

REPORT ON
CORPORATE SOCIAL RESPONSIBILITY
2013

Content:

INFORMATION ON APATOR GROUP AND ITS PRODUCTS	4
General information	4
Vision, Mission, Values	4
Strategy of Apator Group	5
Make-up of Apator Group	6
The authorities of Apator Group	7
Organizational structure	8
Products of Apator Group and sales	9
CSR STRATEGY	155
Strategic priorities and key issues	166
Involvement in external initiatives	167
The review of challenges and mean term objectives	177
Key events, achievements and failures	19
DATA REGARDING THE REPORT	190
APATOR AND MARKET	211
The Code of Ethics	212
Corporate governance	222
Risk management and internal control systems	244
Stakeholders	245
Indicators related to the ethics – economic aspect	278
Indicators related to ethics – market attendance	29
Indicators related to the ethics – the Company and its products versus customer, community and natural environment	301
APATOR AND ECOLOGY	333
Environmental indicators – raw materials, energy and water consumption	334
Environmental indicators – biodiversity	356
Environmental indicators – emissions, sewages and wastes	366
Environmental indicators – products, their marking and transport	390
Environmental indicators – total expenditure for protection of the environment	422
APATOR AND THE WORKPLACE	433
Indicators regarding employees – employment and descent work	444
Indicators regarding employees – safety and health at work	490
APATOR AND SOCIETY	501
Membership in organizations	51
Awards and distinctions	512
Indicator of the impact on society – charity	545
Indicator of the impact on society – support of education	555
Indicator of the impact on society – support to culture and art	578
Indicator of impact on society – promotion of sport	59
Indicator of the impact on society – politics and lobbying	59

Dear Sirs,

Running business activity based on standards of corporate social responsibility is the challenge and obligation. The point is not to comply with essential, minimal legal and formal requirements in relation to customers, suppliers and employees.

In Apator SA we understand that apart to law regulations and economic ratios significant are social and environmental factors. It is not only important current situation but we have to take the responsibility for the influence of the Company on society and natural environment in short and long perspective.

We consequently have been striving for sustainability between economic, social and natural environmental aspect of operation of our Company. Updated in 2014 business strategy allowed to define development priorities and owing to them we maintain growth dynamics and satisfactory level of profitability what will reflect in satisfaction of our shareholders. Our customers in power engineering sector for sure will feel improvement of quality and safety of their work based on IT solutions being implemented for automation of the operation of distribution power grids. Owing to integration of competence in Apator Group we will be able to offer the comprehensive offer of innovative equipment and services to our partners in business.

The development of technology leading to automation of operation of power grids has significant meaning for the natural environment. Owing to our developments it will be possible to connect renewable sources of energy into power grid. The indirect effect of our works will be also the development of competitive energy market and new services optimizing the utility services consumption (Demand Side Management, Demand Response) and also the opening of power grids for such promising future markets like electric motorization or storage of energy.

In the face of dynamic development of Apator Group, the key issue is also to create organization culture based on common values: confidence, honesty, and respect to diversity. The employees are one of the most important groups of stakeholders and at the same time the most valuable capital of Apator SA. Therefore, we support their professional development, provide comfort conditions of working, award creativity, integrate them during meetings and sport events.

In 2013 for the following time our responsible approach to social and business surroundings, employees and surrounding us natural environment was confirmed by Apator SA being in ranking of RESPECT Index – group of companies on Warsaw Stock Exchange acting according to the highest standards of corporate social responsibility.

We consequently want to go this route.

Yours faithfully,

Tomasz Habryka

Member of Management Board 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 KRS 0000056456. 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
- WIGdiv

The share capital of the Company as at 31st December 2013 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 23rd December 2013 (the day of fixing the right to payment of the dividend for 2012) is showed in the table below:

Shareholders	Number of shares	Share in capital
5 non-corporate shareholders (at least 5% votes each)	7 849 004	32,71%
Apator Mining sp. z o.o. (subsidiary)	3 600 000	10,87%
Other institutional shareholders	14 292 985	43,17%
Other shareholders	7 365 039	22,25%
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

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

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.

Values: Reliability, openness, frankness that build good relations with customers, flexibility, enthusiasm, technical competence supported by long experience, modernity, care of the natural environment

Strategy of Apator Group

The strategy prepared for the years 2010-2013 was binding in 2013:

Aspiration of APATOR Group is to be the leader in the scope of metering systems and equipment and switchgear on domestic market and on key foreign markets.

Apator Group focuses on the following strategic targets:

1. Geographical expansion – key markets for Apator Group covers Central and Eastern Europe, Russia, Balkan countries, Germany, Benelux countries.
2. Domestic market – winning of new areas and sectors.
3. Development of modern products and services in the scope of manufacturing of switchgear, Apator Group will become leading European specialist but in metering equipment segment it will be multi integrator providing among other things innovative metering and data readout systems for electricity, water, heat, and gas consumption.
4. Performance of the policy of one strong "Apator" brand.

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

- Position in value chain:
 - Poland: development of data communications and equipment cooperating with them, enabling to remote monitoring, control and data read out,
 - other markets: development of smart equipment, co-operation with partners in the scope of integration of systems
- Geographical range:
 - Poland: leader in share in the market (1-3 position) in all business lines,
 - CIS, CEE and EU: leading, recognized supplier with evident, steady share in selected future markets,
 - other markets: opportunistic approach, provision of products and services without considerable engagement of R&D resources

Main financial goals:

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

The strategy assumes to make use of development chances resulting of regulating and technological trends related to the need of improvement of effectiveness of use of utility services among other things by automation, remote monitoring and control within distribution power grid infrastructure.

The strategic objectives assumed to be performed based on organic development of Apator Group enforced by competences of Elkomtech SA acquired on 1st April 2014.

The targets do not take into account possible next acquisitions.

The development of the basic activity of Apator Group will be performed pursuant to target business model based on strategic, integrating function of services and ICT products in two basic segments:

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

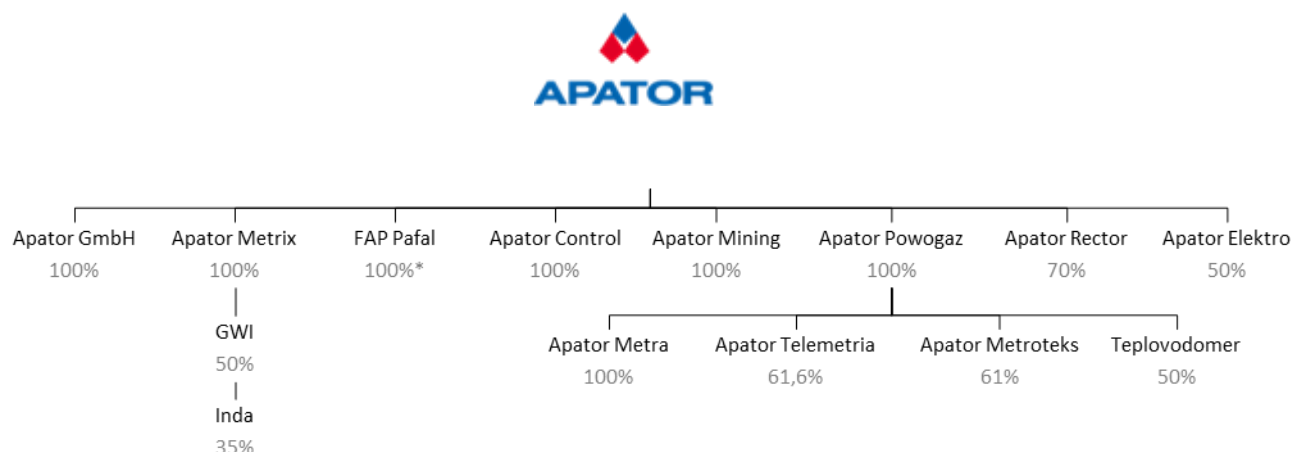
Strategy of Apator Group assumes:

- make use of numerous product synergies – strengthening of ICT integrating role and inclusion of new items in value chain and offering more comprehensive offer to key clients,

- make use of cost, operating and business synergies – strategic finance, HR and marketing, wider cooperation with partners in sector, active involvement in establishment and acceptance of international standards of interoperation for new technologies.

Make-up of Apator Group

Apator SA creates the capital group and it has got directly or indirectly shares in the entities specified below (as at 31st December 2012/3)



**) FAP Palal SA in the value as at 31.12.2013 had 19,1% of own shares acquired from Apator SA for redemption that took place in 2014.*

Changes made in the make-up of Apator Group during 2013:

On 31st May 2013 Apator Rector Sp. z o.o. sold all its shares in Newind Sp. z o.o. being in its possession.

On 3rd September 2013 George Wilson Industries Ltd. – jointly controlled company by Apator Metrix SA acquired 35% shares in capital of Inda d.o.o. with headquarters in Ljubiana (Slovenia).

On 23rd September 2013 Apator SA concluded preliminary contract of the acquisition of 100% shares of Przedsiębiorstwo Wdrożeń Postępu Technicznego Elkomtech SA with headquarters in Łódź.

On 1st April 2014 the transaction was finalized. The price of purchase of 100% shares was PLN 98,4 m.

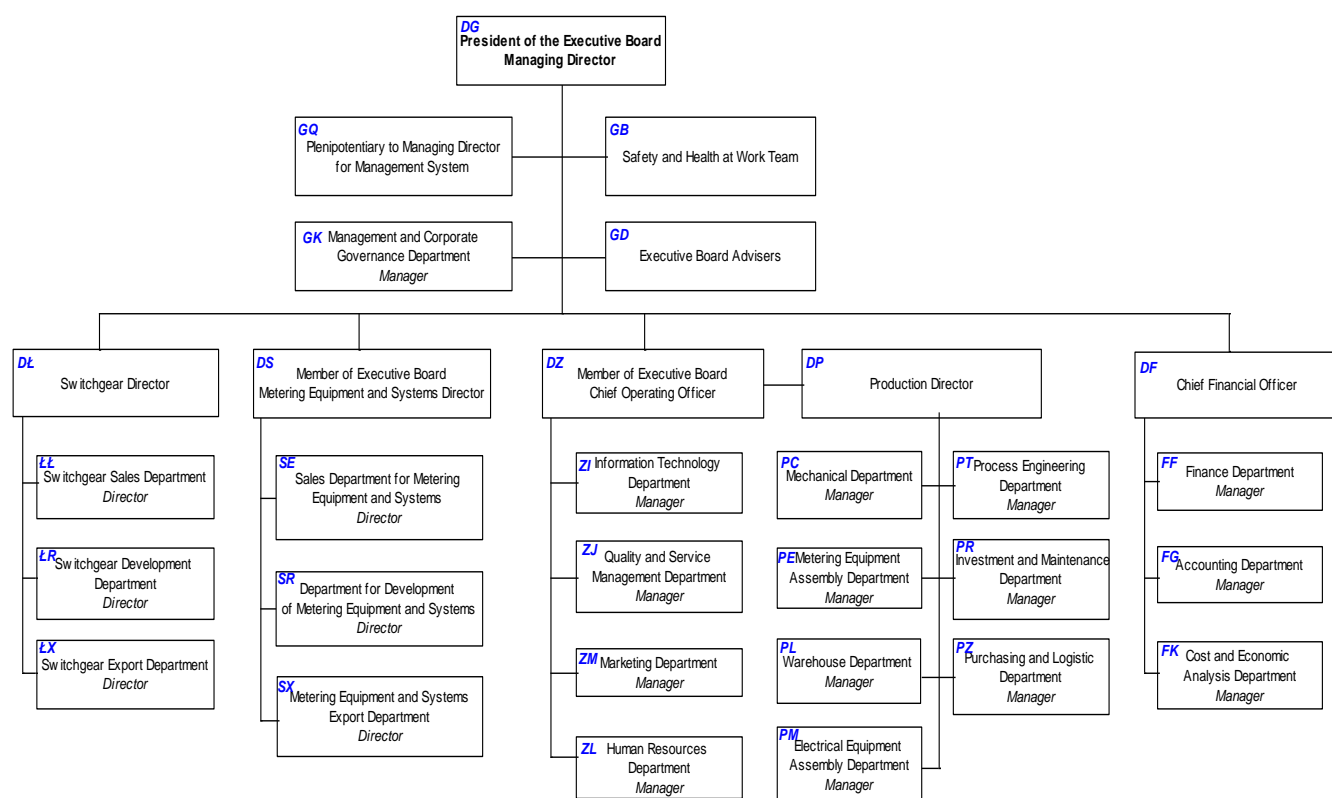
The authorities of Apator Group

Company as at 31.12.2013	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
Apator Metrix SA	Mariusz Lewicki Kazimierz Piotrowski Ryszard Wojnowski Janusz Niedźwiecki Andrzej Szostak	Arkadiusz Chmielewski- President Ryszard Lippke
FAP Pafal SA	Tadeusz Sosgórnik Krzysztof Malec Jerzy Kuś	Marek Gruszyński - President
Apator Rector sp. z o. o.	Janusz Marzygliński Andrzej Szostak Marek Kurzawa	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 Tomasz Habryka	Tadeusz Sosgórnik- President
Apator Control sp. z o.o.	Ryszard Wojnowski Monika Guzowska Janina Karaszewska- Zandrowicz	Ryszard Trąbała- President
Apator Elektro	-	K. G. Burcew A. W. Konfetkin
Apator GmbH	-	Tomasz Habryka Mirosław Klepacki

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 is binding as at 31.12.2013



On 25th June 2013 the Management Board of Apator SA that includes three persons was appointed for new tenure for the period 2013-2016. The duties of Management Board were divided into two functions; strategic function and operating function. The operating function was transferred to newly appointed Chief Operating Officer – Member of Management Board and Production Director and its organization units subject to it.

Moreover, in 2013 the division of Export Director was cancelled and new separate organization units were established – sales offices responsible for export in divisions of Switchgear Director and Metering Equipment and Systems Director.

After changes made in 2013 the organization structure of Apator SA constitutes the following divisions;

- 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,

The Company is managed and supervised by President of Management Board, Managing Director.

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

Products of Apator Group and sales

Apator SA and Apator Group provide with advance solutions regarding metering of utility services and their data readout, data transmission and readout, data visualisation and operation regarding switchgear segment. Products are being offered to customers with the brand of Apator SA and with products brands. Main products include metering systems (LEWSystem Apator, AMR System Apator), electricity meters, gas meters, water meters, heat meters and switchgear are dedicated mainly to power engineering and mining.

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: metering systems, electricity metres, gas metres, water metres, heat metres, IT systems and switchgear dedicated to power engineering and mining.

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.

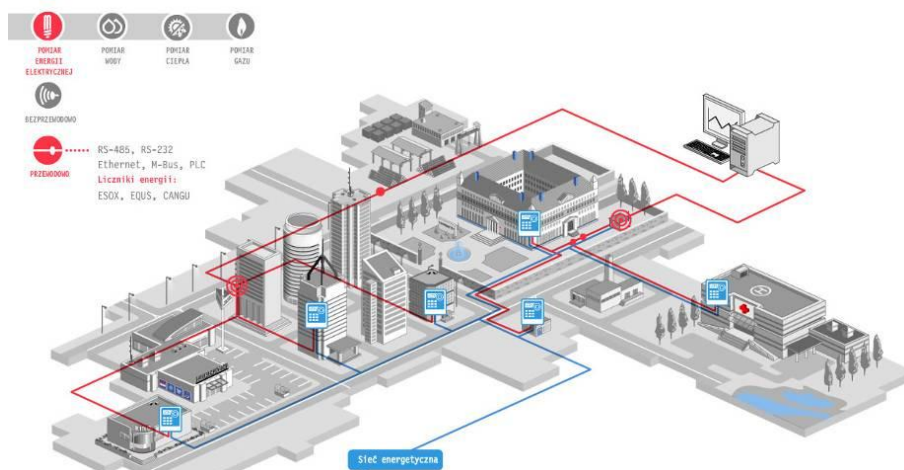
METERING SEGMENT



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



- **LEWsystem Apator prepayment system**– 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
		

Compact heat meters



Electromagnetic and ultrasonic flow meters



Gas metering

Gas meters:

residential	industrial	smart
		



IT SOLUTIONS

Apator Group offers IT solutions based on many years of experience and the analysis of business processes.

SWITCHGEAR SEGMENT

Remote control system of fuse links – is dedicated to be applied where the control of protection installed is significant like in low voltage substations. System has the possibility signalling device to be installed that advices about the fuse links. The information of proper

operation or fuse link blown or the voltage decay is being signalled by diodes mounted in the equipment and it is sent by SMS messages to selected addressees.



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



Automatics

We manufacture, sell and implement 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 2013 the makeup of Apator Group was reduced in result of sale of shares of Newind.

Therefore, consolidated revenues on sales were in amount of PLN 663.990.000. In relation to

- reported revenues for 2012 are higher by PLN 15.166 000 (by 2,27%),
- adjusted revenues for 2012 are considerably higher – increase by PLN 71.672.000 (12,17%) after revenues of Newind were excluded in both periods

The revenues of Apator Group in 2013 showed high dynamics of growth on foreign markets.

The share of export in revenues increased from 36,01% to 45,41% y/y. In 2013, the value of 88% of export was the sale of products of metering segment and other 12% were products of switchgear segment. The business lines that had the biggest increase were:

- water and heat,
- gas

In 2013 Apator Group supplied its products to 69 countries. The most important markets were in Russia, Denmark, Germany, Ethiopia, Czech Republic, Turkey, Ukraine and Morocco.

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, the 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 caps.

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 and customers 	<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 - deepening the cooperation in exchange of experience and knowledge between high education institutions and business; - participation in government and non- government initiatives to establish the best technological solutions and communication standards for power engineering 	<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

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 accepted to be applied 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. The confirmation of the actions is the quotation of Apator SA in Respect

Index and its presence in elite group of WSE listed companies distinguished in the research of communication with individual investors.

- 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 review of challenges and mean term objectives

The main challenge of Apator SA and its objectives for the following year and period 2014-2019

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 growth that is reflected in ambitious strategic financial goals such like: 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 basic directions are and remain the extension and completion of 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 the area of 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, 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

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 2013.

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 Corporate Governance Department Manager – phone 48 56 61 91 228

Global Reporting Initiative Frame Rules of Reporting were taken into account in the Report for 2013. 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 take 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 2013 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 in relation to the report of last year. In every case presented data have been distinguished indicating proper entity the information concerns.

APATOR AND MARKET

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 take care not to lose of the confidence of our partners in business. We work in reliable, responsible and honest manner that has been confirmed by prestige awards like Leader in Polish Business and Apator “Good firm 2013”.

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 to 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 Corporate Governance Manager 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 2013 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 to comply 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 monthly,
The Member of the Supervisory Board – PLN 5.500 gross 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 understood 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	switchgear, surge protective devices,	Apator SA

engineering	electricity meters, drives and control, IT systems, system solutions	Apator Control Sp. z o.o. FAP Pafal S.A. Apator Rector Sp. z o.o. Apator Elektro S.A. Apator GmbH .
Water works and sewage system	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	Gas meters, IT systems, system solutions	Apator SA Apator Metrix SA Apator Rector Sp. zo.o.
Heat engineering	Heat meters, drives and control, IT systems, system solutions	Apator SA Apator Rector Sp. z o.o. Apator Powogaz Group Apator Control Sp. zo.o.
Industry	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.
Building industry	Switchgear, water meters, flow meters, heat meters ,drives and control, electricity meters	Apator SA Apator Powogaz Group Apator Control Sp. z o.o. FAP Pafal SA
Administration of real estate	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. Clients obtain information about our offer among other things from the website www.apator.com and from facebook 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 are 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.

"The policy of corporate social responsibility being performed by Apator SA is reflected also in performance of procurement processes. Striving to manufacture the products of the highest quality the company has to be supported by appropriate base of customers. Partners in business we cooperate are obligated to comply with absolute compliance with requirements concerning safety and protection of environment and to respect of ethical standards. Cooperation is based on mutual respect and confidence being the base to establish long-term relationships with benefits for both parties."

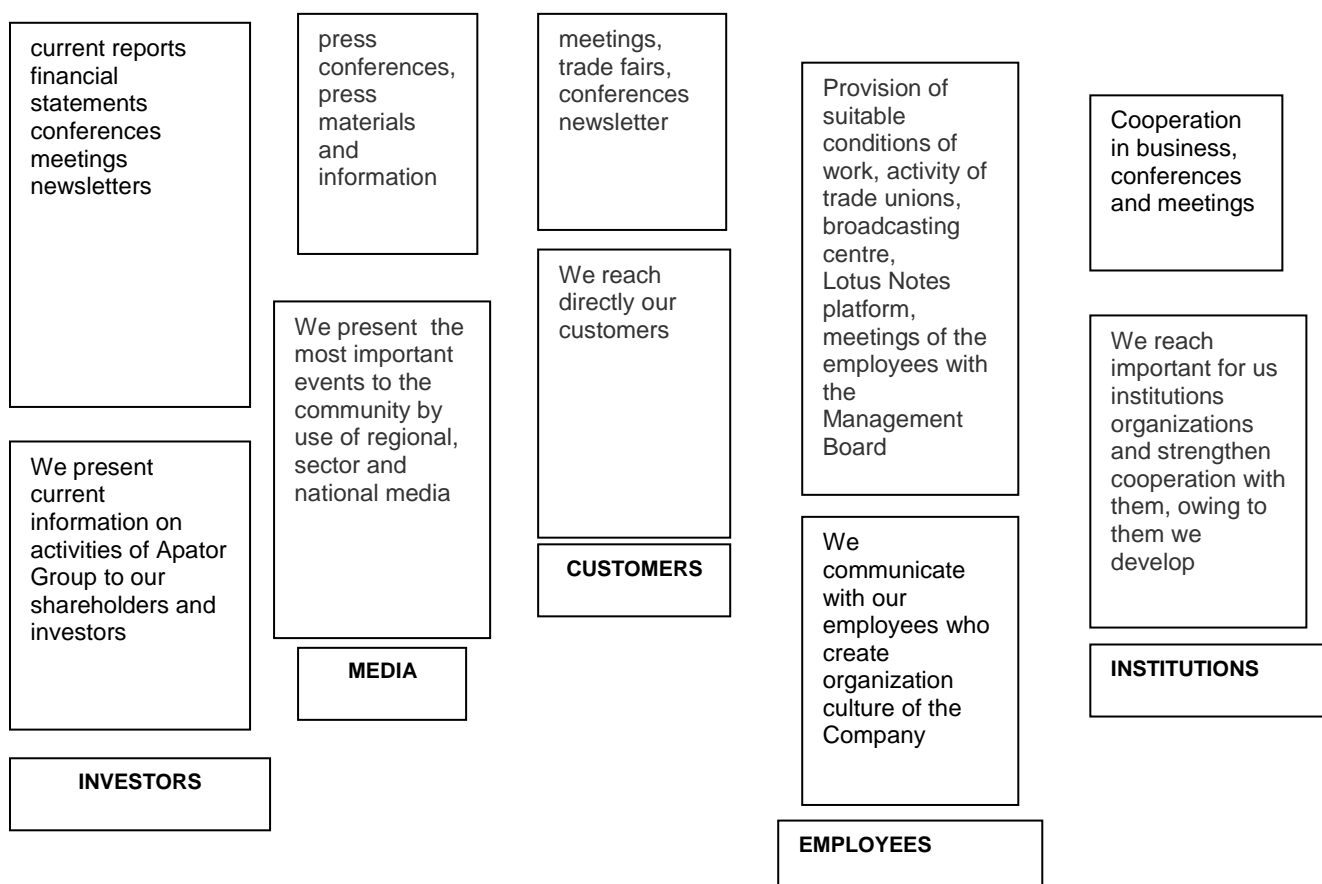
Aleksandra Trzcińska - Logistics and Procurement Specialist

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 2013 in Apator Group were employed 2.050 persons, that is in comparison with the last year it was the increase by 2,91% (58 persons). In parent entity Apator SA at the end of 2013, 512 employees were employed. The revenues from sales of Apator Group in 2013 were PLN 683.990 000. It was PLN 334 000 per employee. In Apator SA revenues were PLN 167.862 000. It was PLN 328 000 per employee.

Communication with the stakeholders



Permanent enhancement of qualifications of the employees makes that their attention is focused on quality of products, protection of 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 the audits aiming to verify implemented and restrained Integrated Management System and to check if it meets the requirements of the standard assumed. Apator Group permanently improves Management System. Partners in business and customers play very important role in it. 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 31.12.2012 (000' PLN)	Apator Group as at 31.12.2012 (000' PLN)	Apator SA as at 31.12.2013 (000' PLN)	Apator Group as at 31.12.2013 (000' PLN)
Revenues from net sales	183 411	668 824	167 862	683 990
Cost of products, merchandise and materials sold - cost of remuneration of the employees included	-140 438 - 33 022	- 483 950 - 133 396	- 120 051 - 34 713	- 482 007 - 139 160
Operation profit	28 204	98 492	14 770	86 502
Income tax	- 16 024	- 3 562	61	-14 404
Net profit	70 344	95 720	51 300	68 799
Equity	199 082	299 592	207 212	326 213
Total assets	273 799	504 448	274 002	523 485
Total liabilities	74 717	204 856	66 790	197 272
Weighted average number of shares	33 669 870	29 507 028	33 107 028	29 507 028
Profit per share [PLN/share]	2,09	3,23	1,55	2,31
Investments in community (donations)	505	561	114	195

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

Description Apator SA	31.12.2012 (000' PLN)	31.12.2013 (000' PLN)
Actuarial provision – short-term	1183	815
Actuarial provision - long-term	4585	4 606

Description Apator Metrix SA	31.12.2012 (000 PLN)	31.12.2013 (000 PLN)
Actuarial provision - short-term	677,9	787,4
Actuarial provision - long-term	268,3	273,7

Description Apator Powogaz SA	31.12.2012 (000 PLN)	31.12.2013 (000 PLN)
Actuarial provision - short-term	349,6	197,5
Actuarial provision - long-term	922,4	741,4

EC4 Significant financial support obtained from the state

Description Apator SA	Financial support obtained from the state (000' PLN)
Tax allowance used in 2013	2 148
Tax allowance to be used in the following years	20 703
Subsidies	-
Total	22 851

In 2013 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 selling its property at Żółkiewski Street and moving its manufacturing area to Pomeranian Special Economic Zone in Ostaszewo declared to give some support to the ventures of Municipality of Toruń City. It has made the reconstruction of the communication system between Żółkiewski Street and Wschodnia Street in the area of the former railway siding



in Toruń. The cost of works made was over PLN 1 m.

The investment covered the elaboration of the civil project, liquidation of collision of power engineering lines, cut the trees and construction of the road. New constructed street was named Apatora Street - for the memory of 60 years of headquarters and manufacturing area in this part of Toruń.

Apator SA is active participant of many programmes being performed by local community. The Company strives to support the persons in the most need. The heritage is more described in the chapter titled Apator SA and Community.

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. The Company did not give any financial support to local social initiatives.

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.

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 2013 investment expenditures were PLN 12.472 000,
- 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 attendance

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 2013 that is in gross value of 1600,00 PLN to minimal salary and wage binding in 2013 that is in gross value of 1600,00 PLN was 100%.

Relation of the lowest level of basic salary and wage (essential) binding in Apator Metrix SA in 2013 that is in gross value of 1 650,00 PLN to minimal salary and wage binding in 2013 that is in gross value of 1600,00 PLN was 103, %.

Relation of the lowest level of basic salary and wage (essential) binding in Apator Powogaz SA in 2013 that is in gross value of 1797,60 PLN to minimal salary and wage binding in 2013 that is in gross value of 1600,00 PLN was 112,35%.

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 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.

Share of expenses held for services of local suppliers* in main locations of the organization	2011	2012	2013
Apator SA	69%	64%	73%
Apator Metrix SA	51%	49%	46%
Apator Powogaz SA	74%	65%	63%

*local supplier has been defined as the entity running business with the Polish Tax Identification Number in the territory of Poland

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 2013, 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 2013 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

Apator operates on special market where particularly significant are direct professional relationships 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.

Building and maintaining the relationships with customers is performed on current bases by trade meetings held within trainings being arranged by Apator for customers, conferences and symposiums and during sector fairs.

In 2013 in Apator SA no survey of customer's satisfaction was conducted. The information coming from the customers during direct contacts or by internet service are every time analysed in order to implement possible improving actions.

In case of justified remarks the corrective actions and optimizing sales processes and service of a customer are performed.

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 2013 show that generally 100% 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:

- 75% completely satisfied
- 25% satisfied

The customers are satisfied of supplies in time and of the compliance of the supply with the order as follows:

- 88% completely satisfied
- 12% satisfied

Apator Powogaz SA

Apator Powogaz SA systematically makes research of customers' satisfaction obtaining the ratio at the level of 0,94. The result includes the partial assessments; quality of products 0,99; indicator of claims met in time 1,0; indicator of orders accepted 0,99; assessment of the competitiveness of products 0,85; indicator of assessment of technical level of competitors 0,89

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.

Apator SA, Apator Metrix SA and Apator Powogaz SA 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 policy directed to protection of natural environment and safety at work. 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	2012	2013
Steel [t]	134	142
Copper and alloys [t]	398	429
Plastics [t]	540	747

Apator Metrix SA

Name	2012	2013
Steel [t]	989	1132
Plastics [t]	124	1
Paints, lacquers, solvents [t]	12	29

Apator Powogaz SA

Name	2012	2013
Steel [t]	2	1
Plastics, dyes [t]	151	156
Paints, lacquers, solvents [t]	7	8
Brass	3	1

EN3 Direct consumption of energy according to initial sources of energy

Apator SAElectrical energy

In 2013 the consumption of electricity in Apator SA was higher by 522 349 kWh in comparison to 2012 and it was 3 521 237 kWh.

Higher consumption of electricity than in 2012 was caused by;

- commencement and increasing number of parts being manufactured for Apator Metrix SA,
- high temperatures in summertime that caused the intensive operation of ventilation equipment in manufacturing areas and offices

Apator Metrix SA

In 2013 the consumption of electricity in Apator Metrix SA was lower by 520 390 kWh in relation to 2012 and it was 2 563 220 kWh.

The decrease of consumption of electricity in 2013 was caused by reduction of energy-consumption of machines and equipment.

Apator Powogaz SA

In 2013 the consumption of electricity in Apator Powogaz SA was higher by 56 258 kWh in comparison to 2012 and it was 1 654 516 kWh.

Increase of consumption of electrical energy in 2013 in relation to 2012 by 51 241 kWh was caused by the increase of manufacturing and increase of loading of machines and equipment.

Fuel consumption

In 2013 natural gas consumption in Apator SA was lower by 88.600 cubic meters in relation to 2012 when the consumption was 213.600 cubic meters.

In 2013 it was produced 7,1 TJ of heat energy that in comparison of 10,4 TJ in 2012 gives the saving of 3,3 TJ .

Apator SA

Name	2012	2013
Natural gas consumption [thousand m ³]	302,0	213,6
Heat production [TJ]	10,4	7,1

Apator Metrix SA

Name	2012	2013
Natural gas consumption [thousand m ³]	232,0	293,4
Heat production [TJ]	7,5	9,0

Apator Powogaz SA

Name	2012	2013
Natural gas consumption [thousand m ³]	44,5	45,4
Heat production [TJ]	5,6	5,9

EN8 Total water consumption according to place

Apator SA

In 2013 water consumption in Apator SA was 2 700 cubic meters that is by 40% less than in 2012. The decrease of water consumption was caused by:

- In January and February 2012 the volume of water consumption was measured parallel for new and old location of the Company
- In 2013, 2 cubic meters of rain water was consumed that had been stored in underground container

Water consumption [m ³]	2012	2013
Apator SA	3 838	2 700
Apator Metrix SA	6 234	5 391
Apator Powogaz SA	6 700	6338

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 2013, the areas of Apator SA and Apator Metrix SA do not border directly to any protected area or areas of high biodiversity.

In 2013 Apator Powogaz SA leased the Holiday Center in Skorzęcin located in the territory of Powidz Landscape Park from Municipality and Town of Witkowo. The Management Board sold the Holiday Center in 2014.

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 2013, 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.

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

Apator SA

In 2013 Apator SA recorded the following:

- reduction of CO₂ emission by 30% achieved among other things by mounting of quick rolling gates, heat recuperation and high efficiency of power engineering equipment,
- increase of the volume of pollutants emitted to air from technological sources approximately by 62% (caused by increased manufacturing in plastic processing area)

Apator SA

Name	2012	2013
Non-metallic volatile organic compound [t]	0,854	1,9
CO [t]	0,100	0,1
CO ₂ [t]	606	419

Apator Metrix SA

Name	2012	2013
Non- metallic volatile organic compound [t]	0,272	0,674
CO [t]	0,059	0,07
CO ₂ [t]	492,9	586,33

Apator Metrix SA

Name	2012	2013
Non- metallic volatile organic compound [t]	0,185	0,046
CO [t]	0,021	0,034
CO ₂ [t]	89,072	90,750

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	2012	2013
HFC [kg/year]	16,100	2,800

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

Apator SA

Name	2012 [kg/year]	2013 [kg/year]
Formaldehyde	0,0	0,0
Styrene	30,235	6,510
Ethyl benzene	138,267	9,754
NO ₂	396,5	131,4
CO	111,3	145,4
Zn	0,305	0,21
Ni	0,1238	0,016
Aliphatic hydrocarbons	629,762	982,27
Aromatic hydrocarbons	310,192	539,86
Toluene	15,74	13,73
Sn	9,53	6,65

Apator Metrix SA

Name	2012 [kg/year]	2013 [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	303,5	330
Aliphatic alcohols and derivatives	280,0	344
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	2012 [kg/year]	2013 [kg/year]
Aliphatic hydrocarbons	162,952	27,22932
Sulfuric acid	5,967	7,8312
Butane-2-on	21,216	10,4416
4-hydrox-4-methylethylpentane-2-on	0,000	0,12048
Cyclohexanone 2	0,125	0,12048
2-methox-1methylethyl acetate	0,000	0,12048
Butyl acetate	0,250	1,2048
Propane-2-ol	0,125	0,12048
Styrene	0,559	6,35832
SO _x	1,781	0,45284
No _x	67,695	17,20792
CO	20,771	23,5563
CO ₂	89072,000	22642
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 concentration in 2012 [mg/l]	Annual average concentration in 2013 [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	635	830	700
Phosphorus	mg P/l	10,6	9,5	15
Zinc	mg Zn/l	<0,1	1,7	5
Reaction	ph	8,15	8,2	6,5-9,5
Copper	[mgCu/l]	0,48	0,08	1,0

Apator Metrix SA

Parameter	Unit	Annual average concentration in 2012 [mg/l]	Annual average concentration in 2013 [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	688	808	1000
Phosphorus	mg P/l	12	11,2	15

Parameter	Unit	Annual average concentration in 2012 [mg/l]	Annual average concentration in 2013 [mg/l]	Permissible values of indicators for impurities included in the contract with Municipal Waterworks and Sewerage Systems Company in Toruń
Zinc	mg Zn/l	2,97	3,47	5
Reaction	ph	8,7	8,3	6-9,5
Copper	[mgCu/l]	0,39	0,32	1

Apator Powogaz SA

Parameter	Unit	Annual average concentration in 2012 [mg/l]	Annual average concentration in 2013 [mg/l]	Permissible values of indicators for impurities included in the contract with AQUANET SA in Poznań
Zinc	mg Zn/l	0,19	0,031	2,5
Phosphorus	mg P/l	7,13	1,8	10
Copper	[mgCu/l]	0,21	0,063	1,0
Petroleum hydrocarbons	mg/l	3,88	0,8	15

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

Apator SA – 2013

- Total volume of wastes – 277,1 [t];
 - Hazardous wastes – 2,8 [t]
 - Safe wastes – 274,3 [t]
 - Cardboard packaging wastes – 25,9 [t]
 - Plastic packaging wastes – 11,0 [t]
- Recycling – 250,5 [t]
- Disposal – 26,6 [t]

Apator Metrix SA – 2013

- Total volume of wastes - 381,5 [t]
 - Hazardous wastes - 13 [t]
 - Safe wastes - 350 [t]
 - Packaging wastes - 18,5 [t]
- Recycling - 341,8 [t]
- Disposal - 1,15 [t]
- Incineration – 3 [t]

Apator Powogaz SA – 2013

- Total volume of wastes - 195,609 [t]

- Hazardous wastes - 8,493 [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 2013, 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, the awareness of employees about their responsibility for the natural environment in the Company has been enhanced; special labels with the information encouraging saving electricity are placed in the area of the Company. Furthermore, pursuant to the objectives and tasks specified, trainings are conducted for the employees concerning the segregation of wastes.

The manufacturing processes are managed pursuant to the lean manufacturing principles aiming at the increase of efficiency and to limit the wasting. In the manufacturing process, plastics are used that can be reused, technology of joining by own material allows to eliminate the welding in the Company that has very negative impact on natural environment. New tooling allows reducing the consumption of metals (i.e. copper, steel) and the replacement of worn and torn machines allows reducing electricity and oil consumption by machines.

In Apator Metrix green lean - ecology focused management and at the same time reduction of cost of manufacturing among other things also the reduction of wastes, they all were introduced. Older machines are replaced by new ones and it means saving of energy. New and modernized casings for gas meters with smaller sizes are being implemented in manufacturing and allowing the reduction of materials and paint consumption. The importance is attached to segregation of wastes in the Company.

In Apator Powogaz SA similarly, as in the above companies, modernization and replacement of worn and torn machines by new ones allow to make the manufacturing processes more efficient, reduce the impact of the manufacturing on natural environment and materials consumption. The ecological awareness of the employees in the scope of wastes segregation is being enhanced.

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

Apator SA – recycling 2013

In 2013, it was planned to achieve the recycling of packaging wastes of paper and cardboard paper at the level of 56% in Apator SA and it achieved the level of 47%. It has been caused by high indicator of quantity of packaging launched into the market in relation to the wastes sent to recycling and the structure of wastes in the Company.

Apator SA – recycling in 2013

- Products – 0%
- Plastic packaging – 198%
- Cardboard and paper packaging – 47%
- Materials were collected by: Eurobac Organizacja Odzysku SA
-

Apator Metrix SA – recycling in 2013

- Products - 0%
- Plastic packaging – 21,5%
- Cardboard and paper packaging – 58%
- Wood – 15%
- Steel sheet – 46%
- Materials were collected by: Polski System Recyklingu Organizacja Odzysku S.A.

Apator Powogaz SA – recycling in 2013

- Products - 0%
- Plastic packaging – 1614,55%
- Cardboard and paper packaging – 166,28%
- Wood – 15%
- Steel sheet – 103,86%
- Materials were collected by: Surdramet Sp. z o.o., P K-T "ORDO" Marek Friebe

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 2013, the volume of 93 tonnes of diesel oil was consumed and in relation to the consumption of 90 tonnes in 2012 it is by 3 tonnes more. Furthermore, 1,6 tonnes of unleaded petrol was consumed in 2013. It was shown in the table below since it had not been recorded recent years because the Company did not have in its possession the vehicles driven by such fuel.

Propane–butane used for the operation of fork-lift trucks in Apator SA was consumed in the volume of 1,3 tonnes. In relation to 2012 when the consumption in the Company was 5,5 tonnes of propane–butane it gives evident decrease of consumption by 4,2 tonnes. Decrease of consumption of propane – butane was caused by organizational changes made in internal transport.

Apator SA

Name	2012	2013
Diesel oil [t]	90	93
Propane-butane [t]	5,5	1,3

Apator Metrix SA

Name	2012	2013
Diesel oil [t]	26,8	28,4
Propane-butane [t]	4,32	4,12

Apator Powogaz SA

Name	2012	2013
Diesel oil [t]	45,7	44,7
Petrol	1,56	2,86
Propane-butane [t]	4,1	6,4

Environmental indicators – total expenditure for protection of natural environment

EN30 Total expenditure incurred for the protection of natural environment and investments pursuant to the their type

Apator SA

Type of aspect	Expenditure (PLN) – 2012	Expenditure (PLN) – 2013
Utilisation of manufacturing wastes	15 962,45	10 036,61
Utilisation of packaging wastes	422,00	747,53
Payments for the environment	1 080,00	1 974,0
Physical-chemical analysis	46 771,00	24 285,5
Municipal wastes	20 198,70	10 140,12
Water and sewage system	122 376,44	146 914,26
Total	206 810,59	184 061,41

Apator Metrix SA

Type of aspect	Expenditure (PLN) – 2012	Expenditure (PLN) – 2013
Utilisation of manufacturing wastes	14 986,80	15 873,66
Utilisation of packaging wastes	15 428,00	12 779,97
Payments for the environment	1 398,00	1 710
Physical-chemical analysis	0	0
Municipal wastes	31 590,60	31 749,70
Water and sewage system	61 559,80	55 027,65
Total	124 963,20	117 140,98

Apator Powogaz SA

Type of aspect	Expenditure (PLN) – 2012	Expenditure (PLN) – 2013
Utilisation of manufacturing wastes	19 909,01	9 627,06
Utilisation of packaging wastes	21, 819,99	10 427,77
Payments for the environment	0	0
Physical-chemical analysis	6210,00	20 600,00
Municipal wastes	14 722,47	21 501,33
Water and sewage system	56 102,47	56 783,98
Total	118 763,94	118 940,13

„The enhancement of awareness about protection of natural environment and proper segregation of wastes allow us to achieve very good ecological effects and reduce costs related to protection of natural environment i.e. by payment of lower environmental fees and achievement of higher volume of wastes sold. For that reason the actions aiming at economic management of utility services and raw materials are continued and monitoring of the quantity of copper in relation to its wastes were introduced.

Bartosz Mińkowski
Management System Specialist

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 commuters
- 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)
- granting the awards: "Best of the good employees" and "Simply good employee"
- 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 2013, Apator SA spent for training the amount of PLN 376 000 but in 2014, it is planned to spent the amount of PLN 315 000.

In order to conduct any training, only the training centers 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 widens its offer based on its own Holiday Center in Rowy. Each year about 300 employees with families go to Holiday Center 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	2012 – 474 persons				2013 – 512 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
Toruń	453	3	356	100	493	1	433	61
Świdnica	5		5		5		5	
Kraków	1		1		2		2	
Zielona Góra	5		5		5		5	
Wrocław	7		5	2	5	1	5	1
Total	471	3	372	102	510	2	450	62

Apator Metrix SA

Location	2012 – 305 persons				2013 – 316 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	302	3	203	102	314	2	218	98

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 Powogaz SA

Location	2012 – 346 persons				2013 – 359 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	320	0	290	30	335	0	301	34
Kraków	26	0	26	0	24	0	24	0
Razem	346	0	316	30	359	0	325	34

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

2012 - 474 persons					2013 - 512 persons			
Description	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	0,63%	0	0,00%	3	0,59%	0	0,00%
Higher level staff	19	4,01%	7	1,48%	18	3,52%	7	1,37%
Lower level staff	9	1,90%	1	0,21%	28	5,47%	1	0,20%
Total	31	6,54%	8	1,69%	49	9,57%	8	1,56%
Supervisory Board	5	1,05%	1	0,21%	5	0,98%	1	0,20%

Apator SA

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

2012 – 474 persons							2013 – 512 persons					
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	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	0,00%	2	0,42%	1	0,21%	0	0,00	2	0,39%	1	0,20%
Higher level staff	0	0,00%	11	2,32%	15	3,16%	0	0,00	8	1,56%	17	3,32%
Lower level staff	2	0,42%	8	1,69%	0	0,00%	3	0,59	15	2,93%	11	2,15%
Total	2	0,42%	21	4,43%	16	3,38%	3	0,59	25	4,88%	29	5,66%
Supervisory Board	0	0,00%	0	0,00%	6	1,27%	0	0,00	1	0	5	0,98%

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

Apator SA

2012 – 474 persons				2013 – 512 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)	23	7	157,6	21	7	168,1%
Lower level staff	9	1	95,3	28	1	71,6%

2012 – 474 persons				2013 – 512 persons		
Administration	111	41	129,3	104	43	128,7%
Manufacturing	187	95	114,5	190	118	114,2%
Total	330	144	140,5	343	169	141,4%

Apator Metrix SA

2012 – 305 persons				2013 – 512 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)	7	0	-	7	0	0
Lower level staff	18	4	97,3	18	4	97,6
Administration	56	21	123	30	25	128
Manufacturing	87	112	99	118	114	113,4
Total	168	137	128,4	173	143	124,7

Apator Powogaz SA

2012 – 346 persons				2013 – 359 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	92,4	9	1	98,2
Lower level staff	21	1	91,8	22	1	91,2
Administration	61	30	110,8	62	32	112,5
Manufacturing	155	68	132,9	163	69	130,0
Total	246	100	138,1	256	103	136,7

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 2013 in relation to total number of employees at the end of 2013) was 7,38%.

Location	2012						2013					
	Women			Men			Women			Men		
	<30	30-50	>50	<30	30-50	>50	<30	30-50	>50	<30	30-50	>50
Toruń	3	0	8	9	4	9	5	3	0	5	5	14
Kraków												
Świdnica											1	
Wrocław				1						1		
Zielona Góra											1	
Total	3	0	8	10	4	9	5	3	0	6	7	14
	0,63%	0,00%	1,69%	2,11%	0,84%	1,90%	1,05%	0,63%	0,00%	1,27%	1,48%	2,95%

Apator Metrix SA

The rotation ratio of Apator SA (total number of employees who gave up their jobs in 2013 in relation to total number of employees at the end of 2013) was 18,36%.

Location	2012						2013					
	Women			Men			Women			Men		
	<30	30-50	>50	<30	30-50	>50	<30	30-50	>50	<30	30-50	>50
Tczew	11	18	3	9	11	4	18	23	5	12	19	1
Total	11	18	3	9	11	4	18	23	5	12	19	1
	3,61%	5,90%	0,98%	2,95%	3,61%	1,31%	5,70%	7,28%	1,58%	3,80%	6,01%	0,32%

Apator Powogaz SA

The rotation ratio of Apator Powogaz SA (total number of employees who gave up their jobs in 2013 in relation to total number of employees at the end of 2013) was 5,02%.

Location	2012						2013					
	Women			Men			Women			Men		
	<30	30-50	>50	<30	30-50	>50	<30	30-50	>50	<30	30-50	>50
Poznań	4	3	3	4	5	3	2	1	1	6	6	1
Kraków	0	1	0	0	0	1	0	0	1	0	0	0
Total	4	4	3	4	5	4	2	1	2	6	6	1
	1,16%	1,16%	0,87%	1,16%	1,45%	1,16%	0,56%	0,28%	0,56%	1,67%	1,67%	0,28%

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.

Apator Powogaz SA provides with the social help in form of borrowings and allowances for employees and pensioners suffered misfortune and provides financial support to resting of employees and social packages for children and purchase tickets for pensioners on Christmas.

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

Company's collective labour agreement covers 99,4% of the employees of Apator SA.(Members of the Management Board are excluded).

The employees of Apator Metrix SA are not covered by company's collective labour agreement.

The company's collective labour agreement covers 96,65% of employees of Apator Powogaz SA.

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 9,1 in 2013.

In Apator Metrix SA average number of training hours per employee was 8,9 in 2013.

In Apator Powogaz SA average number of training hours per employee was 5,5 in 2013.

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.

	2012	2013
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.

	2012	2013
Total number of employees of Apator Metrix SA	305	316
Number of production employees subject to regular assessment of quality of work	158	169
Percentage of persons	51,80%	53,50%

	2012	2013
Total number of employees of Apator Powogaz SA	346	359
Number of production employees subject to regular assessment of quality of work	170	180
Percentage of persons	49,13%	50,14%

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 2013 in formal safety and health at work commissions were represented up to 25% 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 2013 in Apator SA, Apator Metrix SA and Apator Powogaz SA there were no cases of death, professional diseases and others.

In 2013 in the entities:

- In Apator SA three accidents at work occurred (total number of days lost for that reason - 140)
- In Apator Metrix SA one accident at work occurred (total number of days lost for that reason - 182)
- In Apator Powogaz SA one accident at work occurred (total number of days lost for that reason – 63)

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 and related instructions,
- 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 Polska
- 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 in volume to the surrounding.

Apator SA takes part in the following contests every year

NAME OF THE CONTEST	NAME OF ORGANIZATION WHERE THE QUESTIONNAIRE IS BEING SENT TO
APATOR SA	
The List of "Polish Enterprises"	Rzeczpospolita - daily newspaper
The List of 500	Rzeczpospolita - daily newspaper
The List of 500	Polityka –weekly magazine
Pearls of Polish Economy	Institute of Economics –Polish Academy of Science and Social-Economic Information Centre
Business Gazelle	Editor of "Puls Biznesu" daily newspaper
Innovative Company	Institute of Economics –Polish Academy of Science and MSN Scientific Network
Award of Marshall of Kujawsko-Pomorskie Province	Province Marshal's Office
Ambassador of Polish Economy	Business Center Club
Outstanding Exporter in 2013	Association of Polish Exporters
Market Leader of Innovation	Dziennik Gazeta Prawna, Biznes Magazyn – Economy Chapter – daily newspaper
Golden Hundred of Pomerania and Kuyavia	Gazeta Pomorska – daily newspaper

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 2013 are presented below:

Innovative Company

Distinction was granted to Apator SA on the occasion of 15th anniversary of Pomeranian Special Economic Zone Sp. z o.o.



Diamond to the Golden Statue of Polish Leader in Business

Apator SA and Janusz Niedźwiecki President of Apator SA for the eighth time have been awarded by the Diamond to the Golden Statue of Polish Leader in Business – the award is presented by Business Center Club.

The Company of “WSE Listed Companies” in 2012

Apator SA took the fourth place in ranking of “Puls biznesu” daily economic newspaper carried out by TNS Polska. Ranking was created based on assessment of over four hundred entities performed by over eighty specialists of capital market. The specialist have made the assessment of competences of the executive board, quality of products and services, investor relations, the prospects of development and the last year success.



Ranking of the Most Dynamically Developing WSE Listed Companies and the best Presidents of WSE Listed Companies

VII National Forum of Management Boards of WSE Listed companies and “Forbes” monthly magazine have granted Apator Group the first place in “Ranking of the Most Dynamically Developing WSE Listed Companies” in industry and building industry and Janusz Niedźwiecki took the first place in “Ranking of the Best Presidents of WSE Listed Companies”

The List of 500

“Rzeczpospolita daily magazine awarded Apator SA in its prestige ranking of “The list of 500” The magazine has matched the the best enterprises on domestic market. On the top of the list were eight firms from Toruń including Apator SA. Therefore, Apator SA has confirmed its strong position on the market.

Pillar in the Region in the ranking “Golden Hundred of Pomerania and Kuyavia 2012

Apator SA once again has been awarded as the Pillar in the Region from financial point of view and as the most innovative enterprise in ranking “Golden Hundreds of Pomerania and Kuyavia 2012” carried out by “Gazeta Pomorska”. Apator SA has been also awarded as the company that gives the support to the education of its employees what proves its determination in activity for CSR.



Pillar of Polish Economy 2012

“Puls biznesu” again awarded Apator SA in the ranking “Pillars of the Polish Economy 2012”. The award was granted for systematic inflow of financial means to budget of the community and named the most important employer in the region and permanent activity for local community



European Medal 2013 for moniTorus system

Apator SA and its moniTorus system have been awarded by European Medal 2013. Medal is non-commercial nationwide venture of the institution acting at European Commission – European Economic and Social Committee, Ministry of Foreign Office (represented by Minister of Membership in European Union) and Business Center Club. Pursuant to the idea of European Medal was awarded to products and services which quality is equal to European standards.



“Innovators of Wprost 2013”

Apator SA was awarded the “Innovators of Wprost 2013”. “Wprost” - opinion forming weekly magazine and the Institute of Economic Sciences of the Polish Academy of Science and National Center for Research and Development for the third time awarded the enterprises that distinguish with innovation and advance technology – among distinguished enterprises Apator SA was distinguished again. Leaders in key sectors of economy like industry, building industry, power engineering are selected based on the “List of 500” prepared by Institute of Economic Sciences of the Polish Academy of Science. Apator was awarded in power engineering sector. Economic grounding of the award of “Wprost” was expressed by prof. Tadeusz Baczka; “Apator presents more than average the market innovation in the home market. It is the investor of research and development of high intensity of expenditure for sales at the level of 3,8% in 2011. The above average dynamics in the home market in industrial property sector and the achievement of six patents in 2011.”



Good Company 2013

Nationwide “Rzeczpospolita” daily newspaper awarded Apator SA the name of “Good Company 2013”. The award is accompanied by the “LIST 2000 of Polish Enterprises” in the daily newspaper that are the most effective enterprises and buoyant development.



Apator Metrix SA did not receive any award in 2013.

In 2013 Apator Powogaz SA was granted the award for prepayment system for water meters and medal for the comprehensive presentation of the company and innovative method of arrangement of the stand at VI International Fair of Water and Sewage Infrastructure, Drainage and Land in Bydgoszcz.

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

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.

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 in Skłodzewo
Primary School No.1 in Toruń
County Hospital in Chełmża
HELP FOR FAMILY Municipal Center in Toruń
HELP FOR FAMILY AND EARTH Social Charity Foundation in Toruń
Secondary School Complex no.2 in Toruń
PLATON Foundation in Toruń
Polish Society of Mechanical Engineers and Technicians –Branch Office in the Company
FENIKS Pupils' Sport Club in Obrowo
SOKÓŁ Sport Club in Grzywna
COMMON HOPE Foundation in Chorzów
Polish Red Cross in Toruń
EQUALIZATION OF OPPORTUNITIES Association in Toruń
The Association of Care About Abandoned Children – named Blessed the Priest Br.Markiewicz in Toruń

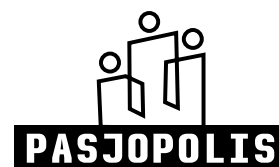
Apator Metrix SA has been involved in charity for many years. In 2013, its support was addressed to Arkadia Sport Club, Boxing Section of KS Wisła Tczew, Grzegorz Ciechowski Festival, Brotherhood Cocks, Great Christmas Aid Orchestra, and Saint Tadeusz Juda Hospice in Gdańsk. The donation was also submitted 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 passions.



The school year 2013-2014 is the period when the next group of talented fans can count on the support by scholarship within the Pasjopolis programme

The third edition of the programme covered its range two towns: Torun and Poznań. Every year greater and greater number of persons applying to the programme – this time we have received 310 applications.

The applicants are fans of photography and art design, young talented musicians, dancers, actors, enthusiasts of physics and astronomy, budding chemists and biologists...Youngs can be boasted by comprehensive pallet of different passions owing to them, they achieve their first successes, define the route for their education and make ambitious plans for the future.

Scholars of the third edition of Pasjopolis programme

Scholarship for the sciences:

- Julia Giełdon – is fan of chemistry and biology,
- Mateusz Wiśniewski – is interested in sciences particularly in antioxidants and process of obtaining the fuel from algae,
- Bartosz Ambroszkiewicz – plans to revitalize Polish motor industry,

Scholarship for the humanities:

- Ewa Leszczyńska – she has been music educated since childhood,
- Kinga Kornacka – her disciplines – photography and cooking,
- Mikołaj Wyrzykowski – he is the author of some books and he says he “catches butterflies”,

- Paweł Drąg – sound performer and director involving in different music projects, he is going to establish own home studio,
- Martin Trojanowski – he has been dealing with dancing, he took niche one bboying,
- Maksymilian Kucharski – musician, he wants to take part jazz workshops,
- Celina Cieślak – she is fan of illumination,
- Jędrzej Filuś – film and photography are his all life,
- Barbara Warchalewska – musician, having several achievements,
- Daria Kostniak – she is fascinated with motion and creation of animation,
- Klara Bender – she deals with fashion, she carries out the blog and in order to educate further in this area she wants to go to London,
- Maksymilian Andrzejczak – he makes designs of computer games and mobile applications,
- Filip Kucharski – musician, the youngest member of SINFONETTA POLONIA,
- Antonina Knapkowska – her passion is art, since childhood she has been educating to draw and paint, she uses collage and makes jeweler from recycled materials,
- Julia Bruderek – she has been dancing since childhood, her dream is to dance in Broadway Dance Center,
- Jacek Jeliński – he paints graffiti and loves street art

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.

XIV 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. The leading subject of the XIV edition was contemporary human.

Festival is the splendid occasion to get known the places not available on normal days – laboratories, places of work of scientists, artists but also the industrial buildings, places of operation of firms and institutions cooperating in the arrangement of the festival.

Apator SA for several years is the patron of festival session dedicated physics and astronomy.

During meetings with scientists some issues are being approached to the participants among other things; measurement of time, the participants are encouraged to build own clocks and assess its accuracy, many experiments were initiated related different physical phenomena

(mechanic, acoustic, thermodynamic, electromagnetic and optical ones). As the Company operating in technological sector we particularly appreciate the magnitude of sciences 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 Apator 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 Apator 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.

Apator 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 Apator 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.

Indicator of the impact on society – support to culture and art

Apator many times has proved that the role of the firm is not only pure business aspects of activity. Since many years we have been giving the support of the artist and scientists. We are the sponsor for many important cultural events both of local range and nationwide.

"Probaltica" Festival of Music and Art of Baltic Countries

The number of 471 concerts, 7800 musicians, 280 artists took part and over 200 000 audience attended the event during 19 years of "Probaltica" Festival of Music and Art of Baltic Countries in Toruń in such words summarized the festival events Henryk Giza its Director.

20th edition of the event was held in May and it gathered the fans of music and art. The artists from Lithuania, Latvia, Germany Sweden, Russia and Poland appeared on the stage. The number of 14 concerts were held in Toruń and 4 concerts were held in Grudziądz. Apator SA was one of the sponsors of the event.

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. Apator SA is very much contributed in recording of his latest record "Mathematics of hearts"

Indicator of impact on society – promotion of sport

Katarzynki

Apator SA for many years actively has been giving the support to basketball club in Toruń. 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.

Systematic and soundly building the team brings in every basketball season greater and greater successes. In the season 2009/2010 and 2011/2012 the team was awarded by bronze medal in the competition of championship of Poland. In 2009/2010 the team was promoted to 1/16 final of FIBA EuroCup Women. In the season 2010/2011 it was promoted to 1/8 FIBA EuroCup Women and to the final of Cup of Poland.

In the season 2013/2014 the team is on the good route to win the promotion to playoff series where the best four teams in Poland will be competitive one another in playing. The biggest strength of the team is its team working and uncompromising attitude. Apator SA supports ambitious basketball players.

Young sportsmen and sportswomen

Apator SA supports young talented sportsmen and sportswomen.

Agata Kryger (born in 1997) woman figure skater – individual figure skating of women

She represents MKS Axel Toruń. She is under care of Dorota and Mariusz Siudek. She has been several times the Champion of Poland in individual figure skating. In the season 2013/2014 she won Junior Championship of Poland and Senior Championship of Poland. She is a pupil of IV Grammar School in Toruń.

Mikołaj Jędruszczak (born in 1993) tennis player of Start-Wisła Sport Club since 2006

For the sport achievements and very good marks at school he was awarded by Jolanta Kwaśniewska Foundation, President of Torun City, Kuyavia and Pomeranian Province Marshall and Bank Zachodni WBK.

In the beginning of 2013 he won Indoor Championship of Poland for up to 21 old tennis players in single and in double games. Mikołaj is placed on position 4 in classification of Polish Tennis Association. Mikołaj is also known abroad taking the position 937 in ATP ranking in double and 1025 position in ranking of ATP in single.

Football team of 15 years old players

Apator SA is a sponsor of young boy's football team with players born in 1998 and 1999. We give the support to the group of 22 fans of football who enhance their skills in Young Junior Province League.

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.

"Apator SA has been performing the idea of corporate business responsibility since its establishment. There were no reports at that time that would show the review of actions regarding social involvement but the Company has been supporting the local community in natural manner and pure human permanently. This particular aspect of the activity of the Company has brought the fruits in different areas of life. Among them, there are sport, culture, art and education projects and also charity. Apator SA is known for its support of people with passions who are very much involved in them achieving the master level in their areas. The support is often a great help for them and it is a trampoline to achieve next great successes by them. Full spectrum of actions of Apator SA was found in the reviews of social involvement that were prepared in the recent years. Apart to presentation of measures, reports are the obligation every time that the next undertakings will be performed in responsible manner. It is sure.

Małgorzata Aleksy
Product Marketing Specialist