

CORPORATE SOCIAL RESPONSIBILITY REPORT

APA Sp. z o. o. with its registered office in Gliwice for 2021





As part of this report, we present our management strategy, taking into account social interests, environmental aspects and relations with different stakeholder groups.

As a socially responsible company, we invest in human resources, in environmental protection, in relations with the company's surroundings and we inform about these activities, thus contributing to the growth of our company's competitiveness and the creation of conditions for sustainable social and economic development.

Artur Pollak

CEO of APA Group



I. CORPORATE GOVERNANCE

APA is a group of creative professionals who develop and implement state-of-the-art smart automation solutions in the area of everyday life. People and their needs are always at the centre of our activities.

We are in the business of developing technology that makes everyday life easier.

We are the market leader in smart industrial automation and building management systems.

We have 20 years of experience and dozens of successful implementations for institutions, individuals, municipalities and industrial plants around the world. We transfer the experience and know-how gained in the industrial sector to the area of smart automation used in business, everyday life and cities.

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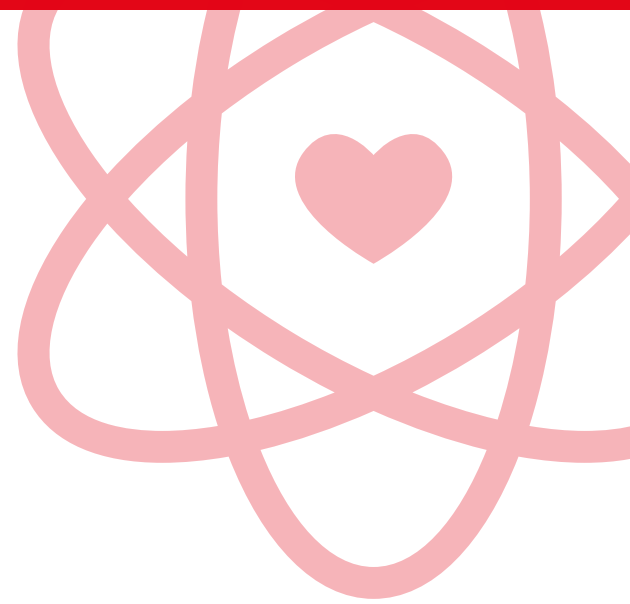


YEAR 2021

2021, although still hampered by the pandemic, was an extraordinary year for us as we celebrated the 20th anniversary of APA Group. We held the anniversary celebrations in our style, inviting partners and contractors to embark on an extraordinary digital journey through two decades of business. On a specially created interactive company history page, we showed how the development of APA went in parallel with the transforming world. Because, after all, so much has changed in those twenty years.

However, we are not resting on our laurels. That is why this year we launched the Industry 4.0 Technology Testing Centre. Since 10 December it has been operating in the Gliwice Science and Technology Centre CECHOWNIA. It is a unique showroom where you can experience working with a production line based on IoT, machine learning or AI tools, among others.

While travel to far-flung corners still looks nothing like it did before the pandemic broke out, we are taking advantage of the opportunities that are available. And we are not stopping even in the face of some inconveniences, determined to develop our brand beyond our home continent.



In 2021, we visited Dubai. And not just once. Among others, in September, at the BIG5 trade fair, the largest event of its kind promoting technologies in the construction industry in this part of the world. Our links with the Middle East metropolis also include participation in the Polish-Arab Economic Forum on 6 December.

What did we learn during these visits? For example, the fact that in the United Arab Emirates technologies are not really talked about, but in fact used.

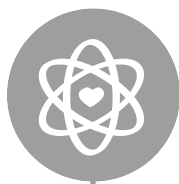
This is a very useful lesson for us, from which we hope to learn as much as possible in the context of our products. But our Dubai adventure is still on. Next year, we plan to appear with our solutions at the Middle East Energy Fair in March.

There will be more to come!

We are convinced that APA's two remarkable decades are only the beginning of the journey into the world of reality-changing technology. Thanking our great team, as well as our partners and customers, we enter 2022 with enthusiasm.



CORPORATE GOVERNANCE



HUMAN RIGHTS



LABOUR RELATIONS



ENVIRONMENT



FAIR OPERATING PRACTICES
- FAIR MARKET PRACTICES



CONSUMER RELATIONS
AND AWARDS GRANTED



SOCIAL COMMITMENT IN 2021



II. HUMAN RIGHTS

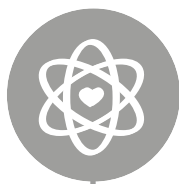
Our company continuously respects internationally recognised human rights and avoids any violation of them.

The use of slavery in any form (servitude, forced labour, compulsory labour, human trafficking, etc.) **is inconsistent with our company policy** - is strictly prohibited.

We do not accept and we fight against all forms of discrimination - including on grounds of race, colour, gender, sexual orientation, language, religion, political or philosophical belief, national or social origin, property, birth or other grounds. **We take action on diversity, equal opportunities and equal treatment.**



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III. LABOUR RELATIONS



We invest in employee development - we implement programmes to improve employees' qualifications (courses, training courses), depending on the needs of a given department (e.g. training in Excel, GDPR, LinkedIn, etc.).

We apply flexible forms of employment

At APA we provide the opportunity to work on the basis of an employment contract, civil law contracts or on a B2B basis. In our company, we generally apply task-based working hours and also accept home working.

Lawfulness

We respect the personal dignity, privacy and full rights of everyone, in accordance with national law, also respecting any standards set by the International Labour Organisation.



We care about our employees, their mental and physical health and we make every effort to provide them with safe and comfortable working conditions. We have a number of regulations, internal instructions and codes of conduct to ensure that our employees exercise their rights in accordance with national and European legislation.

Each of our employees can expect:

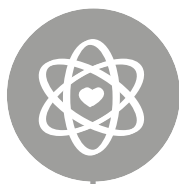
1. timely payment of wages;
2. high culture and ensuring safety at work;
3. ensured personal development;
4. high quality social benefits;
5. respect for human rights;
6. non-discrimination.

We have a company book and board game library.

In 2021, our employees could benefit from the following benefits:

1. free English classes;
2. free recreational yoga classes.

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IV. ENVIRONMENT



We are constantly taking action to protect the environment, investing in ways that minimise environmental impact.

We take active measures to reduce our environmental impact, contributing to energy efficiency and eco-efficiency. We monitor legislative changes that affect energy management. We are looking at changes in electricity prices, we are looking at the shape of invoices.

We use advanced algorithms and the latest technology. **We have in mind the welfare of future generations who would also like to benefit from natural resources.**

IPOE

CO2 emissions into the atmosphere translate into an increase in the global temperature and thus lead to global warming and the melting of glaciers. Energy efficiency and CO2 reduction are therefore a sign of care for the planet. We offer a proprietary solution to improve the energy efficiency of your business. The Intelligent Platform for Energy Optimisation (IPOE) provides a solution to support analytical and decision-making processes; the platform visualises elements of the energy system such as current characteristics, electricity consumption or reactive energy generation and the associated cost statistics. The use of algorithms to process and analyse the above data allows conclusions to be drawn which translate into real savings.

NAZCA BMS

We offer a proprietary solution to generate savings in utility consumption and exploit the benefits of renewable energy in the form of photovoltaic cells, an electric vehicle charging station and a biomass boiler. Our flagship product, the NAZCA BMS, can also be used to measure atmospheric conditions, measuring air, humidity, wind direction and speed, sunshine and CO2 concentration. This solution can be used at home or in a business.

In 2021

we continued the work with the support of European funds:

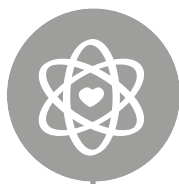
- on the **intelligent platform for energy optimisation** (compliant with ISO 50001) to support energy management based on the Deming cycle (PDCA);
- on a solution that will **increase the efficiency of electricity** use by capturing the surplus energy of Renewable Energy Sources in the power grid and will enable the mass supply of cold to individual and institutional customers at very competitive prices.

In addition - we strive to care for the environment by **reducing water and energy consumption, managing natural resources, monitoring air quality, segregating and reducing waste.**

We use the Waste Database (BDO), which is designed to, among other things, seal the waste management system and improve recycling rates.



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V. FAIR OPERATING PRACTICES -FAIR MARKET PRACTICES

Our business relationships are guided by the principles of **free and fair competition**, to which we also commit our suppliers.

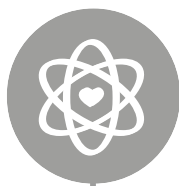
Both our company and our suppliers are obliged to comply with **antitrust rules**.

It is our policy **not to engage in any practices that threaten the development and protection of competition**. We counteract practices limiting competition or collective interests of consumers, e.g. by systematically verifying applied contractual models in terms of elimination of potential abusive clauses.

We apply the principles of corporate social responsibility at every stage of supply, requiring contractors to respect human rights and to act only in accordance with the law.



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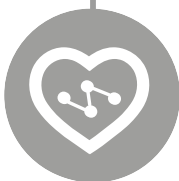
FAIR OPERATING PRACTICES
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**CONSUMER RELATIONS
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SOCIAL COMMITMENT IN 2021



VI. CONSUMER RELATIONS AND AWARDS GRANTED



Meritorious for Intelligent Development

On 21 May 2021, APA Group CEO Artur Pollak received the special award “Meritorious for Intelligent Development”.

“The most important thing is to bring together the worlds of: science, business and industry. What is needed is an understanding of each other’s needs and effective communication to create innovative solutions. Thanks to this, scientists begin to understand the needs of the end customer, who ultimately benefits from the invention” said the CEO receiving the statuette.

Grand Prix Polish Innovation Award 2020/2021

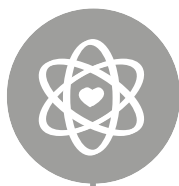
APA Group was awarded for developing technological innovation in Poland. In 2021 alone, we implemented more than a dozen breakthrough technologies in production facilities of the world’s largest manufacturing companies, developed research on the IIoT platform NAZCA 4.0, launched the Industry 4.0 Technology Testing Centre - the only such showroom in Poland, upgraded proprietary building automation and energy efficiency systems.

Innovation Diamond 2021 in the Industry category

At the Executive Innovation Forum 2021, on 17 June 2021, APA Group was awarded the Innovation Diamonds in the Innovation of the Year category: Industry awarded by the Executive Club. The award was given for the launch of the Industry 4.0 Technology Testing Centre within the NAZCA 4.0 project.



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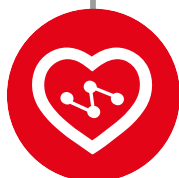
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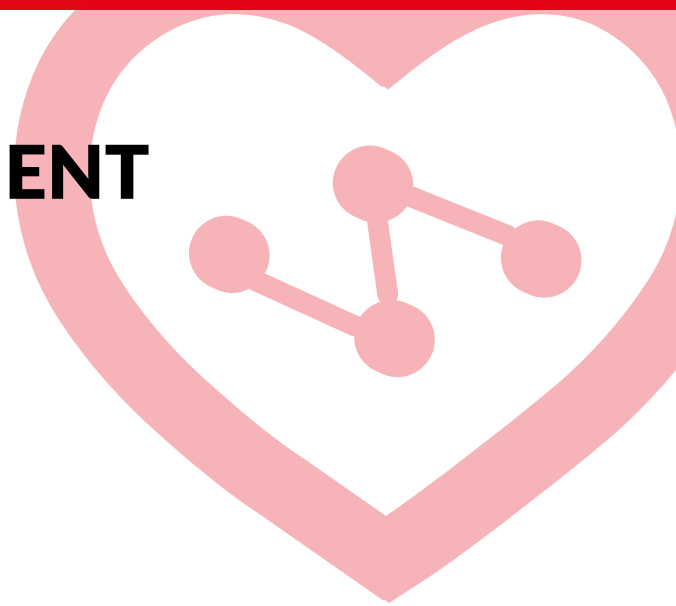


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COMMUNITY ENGAGEMENT IN 2021

VII. SOCIAL COMMITMENT IN 2021



At APA Group, we believe that business, technology and corporate social responsibility can go hand in hand. Learn about the initiatives we have taken to help and change for the better the reality around us.

Art patronage of Oskar Zięta - Exhibition in Krakow

Who says a technology company can't engage with the arts? At APA Group we prove that the worlds of technology and artistic creation can merge. In February we invited everyone to Krakow's GAGA Architecture Gallery for an exhibition celebrating the 10th anniversary of Oskar Zięta's artistic activity. He is an artist who combines aesthetics with technique in an original way. We were proud to take patronage of his work. Amidst the artworks, a mock-up of our smart building, APA Black House, was also available for visitors.

We support the passions of our employees

Our unquestionable advantage is not only expert knowledge but also passion and employee involvement.

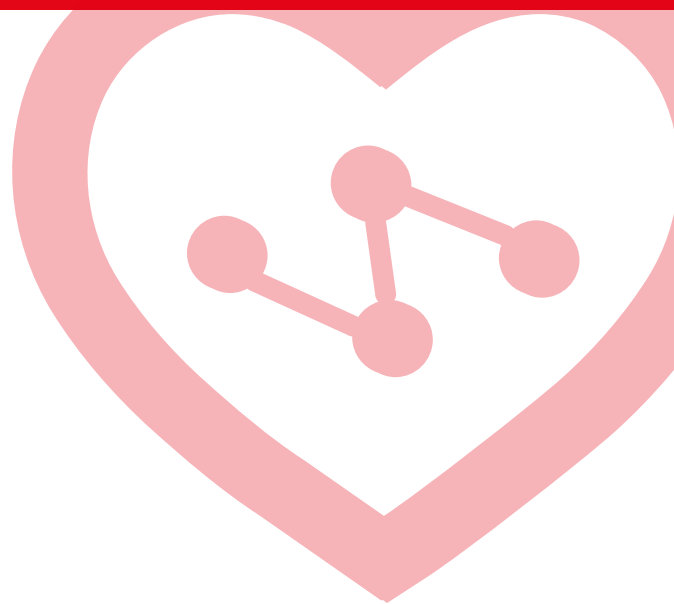
That is why, as the APA Group, we are happy to support them in developing their non-work hobbies and interests. One of these is SimRacing, virtual races that simulate real motorsports.

Building a community with many passions translates into constantly expanding our horizons, which in turn benefits other employees and the company's customers.



APA Group supports the SKOCZEK Chess Club

“My dad also played chess when he was little and he infected me with this passion...” says one of the participants of the Polish Junior Team Championships, which we had the opportunity to visit. We cheered because APA Group is not only modern solutions, but most of all it is people. We believe that their passions and interests make them even better employees. That is why we have been supporting the Skoczek Czerwionka chess club for several years. All thanks to Rafał - one of our employees, who is a co-founder and leader of this initiative. Thanks to him we can proudly observe sport successes of the competitors wearing the colours of APA and SKOCZEK.



Poland Business Run - We run and help!

As APA, we are keen to take part in charitable actions that support people with disabilities, which is why in 2021 we again took part in the Poland Business Run. The satisfaction of being able to make another contribution to helping people with mobility impairments is immense. The charity run also combines pleasure with utility, as the relay race is a great form of teamwork, which in turn is the foundation of fruitful business activities.

APA Group in Silesia Marathon

While promoting new technologies, we do not forget to promote sport and a healthy lifestyle. We willingly and often take part in promotional activities related to popularisation of sport. This year, three daredevils from our team took part in the half-marathon and marathon Silesia Run. By spreading the prevailing sporting trend, we are proud to be able to collectively change the society around us for the better.

Child and youth development - Excursions for children in APA Groupn

At APA Group we make sure that everyone is able to find their way in the area of expressly developing technologies. Our doors are always open, even for our youngest guests. We try to inspire them and teach them about the modern world. Perhaps in the future they will be the ones to automate our environment. At one of our locations - the ultra-modern APA Black House showroom - you can marvel at how a smart building management system makes everyday life easier. All our employees can visit this extraordinary place with their families.

Socios Silesia and OCR Training Centre - Gliwice

When carrying out business activities, we are mindful of our immediate environment. We support local initiatives, including one of the largest and fastest obstacle teams in the country - Socios Silesia. It is a group of OCR enthusiasts from different parts of Silesia,

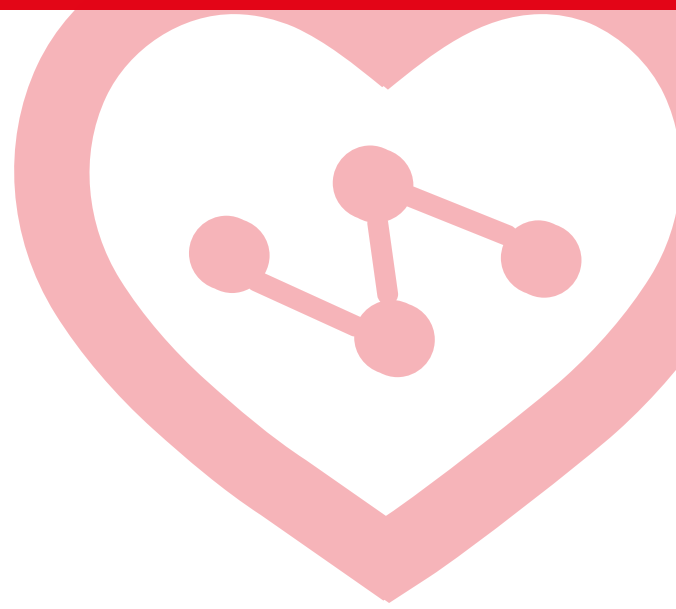


who meet regularly for team training in the OCR Training Centre - Gliwice, not far from our company. They compete in national and international competitions, Polish, European and World Championships, representing national as well as own colours.

At APA we believe that sport is a very important part of life, it helps shape character and influences the professionalism that we display in all our activities.

We take part in the Noble Parcel campaign

This is the first time we've taken on the #SzlachetnaPaczka challenge as part of an employee initiative with the APA team, but we already know it won't be the last! The team's commitment resulted in a set of 20 parcels for one local family, which were handed out on the so-called Miracle Weekend. We hope that the gift packs will make the daily lives of the recipient families at least a little easier.





YOUR TECHNOLOGY. REINVENTED.