



# **UNGC 2021 Annual Report**

## **Industrial Development Agency JSC**



## **Stakeholders and members of the UN Global Compact,**

**Industrial Development Agency** maintains its support for the United Nations Global Compact principles in the areas of human rights, labour standards, environmental protection and anti-corruption.

In the annual report we present the Company's activities aimed at improving the functioning of the Global Compact principles in our business strategy, organisational culture and daily operations. Our vision for change is far-reaching; we are introducing new green technologies, educating our community, and at the same time ensuring that companies within the IDA Capital Group can also benefit from these solutions in business terms.

Given the importance of proper communication, we are committed to communicating our activities to all stakeholders in order to share experience and good practices.

Yours sincerely,  
**Cezariusz Lesisz**  
**President of the Board of IDA JSC**



# HUMAN RIGHTS


**Industrial Development Agency JSC** is a socially responsible company which puts a significant emphasis on meeting international standards in the field of human rights.

Our activities are based on principles compliant with these standards and with the rules provided for in Polish legislation relating to the protection of human rights.

This is expressed in direct activities of IDA JSC, as well as in projects implemented by the IDA Foundation. Its functioning is aimed at multidimensional and wide-ranging assistance in social development



The IDA Foundation was established at the beginning of 2019. The charitable activity of the Foundation is at the same time the implementation of the public mission of the Founder, i.e. the Industrial Development Agency JSC, as a company aware of corporate social responsibility and emphasising CSR activities. Within the framework of its statutory activity, the Foundation runs its own programmes, operates in partnership with other organisations, and also grants subsidies to other entities for the implementation of projects – in selected programme areas.



The objectives of the IDA Foundation are, above all, to support those most in need, to provide equal opportunities for people in difficult situations, and to eliminate social differences. These tasks are fulfilled by the IDA Foundation, among others, in the activities carried out through support programmes for children from care and educational institutions, those in which therapies, additional educational and sports activities, purchases of new equipment, furnishings, or outings on holidays are financed. The Foundation also gets involved in projects aimed at preventing social exclusion of the disabled and seniors.

The IDA Foundation takes a multidimensional approach to the issue of caring for human rights. It is also interested in increasing access to culture, inter alia by financing plays, concerts, music festivals, and initiatives for the benefit of Polish cultural heritage. In 2020, the IDA Foundation joined in the support of medical institutions involved in the fight against COVID-19, allocating over PLN four million for this purpose, coming from the Founder's donation and obtained in the framework of a collection organised among the companies of the IDA Capital Group. The funds were transferred to 30 entities particularly exposed to the effects of the epidemic and involved in the hospitalisation of patients infected with COVID-19.

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All the above activities not only meet the assumptions of corporate social responsibility implemented externally, but they also constantly sensitise everyone within the IDA Capital Group to human rights issues and their importance.


## WORKING STANDARDS

**Industrial Development Agency JSC** attaches great importance to widely understood employee rights. IDA JSC takes care to eliminate any manifestations of unequal treatment of employees. Our aim is to ensure that such situations do not occur within the IDA Capital Group.

Recently, we have continued to attach great importance to activities aimed at ensuring working conditions that guarantee employees adequate sanitary protection in connection with the still ongoing COVID-19 pandemic. At the beginning of the pandemic, ensuring personal protective equipment and appropriate working conditions in response to the pandemic emergency was a priority for the Company's management. Today, we remain mindful of adhering to appropriate standards to ensure the protection of our employees at all levels.



Bearing in mind the dynamics on the labour market, Industrial Development Agency JSC is involved in processes aimed at ensuring stability of employment in industry and increasing interest in industrial jobs among young people. Every year, for the past three years, we have been implementing the **"Personnel for Industry"** programme.

The purpose of this event was to stimulate discussion on ways to adapt the education system to the requirements of the labour market. The past editions of "Personnel for Industry" have also resulted in developing cooperation between higher education institutions and enterprises in order to create dedicated study programmes and develop career paths for graduates.



Under the programme, IDA JSC comprehensively supports its companies in local labour markets. On a national scale, however, more complex activities are needed, therefore the Agency has for the second time organised the conference **"Personnel of the Future - Personnel for Industry"**, during which representatives of the world of business, science and public institutions jointly exchanged experiences and discussed solutions that may constitute an answer to the challenge of ensuring appropriate human resources for the Polish economy.

Last year, despite the pandemic conditions, brought many results to the cooperation of IDA JSC with schools and enterprises. Several webinars and on-line lessons were organised together, during which specialists from companies in various industries shared their knowledge of business and employee competence with pupils and students. Moreover, IDA JSC launched an e-learning platform of the Industrial Development Academy called **"Young Industry"**. Thanks to the platform, students were able to: expand their knowledge desired by the employer, communicate directly with the employer, cooperate within the framework of microprojects.



In order to promote higher labour standards, Industrial Development Agency JSC also organizes free-of-charge webinars within the Welnnovators series. Their participants can listen to lectures in English and take part in discussions with business authorities who share their thoughts on modern management, gender equality and corporate responsibility.

At each stage of the employment process at IDA JSC, we apply appropriate monitoring and training to ensure our employees enjoy favourable working conditions based on the principles of equality, freedom and fairness.

Building a reliable partnership with its stakeholders, IDA JSC is guided by the adopted Code of Ethics. Its guidelines help strengthen internal relations. At IDA JSC we do our best to ensure that these are based on trust, mutual motivation and a sense of responsibility for the tasks performed.

In the first half of 2021, we introduced new ethics regulations (including protection of so-called whistleblowers) in line with the provisions of Directive (EU) 2019/1937 of the European Parliament and of the Council of 23 October 2019 on the protection of whistleblowers.

We continually ensure that our employees are duly socially safeguarded.

They can count on a variety of benefits to raise the standards of their work, including those related to subsidising holidays of employees and their children or housing purposes, as well as the development of physical culture.

**Industrial Development Agency  
treats work standards and well-being  
of its employees as top priority.**

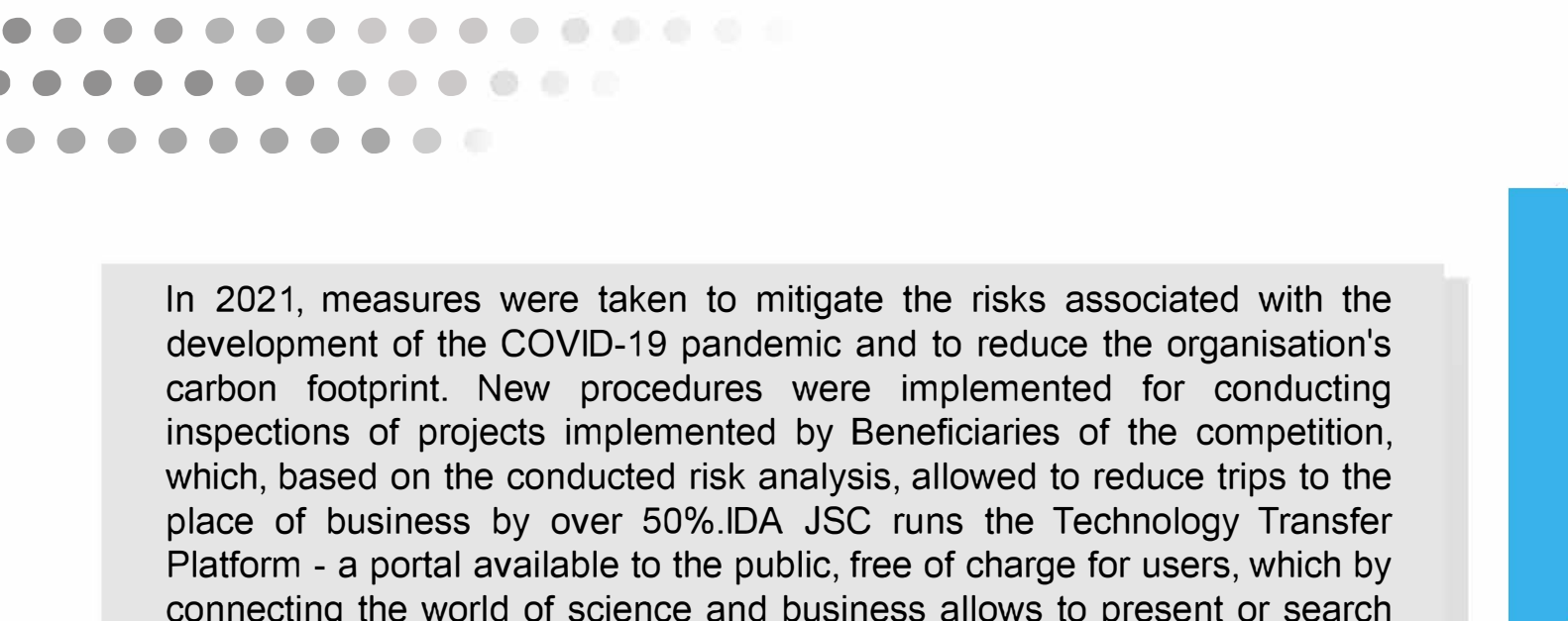
## PROTECTION OF ENVIRONMENT

**Industrial Development Agency JSC** consistently undertakes initiatives aimed at promotion of environmental responsibility. IDA JSC also supports the development and dissemination of pro-ecological technologies.

It continues to implement **the Network of Open Innovations** grant project, which enables micro, small and medium-sized enterprises in Poland to use the latest technologies for which they receive a grant, and which concerns the purchase and implementation of technologies that have a positive impact on the implementation of sustainable development principles, including the reduction of the negative impact of enterprises on the environment. By 28 September 2021, 109 agreements for co-financing exceeding PLN 38 million in total have been signed.

In the project's open-access Knowledge Base, 3 articles were published in 2021 on modern, environmentally friendly technologies, such as the control system for drinking water filtration processes based on GSM and GPS data, or eco-design – i.e. taking into account environmental aspects at each stage of the product life cycle.






In 2021, measures were taken to mitigate the risks associated with the development of the COVID-19 pandemic and to reduce the organisation's carbon footprint. New procedures were implemented for conducting inspections of projects implemented by Beneficiaries of the competition, which, based on the conducted risk analysis, allowed to reduce trips to the place of business by over 50%. IDA JSC runs the Technology Transfer Platform - a portal available to the public, free of charge for users, which by connecting the world of science and business allows to present or search for modern technologies that can be widely applied in the economy.

The platform also allows monitoring of environmentally friendly technologies available on the market, such as methods of recovering heavy metals from industrial waste, methods of obtaining biofuels from waste or methods of flue gas desulphurisation. In view of the desire to support fuels of the future, the portal has been expanded to include a separate category dedicated to hydrogen technologies.

It is the support of hydrogen technologies that is currently one of the priorities of IDA JSC in the field of environmental protection. Together with partners, i.e. Wrocław University of Technology, the Ministry of Climate and Environment, Grupa Azoty S.A. and the Association for Energy Innovation Development in Zgorzelec, the IDA JSC took part in the development and submission of an application to the Strategic Research and Development Programme Competition "Social and economic development of Poland under the conditions of globalising markets". - GOSPOSTRATEG VI. The application was submitted in July 2021 and concerned the co-financing of the project entitled "Management system for key innovations in hydrogen technologies" (acronym H2LiveLab) and the joint implementation of the project in the event of receiving funding for its implementation. The aim of the programme is to increase the use of the results of socio-economic research in shaping national and regional development policies in the area of the middle income trap and the average product by 2028.



An extremely important task of the IDA JSC in building competence in hydrogen economy is working on the development of hydrogen valleys in Poland. Thanks to our commitment we have led to the establishment of the first hydrogen valleys in Poland, including those in Podkarpacie and Lower Silesia. We have undertaken a number of activities to include the concept of hydrogen valleys in various agendas, both political and economic. We actively participated in the dialogue on the development of low-carbon energy sources, taking part in the work of working groups at the Ministry of Climate and Environment and submitting comments and suggestions to the draft Polish Hydrogen Strategy until 2030 with an Outlook until 2040. On 14 October 2021, together with representatives of government administration, the business community, science and business environment units, we signed the "Sectoral agreement for the development of the hydrogen economy in Poland".

IDA JSC also actively supports the development of other technologies related to Renewable Energy Sources, including offshore wind energy. We participated in the preparation of relevant legislative solutions, and their final outcome was the so-called Offshore Act, which was signed by the President of the Republic of Poland on 22 January 2021 and came into force on 18 February 2021. Moreover, the IDA JSC was one of the signatories of the sector agreement for the development of offshore wind energy in Poland, whose objective is to create conditions for the development of this new industry in Poland, including the largest possible share in the development of the Polish industry in the construction of wind farms on the Baltic Sea.


IDA JSC actively participates in the Steering Committee for Electromobility, and has started cooperation with the Jagiellonian Institute in the preparation of a report on prospects for the development of electromobility and hydromobility in Poland, whose publication is planned by the end of 2021.

In addition, IDA JSC owns the ARP E-Vehicles company, which manufactures emission-free buses. The product responds especially to the demand of local governments, which focus on improving the safety of youth transport.

## COUNTERACTING CORRUPTION

**Regulations related to counteracting corruption in the framework of activities concerning business entities, including in particular those with participation of State Treasury companies, constitute an important element of all processes carried out by IDA JSC. We strive to actively counteract corruption in all its forms.**

- We continuously raise our employees' awareness of IDA JSC's anti-corruption policy. This is done, among others, through appropriate changes updated in our internal communication channels. We have placed appropriate messages on the intranet regarding the anti-corruption policy. In this way we facilitate access to internal anti-corruption procedures in force in the company.
- We conduct regular employee training on IDA JSC's anti-corruption policy. This includes dedicated trainings for managerial staff and trainings for employees implemented on an e-learning platform.
- Work on updating IDA JSC's anti-corruption policy is underway. They are to be completed by the end of November 2021. Once the policy has been adopted and approved by the Management Board, appropriate trainings for employees will be conducted.



The Industrial Development Agency JSC has purchased a tool for anonymous reporting of irregularities. This is related to the obligation of the so-called protection of whistleblowers. This obligation arose through the implementation of the provisions of Directive (EU) 2019/1937 of the European Parliament and of the Council of 23 October 2019 on the protection of whistleblowers.

With several companies from the IDA Group (ZKS Łabędy sp. z o.o., GP Baltic sp. z o.o., Kopalnia Soli "Kłodawa" S.A. and H.Cegielski – Fabryka Pojazdów Szynowych sp. z o.o.) The Industrial Development Agency JSC concluded relevant agreements on the preparation of appropriate anti-corruption procedures for the companies.

We signed an agreement with EY to develop procedures and create a platform for anonymous reporting of irregularities.

## INDICATORS

The IDA Foundation provided support in the amount of PLN 4 million to thirty entities (medical institutions) particularly vulnerable to the effects of the COVID-19 pandemic and involved in the hospitalisation of patients infected with COVID-19.

- Thirty-seven university graduates took part in the 2020 "Personnel for the Future- Personnel for Industry" competition.
- IDA JSC introduced ethics regulations in line with the provisions of Directive (EU) 2019/1937 of the European Parliament and of the Council of 23 October 2019 on the protection of whistleblowers in the first half of 2021.
- Within the framework of the Open Innovation Network, IDA JSC has signed 109 agreements until 28 September 2021 for co-financing in total exceeding PLN 38 million.
- IDA JSC published in 2021 in the open-access Knowledge Base 3 articles on modern, environmentally friendly technologies, such as the control system for drinking water filtration processes based on GSM and GPS data.
- IDA JSC signed 3 agreements inaugurating the establishment of Hydrogen Valleys in Lower Silesia, Silesia and Podkarpacie