

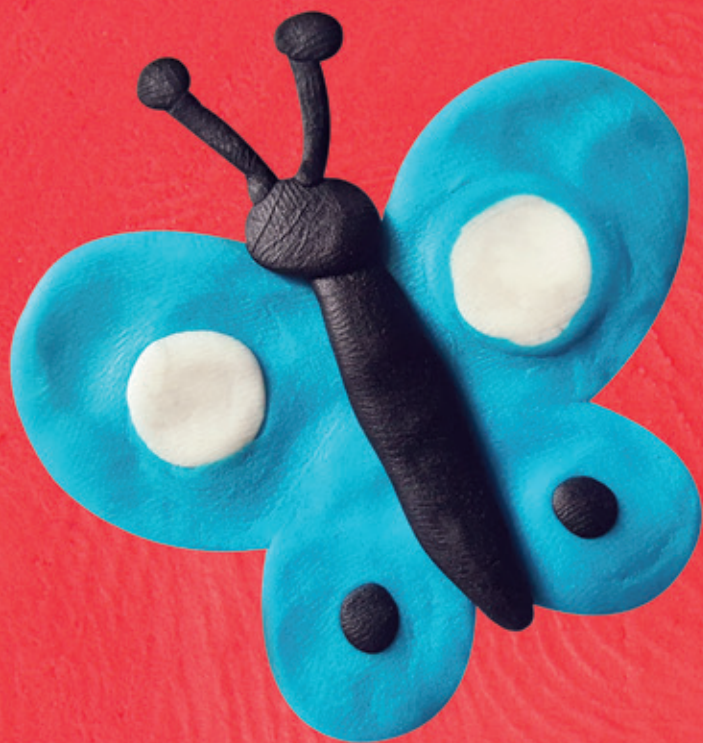
■ EMITEL CORPORATE SOCIAL
RESPONSIBILITY REPORT

emitel
Report

2017

emitel





emitel



Dear Reader,

We believe that social reporting should be an integral part of the broader system through which businesses communicate with the public, which is why I am very pleased to present to you this EmiTel Corporate Social Responsibility Report.

Our corporate social responsibility (CSR) efforts can be summarized with one word: diversity. As we search for new areas on which to focus our social engagement, we always strive to look for out-of-the-box approaches and go beyond the beaten track.

EmiTel proudly supports a number of social initiatives and pursues various environmental projects. Since our business operations cover all of Poland, we attach great importance to building good relationships with the local communities. In addition, we have proactively supported our Employees for many years by introducing numerous educational initiatives and solutions which make our Company a better place to work, and we conduct ourselves ethically in our relationships with business partners in line with our corporate social responsibility commitments. Timely payments, consistent service quality, and monitoring and effective resolution of all reported problems are the standards which we follow in our day-to-day operations.

On the following pages of this Report, we proudly present our Company's latest and most important CSR efforts and provide a summary of the initiatives we have undertaken to conduct our business in compliance with good practices in all areas. We hope that this publication will help you better understand this less known yet very important aspect of EmiTel's business.

On behalf of myself and all our Employees, I would like to wholeheartedly invite you to read the 2017 EmiTel Corporate Social Responsibility Report.

Yours faithfully,

Andrzej J. Kozłowski,
President of the Management Board





0

1

EmiTel's Environmental
Management Policy
initiatives

EmiTel's Environmental Management Policy initiatives

At EmiTel, we have a strong focus on environmental protection, which is why we use energy-efficient materials and environmentally-friendly solutions in all our operations. In addition, we regularly measure the impact of our business on the environment and consider compliance with all environmental protection standards to be a priority.

In 2017, the Company carried out a number of initiatives under its Environmental Management Policy to support Poland's natural environment and ecosystem.



We have identified the following key environmental aspects on which we place particular emphasis as part of our CSR commitment:

- environmental impact of electromagnetic fields;
- atmosphere and climate protection;
- reduction of soil and water contamination;
- preservation of biodiversity and protection of endangered species' habitats; and
- waste management.

Our priority is to reduce the adverse effects of electromagnetic fields on the environment.



ELECTROMAGNETIC FIELDS

Electromagnetic fields are emitted into the environment in connection with the Company's main production process, which is the broadcasting of radio, television and (to a lesser extent) telecommunications signals. In addition, there is added pollution from installations that generate magnetic fields (including mobile communications systems) as part of our secondary business, which consists in leasing infrastructure to other businesses.

The strategic goal of our policy is to protect the environment by minimizing the impact of our operations on the ecosystem and implementing consistent environmental protection principles and requirements within both the Company and its subsidiaries.

Environmental management includes:

- a. identifying important aspects of the Company's environmental impact and evaluating the associated risks and hazards;
- b. determining main action points, defining the expected results and acting upon them;
- c. constantly monitoring the execution of our environmental processes and adapting them to the evolving laws and technological or organizational solutions;
- d. auditing our activities;
- e. planning and taking optimization and corrective actions; and
- f. promoting conservation issues among our Employees and increasing the awareness of this aspect of the Company's business.

Our priority is to reduce the adverse effects of electromagnetic fields on the environment and keep EMF levels strictly within permissible limits.

The measures we take to reduce the adverse environmental impact of electromagnetic radiation include:

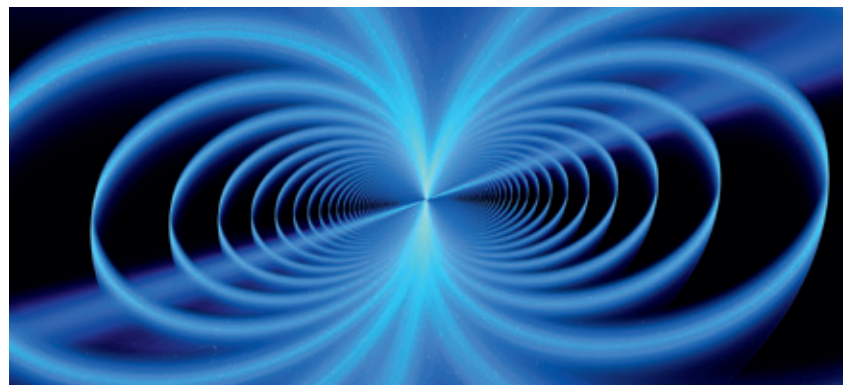
- performing a design analysis of each planned project to assess the potential effects of electromagnetic fields on the environment;
- verifying the environmental impact of broadcasts made by third-party companies;
- conducting regular EMF surveys around our broadcasting facilities and taking corrective action, if necessary;
- placing our broadcasting stations in areas where adequate spatial separation between electromagnetic fields and locations accessible to the general public can be ensured;
- reducing the EIRP to the maximum extent possible and building complex antenna systems designed to suppress downward radiation;
- developing and implementing internal procedures that describe the expected behavior during the commissioning of installations that emit electromagnetic fields; and
- educating the public on the impact of electromagnetic fields.

We have a multi-stage monitoring and supervision system in place for projects that involve electromagnetic fields. At each stage of the process, from design to the procurement of all necessary permits to the physical commissioning of a given installation (i.e. broadcasting the signal), we monitor the intensity of electromagnetic fields and the potential impact on humans and the environment. EMF levels around each broadcasting station are also constantly monitored during subsequent operation, and all activities are supervised by a dedicated team responsible for evaluating the impact of our installations and minimizing radiation around our broadcasting facilities, headed by our Chief Technology Officer (who is also a member of the Management Board).

EmiTel guarantees full transparency and provides access to the results of electromagnetic field measurements carried out around our facilities.



At each of the above stages, EmiTel guarantees full transparency and provides access to the results of electromagnetic field measurements carried out around our facilities. People living in the controlled areas can review the documentation used to monitor the EMF levels and the potential effects of the broadcasting stations on humans and the environment on their own or through appropriate bodies, such as Voivodeship Environmental Protection Inspectorates, Municipality Offices or Voivodeship Sanitary and Epidemiological Stations.



1. Monitoring of electromagnetic field intensities

Electromagnetic field measurements are carried out by accredited research laboratories in accordance with the Regulation of the Minister of the Environment of October 30, 2003 on the permissible electromagnetic field levels in the environment and methods for verifying compliance with such levels (Journal of Laws No. 192, Item 1883).

EmiTel's Environmental Management Policy initiatives

In 2017, we completed 238 EMF measurements to protect the environment around installations that generate this type of radiation. The arithmetic mean of the maximum electromagnetic field intensities around EmiTel's key facilities was 3.06 V/m, which is less than 50% of the allowed value of 7 V/m.

In addition, we calculated 135 electromagnetic fields around installations being the source of such radiation in 2017. The calculations were performed using our dedicated EMILAB 2.2 software, which is designed to forecast the distribution and intensity of electromagnetic fields.

2. Production of a video on electromagnetic fields

Although electromagnetic fields are often associated with the undesirable impact of people and technology on nature, they are in fact an inseparable part of our environment and have accompanied mankind throughout history. Until the end of the nineteenth century, the main sources of electromagnetic influence on the world around us were terrestrial (the Earth's natural, permanent electric and magnetic field) and extra-terrestrial (mainly the effect of the Sun, but also of other planets).

To educate the public on the facts and myths concerning electromagnetic fields, we made the decision in 2017 to produce an educational video that explains this subject in a simple and easy-to-understand manner.



3. Magnetic field education week

As part of our skill improvement programs, we conducted an internal education campaign entitled "The Employee Week – Electromagnetic Fields

Around Us" for our Employees.

Each day, Employees received e-mails on various aspects of electromagnetic fields:

Monday: Introduction – an overview of magnetic fields

Tuesday: Sources of electromagnetic fields and applicable standards in Poland and worldwide

Wednesday: EmiTel's system for monitoring magnetic fields as part of the planning and construction process

Thursday: Working in the vicinity of radio communication devices and systems

Friday: Electromagnetic fields from smartphones; EMF monitoring

4. The 2017 EMF Workshop

EmiTel supports and regularly attends the EMF Workshop (Warsztaty PEM), one of Poland's most important events dedicated to the protection of humans and the environment from electromagnetic fields. The EMF Workshop is held annually at the Prof. J. Nofer Institute of Occupational Medicine in Łódź.

EmiTel supports the EMF Workshop (Warsztaty PEM), one of Poland's most important events dedicated to the protection of humans and the environment from electromagnetic fields.



EMF Workshop attendees include officials from the Ministry of the Environment and other institutions responsible for protecting the environment against electromagnetic fields in Poland, healthcare professionals (physicians), research laboratories that conduct electromagnetic field measurements, and businesses that operate installations which generate electromagnetic fields.

During the event, the latest results of epidemiological studies on the impact of electromagnetic radiation are presented, and there is a broad debate on the current and planned changes in legislation.

The overall goal is to protect humans and the environment more effectively from electromagnetic fields. In addition to its financial contribution to the EMF Workshop, EmiTel takes an active part in panel discussions, organizes and delivers lectures or presents environmental impact reports and results of interlaboratory studies on electromagnetic fields.

5. Support for EMF research conducted by independent institutions

EmiTel makes its technology infrastructure available to third-party institutions – such as the Central Institute for Labor Protection, the Chief Inspectorate for Environmental Protection or research laboratories – in order to enable them to conduct specialist measurements, research on electromagnetic fields or interlaboratory comparative studies. Furthermore, the Company allows Voivodeship Inspectorates for Environmental Protection to use the infrastructure for training purposes in connection with EMF measurements.

PROTECTION OF SOIL AND GROUNDWATER FROM CONTAMINATION

The primary cause of soil and groundwater contamination is the production of residential wastewater. Due to the location of our facilities, drilled wells serve as the main source of water supply. As part of our commitment to the protection of soil and groundwater, all residential wastewater is treated before being discharged to the ground.

Our goal is to minimize the soil and groundwater contamination caused by our facilities and to comply with the soil and water standards defined by specific laws. This is achieved through ongoing supervision of the wastewater treatment infrastructure.

We perform technical inspections of our water and sewage systems. Furthermore, we have developed and implemented the Water and Wastewater Management Plan, which is a management tool that helps us protect soil and water against contamination. Established for each broadcasting station that has a wastewater treatment plant, the Water and Wastewater Management Plan identifies defined

hazards and specifies the recommended actions intended to eliminate such hazards within a strictly defined timeframe.

We constantly upgrade our wastewater disposal and treatment infrastructure.



Another priority is to consistently obtain all permits required under the Water Law and maintain the parameters specified in such permits.

We use all efforts to ensure that appropriate Water Law permits are in place for all wastewater treatment and disposal installations.

We operate all equipment in full compliance with the strict standards and requirements specified in the Water Law permits. In addition, we carry out appropriate repairs and upgrades when needed, and systematically perform wastewater quality tests.

We also constantly upgrade our wastewater disposal and treatment infrastructure. In the last two years, we have replaced or upgraded sewage treatment systems at key facilities in order to reduce the risk of soil and water contamination due to the operation of worn wastewater treatment equipment.

EmiTel's Environmental Management Policy initiatives

PRESERVING BIODIVERSITY AND PROTECTING HABITATS

We are aware that some of our broadcasting facilities are located in areas protected by law. Recognizing the considerable environmental value of these areas, we have been making efforts to preserve the biodiversity of their fauna and flora.

One of our CSR priorities is to reduce any adverse impact on protected habitats and to preserve the biodiversity of ecosystems. We achieve this by:

- following and applying the existing conservation plans, especially for facilities located in Natura 2000 areas and/or national parks, which involves systematically analyzing the impact of our radio communication (VHF, DVB-T) installations on Natura 2000 special areas of conservation;
- reducing activities which could endanger protected habitats (as we build new facilities, we use the latest radio communication technologies to reduce each project's footprint to the bare minimum);



- fostering biodiversity within and around our radio communication facilities and other telecommunications infrastructure facilities by preserving the existing fauna and flora (i.e. the indigenous animals, trees and bushes) to the fullest extent possible; and
- supporting conservation initiatives aimed at protecting natural habitats and preserving biodiversity in areas where radio communication facilities and other telecommunications infrastructure facilities are located.

As we build new facilities, we use the latest radio communication technologies to reduce each project's footprint to the bare minimum.



1. Analyzing the impact on Natura 2000 areas

As part of the environmental analyses conducted during the planning and construction process, we evaluate the EMF impact of our projects on valuable natural assets protected under Natura 2000.

The analyses intended to assess the impact of our projects on Natura 2000 areas have indicated that there is no such impact and that our investments are completely safe to the environment.

2. Project optimization

Out of concern for the environment, we design our radio communication facilities in a way that minimizes the area occupied by each project.

3. Participation in the National Plan for the Conservation of the Eurasian Curlew

In 2017, as part of its efforts to preserve biodiversity in ecosystems, EmiTel decided to support the National Plan for the Conservation of the Eurasian Curlew.

We provide financial backing for the initiative and organize educational activities and competitions for our Employees (with Eurasian Curlew calendars as prizes). The purpose of these activities is to increase the Employees' awareness with respect to the preservation of species diversity, which involves the conservation of the Eurasian Curlew.

In 2017, as part of its efforts to preserve biodiversity in ecosystems, EmiTel decided to support the National Plan for the Conservation of the Eurasian Curlew.



The Eurasian Curlew is one of the largest members of the sandpiper family. This greyish-brown bird with its characteristic curved bill is a protected, endangered species included in the Polish Red List of animals as Vulnerable (VU). In 2008, IUCN upgraded its global conservation status to Near Threatened (NT) according to BirdLife (2012).

WASTE MANAGEMENT

Waste is produced as a side effect of our main production process and the equipment maintenance activities carried out by Maintenance Teams and/or permanent on-site personnel. We generate hazardous waste, non-hazardous waste and municipal waste.

Our waste management process also includes supervising and monitoring the activities of third-party companies that maintain their own equipment operating at our broadcasting facilities.

Our goal is to prevent or minimize waste and reduce its adverse impact on the environment.

We accomplish our environmentally-friendly waste management objectives by using solutions that support waste recovery (recycling) and by following an environmentally-minded disposal process for waste which could not be prevented or recycled.

We constantly supervise the waste management projects pursued by our third-party partners at the radio communication facilities and keep full records of the waste they generate in accordance with applicable laws and regulations. In addition, we strive to meet our obligations under waste electrical and electronic equipment management legislation.



To enable proper and environmentally-beneficial waste management, we have developed internal instructions and implemented a number of solutions that minimize waste generation, such as switching entirely to e-mail communications, reusing packaging materials (e.g. large-size packaging for antennas or transmitters) and monitoring and optimizing the use of paper (e.g. by using two-sided printing). We increasingly use video and audioconferencing to reduce exhaust emissions and wear and tear of our vehicle fleet. Moreover, we have introduced separate waste collection containers in our offices, and we record the quantity and types of the waste we generate. At the same time, we have amended our Corporate Procurement Policy to make it more environmentally friendly. In our commitment to protect the nature that surrounds us, we review every project to be implemented by partners at our facilities from a waste-management standpoint. Finally, we work together with a Recovery Organization to deliver educational campaigns on electrical and electronic equipment.

1. Environmental education campaigns

To increase our Employees' environmental awareness, we have been organizing educational campaigns on environmental protection since 2017.

EmiTel's Environmental Management Policy initiatives

The first campaign was launched under the heading of "2017 marks the beginning of a new era in waste segregation" and coincided with the introduction of new municipal waste segregation regulations in Poland on July 1. The main assumption behind these changes is a new approach to waste, which could be summarized as follows: "Waste is not garbage, but a valuable source of raw materials."

Correct segregation of waste (including household waste) involves using separate containers, e.g. blue for wastepaper, green for glass, yellow for metal and plastic and brown for biodegradable waste ("kitchen waste").



2. Waste segregation and recycling

In order to reduce resource consumption in our offices, we pursue various waste segregation and collection initiatives. In addition, the Recovery Organization conducts educational campaigns in preschools and schools on our behalf to promote environmentally-oriented attitudes among children (an example being a toner and battery collection campaign to raise money for school trips).

3. Collaboration with the Recovery Organization

The educational campaigns conducted by the Recovery Organization on our behalf in 2017 included:

- the "Zbieraj Baterie!" ("Collect Batteries!") Nationwide Educational Program for Schools (campaign website: www.zbierajbaterie.pl);
- the 2017 Podhale Recycling Days;

- the "Pan Sprzątański" initiative for early-school environmental education on waste; and
- the Elektrosmieciarka.pl online campaign (campaign website: www.elektrosmieciarka.pl).

4. Internal waste management compliance audits

As part of our internal prevention efforts, we conducted waste management audits at 10 radio communication facilities in 2017.

Each audit was documented in an audit report describing the waste management processes in place at a given facility and providing recommendations, if applicable. The audits also resulted in changes to the manner in which waste is stored and recorded, helping further reduce the environmental impact of this aspect of our business.

We no longer use any heat sources that rely on solid fuels (such as coal or coke).



ATMOSPHERE AND CLIMATE PROTECTION

The main types of pollution generated in the process of supporting and securing our Company's core business are gas and dust emissions to the air which result from the operation of on-site boiler houses ("low-stack emissions") and emergency power sources and from the use of our means of transport. Another important factor which may affect the climate is the use of equipment that consumes large amounts of energy and cooling or fire-suppression equipment that contains greenhouse gases.

One of our most important environmental protection tasks is to minimize the adverse impact of equipment responsible for low-stack emissions and greenhouse gas generation. We have made a number of changes that help us reduce our environmental footprint, such as monitoring the quantity and quality of the fuels consumed by our

vehicles, boiler houses and on-site equipment. In addition, we have made efforts to reduce the amount of pollutants released into the atmosphere, including replacing and upgrading our vehicle fleet and replacing existing technology equipment with new-generation equipment that does not use ozone-depleting substances. We no longer use any heat sources that rely on solid fuels (such as coal or coke). What is more, we use room temperature controllers and furnace temperature controllers that optimize energy consumption, and we supervise the correct operation and maintenance of air-conditioning equipment (EmiTel is listed in the Central Register of Operators) and equipment responsible for low-stack emissions. We have also developed internal instructions for the handling of equipment that contains fluorinated gases, and we perform regular inspections and gas tightness tests of these units. Finally, we systematically introduce energy-efficient process and technology solutions that help reduce air pollution and mitigate climate change.





0
2

EmiTel's
energy efficiency
initiatives



EmiTel's energy efficiency initiatives

EmiTel's environmentally-oriented projects involve a number of initiatives aimed at optimizing electricity consumption and converting the electricity consumed by telecommunications equipment into reusable energy.

WASTE HEAT RECOVERY

During operation, telecommunications equipment – such as transmitters – converts electricity into high-frequency wave energy, generating large amounts of heat in the process. For that reason, such equipment must be fitted with cooling systems that reduce its temperature and carry the excess heat outside the buildings. This type of heat is referred to as “waste heat”. Our innovative solution captures the heat that circulates in a transmitter's liquid cooling system and delivers it to the heating system during winter months. In the summer, the reclaimed energy supports the operation of the air conditioners in equipment rooms, reducing the amount of energy needed to cool the telecommunications hardware. By using our waste heat recovery solution, we can reduce the amount of heating oil needed to heat the buildings, thus benefitting the environment by minimizing harmful emissions into the atmosphere. We have already implemented this solution at four high-power broadcasting facilities, and we are now working on further improvements so that this green technology can be used at our other broadcasting stations.

To help the environment by reducing electricity consumption and CO₂ emissions, we have modified electronic circuits at 34 high-power broadcasting stations.



TRANSMITTER UPGRADES

To help the environment by reducing electricity consumption and CO₂ emissions, we have modified electronic circuits (DVB-T transmitter power amplifiers) at 34 high-power broadcasting stations and adapted conventional amplifiers to use new-generation Doherty solutions. As a result, the

efficiency of our DVB-T transmitters has increased from 17–22% to as much as 35–45%. This means that the transmitters draw significantly less electricity from the power grid while maintaining the same transmit power. The annual average energy savings of approximately 1,530,000 kWh translate into a reduction in CO₂ emissions of 1,270 Mg per year. Thanks to this initiative, EmiTel has been able to apply to the Energy Regulatory Office for the issue of white certificates.

USING ENERGY-EFFICIENT COOLING SYSTEMS

We are consistently converting our cooling systems to use free-cooling equipment, which works by:

- injecting cool air through appropriate filters (direct free cooling) – this model is currently used at 61 installations; or
- cooling the hot air in a room with coolers chilled by cold air, using glycol as a medium – this ventilation mechanism is used at two installations.

Free-cooling equipment has a special controller which – depending on the outside temperature and the cooling needs of a given room – turns off the energy-intensive air-conditioning system and turns on the energy-efficient ventilation system (during periods of low temperatures). The estimated electricity savings to date have exceeded 200 kWh.

IMPLEMENTING ENERGY-EFFICIENT LED LIGHTING

To streamline power consumption at our facilities, we have been replacing traditional outdoor lighting fixtures (incandescent lamps and high-pressure sodium lamps) with LED lamps. By reducing the lamps' power from approx. 100–400 W to as little as approx. 30–115 W, it has been possible to significantly decrease the electricity consumption.

Additionally, some of the lighting fixtures which used to remain powered on at all times are now controlled by motion sensors. To date, outdoor lighting has been upgraded at nine selected facilities which consume relatively high amounts of power to keep the surrounding areas well lit.

REPLACING POWER SUPPLY EQUIPMENT WITH MORE EFFICIENT PRODUCTS

Power supply equipment – including 48 V DC power supply units, voltage converters and uninterruptible power supply (UPS) units – operates 24 hours a day, 365 days a year, and the amount of electricity it consumes depends on its efficiency. Since 2012, as part of its energy efficiency initiatives, EmiTel has been replacing the existing equipment with high-efficiency (HE) equipment (i.e. equipment with an efficiency rating above 94%), effectively reducing the overall power consumption.

We are consistently converting our cooling systems to use free-cooling equipment.



REDUCING REACTIVE POWER CONSUMPTION

Consumption of reactive (capacitive or inductive) power by electrical equipment causes adverse effects to the power grid by increasing power loss, generating voltage drops and reducing the grid's throughput. In recent years, banks of capacitors or current-compensated chokes have been installed at the affected facilities (several dozen locations) to increase the power factor to an acceptable level. This means less power loss and, in consequence, reduced negative impact on the environment.

ENERGY AUDIT

Due to the introduction of new regulations, EmiTel commissioned a specialized auditor company to conduct an energy audit. As part of the audit, 64 key facilities were evaluated, existing projects were validated, and new initiatives (such as thermal efficiency improvement or implementation of free-cooling) were proposed for selected sites.

The second stage of the process is now underway to analyze the feasibility of the proposed initiatives and estimate the actual savings.





0
3

EmiTel's
employee welfare
initiatives

EmiTel's employee welfare initiatives

EmiTel's CSR activities are not limited to responsible environmental protection. We are also proud to pursue a variety of initiatives that focus on our Employees' welfare – in such areas as regulatory compliance, ethics and workplace safety – and directly or indirectly support the Employees and their loved ones.

CODE OF ETHICS

One of the most important things the Company needs in order to grow and be successful is the trust of its Investors, Employees and Clients. This aspect of our business is a priority to us and stems directly from our values. Transparency in what we do, open communication, integrity and professionalism are our calling cards. The Company's Code of Ethics defines the general business practices that govern our operations and sets the standards of ethical conduct to be followed in both our internal affairs and external business relationships.

RESPECT FOR HUMAN RIGHTS

1. Non-harassment and non-discrimination policy

EmiTel's commitment to the highest standards of labor includes implementing specific regulations in areas which we consider important to building a friendly workplace – such as the non-harassment and non-discrimination policy – and promoting proper conduct in that respect. As a responsible Employer, we do not tolerate any conduct or behavior which could be construed as harassment or discrimination. To prevent any such incidents, we have implemented a formal escalation path in the event of inappropriate harassing or discriminatory conduct or behavior. In addition, the Company has appointed a Non-Harassment and Non-Discrimination Officer whose role is to respond to any concerns reported by Employees.

2. Declaration of Diversity

Diversity is one of the fundamental values of a modern society. Our equal opportunities policy and diversity management efforts deliver tangible benefits and contribute to the organization's growth and innovativeness.

In a rapidly changing business environment, the EmiTel team needs people with different world-views, educational backgrounds and lifestyles.

Diversity enables us to grow as an organization, overcome obstacles more effectively, and constantly improve our business.

Transparency in what we do, open communication, integrity and professionalism are our calling cards.



We appreciate and respect the breadth of knowledge, skills, talents and viewpoints that diversity brings. Drawing from our Employees' competencies and experience, we are building an atmosphere of trust and cooperation, focusing on partnership in the workplace, integrity and openness. As a result, we are nurturing a working environment in which everyone feels respected and appreciated and is able to develop their skills regardless of beliefs, gender or age.

3. Diversity Charter

In 2017, EmiTel joined the group of signatories supporting the Diversity Charter. This was our way of expressing support for the concept of diversity, which is an important aspect of managing a state-of-the-art organization and building a workplace that is friendly to everyone. By signing the Diversity Charter, we became an ambassador for the concept of gaining competitive advantage by embracing diversity, and we publicly committed ourselves to preventing discrimination and managing diversity in our organization.

HEALTH AND SAFETY

1. H&S Weeks

To reinforce attitudes which help improve workplace safety and increase the awareness of potential health hazards (work-related or otherwise), we launched the H&S Weeks quarterly information campaign for our Employees in 2016. Each H&S Week focuses on a different subject, and we have delivered the following information campaigns to date:

- **"Don't break, or how to take care of your spine"** – a campaign to promote spine injury prevention;
- **"Life is motion, motion is life"** – a campaign to promote physical activity;
- **"Stay safe on the road"** – a campaign to promote responsible driving;
- **"Chill out"** – an educational campaign on stress management;
- **"Have a heart and look into the heart"** – an information campaign on cardiovascular diseases and their prevention;
- **"This is too scary"** – an information campaign on biological hazards in our surroundings, especially during the holiday season; and
- **"Keep the balance"** – a campaign explaining the concept of work-life balance.

The H&S Weeks initiative is intended to help our Employees develop correct attitudes and behaviors which will be beneficial to their safety and personal health.

2. H&S Newsletter

Every month, we publish a new issue of our H&S Newsletter. This publication allows us to not only educate our Employees on occupational safety, but also provide updates on:

- the Company's compliance with basic H&S obligations (e.g. reimbursement policy for the purchase of computer glasses, provision of meals and beverages, accident response procedures, recommended vaccinations, etc.);

- accidents and near-accidents which have occurred in the Company during the period before the publication;
- steps which need to be taken to prevent workplace accidents and minimize their consequences (safe driving, use of hard hats and high-visibility vests, procedures for reporting near-accidents and hazardous situations, etc.);
- procedures for handling hazardous situations, including non-standard situations such as animal bites or presence of insects or reptiles;
- methods for managing workplace stress; and
- a broad range of healthcare issues, including non-work-related issues (harmful UV radiation, handling emergencies such as strokes, preventive healthcare, etc.).



We appreciate and respect the breadth of knowledge, skills, talents and viewpoints that diversity brings.



EmiTel's employee welfare initiatives

3. Safe driving courses

Every year, we organize an advanced driving course for a group of several dozen Employees who spend a particularly large amount of time behind the wheel. For optimum effect, individual skill training is conducted using the vehicles driven by the Employees on a daily basis. The training curriculum includes skid-pad/skid-pan sessions and ABS-assisted emergency braking exercises. The course takes place on a professional racetrack.

4. Participation in the H&S Team

Employers of Poland – Poland's largest employer organization with 12,000 corporate members – appointed an H&S Team comprising experts working in the field of occupational health and safety. The H&S Team dealt with issues concerning working environments and the various hazards present in such environments. The work focused on the existing laws and regulations, which are in many respects archaic and fail to take into account the realities faced by today's businesses. The Team's goal was to develop recommendations for changes in law which would improve workers' safety and health protection. An EmiTel representative – the H&S Manager – was also involved in the H&S Team's work.

- financial aid for individuals with particularly difficult personal, family or financial circumstances;
- financial aid in the event of an accident or long-term illness;
- housing loans; and
- subsidies for cultural/educational activities and sports/recreational activities (this includes funding sports passes and organizing sightseeing trips and mountain treks).

As a responsible Employer, we realize the special importance of building a friendly working environment.



2. Anniversary awards

As a responsible Employer, we realize the special importance of building a friendly working environment: a place where Employees can pursue their passions, broaden their knowledge, improve their competencies and – by working as partners – strengthen our organization's position in the marketplace. This approach has delivered the expected outcomes as evidenced by the low staff turnover rate and the high average seniority rate of nearly 17 years. One of the ways in which we celebrate our Employees' long years of service is to award special anniversary bonuses.

3. Sweet gifts for those working on Christmas

We also remember that some of our Employees have to work on holidays to keep the Company's processes moving. It is our tradition at EmiTel to give them baskets full of sweets so that the time away from their families passes more quickly.



EMPLOYEE SUPPORT

1. Welfare activities – the Welfare Fund

All our Employees (including their families) and pensioners are entitled to the benefits offered under the Welfare Fund, including:

- holiday subsidies;

4. Childbirth gifts for Employees

We never forget about important events in our Employees' lives, such as welcoming a new family member. We like to join our Employees in celebrating important moments in their lives, both professional and private, which is why every Employee who becomes a parent receives a gift and a greeting card from the Company's Management Board.

5. Holiday competitions for Employees' children and grandchildren

Annual holiday competitions during the Christmas season have already become a tradition at EmiTel. Every year, our Employees' children and grandchildren are invited to enter the competition and create an arts project with a specific holiday-related theme, for example a Christmas tree ornament, holiday card, etc. The competition is divided into several age groups, and the authors of the winning entries receive attractive prizes (family board games). There also rewards for simply participating in the event: all contestants receive commemorative diplomas and sweets.

6. Investment insurance with insurance coverage

Our Employees can at any time purchase voluntary investment insurance with insurance coverage.

7. Group insurance

Every Employee can take advantage of an attractive group life insurance offering. We offer two insurance options:

- Family – an option intended for those interested in broad coverage that includes family-related benefits; and
- Health – an option intended for those who prefer smaller premiums and bigger insurance payouts for events that only affect the insured.

An Employee may also extend the insurance coverage to his/her spouse (or partner) and adult children.

8. Mutual Assistance and Loan Fund

A Mutual Assistance and Loan Fund is active at EmiTel, providing financial aid in the form of loans and welfare benefits. The Fund is open to all Employees and to those pensioners who began re-

ceiving their old-age or disability pensions immediately after leaving our organization. Members of the Fund commit to pay an entrance fee and make monthly member contributions in the amount defined in the Fund's Charter. The money made available to borrowers is owned by the members of the Fund; the loans are interest-free.

Every Employee can take advantage of an attractive group life insurance offering.



TEAM BUILDING

1. Sightseeing trips and team-building events

"Exercise for the body and fun for the mind" is the motto of our annual sightseeing tours, which attract Employees interested in both exploring various corners of our country and having a fun time together. During each trip, people who normally work in different and often remote locations have an opportunity to get together and take part in various attractions associated with the place where the event is taking place. The trips we organize combine city tours, participation in location-based games, visits to local tourist attractions, tastings of local products, and various types of sports activities. On top of that, there are evening get-togethers over a tasty dinner, followed by a dance party.

2. Mountain treks

Every fall for the last 12 years, mountain hiking lovers have taken part in EmiTel's mountain treks, climbing some of Poland's highest and most challenging peaks. The event is open to all Employees. The beginnings were difficult as only 17 people took part in the first edition in 2006. However, thanks to their involvement, the initiative quickly gained huge popularity.

EmiTel's employee welfare initiatives

In the second year, we had to close the list of participants just two hours after opening the registration. The time spent together on the trail strengthens the bonds between team members and allows our Employees to meet colleagues from other regions of Poland. For many Employees, preparing for the trek has become an excellent reason to keep fit, and friendships made during the event remain strong even after retirement.



3. Holiday get-togethers

Even in the busy period before Christmas, we find time to get together as a team and enjoy the special holiday atmosphere. Over traditional Christmas Eve dishes, we exchange our best wishes and feast until late at night. Christmas Eve get-togethers take place at many of our locations, including those in Warszawa, Kraków, Katowice, Poznań, Lublin and Gdańsk, so that every Employee has an opportunity to take part in what we believe is an important part of the Company's culture. We want to make sure that team members who are normally spread across the country get a chance to meet at one table on this special day.

EmiTel has organized professional first-aid training courses for many years.



OUR EMPLOYEES' HEALTH

1. Healthcare for our Employees

Protecting our Employees' health is one of our top priorities. To fulfill this responsibility, we have undertaken a number of initiatives, including arrangements to use healthcare services at private medical facilities. Our partner offers access to several dozen facilities of its own and several hundred collaborating facilities across the country, which is important due to the distributed nature of the Company's operations. The subscription-based healthcare service for our Employees is financed by the Employer. As part of the subscription, Employees can take advantage of various services including preventive screenings, vaccinations, occupational medicine services, specialist consultations, diagnostic tests, outpatient procedures, rehabilitation and dental services. In addition, they can use an online appointment system and request prescriptions, access test results and stay up-to-date with planned appointments and tests over the Internet.

2. Financing for vaccinations

In our effort to keep our Employees healthy, we finance vaccinations against flu and tick-borne encephalitis. Information campaigns promoting Company-financed flu vaccinations are organized in the period before the high flu season. Tick-borne encephalitis vaccinations are particularly important to Employees who are exposed to tick bites due to the nature of their work.

3. First-aid training

By providing knowledge of first-aid procedures and equipping our work areas with first-aid equipment, we help our Employees overcome barriers in protecting health and life. As an added benefit, our older Employees get the confidence that if they ever experience medical issues, their colleagues will know how to respond and will have the right equipment to use until professional medical personnel arrive.

We have organized professional first-aid training courses for many years. Importantly, the courses are attended by Employees who have volunteered to take action where necessary. A list of individuals trained and ready to provide first aid is public and available on the Company's intranet, complete with photographs and contact numbers. In addition, a list containing names of trained individuals working on the site is prominently displayed at each location.

4. Defibrillators and blood pressure monitors

In 2016, we began equipping our facilities with automated defibrillators and automated blood pressure monitors. The equipment was first provided at locations with the largest number of Employees whose average age is around 50. All personnel trained in first aid were invited to a training course on the use of the defibrillator, and other Employees also volunteered to attend. The list of all trained personnel was made public. In addition, as a conscious and socially responsible Employer, we have marked the locations where defibrillators are attached on the outside of our office buildings. Whenever it is necessary to protect someone's health or life, the defibrillators can also be used by building administrators and other office tenants.

As part of our social engagement, we offer sports passes to our Employees to enable them to use sports, recreational and cultural facilities.



5. EmiDrużyna (EmiTeam)

Our Company promotes a healthy lifestyle in a number of ways. An example of how we support our Employees' sports activities is the EmiDrużyna (EmiTeam) created in the Endomondo application. It is a group in which our Employees can compete against one another in various areas, such as the number of kilometers covered on a bicycle, number of hours spent running, or length of walks. In addition, Employees can motivate one another to take new challenges, share experiences or support their fellow athletes in difficult times.

6. Sports pass

As part of our social engagement, we offer sports passes to our Employees to enable them to use sports, recreational and cultural facilities. Each Employee can choose the option they prefer. The amount of financing depends on the income bracket and is the same for all types of passes.

TRAINING AND DEVELOPMENT

1. EmiAcademy

In response to our Employees' professional development and self-improvement expectations, we began working intensively to develop a solution that would provide all Employees with quick and easy access to training courses throughout the year. This is how EmiAcademy was born: an intranet training platform that offers third-party and in-house training courses delivered in various forms, including traditional workshops, e-learning, blended learning and other types of courses in a variety of fields. We are constantly expanding the EmiAcademy offerings, which now include:

EmiTel's employee welfare initiatives

- eight subject areas, for example foreign language courses, technology courses, interpersonal skills courses and the Trainer Academy;
- several dozen courses delivered using diverse teaching methods, including interpersonal skills courses, e-learning courses, online courses delivered using the Company's Lync instant messaging system and "virtual classroom" remote courses available to all Employees;
- MS Excel courses conducted by a team of in-house trainers at four levels: Novice, Apprentice, Professional and Wizard;



- English courses delivered as both standard classroom-based courses and virtual classroom courses; and
- trainer competency courses that promote the idea of knowledge sharing within the in-house trainer team.

To ensure that everyone has access to self-development tools, we have created a diverse portfolio of e-learning courses.



2. Technical and specialist training program

In 2017, we launched a long-term technical competency development program in order to bridge the technical competency gap among our technology group Employees. In their work, these Employees require specialist knowledge which is often difficult to acquire outside of our organization. The first

step in creating the program was to analyze the competencies of our technology group Employees. At this stage, we chose individuals who were experts in the eight areas which the Company wants to develop as a priority. These individuals agreed to take on the additional role of in-house trainers. Under supervision of professional advisors, they had the opportunity to develop the skills needed to train others efficiently. The areas in which our Employees are now training are: data communications, IP, antenna systems, transmitters, energy, adders and filters, FO networks, and surveillance systems. Within these areas, 50 different topics were created for in-house training, and the corresponding courses are now being delivered successively across the organization. The competency development program will continue for the next five years, until the target level of competency is achieved.

3. Trainer Academy

Another part of the EmiAcademy training platform is the Trainer Academy, which is a program designed to select and support in-house trainers. Individuals who would like to share their knowledge and competencies in areas useful to the Company with their colleagues can join the Trainer Academy and obtain support in organizing their trainer activities. The Trainer Academy allows them to attend courses led by professional external trainers who specialize in the development of teaching skills. As we prepare our in-house training courses, we take advantage of today's technology, and some of the development programs take the form of interactive video courses presented by the Company's Employees themselves. In-house trainers receive additional compensation for the training they deliver.

4. English courses

All Employees interested in learning English can attend courses funded entirely or partially by the Employer. We provide our Employees with the opportunity to take part in individual or group English courses. The group course is offered to all personnel working under contracts of employment, and is delivered in the form of standard classes or virtual classroom sessions. The online course offering has been implemented to enable language learning

for Employees who work at locations where, due to the smaller number of staff, classroom-based groups cannot be created. Enrollment is open once a year, and Employees commit to participate in the course for a period of nine months.

5. E-learning

Our Employees are spread across the country. To ensure that everyone has access to self-development tools, we have created a diverse portfolio of e-learning courses. Our EmiAcademy training platform hosts e-learning courses on subjects which align with the organization's needs. Mandatory courses for all Employees are also delivered online through our partners' platforms or using the in-house training publication tool. In addition, some educational projects are delivered in the form of short training videos known as "knowledge pills".

Our "Leniwiec" ("Sloth") Excel School was founded to enable Employees to develop their skills in using this handy tool.



INTERNAL COMMUNICATION

1. EmiTime

In addition to day-to-day communications based on our intranet platform, we also publish a quarterly newsletter entitled "EmiTime". The newsletter provides Employees with interesting information concerning both their respective professional areas and our Company's general affairs. The publication is based on user-generated content, with contributions from our Employees. This means that everyone can submit their articles, and many of the submissions are published in the newsletter.

2. Regular meetings of the Management Board with the Works Council and Trade Unions

Our Company's future in terms of working conditions is determined by both our Employees and the Trade Unions operating at the Company, which may propose initiatives that improve the Employees' engagement and satisfaction from being part of the EmiTel team during regular meetings.

3. Manager and Employee Conferences

It has become our tradition to organize annual Manager and Employee Conferences during which the Management Board and Directors share information on the Company's strategic projects. These events provide Employees with detailed information on the Company's plans, enabling them to prepare their team members for new projects well in advance.



4. EmiPuls

EmiPuls is an annual Employee engagement and satisfaction survey. The feedback received from respondents makes it possible to analyze and implement various schemes designed to improve our Employees' satisfaction and engagement.

EmiTel's employee welfare initiatives

RECRUITMENT AND ONBOARDING

1. Job fairs and internships

In our effort to support local communities, we try to become involved in young Poles' professional education. We regularly attend job fairs – especially those organized by technical universities, since this is the primary focus area of our recruitment needs. We also have an internship scheme that enables students to test their knowledge in real-life scenarios and improves their chances of becoming employed in an industry relevant to their professional interests.

For many years, EmiTel has offered numerous internships and work placement programs to address the needs of young people, giving them an opportunity to become familiar with the business reality they will soon be facing.



2. Onboarding for new Employees

One of our principles is to ensure that all newly-hired Employees can smoothly and comfortably become part of the new working environment and feel at home in the Company from the first day. The Company has an onboarding program in place that defines what steps should be taken by each new hire. We make sure that on the day a new team member turns up for work, everything they need is ready and available. Depending on the new Employee's position, the Employee will attend introductory meetings

with an HR Office representative, the line manager and other individuals involved in the onboarding process. We do our best to minimize the stress associated with becoming familiar with the new workplace, new colleagues and the organization's rules and regulations. To feel welcome, every new Employee receives a welcome kit which contains several little things that can make the first few days much easier.

COLLABORATION WITH UNIVERSITIES

1. Collaboration with the Military University of Technology

Every year, EmiTel welcomes students of various disciplines to participate in internships and work placements. A special place among them is occupied by students from the Military University of Technology in Warsaw. A group of young people studying Electronics and Telecommunications are invited to spend time in our Company every summer to expand and reinforce their theoretical knowledge gained as part of their field-of-study and specialist education. The work placements are also an opportunity to align the students' diploma thesis projects (i.e. engineering projects) with the actual problems and needs of the industry, provide access to source materials, and prepare the students to solve real-life problems and become independent professionals. The subject matter of each work placement program (which typically lasts several weeks) is adapted to the needs of a given group.

2. Work placements

For many years, EmiTel has offered numerous internships and work placement programs to address the needs of young people who are yet to embark on their professional careers, giving them an opportunity to become familiar with the business reality they will soon be facing. Recently, students have been able to take paid internships in the areas of accounting, administration, telecommunications, security and environmental protection. We have opened our doors to trainees from such schools and universities as Gdynia Maritime University, the AGH University of Science and Technology, the Electronic School Complex in Bydgoszcz, the Military University of Technology, and the Power Industry School Complex in Kraków. A supervisor is assigned to each trainee to support and accompany the trainee and provide them with the necessary information.



LEGAL DISCLAIMERS

The EmiTel logo and other words, signs or symbols used in this document that identify EmiTel S.A. or its services are trademarks of EmiTel S.A.

Other words, signs or symbols used in this document that identify other parties or other parties' goods or services may be trademarks or service marks of the respective parties and may be the property of the respective owners.

While this publication has been prepared with reasonable care and according to the authors' best knowledge, it has not been submitted for any external review, and the information and opinions contained in the publication cannot be construed as legally binding commitments, views or representations by EmiTel S.A.

COPYRIGHT NOTICE

All rights to this publication and its contents, including graphics and the layout of individual pages or other parts of the document, are reserved. This publication and all its parts are protected by the law, including the Copyright and Related Rights Act of February 4, 1994, the Unfair Competition Act of April 16, 1993, the Industrial Property Act of June 30, 2000 and the Database Protection Act of July 27, 2001. The publication may be duplicated, copied, displayed and published on the Internet in its entirety without EmiTel S.A.'s authorization and using any technique solely for educational or non-profit purposes, and may be used under the right to quote under Section 29 of the Copyright and Related Rights Act of February 4, 1994, provided that, in each case, the source is identified and EmiTel S.A. with its registered office in Warsaw is named as the owner of copyright to this publication. Use of this publication in other fields of use requires prior written consent of EmiTel S.A.

EmiTel S.A. will be pleased to obtain a copy of any publication which quotes this publication or uses it as a source.

This publication may not be used for resale or any other commercial purpose without EmiTel S.A.'s prior consent granted in writing or electronically.

emitel