

More on INTEDOOR

More on transparency

2020/2019

INTEDOOR CSR REPORT

1. ABOUT US

Dear Readers,

This Report describes how Intedoors addresses issues related to corporate social responsibility and sustainable development in line with societal demand and how it is committed to complying with the relevant requirements. In the 21 years of our existence, we have always complied with the CSR requirements and CSR is becoming a standard, formalised part of our company's management system. Our operations are based on 3 pillars—economic, environmental and social—including beyond our statutory duties.

In this report, we present the specific results we have achieved in the area of corporate social responsibility and the impact of the proposed measures on our corporate strategy, culture and day-to-day operations, but all of them within the constraints and with regard to the size and capabilities of Intedoors.

Intedoors owners and management



Yvona van Wassem Langerová

Lubomír Langer Jr.

Director

Jana Nedvědová

Operations Director

Middle Management

1.1 Mission and vision

In the 1990s, during the fundamental socio-economic changes taking place in the country, the Langer family was confronted with the choice as to what to do next in life. They chose to be active and decided to establish their own manufacturing company. As a factor in the decision, they considered their own capabilities, the market situation and the possibility of proposing cooperation to local people who landed in a situation similar to that facing our family. The aim was to build, step by step, a stable company which the next generations of families would be able to take over and create long-term job opportunities in the rural region. Although a small

company, which started with only 12 people, we are now one of the largest employers in the Cvikov and Ralsko regions.

We are dedicated to ensuring that our products serve generations, are used by people on a daily basis and help people feel satisfied and comfortable. To fulfil this vision, we chose as our commodity bathroom furniture and decided to specialise in its manufacture. And so now, Intedoors has been fulfilling its motto for over 20 years: "We see each other in the morning, in the evening - we are with you every day."

Reporting period The reporting period is the year 2020 and this is consistent with the reporting period used in financial statements. To highlight the progress achieved, the 2020 results are juxtaposed to the previous year 2019 or the progress is documented on data from the early 2021.

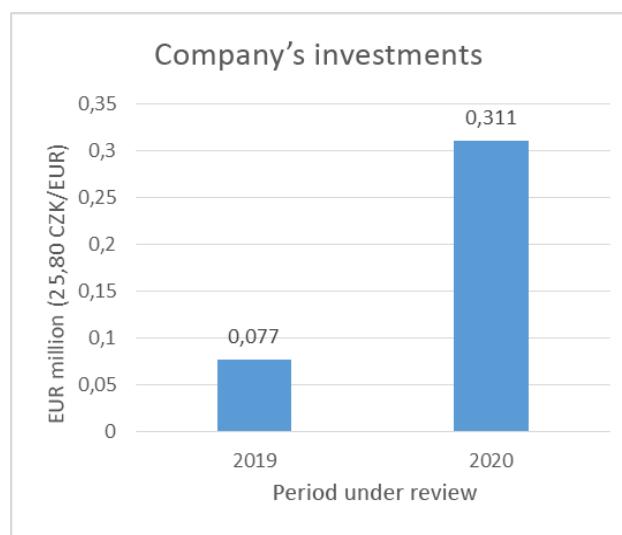
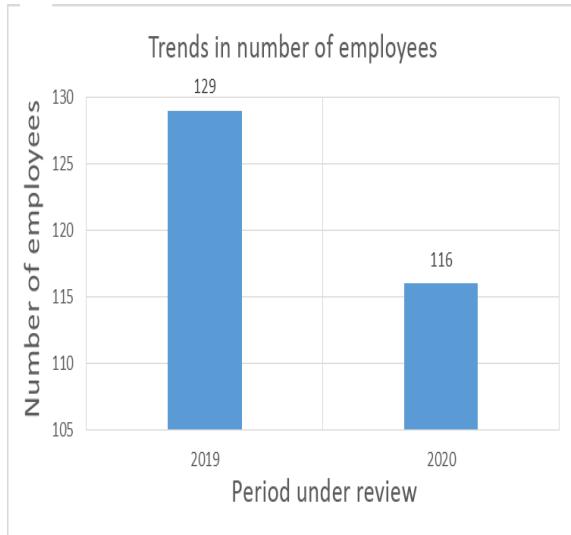
Scope of the report Intedoors does not have any subsidiaries: The report covers both the Cvikov and Ralsko production plants at once, only focusing on one of them separately where justified.

Language Czech, English. The Czech version prevails over the English version.

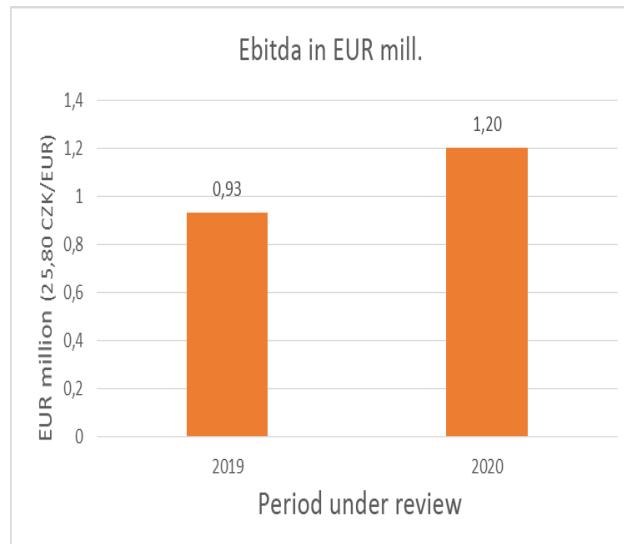
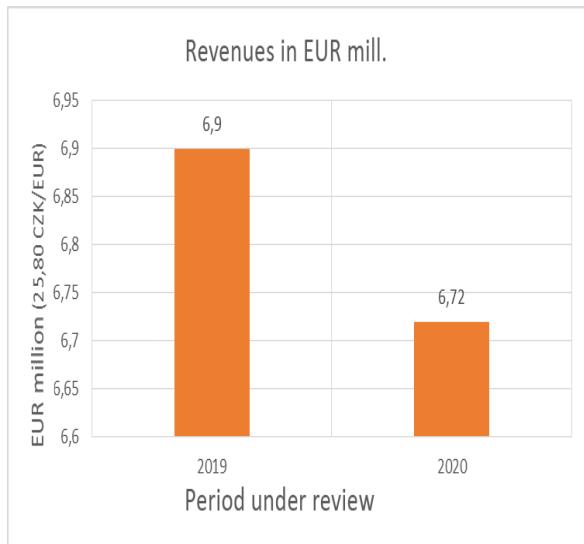
Contact reditel@intedoors.cz



1.2 Key data on the Intedoors family business



Note: the reduction of the number of employees has come with the company's decision to phase out the production of painted parts (environment) and to terminate the production of custom furniture (reducing inventory and increasing labour productivity)



EUR 1 million has been set as the production unit

The year-on-year decrease in production output amounts to 2.6%

1.3 Who we are

History

Intedoors is a family manufacturing business founded by the Langer family in 1999 with a view to gradually building up specialised production of bathroom furniture. The founding members of the company were Lubomír Langer sr., Jana Langerová and Lubomír Langer jr. The company purchased a brownfield/workshop left after a clothing factory in the town of Cvíkov, near the German border. They started with 12 workers.

Development

With its honest approach to business, over the years, the company has established itself in the Czech and foreign markets, gradually renovating the site (heat insulation, windows and extension

of the workshop from 2,200 m² in 2007 to 8,000 m² of production and office space today). Other family members gradually joined the business and the number of employees grew.

In 2015, the second plant, 10,000 m², was erected in the town of Ralsko (32 km from Cvikov), and a large part of the machinery in both plants was replaced and modernised, with the overall investment amounting to EUR 2.8 Million.

Throughout its business history, the company has comprehensively developed all areas relevant to sustainable development (human resources, engineering and technology modernisation, environment, economy and financial stability, customer and supplier relations, construction and design, product quality), even going above and beyond its statutory duties.

Present day

Intedoors manufactures and supplies its products to a number of European countries including Slovakia, Slovenia, Malta, Ireland, Germany, Switzerland, the Netherlands, Russia, the Czech Republic, Norway and Sweden. The company is committed to diversifying its customer portfolio, as well as to the selection, reliability and substitutability of their suppliers of materials, with preference for suppliers from EU countries.

The company's mission is to stick to its goals in corporate social responsible in all its internal activities and in its relations with the outside world. The corporate policy and this first report on sustainable development show that Intedoors follows the right course.

It is the company's policy in business to prefer quality, speed and reliability of supplies, breadth of portfolio, and the customers' non-standard requirements to large-scale or mass production. The company does not produce for stock; the management system allows for a flexible response to customer needs without the need to accumulate inventory for customers.

Intedoors is committed to taking care of their staff, valuing longevity, informality and closeness to mutual relations with the employees and their loyalty to the company as the company's greatest asset.

Managing a family business has its specifics. The company is committed to developing their middle management and employees. However, decision-making on strategic and operational issues is significantly simpler and faster and guided by genuinely common goals. The management governs the company fully aware of its social responsibility towards future generations and with a view to involving the employees in the process as much as possible.

At present, seven family members work for the company, including four in the top management, and three in middle management, some of them representing the third generation.

The Helios Orange central information system as well as the management processes and databases, which have all been digitised, assist the decision-making process concerning measures necessary for ensuring the company's sustainable development.

Family Business Certificate according to Czech law



the Langer family

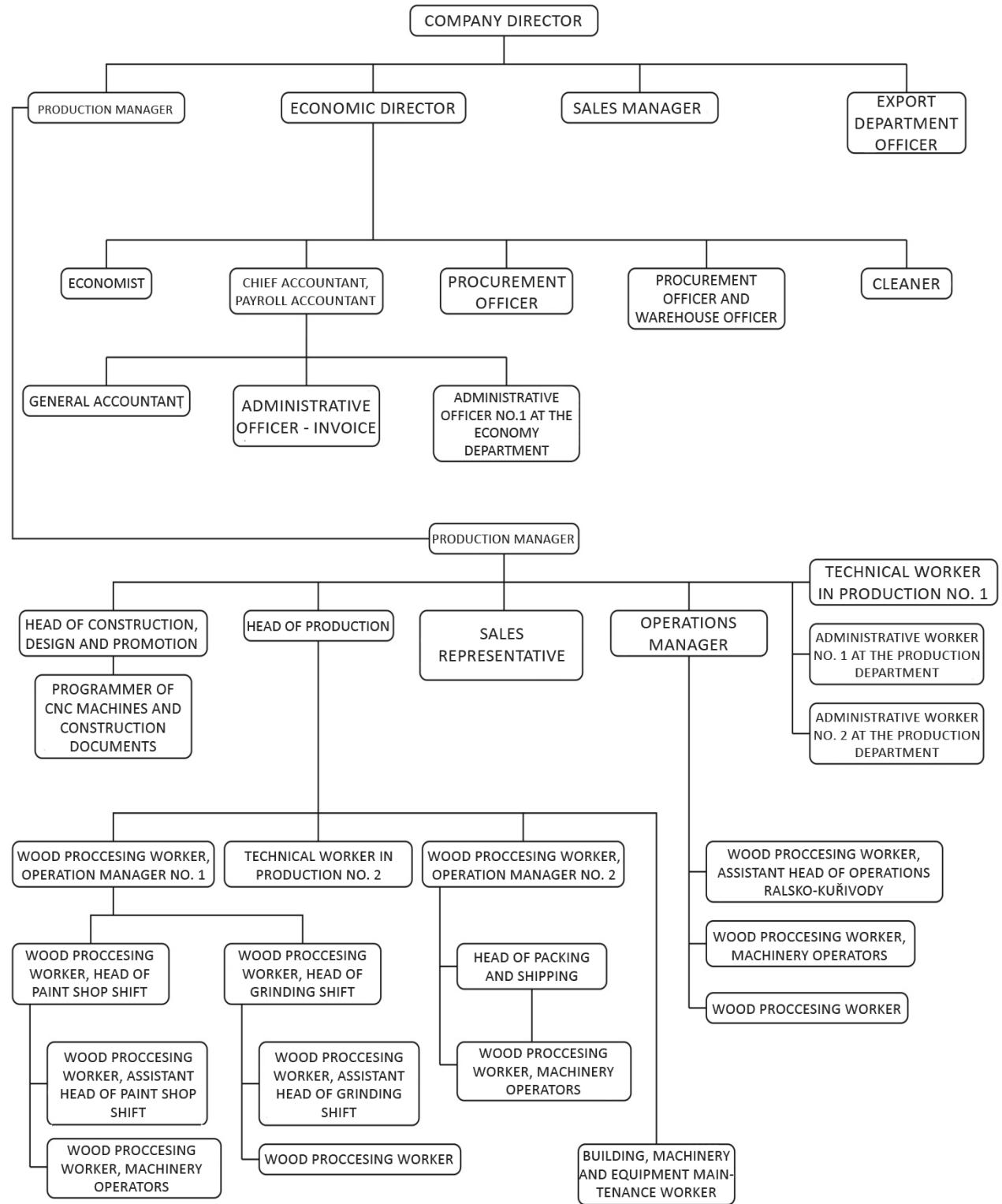


Jana Langerová Jana Nedvědová Yvona van Wassem Langerová
Lubomír Langer I Lubomír Langer II Martin Nedvěd Lubomír Langer III

Our colleagues -Construction, Design, Economy



Organisational chart



1.4 Our employees

On 31 December 2020, Intedoors had 116 employees (including four executives). In specialised areas such as medical care, environmental management, all kinds of inspections, occupational health and safety, fire safety, etc., the company has had long-term contracts with external experts and contractors.



Lubomír Langer II, Operations Director, among assembly workers

Two plants – one team

85% of our employees work in technology and production. 15% work in marketing, sales, finance and logistics.

Cvikov plant work team



Ralsko plant work team



Equal opportunities and diversity

In terms of HR, our employees work together as a team with respect for different cultures, personalities, abilities and experiences. Everyone has an equal opportunity to join the team, regardless of age, gender or nationality.

The 2020 **staff structure** shows that women account for a considerable part of the company's employees, and highlights the percentages of all age groups in the mix:

Total number of employees on 31 December 2020: 116	Male 58.6%	Female 41.4%
Up to 29 years of age	11.2%	3.5%
30-49 years of age	25.0%	19.8%
50-59 years of age	13.8%	13.8%
60+	8.6%	4.3%

Out of the 116 employees:

people with disabilities account for: (4)	3.5%	(2)	1.75%	(2)	1.75%
foreigners account for: (9)	7.7%	(5)	4.3%	(4)	3.4%
middle management accounts for: (4)	3.5%	(3)	2.5%	(1)	1.0%
top management accounts for: (4) the Company Director is a woman	3.5%	(2)	1.75%	(2)	1.75%

Fixed-term employments account for: 8.3%

Long-term trends show gradual ageing of the population; and society will have to come to grips with this in the coming years.

Respect, mutual relations and loyalty

Strong and firm relationships with all its employees, based on mutual respect, loyalty and dignity, are crucial for Intedoors. Most of our employees, including foreigners from countries such as Slovakia, Germany, Ukraine and Kazakhstan, are employed on a long-term basis. 52% of our employees have been with the company for more than 10 years.

Intedoors does not tolerate any displays or any forms of discrimination or intolerance on the grounds of race, sex, religion, nationality, age or any other ground. At Intedoors, we have not registered any problems with the work teams and individuals concerning equal opportunities and equal treatment, regardless of age, gender, nationality, culture or discrimination in any form. The task of the management and managing staff members is to maintain and co-create such corporate culture and milieu. We apply zero tolerance of any form of discrimination.

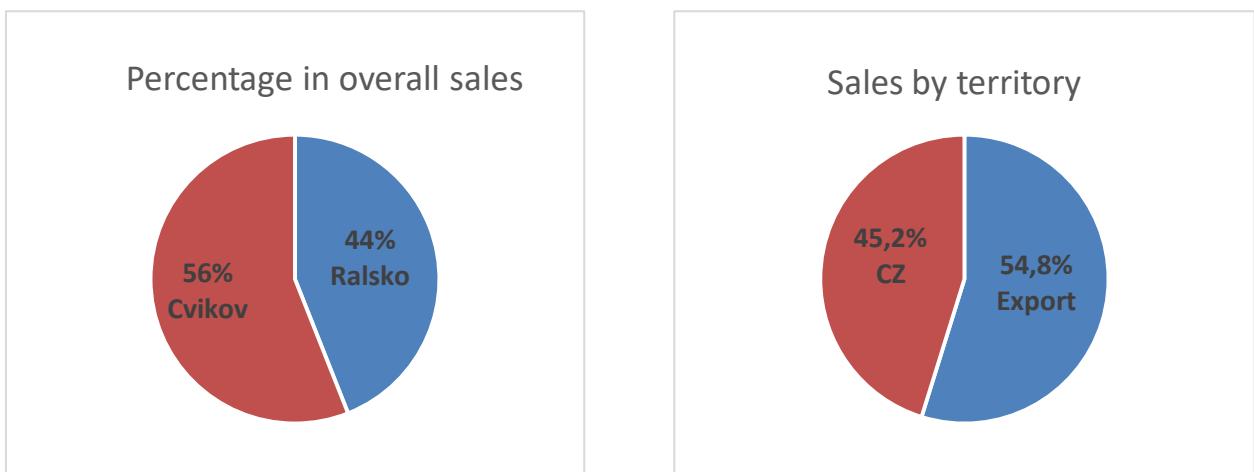
Education and career development

Intedoors understands the importance of professional awareness and growth of its employees. In addition to the mandatory training, employees also have the opportunity, at their sole discretion, to take part in other professional or personal training courses that benefit both them and the company. We are interested in gaining as many qualified employees as possible in the labour

market, and in recruiting them, we primarily rely on personal recommendations of our existing employees and partners. Under the applicable laws, we allow students and apprentices to complete their holiday and graduation work experience within the company.

1.5 Production plants

Production is organised at two production plants located in the small towns of Cvikov and Ralsko, Liberec Region, Czech Republic, with the two plants being 30 km apart. All processes and activities at Intedoors are centrally managed and organised from the main plant in Cvikov. Operative tasks at the Ralsko plant are organised by the Operations Manager.



Our exports go mainly to Germany, Austria, Switzerland, Norway and the Netherlands.

Cvikov Plant



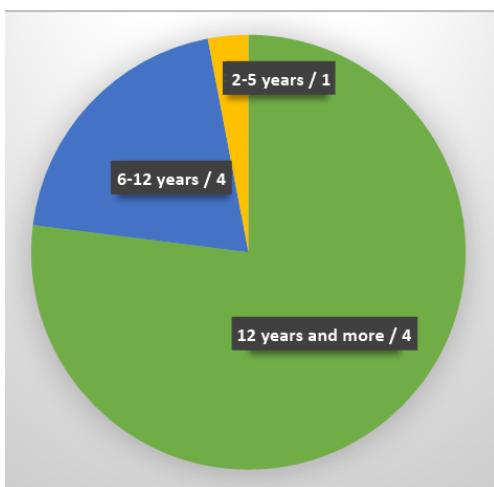
Ralsko Plant



1.6 Who has confidence in us

The confidence in supplier/customer relations between business partners is built through long-term serious cooperation and boosted by the ability to honour one's duties properly and through personal contacts. Our customers' trust is based on our reliability, quality, design of our products, speed of delivery and our services provided to customers. Suppliers, in turn, need to convince us of the stability of their supplies and of the partner's ability to meet their financial obligations. Our business partners already know that they can base their business and their future on our mutual cooperation:

Major suppliers (76% of the material)
Period of cooperation/number of suppliers



Major customers (82% of our sales).
Period of cooperation/number of customers



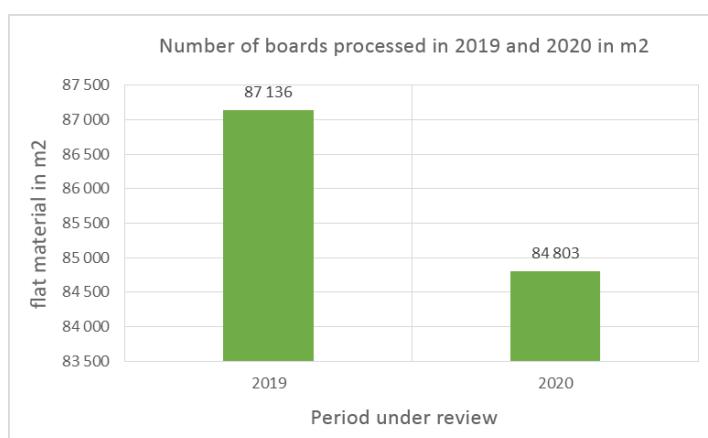
1.6 Our material

To maintain the quality and satisfaction of our customers, we purchase our input materials **only from EU countries** and from suppliers who guarantee quality, occupational health and safety and who are certified according to EU requirements. The main input materials in our production include:

Wood-based input materials

We purchase large-area boards or parts from these boards, such as laminated boards or MDF, from the Czech Republic, Germany and Spain. Intedooor holds the **PEFC C-o-C certificate** and it purchases wood-based material **only from certified suppliers with a guarantee of origin from sustainable sources and valid health certification**. Residues and offcuts from these boards are handed over for recycling and recovery to the board manufacturers.

The life cycle of products from these boards is not limited provided the products are used and maintained according to the manual. The disposed of wooden parts from furniture are suited for energy recovery processes in dedicated incineration plants.



Year-on-year decrease 2.67%.

Other major input materials

Furniture handles, drawer guiding rails, hinges, legs, curtains, furniture edges, washbasins, lamps, glass shelves, power sockets and switches, and mirrors are also procured only from suppliers from within the EU and with the appropriate certification where required, such as for electrical equipment.

Packaging

The product packaging includes boxes, blocks, corners and liners made of five-layer brown paper cardboard purchased only from manufacturers in the Czech Republic. This packaging is naturally based, 100% recyclable and suited for subsequent use in terms of sustainability.

Judging by the global developments in packaging management, the use of cardboard packaging seems to be the first choice for now. In terms of sustainability, Intedoors will prefer to purchase input material for its own production from manufacturers/suppliers who provide a guarantee of origin.

Wooden EUR pallets are used as transport packaging, which are handed back to the carrier for repeated use. At the end of their service life, the pallets are handed over for energy recovery. If there are multiple boxes on a pallet, they are wrapped in stretch foil or tied together with tie-wraps. Both of the plastic materials are recyclable and, in terms of volume, they only require a negligible quantity per product.

The material is delivered packed in cardboard and plastic and the packaging material is sorted and pressed and handed over to an authorised company for recycling.

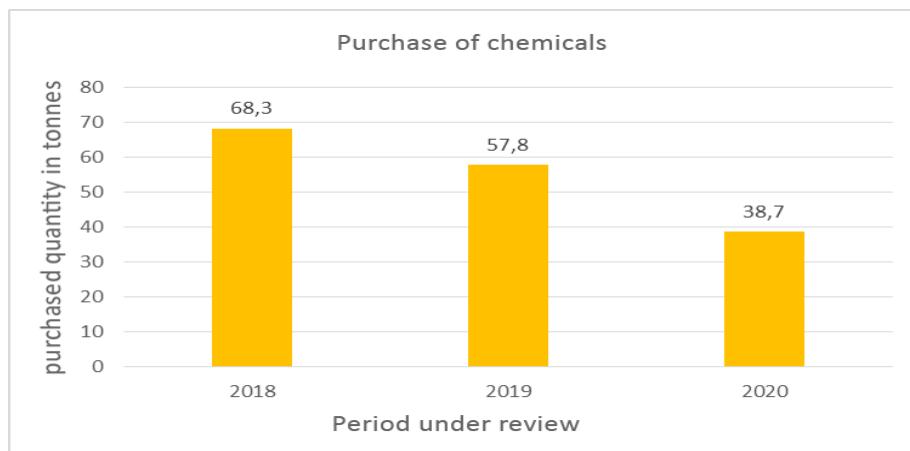
All the above materials are processed using the same technology at both plants in Cvíkov and Ralsko.

Paints

As for chemical products, paints (including hardeners and thinners) and acetone for the cleaning of the automatic painting line are purchased only for the Cvíkov plant production. The paints used are supplied by **AKZO NOBEL** and, after curing, they are **harmless to health and can also be used for children's toys**:

- paints, hardeners, thinners Czech Republic (Akzo Nobel Italy)
- acetone, only for line cleaning (Czech Republic)

In 2018, Intedoors management decided to gradually phase out painted products with regard to climate change. For reference, see the list of chemicals purchased during 2018/2019/2020



The year-on-year decrease in the purchased quantity of input materials for the paint shop amounted to 33.04% in 2020/2019

1.7 SUSTAINABLE MANAGEMENT

The top management, i.e., the owners of the company, regard as the main preconditions for sustainable development preservation of the family ownership structure and education and involvement of the next generation at all management levels. Corporate processes necessary for sustainable development, i.e., the economic, environmental and social issues, are centrally managed by the top management. Digitisation of processes is used to the maximum extent to manage sustainable development processes as part of the company's strategy.

Underlying values of our family business

- transparency in all aspects of the company's dealings
- honesty, reliability and fairness in business relations
- trust in interpersonal relationships within the teams of employees
- employees confident about steps taken by the management
- building a "greener" company reflected in the environmental policy
- management responsibility for the sustainable development of the company

Our organisation

- centralised management by members of top management who are also the owners, supported by central information management is fast and efficient
- regular weekly meetings between the top and middle management contain the necessary and mutually important information and decisions.
- daily contacts between the top and middle management and employees at their workplaces

Our staff and management team

The company ensures and manages compliance with the rules of conduct in interpersonal relationships within the work teams and the rules of conduct of the management team strictly on the basis of the following principles:

- mutual respect, loyalty and dignity are at the heart of workplace relationships; we respect differences and promote zero tolerance of any manifestations or forms of discrimination.
- protection of employees' health and safety at work is one of the priorities. The obligations to comply with legal regulations, undergo training, comply with safety rules, wear protective equipment and undergo regular and periodic medical examinations are enforced and monitored for all employees
 - the company promotes the employees' self-education and is invested in their career growth; the company makes it possible for the employees to take part, free of charge, in specialised courses and training and events designed to increase their qualifications in order for the employees to be promoted into more senior job positions
 - the company provides all employees with a special 15-minute break during their paid daily working hours
 - in the event of financial hardship, the company offers interest-free loans, flexible working hours or home office
 - the management team must be a role model as regards the moral and ethical values and they must ensure compliance with the Code of Conduct



Jana Nedvědová consulting the preparation of an invoice concerning custom production

Customer-oriented approach

- we develop services for customers who are just starting out in the form of assistance and creation of promotional materials, product training and product installation
 - we help them with the installation of samples and furnishing their shops and sample rooms
 - we provide a 5-year warranty on our products
-
- **Responsibility for quality**
 - in relation to the production process, we are constantly raising employees' awareness of the consequences their errors may have at the next stage of the production process. In this, we also organise employee training events dedicated to the work procedures conducted at the downstream workplaces
 - we place emphasis on the process cycle ranging from incoming inspection up to product packaging
-
- **Our social environment**
 - employees and management come from the immediate vicinity of the small town and the surrounding villages. This creates an atmosphere of togetherness; the management accommodates even the unusual needs of the employees
 - employing foreigners, we do not face any problems regarding cultural integration or the language barrier, while the tenures are usually long-term, over 10 years

Participation in external initiatives and standardisations

- PEFC CoC (sustainable purchase of wood materials)
- EKOKOM, ENVIPAK, LANDBELL, ASEKOL (environmental)
- ISO 14001 (environmental)
- TÜV Süd (certification of electrical equipment for mirrors, product safety)

1.8 OUR ENVIRONMENTAL POLICY

Intedoore combines its responsibility for the environment with responsible production, since production and associated processes and behaviours have a dominant impact on environmental protection.

The company has put in place its own **Environmental Policy**, in which the company and all its employees undertake to:

- meet all statutory requirements in environmental protection associated with all job positions within the company
- pay attention to the technical parameters of the production equipment and minimise emissions from all production and non-production activities to all components of the environment

General status evaluation (for details see chapter 3.2 Responsible production):

2020 air protection:

- **Emissions of TOC mg/m³ from the paint shop 65.3% under the statutory limit**
- **Emissions of TOC per unit of production have dropped by 38.7% year-on-year between 2019 and 2020**
- **year-on-year electric power savings per unit of production amounted to 6.25% in 2020/2019**
- **year-on-year reduction of CO₂ emissions amounted to 3.32% in 2020/2019**

Water: - water consumption reduced by 1.35% year-on-year in 2020/2019

Intedoore has already made a number of production decisions with a positive impact on the environmental. Other major decisions were made during the preparation of the "**Management Review**" and are set out in the E-objectives ensuring a significant reduction in the impact of our business on the environment as follows:

Environmental goals:

They are fully based on the principles of the environmental policy; they are ambitious and ensure the fulfilment of the environmental protection objectives:

Objective 1. shut down the paint shop by 31 December 2021

Objective 2. replace fluorescent lamps at one of the shops in Cvíkov with LED lamps **by 31 December 2022**

Objective 3. replace the existing gas boilers as part of the heating system at the Cvíkov plant with new condensing boilers **by 30 August 2023**

Objective 4. replace the existing heaters in one of the shops in Cvíkov with new ones **by 30 August 2023**

Objective 5. replace coal heating at the Ralsko plant with another available heat source (biomass, heat pumps, LNG) **by 31 December 2027**, if the scheduled gasification of the town does not happen.

Objective 6. increase the share of renewable electric power energy by installing photovoltaic roof panels at the Cvíkov or Ralsko plant **by 31 December 2028**

Biodiversity: Both plants are located within the town's industrial parks. None of the production plants is located in or near a protected landscape area or an otherwise protected area and none of them puts biodiversity at risk in any way.

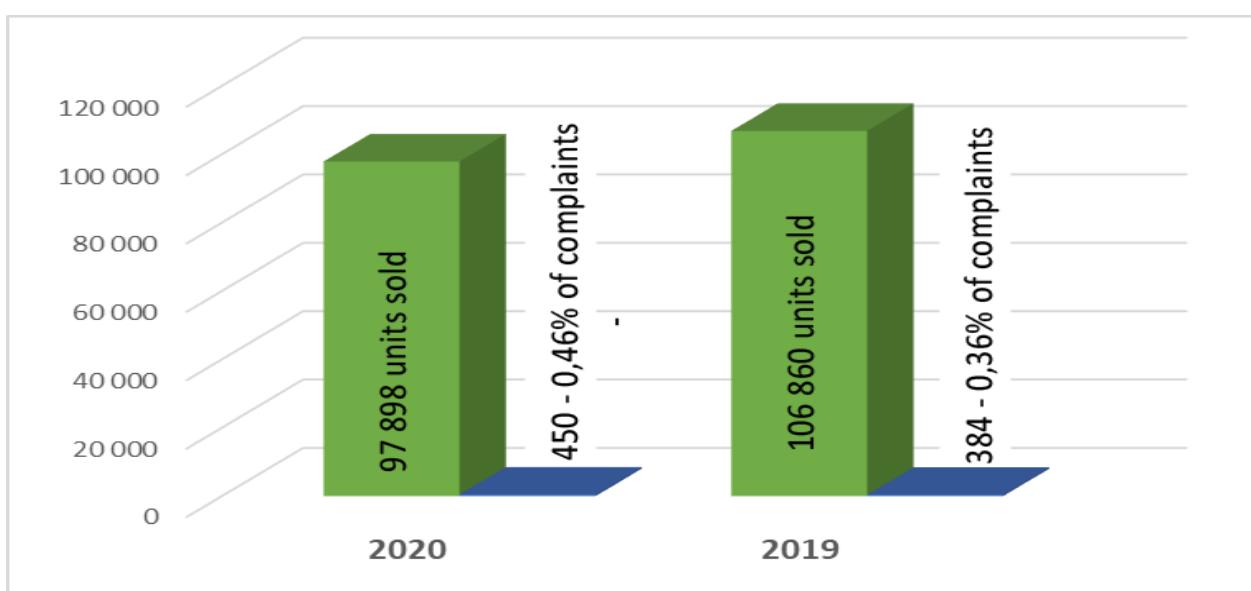
1.9 INTEDOOR MANAGEMENT SYSTEM

In 2001, the company underwent certification and an audit of the management and quality systems to the ISO 9001 standard. Over the course of the following 6 years, the company gradually came to the conclusion that the way the quality management requirement set out under the ISO 9001 standard is applied was not optimal, satisfactory or beneficial for the company in all its aspects. In 2008, the company decided in the future it would only pick the most suitable items from the ISO 9001 standard and apply and promote its own management system by introducing an information system with centralised databases accessible online to all workplaces concerned, since "everything is connected to everything else". In 2008, the Helios Orange Information System, adapted to Intedoors conditions, was deployed as a tool supporting management and decision-making processes within the company, where the complexity of the system and its adaptations were reflected not only in quality management, but also in overlaps with corporate social responsibility management.

Quality management

The way the production process is managed is entirely atypical, because the company does not create, and does not have the opportunity to create, production plans, such as weekly, monthly, quarterly plans... The reason is that Intedoors customers do not know what product their customer will purchase, and it is only after the customer places their order that the goods are ordered with Intedoors, but always with the customer's requirement for the fastest possible delivery. The company therefore does not produce for stock, yet it registers over 24,700 products in its production portfolio. On a daily basis, it accepts and gets into production about 100 customer orders, ranging from single piece orders, through atypical tailor-made products up to bulk orders numbering up to dozens of items.

High standard of product quality.



Note: The number of units sold changed due to the requirement of some customers to invoice products in whole or in parts (e.g., cabinet with a washbasin or a cabinet and a washbasin separately, which also affected the percentage of complaints)

Intedoors management system makes it possible to make improvements in terms of sustainable development while respecting the following standards:

Quality management: Custom-made system, partially respecting ISO 9001

Environmental management: ISO 14001

Fire protection: light beams and fire sensors connected online to central fire desks, staff training on fire protection

2.0 SIGNIFICANCE ANALYSIS

The aim of significance analysis is to give hints to the top management/owners as to how they should plan and manage the company's processes to ensure the company's long-term sustainable development.

Stakeholder access

First, the top managers/owners decided to define the **community** of stakeholders (both internal and external), identifying such stakeholders as people who:

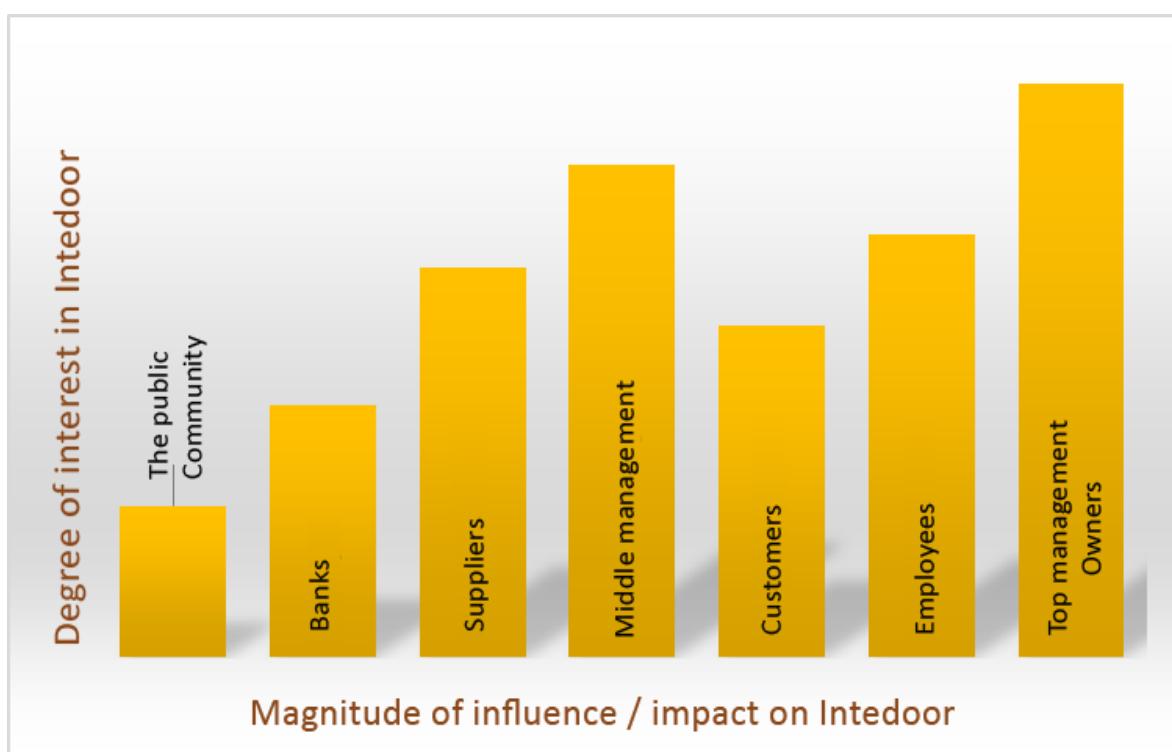
- a) based on their behaviour, activities and importance, **have an impact on Intedoors**
- b) based on their links to the company, **have a vested interest in Intedoors**

With this approach, the top management will know, while evaluating queries during the significance analysis, the degree of seriousness of the opinions of the queried stakeholders for the company.

Communities of stakeholders

- | | |
|---|--------------------------|
| 1. Owners/top management/family members | 5. Customers |
| 2. Middle management | 6. The public, community |
| 3. Employees | 7. Banks |
| 4. Suppliers | |

The chart shows "**more to the right on the x-axis" a greater degree of influence on Intedoors, and the height of the column on the "y-axis indicates the degree of interest**" in Intedoors.



Queried topics

show which ones are necessary for the company's sustainability. Significance is presented in two aspects:

- whether the company's production activities and business relationships have a significant impact on society and the environment
- how relevant the topics are for stakeholders

Groups of queried topics: **A1.** use of wood from sustainable sources, **A2.** safety and wholesomeness of products, **A3.** product durability/recyclability, **A4.** utility value/product design, **B1.** environment/emissions, **B2.** waste minimisation, **C1.** employee satisfaction, **C2.** business ethics, compliance with business regulations, **C3.** occupational health and safety, **C4.** equal opportunities, **C5.** further education, promotion, **C6.** tax transparency

The topics for the significance analysis were determined with regard to the company's activities (furniture industry) and the possible impact on sustainability. The relevance of the significance was determined for a selected community of stakeholders using a questionnaire survey. The opinion of top management/owners covers all of the stakeholders.

3.0 SUSTAINABILITY IN PRACTICE

3.1 Responsibility for product

Feedstock, quality control, material resistance, recyclability, service life:

- all types of feedstock coming only from manufacturers and suppliers from EU countries
- wood materials (flat boards, flat parts) purchased only from proven suppliers with PEFC C-o-C certification
- use of purchased electrical components, lamps or products with electrical equipment only under the condition of a valid "EC declaration of conformity", i.e. after certification
- using only materials from proven suppliers who can produce health certificates after processing for our interior products in accordance with EU standards
- residual wooden flat boards and cuttings from the production for secondary processing and recycling. The waste treated in this way accounts for 8-12%
- as for lamps and light sources, we only use products the energy efficiency class of at least A and above, A+, A++
- for the construction of our products, we use only durable materials that meet the requirements for long-term use, such as surfaces of flat boards, surface-treated fittings of all kinds
- clear and easy-to-follow installation, safe use and maintenance instructions
- we provide product warranty extended to 5 years for customers

The diligent control of feedstock translated into a significant year-on-year improvement in the quality of supplies in 2020/2019. The company lodged a number of complaints against suppliers based on incoming inspections as follows:

Number of complaints against suppliers of materials based on incoming inspection	30	37
Number of customer complaints based on defects in feedstock:	90	178

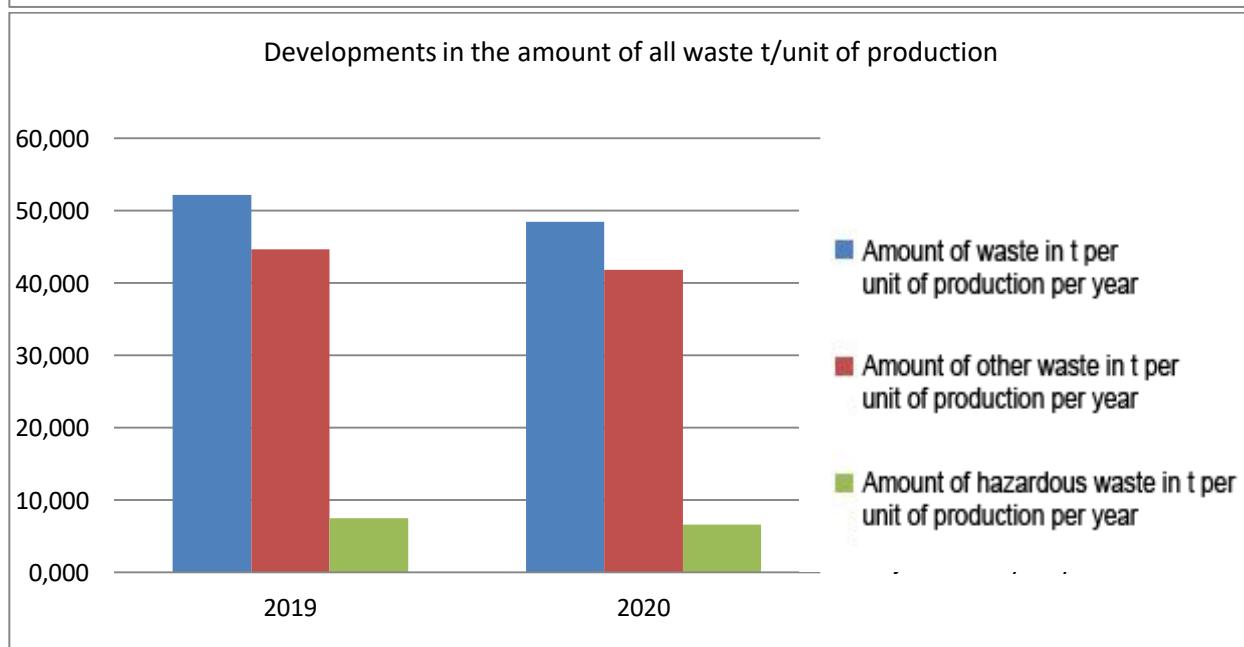
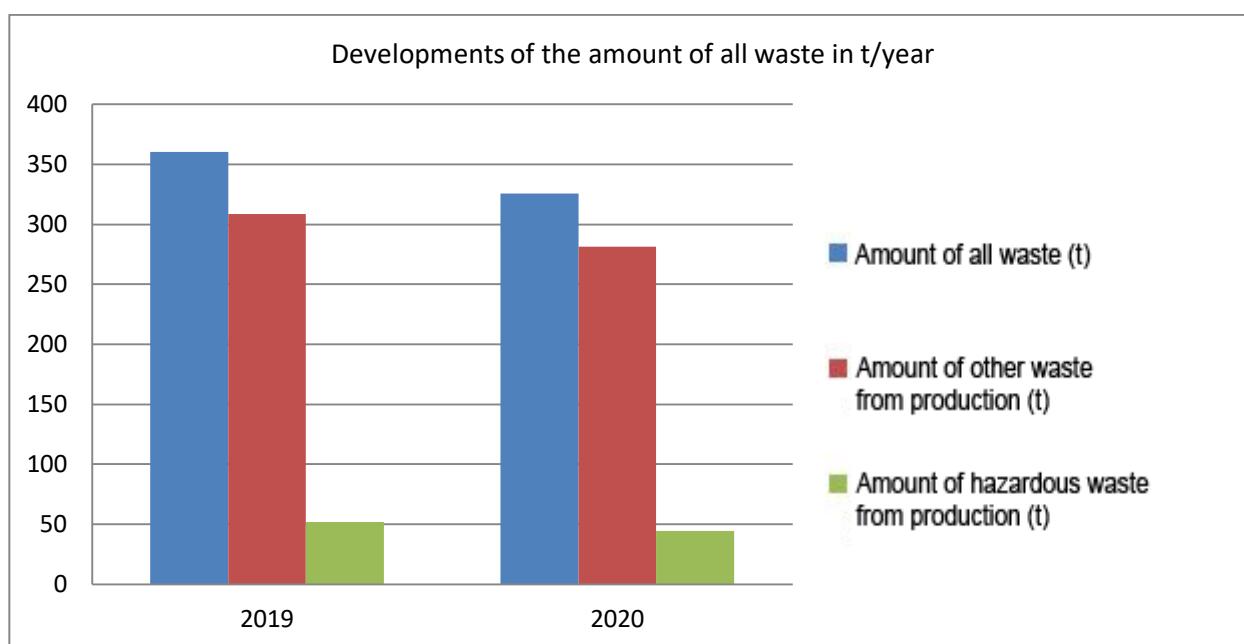
3.2. Responsible production

Responsible production primarily concerns the impact production has on the environment. Wastage must be avoided in all its forms, energy must be used efficiently and air emissions must be reduced. Climate protection and minimising the environmental impacts of production are the management's long-term priorities.

Intedoors has contributed in the following way to climate protection through responsible production during the period under review:

- A. Waste reduction:** the two-year trends confirm the positive developments in all types of waste, both in absolute terms and per unit of production. The set Environmental **Objective 1** will secure a significant reduction in the amount of hazardous waste during the next period under review 2021/2022.

A.1 Developments in the amount of all types of waste in total



A.2 Selected areas of waste reduction:

Reduction of waste (cuttings) from the sizing of wooden flat boards: the company has streamlined the process of commissioning the production of products, optimised the cutting plans and increases the share of cut parts purchased from specialised companies. The company succeeded in significantly cutting back on its waste, i.e. the amount of cuttings returned for secondary processing in absolute terms and per unit of production is as follows:

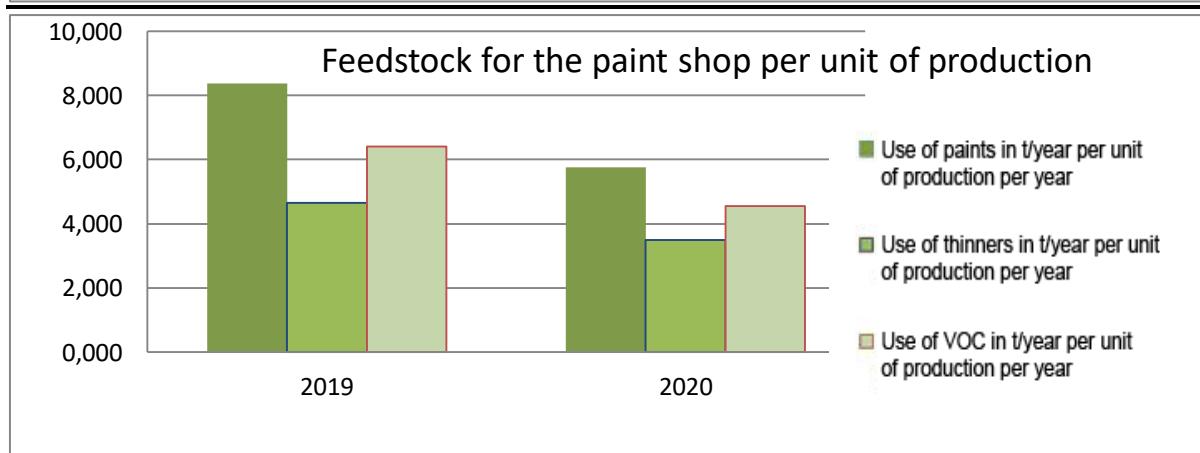
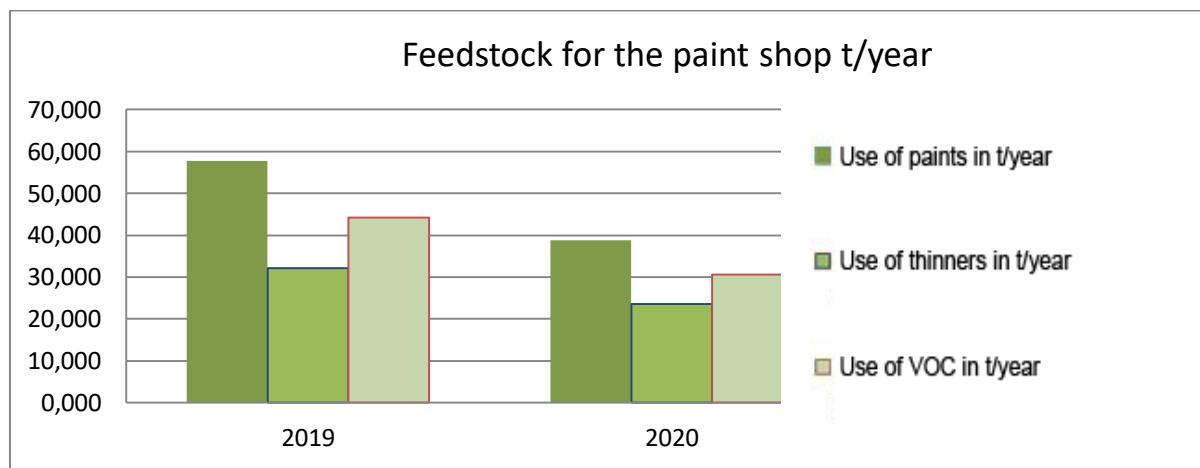
	2019	2020	year-on-year savings %	year-on-year savings per unit of production %
Number of returned cuttings t/year	207.09	143.34	30.78%	28.92%

Reducing the amount of hazardous waste produced: (brought about by the paint shop phase-out) especially when it comes to paint chemicals, both in absolute terms and per unit of production:

	2019	2020	year-on-year savings %	year-on-year savings per unit of production %
Hazardous waste t/year	52	45	13.46%	11.14%

B. Reducing the use of feedstock for the paint shop: effects of the paint shop phase out

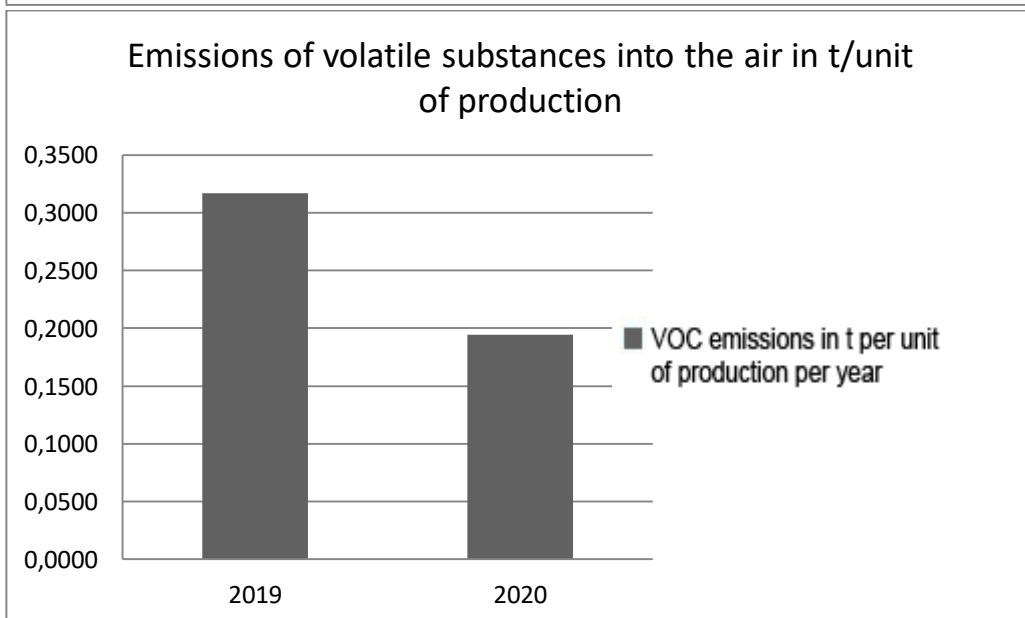
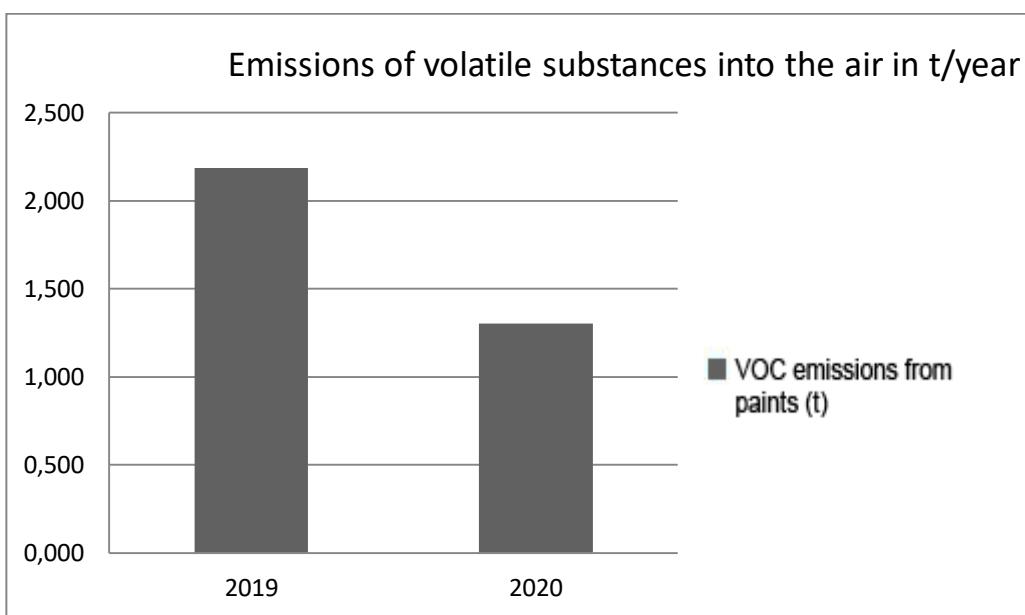
	2019	2020	year-on-year savings %	year-on-year savings per unit of production %
Use in KG/year	57,799	38,734	32.98%	31.19%



C. Reducing the emissions of volatile substances into the air: a positive trend observed, related to the painted part production phase out. The year-on-year reduction is significant, both overall and per unit of production.

Air emissions

	2019	2020	Year-on-year savings %	Year-on-year saving per unit of production in %
VOC emissions in Kg/year	2,187.2	1,304.7	40.21%	38.75%



Sustainability and social responsibility in chapter 3.2 Responsible production in areas A, B, C are expressed in the environmental Objective 1.

D. Efficient use of energy

Intedoors operates highly efficient equipment to eliminate emissions from the paint shop based on the so-called "**autothermal reverse catalytic oxidation**" principle. Firstly, we achieve VOC emissions well below the statutory limits and secondly, the equipment produces **high energy savings**, as it uses heat from its own combustion of emissions.

Equipment for the elimination of paint shop emissions



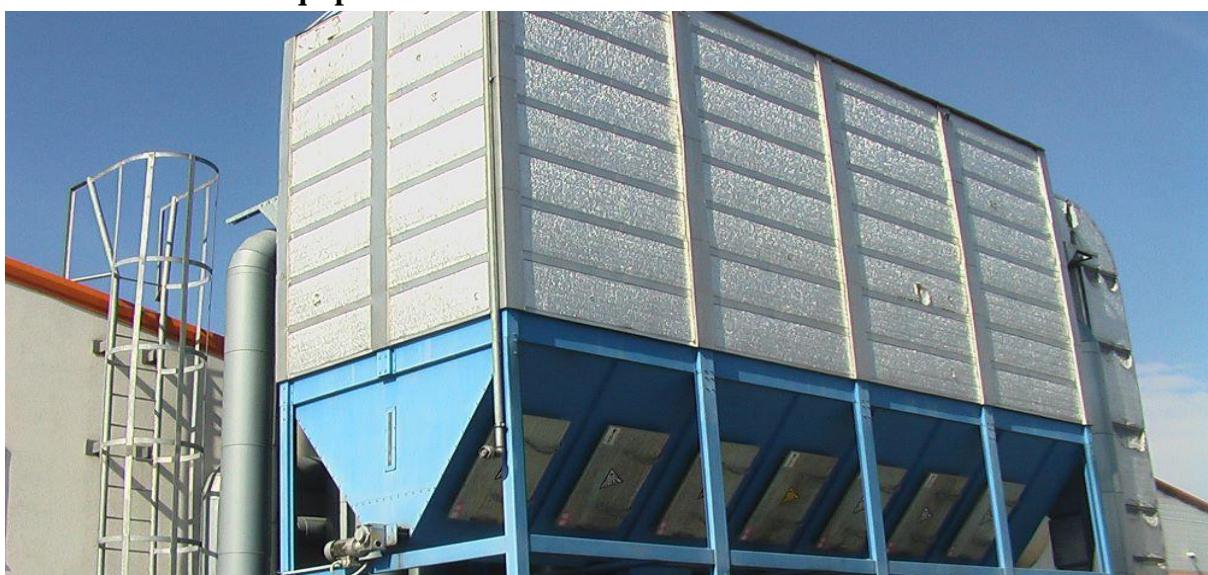
Sustainable development and social responsibility in this area: Environmental Objective 1.

E. Air emissions of solids (sawdust) + effective thermal energy savings

Extraction devices used with woodworking machinery:

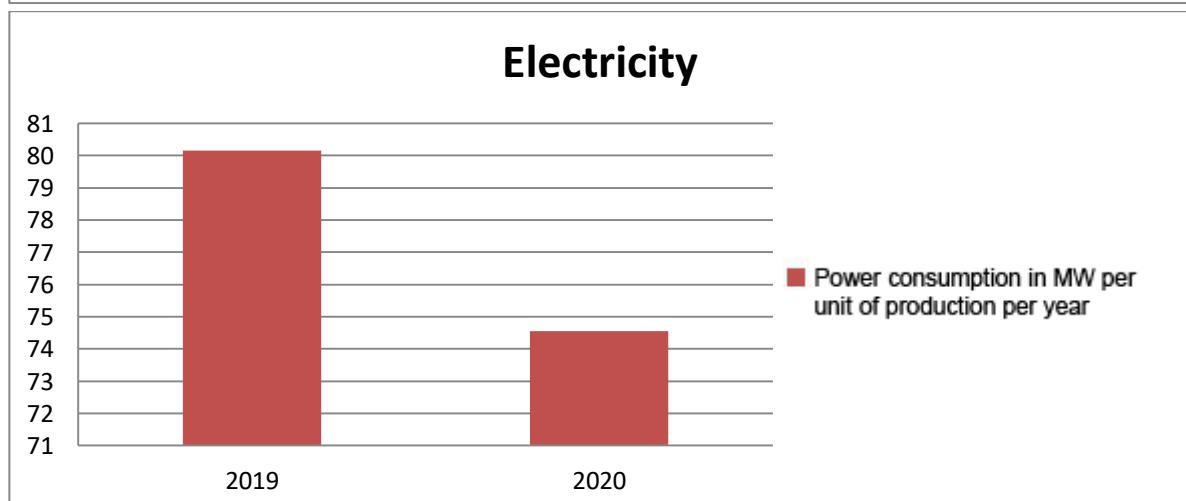
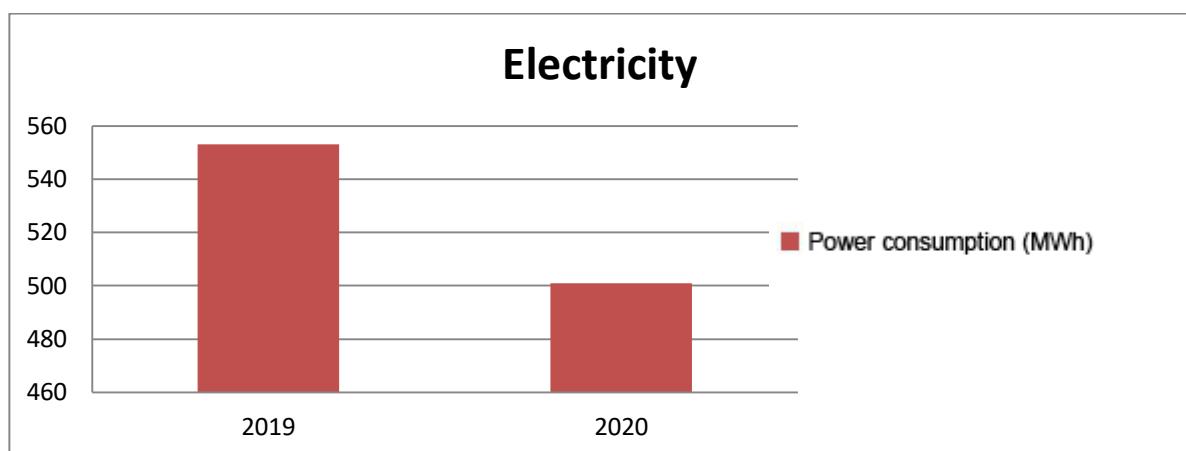
none of the extraction devices is terminated into the open air and **emissions of solids (sawdust) therefore amount to zero**. In addition, above and beyond its statutory duties, the company has provided **additional heat insulation** to all its outdoor extraction equipment, where 100% of the heated air from the indoor premises, once purified, is **returned** so that any heat losses are minimised.

Sawdust extraction equipment with additional heat insulation



F. Use and savings of electric power: the company buys electricity from Lumius certified according to ISO 14001. The structure of sources for the electric power supplied is as follows: coal-fired power plants 16.49%, nuclear power plants 60.93%, gas 1.24%, renewable sources 7.24%, unidentified (trading + OTE) 14.1%. In the future, the company will use their best efforts to identify suppliers with the highest possible share of renewable energy.

	2019	2020	year-on-year savings in %	year-on-year savings per unit of production %
Consumption in MWh/year	553.2	501.3	9.38%	6.96%

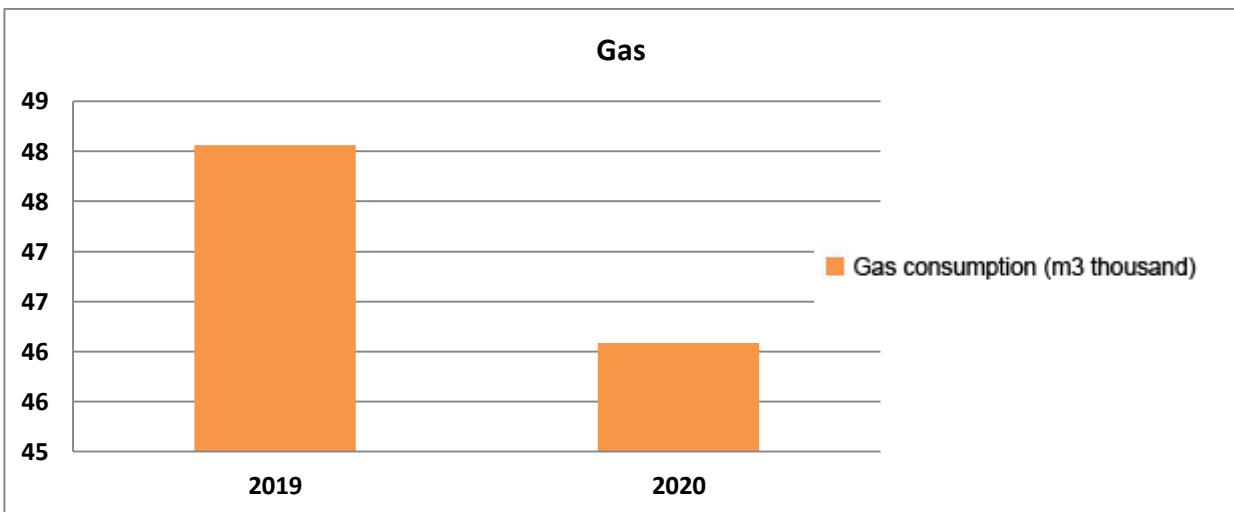


Sustainable development and social responsibility Area F: Environmental Objectives 1. 2. 6.

G. Consumption and emissions from combustion processes (heating)

G.1 Cvíkov plant natural gas: the savings are insignificant and can be attributed to the effect of outdoor temperatures in winter rather than anything else

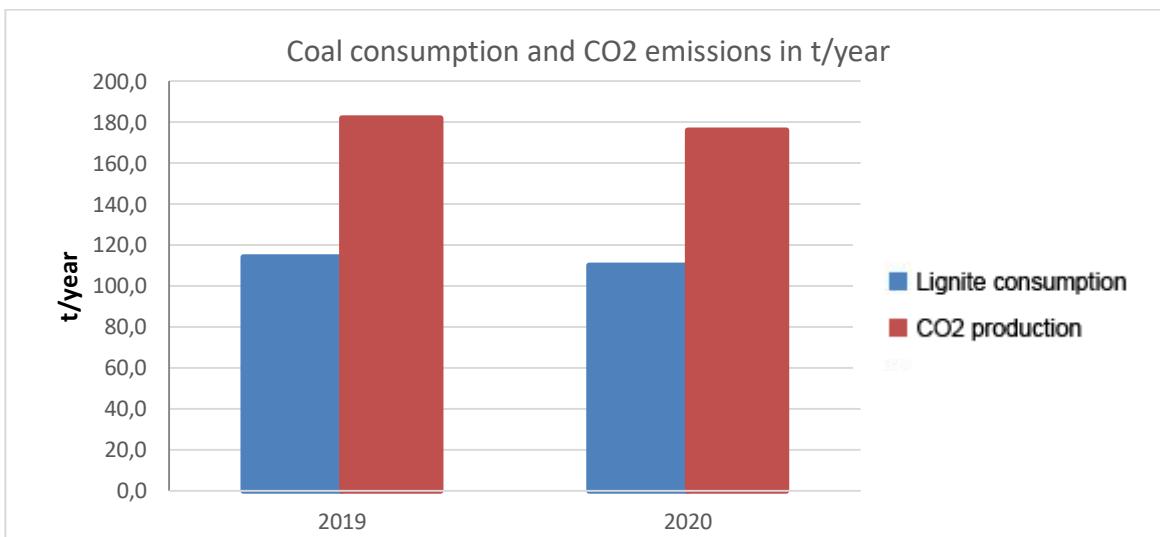
	2019	2020	year-on-year savings in %	year-on-year savings per unit of production %
m ³ /year	48,066.1	46,085.62	4.12%	1.55%
Heat GJ/year	1,608	1,541	4.16%	1.58%
Nox emissions in t/year	0.054	0.052	3.70%	1.04%
CO t/year	0.002	0.002	0.00%	0.00%



Sustainable development and social responsibility in this area: Environmental Objective 3. Objective 4.

G.2 Ralsko plant: lignite coal, Ekoefekt 190 kW automatic boiler

The construction of the plant in the industrial park of the small town was completed in 2014, but the gasification project foreseen by the Municipal Plan has not yet been started. An Ekoefekt 190 kW automatic coal-fired boiler, emission class 4, was chosen for heating in accordance with the applicable law.



	2019	2020	year-on-year savings in %	year-on-year savings per unit of production %
Consumption in t/year	114	110	3.50%	0.09%
CO2 emissions in t/year	181.91	175.53	3.50%	0.09%

Sustainable development and social responsibility in this area: Environmental Objective 5.

H) Water is only used for **drinking, the social amenities and showers**. In both plants, sewage is drained into a public sewerage network connected to a water treatment plant. In the Cvíkov plant, rainwater is drained into the rain sewer network, and in the Ralsko plant, it is conducted to an outdoor percolation tank.

Water consumption m³:

	2019	2020	Absolute year-on-year savings in %	Year-on-year savings in % per employee
m ³ /year	1,407.000	1,388.000	1.35%	
m ³ per employee	10.906	11.965		- 0.97%

The company has noticed a slight increase in water consumption per employee, probably due to the exceptional annual temperatures, and it is taking minor measures to avoid water wastage, including installation of urinals with automatic flushing, two-stage toilet flushing, diligent maintenance of water mains, etc., and raising awareness among employees.

I) The production activity does not generate any light emissions, noise emissions, emissions of dust or odours The company did not cause any local pollution.

4.0 CORPORATE SOCIAL RESPONSIBILITY

Sustainability is often associated with local and global environmental issues, but these only form the environmental pillar of sustainability. Social issues were also identified as part of the significance analysis and are communicated both internally, mainly to our employees, and externally within the relevant economic environment (market) and in the nearby region.

The other part of sustainability concerns a group of **socio-economic issues, i.e., culture, society, economy**.

We take our shared responsibility seriously and adopt an active approach in the following areas:

- **Occupational health and safety**
- **Equal opportunities and diversity**
- **Education, support, promotion**
- **Employee satisfaction**
- **Fiscal transparency**
- **Creating regional values**
- **Working conditions within the supply chain**



Respect is one of the core values of our family members and Intedoors is aware of its responsibility as a family employer. Employees, including our closest colleagues, are our most valuable asset.

Occupational health and safety

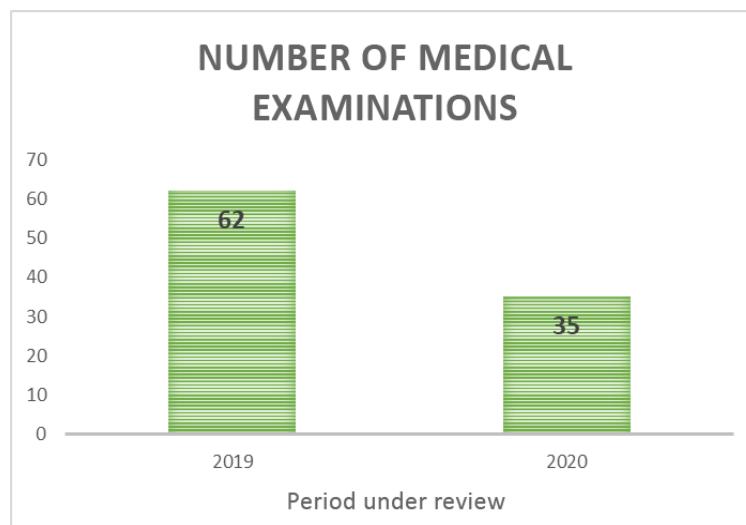
Prevention is a central topic in health protection, allowing employees to work **without being exposed to stress**. Intedoors applies the following principles in this respect:

- No night or two-shift work
- Extended paid breaks at work
- Overtime work an exceptional phenomenon
- High level of tolerance for employees' need to leave work without giving a reason
- Daily contact of the family members with employees
- Placement of family members within work teams



Once the employment contract is signed, the employee is demonstrably trained in occupational health and safety and fire protection. All employees are required to comply with laws, regulations, instructions and other requirements concerning occupational health and safety, as well as fire protection rules.

Depending on their age and the statutory workplace risk category, all employees are part of the system of periodic medical examinations. The cost of the medical examinations are borne by the employer.



In accordance with the applicable sanitary rules, the company conducts the prescribed authorised noise level measurements at selected workplaces. Employees are required to use protective equipment. Visitors to the production plants are also required to comply with safety rules. The company conducts annual safety reviews for each workplace (workplace surroundings, condition of the machinery and electrical parts) and evaluates and adopts measures when deficiencies are identified.

Number of work accidents in the company: 2020/0 and 2019/2. Absence from work due to treatment in 2019 1,856 hours/0.95% of the total hours of work (195,399)



Company Director Yvona van Wassem Langer in a meeting with employees

Employee satisfaction

Employee satisfaction is extremely important to us; it is the basis of our successful business activities.

Our approach to comprehensive employee satisfaction and loyalty relies in its entirety on the benefits of a small family business. The top management, family members and employees all know each other personally not only from work, but also from personal and family life: we all come from small towns in the region.

A sensitive approach is a rule of thumb in all interpersonal situations and it may help eliminate friction both in the workplace and in private life.

Work-life balance

- we allow flexible working hours at all workplaces where this is possible
- we allow home office wherever this is possible (which takes on extra importance amid the COVID-19 situation)
- returning to the old position following the end of parental leave is a matter of course
- we allow part-time work where this is practicable for both parties and possible
- we restrict fixed-term employment contracts and probationary periods to the first time the employee starts with us
- long-term cooperation and fixed-term contracts account for x%
- we do not employ agency staff, we stabilise jobs and reduce fears of job loss

- we take personal interest in the state of health and the course of treatment of employees suffering from serious ailments
- the high economic stability of the company in its history of 21 years contributes to employee satisfaction

Employee benefits

- our employees are compensated fairly and reasonably. The types of compensation are set out in internal rules on remunerations. The compensation package is divided into the regular monthly component (reliability, discipline), performance bonus (quality of work performed), Christmas bonus and extraordinary bonuses (depending on the profit/loss, intended for middle management, evaluated on a quarterly basis). The bonus amounts, depending on the type, are proposed by the employee's direct supervisor and are subject to approval by the top management.
- beyond the scope of its statutory duties, the company provides all employees with an extra paid 15-minute break per day. **In this way all employees are granted an extra 7.8 days of paid leave per year.**
- in the event of urgent emergencies, the company provides interest-free financial loans at the request of the employees concerned

Fiscal transparency

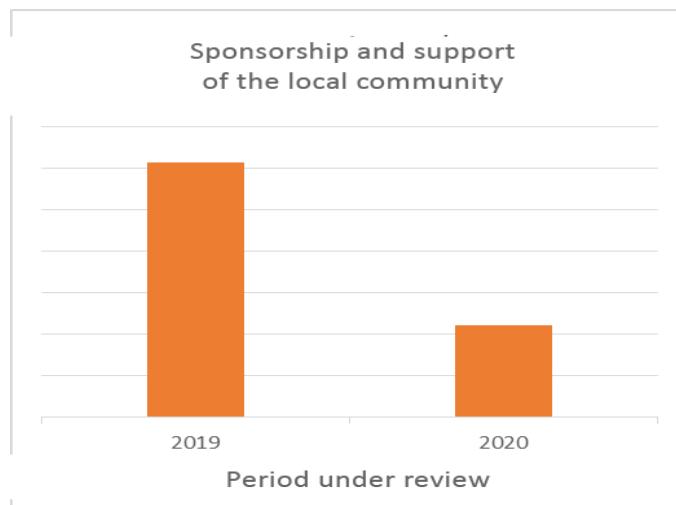
Ever since its establishment in 1999, Intedoors has complied with its statutory duty to disclose its annual financial reports as well as any changes in owners and executives, any amendments to the articles of association, etc. on the public portal of the Ministry of Justice

[https://or.justice.cz/ias/ui/rejstrik-\\$firma?nazev=intedoors](https://or.justice.cz/ias/ui/rejstrik-$firma?nazev=intedoors) throughout its history, Intedoors has complied with all its tax obligations in a timely manner.

Note In 2014, the Czech Government approved an investment incentive for Intedoors in the amount of EUR 2.8 million for an investment the company previously covered using their own funds. This gives the company an opportunity to apply a tax credit on the generated profit above a certain minimum limit. The possibility to use the tax credit ends in 2026; the theoretical amount of relief granted is EUR 1.1 million, the relief has so far been used to below 10%.

Donations

are aimed at promoting children's health, local children's activities and children's sports. The year-on-year decrease in donations was due to the restrictions associated with the pandemic. Contributed in 2019/EUR 2,380; 2020/EUR 857.



Supported entities:

Lukáš Ducke, a disabled child, Cvikov - medical aids / Zdravotní Klaun o.p.s. - for children in hospitals / Cvikováček Youth Centre - activities of local children / IV Nakladatelství - Anetka needs help, Péťa needs help / SK Cvikov - children's sports activities / Plavecký klub Česká Lípa - swimming for children

2019 Fairytale forest



Final word.

This CSR report is a public report, it is presented on the Intedoors website www.intedoors.cz in the section "About us" in both Czech and English versions. The report is intended primarily for all employees of the company, all business partners, but also for the general public and municipalities in the region. The report provides a transparent and true picture of ensuring social responsibility and sustainable development in all aspects of the activities of our family business over the past year and sets future goals for the field of environmental protection.

Yvona van Wassem Langerová

Director

June/July 2021