measures, including an analysis of the recurrence of incidents,
- analysis of training participation indicators,
- assessment of the functioning of HR and compliance processes.

The Group primarily allocates human resources to managing impacts related to its own workforce. Employees from the HR, health and safety and compliance departments, as well as management responsible for overseeing compliance with applicable procedures and responding to reports, are involved in these activities.

These teams carry out preventive measures, monitor risks, conduct investigations and implement corrective and improvement measures. The deployment of human resources is supported by established internal procedures, a whistleblowing scheme, training initiatives and regular reviews of HR and occupational health and safety processes, which enable the ongoing management of impacts and the assessment of the effectiveness of the measures taken.

TELE-FONIKA Kable S.A. Capital Group does not currently implement any specific measures aimed at mitigating the potential negative impacts associated with the transition to a greener and climate-neutral economy in relation to its own workforce. This is because, at this stage, the environmental transition does not entail, nor is it expected to entail, any material organisational, technological or operational changes that could affect employment levels, the need for employee retraining or the risk of job losses.

ESRS S1 – Own workforce

In future reporting periods, the Group plans to implement measures aimed at reinforcing the positive impacts associated with the development of its own workforce and further enhancing the attractiveness of the organisation as an employer. The planned initiatives include, in particular:

- development of training programmes and employee upskilling initiatives, including specialist and skills-based training,
- further improvement of HR processes, including the implementation of gender-neutral language in job advertisements and measures to promote equal treatment,
- carrying out a job evaluation exercise to increase transparency regarding remuneration policies and opportunities for professional development,
- strengthening internal communication and initiatives that foster an organisational culture based on safety, transparency and employee engagement,
- further development of whistleblowing procedures and initiatives to raise awareness amongst employees in this area,
- delivery of training for staff on combating child labour, forced labour and human trafficking.

ESRS S1 – Own workforce

[S1-5] Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

During the reporting year, the TELE-FONIKA Kable S.A. Group set targets related to its workforce, aimed at strengthening the positive impacts associated with working conditions, occupational health and safety, employee development and respect for human rights. These targets include:

- ensuring that all employees receive a living wage,
- maintaining zero cases of modern slavery, forced labour and child labour,
- ensuring that at least 50% of employees receive training on preventing workplace bullying and discrimination,
- holding five meetings of the Occupational Health and Safety Committee at the Parent Undertaking,
- the conduct of 10 health and safety audits by Social Labour Inspectors at the Parent Undertaking,
- carrying out health and safety monitoring at the Południe Plant,
- receiving 0 findings during audits of selected areas of infrastructure and working conditions,
- ensuring that 100% of new employees and those carrying out work on the premises receive occupational health and safety training before being authorised to carry out their duties (a legal requirement),
- maintaining 100% coverage of occupational risk assessments for all job roles and keeping risk assessments up to date in the event of organisational or technological changes,
- adopting new Work Regulations and updating the Pay Regulations at the Parent Undertaking.

These targets are directly linked to the policies and procedures in force at the Parent Undertaking, in particular ***The Living Wage Policy, the Work Regulations, the Procedure for Counteracting Workplace Bullying and Discrimination, the Modern Slavery and Human Trafficking Policy and the Policy on Child Labour.*** They reflect the commitments of the Group to respecting human rights, ensuring equal treatment, complying with labour laws, and providing safe and transparent working conditions.

Training targets have been set at the level of the Parent Undertaking and apply to its employees. The remaining targets cover all activities of the Group, all employees and all locations, referring exclusively to the Group's own workforce, unless it is explicitly stated that a specific objective relates to a specific undertaking within the Group.

In the case of the target related to a living wage and the elimination of forced labour, modern slavery and child labour, these are absolute, ongoing and open-ended. The target for training on counteracting workplace bullying and discrimination is relative and short-term in nature, and is measured as a percentage of employees who have undergone the training.

The current reporting period has been adopted as the base year. The base values include:

- compliance of remuneration with applicable legislation and internal remuneration policies,
- no identified cases of forced labour, modern slavery or child labour,
- the current level of employee training.

The targets have been set on the basis of current labour law, internal policies and procedures, and the findings of ongoing reviews of HR and occupational health and safety processes. In defining these targets, account was also taken of feedback received from employees and the ethical standards in force within the Group. However, no formal external consultations have been held on this matter.

During the reporting period, no changes were made to the targets set or to the methods used to monitor them.

Progress towards achieving the targets is monitored, inter alia, by:

- providing an analysis of remuneration levels to ensure compliance with applicable legal requirements and the principles adopted by the Parent Undertaking in the area of remuneration,
- monitoring of reports concerning breaches of labour rights and ethical standards, including cases of forced labour, modern slavery and child labour,
- training records and indicators of employee participation in training on counteracting workplace bullying and discrimination.

The Group points out that the targets related to its own workforce are not of an environmental nature; consequently, they were not developed on the basis of scientific evidence relevant to climate or environmental targets.

ESRS S1 – Own workforce

[S1-6] Characteristics of the employees of the undertaking

The figures related to the employees of the TELE-FONIKA Kable S.A. Capital Group are presented based on the headcount as of 31 December 2025.

The table below shows the workforce breakdown by sex in the Group, including employees employed under an employment contract. In 2025, the Group did not record any employees who identified a gender other than woman or man, nor were there any cases where sex was not disclosed.

Number of employees of the TELE-FONIKA Kable S.A. Group in 2025, broken down by sex

GENDER	NUMBER OF EMPLOYEES
Woman	372
Man	2,087
Total number of employees	**2,459**

Number of employees of the TELE-FONIKA Kable S.A. Capital Group, broken down by the countries in which the undertaking employs at least 50 employees, representing at least 10% of the total workforce of the Group

COUNTRY	NUMBER OF EMPLOYEES
Poland	2,214
Serbia	191
Other locations	54
Total number of employees	**2,459**

Number of employees of the TELE-FONIKA Kable S.A. Capital Group in 2025, broken down by type of contract and sex

CATEGORY	WOMAN	MAN	TOTAL
Number of employees (integer number)	372	2,087	**2,459**
Number of employees under contracts for an indefinite period of time (total)	298	1,713	**2,011**
Number of employees under contracts for a fixed term (integer number)	74	374	**448**
Number of temporary employees (integer number)	0	0	**0**
Number of employees who are not guaranteed working hours (integer number)	0	0	**0**
Number of full-time employees (integer number)	356	2,066	**2,422**
Number of part-time employees (integer number)	16	21	**37**

The table below shows the number of employees employed under employment contracts who left the TELE-FONIKA Kable S.A. Capital Group during the reporting period, together with the employee turnover rate.

Turnover indicator in the TELE-FONIKA Kable S.A. Capital Group in 2025

SEX	NUMBER OF EMPLOYEES
Total number of employees	2,459
Number of employee departures	372
Employee turnover	**15%**

The employee turnover indicator was calculated as the ratio of the number of employees employed under an employment contract who left the Group in 2025 to the number of employees employed under an employment contract as of 31 December 2025.

ESRS S1 – Own workforce

[S1-7] Characteristics of non-employees who form part of the own workforce

The TELE-FONIKA Kable S.A. Capital Group works with individuals who provide services under contracts other than employment contracts. These include, inter alia, experts providing consultancy and IT services, as well as persons performing administrative and support tasks. Moreover, as part of the Group's collaboration with external organisations, analytics services are also provided as part of cooperation with external entities.

At the end of the reporting period, 47 people were working for the Group under contracts other than employment contracts. This group included both individuals working under civil law contracts and self-employed individuals providing services on a B2B basis.

[S1-8] Collective bargaining coverage and social dialogue

The TELE-FONIKA Kable S.A. Capital Group engages in social dialogue, recognising employees and their representatives as a key stakeholder group in the process of shaping working conditions and the operations of the organisation. The measures taken are designed to ensure that employees have the opportunity to participate in consultation processes and that their views are taken into account in decisions concerning employee and organisational matters.

The Group states that the proportion of all employees covered by collective agreements at its sites located in the European Economic Area is 0%. At the plants outside the European Economic Area, i.e. in the United States, Serbia and the United Kingdom, 0% of employees are also covered by collective bargaining agreements. The key principles governing the working conditions and remuneration of the employees of the Parent Undertaking are set out in the Work Regulations and the Pay Regulations, which, although they do not constitute formal collective bargaining agreements, are adopted and updated on a case-by-case basis following consultation with employee representatives.

At the plants of the Group located in Poland, the proportion of employees represented by employee representatives is 26%, whereas in the other countries of the European Economic Area where the Group operates, the number of employees at individual plants is less than 50, and therefore there are no formal employee representation structures in place there.

The Group is not a party to any agreements concerning the representation of employees by a European Works Council, a Works Council of a European Company or a Works Council of a European Cooperative Society.

[S1-9] Diversity metrics

For the purposes of this disclosure, the TELE-FONIKA Kable S.A. Capital Group applies its own approach to the definition of executive management, which differs from the approach set out in the ESRS. In this context, the Management Board of the Parent Undertaking is included in this category, in line with the organisational structure and management model of the Group.

As of 31 December 2025, the Management Board of the Parent Undertaking consisted of three members. Its structure, broken down by sex, is presented below in tabular form. These figures enable an assessment of the level of diversity at the highest level of management and provide a basis for further monitoring of developments in this area.

Gender breakdown of the top management of the TELE-FONIKA Kable S.A. Capital Group in 2025, expressed in numbers and as a percentage

2025	
NUMBER OF BOARD MEMBERS BROKEN DOWN BY SEX	
Man	2
Woman	1
TOTAL	**3**
COMPOSITION OF THE BOARD BROKEN DOWN BY SEX [%]	
Man	66.67%
Woman	33.33%
TOTAL	**100%**

As part of its diversity disclosures, the Company presents the age structure of its workforce, distinguishing between three main age groups.

Age structure of the employees of the TELE-FONIKA Kable S.A. Capital Group in 2025

2025	
NUMBER OF EMPLOYEES BROKEN DOWN BY AGE	
AGE < 30	266
AGE 30-50	1,223
AGE > 50	*970*
TOTAL	**2,459**

ESRS S1 – Own workforce

[S1-10] Adequate wages

In 2025, the TELE-FONIKA Kable S.A. Capital Group ensured that all employees received remuneration of no less than the statutory minimum remuneration, thereby complying with the applicable legal requirements in this regard.

Irrespective of compliance with the legal requirements regarding the minimum wage, in 2025, the Parent Undertaking carried out, for the second time, an analysis of pay levels to assess their compliance with the principles of living wage, i.e. pay that provides sufficient resources to meet basic economic, social and cultural needs. According to data available on the website www.twojezarobki.com – a portal recognised as a reliable benchmark for the living wage in Poland (according to the IDH Benchmark Finder tool), the living wage in the regions where TELE-FONIKA Kable S.A. operates was lower than the statutory minimum wage in Poland (PLN 4,666 gross per month or PLN 30.50 gross per hour). Accordingly, a review of the data on remuneration paid confirmed that 100% of employees employed directly by the Parent Undertaking receive remuneration exceeding the adopted living wage thresholds.

[S1-13] Training and skills development metrics

During the reporting period, the TELE-FONIKA Kable S.A. Capital Group did not carry out systematic performance reviews or formal career development assessment processes for its employees. At the same time, at the level of the Parent Undertaking, measures were implemented aimed at developing employee competencies and enhancing their qualifications, as described in the disclosure S1-4.

Providing employees with access to training is an integral part of human capital management within the TELE-FONIKA Kable S.A. Capital Group. The table below sets out the indicators related to training and skills development in 2025 and covers only the own employees of the organisation. The data were compiled on the basis of internal HR Department reports and cover entities located in Poland and Serbia that are included in the central HR system, ensuring the consistency and comparability of the information presented. Subsidiary undertakings, which employ a small proportion of the workforce of the Group, operate under separate business models and are not covered by the centralised reporting of training data; this does not affect the representativeness of the indicators presented.

Average number of training hours per employee, broken down by sex, at the following companies: TELE-FONIKA Kable S.A. and TF KABLE FKZ DOO ZAJEČAR in 2025

	2025		
	TOTAL NUMBER OF TRAINING HOURS	TOTAL NUMBER OF EMPLOYEES	AVERAGE NUMBER OF TRAINING HOURS PER EMPLOYEE
Man	14,720	2,046	7.65
Woman	1,963	359	5.20
Total number of employees	**16,683**	**2,405**	**6.94**

The lower average number of training hours per female employee is primarily due to the structure of employment. Women and men are guaranteed equal access to all positions and career development opportunities, however, within the workforce of the companies covered by the data presented, men account for a larger proportion of those employed in technical, production and manual roles, which require compulsory periodic and specialist training. Consequently, the differences in the values of the indicators reflect the varying training requirements assigned to individual posts.

ESRS S1 – Own workforce

[S1-14] Health and safety metrics

Occupational health and safety is one of the key areas of human resources management within the TELE-FONIKA Kable S.A. Capital Group. Organisational and preventive measures are being taken to ensure safe working conditions and to minimise the risks associated with the work carried out. The activities carried out by the Parent Undertaking in this area are described in more detail in the disclosure S1-4.

The tables below present occupational health and safety indicators for the TELE-FONIKA Kable S.A. Capital Group for 2025, compiled on the basis of data collected by the Occupational Health and Safety Department.

Key indicators for health and safety management within the TELE-FONIKA Kable S.A. Capital Group in 2025

CATEGORY		
The percentage of employees covered by an occupational health and safety management system based on legal requirements or recognised standards or guidelines	100	percentage
Number of fatalities resulting from work-related injuries and work-related ill health	0	number
Number of reportable work-related accidents among employees	80	number
Rate of reportable work-related accidents among employees	19.5	indicator
Number of reportable cases of work-related ill health, subject to legal restrictions on data collection	74	number
Number of days lost due to work-related injuries and work-related ill health	2,929	number

[10] The work-related accident indicator was calculated as the number of accidents divided by the total number of hours worked by employees on employment contracts, multiplied by 1,000,000.

[S1-15] Work-life balance metrics

In 2025, 100% of the employees of the Parent Undertaking were entitled to take family leave. The table below shows the percentage of people exercising this right – both overall and broken down by sex.

Percentage of employees taking leave for family reasons

SEX	
Women	10%
Men	3.1%
Total	**4.2%**

ESRS S1 – Own workforce

[S1-16] Compensation metrics (pay gap and total compensation)

The pay gap at the Parent Undertaking in 2025

GENDER PAY GAP RATIO (GPGR) = THE RATIO OF WOMEN'S AVERAGE GROSS HOURLY PAY TO THAT OF MEN	2025
Managerial staff	108%
Middle management	103%
Middle management – supervision	96%
Specialists	89%
Specialists – administrative employees	97%
Production support workers 1	91%
Production support workers 2	85%
Production workers 1	96%
Production workers 2	93%
Other employees 1	115%
Other employees 2	109%
ON AVERAGE	**114%**

The specific nature of the production operations of the Group has a material impact on the final figures for these indicators; this is linked to a marked predominance of men in operator roles, which are characterised by the lowest pay levels.

The pay gap was calculated on the basis of salaries, excluding benefit payments, whilst excluding from the analysis employees on long-term absences exceeding 180 days, including unpaid leave and parental leave. The results of the analysis are further influenced by significant workforce changes and employee turnover.

[S1-17] Incidents, complaints and severe human rights impacts

In 2025, one case of discrimination, including harassment, was reported within the TELE-FONIKA Kable S.A. Capital Group; this was a complaint concerning workplace bullying and discrimination, lodged by a female employee of TELE-FONIKA Kable S.A. The complaint was lodged through the trade union. Following an internal investigation and an inspection by the National Labour Inspectorate, the complaint was deemed unfounded; the case was therefore closed without the need for further action.

During the reporting period, no incidents involving human rights breaches were identified in relation to its own workforce.

ESRS S2 - Workers in the value chain

[S2-1] Policies related to workers in the value chain

The TELE-FONIKA Kable S.A. Capital Group has a number of policies in place designed to ensure appropriate working standards and respect for the rights of those working within the value chain. These documents, hereinafter collectively referred to as 'policies', form the basis for the requirements set out in business relationships and define the principles of responsible conduct throughout the supply chain.

The Group has adopted the following internal regulations, which set out standards for those working within the value chain:

- *Supplier Code of Conduct,*
- *Code of Conduct and Ethical Standards,*
- *Compliance Code.*

Moreover, the following have been implemented at the Parent Undertaking:

- *Sustainable Procurement Policy*
- *General Terms and Conditions of Procurement,*
- *Modern Slavery and Human Trafficking Policy,*
- *Policy on child labour,*
- *Policy on responsible sourcing of minerals,*
- *Human Rights and Diversity Policy.*

A detailed description of the *Code of Conduct and Ethical Standards*, the *Compliance Code*, the *Policy on Child Labour,* and the *Human Rights and Diversity Policy* is set out in the disclosure S1-1. In turn, the details of the *Supplier Code of Conduct*, the *Sustainable Procurement Policy*, the *General Terms and Conditions of Procurement*, the *Modern Slavery and Human Trafficking Policy* and the Policy on responsible sourcing of minerals are set out in the disclosure G1-2.

The above documents cover all persons carrying out work within the value chain, including, in particular, employees of suppliers, their associates, contractors, subcontractors and other participants in the supply chain, regardless of where they operate. Their objective is to ensure that business collaboration takes place exclusively with entities that comply with the law, ethical principles and recognised standards in the areas of human rights, labour rights, occupational health and safety, and responsible business conduct.

The interests of key stakeholders, including suppliers and business partners, are taken into account in the process of formulating and implementing policies. Suppliers are also expected to engage in dialogue with internal and external stakeholders and to take their views, needs and expectations into account in their operations.

The Management Board of the Parent Undertaking is responsible for approving policies, whilst their implementation at an operational level is the responsibility of the units in charge of procurement, which also monitor compliance and report the results to senior management.

The policies adopted address key areas of risk related to respect for human rights and labour rights. These include, in particular:

- combating forced labour and human trafficking,
- combating child labour and modern forms of slavery,
- combating discrimination, workplace bullying and harassment,
- ensuring safe and healthy working conditions,
- compliance with regulations on pay, working hours and the freedom of association.

With regard to the supply chain, issues related to the responsible sourcing of raw materials are also important. The Policy on responsible sourcing of minerals identifies risks associated with the supply chain, covering, inter alia, tin, tantalum, tungsten, gold, cobalt and mica originating from regions affected by armed conflict or high-risk areas where human rights abuses, forced labour, child labour, corruption and adverse environmental impacts may occur. In this regard, the Parent Undertaking requires its suppliers to ensure the traceability of raw materials and to provide declarations regarding their origin.

The current policies draw on recognised international standards and initiatives, in particular:

- UN Guiding Principles on Business and Human Rights,
- OECD Guidelines for Multinational Enterprises,
- Universal Declaration of Human Rights,
- ILO Declaration on Fundamental Principles and Rights at Work and the core conventions of the ILO,
- Principles of the UN Global Compact,
- Regulation (EU) 2017/821 on conflict minerals.

In the area of responsible sourcing of minerals, the industry reporting standards CMRT (Conflict Minerals Reporting Template) and EMRT (Extended Minerals Reporting Template), developed by the Responsible Minerals Initiative, are also applied.

The Group therefore commits to an approach based on respect for human rights and the promotion and enforcement of standards designed to combat forced labour, child labour, modern slavery and breaches of labour rights within the value chain.

ESRS S2 - Workers in the value chain

Monitoring of compliance with the adopted rules in relation to the key suppliers of the Parent Undertaking is carried out on the basis of multi-stage measures comprising, amongst other things, the qualification and annual assessment of suppliers, audits, analysis of documentation and declarations submitted by suppliers, ESG surveys and analysis of publicly available sources. Those working within the value chain may also make use of the whistleblowing mechanisms described in the disclosure G1-1.

The instruction IJ-0-05 'Selection and evaluation of suppliers, supplier audits' applicable at the Parent Undertaking provides for the possibility of immediate termination of collaboration, inter alia, in the event of serious human rights breaches, breaches of environmental standards or instances of corruption.

As at the date of this report, the Parent Undertaking had not identified any instances of non-compliance with the UN Guiding Principles on Business and Human Rights, the Declaration on Fundamental Principles and Rights at Work of the International Labour Organisation, or the OECD Guidelines for Multinational Enterprises with regard to workers in the value chain.

Policies and other internal documents are communicated and made available to interested parties through various channels, including the website, email and documents related to the procurement process. The Supplier Code of Conduct forms an integral part of the General Terms and Conditions of Procurement and of orders placed with suppliers, and confirmation of an order constitutes acceptance of the requirements set out in these documents. To ensure that information is accessible to stakeholders operating in different markets, selected documents are also made available in English, and the General Terms and Conditions of Procurement are also available in German.

In order to further improve due diligence processes and strengthen supervision over suppliers within the value chain, in 2025 the Parent Undertaking updated its existing procedure IJ-0-05 'Selection and assessment of suppliers, supplier audits'. The changes introduced included clarifying the rules for assessing suppliers in situations where a supplier refuses to complete the assessment questionnaire but submits internal documentation confirming compliance with the requirements covered by the survey. In such cases, it is permitted to use the documents provided as the basis for the assessment. At the same time, the instruction also clarifies the rules applicable to suppliers in relation to suppliers classified in the highest risk category, including the criteria for improvement or termination of the business relationship. These changes were intended to improve the effectiveness of supplier monitoring and the actions taken in response to identified non-conformities.

[S2-2] Processes for engaging with value chain workers about impactscovered by the instructions

In 2025, the TELE-FONIKA Kable S.A. Capital Group did not have a formalised process in place for collaboration with persons performing work within the value chain. As at the date of this report, the Group had not decided to introduce such a process in the forthcoming reporting period.

Notwithstanding the above, individuals working within the value chain have the opportunity to report irregularities through the channels established and managed by the Parent Undertaking, as described in more detail in the disclosure G1-1.

[S2-3] Processes to remediate negative impacts and channels for value chain workers to raise concerns

Despite the fact that no adverse impacts have been identified in relation to those working within the value chain, the TELE-FONIKA Kable S.A. Capital Group is taking measures aimed at minimising the risk of such impacts occurring. This approach is two-pronged and encompasses both mechanisms for monitoring and verifying suppliers' compliance with labour rights requirements and other ESG standards, as well as the provision of channels enabling those working within the value chain to report irregularities.

Under the first pillar, preventive measures are implemented in accordance with instruction IJ-0-05 'Selection and assessment of suppliers, supplier audits', which is in force within the Parent Undertaking. This document sets out the principles for the assessment, monitoring and auditing of suppliers, taking into account, amongst other things, social issues, human rights and other ESG matters.

Where serious breaches are identified, in particular those related to human rights, environmental standards or corruption, the Parent Undertaking may restrict collaboration, block the supplier in the SAP system, remove it from the Register of Approved Suppliers, or terminate the business relationship with immediate effect.

In 2025, no non-conformities were identified in the area covered by the instruction.

ESRS S2 - Workers in the value chain

The second element of this approach is the operation of whistleblowing mechanisms, which are described in more detail in the disclosure G1-1. These channels enable the confidential reporting of breaches of the law and ethical standards, including human rights issues within the value chain.

As at the date of this report, reporting mechanisms are in place at the Parent Undertaking and at the subsidiary undertaking Tele-Fonika Cable Americas Corp. At the same time, the reporting channels applicable at the Parent Undertaking may be used by suppliers to all subsidiary undertakings and by persons performing work within their value chains. Such a report will be forwarded to the subsidiary undertaking so that it may take the necessary steps to investigate the matter. Reports may be submitted electronically, in writing or by telephone, and may also be made anonymously.

Information on the available channels is published on the website of the Capital Group and in the relevant compliance documents and procedures; a description of these channels is also included in the Supplier Code of Conduct.

The effectiveness of these mechanisms is underpinned by ensuring the protection of reporting persons, including protection against reprisals, maintaining the confidentiality of their identity, and applying the principles of personal data protection.

The channels are open to the general public, and in 2025 no reports of breaches of the law or ethical standards were recorded.

At this stage, no separate, formalised measures are being carried out to assess the level of awareness among those working within the value chain regarding the functioning of whistleblowing mechanisms, nor to evaluate their confidence in these arrangements. Information regarding the available reporting channels is provided to suppliers as part of the Supplier Code of Conduct, acceptance of which is a condition for establishing a business relationship and forms part of the supplier qualification process.

In this context, suppliers are expected to ensure that workers have access to the whistleblowing and complaints mechanisms in place within their organisations. At the same time, there is no systematic monitoring to ascertain whether suppliers actually have and use mechanisms for reporting irregularities and handling complaints.

The approach of the Parent Undertaking is based on the principles of due diligence and the ongoing monitoring of social and human rights risks throughout the value chain, in accordance with the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises.

[S2-4] Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those action

During the reporting year, the Parent Undertaking took measures to maintain and strengthen the positive impacts associated with those working within the value chain and to mitigate the risk of potential negative impacts. These measures focused on applying the requirements set out in existing policies and procedures, monitoring compliance with them, and taking social, human rights and other ESG issues into account in its engagement with business partners.

In the area of occupational health and safety, the Parent Undertaking takes into account health and safety requirements in its supplier qualification, assessment and monitoring processes. Occupational health and safety issues form part of ESG surveys, audits and other supervisory activities carried out in relation to suppliers. Where non-conformities or increased risks are identified, corrective actions may be implemented, the progress of which is subject to further monitoring. These measures are designed to help maintain appropriate occupational safety standards throughout the value chain.

With regard to respect for human rights, the Parent Undertaking requires its suppliers to comply with the standards set out in the applicable policies, codes of conduct and other internal documents governing the terms of collaboration. These requirements include, amongst other things, a ban on forced labour, child labour, human trafficking and modern forms of slavery, as well as measures to combat inequality and discrimination, and respect for workers' rights, including the right to social dialogue. Compliance with the above principles is verified as part of the supplier assessment process through ESG surveys and on-site audits.

These measures cover those working within the value chain and are implemented on an ongoing basis, in accordance with established processes and procedures. Their implementation relies on existing operational resources involved in procurement processes, supplier assessment, compliance, ESG and auditing, and their effectiveness is assessed primarily through the ongoing monitoring of the results of supplier assessments, ESG surveys and audits.

ESRS S2 - Workers in the value chain

During the reporting year, no instances of non-compliance were identified in relation to workers within the value chain that would have required the implementation of remedial measures. Nor were any serious issues or incidents related to human rights breaches in the value chain of the Group reported.

In future reporting periods, the Group plans to further develop its approach to assessing ESG issues in its relations with suppliers, including increasing the level of detail in the audits carried out in this area.

[S2-5] Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

As part of the monitoring of the implementation of measures related to workers in the value chain, TELE-FONIKA Kable S.A., which acts as the Parent Undertaking of the Group, has set out operational targets related to selected elements of the supplier management system, which will be implemented within the Parent Undertaking. These targets relate to supplier qualification and assessment processes and include increasing the level of formal confirmation of compliance with standards and the scope of data collected through ESG surveys.

The targets have been defined in two areas:

- Signing of the *Supplier Code of Conduct:*
  - by the end of 2025: ensure that at least 90% of key suppliers have signed and accepted the *Supplier Code of Conduct*,
  - by the end of 2026: ensure that 100% of key suppliers are formally committed to complying with the *Supplier Code of Conduct*.
- Supplier self-assessment surveys:
  - by the end of 2025: to obtain completed self-assessment surveys from over 75% of suppliers covered by the qualification process,
  - by the end of 2026: to include over 85% of the suppliers subject to assessment in the survey process.

The targets are operational in nature and are based on the results of previous supplier assessment processes and the requirements set out in instruction IJ-0-05 ‘Selection and assessment of suppliers, supplier audits’. The targets are quantitative and relate to the base of suppliers of goods and services of the Parent Undertaking.

During the process of defining the targets, no consultations were held with those working within the value chain or their representatives. The process was based on the in-house expertise of the procurement units and the units responsible for ensuring compliance (Compliance and Sustainability Team), whilst taking into account industry-wide due diligence standards.

Progress towards the targets is monitored twice a year by the departments responsible for procurement. The data used for monitoring are sourced from operational systems and records maintained in accordance with instruction IJ-0-05 ‘Selection and evaluation of suppliers, supplier audits’.

The monitoring results are reported to the relevant management levels in order to ensure oversight of the achievement of the adopted target values and to identify any deviations requiring corrective action.

Looking ahead to future reporting periods, it is anticipated that the scope of the targets may be further modified and expanded, in particular to include additional criteria related to working conditions and human rights, depending on the results of the analyses and supplier assessment processes currently underway.

ESRS S4 – Consumers and end-users

[S4-1] Policies related to consumers and end-users

As at the date of this report, the TELE-FONIKA Kable S.A. Capital Group does not have a separate policy dedicated to consumers and end-users, nor does it plan to implement one in the next reporting period. At the same time, the Group manages matters related to this stakeholder group on the basis of the policies it has implemented and its existing internal procedures and instructions (hereinafter collectively referred to as 'policies').

The following documents apply throughout the TELE-FONIKA Kable S.A. Capital Group:

- ***Code of Conduct and Ethical Standards,***
- ***Compliance Code,***
- ***Information Policy.***

Code of Conduct and Ethical Standards - the purpose of the document is to set out the ethical principles and standards of conduct applicable to the employees and business partners of the Group. The Code focuses on promoting transparency, integrity and accountability in the conduct of business, including in relations with customers, consumers and end users.

The document covers issues related to business ethics, anti-corruption, the principles of fair competition and responsible information management. With regard to consumers and end-users, the code helps to minimise the risks associated with unethical business practices, the misuse of information, human rights breaches or non-compliance with regulations on export controls and trade restrictions. At the same time, the Code reinforces a responsible approach to relations with stakeholders and helps to build trust in the operations of the Group.

The Code also sets out principles related to environmental protection, respect for human rights and labour rights, as well as procedures for reporting irregularities and the sanctions applied in the event of a breach of the adopted standards.

The highest body responsible for implementing the code is the Management Board of the Parent Undertaking.

Compliance Code addresses the interests of customers, consumers and end users by setting standards for responsible business conduct throughout the value chain. The document emphasises the commitment of the Group to ensuring quality, safety and the fair treatment of customers and business partners. It requires compliance with ethical principles in commercial relations, including a ban on corrupt and anti-competitive practices and conflicts of interest, which directly promotes transparency and integrity towards customers. The Code also covers requirements related to human rights, product safety, occupational health and safety, and environmental protection, which indirectly contribute to the safety and responsible use of products by end-users. A key element is the mechanisms for reporting irregularities and the protection of whistleblowers, which enable the identification and elimination of potential irregularities affecting customers and end-users.

The Compliance Manager is responsible for implementing and enforcing the code within the Parent Undertaking. In the subsidiary undertakings, responsibility for ensuring compliance with this document rests with the Management Boards of those companies or with persons appointed by them.

Information Policy – The purpose of this policy is to enhance the effectiveness of information management within the Group by ensuring high standards of communication based on the principles of transparency, accuracy, reliability, timeliness and consistency. This policy sets out the rules governing communication and the dissemination of information in relations with stakeholders, including customers, consumers and end users, whilst promoting access to high-quality, reliable and up-to-date information concerning the operations of the Group and the products and services it offers.

The policy also focuses on the protection of confidential information and personal data, and on the implementation of mechanisms for their storage and processing in accordance with applicable legislation. The document sets out the rules for using various communication channels, including websites, email, correspondence, social media, information materials, presentations and face-to-face contact. With regard to consumers and end users, the policy helps to minimise the risks associated with the improper circulation of information, a lack of transparency or breaches of data confidentiality, and also enhances the credibility of the communications of the Group.

The policy also sets out circumstances in which the publication of certain information may be restricted if it could infringe competition and consumer protection legislation, legally protected secrets, concluded contracts or unilateral commitments.

The Director of the Marketing Department at the Parent Undertaking is responsible for implementing the policy across the entire Group.

ESRS S4 – Consumers and end-users

TELE-FONIKA Kable S.A., as the Parent Undertaking exercising control over the companies forming part of the TELE-FONIKA Kable S.A. Capital Group, has implemented the following policies:

- ***Quality Policy,***
- ***Policy on product use,***
- ***Human Rights and Diversity Policy,***
- ***Corporate Code,***

Quality Policy – The objective of this policy is to ensure the appropriate quality of production and the products offered by the Group by meeting quality requirements, complying with applicable legislation and fulfilling customer expectations. This policy applies within the following companies TELE-FONIKA Kable S.A., Tele-Fonika Kable Central Europe GmbH and TF Kable Fabrika Kablova Zajecar d.o.o. The document focuses on establishing the position of a reliable manufacturer, developing modern technologies and materials, collaborating with suppliers of raw materials that meet quality requirements, and improving employee skills. With regard to consumers and end users, the policy supports the assurance of product quality, compliance and safety; the building and maintaining of customer trust and satisfaction; and the mitigation of risks associated with failure to meet customer requirements and quality standards. The policy also provides for the continuous improvement of the quality management system in accordance with the ISO 9001:2015 standard.

The Management Board of TELE-FONIKA Kable S.A. is responsible for implementing this policy.

Policy on Product Use – The objective of this policy is to manage the full life cycle of products, taking into account quality, environmental and safety aspects related to their use. The policy focuses on eco-design, including the selection of raw materials with a low carbon footprint and the reduction of hazardous substances, as well as on optimising production processes in terms of energy efficiency and waste reduction, in accordance with applicable environmental standards. With regard to consumers and end-users, the policy includes measures to promote the durability of products, their safe installation and the proper management of products at the end of their useful life, including recycling. This approach helps to minimise risks related to the safe use of products and their environmental impact throughout their life cycle. The effectiveness of the policy is monitored through a system for reporting irregularities and periodic compliance reviews.

The various departments involved in the value chain – from procurement to sales – are responsible for implementing the policy.

Human Rights and Diversity Policy – The aim of this policy is to ensure respect for human rights and to promote the principles of equal treatment and diversity. The document is based on the principles set out in the Universal Declaration of Human Rights, the International Bill of Human Rights, the 10 principles of the UN Global Compact, the UN Guiding Principles on Business and Human Rights, and the OECD Guidelines for Multinational Enterprises.

The policy relates to relations with internal and external stakeholders, including customers, consumers and end users, by committing the Company to engaging in dialogue and taking into account the views and expectations of individual stakeholder groups. This approach helps to mitigate risks associated with human rights breaches, unequal treatment or inappropriate practices in relations with the business community, whilst at the same time enhancing the transparency and accountability of the business operations. In accordance with the policy, any complaint regarding a potential breach of the rules set out in the document is analysed and investigated, and, where a response is required, appropriate corrective measures are taken.

The Compliance Manager is responsible for implementing the policy.

The Corporate Code is designed to ensure transparency and accountability in the operations of TELE-FONIKA Kable S.A., whilst taking into account the interests of key stakeholders, including customers and end-users. The document sets out the general principles governing the operations of the organisation, which promote a balance between the interests of shareholders, employees, suppliers and customers. In practice, this means promoting management standards that foster operational stability, the quality of customer relations and the protection of customers' interests within the context of business operations.

The Management Board of the Company is responsible for overseeing compliance with the Code.

The above policies – depending on their scope – apply throughout the TELE-FONIKA Kable S.A. Capital Group or exclusively within the Parent Undertaking. They apply to all customers and intermediaries, regardless of their position in the supply chain. This approach is applied regardless of the country or geographical area in which business is conducted, taking into account the restrictions arising from international sanctions regulations and high-risk areas.

Once approved, the policies of the Group are communicated and made available to staff in the usual manner (on noticeboards, via the company's email system). Customers and external stakeholders have access to selected documents published on the website of the Group.

ESRS S4 – Consumers and end-users

During the reporting period, no breaches of the UN Guiding Principles on Business and Human Rights, the Declaration on Fundamental Principles and Rights at Work of the International Labour Organisation, or the OECD Guidelines for Multinational Enterprises were identified in relation to consumers and end-users.

[S4-2] Processes for engaging with consumers and end-users about impacts

The TELE-FONIKA Kable S.A. Group works in partnership with its customers and, in certain cases, with the end users of its products.

Collaboration with customers takes place, in particular, during the stages of product quotation, order placement and fulfilment, handling complaints, and day-to-day relationship management. It is an ongoing process, involving daily contact maintained by sales representatives from the commercial companies of the Group and by employees in the Sales Support Department, as well as regular contact through periodic customer satisfaction surveys and dialogue conducted at trade fairs, industry conferences, activities within trade associations and via social media.

Each customer is assigned a sales representative who is responsible for day-to-day collaboration and sales support. Sales personnel report to Deputy Regional Directors or Regional Directors, who in turn report to the Sales Director. Employees of the Sales Support Department, meanwhile, are responsible for assisting customers with order fulfilment. Operational responsibility for working with customers lies with the Sales Director and the regional sales directors.

With regard to end users, comprising primarily electricity and telecommunications network operators, as well as wind farm and solar power plant operators who purchase the products of the Group directly for their own use, initiatives are being undertaken to foster collaboration and gather feedback from these stakeholders.

These measures include training courses and product workshops delivered by specialist departments (including the sales department and, in certain cases, the technical department) for employees of the customers responsible for procurement and tendering, employees of contractors, installers and designers of electrical power and telecommunications systems. The Group also takes part in conferences, trade fairs and industry events, at which technological solutions are presented and feedback is gathered on experiences and market expectations. In selected areas of the Group's business, particularly in the high-voltage cables segment, the Group's collaboration with customers and end-users also includes needs analysis, support in selecting design solutions, assistance with installation and commissioning, and after-sales service. An additional channel of contact is the complaints handling process, through which customers and end users can raise comments or issues related to the use of products.

The above measures are of an operational nature and are implemented in response to the needs of customers, users or the market, including, amongst other things, in connection with regulatory changes (e.g. the requirements of the CPR – Construction Products Regulation). The Group does not set separate quantitative objectives for these activities, and their implementation falls within the remit of the relevant specialist units.

Customer feedback and information obtained indirectly from end users influence the Group's operational activities and the improvement of the Group's processes and products. A key tool for assessing the effectiveness of collaboration is the annual Customer Satisfaction Survey, which has been carried out by the Parent Undertaking since 2018 in accordance with the ISO IJ-0-33 procedure. The survey is conducted once every 12 months in the form of an online survey and covers issues related to the quotation process, order placement, complaint handling and customer relationship management. The results are analysed against the agreed KPIs, as well as satisfaction indicators and NPS. In the event of material deviations, corrective measures are implemented with the aim of improving the quality of collaboration and customer service. For example, following a decline in the indicator relating to compliance of deliveries with orders recorded in 2024, corrective measures were implemented, which led to an improvement in the result in the subsequent survey. In 2025, this indicator recorded a result that was 10 percentage points higher for the 'above average' and 'well above average' response categories.

[S4-3] Processes to remediate negative impacts and channels for consumers and end-users to raise concerns

Despite the absence of any identified negative impacts on customers, consumers and end-users, in order to minimise the risk of potential irregularities, the TELE-FONIKA Kable S.A. Group ensures that channels are in place enabling this group of stakeholders to report problems, needs and concerns. The website features a range of contact forms, including a complaints form and a contact form for the Domestic and Export Sales Support Department.

ESRS S4 – Consumers and end-users

[S4-4] Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions

The TELE-FONIKA Kable S.A. Capital Group is taking measures to strengthen the positive impact on the safety of consumers and end-users, and to minimise any risks that may arise in the future in relation to the safe use of the products it offers. These measures are primarily aimed at ensuring the highest quality and compliance of products with safety requirements, reducing the risk of electric shock or fire during installation, and minimising the likelihood of faults that could pose a threat to life, health or property.

During the reporting year, TELE-FONIKA Kable S.A. carried out measures which included, in particular:

- ensuring that products comply with applicable standards, directives and technical requirements, including by obtaining certificates issued by independent bodies;
- the application of quality control procedures and the conduct of tests in certified laboratories with a view to eliminating instances of the supply of products that do not meet safety, quality or performance requirements;
- carrying out comprehensive tests on quality, safety, durability, flammability, UV resistance and water ingress;
- quality control of all finished products;
- conducting research and developing innovative product solutions;
- analysis of the intended use and technical specifications prior to the introduction of new products, with a view to minimising the risk of failure, fire hazards or reduced safety in use;
- providing customers with product information, technical specifications, certificates, declarations of conformity and attestations confirming the performance and safety of products;
- conducting product training sessions to ensure products are installed correctly and used for their intended purpose;
- managing the sales process and after-sales service, including warranty services, in accordance with the General Terms and Conditions of Contracts and the General Terms and Conditions of the Warranty;
- handling complaints and implementing corrective actions, including analysing the causes of non-conformity, taking corrective measures with regard to the customer, and implementing preventive measures to minimise the risk of the problem recurring;
- monitoring changes in the regulatory environment to ensure that operations and products comply with applicable regulations;
- preparation for the implementation of the ISO 27001 standard;
- expansion of production capacity for power cables.

The measures undertaken are implemented on an ongoing basis, utilising existing organisational resources and within the framework of current funding for operational activities, and cover both the Company's own operations and its relations with customers and end-users downstream of the value chain. These measures are aimed at direct customers, distributors and end users who utilise the products of the Group in sectors such as energy, telecommunications, construction, mining, industry and renewable energy. The expected outcome of the measures taken is to ensure a high level of safety and quality in the products offered, to minimise the risk of failure and non-conformity, to promote the correct and safe use of products, as well as increasing the product durability and the reliability of the infrastructure in which they are used. These measures are also intended to minimise the risk of threats to life, health or property arising from the use of the products of the Group.

In the event of a non-conformity, the Group implements a complaints procedure, as well as corrective and preventive measures, aimed at minimising the occurrence of similar situations in the future.

The effectiveness of the measures taken is monitored primarily through an analysis of the results of quality and safety checks, laboratory tests and the annual Customer Satisfaction Survey mentioned above. Performance is also assessed on the basis of a review of complaints, the compliance of products with standards and certification requirements, and feedback received from customers and end-users as part of the Group's ongoing collaboration. The results of these activities form the basis for implementing corrective actions and for the further improvement of products and processes.

During the reporting period, no serious issues or incidents related to human rights breaches affecting consumers or end-users were reported.

ESRS S4 – Consumers and end-users

[S4-5] Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

In the 2025 financial year, no measurable, quantitative targets were set related to the management of material impacts, risks and opportunities related to consumers and end-users at the level of the entire TELE-FONIKA Kable S.A. Group. As of the date of preparation of this report, the decision to set such targets for the forthcoming reporting period had not been taken.

At the same time, the Parent Undertaking has set operational targets and corresponding KPIs related to selected aspects of customer relations. Some of these targets are directly linked to the positive impacts identified in the double materiality assessment in the area of the personal safety of consumers and end-users. This applies in particular to issues related to product quality and the scope of the certificates and attestations held, which support the supply of safe, durable and compliant products.

MONITORING AREA	KPI 2025	RESULT 2025
Product quality compared with the competition	**73%**	**70%**
Range of certificates and attestations held	**73%**	**75%**

In addition to areas directly related to material topics, the survey also covers a wider range of issues related to the quality of customer relations. The analysis covers, amongst other things, issues related to the quality and timeliness of order fulfilment, the method of packaging and securing the products supplied, the handling of complaints, and an overall assessment of the working relationship.

Progress towards the targets and KPI values is monitored as part of the annual Customer Satisfaction Survey conducted by the Parent Undertaking since 2018 in accordance with procedure ISO IJ-0-33. The survey is carried out once every 12 months in the form of an online survey. The results obtained are analysed against the agreed KPI values and the Net Promoter Score (NPS), and are also compared with the results achieved in previous years, which enables changes over time to be monitored. Where results deviate from the target levels, improvement measures are taken to identify the causes of these deviations and to improve the quality of products, processes and collaboration with customers.

5.

Information related to corporate governance

ESRS G1 – Business conduct

[G1-1] Policies on business conduct and corporate culture

The TELE-FONIKA Kable S.A. Capital Group develops its code of business conduct and corporate culture based on adopted internal regulations – hereinafter collectively referred to as 'policies' – ethical standards and organisational practices that support compliance with the law, responsible business conduct and transparent relations with stakeholders.

The most important documents influencing the corporate culture across the TELE-FONIKA Kable S.A. Capital Group include:

- ***Code of Conduct and Ethical Standards,***
- ***Compliance Code,***
- ***Anti-Corruption Policy.***

Detailed information regarding the first two documents is set out in the disclosure S1-1. The main principles of the Anti-Corruption Policy are set out below.

Anti-Corruption Policy – The objective of this policy is to ensure that the activities of the TELE-FONIKA Kable S.A. Group comply with national and international anti-corruption regulations and to prevent all forms of corruption, hidden commissions, conflicts of interest, money laundering and the financing of terrorism. This document sets out the rules of conduct applicable to employees, members of the administrative, management and supervisory bodies of the companies forming part of the Capital Group, business partners and other entities cooperating with the companies, whilst standardising the ethical principles and requirements regarding the transparency of economic activities. The policy is based, amongst other things, on national legislation and international regulations. The policy sets out, amongst other things, the rules on avoiding conflicts of interest, giving and accepting gifts, entertainment expenses, dealing with public officials, making donations, and relations with business partners and intermediaries. The document sets out the obligation to exercise due diligence in dealings with third parties, to monitor compliance with anti-corruption regulations, and to maintain accurate records and accounts.

The document was published on the corporate website and made available to employees via internal communication channels, including the news portal, the Compliance and Sustainability Team and the Human Resources and Administration Department. The Anti-Corruption Policy has not yet been formally adopted by all subsidiary undertakings; however, employees of these entities have been informed that it is in force and that they must comply with its provisions. Separate regulations in this regard are in place at the subsidiary undertaking TELE-FONIKA UK Ltd, which has its own anti-corruption policy.

The Compliance Manager is responsible for implementing and enforcing the policy at the Parent Undertaking. In the subsidiary undertakings, responsibility for ensuring compliance with this document rests with the Management Boards of those companies or with persons appointed by them.

The key principles and standards of conduct applicable to corporate culture have also been set out as part of the regulatory system in force at the Parent Undertaking. The most important internal acts in this regard include:

- ***Corporate Code,***
- ***Human Rights and Diversity Policy,***
- ***Procedure for Counteracting Workplace Bullying and Discrimination at TELE-FONIKA Kable S.A.,***

The matters governed by the documents referred to are discussed in greater detail in the disclosure S1-1.

Another key factor in supporting the functioning of corporate culture is ensuring access to the applicable policies. To this end, the documents are made available to staff via internal communication channels and are also published on the website of the Group, thereby ensuring that other stakeholders, including subsidiary undertakings, suppliers and customers, also have access to them.

The Code of Conduct and Ethical Standards sets out the core values of the TELE-FONIKA Kable S.A. Capital Group. These include, inter alia:

- Reliability – transparency and conscientiousness in the conduct of business, including, amongst other things, compliance with applicable regulations and the adoption of transparent business practices. Reliability also means being trustworthy in honouring commitments to business partners and employees.
- Integrity – the foundation of trust upon which relationships with employees, business partners and the community are built. The company aims to operate in accordance with the highest ethical standards, upholding moral principles and fair business practices.
- Responsibility – means making informed decisions and taking action whilst taking into account the social, environmental and economic consequences.
- Passion – creating an inspiring working environment, whilst supporting the personal and professional development of every employee.

ESRS G1 – Business conduct

These values form the foundation of the Group's business operations and shape the expected attitudes and standards of behaviour across the entire Group. These are supplemented by principles related to selected areas of compliance and responsible business conduct, covering in particular:
- protection of human rights,
- combating corruption and unfair competition,
- protection of confidential information and personal data,
- matters related to export controls and trade restrictions.

The Group also points out that, from the perspective of corporate culture, issues related to environmental protection, energy efficiency and combating climate change are of material importance.

In 2025, the Management Board of the Parent Undertaking addressed issues related to sustainability and the management of ESG risks as part of discussions on strategy, investments and business development. The analysis covered, amongst other things, the impacts, risks and opportunities associated with social and environmental responsibility, new product development, and changing regulatory requirements and stakeholder expectations.

Corporate culture is based primarily on accountability, transparency and ethical business practices, which particularly involve respecting the interests of employees, business partners and other stakeholders. The Group promotes an organisational culture that supports compliance with applicable regulations, open communication, collaboration between business units, and decision-making that takes into account environmental, social and corporate governance considerations.

In order to monitor and respond to any breaches of corporate culture principles, the Parent Undertaking has put in place systems enabling the reporting of breaches of the law, ethical principles and behaviour that is inconsistent with internal regulations. These mechanisms operate on the basis of:
- Internal procedure for reporting legal violations and taking follow-up action (introduced in connection with the provisions transposing Directive (EU) 2019/1937), and
- Internal procedure for reporting ethical violations and taking follow-up action.

The above procedures set out the rules for receiving and investigating reports, the protection of whistleblowers, and the prohibition of retaliatory action. Reports may be made either openly or anonymously, via email, the form available on the website, by post, and in the case of breaches referred to in the ***Internal Procedures for Reporting Ethical Violations and Taking Follow-up Action***, also by telephone. Reports are analysed in confidence, in accordance with the applicable procedures. Proceedings are conducted impartially, taking into account the need to clarify the circumstances of the report, identify the causes of the breaches and implement appropriate remedial and preventive measures. The employees responsible for receiving and handling reports have been trained by an external organisation. The Parent Undertaking maintains a register of notifications, and notifiers are provided with information regarding the receipt of their notification and, to the extent provided for by the applicable procedures, the progress and outcome of the proceedings. The option to use the reporting channels applies to both internal and external stakeholders as specified in the procedures. Information regarding the rules for using the reporting channels is made available through the applicable internal regulations, information materials and communication activities carried out by the Parent Undertaking. The operating principles of the reporting channels are also set out in the ***Code of Conduct*** and ***Ethical Standards and the Compliance Code***.

The mechanisms described are currently formally in force within the Parent Undertaking. Similar arrangements are also in place at the subsidiary undertaking Tele-Fonika Cable Americas Corp., where an independent provider operates a system enabling the reporting of breaches, including those related to corruption. The Group plans to implement similar mechanisms in its other subsidiary undertakings over the next 2–3 years. Until local solutions are implemented, reports submitted via the channels of the Group are forwarded to the relevant subsidiary undertakings and dealt with in accordance with their respective policies.

In the area of combating corruption and bribery, the Group has had an ***Anti-Corruption Policy*** in force since 2024. Although this document has not been formally implemented in all subsidiary undertakings, the employees of those entities have been informed of its application and are required to comply with it. Nor do the subsidiary undertakings have separate policies or procedures in place for the prompt, independent and objective investigation of incidents related to business conduct. The exception is the subsidiary undertaking TELE-FONIKA UK Ltd, which has its own anti-corruption policy.

ESRS G1 – Business conduct

In 2025, a corruption risk analysis was carried out at the Parent Undertaking. The following were identified as the areas most at risk of corruption and bribery:

- procurement functions carried out primarily by the Procurement Department and the Department of Investment Implementation and Property Management,
- sales functions carried out by the Sales Department.

No similar analysis was carried out in the other subsidiary undertakings.

The Parent Undertaking organises training courses on compliance, ESG and business conduct, which also cover issues related to corporate culture and applicable internal regulations. The training courses are delivered:

- for administrative employees – via e-learning, every two years,
- for production and production-related employees – delivered in person or online, every 3 years,
- for new recruits – as part of the onboarding process.

In the event of material regulatory changes, additional refresher training courses may also be organised.

In 2025, no similar training measures were carried out in the subsidiary undertakings.

The Group does not currently use separate incentive schemes or dedicated motivational tools aimed solely at supporting and promoting corporate culture.

[G1-2] Supplier relationship management

During the reporting period, the TELE-FONIKA Kable S.A. Capital Group did not have a uniform, common policy in place to prevent late payments, particularly to SMEs. At the same time, despite the absence of formal regulations in this area, the Group operates under practical guidelines designed to minimise the risk of late payments, in accordance, amongst other things, with the provisions of the Act of 8 March 2013 on combating excessive delays in commercial transactions. These principles have been implemented in the accounting systems and are also applied in the subsidiary undertakings. In order to standardise the approach to this issue across the entire Group, there are plans to adopt a policy on the prevention of late payments in 2026.

The TELE-FONIKA Kable S.A. Capital Group also has regulations in place setting out the standards for collaboration with business partners and the principles governing the conduct of its economic activities. The most important documents in force at Group level include:

- ***Supplier Code of Conduct,***
- ***Code of Conduct and Ethical Standards,***
- ***Anti-Corruption Policy.***

The ***Supplier Code of Conduct*** sets out the ethical principles and sustainability guidelines applicable to suppliers and their employees, associates and subcontractors in their dealings with the Group. The document emphasises the importance of legal compliance, social responsibility, environmental protection and respect for human rights, providing a framework for building a responsible supply chain.

The Code also sets out the rules for verifying compliance with its provisions and the consequences of breaching them, as well as the obligations of suppliers to maintain compliance with the adopted standards. It highlights the need to undertake measures on the basis of values such as integrity, accountability and innovation, and the requirement to comply with recognised global standards and practices related to ethical conduct and sustainability.

The Code of Conduct and Ethical Standards is described in greater detail in the Disclosure S1-1, whilst the Anti-Corruption Policy is set out in the Disclosure G1-1.

In addition to the regulations in force at the level of the Capital Group, the Parent Undertaking has also implemented additional regulations to support the management of relations with business partners and to ensure compliance in its operations. The most important include:

- ***Sustainable Procurement Policy,***
- ***General Terms and Conditions of Procurement,***
- ***General Terms and Conditions of Contracts,***
- ***Responsible Minerals Sourcing Policy,***
- ***Modern Slavery and Human Trafficking Policy,***
- ***Policy on Child Labour,***
- ***Human Rights and Diversity Policy.***

Sustainable Procurement Policy sets out the approach of the Company to incorporate sustainability criteria into its procurement processes, prioritising these criteria when making decisions regarding suppliers and procurement categories. The policy is based on the values of the organisation and its Sustainable Development Strategy, and aims to minimise negative environmental impact, promote responsible and fair labour practices, and support social responsibility throughout the supply chain.

ESRS G1 – Business conduct

The scope of the policy covers the procurement of raw materials, ancillary and technical materials, and services. As part of this, objectives have been set relating, inter alia, to increasing the value of the organisation by improving procurement efficiency and implementing sustainable investments, collaboration with socially and environmentally responsible suppliers, and the use of raw materials that meet high sustainability standards in production processes.

The policy also stipulates that organisational units must set annual objectives for sustainable procurement, monitor their achievement and report on progress, as well as periodically review and update the policy in response to changes in the business environment and the strategy of the Company.

General Terms and Conditions of Procurement set out the rules governing collaboration with suppliers in relation to the conclusion and performance of contracts, including, amongst other things, obligations of suppliers, the terms and conditions for the supply of products and the provision of services, requirements regarding packaging and delivery documentation, as well as the rules for carrying out inspections, tests, trials and acceptance procedures. The document also sets out the terms related to the transfer of ownership and risk, the rules for determining prices and payment terms, and liability for defects and warranties.

The latest version of the ***General Terms and Conditions of Procurement*** also introduces obligations for suppliers to undergo inspections and audits, and to comply with the provisions of the Supplier Code of Conduct, which reinforces the requirements of the Company regarding ethics and standards of collaboration within the supply chain.

The General Terms and Conditions of Contracts set out the rules governing the establishment and conduct of commercial relations with business partners, including the terms and conditions for the conclusion and performance of contracts, the fulfilment of deliveries and financial settlements. The document also governs matters related to the parties' liability, warranties, contractual safeguards, the transfer of title, procedures in the event of force majeure, and the grounds for suspending performance or terminating the contract. Furthermore, it contains provisions concerning the protection of personal data and the disclosure obligations of contractors in relation to their financial situation.

Policy on Responsible Sourcing of Minerals relates to risk management within the supply chain for raw materials considered to be high-risk, such as tin and mica, which are used in selected production processes. Although the Company does not purchase these raw materials directly from mines, smelters or refineries, it accepts responsibility for the way in which they are sourced throughout the supply chain and does not permit the use of materials originating from regions affected by armed conflict.

As part of implementing this policy, the Company informs its suppliers of the principles of responsible sourcing of raw materials and expects them to comply with these principles. Suppliers are required to submit declarations regarding the origin of minerals, drawn up in accordance with the templates developed by the Responsible Minerals Initiative, as part of the supply chain compliance monitoring system.

Modern Slavery and Human Trafficking Policy sets out the measures taken by the Company to ensure compliance with regulations on combating modern slavery and human trafficking. The document highlights the existing measures and internal regulations that support the implementation of these objectives, including, amongst others, the Supplier Code of Conduct and the Human Rights and Diversity Policy.

As part of the measures implemented, the Company also monitors its supply chain to ensure compliance with requirements related to the prevention of modern slavery and human trafficking.

The Policy on Child Labour and ***the Human Rights and Diversity Policy*** are described in more detail in the disclosure S1-1.

Suppliers are required to familiarise themselves with the policies of the Group and to comply with the rules set out therein. In 2025, 81% of raw material suppliers and 65% of equipment suppliers declared their acceptance of the Supplier Code of Conduct, as confirmed through the supplier survey process. At the same time, the Group allows suppliers to apply their own internal regulations, provided that these remain in line with the requirements and standards of the organisation.

The aim of the initiatives implemented is to minimise the negative impact on the environment, promote responsible working practices and support social responsibility throughout the supply chain.

As part of implementing this approach, the Group:

- surveys suppliers on sustainability,
- monitors their activities in the area of ESG,
- conducts supplier audits, during which sustainability aspects are analysed, and the findings are documented in post-audit reports,
- on the basis of the information obtained, assesses suppliers,
- takes the results into account in procurement processes.

ESRS G1 – Business conduct

The Group undertakes measures to integrate local suppliers into its supply chain and communicates its ethical and sustainability principles by publishing relevant documents on its website. Employees responsible for working with suppliers take part in training on compliance, ethics and sustainable procurement.

At the same time, the Group does not use incentives or incentive schemes aimed directly at those responsible for managing procurement and supplier relations.

[G1-3] Combating and detecting corruption and bribery

The TELE-FONIKA Kable S.A. Capital Group has put in place measures aimed at preventing corruption and bribery, and at identifying and mitigating the risks associated with unethical business practices. The basis for the approach to managing this area is formed by the regulations implemented by the Parent Undertaking as part of its compliance system, covering, amongst other things, anti-corruption measures, business ethics and issues related to sustainability. One of the key elements of this system is the Anti-Corruption Policy, which has been in force since March 2024 and is described in more detail in disclosure G1-1.

As part of its preventive measures to support the effective implementation of the adopted regulations in practice, the Parent Undertaking conducts regular training sessions on anti-corruption, compliance and ESG. Administrative employees take part in e-learning courses held every two years, whilst production and production-related employees take part in classroom-based or online training courses organised every three years. Training on the basics of ESG and compliance is also part of the onboarding process for new employees. The training covers, inter alia, the definition of corruption, examples of corrupt behaviour and the principles set out in the Anti-Corruption Policy. As of 31 December 2025, a total of 908 employees of the Parent Undertaking had valid anti-corruption training, comprising both training courses undertaken in 2025 and valid certificates obtained in previous years. Information regarding the scale of the training programmes carried out is regularly reported to the member of the Management Board responsible for overseeing compliance and sustainability.

In 2025, the Parent Undertaking carried out a corruption risk analysis, the results of which were presented to the Vice-President of the Management Board responsible for compliance and sustainability, as well as to key members of senior management. Procurement and sales functions were identified as the areas most at risk of corruption. In response to the identified risks, additional organisational measures have been implemented, including department-specific procedures featuring decision matrices that ensure a multi-stage approval process for business decisions and enhance the transparency of the supplier selection process. In 2025, the regulations governing internal audits were also extended to cover anti-corruption audits, and the first such audit was carried out in early 2026. As at the date of this report, the Group does not have any data on the proportion of staff in roles particularly exposed to the risk of corruption who have taken part in training programmes in this area.

Another element of the compliance system is the mechanisms for reporting breaches of the law and ethical principles, including, amongst other things, corruption-related issues, which are in place within the Parent Undertaking. Reports may be submitted via dedicated communication channels, in accordance with the applicable procedures. Those conducting investigations remain independent of the management structures involved in the case in question. In accordance with the current procedure, the Reports Team submits its assessment of whether the report is substantiated, together with the grounds for its assessment, to the Management Board, which then decides on the next steps. A similar mechanism for reporting breaches is also in place at the subsidiary undertaking Tele-Fonika Cable Americas Corp., where the system is operated by an independent external provider.
Anti-corruption measures also cover relations with suppliers. Each year, the

Parent Undertaking sends out surveys to its suppliers containing questions on, amongst other things, anti-corruption issues, and the results of these assessments are subject to internal analysis. Furthermore, the current Supplier Code of Conduct requires business partners to conduct their business in accordance with applicable laws, including anti-corruption regulations, and to comply with the provisions of the Anti-Corruption Policy.

As regards the other subsidiary undertakings, measures related to anti-corruption training, compliance procedures and mechanisms for reporting breaches have not yet been formally implemented. The Group plans to develop and implement these solutions within its subsidiary undertakings over the next 2–3 years.

ESRS G1 – Business conduct

[G1-4] Political influence and lobbying activities

In 2025, no cases of corruption or bribery were identified within the TELE-FONIKA Kable S.A. Capital Group. During the period under review, no final judgements were handed down against the Group concerning breaches of anti-corruption or anti-bribery legislation, nor were any financial sanctions imposed in this regard. At the same time, there were no legal proceedings pending against the Group or its employees related to cases of corruption or bribery.

In order to prevent breaches of procedures and standards related to corruption and bribery, the Parent Undertaking has implemented an Internal procedure for reporting legal violations and taking follow-up action, which enables the reporting of breaches, including those related to corruption. As part of this mechanism, a Reports Team was set up, comprising two permanent members authorised to receive reports and carry out follow-up actions, including investigations. Team members have been properly trained in handling reports, and, depending on the nature of the case, additional individuals with the relevant expertise may be brought in to assist the team.

The Company also undertakes educational measures on anti-corruption, including regular training sessions delivered in person, remotely and via e-learning, as well as induction training for new employees. In 2025, 514 employees of the Parent Undertaking undertook anti-corruption training, whilst 394 individuals held valid certificates of completion for training courses undertaken in previous years.

Furthermore, in 2025, the Parent Undertaking commissioned an external corruption risk assessment. The results of the analysis were presented to the member of the Management Board responsible for compliance and sustainability, as well as to senior management, following which an action plan was drawn up to mitigate the identified risks.

As at the date of this report, no similar measures are in place at the other subsidiary undertakings, with the exception of Tele-Fonika Cable Americas Corp., which operates a whistleblowing scheme – covering, amongst other things, corruption-related matters – managed by an independent external provider.

ESRS G1 – Business conduct

[G1-5] Political influence and lobbying activities

In 2025, the TELE-FONIKA Kable S.A. Capital Group did not engage in any activities aimed at exerting political influence or in any lobbying activities. Nor was this area deemed material in the double materiality assessment carried out.

At the same time, the Group recognises the positive impact of its activities carried out within industry organisations, particularly in terms of promoting regulatory transparency and the development of the sector. Membership of industry organisations enables participation in expert, technical and educational initiatives, and also fosters collaboration between market participants in areas relevant to the functioning of the industry.

The industry organisations of which the companies belonging to the Group are members include, in particular:

TRADE ORGANISATION	SECTOR / AREA OF ACTIVITY
Polish Committee for Standardisation	Cables and wires
British Polish Chamber of Commerce	General
Polish Chamber of Commerce for Electrical Engineering (PIGE)	Energy sector
Polish Wind Energy Association (PSEW)	Renewable energy
Polish Chamber of Offshore Wind Energy (PIMEW) (formerly the Polish Society for Offshore Wind Energy (PTMEW))	Energy sector
Association of Fire Service Engineers and Technicians (STIP)	Cables and wires
Polish Committee for Large Power Systems (PKWSE/CIGRE)	Energy sector
Polish Chamber of Railway Equipment and Services Manufacturers (Railway Chamber)	Cables and wires
Chamber of Commerce for Energy and Environmental Protection (IGEOŚ)	Energy sector
Polish Chamber of the Chemical Industry	Energy sector
Polish Energy Storage Association (PSME)	Other
STUL (INSTALLER UNION)	The energy sector
EUROPACABLE	Cables and wires
Port Equipment Manufacturers Association (PEMA)	Port industry, cranes, overhead cranes
International Cablemakers Federation (ICF)	Cables and wires

TRADE ORGANISATION	SECTOR / AREA OF ACTIVITY
LITHUANIAN ELECTRICITY ASSOCIATION (LEEA)	Energy sector
CHAMBER OF COMMERCE AND INDUSTRY (IHK)	Energy sector
UN Global Compact	ESG
The Copper Mark	ESG – responsible supply chain
Electrical Distribution Association (EDA)	Cables and wires – distribution
BCA (British Cable Makers Association)	Cables and wires
Cable Initiative (Approved Cables Initiative)	Cables and wires
NEMRA (National Electrical Manufacturers' Representatives Association)	It brings together manufacturers and representatives from the electrical industry

Through its participation in the work of these organisations, the Group supports the development of specialist knowledge, the exchange of experience and the promotion of industry standards and best practice. Membership of industry organisations also enables it to keep abreast of developments in legislation and regulations and to exchange information on their practical application. These measures support the development of the sectors in which the companies of the Group operate and help to foster responsible and transparent relationships between market participants.

ESRS G1 – Business conduct

[G1-6] Payment practices

The TELE-FONIKA Kable S.A. Capital Group does not have any formalised procedures in place for monitoring payment practices to the extent required for this disclosure.

The Group does not currently carry out systematic calculations of the average time taken to settle liabilities, calculated from the date on which the contractual or statutory payment period begins. Nor is there any aggregated data available on standard payment terms by main supplier category, or on the proportion of payments made in accordance with those terms. The implementation of solutions enabling this type of calculation and the reporting of data to the required extent is planned for subsequent reporting periods.

At the same time, as part of the day-to-day management of liabilities, an operational approach has been adopted, focused on the timely settlement of payments, in particular by endeavouring to make them no later than the due date specified in the contracts or by law. This approach is supported by practical rules designed to minimise the risk of late payments designed to minimise the risk of late payments, which have been implemented in the accounting systems and are also applied in the subsidiary undertakings.

Notwithstanding the above, the Parent Undertaking monitors selected indicators related to the timeliness of payments to suppliers. This monitoring is carried out on the basis of data derived from commercial transactions, for which the terms of payment are agreed with the counterparties on a case-by-case basis and set out in the contracts entered into or orders placed. In 2025, 94.5% of payments were made in accordance with the agreed deadlines. The payment terms applied remain in line with the requirements set out in the Act of 8 March 2013 on combating excessive delays in commercial transactions, including with regard to the payment terms applicable to micro, small and medium-sized enterprises.

As at the date of this report, there are no pending legal proceedings against the Group related to late payments.

6.

List of definitions, abbreviations and terms used in this document

Definitions

The definitions set out below, as used in the sustainability Report, are based on Polish law (in particular the Accounting Act), and are also consistent with the definitions set out in the CSRD Directive and the European Sustainability Reporting Standards (ESRS). The scope of the report is the same as the financial consolidation scope of the Group.

Company / Parent Undertaking / TELE-FONIKA Kable S.A. – TELE-FONIKA Kable S.A., with its registered office in Myślenice, registered in the Polish National Court Register (KRS) under number 0000491666, exercising control over the subsidiary undertakings included in the consolidated financial statements of the Group.

Subsidiary undertaking – any company controlled by TELE-FONIKA Kable S.A., whether a commercial company operating under Polish law or an undertaking established and operating under the provisions of foreign commercial law.

TELE-FONIKA Kable S.A. Capital Group / Capital Group / Group – Parent Undertaking together with all its subsidiary undertakings.

List of abbreviations and terms used in this document

AA1000 – an international standard for stakeholder engagement and social responsibility reporting.
ADR (French: Accord européen relatif au transport international des marchandises dangereuses par route) – the Agreement on the international carriage of dangerous goods by road.
Al – the chemical symbol for aluminium.
AMRT (Additional Minerals Reporting Template) – a form for reporting additional minerals in the supply chain.
B2B – a business or commercial relationship between two independent economic entities.
BDO – a database on products, packaging and waste management.
OHS – Occupational Health and Safety.
R&D – research and development activities focused on innovation and new product solutions.
CapEx (Capital Expenditure) – capital expenditure on tangible fixed assets.
CBAM (Carbon Border Adjustment Mechanism) – border price adjustment mechanism of the EU, taking COα emissions into account.
CDP (Carbon Disclosure Project) – a global platform for reporting on and assessing companies' impact on the environment and climate.
CLP (Classification, Labelling and Packaging) – Regulation (EC) No 1272/2008 of the European Parliament and of the Council of 16 December 2008 on the classification, labelling and packaging of substances and mixtures.
CMRT (Conflict Minerals Reporting Template) – a form for reporting on conflict minerals.
Compliance– compliance with the law and internal policies.
CPR (Construction Products Regulation) – Regulation (EU) 2024/3110 of the European Parliament and of the Council of 27 November 2024 on the establishment of harmonised rules for the placing on the market of construction products.
CRO – Central Register of Operators of Equipment Containing Fluorinated Greenhouse Gases.
CSRD (Corporate Sustainability Reporting Directive) – Directive (EU) 2022/2464 of the European Parliament and of the Council of 14 December 2022 amending Regulation (EU) No 537/2014, Directive 2004/109/EC, Directive 2006/43/EC and Directive 2013/34/EU as regards corporate sustainability reporting, imposing an obligation to report on ESG matters in accordance with sustainability reporting standards.
Cu – the chemical symbol for copper.
DEFRA (Department for Environment, Food & Rural Affairs) – UK emission factors used in GHG reporting.
DNSH (Do No Significant Harm) – the principle set out in Regulation (EU) 2020/852 of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088 (the EU Taxonomy), whereby an economic activity contributing to one environmental target must not cause significant harm to any of the other environmental objectives set out in EU legislation.
ECHA (European Chemicals Agency) – European Chemicals Agency.
EcoVadis – an international platform that assesses suppliers in terms of their corporate social responsibility and ESG practices.
EFRAG (European Financial Reporting Advisory Group) – an organisation that develops draft sustainability reporting standards.

EMRT (Extended Minerals Reporting Template) – a form for reporting the origin of so-called energy transition minerals and raw materials relevant to ESG indicators.
EEA– European Economic Area.
EPD (Environmental Product Declaration) – a Type III environmental product declaration, providing verified information on the environmental impact of a product.
EPR – ethylene-propylene rubber, a material with high insulating properties used in specialist and medium-voltage cables.
E-PRTR (European Pollutant Release and Transfer Register) – European Pollutant Release and Transfer Register.
ESRS (European Sustainability Reporting Standards) – European Sustainability Reporting Standards.
FSC (Forest Stewardship Council) – a certificate of responsible forest management.
The GHG Protocol (Greenhouse Gas Protocol) – an international standard for calculating and reporting greenhouse gas emissions.
CE – Circular Economy.
HR (Human Resources) – the department responsible for managing staff.
HV (High Voltage) – high-voltage cables and systems (equivalent to the Polish term 'WN').
IPCC (Intergovernmental Panel on Climate Change) – Intergovernmental Panel on Climate Change.
ISO 14001– an international standard for environmental management systems.
ISO 50001 – an international standard for energy management systems.
KOBiZE – National Centre for Emissions Management.
KPIs (Key Performance Indicators) – key performance indicators.
LCA (Life Cycle Assessment) – analysis of a product's life cycle.
LSOH (Low Smoke Zero Halogen) – halogen-free materials with low smoke emission.
Gender pay gap – the difference between the average hourly pay of women and men.
MCCP (Medium-Chain Chlorinated Paraffins) – medium-chain chlorinated paraffins.
MEL– sector code denoting the electronics and electrical equipment industry (in accordance with the EFRAG classification).
Minimum Safeguards – the requirements of the EU Taxonomy regarding human rights and labour standards (in accordance with OECD and UN guidelines).
Workplace bullying – actions or behaviour concerning an employee or directed against an employee, consisting of persistent and prolonged harassment or intimidation of the employee, causing them to underestimate their professional competence, resulting in or intended to humiliate or ridicule the employee, isolating them or excluding them from their team of colleagues.
ILO – International Labour Organisation.
SMEs – micro-, small- and medium-sized enterprises.
NACE – the EU statistical classification of economic activities.
NOx – nitrogen oxides emitted into the atmosphere.
NPS (Net Promoter Score) – a measure of customer loyalty and satisfaction.
OECD – Organisation for Economic Co-operation and Development.
UN – United Nations.
OpEx (Operating Expenditure) – operating expenditure incurred in the course of day-to-day operations.
RES – renewable energy sources.
Product passport (digital) – a set of data on the product's composition, origin and recyclability.
PBT (Persistent, Bioaccumulative and Toxic) – substances that are persistent, bioaccumulative and toxic.
PE – polyethylene used in cable insulation and sheathing.
PEFC (Programme for the Endorsement of Forest Certification) – a certification scheme for sustainable forest management.
PKD – Polish Classification of Economic Activities.
PM (Particulate Matter) – particulate matter.
PVC – polyvinyl chloride.
REACH – the EU regulation on the safe use of chemicals.
RCP (Representative Concentration Pathways) – greenhouse gas concentration scenarios used in climate resilience analysis.
RMI (Responsible Minerals Initiative) – a leading global business initiative that helps companies source minerals in an ethical and lawful manner.
RoHS (Restriction of Hazardous Substances) – Directive 2011/65/EU of the European Parliament and of the Council of 8 June 2011 on the restriction of the use of certain hazardous substances in electrical and electronic equipment.
SAP – an integrated IT system for managing business processes and raw materials.
SBTi (Science Based Targets initiative) – an initiative for setting science-based climate targets in line with scientific knowledge on climate.
SOx – sulphur oxides.
SVHC (Substances of Very High Concern) – substances of very high concern (ECHA Candidate List).
EU Taxonomy – Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, amending Regulation (EU) 2019/2088; establishing an EU classification for sustainable economic activities.
EU – European Union.
UN Global Compact– a UN initiative promoting sustainable business.

URE – Energy Regulatory Office.
VOC (Volatile Organic Compounds) – volatile organic compounds.
vPvB (very Persistent and very Bioaccumulative) – substances that are very persistent and have a very high potential for bioaccumulation.
OECD Guidelines – OECD Guidelines for Multinational Enterprises on Responsible Business Conduct.
UN Guiding Principles – UN Guiding Principles on Business and Human Rights.
XLPE – cross-linked polyethylene, an insulating material with high thermal and mechanical resistance.
Scope 1 – direct greenhouse gas emissions from own operations.
Scope 2 – indirect greenhouse gas emissions from purchased energy, heat and steam.
Scope 3 – indirect greenhouse gas emissions across the entire value chain (e.g. raw materials, transport, use).
Virgin resources – raw materials obtained directly from natural sources.
Secondary resources – materials recovered through recycling processes and reused as raw materials.

TELE-FONIKA Kable S.A.
Hipolita Cegielskiego 1
32-400 Myślenice, Poland

T: (+12) 652 50 00
F: (+12) 652 51 56
info@tfkable.com