



POLICY OF INTEGRATED MANAGEMENT SYSTEM IN TŽ-MS

The key business activity of the companies TŘINECKÉ ŽELEZÁRNY, a.s. and MORAVIA STEEL a.s. is the production and sale of metallurgical products, where their finalisation and added value is increased. An integral part of business activities is continuous quality improvement, reduction of environmental burden including activities to reduce greenhouse gas emissions, climate protection aimed at achieving carbon neutrality, application of circular economy principles, care for employee health and action plan for optimal improvement of EnMS, leading to improvement of energy efficiency and achievement of target energy values. Being aware of the social responsibility towards all stakeholders and taking a proactive approach to the sustainability of both companies and the region, the following principles are defined in the different areas of the strategic framework:

A. PARTNERSHIP

Customers, our material processors and suppliers are considered partners participating in the quality of our products. The focus is on the current and future requirements of customers and processors. The emphasis is placed especially on the extension of cooperation with these partners especially in the area of most demanding products like wire, special bar steel and the products thereof, rails and seamless tubes.

Partnership with suppliers of major commodities, services and energy makes it possible to plan responsibly and react to the immediate situation inside and outside the metallurgical plant.

We respond to the requirements of partners, including state and regional authorities, to reduce the environmental impacts of used technologies and products and gradually remove the old environmental burdens of TŘINECKÉ ŽELEZÁRNY, a.s. Our endeavour is to follow the safety program for the prevention of major accidents, to prevent damage to the health of employees of the partner companies on the grounds of TŽ-MS. We provide all relevant information to our partners.

We also apply the principles of partnership to employees and social partners. By strengthening the elements of cooperation, mutual trust, information sharing, we strengthen the awareness of co-responsibility for the performance of production tasks according to customer requirements and co-responsibility for ensuring the safety of work and products.

B. TECHNOLOGY

The development of production base, technological and research activities are aimed at continuous improvement of product quality, introduction of new products and production technologies so that:

- the present and future requirements of customers and processors for the quality of deliveries are respected,
- the requirements for products in the regulated sphere (construction, pressure vessels) are met,
- raw materials, materials and energy are used efficiently and their consumption is reduced with the expected positive impact on the production of greenhouse gases in the context of climate protection,
- also take into account the energy demands of energy-saving process technologies
- and devices in multi-variant choices,
- the amount of generated waste was reduced and the share of their mainly material utilization was increased in accordance with the principles of circular economy,
- total negative impacts of production on health and life of people, environment and property are preventively reduced,
- the occurrence of major accidents and their impact on the health and life of humans, the environment, property and business results are minimized.



C. PEOPLE

The basis for providing qualified staff for TŽ-MS is the effective cooperation with state, regional and private schools, especially of technical focus. The staff training system provides for the needs of all existing and prepared development projects with the simultaneous suppression of unwanted fluctuations of key employees. Increasing intellectual capital is an essential approach to human resource management, leading to an increase of:

- qualification, knowledge and abilities of employees at all the executive and management positions,
- awareness of responsibility for quality and safety of products,
- awareness of responsibility for their health, co-worker's health and work environment,
- environmental awareness with the aim of prevention focused on decrease of environment pollution,
- standard of prevention of serious accidents at all the management levels,
- awareness of the need to effectively manage energy and avoid its waste.

D. MANAGEMENT

Both manufacturing and support activities are subject to reinforcement of the principles of a process approach focusing on prevention, which, in conjunction with project management and teamwork at all levels, are the basis for improving all certified management systems.

The manufacturing processes, as the largest consumers, are planning their production with a view to optimizing their energy consumption in order not to exceed the set target values in ensuring compliance with both the labour and the overall environmental requirements.

The management system in the TŽ-MS Group responds to the changing business environment by optimizing management and production processes, in particular through the introduction of progressive planning systems, automation and robotics. The finalization of production processes is based on a zero-defect strategy, zero-delay in deliveries, especially for deliveries to automotive and petroleum industry.

Emphasis is placed on internal and external communication with involved parties of the results achieved. Conditions are created for the wide involvement of employees in the issues of integrated system improvement, incl. energy savings and their active approach is required.

TŽ AND MS MANAGEMENT COMMITMENT

ALL MANAGEMENT MEMBERS WITHIN THEIR COMPETENCES:

- provide sufficient human, material, financial and information resources to ensure the objectives, reviews their availability and adequacy and guarantees their efficient use
- adopt decisions exclusively in accordance with legal regulations and standards and principles of sustainable business,
- leads and motivates employees to work safely and to improve all aspects of the integrated system.

COMPANY MANAGEMENT EXPECTS THE MANAGERS TO:

- comply with the Company's Code of Conduct, in particular the prevention of corruption and respect for human rights,
- carry out the work activities by safe working practices,
- develop this Policy into measurable goals,
- elaboration of objectives into improvement programs in order to increase the level of the integrated management system and eliminate the causes of process risks.



COMPANY MANAGEMENT EXPECTS THE COMPANY EMPLOYEES:

- to adhere to work and technology practices with active access to continuous improvement of the work of individuals and teams that leads to meeting goals and reducing costs at all workplaces,
- are not indifferent to wasting of electricity, water, gases and all other types of energy in workplaces,
- to work in a way that does not endanger their health and the health of their co-workers,
- that they will act in accordance with the Conduct Principles of Třinecké železářny, a.s., with the legislation and will take into account the legitimate interests of the employer and co-workers.

**THIS POLICY OF INTEGRATED
MANAGEMENT SYSTEM IS FURTHER
ELABORATED INTO THE IMS OBJECTIVES
IN TŽ-MS**