

REPORT ON
CORPORATE SOCIAL RESPONSIBILITY
2014

Content:

INFORMATION APATOR GROUP AND ITS PRODUCTS.....	4
General information	4
Vision, Mission, Values	4
Make-up of Apator Group.....	5
The authorities of Apator Group	6
Organizational structure	7
Products of Apator Group and sales level.....	9
CSR STRATEGY.....	166
Strategic priorities and key issues	177
Involvement in external initiatives and the membership in organizations.....	17
The review of challenges and mean term objectives.....	19
Key events , achievements and failures	211
DATA REGARDING THE REPORT	233
APATOR AND ETHICS.....	255
The Code of Ethics	255
Corporate governance	255
Risk management and internal control systems	277
Stakeholders	288
Indicators related to the ethics – economic aspect	300
Indicators related to ethics – market presence.....	322
Indicators related to the ethics – the Company and its products versus customer, community and natural environment.....	333
APATOR AND ECOLOGY.....	366
Environmental indicators – raw materials, energy and water consumption	377
Environmental indicators – biodiversity	39
Environmental indicators – emissions, sewages and wastes.....	400
Environmental indicators - products, their marking and transport.....	43
APATOR AND THE WORKPLACE.....	455
Indicators regarding employees – employment and descent work.....	466
Indicators regarding employees – safety and health at work	533
APATOR AND SOCIETY.....	544
Memberships in organizations.....	54
Awards and distinctions	555
Indicator of the impact on society - S01.....	57
Indicator of the impact on society – charity	588
Indicator of the impact on society – support of education	58
Indicator of the impact on society - support of sport.....	60
Indicator of the impact on society – politics and lobbying	622

INDEX

GRI..... **Błąd! Nie zdefiniowano zakładek.**

Dear Sirs,

We submit you the following report that summarises the Activity of the Capital Group in the area of corporate social responsibility that is the confirmation of the fact that we are aware of the impact of our organization on widely understood social environment.

The philosophy of the corporate social responsibility on the market still evolves and also the method of understanding of CSR is being changed. Apator since many years has been taking pains to be steady, fair and honest partner in business. The manufacturing activity is performed taking into account natural environment aspects, leading to minimize the risk of pollution of water, air and lands.

The challenges in current world and global economy are still growing. The responsibility in business is currently more often being verified by cooperating firms and potentials customers it becomes absolute condition to establish fruitful co-operation. Quality of products confirmed by certificate of the product, test reports or declaration of conformity ceases to be the only criterion of the assessment of the Company.

Apator is being subject also to the auditing of auditors acting on behalf of international companies who evaluated "soft" aspects of the functionality of the Company: relation to the employees, building relations with suppliers, proceeding towards competition, sensibility by firms for local social problems.

Investors, customers, suppliers, employees, sector institutions, local and national authorities, all stakeholders make high demands, expecting more higher standards of acting than necessary minimum forced by law. The activity conducted under the flag of CSR cannot be the slogan; it must be integrated with business strategy and put in practice at every stage of creating of the value chain.

Business reliability of the firm is very strong correlated with social reliability today.

Therefore, we do not stop in our efforts to develop Apator Group consequently, in sustainable manner, in the form of dialogue, frankness and confidence. There are a lot of challenges ahead in this area.

Yours faithfully,

Andrzej Szostak
Chief Executive Officer
of Apator SA

INFORMATION ON APATOR GROUP AND ITS PRODUCTS

General information

Apator is the firm with long experience and traditions. It was established in 1949.

Since 1993 it has been Joint Stock Company established by employees of liquidated state-owned company. Current object of the activity of Apator SA is; design, manufacturing and sales of metering equipment and systems and switchgear.

Apator SA is registered in National Court Register, Register of Entrepreneurs under number KRS0000056456. The entire activity of the Company is located in Pomeranian Special Economic Zone at Ostaszewo.

Since 24th April 1997 the shares of Apator SA have been quoted in Warsaw Stock Exchange in Warsaw. Trading of shares is performed in continuous quotation. The Company is classified to electric machines sector. The shares of the Company are included in the following stock indexes:

- mWIG40
- WIG50
- RESPECT Index

The share capital of the Company as at 31st December 2014 was PLN 3.310702,80 and it is divided into registered shares preferred to voting in relation 1:4 and ordinary bearer shares.

The share of investors in capital of Apator SA as at 31st December 2014 is showed in the table below:

Shareholders	Number of shares	Share in capital
5 non-corporate shareholders (at least 5% votes each)	7 842 461	23,69%
Apator Mining sp. z o.o. (subsidiary)	3 600 000	10,87%
Other shareholders	21 664 567	65,44%
Total	33 107 028	100,00%

* Apator Mining Sp. z o.o. – subsidiary of Apator SA has got in its possession the shares acquired according to the Polish Commercial Companies Code and in accordance with art. 613 of the Polish Commercial Companies Code it has the right to vote and take dividend (vested interest)

Vision, Mission, Values

On 19th February Apator SA published updated strategy of Apator Group for 2014-2019 where the key elements are as follows:

Mission:

Apator Group is the partner for entities managing distribution of infrastructure of all kinds of utility services in the scope of development and innovative supplies pursuant to open standards,

systems, equipment and services providing effective and safe performance of power grid property. Safety and social responsibility is the goal of our activity.

Vision:

Aparator Group is the leading supplier of metering equipment and systems for all kinds of utility services with particular consideration of electricity distribution sector.

- Place in value chain
 - Poland; development of data communications and co-operating the equipment with them that enable remote monitoring, control and data read out,
- other markets: development of smart equipment, cooperation with partners in the scope of integration of the systems

- Geographical range:
 - Poland: leader in respect of the share in the market (1-3 position) in all business lines,
 - CIS, CEE and EU: leading, reputable supplier with evident, steady share in selected prospect markets,
 - other markets; opportunistic approach, supply of products and services without involvement of significant R&D resources.

Main financial objectives:

- average annual growth rate of consolidated EBITDA 2014-2019 in the range 10-15% (about 2-2,5 x increase of values),
- target level of revenues over PLN 1,5 bn
- over 60% revenues from foreign markets,
- 50% of EBITDA from electricity distribution sector

The strategy assumes to make use of development chances resulting of regulatory and technological related to the need of improvement of the effectiveness of use of utility services among other things via automation, remote monitoring and control based on network distribution infrastructure.

The strategic objectives accepted for the performance based on organic development of Aparator Group are supported by small acquisitions.

Strategy of Aparator Group assumes:

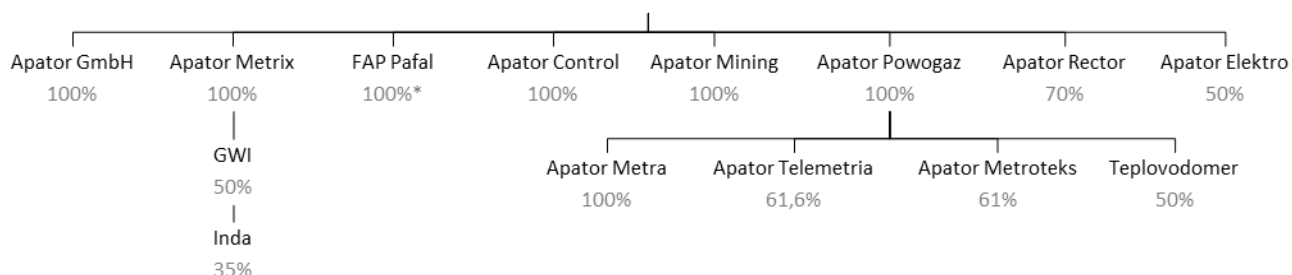
- making use of several product synergies – strengthening of integrating role of ICT and taking new items in value chain and offering more comprehensive offer to key customers,
- making use of cost operating and business synergies, - strategic finances, HR and marketing, wider co-operation with partners in sector, active participation in establishment and acceptance of international standards of interoperation for new technologies.

Values:

- strong technical competences
- innovation of product and technology
- modernity, efficiency, effectiveness
- entrepreneurship, making the route to the market shorter,
- focus on quality, reliability and honesty,
- frankness, and partnership,
- team working

Make-up of Aparator Group

Aparator SA creates the capital group and it has got directly or indirectly shares in the entities specified below (as at 31st December 20124)



Changes made in the make-up of Apator Group during 2014:

On 1st April 2014 Apator SA purchased 100% shares of Elkomtech SA with headquarters in Łódź that is leading Polish supplier of IT systems of SCADA class and class for power engineering and remote control engineering equipment, protection equipment and other power grid equipment with swarm intelligence cooperating with the systems and providing the possibility of remote control and the supervision of power grid in the full scale voltage. The purchase price was PLN 98, 4 m.

On 30th June 2014 Apator SA acquired 30% shares of subsidiary – Apator Rector sp. z o.o. for the amount of PLN 17, 9 m. The assignment of ownership rights occurred on 1st July 2014.

The authorities of Apator Group

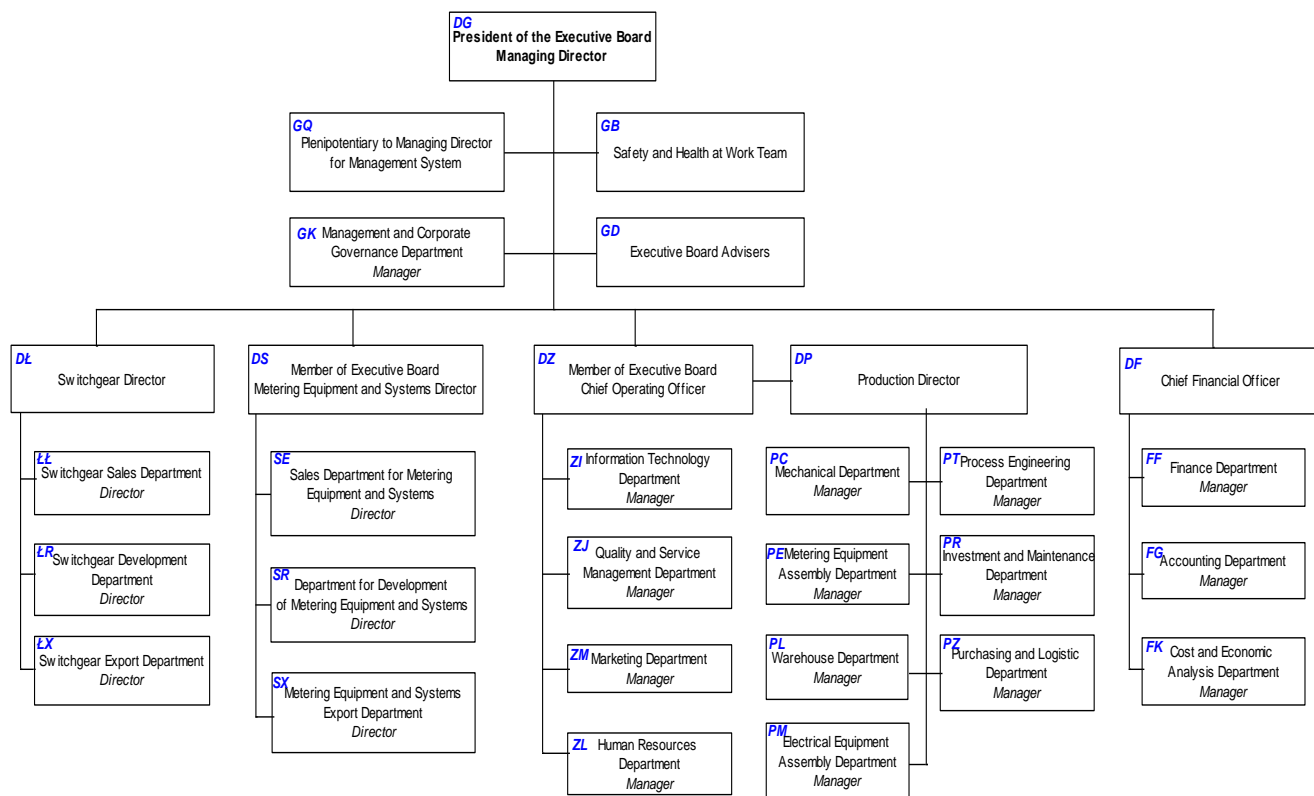
Company as at 31.12.2014	Make-up of Supervisory Board	Make-up of Management Board
Apator SA	Janusz Niedźwiecki Mariusz Lewicki Janusz Marzygliński Danuta Guzowska Krzysztof Kwiatkowski Marcin Murawski	Andrzej Szostak- President Tomasz Habryka Jerzy Kuś Piotr Nowak
Apator Metrix SA	Mariusz Lewicki Kazimierz Piotrowski Ryszard Wojnowski Janusz Niedźwiecki Andrzej Szostak	Arkadiusz Chmielewski- President Ryszard Lippke

Company as at 31.12.2014	Make-up of Supervisory Board	Make-up of Management Board
FAP Pafal SA	Tadeusz Sosgórnik Krzysztof Malec Jerzy Kuś	Marek Gruszyński - President
Apator Rector sp. z o. o.	Janusz Marzygliński Andrzej Szostak Tomasz Habryka	Krzysztof Wojtczak- President Marek Michalski Sławomir Kowalik
Apator Powogaz SA	Janusz Marzygliński Janina Karaszewska- Zandrowicz Tadeusz Sosgórnik Andrzej Szostak Jolanta Dombrowska	Krzysztof Prucnal- President Marcin Szczurowicz
Apator Mining sp. z o.o.	Mariusz Lewicki Kazimierz Piotrowski Zbigniew Baranowski	Tadeusz Sosgórnik- President
Elkomtech SA	Andrzej Szostak Mariusz Lewicki Tadeusz Sosgórnik	Maciej Kołodziejczyk –President Tomasz Habryka Piotr Nowak
Apator Control sp. z o.o.	Ryszard Wojnowski Monika Guzowska Janina Karaszewska- Zandrowicz	Zbigniew Wyszogrodzki- President
Apator Elektro	-	K. G. Burcew A. W. Konfetkin
Apator GmbH	-	Waldemar Kirsch- President Mirosław Klepacki - President

Organizational structure

Organization structure of particular entities in Apator Group is differentiated and optimally suited to the range of their activities. There are processes; design, purchasing, manufacturing and sales in all the entities.

Organizational structure diagram of Apator SA (as at 31.12.2014)



In 2014 Apator SA was operated based on four divisions; operating, financial, switchgear and metering equipment and systems.

On 6th May 2014 the Supervisory Board of Apator SA made the decision to appoint since 1st July 2014 Piotr Nowak to the Member of Management Board –Chief Financial Officer. The extension of the makeup of Management Board is related to the performance of the strategy of Apator Group for 2014-2019. The Member of Management Board –Chief Financial Officer is responsible for integration of finance area in Apator Group, increase of effectiveness of finance management and seeking the sources of the growth of value of the capital group. In 2014 Chief Financial Officer made the restructuring of financial section and established new department – Controlling Department and Finance Committee that includes chief accountants from entities of Apator Group.

Since 1st July 2014 to 31st December 2014 Management Board of Apator SA operated in the following makeup:

- Andrzej Szostak – Chief Executive Officer
- Tomasz Habryka – Member of Management Board
- Jerzy Kuś – Member of Management Board
- Piotr Nowak – Member of Management Board

After changes made in 2014 the organization structure of Apator SA constitutes the following divisions (status as at 31st December 2014);

- operating division - being managed by Chief Operating Officer, Member of Management Board,
- metering division – being managed by Metering Equipment and Systems Director, Member of Management Board,
- switchgear division – being managed by Switchgear Director,
- finance division – being managed by Chief Financial Officer, Member of the Management Board

In Apator Group no changes have been made in the scope of principles of management.

Products of Apator Group and sales level



electricity meters (including smart meters), remote data reading systems for electricity, switchgear



- George Wilson Industries
- INDA
- Apator Telemetria
- Apator Metroleks
- Apator Metra
- Apator Miitors
- Teplovodomer

distribution of Apator products in the German market

single- and three-phase electricity meters, time switches

domestic gas meters, smart gas measuring systems

mining equipment

water meters, heat meters, heat cost allocators, water and heat remote reading systems

drive automatics systems, distribution and control systems

systems supporting network assets management

distribution of Apator products in the Russian market

equipment and systems supporting power engineering services in the scope of transfer and distribution of energy

Products of Apator capital group

Apator creates modern and dynamic capital group providing with innovative solutions concerning data readout and billing of utility services and technically advanced products. Entities of Apator group focus their activity on the following segments:

- metering- business lines: metering of water and heat, electricity and gas
- automation of power grid: business lines: switchgear, ICT and supervisory and control systems
- other (“non core”) – business lines: control equipment and mining equipment

Based on many years of experience the firm has created author solutions and the application of high technologies provides with highest quality of the products that have been receiving much recognition of our customers.

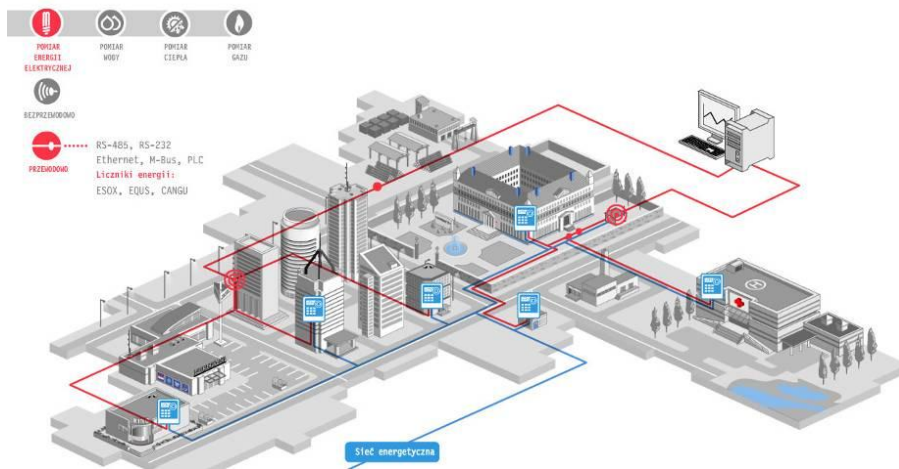
METERING SEGMENT



Metering of electricity

Smart metering of electricity:

- **Remote data read out system** – system enabling the metering of electricity, water, heat and gas consumption. It provides with remote bidirectional data read out, tele-transmission and data visualization



- **Prepayment systems** – comprehensive solution enabling the sale of electricity in prepayment system where it is purchased by individual consumer of specified volume of kWh
- **Metering data analysis** - IT systems supporting the management of metering information

Electricity metres:

- **Smart meter** – metres being offered are multi tariff, post-paid-pre-paid electricity meters
- **Electronic meters** – static electricity metres are multi tariff, post-paid electricity metres widely used for the settlement in electricity distribution companies and in industry



- **Prepayment meters** – LEW modern electronic electricity metres that enable to purchase electricity in prepayment system by use of charging codes



- **Inductive electricity meters** – inductive electricity metres that serve to metering of



electricity in power grids



Water and heat metering

Water meters

household	residential	industrial

Elf and Faun type compact heat meters



Electromagnetic and ultrasonic flow meters



Heat cost allocators

Remote utility services data read out systems



Gas metering

Gas meters:

Residential	Industrial	Smart
		



AUTOMATION OF POWER GRID SEGMENT



IT solutions

Aparator Group offers IT solutions based on many years of experience and the analysis of business processes, SCADA type automation of power grid systems, power grid passporting, GIS, SID.



Remote supervisory system of industry



SID



WindEx system



Energy distribution

Fuse switch disconnectors – use to distribute electricity and to protect against the effects of short-circuits and overloading



Fuse bases– designed to protect of electrical circuits against the effects of overloading and short-circuits



Surge arresters – designed to protect against the overvoltage caused by lighting strokes and



switching operations in low and medium voltage power systems

Rotary cam switches – designed to the wide application in industry



Remote control system of the operation of fuse links – is dedicated for application where control of the protection installed is important e.g. low voltage switchboards of transformer stations. System provides with the possibility to install the device signalling current operation of the fuse links. The information of correct operation of the fuse link of it is blown and loss of voltage are signalled by diodes mounted on the device and it is sent in form of SMS messages to selected recipients

„Non core „ segment



Automatics

The drives in industry like: frequency converters, thyristor inverters, PLC controllers, motors and gears, AC and DC servo drives.



- Drives



- Motors AC/DC/Servo



- Soft starters



Mining

Professional equipment to be used in mining



- Compressor sets



- Contact starters



- Transformer sets

The sale and its structure

In 2014 consolidated revenues on sales of Apator Group were at the level of PLN 724.994.000 that means the increase by PLN 65.495 000 (by 9, 93%) in relation to revenues in 2013 (excluding the Newind which shares were sold in 2013) The revenues of Apator Group in 2014

were of high progress of growth on domestic market (increase of reported sales by 7, 51% and adjusted one by 14, 75%). In result of growing of domestic sales, the share of export in revenues decreased as adjusted revenues from 47, 10% to 44, 78% y/y.

In 2014 Apator Group provided its products to 86 countries. The markets of the highest value of sales are: Russia, India, Czech Republic, Germany, Ukraine, Morocco, Austria, Ethiopia, Denmark and Turkey.

CSR STRATEGY

Priorities

Objectives in relationships with suppliers and customers

Apator SA is the supplier of safe products – manufacturing of products that provides safety of their users.

Apator SA is a guarantor of high quality products and services – the increase of satisfaction of customers, responsible marketing and ethical advertisement, protection of personal data.

Apator SA is a partner in business taking care of ethic in the chain of supplies – co-operation with suppliers promoting ethical attitudes and care of being ethical partner in business

Objectives for relationships with employees

Apator SA is a good employer – provision of high organizational culture of the Company, standing on guard of ethical attitudes of employees, investment in intellectual development of the employees, provision of good conditions in workplace and additional benefits like arrangement of resting of the employees and their families, integration events, financial support to recreation

Objectives for relationships with society

Apator SA is the sponsor of science and art by giving the support to many local and national artistic events.

Apator SA is the investor for the development of power engineering – membership of the Company in organizations dealing with the workout of the best technological solutions and communication standards for domestic power engineering market.

Objectives for protection of natural environment

Apator SA is the guard of protection of natural environment – minimizing negative impact on natural environment by optimization of processes including economical processes of raw materials consumption, segregation of wastes, waste and hazardous materials management, application of new ecological technologies in manufacturing processes.

Apator SA is a promoter of ecological attitudes - enhancement of ecological awareness of the employees by the arrangement of actions in favour of protection of natural environment – collection of flat batteries, bottle screw cups.

Additional objectives that will allow performing CSR strategy of Apator SA

Provision of better communication with stakeholders – establishment of the mechanisms allowing the efficient and effective getting known the needs of stakeholders, improvement of contacts with stakeholders and meeting their expectations.

Support to management mechanisms for CSR policy in Apator Group– establishment of effective and efficient CSR management in Apator Group and getting very good opinion of external entities confirming that CSR is the method of effective management but not the creation of the image of the company.

CSR is for us.....

CSR is for Apator SA valuable philosophy to run business allowing permanent improvement of every area of our activity. Corporate social responsibility being performed pursuant to social strategy provides the Company with measurable benefits for the improvement of existing products and production of new products and services when they are sold they guarantee the Company competitive advantage on the Polish and foreign markets.

Strategic priorities and key issues

Strategic priorities and key issues in view of sustainable environment are presented in the table below

Environment	market	Workplace	Society
<ul style="list-style-type: none"> - care of products to be environment friendly - saving of raw materials - establishment metering systems optimizing the consumption of utility services - educational actions for employees 	<ul style="list-style-type: none"> - care of high quality and innovative character of products and services in order to better and better meeting of customers' needs and requirements of the market - participation in government and non-government initiatives to establish the best technological solutions and communication standards for power engineering - deepening the cooperation in exchange of experience and knowledge between high education institutions and business; 	<ul style="list-style-type: none"> - permanent improvement of qualifications of the employees by training and financial supporting systems of education - permanent rising the safety standards, good conditions of working by application of innovative technologies and processes. - improvement of internal communication, access of employees to key information concerning the workplace 	<ul style="list-style-type: none"> - support to talented youth based on Pasjopolis author scholarship programme - popularization of sport, active style of life – support to young talented sportsmen, initiation of sport events (soccer cup for employees) - participation in many initiatives of culture, art and sport - charity for local institutions and organizations giving the help to sick people ,homeless and people being in need

Involvement in external initiatives and the membership in organizations

Apator SA has accepts and gives the support to economic, environmental and social declarations, rules and other initiatives. The performance of the rules declared by Apator SA, contributes to the development of the Company in a spirit of social responsibility in business with the benefits for the environment.

Apator SA has been applying the provisions of the Best Practices Code. The code is titled “The Best Practices for WSE Listed Companies” and it is called soft law. It means that companies should apply them and at the same time in case of their non-compliance or partly compliance with code, they are not to be punished by WSE. According to the rule comply or explain, Apator SA announces the market about its scale of application. The performance of provisions of the code contributes to more transparent actions of our Company and at the same time to strengthen its image and relationships with the market.

Apator SA as a member of many organizations such like Business Centre Club or Association of Polish Exporters has the influence on running of active economic lobbying for the development of free market economy and establishment of good law.

Apator SA has integrated quality, environment, health and safety at work system.

The Company is involved in national initiatives for the collection of waste packaging, flat batteries, electrical and electronic equipment used and collection of manufacturing wastes, Apator SA owing to its membership in Energy Conservation Agency in Toruń takes active part in international initiatives aiming at promotion of renewable energy, reduction of energy consumption and implementation of modern technologies less harmful to the natural environment.

The list of organizations where the entities of Apator Group participate in (as at 31st December 2014)

Apator SA belongs to the following national and international organizations

- Regional Agency for Saving Energy in Toruń
- Prime Alliance
- Standard Transfer Specification Association
- Association of Polish Electrical Engineers SEP
- Consortium Smart Power Grid Poland
- Polish Chamber of Commerce for Electronics and Telecommunications
- Polish Committee for Standardization
- OSGP Alliance

Apator SA belongs to the following special organizations:

- Polish Association of Stock Exchange Issuers
- Association of Polish Exporters

Apator Powogaz SA

- Association of Polish Mechanical Engineers and Technicians
- Wielkopolska Chamber of Industry and Commerce
- Association of Polish Firms Industrial Billing the Utility Services
- Polish Forum ISO 9000 Club

Apator Metrix SA:

- Scientific and Technical Association of Engineers and Technicians of Oil and Natural Gas Industries
- The Chamber of Natural Gas Industry
- Facogaz
-

Initiatives for the development of the sector, activity in sector organizations

The team of experts of the Company involves in all the government initiatives and non-government ones to establish the best technological solutions and communications standards for domestic and European power engineering market.

For that reason, Apator SA co-operates with Energy Regulatory Office that supervises and governs energy market in Poland and it also involves in studies of design teams appointed at Polish Power Transmission and Distribution Association striving to adjust the Polish standards regarding energy market to the need and infrastructure of the Polish market.

Moreover Apator SA is the member of Smart Power Grids Polska Consortium that acts to elaborate the concept of the development of smart power grids in Poland, elaborates the implementation standards of smart grid based on domestic reality. Apator SA is also the member of Polish Chamber of Commerce for Electronics and Telecommunications and owing to it, Apator SA is actively involved in legislation projects regarding the elaboration the directions of development and solutions regarding power engineering sector in Poland.

Apator SA is the member of Prime Alliance, OSGP Alliance the international organizations which gather the largest producers on smart power grid markets where the latest open communication standards making use of power grids as transmission medium (PLC) are established. Apator Group is active involved in standardization, since 2014 Apator is active member of ESMIG (European Smart Metering Industry Group) and it participates in studies of working teams

(CTG, EBSII). ESMIG is the largest European organization gathering the producers of smart metering equipment and remote data read out that plays the advising role of standardization European Union bodies (CEN, CENELEC, ETSI) and it elaborates technical opinions supporting the works of European Commission.

The entities of Apator Group are also the initiators and organizers of regular sector conferences (Baltic Smart Grid Meeting, Technology in Power Engineering, Gas –Symposium) and they regularly participate in other sector events e.g. Conference of Polish Chamber of Commerce for Electronics and Telecommunications.

The review of challenges and mean term objectives

The main challenge of Apator SA and its objectives for the following year and period until 2019

1. Challenges resulting of business strategy

Apator Group consequently strives to perform its assumptions specified in business strategy. The challenge for the Group for coming years is to achieve and maintain leading position (1-3 position) in all business lines.

The development of essential activity of Apator Group is being performed within business model based on strategic, integrating function of service and IT products (ICT) in two basic segments:

- metering (business lines: water and heat, electricity, gas),
- automation of power grid (remote monitoring and control, automation and protection, smart switchgear),

The essential directions of activity are as follows:

- usage of many product synergies – strengthening of integrating role of ICT and taking new positions in value chain and offering more comprehensive offer to key customers,
- usage of cost, operating and product synergies – strategic finances, HR and marketing, wide co-operation with partners in sector, active involvement in establishment and acceptance of international standards of interoperation.

One of the most important assumptions of the strategy is intensive geographical expansion. Apator SA strives to be leading and reputable supplier with visible, steady share in establishment of selected future markets such like CIS, CEE and EU. The development of export will be one of the essential factors of the growth and at the end of 2019; the share of export will exceed 60%. The next pillar of long term programme of activity is to make use of chances of development resulting of regulating and technological trends related to the need of improvement of effectiveness of utility services among other things by automation, remote monitoring and control within distribution power grid infrastructure. The strategic goals adopted for the performance are based on organic development and acquisition. The deep penetration of domestic market is directed to get to new areas and sectors. The performance of the assumption is based only on intensive development of products and services. The company creates product portfolio introducing modern solutions and innovative technologies obtained owing to the studies of own design offices and also cooperation with external partners. The Company puts on flexibility and adjustment to customer's requirements in business.

Coming years will be for Apator Group the period of intensive works. Financial goals are ambitious: growth of goodwill (EBIDTA 2014-2019 in the range of 10-15%, approx. 2-2, 5 x increase in value) and revenues to be achieved over PLN 1, 5 bn. The works are carried out to extend and complete the product offer and also entering into strategic alliances.

2. Grupa Apator is the expert in the sector

Apator Group is the supplier of smart equipment and systems and equipment and systems for the automation of the operation of power grid for the distribution of utility services. The important group of clients for the products of Apator Group is power industry. The role of Apator on the market is not only to manufacture the equipment. The group of experts of the Company are

involved in any governmental initiatives and non-governmental institutions to develop the best technological solutions and communication standards for domestic power engineering market.

Apator SA collaborates with Energy Regulatory Office for the above purposes.

It supervises and regulates energy market in Poland and it is involved in studies of design teams nominated by Polish Power Transmission and Distribution aiming at Polish standards concerning the power market not to be copied from other countries but to be adapted to the needs and capabilities of the Polish market.

Furthermore, Apator SA is the member of Consortium Smart Power Grids Poland that acts to find the concept of development of smart grids in Poland, standards of implementation of smart grid based on domestic conditions.

Apator SA is also the member of the Polish Office Chamber of Electronics and Telecommunication and it participates in establishment of legal draft projects related to new directions of development and solutions concerning power engineering sector in Poland.

Apator SA is involved in studies on global development. It is the member of Prime Alliance international organization gathering the biggest producers of smart intelligent power grids on the market leading to establish global standard for equipment and systems of communication of class AMI -PRIME PLC and also it is going to provide with equipment and systems according to other open standards (i.e. CIM).

Apator Group is active in standardization and since 2014 Apator has been active member of ESMIG (European Smart Metering Industry Group) and it participates in studies of working groups (CTG,EBSII). ESMIG is the largest European organization gathering the producers of smart metering equipment and systems of remote data readout that plays the consulting role for standardization bodies of European Union (CEN, CENELEC, ETSI) and it gives technical opinions supporting the work of European Commission.

Apator SA is also the initiator and organizer of regular sector conference Baltic Smart Grid Meeting and it attend regularly other sector conferences such like Economic Forum (Telecommunication, Internet, Utility Services, Electronics) (Polish Office Chamber of Electronics and Telecommunication).

Challenges for power engineering in Poland

- modernization of power engineering and change of conservative attitude of the sector for innovations,
- establishment of Polish industrial speciality concerning the manufacturing of equipment and systems for smart power grids including implementation of re-industrialisation programme that will support the Polish innovative technical thought and it will create additional workplaces in Poland,
- building and implementation the bases of free market of energy and building of competitive power market
 - improvement quality and safety of products – lack of harmful impact on health of users
 - development of products taking into account the protection of natural environment – minimizing negative impact of products on natural environment and reduction of raw materials consumption and their economic usage from ecological point of view.
 - meeting the expectations of customers – access to the latest technologies in all aspects of life creates expectations of customers concerning safety and innovation of our products,
 - improvement of service of customers –permanent improvement of processes related to reliable advising the customers about our products and conditions of their purchase
 - improvement of legal regulations governing the market – stable regulation environment and legal one favourable to make long term investment and development plans.
 - establishment and support to open technical standards and support to interoperability in the scope of smart metering and smart power grids for different utility services

Key events/risks from prospects of sustainable development and objectives for the following reporting period and mean term objectives (3-5 years) related to key chances/risks

		Short term objectives	Medium term objectives
CHANCES	- Development of smart networks markets including smart grid and smart metering	- Extension of the offer and competency in the scope of smart metering of utility services (metering equipment, integrated IT systems) - monitoring of the market in respect of the performance of prestige smart metering contracts (including entering in strategic alliances with technological partners) - development of competency of the team and entire organization	- Further built-up a strong portfolio based on leading technologies - conclusion and performance of smart metering contracts on domestic and foreign strategic markets
	- Investment in modernization of infrastructure and automation of power grids	- development of innovative, integrated developments and systems in the scope of power grid management elaborated in cooperation with entities in Apator Capital Group - building up the “ group” competence in this area	- further development of the product portfolio both for power industry and industry, - performance and implementation of innovative solutions via commercial contracts concluded - leader position achieved at home
RISKS	-Lack of regulations and standards to implement smart grid/smart metering in many European countries (including Poland)	- active work for the development of the standards – participation in organizations, consortiums, conferences of the sectors	- contribution in final establishment of standards for the implementation of smart metering in Poland, active vote in discussion on European forum
	- much pressure on price (effect of very intensive competition, consolidation of power entities on purchase side.)	- optimization of manufacturing costs in order to improve the profitability of the products - use of group synergies (better use of resources and bringing together selected functions within the group)	- gradual concentration and specialization in solutions and products of high margin – dominant share of these products in sales
	Unsteady geopolitical and economic situation (Russia-Ukraine, crisis in Greece)	- hedging against currency risks - diversification of markets	- hedging against the currency risk -diversification of markets
	- challenges for organizations (necessity of investments in resources, building of new competences of the team, culture of innovations, cooperation capability within a group)	- consequent building of organization culture - increase of competence of the team (training systems, performance of new projects) - initiation of group projects	- consequent building of organization culture - increase of competence of the team (training systems, performance of new projects) - initiation of “group” projects
	- ICT sector –difficulties in obtaining high qualified specialists that have negative influence on performance of contracts timely	- establishment of action schedule of branding employer -development of effective motivation systems	- performance of action of branding employer - implementation of motivation systems - actions for more effective co-operation of science and business (performance of scientific projects, cooperation with universities of technologies and scientists)

Key events, achievements and failures

Key events, achievements and failures in reporting period shows the table below

	Natural environment	Market	Workplace	Society
Achievements	<ul style="list-style-type: none"> - improvement of waste segregation (cardboard, plastics); - reduction of water and gas consumption - reduction of volume of municipal wastes - enhancement of ecological awareness of the employees by the arrangement of regular training 	<ul style="list-style-type: none"> - actions related to the development of smart metering in Poland and Europe within such organizations like-Polish Chamber of Commerce for Electronics and Communication and Consortium Smart Power Grids Polska and also ESMIG – European Smart Metering Industry Group gathering industrialists of Smart Metering sector - launching new products i.e. electricity smart meters EMU, prepayment system for the distribution of water and heat, remote control of fuse links in disconnectors. - arrangement of the sector conference - Baltic Smart Grids Meeting – integrating the people in sector in order to establish the standards to implement smart power grids in Poland. - completion of the following stages of CRM implementation system (modules: activity, contacts, offers) integration with BaaN system 	<ul style="list-style-type: none"> - new technologies improving work and increasing its safety like automation of assembly of metres and the purchase of the high-tech manufacturing equipment within the group (among other things built-up the stand for joining busbars –TOX type press, ventilation system for stands for manual soldering - improvement of internal communication by editing of „Flesz Apatora” - internal magazine for the employees, implementation of information platform online - Facebook – provision the employees with the newsletters containing current information concerning the company, advising the employees about coming changes 	<ul style="list-style-type: none"> - the development of the programme for the support of young talented people have been continued: the third edition of Scholarship Programme for Young Talents and sponsored contracts supporting young sportsmen - consequent presence in ranking of WSE listed companies socially responsible RESPECT Index
Failures	<ul style="list-style-type: none"> - slight exceeding of BZT₅ parameters specified in appendix to the contract of the collection of sewages 	<ul style="list-style-type: none"> - delays (in relation to schedules) in launching products 	<ul style="list-style-type: none"> - None 	<ul style="list-style-type: none"> - None (in the reporting period it tried to take part in all important social initiatives

Priority of the issues

Priorities of action of Apator Group results directly from the objectives specified in strategy

Strategic objectives 2014-2019	Actions/issues from the prospect of sustainable development
Change of business model	<ul style="list-style-type: none"> ▪ Extension of competency (particularly of managers) within business lines and establishment of standards for co-operation within the group ▪ Development of the offer within business lines and integrated "group" solutions
Target level of revenues over PLN 1, 5 bn (average annual growth 15, 1%)	<ul style="list-style-type: none"> ▪ Extension of the offer pursuant to expectations of the market and technological trends, participation in pilot projects, building of competency of the team, performance of synergy within the group
Average annual growth rate EBITDA in the range 10%-15%	<ul style="list-style-type: none"> ▪ Cost optimization, group synergies, concentration on high margin products
Over 60% of revenues from foreign markets	<ul style="list-style-type: none"> ▪ Building of strong product portfolio and team competence of team (R&D, trade departments, marketing)
50% EBITDA from electricity distribution sector	<ul style="list-style-type: none"> ▪ Building of strong product portfolio and team competence of team (R&D, trade departments, marketing)

DATA REGARDING THE REPORT

The hereby report shows our own routes of social responsibility in business. Practices and indicators presented prove that responsible business can be the reason to obtain the advantage in competition.

The report is divided into 4 strategic areas:

- Apator and market
- Apator and ecology
- Apator and workplace
- Apator and society

Report was prepared pursuant to Global Reporting Initiative guidelines. Apator SA applies for level B. Social responsibility in business has been carried out for several years in the Company therefore, Apator SA meets many requirements relating to higher applications.

Global Reporting Initiative guidelines are international recommendations that refer to preparation of reports on environmental, economic and social activities. The guidelines are not obligatory rules or indicators and they do not force to observe the provisions of the code of proceedings in this scope. The objective of the report is to inform large group of recipients about the achievements. Global Reporting Initiative is based on rules and practices that promote reliable reporting and the compliance with the guidelines. Particular Levels of Applications have been marked by Global Reporting Initiative with letters from C (the lowest one) and C+, B, B+, A to A+ (where "+" means external verification of the report).

Social Responsibility Report regards the year 2014.

Reporting cycle is a calendar year. Report for 2012 was published on 30th August 2013 on the website of Apator but the report for 2013 was published on 12th August 2014.

Contact person responsible for preparation of the report is as follows:

- Jolanta Dombrowska – Management and Investor Relations Department Director – phone 48 56 61 91 228

Global Reporting Initiative Frame Rules of Reporting were taken into account in the Report for 2014. Moreover, it followed the rule of magnitude of the issues for:

- sustainable development
- external stakeholders who are looking for reliable information and data before they make a decision

It has significant meaning for different reasons.

- Apator SA is the Company on Warsaw Stock Exchange and therefore, it is obligated to provide its shareholders and potential investors with the access to data and information that will enable them to make some comparisons of the condition of the Company with other entities on capital market and in sector in national and international aspects,
- vision, mission and strategy of social responsibility refer to such values like: understanding and respect for customer, meeting and observance of individual needs and creation the development and modernity. The challenge to be taken up by Apator Group is to develop latest technologies that effectively will manage each type of energy. It is some kind of obligation to define standards and favour best practices in society, management and environment
- Apator Group is relatively large employer in Poland (over 2000 employees), its strong position on the market obligates it to enhance responsibility not only for economic processes and their proper run but also to obtain, maintain and develop the human capital. The Group provides with safe, steady work, good conditions for the performance of professional tasks, employment and salaries paid in time and provision of social packages.
- Apator Group is being aware of its impact on natural environment. Observance and care to keep the values of natural environment is integral part of strategy of Apator Group. Environmental Management System based on ISO 14001 has already been implemented in the most of entities of Apator Group

The report of Corporate Social Responsibility is directed to:

- shareholders and potential investors,
- employees of Apator SA and Apator Group,
- customers,
- suppliers,
- partners in business,
- trade unions in the company,
- local communities,
- public administration,
- non-governmental institutions,
- all persons concerned who are interested in implementation of social responsibility policy and sustainable development in business.

In Corporate Social Responsibility Report the selected indicators regarding economic, social and environmental activities were included. The confirmation of compliance of data included in the report and the real facts has been made by Management Board of Apator SA. The indicators reported were obtained from the employees of the Company and BaaN system operating in the Company.

CSR Report has not been subject to verification by external entity. However, some part of indicators included in CSR Report was verified during audit of financial statements of Apator SA and Apator Group for 2014 by statutory auditor – KPMG Audyt Sp. z o.o.

In current report, the Company applies for level B according to GRI guidelines. The majority of information included in the report regards parent entity – Apator SA. The report has been extended by the indicators of Apator Powogaz SA and Apator Metrix SA. In every case presented data have been distinguished indicating proper entity the information concerns.

APATOR AND ETHICS

The creation of positive relationship in business based on mutual confidence and benefits is the goal we assume in our contacts with partners in business. In order to remain faithful our principles we suggest ethics, fair and partnership in all aspects of our activity. For additional strengthening of our main features of our brand we lead open and reliable information policy concerning both results and perspectives of the Company. We work in reliable, responsible and honest manner and we take care not to lose the confidence of our partners in business

The Code of Ethics

The Code of Ethics adopted at the beginning of 2012 indicating the ethical norms and values that support the performance of business tasks and create proper relationships with the surroundings of Apator Group allowing acting pursuant at the highest standards. It includes fundamental and commonly accepted values. The principles are the base to build the image of the Apator Group in relation with customers, employees, shareholders, and local communities. The Code of Ethics is the guideline for our employees, indicating the direction to proper attitude. Everyone who knows about any incident of not ethical attitude, fraud, abuse or other action exposing the Company to damage is obligated to advise about it the direct superior, Human Resources Department Manager of the Company or Management and Investor Relations Director of Apator SA. There is also the system of anonymous notification about not ethical attitudes. Any investigation is conducted in complete confidence.

Corporate governance

The principles of acting of the Supervisory Board

Standing body for supervision and control of Apator SA is the Supervisory Board. It consists of five to seven members appointed by General Shareholders Meeting for mutual five year tenure. At the end of 2014 the makeup of Supervisory Board consisted of six persons including to independent members – Krzysztof Kwiatkowski and Marcin Murawski.

The Supervisory Board is being managed by its Chairman – Janusz Niedźwiecki.

Three members of Supervisory Board are the members of Audit Committee which is consulting body in the scope of separate and consolidated financial reporting, internal control, risk management and cooperation with statutory auditors.

The Compliance of the Best Practices of WSE Listed Companies

The Management Board of Apator SA declared that since 1st January 2013 had been complying with the rules included in the document "Best Practices of WSE Listed Companies" being the appendix to the Resolution of the Warsaw Stock Exchange Council no 19/1307/2012 dated 21st November 2012, excluding:

- rule I.12 in the aspect of provision shareholders with the possibility to exercise of voting right personally or through another representative during General Meeting out of the place of General Meeting to be held by use of electronic communication means
- rule IV.10 in the aspect of the participation of the shareholders in General Meeting by use of electronic communication means as it follows;

- 1) real time broadcasting of the seating of General Meeting,
- 2) bidirectional communication in real time where shareholders are able to give their opinions during General Meeting being in another place than the place where General Meeting is held

The Management Board of Apator SA made the above decision due to lack of interest by the shareholders in such solution and the necessity to bear additional costs by the Company. In order to make able the shareholders to be familiar with the run of General Meeting, the Company makes the recording of its run by video and it is made public on its website www.apator.com.

The principles of acting of the Management Board

The Management Board of the Company is nominated by the Supervisory Board. The Management Board consists of from one to five members nominated for the period of three years. The Members of the Management Board can be dismissed from their functions in every moment by the Supervisory Board or General Meeting before the end of the tenure.

The Management Board manages all the activity of the Company, the property and all the matters not restricted to the competence of the General Meeting and Supervisory Board. Furthermore, the Management Board defines the strategy and the main objectives of the Company that are submitted to the Supervisory Board to obtain its opinion. It takes care about transparency and effectiveness of the managing system of the Company and runs business in accordance with legal regulations and the best practices.

Shareholders

Apator SA respects the rights of shareholders and appreciates their significant role in corporate governance. The consent of shareholders is required when key decisions are made such like: analysis and approval of financial statements and reports of the Management Board, , analysis and approval of the motions of the Management Board concerning dividend payment, analysis and approval of the evaluation of the position of the Company prepared by the Supervisory Board, appointment and dismissal of the members of the Supervisory Board, making amendments to the Statutes of the Company, increase and decrease of the share capital and purchase of own shares for their redemption.

According to art. 428 of the Polish Commercial Companies Code during General Meeting, the Management Board shares information with shareholders that concern the Company and Apator Group if it is reasonable for the evaluation the matter included in the agenda.

Recommendations for General Meeting

Apator SA provides the shareholders with the possibility to submit recommendations and instructions to the highest supervisory body. In accordance with the Polish Commercial Companies Code (art. 401) the shareholders holding minimum 5% shares are allowed to submit the draft resolutions what is specified in the Regulations of General Shareholders Meeting.

Furthermore, the employees are allowed to submit the remarks and postulates to the Management Board and through the Management Board to the Supervisory Board and General Meeting.

Payment of bonuses for the Supervisory Board and the Management Board versus the results of organization

In accordance with the Regulations of General Meetings of Apator SA when the remuneration of the members of the Supervisory Board is being determined, the General Meeting should take into account the financial opportunities of the Company and it should not be the significant cost

item of the Company and it should remain in appropriate proportion to the remuneration of the Members of the Management Board.

The remuneration of the members of the Supervisory Board of Apator SA is as follows:
Chairman of the Supervisory Board – PLN 6.000 gross amount monthly,
The Member of the Supervisory Board – PLN 5.500 gross amount monthly

Remuneration of the members of the Management Board is determined by the Supervisory Board. There are two payment systems of bonuses for the Management Board of Apator SA – quarterly and annual ones. Payment system of bonuses is related to financial results being achieved by the Company.

Avoidance of conflicts in business

In order to avoid conflicts in business in Apator SA, the Company applies the regulations of Polish Commercial Companies Code and provisions of the Regulations of Supervisory Board and “Best Practices of WSE Listed Companies” too.

According to the Regulations of Supervisory Board in case of the conflict in business the Member of Supervisory Board should advise about it other Members of the Supervisory Board and restrain from expressing its opinion in discussion and from taking part in voting on the regulation concerning the issue related to the conflict. The information about conflict notified should be entered in the minutes of the meeting of Supervisory Board.

In accordance with the stipulations of the rule no. 2 in chapter III of “*Best Practice of WSE Listed Companies*” the Member of Supervisory Board should submit to the Management Board information on its relationships with shareholder holding shares representing not less than 5% total number of votes at General Meeting. The above obligation concerns connections of economic nature, family nature or other one that can have the impact on the standpoint of the member of Supervisory Board of the matter being considered. Moreover, the regulations no 4 in chapter III predict that Supervisory Board should be informed about the conflict in business or possibility of its occurrence and to restrain the Member of Supervisory Board from taking floor in discussion and from taking part in voting on the regulation concerning the matter related to the conflict in business.

The possibility to eliminate the conflict in business of members of the highest supervisory body one can find some guidelines in already mentioned “Best Practices of WSE Listed Companies” – rule no. 1 sub point 5 in chapter II. It regards the necessity to give access in case of appointment of Member of the Supervisory Board by General Shareholders Meeting to justification of candidates put forward with their professional experience in such advance to get known about it and at the same time to adopt the resolution with proper identification.

Risk management and internal control systems

Risk Management System allows identification and measurement or estimation and monitoring a risk that is accompanied to our activity. Therefore, it provides with correct run of the process of estimation and performance of the objectives related to our activity. Based on the above system the Management Board ensures the effective risk management resulting of lack of conformity, being understand as the result of non-compliance with legal regulations, internal regulations and standards of proceeding. The supervision over risk management resulting of non-compliance is performed by Supervisory Board.

Internal Control System covers the instruments of internal control built in the processes being performed by all the employees. Its goal is to ensure the effective and efficient actions pursuant to binding legal regulations and internal regulations and reliability of financial reporting.

Supervisory Board and Management Board are responsible for the promotion of high ethical standards and presentation to employees the meaning of elements of internal control system. The obligation of every employee is to understand the role it plays in internal control system. The training on application of high ethical standards is obligatory to all the employees.

Stakeholders

Customers

When there are competition of markets and globalization, it is more and more difficult to companies to gain and maintain a customer. Therefore, Apator Group making use of information about its customers improves its product offer and it puts much stress on business relationships and it meets halfway of customers' expectations.

Customers of Apator Group:

Customers	Products	Entities in Apator Group offering products in particular areas
Power engineering	<ul style="list-style-type: none"> - switchgear - surge protective devices - electricity meters, - drives and control, - IT systems, - system solutions 	Apator SA Apator Control Sp. z o.o. FAP Pafal S.A. Apator Rector Sp. z o.o. Apator Elektro S.A. Apator GmbH Apator Elkomtech SA .
Water works and sewage system	<ul style="list-style-type: none"> -water meters, - flow meters, - drives and control, - IT systems, - system solutions 	Apator SA Apator Rector Sp. z o.o. Apator Powogaz Group Apator Control Sp. z o.o
Gas industry	<ul style="list-style-type: none"> - gas meters, 	Apator Metrix SA
Heat engineering	<ul style="list-style-type: none"> - heat meters, - drives and control, - IT systems, - system solutions 	Apator SA Apator Powogaz Group Apator Control Sp. zo.o.
Industry	<ul style="list-style-type: none"> - switchgear, - water meters, - flow meters, - gas meters, - drives and control, - mining equipment, - IT systems, - system solutions 	Apator SA Apator Rector Sp. z o.o. Apator Powogaz Group Apator Control Sp. z o.o. Apator Mining Sp. z o.o. Apator Elkomtech SA
Building industry	<ul style="list-style-type: none"> - switchgear, - water meters, - flow meters, - heat meters , - drives and control, - electricity meters 	Apator SA Apator Powogaz SA Apator Control Sp. z o.o. FAP Pafal SA
Administration of real estate	<ul style="list-style-type: none"> - water meters, - flow meters, - heat meters, - gas meters, - IT systems, - system solutions 	Apator SA Apator Powogaz Group Apator Control Sp. z o.o Apator Metrix SA
Mining industry	Mining equipment	Apator Mining Sp. z o.o.

Apator SA verifies the needs of customers on current basis by direct collection of the opinions or receiving them by phone. The Apator S.A. on its side tries the customers to make aware and encourages them to sustainable consumption even by selection of environmental friendly products which are the products of the group.

We are open to have dialog with a customer and internet creates much opportunity for it. Customers obtain information about our offer among other things from the website www.apator.com and from face book social networking

Investors

Intentional shaping of investor relationships and share of reliable information on the activity of Apator Group with the public has been performed in the Company since 1996 that is since the moment of making public the shares of Apator SA. Investor Relation is performed by:

- provision of investor service on internet portal (also in English language)
- publication of current and regular reports
- arrangement of conferences for press, investors and analysts
- current meetings with investors and analysts
- co-operation with PR - P&L agency with headquarters in Warsaw
- compliance of the rules specified in Best Practices of WSE Listed Companies

Suppliers

Pursuant to the rule that the *quality is remembered much longer than the price*, purchase strategy of Apator is focused mainly on selection of reliable partners meeting specified quality requirements, taking into account price requirements. Apator SA is the initiator of the exchange of information with suppliers. Owing to it they get knowledge about our organization and information in return about cooperation. During regular meetings we discuss about the run of cooperation and we exchange the experience and pieces of information.

Employees

Pursuant to the rule that people make business not corporations, Apator Group takes care about its employees since they are one of the most important sources of building the advantage in competition. Intentional creation of the culture in the enterprise guarantees the performance of the strategy assumed.

At the end of 2014 in Apator Group were employed 2.296 persons, which is in comparison with the last year it was the increase by 12% (246 persons). In parent entity Apator SA at the end of 2014, 544 persons were employed. The revenues from sales of Apator Group in 2014 were PLN 724.994 000. It was PLN 316 000 per employee. In Apator SA revenues were PLN 186.205. 000. It was PLN 342 000 per employee.

There are main groups of stakeholders.

The basis of their identification and methods of communication

By permanent enhancement of qualifications of the employees we focus their attention at quality of the products, protection of natural environment and safety at work. It enables permanent development of the system taking into account the significant role of the employees.

Apator SA carries out audits aiming at identification of implemented and maintained Integrated Management System and to check if it meets assumed requirements of the standard. Apator Group permanently improves Management System. The business partners and customers play very important role in these actions.

Stakeholder	Objective of communication	Mode of communication	Basis for Identification
Investors, stock exchange Analysts, journalists of business media	- fair and honest communication and reporting on current situation of capital group pursuant to requirements, regulations and the best practices of circulation of the information for companies on regulated market	- current reports, financial statements, conferences, meetings, newsletters, news items,	- Capital Group of Apator – company quoted on WSE builds the relationships with investors and analysts in order to manage the value of financial instruments
Customers	-presentation of the product offer and condition of trade co-operation	-direct meetings, trade fairs, conferences ,letters	- Capital Group of Apator performs business objectives via provision the customers with solutions and products that meet their needs and expectations
Employees	- notifying about the objectives of organization, presentation of current situation of the firm and financial results, organizational and personnel changes , social actions etc.	-meetings Management Board with employees, Lotus Notes platform, internal magazine, radio broadcasting, newsletters	-Capital Group of Apator performs business objectives owing to the involvement and competency of its employees.
Additional groups of stakeholders			
Suppliers	- exchange of knowledge and communication concerning mutual expectations for effective cooperation	-- permanent meetings and presentations	- Capital Group of Apator performs business objectives by selection partners of reliable and complying defined quality requirements taking into account the price requirements
Media	- conscious forming image of the firm and brand by announcement surrounding of the market about business activity of the firm.	- materials and press releases, sector article, briefings	-Capital Group of Apator co-operates with sector media, special and local ones participate in exchange of knowledge of the experts, promoting its products and presenting the effects of business activity forming the image of a brand on the market
Institution, organization, social environment	- strengthening and performance of co-operation with organizations for valuable social initiatives	- current co-operation in performance of projects, conferences and meetings	- entities of Apator Group enter into business relationships and non-business ones with local institutions supporting valuable initiatives, granting the donations for the organizations performing mission.

Much attention is paid to correct communication with stakeholders.

They are advised on current basis about the activities of Apator Group. For that reason the Company's portal is used and it is divided into corporate, product and investor services.

The Apator Group promotes ethics, partnership, responsibility and honesty in all the aspects of activity. Open and frank policy concerning the results and perspectives of the Company strengthens image of the Company and main features of its brand. When partners in business are being selected, Apator SA takes into account such values like: professionalism, reliability, meeting of appropriate quality and price requirements. Cooperation with partners in business is based on partnership relations and it is governed by cooperation contracts. The Company takes into account its own purchase procedures established. The suppliers are subject to periodical assessment of reliability by use of BaaN system and audits.

Indicators related to the ethics – economic aspect

EC1 Direct economic value created and divided taking into account revenues, operating costs, remuneration of the employees, subsidies and other investments towards community, undistributed profits and payments to the owners of capital and state institutions.

Description	Apator SA as at 31.12.2013 (000' PLN)	Apator Group as at 31.12.2013 (000' PLN)	Apator SA as at 31.12.2014 (000' PLN)	Apator Group as at 31.12.2014 (000' PLN)
Revenues from net sales	167 862	683 990	186 205	724 994
Cost of products, merchandise and materials sold - cost of remuneration of the employees included	- 120 051 - 34 713	- 482 007 - 139 160	- 124 687 - 37 661	- 507 875 - 157 371
Operation profit	14 770	86 502	15 362	106 400
Income tax	61	- 14 404	2329	- 17 198
Net profit	51 300	68 799	48 988	84 688
Equity	207 212	326 213	235 662	387 551
Total assets	274 002	523 485	395 800	695 091
Total liabilities	66 790	197 272	160 138	307 504
Weighted average number of shares	33 107 028	29 507 028	33 107 028	29 507 028
Profit per share [PLN/share]	1,55	2,28	1,48	2,84
Investments in community (donations)	114	195	179	205

EC3 Coverage of retirement liabilities of the organizations resulting from the programme for specified benefits.

Description Apator SA	31.12.2013 (000' PLN)	31.12.2014 (000' PLN)
Actuarial provision – short-term	4606	51138
Actuarial provision - long-term	815	478

Description Apator Metrix SA	31.12.2013 (000 PLN)	31.12.2014 (000 PLN)
Actuarial provision - short-term	787,4	38,5
Actuarial provision - long-term	273,7	336,6

Description Apator Powogaz SA	31.12.2013 (000 PLN)	31.12.2014 (000 PLN)
Actuarial provision - short-term	197,5	60,8
Actuarial provision - long-term	741,4	891,6

EC4 Significant financial support obtained from the state

Description Apator SA	Financial support obtained from the state (000' PLN)
Tax allowance used in 2014	2 139
Tax allowance to be used in the following years	18 634
Subsidies	-
Total	20 773

Apator Powogaz SA under the contract Flowgraf Consortium which target is to perform the project „Count, generating flow transducers” received the financial support from the government as the reimbursement of the costs related to the project. The value of the entitlement reimbursement of costs in 2014 was PLN 4.008,86.

In 2014 Apator Metrix SA and Apator Powogaz SA did not receive any financial support from the state.

EC 8 The contribution in development of infrastructure and rendering services for local community by commercial actions, transfer of merchandise or pro-bono actions and the impact of such actions on community.

Apator SA is active participant of many programmes being performed by local community. The Company strives to support the persons in the most need.

Apator Metrix did not make any formal evaluation of social needs and other necessary services for the community in order to establish the necessary investments in the infrastructure.

Apator Powogaz SA does not participate in programmes being performed by local communities.

The Company strives to give the support the persons in the most need.

The Company strives to give support the persons in the most need.

The charity has been described more in "Apator and the society" section

EC 9 Identification and description of considerable indirect economic influence with the scale and the range of its impact indicated.

Positive economic impact on market and community of Apator SA and Apator Group;

- saving for the users of utility services – products of Apator Group being manufactured with the use of the latest technologies provide with high quality of the product and make possibilities to save utility services
- increase the opportunity to achieve the effect of speed up of economic development all over the country – comprehensive services of Apator Group in the range of metering of utility services, comprehensive approach to the development of the products in the group
- creation of demand - in 2014 investment expenditures was PLN 10.657. 000,
- increase the opportunity for development for local community - with regard to the operation in a new Company in Pomeranian Special Economic Zone at Ostaszewo, Apator SA has created new jobs and the opportunity for professional development.

Indicators related to ethics – market presence

EC5 Remuneration of the employees at the lowest level in relation to minimal salary and wage on the market in the main locations of the organization.

Relation of the lowest level of basic salary and wage (essential) binding in Apator SA in 2014 that is in gross value of 1680,00 PLN to minimal salary and wage binding in 2014 that is in gross value of 1680,00 PLN was 100%.

Relation of the lowest level of basic salary and wage (essential) binding in Apator Metrix SA in 2014 that is in gross value of 1 700,00 PLN to minimal salary and wage binding in 2014 that is in gross value of 1680,00 PLN was 101,19,%.

Relation of the lowest level of basic salary and wage (essential) binding in Apator Powogaz SA in 2014 that is in gross value of 1699,00 PLN to minimal salary and wage binding in 2014 that is in gross value of 1680,00 PLN was 101,13%.

EC6 Policy, practices and share of expenditures destined to the service of local suppliers in main locations of the organization.

Apator SA and Apator Metrix SA run competitive and open purchase policy and at the same time taking care of the observation of binding ethical principles. It has been done a lot to have relationships with suppliers and partners in business to be based on clear and transparent principles. Purchase procedures implemented in entities ensure independent and completely justified selection of suppliers. The entities within the information to be obtained about suppliers take into consideration the information on certificates of Quality Management System and Environmental Management System or other ones being in possession of the suppliers. Apator SA and Apator Metrix SA to its extent possible pay attention to the issues related to social responsibility. Verification of

systems declared and principles to be applied by entities are supported by current and regular assessment and audits being performed at suppliers by entities.

In case of doubt, the supplier is called to give clarifications and remedy the irregularities. Negative assessment regarding the observation of ethical and ecological excludes a supplier from further cooperation with entities of Apator SA and Apator Metrix SA. In contracts concluded with suppliers they emphasize ethical and protection environment principles and particularly the rights of employees should be respected.

The objective of the purchase policy being performed by Apator Powogaz SA is effective and planned purchase on the best trade conditions with maintenance of the highest quality of materials, goods and services to be obtained. The work based on coherent and adjusted to its conditions, the purchase policy allows Apator Powogaz SA to reduce the warehouse costs what in consequence leads to minimal financial means froze in inventories. The financial means saved are dedicated for the development and improvement of products. Apart the price, significant factors are quality, reliability and flexibility of supplies, when strategic partner is being selected.

EC 7 Employment procedures of the employees from local market and percentage of higher level management obtained from local market mainly in the main locations of the organization.

Apator SA, Apator Metrix SA and Apator Powogaz SA prefer the employment of the persons from the region provided they comply with the requirements of the work post. The entities during recruitment process for management posts prefer internal recruitment. In 2014 , no employee of top management was obtained from local market in Apator SA, Apator Metrix SA and Apator Powogaz SA.

Indicators related to the ethics – the Company and its products versus customer, community and natural environment

Infringement of free competition principles

S07 Total number of legal measures taken against the organization concerning cases of infringement of free competition principles, monopolistic practices and their effects

Any infringement of free competition principles or use of monopolistic practices has not been recorded in the reporting period in Apator SA, Apator Metrix SA and Apator Powogaz SA.

Compliance with regulations

S08 Monetary value of penalties and total number of non-financial sanctions due to legal and regulation discrepancies

In the reporting period, Apator SA, Apator Metrix SA and Apator Powogaz SA did not pay any fines and there were no non- financial sanctions imposed on them due to maladjustment to binding law and regulations.

PR4 Total number of cases of discrepancy of regulations and non-obligatory codes concerning the marking and information about products and services according to the effects

In 2014 Apator SA, Apator Metrix SA and Apator Powogaz SA did not record any cases of discrepancy of regulations or non-obligatory codes concerning information about marking of products and services according to the effects.

PR9 Monetary value of significant penalties due to discrepancy of law and regulations concerning the supply and usage of products and services

Apator SA, Apator Metrix SA and Apator Powogaz SA did not record any penalties related to discrepancy of law and regulations concerning supplies and use of products and services in the reporting period.

EN28 The value of significant fines and total value of non-financial sanctions regarding discrepancy of law and regulations concerning protection of natural environment

There were no events of infringement and/or non-compliance of Apator SA, Apator Metrix SA and Apator Powogaz SA with the environmental rights and regulations.

Health and safety of a customer

PR1 The stages of life cycle of a product where the assessment of the impact of products and services on health and safety is made in order to improve the indicators and the percentage of significant category of products and services subject to such procedures.

The procedures binding in Apator SA, Apator Metrix SA and Apator Powogaz SA force to define the impact of all products on health and safety.

The analysis stages of life cycle of a product where the impact on safety and health of the product cover:

- concept of product development
- research & development
- certification
- distribution and procurement
- production and manufacturing
- marketing and promotion
- usage and service
- cancellation, repeated usage or recycling

Products are submitted to customers with binding technical conditions.

PR2 Total number of cases of non – compliance with regulations and not obligatory codes in the scope of the impact of products and services on health and safety at every stage of life cycle taking into consideration the kind of effects.

In reporting period Apator SA, Apator Metrix SA and Apator Powogaz SA did not record any incidents of non-compliance with binding regulations, provisions and codes in the scope of the impact of a product on health.

Marking of products and services

PR5 Practices related with provision of customer's satisfaction including results of the research of customer's satisfaction.

Apator SA

Customers and partners in business are ones of key stakeholders of Apator Group. Therefore, the important thing is to build and maintain good relations and co-operate with them based on mutual confidence and partnership.

Relations with customers are shaped on current basis by the arrangement of trade meetings by Apator, trainings for customers and design engineers, conferences and symposiums and sector trade fairs.

In 2014, the survey of customer's satisfaction and survey of perception of the brand of Apator based on CATI interviews with customers and design engineers was conducted. The objective of the studies was among other things to make the diagnosis of customers' expectations in the scope of development of the product offer and services and to determine priorities of

improvement and directions of development of the Company. The following were subject to evaluation: quality of product offer, level of satisfaction of customers and design engineers of current service by trade representatives, logistic service and service itself. The second part of survey was devoted to the aspects of brand and marketing actions - the level of knowledge about brand, its image, quality of marketing services were evaluated (among other things; trainings, participation in sector events and expositions, quality of the website, availability and quality of information and promoting materials) The effect of survey was to determine the strengths of the company and those areas that require further improvement. The results of survey of customers' satisfaction are shown below.

Area of survey	Best evaluated aspect	Area to be improved
Development of a product offer	High quality, reliability, functionality	Availability of products, access to documentation, adequacy of price to quality
Development of a product	Quick reaction to technological changes, matching of products to requirements and regulations	Taking into account of end users' needs and quick reaction to the needs of the market
The service of trade representatives	Accessibility and availability of the employees, notifying customers about innovations and flexible approach to conditions of sales on current basis	Necessity to more frequent direct or by phone contact with customer
Area of survey	Best evaluated aspect	Area to be improved
Logistic service	Completeness and compliance of supplies, timely performance of orders, and good knowledge of employees on orders.	Increase the quickness of reaction to enquiries and orders
Service	Timely handling of complaints and efficient run of the complaint process	Increase the competency of employees and possibility to obtain the support and assistance from design engineers
Marketing activity		Transparency and readability of the website and increase the level of procurement of printed materials (leaflets, catalogues, instructions).

Apator operates on special market where particularly significant are direct professional relations with customers, permanent monitoring of their expectations, adjustment of the offer to their current needs, quick reaction and assistance in case of their possible problems during usage of the products and implementation of solutions.

Creation and maintenance of relations with customers are performed on current basis by the arrangement of trade meetings by Apator, trainings for customers and design engineers, conferences and symposiums and sector trade fairs.

Apator Metrix

Apator Metrix SA systematically surveys the customer's satisfaction by use of "mysurveylab" questionnaires. After the questionnaires are filled in by customers then the report on satisfaction of the customers is prepared. Four areas of satisfaction are surveyed:

1. General satisfaction of the co-operation with the manufacturer
2. General satisfaction of the quality of the products
3. Satisfaction of particular aspects of quality of the products
4. Satisfaction of the performance of supplies

The results of the survey conducted in Apator Metrix SA in 2014 show that generally 92% of customers are satisfied or completely satisfied of the quality of the products of the Company.

The customers are satisfied of cooperation with Apator Metrix SA and of customer services as follows:

- 78% completely satisfied
- 22% satisfied

The customers are satisfied of supplies performed in time as follows:

- 56% completely satisfied
- 33% satisfied

The customers are satisfied of compliance of the supply with the order as follows:

- 78% completely satisfied
- 17% satisfied

Apator Powogaz SA

Apator Powogaz SA systematically makes research of customers' satisfaction obtaining the ratio at the level of 0,93. The result includes the partial assessments; quality of products 0,99; indicator of claims met in time 1,0; indicator of orders accepted 0,98; assessment of the competitiveness of products 0,83; indicator of assessment of level of competitors 0,85

Marketing communication

PR6 Programmes regarding the compliance with the law, standards and non-obligatory codes governing marketing communication aspects taking into consideration, advertisement, promotion and sponsoring.

The entities of Apator Group the majority of their actions in marketing communication perform through Marketing Department of Apator SA where the communication within the group is being established based on principles defined in "General principles of advertisement and promotion" (published on www.apator.com/pl/grupa-apator/csr/etyka). In marketing, sponsoring and promotion activities we apply the highest ethical standards and we observe binding legal regulations and follow good practices, idea of social responsibility and principles of fair competition.

The entities of Apator Group - Apator SA, Apator Metrix SA and Apator voluntarily complies with standards regulated in Advertisement Ethics Code, therefore it gives support to fair image of the firm on the market.

PR7 Total number of cases of non-compliance with regulations and non-obligatory codes governing marketing communication aspects with consideration of advertisement, promotion and sponsoring according to the kind of effects

In the reporting period in Apator SA, Apator Metrix SA and Apator Powogaz SA did not find any cases of non-compliance with regulations and codes governing the marketing communication aspects.

Protection of customer's privacy

PR8 Total number of reasonable claims regarding the infringement of customers' privacy and the data loss

In the reporting period, Apator SA, Apator Metrix SA and Apator Powogaz SA did not find any claims due to infringement of customer's privacy or the data loss.

APATOR AND ECOLOGY

Apator SA conducts the protection of natural environment and safety at work policy. The company is environmental friendly. It takes care of ecology by economic management of materials, energy, water and paper and manufacturing of environmental friendly products. Apator SA promotes ecological actions among its employees and community. The objective of Apator SA is to provide with safety and environmental friendly products being manufactured in conditions providing safety at work.

In order, take care of natural environment the Company undertakes to meet requirements of binding legal regulations in the scope of natural environmental issues in the Company, among other things like pollutants emitted to air, sewages and wastes.

Apator SA takes actions in accordance with binding regulations of law and provisions included in environment management system according to PN EN ISO 14001:2005. The above requirements are met by design solutions of the products based on materials used and technological processes environmental friendly.

The design developments of Apator SA of the products lead to save the consumption of utility services and it means that they reduce the negative impact on environment and extraction of natural resources. The example of such solution is MoniTorus – high tech device to manage energy for persons who want to save and make analysis on current basis of the costs born for the consumption of utility services.

For the performance of priority target in the scope of management of protection of natural environment by provision of safe and environmental friendly products the support of specialists is obtained. They monitor the progress in reduction of negative impact of the Company on natural environment on current basis.

Moreover, the Company carries out ecological actions that enhance the awareness of the employees in the scope of responsibility for the surrounded environment. There are special markings located all around the Company to encourage people to save electricity.



Protection environment activity includes performance of the program for waste segregation and collection of flat batteries. The containers for waste paper and flat batteries are located in the area of the Company. Moreover, Apator SA arranges free of charge the collection of electrical and electronic equipment used several times per year.

Apator SA has been arranging the trainings aimed at building of corporate culture in such a manner in order ecological attitudes to be promoted not only at the workplace but also beyond it.

Environmental indicators – raw materials, energy and water consumption

EN1 Consumption of raw materials/materials according to their weight and capacity

Apator SA

Name	2013	2014
Steel [t]	142	169,1
Copper and alloys [t]	429	353,5
Plastics [t]	747	725,1

Apator Metrix SA

Name	2013	2014
Steel [t]	1132	1153
Plastics [t]	1	Manufacturing of plastic parts is subcontracted to other firms
Paints, lacquers, solvents [t]	29	61

Apator Powogaz SA

Name	2013	2014
Steel [t]	0,51	0,75
Plastics, dyes [t]	155,83	167,3
Paints, lacquers, solvents [t]	7,64	6
Brass	0,92	0,7

EN3 Direct consumption of energy according to initial sources of energy

Apator SA

Electrical energy

In 2014 the consumption of electricity in Apator SA was higher by 330 417 kWh in comparison to 2013 and it was 3 851 654 kWh.

Higher consumption of electricity than in 2013 was caused by the increase of the volume of metering equipment and plastic moulded parts manufactured for Apator Metrix SA;

Apator Metrix SA

In 2014 the consumption of electricity in Apator Metrix SA was lower by 531 900 kWh in relation to 2013 and it was 2 510 030 kWh.

The decrease of consumption of electricity in 2014 was caused by reduction of energy-consumption of machines and equipment and the move of plastic moulded parts to other external companies.

Apator Powogaz SA

In 2014 the consumption of electricity in Apator Powogaz SA was higher by 22 500 kWh in comparison to 2013 and it was 1 677 000 kWh.

Increase of consumption of electrical energy in 2014 in relation to 2013 was caused by the increase of manufacturing and increase of loading of machines and equipment.

Fuel consumption

In 2014 natural gas consumption in Apator SA was lower by 16.500 cubic meters in relation to 2013 when the consumption was 197.100 cubic meters.

In 2014 it was produced 6, 5 TJ of heat energy that in comparison of 7, 1 TJ in 2013 gives the saving of 9, 2%.

Apator SA

Name	2013	2014
Natural gas consumption [thousand m ³]	213,6	197,1
Heat production [TJ]	7,1	6,5

Apator Metrix SA

Name	2013	2014
Natural gas consumption [thousand m ³]	293,4	268,4
Heat production [TJ]	9,0	7,8

Apator Powogaz SA

Name	2013	2014
Natural gas consumption [thousand m ³]	45,4	38,4
Heat production [TJ]	5,9	4,9

EN8 Total water consumption according to place

Apator SA

In 2014 water consumption in Apator SA was 2 700 cubic meters that is by 9% more than in 2013. The increase of water consumption was caused by operation of humidify station in electronic equipment manufacturing area.

–

Water consumption [m³]	2013	2014
Apator SA	2 700	3000
Apator Metrix SA	5 391	5439
Apator Powogaz SA	6 338	7327

Environmental indicators – biodiversity

EN11 Location and the area being in possession, rented or managed land in protected areas or areas of high value of biodiversity outside protected areas or bordering to such areas

In 2014, the areas of Apator SA and Apator Metrix SA do not border directly to any protected area or areas of high biodiversity.

In 2014 Apator Powogaz SA leased the Holiday Cottage from in Skorzęcin located in the territory of Powidz Landscape Park from Municipality and Town of Witkowo. The area leased covers the following items; buildings – 208, 20 square meters and land 615, 30 square meters

EN12 The description of significant impact of products and services on biodiversity of protected areas and areas of high biodiversity outside protected areas

Proper use of the products of Apator SA, Apator Metrix SA and Apator Powogaz SA does not cause significant impact on natural environment.

EN13 Protected or revitalized habitats

In 2014, no actions were taken regarding protected habitats or revitalized ones since Apator SA, Apator Metrix SA and Apator Powogaz SA do not border any protected area and area of high biodiversity what has been underlined by indicator in EN11.

In 2014, Apator Powogaz SA did not take any actions regarding protected habitats or revitalized ones since in spite of holiday cottage leased in the surrounding of the landscape park it does not have any negative impact on any protected habitats and revitalized ones.

EN14 Strategies, actions and plans concerning the management under influence of biodiversity.

The negative impact of manufacturing activity of Apator SA, Apator Metrix and Apator Powogaz SA on biodiversity in land and fresh water has not been found.

Environmental indicators – emissions, sewages and wastes

EN 16 Total direct and indirect emissions of greenhouse gases pursuant to weight

Apator SA

In 2014 Apator SA recorded the following:

- reduction of CO₂ emission by 7,4% achieved among other things heat recuperation and high efficiency of power engineering equipment,
- small increase of the volume of pollutants emitted to air from technological sources by (0,1t) caused by increased manufacturing in plastic processing area

Apator SA

Name	2013	2014
Non-metallic volatile organic compound [t]	1,9	2,0
CO [t]	0,1	0,075
CO ₂ [t]	419	388

Apator Metrix SA

Name	2013	2014
Non-metallic volatile organic compound [t]	0,674	0,678
CO [t]	0,07	0,096
CO ₂ [t]	586,33	536,87

Apator Powogaz SA

Name	2013	2014
Non- metallic volatile organic compound [t]	0,046	0,072
CO [t]	0,034	0,054
CO ₂ [t]	90,750	59,810

EN19 Emissions of substances damaging ozone layer pursuant to weight.

Apator SA and Apator Metrix SA do not use and emit the substances damaging ozone layer.

Apator Powogaz SA

Name	2013	2014
HFC [kg/year]	2,800	3,300

EN20 Emission of NO_x and SO_x and other significant compounds emitted to air pursuant to type and weight.

Apator SA

Name	2013 [kg/year]	2014 [kg/year]
Formaldehyde	0,0	0,0
Styrene	6,510	7,3
Ethyl benzene	9,754	9,7
NO ₂	131,4	69,4
CO	145,4	70,5
Zn	0,21	6,5
Ni	0,016	0,02
Aliphatic hydrocarbons	982,27	734,5
Aromatic hydrocarbons	539,86	534,3
Toluene	13,73	53,9
Sn	6,65	6,5

Apator Metrix SA

Name	2013 [kg/year]	2014 [kg/year]
Formaldehyde	0,0*	0,0*
Styrene	0,0*	0,0*
Ethyl benzene	0,0*	0,0*
Aliphatic hydrocarbons	0,0*	0,0*
Aromatic hydrocarbons	330	330
Aliphatic alcohols and derivatives	344	348
Toluene	0,0*	0,0*
Benzene	0,0*	0,0*
Carbon oxide	0,0*	0,0*
Phenol	0,0*	0,0*
Caprolactam	0,0*	0,0*
Ammonia	0,0*	0,0*

- transfer the manufacturing of plastic parts to Apator S.A.

Apator Powogaz SA

Name	2013 [kg/year]	2014 [kg/year]
Aliphatic hydrocarbons	27,22932	531,397
Sulfuric acid	7,8312	8,700
Butane-2-on	10,4416	25,265
4-hydrox-4-methylethylpentane-2-on	0,12048	8,690
Cyclohexanone 2	0,12048	3,765
2-methox-1methylethyl acetate	0,12048	4,075
Butyl acetate	1,2048	2,365
Propane-2-ol	0,12048	0,125
Styrene	6,35832	12,0
CO	23,5563	54
Dust	3,532	3,84566
HFC	16,100	2,8

EN21 Total volume of sewages pursuant to quality and the place of destination

Apator SA

Parameter	Unit	Annual average 3[mg/l]	Annual average concentration in 2014 [mg/l]	Permissible values of indicators for impurities included in the contract with Municipal Waterworks and Sewerage Systems Company in Toruń
ChZT	mg O ₂ /l	830	535	700
Phosphorus	mg P/l	9,5	10	15
Zinc	mg Zn/l	1,7	0,5	5,0
Reaction	ph	8,2	8,03	6,5-9,5
Copper	[mgCu/l]	0,08	0,06	1,0

Apator Metrix SA

Parameter	Unit	Annual average concentration in 2013 [mg/l]	Annual average concentration in 2014 [mg/l]	Permissible values of indicators for impurities included in the contract with Municipal Waterworks and Sewerage Systems Company in Toruń
ChZT	mg O ₂ /l	808	859	1000
Phosphorus	mg P/l	11,2	13,71	15
Zinc	mg Zn/l	3,47	0,71	5
Reaction	ph	8,3	8,07	6-9,5
Copper	[mgCu/l]	0,32	0,33	1

Apator Powogaz SA

Parameter	Unit	Annual average concentration in 2013 [mg/l]	Annual average concentration in 2014 [mg/l]	Permissible values of indicators for impurities included in the contract with AQUANET SA in Poznań
Zinc	mg Zn/l	0,031	0,168	2,5
Phosphorus	mg P/l	1,8	7-8,45	10
Copper	[mgCu/l]	0,063	0,040	1,0
Petroleum hydrocarbons	mg/l	0,8	<0,5	15

EN22 Total weight of wastes pursuant to type and method of their treatment

Apator SA – 2014

- Total volume of wastes – 291 [t];
 - Hazardous wastes – 4,8 [t]
 - Safe wastes – 286 [t]
 - Cardboard packaging wastes – 38 [t]
 - Plastic packaging wastes – 13,2 [t]
- Recycling – 263 [t]
- Disposal – 54,4 [t]

Apator Metrix SA – 2014

- Total volume of wastes - 467 [t]
 - Hazardous wastes - 20 [t]
 - Safe wastes - 403 [t]
 - Packaging wastes - 44 [t]
- Recycling - 443 [t]
- Disposal - 24 [t]

Apator Powogaz SA – 2014

- Total volume of wastes - 238,6 [t]
 - Hazardous wastes - 7,0 [t]

- Safe wastes - 143,389 [t]
- Packaging wastes - 40,860 [t]
- Plastic packaging wastes – 2,867 [t]
- Recycling - 174,259 [t]
- Disposal - 21,350 [t]

EN23 Total number and capacity of considerable leakages

In 2014, there were no cases found of any significant leakages taking into account the impact to the environment in Apator SA, Apator Metrix SA and Apator Powogaz SA.

Environmental indicators – products, their marking and transport

PR3 Type of information on products and services required based on procedures and percentage of significant products and services subject to such information requirements.

Apator SA and Apator Metrix SA perform their obligations to make information available on products pursuant to the guidelines resulting of legal regulations and in accordance with binding internal proceeding procedures:

- act of batteries and storage batteries - Apator SA according to the act as the entity that entries batteries in the market and at the same time collects them and in cooperation with company arranging the recycling it conducts education campaign and furthermore it provides with the information on types of batteries and the method of their replacement /removal in manuals of the products
- Reach Directive (Resolution WE No. 1907/2006 – Apator SA and Apator Metrix SA in manufacturing of their products use substances and compounds that comply with the requirements of the directive
- RoHS Directive (Resolution WE 2011/65) – Apator SA and Apator Metrix SA use in manufacturing of their products only the materials and products that in accordance with the directive do not include the substances having negative impact to natural environment.
- act of assessment of compliance – Apator SA and Apator Metrix SA comply with the requirements of the act in the scope of the assessment of compliance for particular products
- act of general safety of the products – Apator SA and Apator Metrix SA provide their customers with the information enabling to assess the threats related to the product during ordinary time or possible to foreseen period of its use, even if there are no such threats, in case of lack of appropriate warning, they are immediately noticeable and there are possibilities to counteract such threats
- act of freedom of economic activity – Apator SA and Apator Metrix SA place on their products, their names and addresses, names of goods, other markings and information required by separate regulations
- Regulation of Minister of Economy of essential requirements for metering equipment – Apator SA and Apator Metrix SA comply with the requirements of the regulation in the scope of the method of marking of metering equipment.

In Apator Powogaz SA the process of quality inspection of water meters, heat meters and pair of temperature sensors is conducted pursuant to the requirements of Minister of Economy dated 18.12.2006 (no. 3 dated 2006 item 27) of essential requirements for measuring devices. The process of quality inspection is based on modules B and D. The detail guidelines concerning the process of quality inspection in the scope of module B+D are governed by instructions.

Integrated Management System in Apator SA and Apator Metrix SA include documents governing the manufacturing of products like:

- procedures
- technological guides
- technological instructions
- work post instructions

Apator Powogaz SA performs its obligation of making the information available on products pursuant to the guidelines resulting of legal regulations:

- act of batteries and storage batteries – Apator Powogaz SA as the entity entering batteries in the market arranges the educational campaigns in cooperation with recycling company pursuant to the act
- act of wear and tear of electric and electronic equipment – Apator Powogaz SA pursuant to the act as the entity entering electric and electronic equipment in the market arranges educational campaigns in cooperation with recycling company.

EN26 Initiatives aiming at reduction to minimum the impact of products and services on natural environment and range of the impact of these initiatives

In Apator SA, pursuant to the objectives and tasks specified, trainings are conducted for the employees concerning the segregation of wastes. Apator Metrix SA and Powogaz SA do not perform the initiatives concerning to minimize the impact of products and services on the natural environment

EN27 Percentage of materials recovered from products being sold and their packaging according to category of material.

Apator SA – recycling in 2014

- Products – 0%
- Plastic packaging – 176,7%
- Cardboard and paper packaging – 69,6%
- Materials were collected by: Eurobac Organizacja Odzysku SA
-

Apator Metrix SA – recycling in 2014

- Products - 0%
- Plastic packaging – 23,5%
- Cardboard and paper packaging – 61,0%
- Wood – 16,0%
- Steel sheet – 51,0%
- Materials were collected by: Polski System Recyklingu Organizacja Odzysku S.A.

Apator Powogaz SA – recycling in 2014

- Products - 0%
- Plastic packaging – 161,6%
- Cardboard and paper packaging – 166,3%
- Packaging from wood – 103,9%
- Materials were collected by: Surdramet Sp. z o.o., P K-T “ORDO” Marek Friebie

EN29 Significant impact on environment of transportation of products and other goods and materials being used by the organization and transportation of employees

Fuel consumption by engines of vehicles

In 2014, the volume of 113 tonnes of diesel oil was consumed and in relation to the consumption of 93 tonnes in 2013 it is the increase by 20 tonnes. Furthermore, 3, 3 tonnes of unleaded petrol was consumed in 2014 and in relation to the consumption of 1, 6 tonnes in 2013 it is the increase by 1, 7 tonnes. The propane-butane being used by fork-lift trucks was consumed in volume 1, 4 tonnes in relation to 2013 1, 3 tonnes it gives small increase by 0, 1 tonne. This situation is caused by organization changes in internal transport

Apator SA

Name	2013	2014
Diesel oil [t]	93	113
Propane-butane [t]	1,3	1,4

Apator Metrix SA

Name	2013	2014
Diesel oil [t]	28,4	25,2
Propane-butane [t]	4,12	4,9

Apator Powogaz SA

Name	2013	2014
Diesel oil [t]	44,7	44,7
Petrol	2,86	2,86
Propane-butane [t]	6,4	6,4

APATOR AND THE WORKPLACE

Practices regarding the employment and decent work

The success of the Company first of all is the success of its employees. Relations with employees are the base for social responsibility in business. Apator SA performs social responsibility of entrepreneur inside the firm by giving to the employees the access to information, listening to the voice of employees in important matters in respect of the development of the firm, introduction of code of ethics and giving the employees the right to unite, providing equal rights to employees regardless the gender, religion or views and also providing with safe conditions at work.

Involvement of the employees in matters of the Company, their participation in management process of the firm and in development of its market strategy, Apator SA owes to its human resources policy carried out with care of employees and their professional development and its social activity.

There are two formal methods of motivation of the employees in the Apator SA;

- motivation by wages and salaries
- motivation out of wages and salaries

Based on wages and salaries motivation, the employees get the essential remuneration according to pay scale that is updated based on pay reports. Apart to it they get motivation extra payment depending on results achieved by the Company and individual results of the employee.

Motivation out of wages and salaries is performed in the following forms:

- financial support to renting of the flat
- financial support to resting of employees and their families from Social Benefits Fund of the Company
- financial support to recreation from Social Benefits Fund of the Company
- arrangement of integration meetings (picnics for employees)
- feast payment cards for employees and their children from Social Benefits Fund of the Company
- granting the borrowings from Social Benefits Fund of the Company

Apator SA creates the conditions for its employees for permanent enhancement of professional qualifications by financial support to education at high schools, post diploma education and English education and regularly arranged topic trainings. In 2014, Apator SA spent for training the amount of PLN 376 000 but average number of training hours per employee was 9,3h.

In order to conduct any training, only the training centres of the highest level of education that provide wide presentation required the subject matter and provide with the possibility of practical usage of knowledge acquired are selected.

Apator SA arranges internal trainings that are conducted by specialists of the Company. During such trainings the issues of quality system, protection of natural environment and safety at work are discussed. There is no doubt that internal trainings are contributed to formation of awareness of the employees and strengthen their relations with the Company.

Apator SA takes care of comfortable conditions of work for its employees in their workplace but also to have conditions to rest and relax after work. Therefore, the Company extends its offer based on its own Holiday Centre in Rowy. Each year about 50 employees with families go to Holiday Centre Rowy.

The employees of Apator SA are the good-natured community that every year enjoys the picnic arranged for employees. They take challenge in football tournament and meet during occasional feasts and celebrations.

Indicators regarding employees – employment and descent work

LA1 Total number of employees pursuant to the kind of employment, type of employment contract and region

Apator SA

Location	2013 -512 persons				2014 – 544 persons			
	Full time employment	Part time employment	Employment for unspecified time	Employment for specified time	Full time employment	Part time employment	Employment for unspecified time	Employment for specified time
Ostaszewo	492	1	433	61	525	2	348	179
Świdnica	5	0	5	0	1	0	1	0
Kraków	2	0	2	0	6	0	6	0
Z. Góra	5	0	5	0	6	0	6	0
Wrocław	6	1	5	1	4		4	
Total	510	2	450	62	542	2	365	179

Apator Metrix SA

Location	2013 – 316 persons				2014 – 321 persons			
	Full time employment	Part time employment	Employment for unspecified time	Employment for specified time	Full time employment	Part time employment	Employment for unspecified time	Employment for specified time
Tczew	314	2	218	98	319	2	218	101

Apator Powogaz SA

Location	2013 -359 persons				2014 – 371 persons			
	Full time employment	Part time employment	Employment for unspecified time	Employment for specified time	Full time employment	Part time employment	Employment for unspecified time	Employment for specified time
Poznań	335	0	301	34	335	0	298	49
Kraków	24	0	24	0	24	0	24	0
Total	359	0	325	34	359	0	322	49

LA13 The make-up of governing and supervisory bodies in the Company divided into categories; gender, age, membership of minority and other indicators of diversity.

Apator SA

The make-up of the governing and supervisory bodies of the Company pursuant to gender

Description	2013 – 512 persons				2014 – 544 persons			
	Number of men	%total number of employees	Number of women	%total number of employees	Number of men	%total number of employees	Number of women	%total number of employees
Management Board	3	0,6%	0	0,0%	4	0,7%	0	0,0%
Higher level staff	18	3,5%	7	1,4%	21	3,9%	6	1,1%
Lower level staff	28	5,5%	1	0,2%	27	5,0%	4	0,7%
Total number	49	9,6%	8	1,6%	52	9,6%	10	1,8%
Supervisory Board	5	0,1%	1	0,2%	5	0,9%	1	0,2%

Apator SA

The make-up of the governing and supervisory bodies of the Company pursuant to age

Employees	2013 -512 persons						2014 -544 persons					
	Up to 30 years old	% total number of employees	30-50 years old	% total number of employees	over 50 years old	% total number of employees	Up to 30 years old	% total number of employees	30-50 years old	% total number of employees	Over 50 years old	% total number of employees
Management Board	0	0,0%	2	0,4%	1	0,20%	0	0,0%	3	0,6%	1	0,2%
Higher level staff	0	0,0%	8	1,6%	17	3,32%	0	0,0%	10	1,8%	17	3,1%
Lower level staff	3	0,6%	15	2,9%	11	2,15%	3	0,6%	17	3,1%	11	2,0%
Total	3	0,6%	25	4,9%	29	5,66%	3	0,6%	30	6%	29	5,3%
Supervisory Board	0	0,0%	1	0,0%	5	0,98%	0	0,0%	1	0,0%	5	0,9%

Aptor Metrix SA

The make-up of the governing and supervisory bodies of the Company pursuant to gender

Description	2013 – 316 persons				2014 – 321 persons			
	Number of men	%total number of employees	Number of women	%total number of employees	Number of men	%total number of employees	Number of women	%total number of employees
Management Board	2	0,6%	0	0,0%	2	0,6%	0	0,0%
Higher level staff	4	1,3%	0	0,0%	4	1,3%	0	0,0%
Lower level staff	18	5,7%	4	1,3%	4	1,4%	0	0,0%
Total	24	7,6%	0	1,3%	24	7,6%	4	1,3%
Supervisory Board	5	1,6%	0	0,0%	18	5,6%	4	1,3%

Aptor Metrix SA

The make-up of the governing and supervisory bodies of the Company pursuant to age

Employees	2013 – 316 persons						2014 – 321 persons					
	Up to 30 years old	% total number of employees	30-50 years old	% total number of employees	over 50 years old	% total number of employees	Up to 30 years old	% total number of employees	30-50 years old	% total number of employees	Over 50 years old	% total number of employees
Management Board	0	0,0%	2	0,6%	0	0,0%	0	0,0%	2	0,6%	0	0,0%
Higher level staff	0	0,0%	3	1,0%	1	0,3%	0	0,0%	3	1,0%	1	0,3%
Lower level staff	2	0,6%	15	4,8%	7	2,2%	0	0,0%	3	0,9%	1	0,3%
Total	2	0,6%	20	6,3%	8	2,5%	2	0,6%	20	6,3%	8	2,5%
Supervisory Board	0	0,0%	0	0,0%	5	1,6%	2	0,6%	15	4,7%	7	2,2%

Apator Powogaz SA

The make-up of the governing and supervisory bodies of the Company pursuant to gender

Description	2013 – 359 persons				2014 – 371 persons			
	Number of men	%total number of employees	Number of women	%total number of employees	Number of men	%total number of employees	Number of women	%total number of employees
Management Board	2	0,6%	0	0,00%	2	0,5%	0	0,00%
Higher level staff	7	1,9%	1	0,03%	7	1,9%	1	0,03%
Lower level staff	21	6,1%	1	0,03%	23	6,2%	2	0,05%
Total	30	8,7%	2	0,06%	32	8,6%	3	0,08%
Supervisory Board	3	0,7%	2	0,06%	2	0,5%	3	0,08%

Apator Powogaz SA

The make-up of the governing and supervisory bodies of the Company pursuant to age

Employees	2013 – 359 persons						2014 – 371 persons					
	Up to 30 years old	% total number of employees	30-50 years old	% total number of employees	over 50 years old	% total number of employees	Up to 30 years old	% total number of employees	30-50 years old	% total number of employees	Over 50 years old	% total number of employees
Management Board	0	0,0%	1	0,3%	1	0,3%	0	0,0%	1	0,27%	1	0,3%
Higher level staff	0	0,0%	2	0,5%	6	1,6%	0	0,0%	3	0,81%	5	1,4%
Lower level staff	1	0,3%	13	3,5%	11	3,0%	0	0,0%	3	0,8%	5	1,4%
Total		0,3%	16	4,3%	18	4,9%	0	0,0%	19	5,1%	14	3,9%
Supervisory Board	0	0,0%	2	0,5%	3	0,8%	0	0,0%	2	0,5%	3	0,8%

LA14 Basic remuneration of men in relations to women pursuant to category of employment
Apator SA

2013 – 512 persons				2014 – 544 persons		
Higher level staff (Management Board included)	Men	Women	Range of basic remuneration for men in relations to remuneration for women in %	Men	Women	Range of basic remuneration for men in relations to remuneration for women in %
Higher level staff (Management Board included)	21	7	168	25	6	152,8
Lower level staff	28	1	71,6	27	4	82,9
Administration	104	43	128,7	113	44	128,5
Manufacturing	190	118	114,2	190	135	109,9
Total	343	169	141,4	355	189	118,5

Apator Metrix SA

2013 – 316 persons				2014 – 321 persons		
Higher level staff (Management Board included)	Men	Women	Range of basic remuneration for men in relations to remuneration for women in %	Men	Women	Range of basic remuneration for men in relations to remuneration for women in %
Higher level staff (Management Board included)	7	0	0	7	0	-
Lower level staff	18	4	97,6	18	4	97,6
Administration	30	25	128	32	26	131
Manufacturing	118	114	113,4	120	114	115,6
Total	173	143	124,7	177	144	126,2

Apator Powogaz SA

2012 – 359 persons				2014 – 371 persons		
Staff (Management Board included)	Men	Women	Range of basic remuneration of men in relations to remuneration of women in %	Men	Women	Range of basic remuneration of men in relations to remuneration of women in %
Higher level staff (Management Board included)	9	1	98,2	9	1	92,3
Lower level staff	22	1	91,2	23	2	91,5
Administration	62	32	112,5	60	35	91,7
Manufacturing	163	69	130,0	169	72	76,8
Total	256	103	136,7	261	110	73,7

LA2 Total number of give ups of the jobs and the rotation ratio of employees according to age, gender and region

APATOR SA

The rotation ratio of Apator SA (total number of employees who gave up their jobs in 2014 in relation to total number of employees at the end of 2014) was 7, 5%.

Location	2013 - 512 persons						2014 - 544 persons					
	Women			Men			Women			Men		
	<30	30-50	>50	<30	30-50	>50	<30	30-50	>50	<30	30-50	>50
Ostaszewo	5	3	0	5	5	14	2	3	6	3	7	15
Kraków	-	-	-	-	-	-	-	-	-	-	-	-
Świdnica	-	-	-	-	1	-	-	2	-	-	1	-
Wrocław	-	-	-	-	-	-	-	-	-	-	1	1
Zielona Góra	-	-	-	1	1	-	-	-	-	-	-	-
Total	5	3	0	6	7	14	2	5	6	3	9	16
	1,0%	0,6%	0,0%	1,3%	1,5%	3,0%	0,4%	0,6%	1,5%	0,6%	1,5%	3,1%

Apator Metrix SA

The rotation ratio of Apator SA (total number of employees who gave up their jobs in 2014 in relation to total number of employees at the end of 2014) was 24, 2%.

Location	2013 - 316 persons						2014 - 321 persons					
	Women			Men			Women			Men		
	<30	30-50	>50	<30	30-50	>50	<30	30-50	>50	<30	30-50	>50
Tczew	18	23	5	12	19	1	11	13	22	17	17	6
Total	18	23	5	12	19	1	11	13	22	17	17	6
	5,70%	7,28%	1,58%	3,80%	6,01%	0,32%	3,42%	4,05%	6,85%	5,30%	5,30%	1,87%

Apator Powogaz SA

The rotation ratio of Apator Powogaz SA (total number of employees who gave up their jobs in 2014 in relation to total number of employees at the end of 2014) was 4,3%.

Location	2013 - 359 persons						2014 - 371 persons					
	Women			Men			Women			Men		
	<30	30-50	>50	<30	30-50	>50	<30	30-50	>50	<30	30-50	>50
Poznań	2	1	1	6	6	1	2	3	1	3	4	3
Kraków	0	0	1	0	0	0	0	0	0	0	0	0
Total	2	1	2	6	6	1	2	3	1	3	4	3
	0,6%	0,3%	0,6%	1,7%	1,7%	0,3%	0,5%	0,8%	0,3%	0,8%	1,1%	0,8%

LA3 Extra benefits guaranteed to fulltime employees that are not guaranteed to temporary employees or part time employees according to the main organization units.

The entities being analysed provide all the employees with the possibility to make use of package of the same social benefits. The Company in accordance with Labour Code guarantees childcare leave that is entitled to mother and father. Apator Metrix SA at its own initiative provides with social help in form of borrowings of financial support to resting of employees but Apator SA furthermore provides with financial support to resting of employees and pensioners.

LA4 The percentage of employees who are covered by company's collective labour agreement.

Company's collective labour agreement covers 99,1% of the employees of Apator SA (Members of the Management Board and Chief Accountant are excluded).

The employees of Apator Metrix SA are not covered by company's collective labour agreement. The company's collective labour agreement covers 97,30% of employees of Apator Powogaz SA. The company's collective labour agreement covers all the employees excluding persons in management on behalf of employer and directors and deputy directors.

LA5 Minimal advancement of information to be announced on significant changes in activity taking into consideration if they are defined in company's collective labour agreement

In company's collective labour agreement of Apator SA there are no guidelines regarding the period the employees have to be advised before the changes are made. However, the Management Board announces the employees in advance on changes introduced.

The Management Board of Apator Metrix SA advises its employees about significant changes in its activity in the advance of two weeks.

Pursuant to company's collective labour agreement of Apator Powogaz SA, the employer is obligated to inform its employee in writing about the intention of the next contract of employment to be concluded or the employment to be continued to the extent possible on 7 days in advance but at the latest on the last working day before the term is expired, the terminating date was included in the employment contract for trial employment contract or fixed term employment contract.

In mutual relationships each party of the contract is obligated to response in writing immediately but not later than within 14 calendar days since the letter had been submitted unless the common regulations of the binding law say different, and due to independent circumstances the response is not possible to be sent since it meets some difficulties.

In Apator Powogaz SA, pursuant to the Agreement signed on advising and conducting the consultations, the employer advises the information in case of predicted changes or intended measures of Trade Union Organization in the date, form and scope enabling the representatives of the employees to familiarize with the matter, make analysis of the information and prepare for consultations.

LA10 Annual average number of training hours per employee pursuant to the structure of employment

In Apator SA the average number of training hours per employee was 9,3 in 2014.

In Apator Metrix SA average number of training hours per employee was 9,8 in 2014.

In Apator Powogaz SA average number of training hours per employee was 9,47 in 2014.

LA12 The percentage of employees subject to regular assessment of quality of work and the review of the development of professional career.

The table shows the percentage of employees in sales departments and production employees of Apator SA subject to regular assessment of quality of work.

	2013	2014
Total number of employees of Apator SA	474	512
Number of employees of sales departments subject to regular assessment of quality of work	33	38
Number of production employees subject to regular assessment of quality of work	253	289
Total number of employees of sales departments and production employees subject to regular assessment of quality of work	286	327
Percentage of persons	60,34%	63,87%

The table shows the percentage of production employees of Apator Metrix SA and Apator Powogaz SA subject to regular assessment of quality of work.

	2013	2014
Total number of employees of Apator Metrix SA	316	321
Number of production employees subject to regular assessment of quality of work	169	171
Percentage of persons	53,50%	53,30%

	2013	2014
Total number of employees of Apator Powogaz SA	359	371
Number of production employees subject to regular assessment of quality of work	180	371
Percentage of persons	50,14%	48,24%

Practices regarding human rights respect

HR4 Total number of cases of discrimination and measures taken against it in Apator SA, Apator Metrix SA and Apator Powogaz SA due to colour of skin, race, gender, religion, political views, social origin or national origins have never occurred.

HR5 Activity identified that can be the risk of infringement of free right to unite and collective conduct negotiations and measures taken in order to give the support to the possibility to perform those rights.

In Apator SA, Apator Metrix SA and Apator Powogaz SA there were no actions where rights to unite and collective conduct negotiations could be infringed.

HR6 Actions identified as the significant risk to make use of the work of children and measures taken in order to eliminate such cases.

In Apator, Apator Metrix SA and Apator Powogaz SA, there were no such actions that are considered as being significant risk of occurrence of children's work and young employees exposed to hazardous work for life and health.

HR7 Actions identified as the significant risk of occurrence of forced work or obligatory one and measures taken in order to eliminate such cases

In Apator SA, Apator Metrix SA and Apator Powogaz SA no incidents occurred concerning compulsory and forced work.

Indicators regarding employees – safety and health at work

LA6 Percentage of total number of employees represented in safety and health at work formal commissions including managers and employees that advice on programs concerning safety and health at work and they monitor such programs.

In 2014 in formal safety and health at work commissions were represented up to 34% of total number of employees in each one.

LA7 Indicator of injuries, professional diseases, days lost for that reason and absence from work and number of mortal accidents related to work according to regions.

In 2014 in Apator SA, Apator Metrix SA and Apator Powogaz SA there were no cases of death, professional diseases and others.

In 2014 in the entities:

- In Apator SA three accidents at work occurred (total number of days lost for that reason - 85)
- In Apator Metrix SA two accidents at work occurred (total number of days lost for that reason - 236)
- In Apator Powogaz SA six accidents at work occurred (total number of days lost for that reason – 173)

LA9 The issues of safety and health at work are taken into account in formal agreements concluded with trade unions

Safety and health at work issues are regulated in the entities:

- Apator SA – in “Safety at work and identification of threats and assessment of professional risk” procedure,
- Apator Metrix SA – in “Identification of risks and assessment of professional risk” procedure and related instructions,
- Apator Powogaz SA - in “Identification of risks and assessment of professional risk” procedure and related instructions,

In Apator SA and Apator Metrix SA before procedures and amendments to them are published, drafts are submitted to trade unions to express their opinions and in Apator Powogaz SA they are submitted to the departments interested and company's social labour inspector. Penetrating analysis of the draft of records included in procedures provides with protection of rights of employees of the Company, widely understood safety and health at work.

APATOR AND SOCIETY

Membership in organizations

Apator SA has actively been involving in initiatives concerning development and implementation of latest technologies useful for economy and ecology. Our knowledge is reflected in different legislative initiatives aiming at development and publication uniform standards for energy production, distribution and consumption markets.

Apator SA has a huge technological potential. It develops smart metering systems, saving the consumption of energy and it operates in different organizations aiming at promotion of saving the energy by implementation of new standards.

Apator SA belongs to the following national and international organizations

- Regional Agency for Saving Energy in Toruń
- Prime Alliance
- Association of Polish Electrical Engineers SEP
- Consortium Smart Power Grid Poland
- Polish Chamber of Commerce for Electronics and Telecommunications
- Polish Committee for Standardization

Apator SA belongs to the following special organizations:

- Polish Association of Stock Exchange Issuers

- Association of Polish Exporters

Other entities in Apator Group belong to the following organizations:

- FAP Pafal S.A. – DLMS User Association
- Apator Powogaz SA
- Association of Polish Mechanical Engineers and Technicians
- Commerce Chamber for Polish Sewage Systems
- Wielkopolska Chamber of Industry and Commerce
- Association of Polish Firms Industrial Billing the Utility Services
- Polish Forum ISO 9000 Club
- Apator Metrix SA:
- Scientific and Technical Association of Engineers and Technicians of Oil and Natural Gas Industries
- The Chamber of Natural Gas Industry
- Facogaz
- Apator Rector Sp. z o.o.
- ESRI Polska Sp. z o.o.
- Oracle Polska Sp. z o.o.
- IBM Ireland Limited Oldbrook House
- Microsoft Sp. z o.o.
- Invensys Skelta Salarpuria Touchstone
- Apator GmbH
- ZVEI – Zentralverband Elektrotechnik und Elektronikindustrie e.V.
- Apator Mining Sp. z o.o.
- Polish Committee for Standardization

The membership in above mentioned organizations is voluntary. Apator Capital Group gives support to the actions taken by organizations where it is their member and the employees of the Company in accordance with their competence participate in operation of problem groups.

Awards and distinctions

Apator SA takes care about to build good relationships with key groups of stakeholders and meets their expectations. For that reason different measures are taken that includes participation in different contests every year. Participation in the contests and rankings enables the company for permanent development and current inspection on effects of actions, particularly in relation to the competitors and transfer aiming to transfer the information on the Company and capital group.

Care about high quality, innovation, honesty in actions had contribution in achievement of many awards and distinctions both in business and in social corporate responsibility by entities of Apator Capital Group. The most important ones received in 2014 are presented below:

Award in ranking of e-Diamenty Forbs & Biznes.pl

There were 2089 companies on the list of Forbes' Diamonds. Apator has been classified as the company with revenues from PLN 50 m to PLN 250 m on 13th position on regional list and 205th position in national competition of Poland. Additionally Apator was awarded e-Diamond –Forbes and Biznes.pl prize for the presentation of every aspects of the huge business in Kuyavian- Pomeranian Voivodship.

Apator among Business Cheetahs in Kuyavian- Pomeranian Voivodship

Among 1217 companies of kuyavian-pomeranian voivodship that financial results have been analysed by Modern Business Institute this title Cheetahs in Business was granted in 2014 to 774 companies. The main criterion was the growth of market value of the enterprise in 2012-2013 more than 10 percent. Apator permanently since many years has been taking place among the most dynamic companies in the region.

Apator awarded the prize “New Pulse 2014”

“New pulse 2014” is the prize granted by the editorial staff of “Nowy Przemysł” monthly economy magazine and portal wnp.pl. The award is granted firms, institutions and persons that contribute new quality indicate offensive trends and determine direction of positive changes and also take on duty to pay the ways in Polish economy and power engineering sector. Awarding “New pulse 2014” are in opinion of organizers of the competition – leaders in innovation and new technologies Apator was appreciated for introduction of innovative, author’s products and solutions in power engineering sector.

Apator “Brand of Polish Economy”

The prize of “Brand of Polish Economy” is being awarded by Ministry of Economy and “Rzeczpospolita” daily newspaper in 12 categories and it is granted the enterprises with the greatest successes in Polish export. In this year’s edition of ranking Apator was granted the prize in category electrical machine sector. The winners have been selected by jury under the leadership of Janusz Piechociński – deputy prime minister that consists of recognized authorities in economics and business. Jury has analysed the increase of export of enterprises in the recent two years and its value. The winners had to show also good progress in the growth of sales and high profitability.

Apator the sponsor of Sport in Toruń

Since many years Apator has been engaged in promotion of sport both team disciplines and individuals. Passion and determination to achieve objectives are the features that motivate us every day and which we seek also among sportsmen who Apator takes under its wings.

In recognition of the achievements Mayor of Toruń awarded Apator honourable title Sponsor of Sport in Toruń, appreciating its contribution in the support of local sports initiatives.

Apator in TSR ranking – Złota Akcja Biznesu.pl

Apator took the second position in ranking of firms in mWIG40 that in respect of TSR (Total Shareholders Return) provided the shareholders the largest return (in case of Apator over 100%). In the research among other things the following have been taken into account: the resistance of the company against short-term trends and variations of share price, meeting customers’ expectations, and dividend policy. The author of the ranking Rober Sobotnik says: “Key factor for the success of the companies awarded in ranking is the consequence, steady building of the position in the market.”

Apator awarded the statue ACANTHUS AUREUS

The prize “**ACANTHUS AUREUS**” established in 2003 by the organizers of Expopower International Fairs every year goes to the companies that applied the best solutions in respect of architecture and graphics during creation the fair exposition. Jury for the following time awarded the stand of Apator on the fair recognizing unanimously that at the highest degree it is favourable for the performance of marketing strategy of the company. The

strength of the prize is the fact that it is awarded by the jury consisting of outstanding specialists in design, marketing and fair exposition.

Apator Powogaz in the group of 5 enterprises from the list 2000

Apator Powogaz has been classified in the group of five enterprises from the list 2000 – the largest companies in ranking of “Rzeczpospolita” daily newspaper awarded with the title “Eagle of Export”. The jury under the leadership of Janusz Piechociński – deputy prime minister, Minister of Economy decided about awarding. The data from recent three years were evaluated in scope of progress of the growth of export and general financial standing.

Apator Powogaz awarded the title “Business Wings”

Apator Powogaz was among the best enterprises in segment of medium firms in the region of Wielkopolska according to the ranking of Dziennik Gazeta Prawna newspaper and it was awarded the title “Business Wings”. Among other things the following factors had contribution in achievement of the third position by Apator Powogaz; growth of progress ratio at the level of 96%. During classification not only the progress and increase of sales in 2012-2013 ratios but also risk of liquidity ratio of the company in the period of 12 months were taken into account.

In 2014 Apator Metrix SA was not awarded any prize.

Corporate social responsibility is such one that in its activity it is not focused only on profit but also it takes into account the arguments and needs of the stakeholders in ethical, philanthropy and environmental context. To be responsible does not mean only to meet all formal and legal requirements but also voluntary involvement, respect for passion and trust in people. It is some kind of investment that returns in double. Nowadays, the world of full run and permanent pursue, it is extremely important not to forget about another human. Apator SA for many years has been taking many actions concerning the support of local community. Below we show the most important ones.

Indicator of the impact on local community – SO1

S01 – Character, range and efficiency of the programmes and practices concerning the assessment and management of the impact of organisation on local community including the influence of the entrance to the market, commencement and completion of the activity

APATOR SA and Apator Metrix are very much involved in the life of local community.

The ratio S01 is described below in the aspect of the following social support:

- charity
- support to education
- promotion of culture
- support to sport

Apator SA prefers regular activities/events/initiatives that give the possibility to build permanent relations with community.

Apator Metrix SA continues its activity in the scope of corporate social responsibility and it pursues the policies of giving support guiding by noble motives and desire to give the support to development of culture and art and also acting to help persons in need. It endeavours also to build among employees the culture based on sensibility and openness to the needs of others, involving them in social activities.

Apator Metrix actively participates in many charity initiatives such like:

- help families and persons in need,
- help disabled persons,
- financial support to touring and resting of children and young,

- financial support to culture and art,
- promotion of physical culture and sport,
- rescue service and protection of people, help to people suffering from misfortune events

Business of Apator Metrix and Apator Powogaz SA socially involved based on business fair play principles connect social activities with corporate values such like; honesty, reliability, involvement and satisfaction.

Indicator of the impact on society – charity

Philanthropy in Greek means kindness. So, we understand our involvement in charity. – as ordinary kindness of a firm towards local community, persons in need, institutions acting towards poor, excluded and sick people. Each year we try to meet the needs of organizations, associations, institutions asking us for definite and real support.

In 2013 our support was addressed to:

Better World Foundation
“Be in Time with Help” Foundation for Children
Foundation for Care About Abandoned Children named blessed the priest Br.Markiewicz
“MUSTANG” Folk Sport Ensemble
HELP FOR FAMILY AND EARTH Social Charity Foundation
Society of Friends of Children
Heart for a Child Foundation
Support to sick Ala Rynkowska
SOKÓŁ Sport Club
Administrative Officer of Łysomice Commune
Parent Board in I Grammar School
Apostolic Association of Saint Elizabeth
Doctors of Hope Association
FENIKS Obrowo
The Association of Care About Abandoned Children – named Blessed the Priest Br.Markiewicz in Toruń
Polish Red Cross in Toruń
Polish Society of Mechanical Engineers and Technicians

Apator Metrix SA has been involved in charity for many years. In 2014, its support was addressed to Arkadia Sport Club, Boxing Section of KS Wisła Tczew, Grzegorz Ciechowski Festival, Brotherhood Cocks, Great Christmas Aid Orchestra, Saint Tadeusz Juda Hospice in Gdańsk. The donation was also submitted to private person, the inhabitant of Tczew for the purchase of artificial hand.

Apator Metrix SA together with other companies of gas sector gave the financial support to the construction of the monument-bench of Ignacio Łukasiewicz in Poznań. The initiator of the venture was Polish Association of the Oil and Gas Engineers

Indicator of the impact on society – support of education

Pasjopolis – scholarship programme

The Pasjopolis – scholarship programme was established in 2011, initiated by Apator SA. Together with operating partner Platon Foundation we defined the main assumptions and the objectives of the programme that we have been performing consequently up to now successfully, extending the range of the action. The idea of the programme is to give the support to young talented people who need the support in order to perform their unusual passions.



The school year 2014/2015 is the period when the next group of talented fans can count on the support by scholarship within the Pasjopolis programme

The fourth edition of the programme covered its range three towns: Toruń, Poznań and Tczew.

The Pasjopolis scholarships were granted to over 60 scholars who owing to financial support could perform and develop their interest in science or the humanities. "Pasjopolis" is also workshop meetings with artists, designers and scientists who disclose the secrets of the issues they are dealing every day. Several dozen young people from Toruń, Poznań and Tczew made use of this form of training.

Torun Festival of Science and Art

Every year for some days Toruń becomes the place of unusual shows, meetings, experiments due to Festival of Science and Art arranged by Nicolaus Copernicus University in Toruń, Municipal Council of Toruń and Scientific Society of Toruń.

The following edition of the Festival being held since 25- 29th April 2014 gathered thousands of fans of the sciences and the humanities both from Toruń and the entire region. During festival about 150 scientific and popular events occurred: meetings, presentations, lectures, shows, workshops and contests.

Aparator SA for several years has been the patron of festival session dedicated physics and astronomy. As the Company operating in technological sector we particularly appreciate the magnitude of the science that getting known deeper and deeper can be very fascinating.

Festival of the Economist

Festival of the Economist is the event at Economic Sciences and Management Department in Nicolaus Copernicus University in Toruń where both the employees of the university and students are involved. Festival gathered famous persons from other scientific institutions, firms and other institutions. During two weeks in December participants make use of possibility to get knowledge deeper attending the meetings, lectures, workshops and charity events.

One of the partners of the event is Aparator SA. During festival the students attend the special arranged workshops where they study the projects referring to the market activity of the firm.

The participants have the occasion to get known special character of work of specialists from Aparator SA, they struggle with real tasks, have discussions about possible solutions and they learn about team working.

"Euroelektra" Knowledge on Electricity and Electronics Contest

"Euroelektra" Knowledge on Electricity and Electronics Contest has its established position among pupils and teachers and also in high education institutions and employers. The contest is

aimed at pupils of upper secondary schools. The subject matter covers such issues like electricity, electronics and data communication.

The contest enables to select talented, very well essentially prepared pupils whose knowledge is much greater than that required in the programme. Good results obtained during the contest open the doors to high technical educational institutions for young participants and also they are also the source of satisfaction for the advancement of the knowledge.

Aparator gives the support for organizers of the Contest, funds the prizes and gifts for the finalists and winners.

“Energy under control” Contest

Issues concerning power engineering and protection of natural environment are particularly close to Aparator SA therefore it cooperates with the organizer of “Energy under control” contest that is dedicated to the energy consumption under control.

The contest is for pupils of upper secondary schools. The participants have to possess wide knowledge of physics, chemistry, and geography. They solve the problems of renewable energy sources in Poland and worldwide.

All of Poland reads to kids

The European Union recognized the readership and improvement of language competences as the priority since the illiteracy is the threat to social and economic development. In Poland over 50% of parents declare that they regularly read to their children – it is for sure that it is a much merit of the campaign of “ABCXXI – All of Poland reads to kids” Foundation that promotes the readership over 12 years. Aparator has decided to give support to the operation of the Foundation.

Aparator acts for the performance of unusual passions

The family journey all round the world was a dream of Łopacińscy family of Toruń; Father Wojciech, mother Agnes and two children Wojtek and Lucy. In June 2014 they started the journey into the unknown in order to live the most magic expedition of the life.

During one year’s peregrination Łopacińscy traversed all the continents making use of hospitality of people they met. They visited local schools in the furthest places in the world in order to check how children feel at them, what the weights of their rucksacks are or if they like maths.

Indicator of impact on society – promotion of sport

Sponsoring the sport

Municipal Interschool Sport Club - Katarzynki

MMKS Katarzynki was established in 2005 and the team for the recent eight seasons permanently plays in top class of women basketball. Elmedin Omannić has been the coach of the team for recent six years. Aparator SA for many years actively has been giving the support to basketball club in Toruń, where women football players fight for better and better position in the league.

Budowlani – Aparator Fencing Academy

The objective of the project was to initiate the sport activity (fencing) 6-10 years old children with use of knowledge of the best coaches of TKS-T Budowlani and special fencing equipment for

children. The offer to participate in fencing activities has been submitted to primary schools interested in creation and development of passions of the pupils. In the first edition of Academy took part 4 primary schools with nos. 7, 28, 35 and Salesian of Don Bosco school (in total about 70 children participated in training). The activities started in September and lasted till the end of 2014.

Mikołaj Jędruszczak –

22 year old tennis player of Start-Wisła Sport Club

This best sport achievements in 2014

- Youth Championships of Poland up to 21 years old players, AZS Poznań, 2014-07-8, -2 place in single game, 1-place with Maciej Smoła in double game, -3 place with Iga Odrzywołek in mixed game

-National Championships of Poland for Men and Women, Gliwice 2014-07-28, 3-place in single game, 1-place with Wojciech Lutkowski in double game

Agata Kryger

Woman figure skater – individual figure skating of women

She represents MKS Axel Toruń. She has been several times the Champion of Poland in individual figure skating. In her debut in European Figure Skating Championships in Budapest in 2014 where she started as the first Polish individualist since 2008, she has qualified into the final competition and finally she took 21st place.

Support to amateur sport and initiatives of the employees

Apator gives the support to many amateur sport projects, particularly when their initiators are the employees of the Company. The example is the group of employees who play basketball with passion and the Company supports them to their activity. The team takes part in Toruń amateur basketball league TALK II. Apator supported also Toruń ice hockey team where one of our colleagues is the player (IV place in ALH Torun League 2014/2015) The Company is also the organizer of sport events integrating employees on sport ground and promoting among them the rules of healthy competition of event of running “Apator Runs” and football competition (President of Apator Cup and Apator Cup – tournaments between entities of Apator Group).

Support of culture initiatives

Art Gallery and Artistic Centre for Children

Widely understood plastic education for children and youth is the main activity of the Art gallery. This mission is being performed by animators of Art Gallery for many interesting ways. It is the organizer of international and national plastic competitions; it organizes expositions and plastic workshops and implements educational programmes.

Apator has been cooperating with Art Gallery and Artistic Centre for Children for many years. The Company supports this organization in the arrangement of International Biennale of Graphic of Children and Youth and International Competition of Plastic Arts of Children and Youth - “Always Green, Always Blue”. There are regular events announced for a change every two years. The children and youth from all over the world participate who submit the effects of their plastic art – extraordinary, inspiring plastic works.

Moreover, we arrange the exhibition of the plastic works of children and youth in cooperation with the Art Gallery in the headquarters of Apator in Ostaszewo near Toruń. The plastic art of the children enjoys much attention of the employees and visitors visiting the Company

Tuba Satyrice

“In everything have bounds” – it is practical and comprehensive mission of the national competition of satirical and humoristic picture -Tuba Satyrice 2014.

In task of the artists was the interpretation of the leading catchword in any technics of the picture and graphics. The pool of prizes was PLN 12500. Grand prix Tuba Satyrice 2014 traditionally was endowed by Apator. The winner was Izabela Kowalska-Wieczorek.

Sławek Wiercholski

Sławek Wiercholski is the artist that has been cooperating with Apator SA for many years. The firm accompanies the musician during edition of the following records and gives support to the arrangement of concerts.

Indicator of the impact on society – politics and lobbying

S06 Donations for political parties

Ethical rules that had been accepted by Apator SA, Apator Metrix SA and Apator Powogaz SA assume not to involve in activity of any of political party and not to give any support to any of them.

S05 Policy regarding participation in public life and lobbying

Specialists of Apator Group participate actively in meetings where they give their opinions on different documents of high rank like acts or resolutions. Apator SA, Apator Metrix and Apator Powogaz SA indirectly impacts on projects suggested by sector and environment organizations.

GRI INDEX

GRI	Description	Page in the report
PROFILE		
STRATEGY AND ANALYSIS		
1.1	Declaration of Top Management (e.g. executive director, chief executive officer or other person of equal position) on meaning of the sustainable development for organization and its strategy	3
1.2.	Description of key inflows, chances and risks	19
ORGANIZATION PROFILE		
2.1.	Name of organization	4
2.2.	Main brands, products and/or services	9-15
2.3	Operating structure of the organization with specification of the main departments of subsidiaries, related entities, and joint ventures	8
2.4.	Location of the headquarters of main organization	4
2.5.	Number of countries where the organization operates and its names specified where the main operations of the organization are located or those who are particularly adequate in the context of the report.	10
2.6.	Ownership and legal structure of the organization	4
2.7	Operating markets with specification their geographical scopes, operating sectors, characteristics of customers/consumers and beneficiaries	16
2.8.	Scope of activity	5
2.9.	Significant changes in the reporting period concerning the extent, structure and the ownership	6-8
	Awards received in reported period	55
PARAMETERS OF THE REPORT		
3.1.	Reporting period (e.g. financial year/calendar year)	23
3.2.	Date of publication of the recent report (if published)	23
3.3.	Reporting cycle (annual, two year cycle etc.)	23
3.4.	Contact person	24
3.5.	Process of defining content of the report with: arrangements the essence of particular issues for organization and its stakeholders, establishment of the priorities of particular priorities and identification of stakeholders – recipients of the report	23-24
3.6.	Scope of report (e.g. countries, branch offices, subsidiaries, hired structures, joint venture, suppliers)	24
3.7.	Declaration on any limitations in the scope and range of the report	24
3.8.	Information on joint venture type undertakings, subsidiaries, hired structures, outsourcing operations and others entities that can have the influence significantly on comparativeness of actions of the organization in particular periods and/or in relation to other organizations	6,7
3.9.	Techniques and assumptions adopted concerning estimates and calculations of ratios and other information included in the report.	19
3.10.	Clarifications regarding the effects of any adjustments of the information included in previous reports with the reasons given for their entry and their influence on (e.g. merger, takeover, change of base year/period, nature of activity, method of measurement)	-
3.11.	Significant changes in relation to previous report concerning the scope, range or method of measurement used in the report.	23

INDEX OF CONTENT OF GRI		
3.12.	The list indicating the position of placing the Standard Information in the report	63
VERIFICATION		
3.13.	Policy and current practice in the scope of of external verification of the report. If there are no such data in independent report confirming clarification the range and reasons for external verification and relations between organization and external confirming entity	24
SUPERVISION, LIABILITIES AND INVOLVEMENT		
SUPERVISION		
4.1.	Supervisory structure of the organizations and commissions subject to the top supervisory bodies responsible for particular tasks as for example the creation of strategy or supervision over the organization	25
4.2.	Indication whether the chairman of the highest supervisory body is also managing director (if yes what functions does he perform in the management board with justification of such structure)	8
4.3.	Number of the members of the highest supervisory body with indication of independent and/or non-executive members (it regards the organizations of monistic structure of supervisory board/supervisory body)	25-26
4.4.	Mechanisms enabling the shareholders and employees to notify the recommendations and advices for the highest supervisory body.	25-26
4.5.	Relation between the level of remuneration of the highest supervisory body, higher managing staff and management board (gratuity system included) and results of organizations (social and environment results)	26-27
4.6.	Processes allowing to avoid the conflict of interest of the members of the highest supervisory body	27
4.7.	Verification process of qualification and experience of the members of the highest supervisory body in terms of the development of strategy covering economic, environmental and social issues	23
4.8.	Internal formulated mission or value of organization, code of civil procedure and the rules with reference to economic, environmental and social aspects of the functioning of the organization and the level of their implementation	4-5
4.9.	Procedures of the highest supervisory body concerning the supervision of identification and management of economic, environmental and social issues with appropriate risks and chances included and adjustment or compliance with recognized international standards, codes of civil procedure and rules	21-22
4.10.	Evaluation of the results of acting of supervisory body with reference to economic, environmental and social issues	21-22
INVOLVEMENT IN EXTERNAL INITIATIVES		
4.11.	Clarification, whether or how the organization applies the rule of care	23-24
4.12.	External, adopted or supported by economic, environmental and social organizations declarations, rules and other initiatives	15-16
4.13.	Membership in associations (such as sector associations) and/or domestic/international jurisprudential organizations where: organization: - organization is the member of supervisory bodies, - organization participates in projects or commissions, - organization transfers substantial funds apart to standard membership fees ,recognizes the membership as strategic acting	20
INVOLVEMENT OF STAKEHOLDERS		
4.14.	The list of the group of stakeholders engaged by organizations	28
4.15.	The principles of identification and selection engaged groups of stakeholders	28

4.16.	Approach to the engagement of stakeholders taking into account frequency of engagement according to the type and group of stakeholders.	28-30
4.17.	Key issues and problems being raised by stakeholders and the reply of organizations also by their reporting	28-30
ECONOMIC INDICATORS		
	Aspect: ECONOMIC INDICATORS	
EC1	Direct economic value created and divided taking into account revenues, operating costs, remuneration of the employees, subsidies and other investments towards community, undistributed profits and payments to the owners of capital and state institutions.	30
EC3	Coverage of retirement liabilities of the organizations resulting from the programme for specified benefits.	31
EC4	Significant financial support obtained from the state	31
	Aspect: PRESENCE ON THE MARKET	
EC5	Remuneration of the employees at the lowest level in relation to minimal salary and wage on the market in the main locations of the organization	32
EC6	Policy, practices and share of expenditures destined to the service of local suppliers in main locations of the organization	32
EC7	Employment procedures of the employees from local market and percentage of higher level management obtained from local market mainly in the main locations of the organization	33
	Aspect: INDIRECT ECONOMIC IMPACT	
EC8	The contribution in development of infrastructure and rendering services for local community by commercial actions, transfer of merchandise or pro-bono actions and the impact of such actions on community.	31
EC9	Identification and description of considerable indirect economic influence with the scale and the range of its impact indicated	32
ENVIRONMENTAL INDICATORS		
	Aspect: RAW MATERIALS/MATERIALS	
EN1	Consumption of raw materials/materials according to their weight	37
	Aspect: ENERGY	
EN3	Direct consumption of energy according to initial sources of energy	38
	Aspect: WATER	
EN8	Total water consumption according to place	39
	Aspect: BIODIVERSITY	
EN11	Location and the area being in possession, rented or managed land in protected areas or areas of high value of biodiversity outside protected areas or bordering to such areas	39
EN12	The description of significant impact of products and services on biodiversity of protected areas and areas of high biodiversity outside protected areas.	39
EN13	Protected or revitalized habitats	39

EN14	Strategies, actions and plans concerning the management under influence of biodiversity	39
	Aspect: EMISSIONS, SEWAGES AND WASTES	
EN16	Total direct and indirect emissions of greenhouse gases pursuant to weight	40
EN19	Emissions of substances damaging ozone layer pursuant to weight.	40
EN20	Emission of NO _x and SO _x and other significant compounds emitted to air pursuant to type and weight.	40
EN21	Total volume of sewages pursuant to quality and the place of destination	41
EN22	Total weight of wastes pursuant to type and method of their treatment	42
EN23	Total number and capacity of considerable leakages	43
	Aspect: PRODUCTS AND SERVICES	
EN26	Initiatives aiming at reduction to minimum the impact of products and services on natural environment and range of the impact of these initiatives	44
EN27	Percentage of materials recovered from products being sold and their packaging according to category of material.	43,44
	Aspect: COMPLIANCE WITH REGULATIONS	
EN28	The value of significant fines and total value of non-financial sanctions regarding discrepancy of law and regulations concerning protection of natural environment	34
	Aspect: TRANSPORT	
EN29	Significant impact on environment of transportation of products and other goods and materials being used by the organization and transportation of employees	45
	Aspect: GENERAL	
INDICATORS OF EMPLOYMENT AND DECENT WORK		
	Aspect: EMPLOYMENT	
LA1	Total number of employees pursuant to the kind of employment, type of employment contract and region	46
LA2	Total number of give ups of the jobs and the rotation ratio of employees according to age, gender and region	50,51
LA3	Extra benefits guaranteed to fulltime employees that are not guaranteed to temporary employees or part time employees according to the main organization units.	51,52
	Aspect: RELATIONS BETWEEN EMPLOYEES AND MANAGEMENT	
LA4	The percentage of employees who are covered by company's collective labour agreement.	52
LA5	Minimal advancement of information to be announced on significant changes in activity taking into consideration if they are defined in company's collective labour agreement	52
	Aspect: SAFETY AND HEALTH AT WORK	
LA6	Percentage of total number of employees represented in safety and health at work formal commissions including managers and employees that advice on programs concerning safety and health	53

	at work and they monitor such programs	
LA7	Indicator of injures, professional diseases, days lost for that reason and absence from work and number of mortal accidents related to work according to regions.	54
LA9	The issues of safety and health at work are taken into account in formal agreements concluded with trade unions	54
	Aspect: EDUCATION AND TRAININGS	
LA12	The percentage of employees subject to regular assessment of quality of work and the review of the development of professional career.	52
	Aspect: DIVERSITY AND EQUAL CHANCES	
LA13	The make-up of governing and supervisory bodies in the Company divided into categories; gender, age, membership of minority and other indicators of diversity.	47
LA14	Basic remuneration of men in relations to women pursuant to category of employment	49,50
INDICATORS OF HUMAN RIGHTS OBSERVATION		
	Aspect: COUNTERACTING DISCRIMINATION	
HR4	Total number of cases of discrimination and measures taken against it	53
	Aspect: FREEDOM OF ASSOCIATION AND RIGHT TO COLLECTIVE DISPUTES	
HR5	Activity identified that can be the risk of infringement of free right to unite and collective conduct negotiations and measures taken in order to give the support to the possibility to perform those rights.	53
	Aspect: ABOLITION OF WORK FOR CHILDREN	
HR6	Actions identified as the significant risk to make use of the work of children and measures taken in order to eliminate such cases.	53
	Aspect: PREVENTION OF COMPULSORY WORK	
HR7	Actions identified as the significant risk of occurrence of forced work or obligatory one and measures taken in order to eliminate such cases	53
INDICATORS OF IMPACT ON SOCIETY		
	Aspect: PUBLIC POLICY	
SO1	Character, range and efficiency of the programmes and practices concerning the assessment and management of the impact of organisation on local community including the influence of the entrance to the market, commencement and completion of the activity.	57
SO5	Policy regarding participation in public life and lobbying	62
SO6	Donations for political parties	62
	Aspect: COMPLIANCE WITH REGULATIONS	
SO8	Monetary value of penalties and total number of non-financial sanctions due to legal and regulation discrepancies	33
INDICATORS OF THE RESPONSIBILITY FOR PRODUCT		
	Aspect: HEALTH AND SAFETY OF CUSTOMER	
PR1	The stages of life cycle of a product where the assessment of the impact of products and services on health and safety is made in	34

	order to improve the indicators and the percentage of significant category of products and services subject to such procedures	
PR2	Total number of cases of non – compliance with regulations and not obligatory codes in the scope of the impact of products and services on health and safety at every stage of life cycle taking into consideration the kind of effects.	34
	Aspect: MARKING OF PRODUCTS AND SERVICES	
PR3	Type of information on products and services required based on procedures and percentage of significant products and services subject to such information requirements.	43
PR4	Total number of cases of discrepancy of regulations and non-obligatory codes concerning the marking and information about products and services according to the effects	33
PR5	Practices related with provision of customer’s satisfaction including results of the research of customer’s satisfaction	34
	Aspect: MARKETING COMMUNICATION	
PR6	Programmes regarding the compliance with the law, standards and non-obligatory codes governing marketing communication aspects taking into consideration, advertisement, promotion and sponsoring	36
PR7	Total number of cases of non-compliance with regulations and non-obligatory codes governing marketing communication aspects with consideration of advertisement, promotion and sponsoring according to the kind of effects	36
PR8	Total number of reasonable claims regarding the infringement of customers’ privacy and the data loss	36
	Aspect: COMPLIANCE WITH REGULATIONS	
PR9	Monetary value of significant penalties due to discrepancy of law and regulations concerning the supply and usage of products and services	33