

# Sustainability Report

ATS DISPLAY SP. Z O.O.



# Introduction

This report contains key business indicators at **ATS Display Sp. z o.o.** for the year 2022 (from January 1, 2022 to December 31, 2022) and it presents data in comparison with the data from the years 2020 and 2021. All presented information complies with the reporting requirements of the international sustainability standards, among others, the Ten Principles of the UN Global Compact and the Global Reporting Initiative (GRI) standards.

In addition, the document contains an environmental report that provides detailed information on water consumption, production and consumption of electricity, CO<sup>2</sup> emissions and waste management.

# Analysis of the organization environment

**Table 1.** Stakeholders and their expectations.

Stakeholders	The needs and expectations	Monitoring
<b>Employees</b>	Good working conditions, competitive salaries, friendly and safe working environment, recognition and rewards, professional development, pro-environmental approach to the company's business operations;	Regular monitoring of the environment by the Human Resources Department and the Administration Department; clear communication with the employees through face-to-face meetings with the company management and through internal communication systems, including the Employee Appraisal System; employee training in line with the employee's needs;
<b>Job applicants</b>	Clear rules of recruitment, opportunities for professional development (training, participation in trade fairs), clear career path;	Regular monitoring of the environment by the Human Resources Department and the Administration Department; learning about the needs and expectations of candidates with no work experience and the experienced candidates;
<b>Customers</b>	High quality of the offered products, affordable price, timely delivery and production, high quality customer service, knowledge, experience and innovative approach; socially responsible and sustainable development;	Regular monitoring of the POS industry and current industry trends, monitoring of the availability of environmentally friendly raw materials (recyclable and/or ecological raw materials) carried out by the Sales Department; learning about the needs and expectations of customers, adapting the offered products to any individual customer needs; using new production technologies and environmentally friendly raw materials;
<b>Suppliers</b>	Transparency, transparency of cooperation rules, timely payment, professional communication; socially responsible sustainable development;	Regular monitoring of the environment carried out by the Administration Department and Logistics Department; ensuring reliability and high quality of goods and services delivered; cooperation with suppliers based on the Supplier Code of Conduct of ATS Display Sp. z o.o.;
<b>Local community</b>	Supporting local communities, care for the environment, charity, acting in accordance with the law regulations, providing a workplace;	Regular monitoring of the environment by the Administration Department; corporate volunteering and material aid, environmental education activities; reduction of CO2 emissions;
<b>Social media</b>	Up-to-date information on the current industry trends; market education;	Regular monitoring of the environment by the Marketing Department; sharing knowledge of industry trends; providing information on the company's technological development, pro-environmental activities and support for the local community; participation in industry competitions;

Stakeholders	The needs and expectations	Monitoring
<b>Government and supervisory authorities</b>	Knowledge and acting in accordance with the applicable laws and regulations;	Regular monitoring of the environment by the Administration, Human Resources and Accounting Departments; understanding of legislation and regulatory interpretations; required reporting;
<b>Competition</b>	Study of market activity and activity in social media, managing the enterprise and achieving the assumed goals on the basis of fair competition and respect for good practices;	Regular monitoring of the environment by the Sales Department; quick response to any competitive activities; innovative projects;
<b>Management</b>	Profitability, continuous development, implementation of new technologies, acquiring the best employees available on the market;	Regular monitoring of the environment by the Administration and Accounting Department; continuous development of the company and striving to meet the growing expectations of all the company stakeholders;

**Table 2.** Analysis of the organization environment.

Environment	Locally	Domestic	Globally	Monitoring
<b>Political and legal</b>	Municipal decisions on local government subsidies; spatial development to allow company expansion; decisions on building conditions; decisions on road infrastructure expansion to increase the potential of provided transportation services; local government elections;	Geopolitical situation in the country and its impact on economic conditions; stability of the national economy or the lack of such stability as a result of government policy; availability of the Polish or EU programs to support the development of the private sector of the national economy;	Decisions of the EU institutions, regulations and directives on transport, free movement of goods and services, maintenance of the Schengen area; geopolitical situation globally – the ongoing war in Ukraine has a huge impact on the increase in prices of supply and investment goods and increases risks for the operation of enterprises;	Regular monitoring of the environment carried out by: <ul style="list-style-type: none"> <li>• Administration Department;</li> <li>• Human Resources Department;</li> <li>• Accounting Department;</li> <li>• Sales Department;</li> <li>• Operations Department;</li> <li>• Logistics Department;</li> </ul>

Environment	Locally	Domestic	Globally	Monitoring
<b>Economic</b>	Local government subsidies, prices of goods and services related to the location - relatively low land prices. City transport - connection to major metropolitan areas;	The general condition of the national economic system, i.e. economic growth, inflation and interest rates, unemployment levels, GDP levels and income levels;	EU subsidies for expansion of local infrastructure; investment in roads; subsidies for training. Decisions on the need to adapt to EU standards - can be related to both subsidies and additional costs;	Regular monitoring of the environment carried out by: <ul style="list-style-type: none"> <li>• Administration Department;</li> <li>• Human Resources Department;</li> <li>• Accounting Department;</li> <li>• Sales Department;</li> <li>• Operations Department;</li> <li>• Logistics Department;</li> </ul>
<b>Social</b>	Unemployment rate, level and type of education amidst the local community - potential employee database; public transport - connection to large agglomerations allowing employees from other cities to commute;	Decisions related to an increase in the purchasing power of the population, a decrease in unemployment, which may cause difficulties in recruiting employees. Decisions related to education - lack of employees with vocational education;	Decisions by the EU bodies related to the free movement of employees - the increase in education and foreign language skills is causing an exodus of domestic employees to Schengen countries;	Regular monitoring of the environment carried out by: <ul style="list-style-type: none"> <li>• Administration Department;</li> <li>• Human Resources Department;</li> <li>• Accounting Department;</li> <li>• Sales Department;</li> <li>• Operations Department;</li> <li>• Logistics Department;</li> </ul>
<b>Technologies</b>	Local infrastructure to allow technology to flow; opportunities to hook up connections: water and sewage connection, power connection with increased demand for electricity, fiber optic internet;	Investment in the development of technology including production machinery; subsidy opportunities for the purchase of machinery to increase work safety and production efficiency. Increasing the number of places for applicants to technical universities - a potential employee database; changes in legislation allowing the expansion of photovoltaic installations;	Investment in new technologies, their free movement and transportation; levels of prices and tariffs;	Regular monitoring of the environment carried out by: <ul style="list-style-type: none"> <li>• Operations Department;</li> <li>• Logistics Department;</li> <li>• Production Department;</li> <li>• Administration Department;</li> <li>• Sales Department;</li> </ul>
<b>Environment</b>	Protected areas - potential constraints on infrastructure development opportunities; availability of companies dealing with waste processing and collection;	Environmental regulations, construction law defining opportunities for expansion of infrastructure, restrictions on exhaust emissions, dust, etc., regulations governing timber management - the rise or decrease in timber prices, the availability of this raw material;	EU directives on environmental protection, reduction of exhaust emissions, dust, etc., regulations governing timber management - increase or decrease in timber prices; availability of this raw material;	Regular monitoring of the environment carried out by: <ul style="list-style-type: none"> <li>• Operations Department;</li> <li>• Logistics Department;</li> <li>• Production Department;</li> <li>• Administration Department;</li> <li>• Sales Department;</li> </ul>

## Ratings and achievements

The opinion of stakeholders of ATS Display Sp. z o.o. is a key determinant of our undertaken sustainability efforts. The formal expression of such assessments is obtained through the audits conducted by independent institutions, rating agencies and by the Clients themselves.

### D&B D-U-N-S®

In the credit risk assessment prepared by the Dun & Bradstreet (D&B) which is one of the world's leading suppliers of business information and research, based on financial data covering 2022 and previous years, we obtained a 2A1 rating, which at the investment level means very high financial credibility and the ability to service the Company's liabilities, low susceptibility to unfavorable economic conditions and minimal credit risk.

**Rating D&B 2A1** = Net worth 5,000,000 - 9,999,999 (euro) &  
Minimal risk

**D&B D-U-N-S®**  
**367502270**

### EcoVadis

In March 2022, our company was awarded the EcoVadis Silver Medal, improving the last year's result (bronze medal) and joined the group of 25% of companies awarded this medal worldwide. EcoVadis is a global platform, bringing together more than 90,000 companies from around the world. The founders of EcoVadis take an in-depth look at companies' activities in terms of corporate social responsibility, and the four areas of the company's operations are subject to evaluation in terms of the social, ethical, environmental and supply chain issues. In each of the four areas subject to evaluation, ATS Display Sp. z o.o. received scores above the average rating among the companies operating in the same industry. Such success is a motivation for us to continue self-improvement which leads to an even higher position in the ranking.





## Forest Stewardship Council®

Since ATS Display Sp. z o.o. uses wood-like products and wood as a raw material in its production process and, having in mind sustainable forest management, we decided to undergo the FSC® (Forest Stewardship Council®) certification process in 2022. FSC is an international non-profit organization that certifies forests, wood, and paper products. The organization is committed to sustainable timber harvesting, with consideration of the social, environmental and economic aspects.

As a manufacturer of wood and paper products, among others, on May 5, 2022, we received the FSC CoC Certificate with the number BV-COC-786567, and our license number is FSC-C177133. This certification is based on the chain of custody standard, which means that at every stage of raw material harvesting and processing the FSC standards are being observed. With the FSC CoC certificate, we can guarantee that raw materials come from responsibly managed forests, we can label our products with a globally known mark, we expand the market for our products, but most importantly, we increase consumer awareness and interest in the origin of products.

From September 24 to 30, 2022, we proudly participated in the „Forest Week” event - a campaign organized by the FSC. The campaign highlighted the value of forests and promoted the idea of choosing products from sustainable sources to help preserve forests for future generations.



## ISO 9001:2015

The Quality Management System ISO 9001 has been applied at ATS Display Sp. z o.o. since 2006 and the Registration Certificate of our QMS remains valid until August 14, 2024. Once a year and on the regular basis we submit to an ISO review audit. We also regularly conduct internal audits and management reviews.

The ISO 9001 standard was developed by the International Organization for Standardization (ISO) as an international standard for the quality management system. The ISO standard emphasizes a process approach and a risk-based approach to business management. Among other things, it enables an organization to identify factors that may cause deviations from the planned results regarding the processes subject to management as well as the system as a whole, however it is also an incentive for analysis of emerging opportunities. The ISO 9001 system allows to meet the requirements and to satisfy our Customers as well as any other stakeholders, and it enables to self-development of our company.



## SMETA4P

As a member of the Sedex platform in the supplier group, we are subject to regular audits with the use of SMETA4P auditing procedure. We are aware how important it is to participate in this process since reducing the risks associated with our business plays a key role. This also allows us, as a supplier, to share the achieved results with our Customers, and our Customers can verify the standards of our work, the care for the health and safety of our employees as well as any aspects related to the environment and sustainable business. In this way, our Customers are able to reduce risks arising in their supply chain.

The latest SMETA4P audit took place in November 2022 and it ended with a very good result. No discrepancies were found and among good practices implemented by our company the following ones were particularly noticeable: the implemented Code of Ethics, the Supplier's Code of Conduct, as well as our investment in a renewable source of energy in the form of a photovoltaic installation. Thanks to the obtained results, we have become a trusted supplier to many of our Clients.



## POS STARS 2022

In the year 2022, ATS Display Sp. z o.o won four awards in the POS STARS 2022 competition. Our product Bombay Sapphire Gallery Expo received the Design of the Year Award, the Grand Prix, the honourable Audience Award, and our Optima Control Cabinet received the Grand Prize in the Automotive category.

POS STARS holds a special place in the calendar of industry events. The OOH Magazine, which organizes the competition every year assures an environment that facilitates a thorough analysis by the jury in respect of the submitted stands and in respect of the verdicts that assign awards to the best companies in the POS environment.





Our creativity has been appreciated on number of occasions by several awards and distinctions granted by the jury of international POSM industry competitions. We are recognized as valuable employer and contributor to the local community as well.



## Social engagement

### UKRAINE

ATS Display has been operating in the municipality of Wiązowna for more than 20 years, supporting the local market. Since the beginning of the war in Ukraine in February 2022, we have also been involved in helping refugees from Ukraine who have found refuge in our municipality, and such support also goes the families of our employees. We have made every effort to find them a safe roof over their heads and provide them with food and shelter during their stay in Poland. In 2022, 12% of the employees in our company were Ukrainian employees.



### Business Nestor

In October 2022, ATS Display Sp. z o.o. received honorary mention in the „Business Nestor” category during the 8th Economic Forum at the Wiązowna Commune and at the 7th „Golden Elm” Awards Gala. These events have been held regularly every year, providing an opportunity to put into perspective the extremely fast pace of positive and inspiring changes taking place in our municipality. During the „Golden Elm” gala, the best local businesses were honoured with awards granted by the votes of the jury.



## Noble Parcel

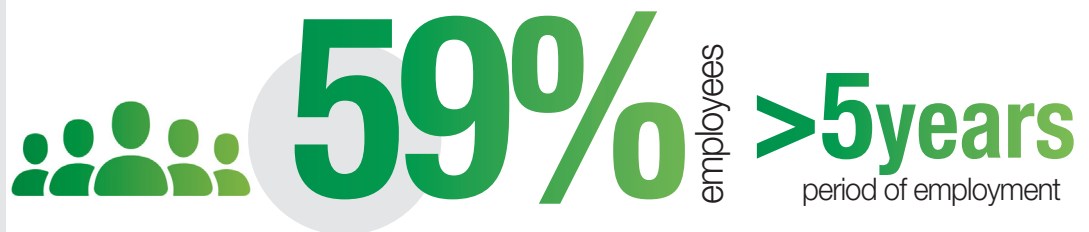
In December 2022, similarly to the previous years and as team colleagues from one company, we decided to take part in the Noble Parcel charity event.

We managed to collect everything from the list of needs of the selected family, and on December 10, 2022, the Weekend of Miracles took place, during which we transferred our gifts to the Noble Parcel warehouse of the Volunteer Fire Brigade in Halinów.



## Our employees

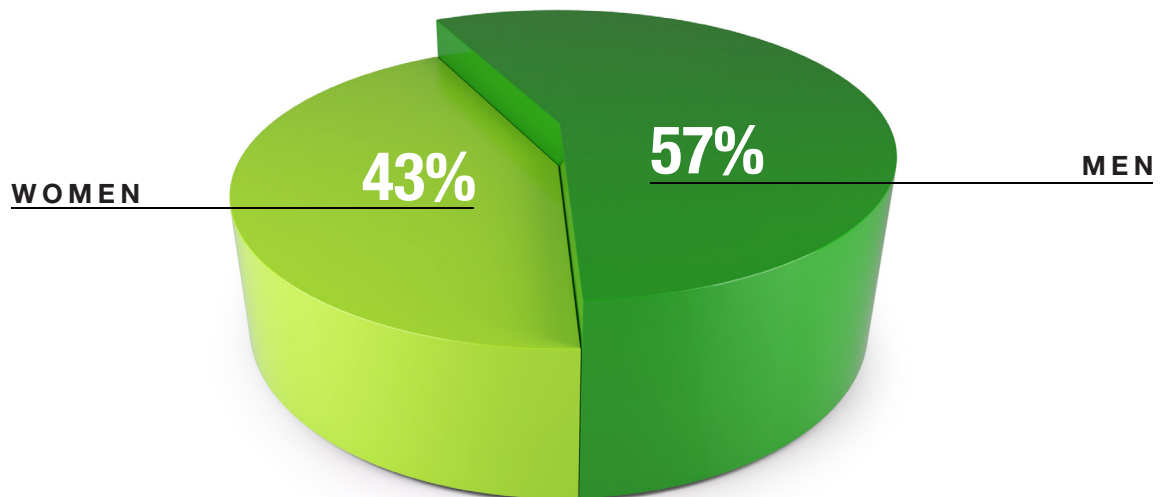
The source of success of ATS Display Sp. z o.o is our employees. In 2022, we celebrated the seventh jubilee of length of employment exceeding 10 years, with as many as four jubilees celebrating 20 years of employment period. 59% of employees at ATS Display Sp. z o.o. are employees with more than 5-year period of employment.



We are committed to equality and diversity in our company. We create equal opportunities in employment and professional development regardless of gender, age, disability, race, nationality, political beliefs, ethnicity, religion, sexual orientation, parental status or social status. In 2022, 38% of our executives were women.

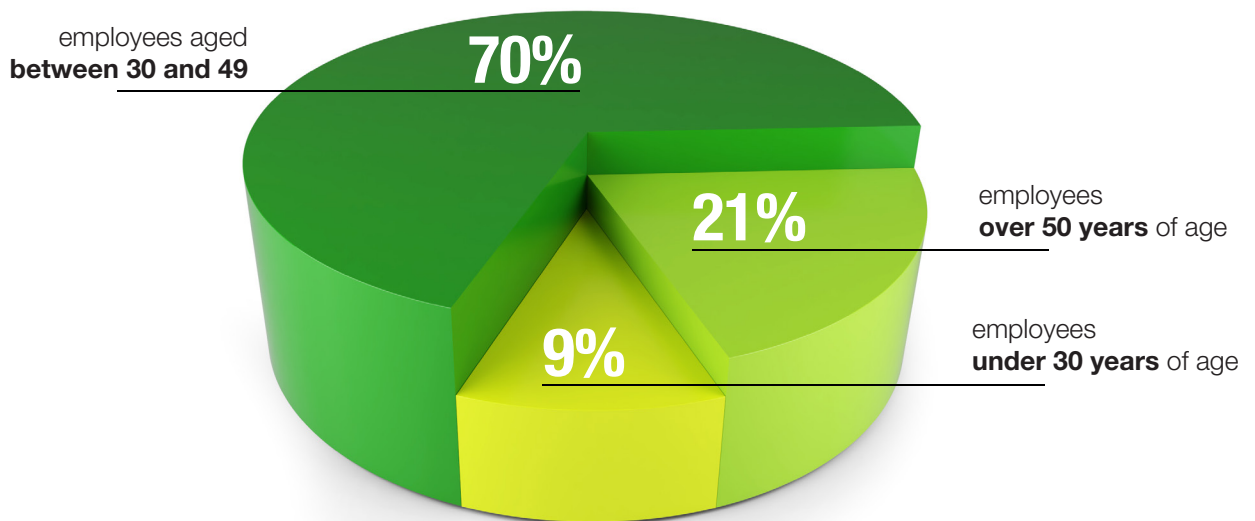


## Sex



DATA FOR 2022

## Age



DATA FOR 2022

We are aware of the importance of development and qualification of employees in our organization. Every year we conduct an Employee Appraisal, during which managers evaluate the performance of our employees as well as their personal development. Thanks to such assessment, we have an opportunity to identify areas in which there is a need to raise qualifications and to plan a respective training path.

# 146h

The total number of hours of **employee training** at ATS Display Sp. z o.o. in 2022 - 146

# 100%

100% of employees are subject to an evaluation and **career planning process**

**Table 3.** Key business information on human resource management.

	2021	2022
<b>Number of employees</b>	80	82
<b>Employee turnover</b>	27%	11%
<b>Number of accidents at work</b>	0	0
<b>Employees with employment contracts</b>	100%	100%

## Supply chain

Business ethics and Corporate Social Responsibility (CSR) are the priorities in all aspects of our operations, including our dealings with the suppliers and by recognizing that they are key stakeholders in our company's success. We expect suppliers to share our aspirations in providing the best possible services, in a manner focused on quality and with respect to the core values of responsible business.

In this respect, in April 2022, we developed the Supplier Code of Conduct at ATS Display Sp. z o.o. in order to define the foundations of sustainable development and to reinforce high standards of integrity both within our organization and in our business relationships with contractors. In return, we are an honest and reliable partner, firmly believing that relationships based on trust and integrity will be sustainable and beneficial to all.

Our Suppliers have pledged to comply with all applicable laws in all areas of their business and while abiding the law they are committed to act in accordance with the high standards of business ethics.

## Environmental report

### ● Water consumption

GRI 303-5 Water consumption

**Table 4.** Total consumption of potable water.

Potable water consumption (m3)	Potable water consumption (m3)	Potable water consumption (m3)
2020	2021	2022
635	560	450

Water, apart from the household needs, is mainly used at ATS Display Sp. z o.o. in the process of preparing the surface of the products for powder coating. By continuous optimization of this process and with the use of the same water in the paint washer circuit over a long period of time, the consumption of potable water at ATS Display Sp. z o.o. has been successively decreasing.

### ● Production and consumption of electric energy

GRI 302-1 Energy consumption within the organisation

GRI 302-4 Reduction of energy consumption

In 2019, ATS Display Ltd. installed 158 photovoltaic panels on the roof of the company's building. The panels were oriented to the south, east and west directions, which allowed optimal solar energy acquisition. In 2021, the use of renewable energy sources in the form of a photovoltaic installation provided ca. 11% of electric energy needed for the office operation and production.

The energy generated by the installation is primarily used for the needs of the production hall and machinery, and at any time when there is a sudden need for electricity. The energy is fed into the internal grid in the same way as energy from the power grid. If at any given time our consumption amounts to 10 units and the energy produced by our installation is 5 units, we only need to buy 5 additional units. At the time when the demand is small and the production from the photovoltaic installation is large, the energy is „handed-over,” which means, it is sold with the use of a 2-way meter to the grid.



**Table 5.** Data on consumption, production and sales of electric energy with the use of photovoltaic installation.

Billing period	Total consumption from the grid (kWh)	Total production (kWh)	Total sales (kWh)
2020	354960	44838	6342
2021	351198	42339	4071
2022	283000	42640	4594



In 2022, we reduced electricity consumption by nearly 20% as compared to previous years, although the scope of production remained at a similar level. We managed to achieve this by introducing a number of improvements and procedures such as:

- continuous education of employees on conservation of natural resources and greenhouse gas emissions, including those from electricity production by traditional methods - employees make sure to turn off the lights, machines or compressors after work or during breaks;
- reducing the length of working time - we work in a single-shift system, which affects the level of electricity consumption;
- performing a thermal imaging inspection of electrical installations, thanks to which we obtain information which elements of the installation give off excess heat, and thus increase consumption of electricity - this allows for upgrading the required parts of the installation in order to reduce such excessive energy consumption;
- division of individual lighting zones into smaller ones, so by illuminating individual workstations in production halls and in other parts of the hall, the lighting can remain in off position;
- modernization of installation for server room powering;
- modernization of machinery park;
- installation of special controllers for ventilation systems, which previously worked in continuous mode – currently we have the option to regulate the operating time of ventilation systems;
- replacement of conventional bulbs with LED bulbs in all light spots;

## ● CO<sup>2</sup> Emissions

GRI 305-1 Direct (Scope 1) GHG Emissions  
GRI 305-2 Energy indirect (scope II) GHG Emissions

The installation of photovoltaic panels mounted on the roof of the company's building helped reduce CO<sup>2</sup> emissions by more than 33 tCO<sub>2</sub>eq per year. Photovoltaic systems produce zero-emission, which means that no greenhouse gases or other harmful substances are emitted during the process of energy recovery.

**Table 6.** CO<sub>2</sub> Emissions in 2020, 2021 and 2022.

	CO <sub>2</sub> Emissions in 2020 (tCO <sub>2</sub> eq)	CO <sub>2</sub> Emissions in 2021 (tCO <sub>2</sub> eq)	CO <sub>2</sub> Emissions in 2022 (tCO <sub>2</sub> eq)
<b>Electricity purchased from the grid</b>	280,8	277,82	223,87
<b>Electricity obtained from photo-voltaic panels</b>	0	0	0
<b>Heating fuel</b>	74,85	94,99	90,89
<b>Company vehicles</b>	19,49	22,85	22,74
<b>TOTAL EMISSIONS</b>	<b>375,14</b>	<b>395,66</b>	<b>337,50</b>

The table above shows that the previously outlined measures to reduce electricity consumption have a huge impact on the greenhouse gas emissions produced in the process of generation of electricity by the electric power producer. Within the above-mentioned process in 2022, CO<sub>2</sub> emissions decreased by more than 54 tCO<sub>2</sub>eq as compared to 2021. We have also noted a significant decrease in CO<sub>2</sub> emissions resulting from combustion of fuel for heating purposes at ATS Display Sp. z o.o. in 2022, as compared to the values in 2021. Emissions from combustion of diesel fuels by vehicles in the fleet of ATS Display Sp. z o.o. remained at almost unchanged levels as compared to 2021, however at a higher level than in 2020. The aforementioned resulted from the fact that in 2020 there were numerous restrictions related to the onset of SARS-CoV-2 pandemic, including lockdown, home office operation, and quarantine, which had a significant impact on the company's use of company vehicles or a reduction in production volumes.

## ● Waste management

GRI 306-2 Waste by type and disposal method

GRI 306-4 Transport of hazardous waste

GRI: Sustainable production 2019

**Table 7.** Type and amount of produced waste and the levels of recycling and recovery.

No.	Waste code	Waste type	Year	Waste weight (Mg)	Recycling /recovery (%)
<b>1</b>	03 01 05	sawdust, shavings, cuttings, wood, particle board and veneer, other than those listed in 03 01 04	2020	0	recycling 100%
			2021	6,28	
			2022	0	
<b>2</b>	07 02 13	plastic waste	2020	3,833	recycling 60%-80%
			2021	8,511	
			2022	9,113	
<b>3</b>	08 01 11	waste paint and varnish containing organic solvents or other hazardous substances	2020	0	100% recovery in the D-10 process
			2021	0,21	
			2022	0,103	
<b>4</b>	08 02 01	coating powder waste	2020	0,928	100% recovery in the R-12 process
			2021	3,715	
			2022	4,772	
<b>5</b>	11 01 12	rinsing water, other than that listed in 11 01 11	2020	0	100% recovery in the D-9 process
			2021	6,6	
			2022	5,86	
<b>6</b>	12 01 02	iron particles and dust and iron alloys	2020	0	recycling 100%
			2021	0,1	
			2022	0,12	
<b>7</b>	15 01 01	paper and cardboard packaging	2020	3,72	recycling 60%-80%
			2021	5,429	
			2022	7,143	
<b>8</b>	15 01 02	plastic packaging	2020	9,038	recycling 60%-80%
			2021	6,121	
			2022	3,455	
<b>9</b>	15 01 06	mixed packaging waste	2020	0	100% recovery in the R-12 process
			2021	0	
			2022	1,203	
<b>10</b>	15 01 10	packaging containing residues of hazardous substances or contaminated with hazardous substances, e.g., plant protection products of toxicity class I and II - highly toxic and toxic	2020	3,053	100% recovery in the D-10 process
			2021	0,907	
			2022	0,605	
<b>11</b>	15 02 02	sorbents, filtering materials (including oil filters not listed in other groups), wiping cloths (e.g., rags, cloths) and protective clothing contaminated with hazardous substances (e.g., PCBs)	2020	0,264	100% recovery in the D-10 process
			2021	0,963	
			2022	0,996	

No.	Waste code	Waste type	Year	Waste weight (Mg)	Recycling /recovery (%)
12	15 02 03	sorbents, filtering materials, wiping cloths (e.g. rags, cloths) and protective clothing, other than listed in 15 02 02	2020	0	100% recovery in the R-12 process
			2021	0	
			2022	0,397	
13	16 02 13	discarded equipment containing hazardous elements, other than listed in 16 02 09 to 16 02 12	2020	0	recycling 100%
			2021	0,054	
			2022	0	
14	16 02 14	discarded equipment, other than listed in 16 02 09 to 16 02 13	2020	0	recycling 100%
			2021	0,087	
			2022	0,055	
15	16 06 05	other batteries and accumulators	2020	0	recycling 100%
			2021	0,068	
			2022	0	
16	17 02 01	wood	2020	6,25	recycling 100%
			2021	24,1	
			2022	14,1	
17	17 04 05	iron and steel	2020	43,04	recycling 100%
			2021	33,22	
			2022	25,64	

**Table 8.** Total amount of waste.

	2020	2021	2022
<b>Total weight in Mg</b>	70,1260	97,2580	73,5620
<b>Total weight subject to recycling/ recovery in Mg</b>	65,1491	91,2397	67,6487
<b>Recovered/recycled waste in %</b>	93	94	92

In 2022, the amount of waste produced in our company was reduced by ca. 24 tonnes as compared to 2021. The amount of generated waste was influenced by, among other things, reducing the share of plastics used in packaging by nearly 3 tonnes. In addition, the share of plastics in our production was reduced as follows, e.g., graphic panels, which were previously printed on plastic, are now printed on cardboard. Wood waste was also decreased by 10 tonnes, and iron and steel waste by 8 tonnes.

## OUR ENVIRONMENTAL TARGETS

# 2023

- replacing paper versions of our product installation manuals with their electronic versions and individual QR codes on the product packaging. The application generates electronic version of assembly instructions;
- increase of the number of photovoltaic panels and thus increasing the coverage of electricity demand from our own renewable energy source by 7 – 10 %;
- reduction of CO<sup>2</sup> emissions by 7 – 10 %;
- reduction of water consumption by 7 – 10 %;
- increase of the reuse of wood and wood-like waste material;
- reduction in consumption and increase of reuse of packaging materials;
- increase of the share of recycled materials in production of packaging;

## Contact

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