



20  
23

# CORPORATE SOCIAL RESPONSIBILITY REPORT



**TŘINECKÉ ŽELEZÁRNY**

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## 01

# INTRODUCTORY WORD

**Roman Heide**

Managing Director of Třinecké železářny

**Dear friends,**

Allow me to introduce the Corporate Social Responsibility Report of Třinecké železářny for 2023. The publication is a summary of our company's key activities in the field of sustainable business, where our company, in accordance with the requirements of the Green Deal for Europe, is spending considerable resources to achieve the set targets in the field of reducing CO<sub>2</sub> emissions and other pollutants.

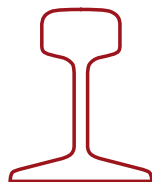
Our efforts encompass environmental, social and economic management. In order for Třinecké železářny to achieve long-term success and contribute to positive social and environmental change, it is important that it integrates sustainability into its strategic planning and day-to-day operations. Sustainable business is therefore an integral part of our corporate strategy. Whether it is environmental protection through emission reduction, waste minimization, resource efficiency, social responsibility through employee support, community involvement or ethical business practices, or economic sustainability in long-term financial stability, risk management and innovation. The steel industry has been part of the region for 185 years. The honest work of local people and the continued development of the metallurgical industry are firmly rooted in our corporate culture and are key factors in our long-term growth. Třinecké železářny has always been a guarantee of quality and responsible business. The motto "Together for the generations to come" describes our commitment to sustainable development and care for future generations.

02

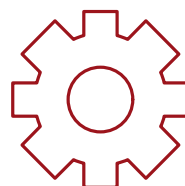
# INTRODUCTION OF THE COMPANY



**1839**  
year of foundation



**2,500,000 t**  
steel / year



**Largest**  
steel producer  
in the Czech  
Republic

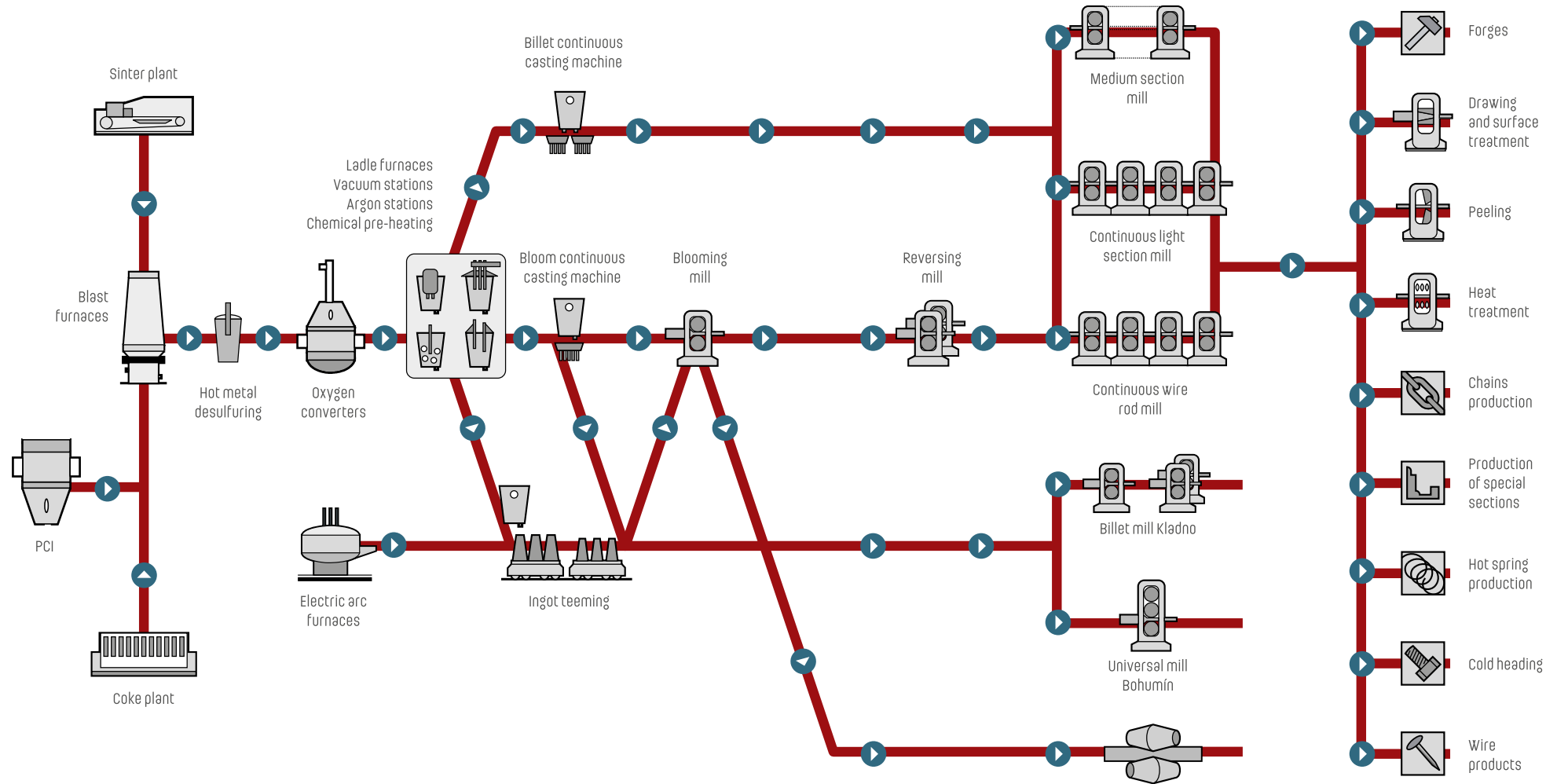


**6,800**  
employees



**28**  
subsidiaries

## MATERIAL FLOWS AND TECHNOLOGIES

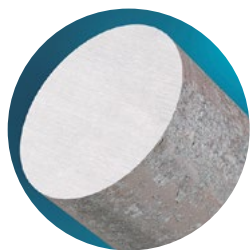


## **IMPORTANT SUBSIDIARIES OF TRINECKÉ ŽELEZÁRNY, WHICH ARE PART OF THE ESTABLISHED PRODUCT CHAIN, INCLUDE:**

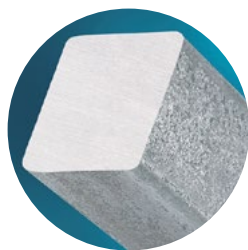
**Strojírny a stavby Třinec, a.s.,  
Slévárny Třinec, a.s.  
ENERGETIKA TŘINEC, a.s.,  
Řetězárna a.s.,  
REFRASIL, s.r.o.,  
VÚHŽ a.s.,  
Šroubárna Kyjov, spol. s.r.o.,  
HŽP a.s.,  
METALURGIA S.A.,  
„D&D“ Drótáru Zrt.,  
ŽDB DRÁTOVNA a.s.  
IMOPRA s.r.o.  
BOHEMIA RINGS s.r.o.  
ENEZA, s.r.o.  
VESUVIUS ČESKÁ REPUBLIKA, a.s.**



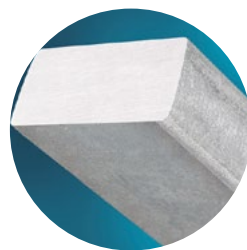
## MAIN PRODUCT



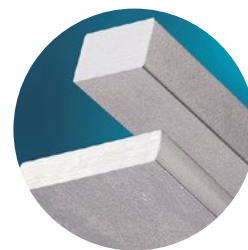
continuously cast semis



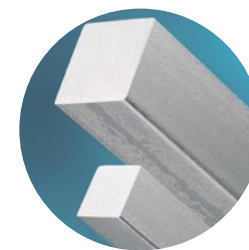
blooms



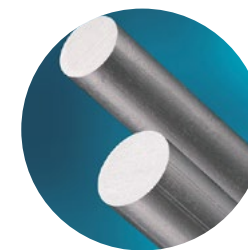
slabs



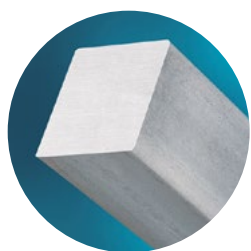
flat steel



squares



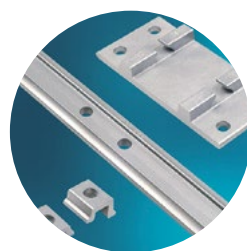
round steel in coils and bars



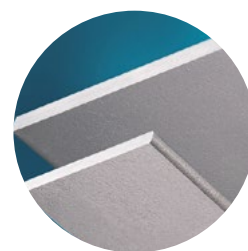
billets



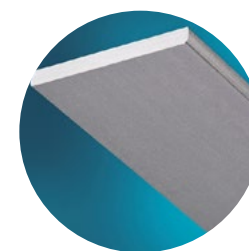
railway rails



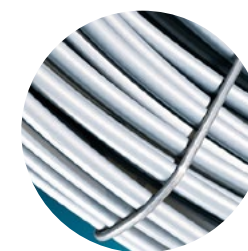
railway superstructure accessories



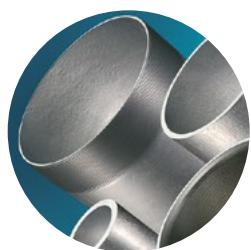
wide steel



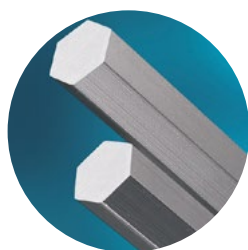
spring steel



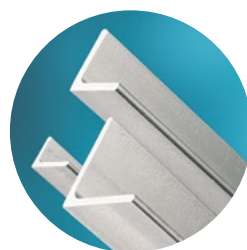
steel bars



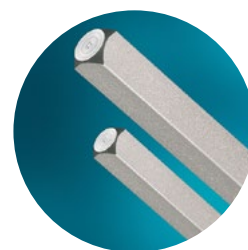
seamless tubes



hexagonal steel



angles



drawn square steel



artificial aggregate



coke-chemical products

## EXAMPLES OF FINISHED PRODUCTS FROM OUR PRODUCT CHAINS



SBQ



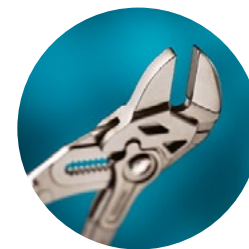
peeled bars



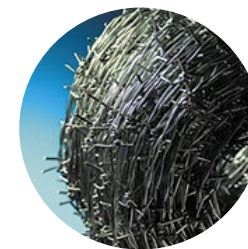
fasteners



socked wrench



tongue groove pliers



barbed wire



chains



tongue rails



bearings



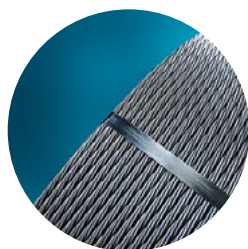
flanges



cogwheels



freecutting steel workpiece



ropes



springs



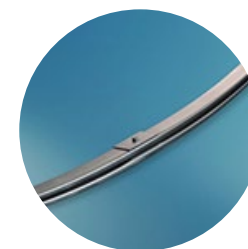
refractory



forgings



cableway ropes



leaf spring for trucks



03

# OUR BUSINESS

WE APPLY THE PRINCIPLES OF SOCIALLY RESPONSIBLE BEHAVIOUR IN THREE AREAS: ECONOMIC, SOCIAL AND ENVIRONMENTAL.



## THE TECHNICAL DEVELOPMENT ACTION PLAN IS PART OF THE BUSINESS PROGRAMME OF TŘINECKÉ ŽELEZÁRNY.

Investments in 2023 were focused on modernisation actions, projects in the field of ecology, activities aimed at reducing operating costs, actions in the field of renewal of existing production equipment and projects of robotization and automation of production processes.

**In total, we invested CZK 1,424 million.**

### THE MOST IMPORTANT PROJECTS OF 2023 INCLUDED:

- Energy-saving measures in the process of making base plates
- Dedusting of the blast furnace bell-less chargers
- Construction of Hot Blast Stove No. 42
- INNOFREIGHT stationary unloading equipment

The strategic goals of Třinecké železářny include the technological development of the company, which is closely related to meeting the demanding requirements of customers. In practice, this means that the company ensures the required quality parameters of semi-finished products by strictly observing technological procedures throughout the entire production process.

An important factor that increases the added value of the final products is the validation, integration and implementation of modern state-of-the-art equipment that significantly reduces production and processing costs or environmental burden. Thanks to these activities, Třinecké železářny ranks first among the major steel producers in Central Europe.

Due to the development of technology and research, we can increase the quality level of our production base, introduce progressive technologies and new products so that they are:

- meet current and future customer requirements and needs focused on the quality of our deliveries,
- the efficient use of raw materials, materials and energy, thus reducing their consumption with an expected positive impact on the production of greenhouse gases in the context of climate protection,
- reducing the volume of waste generated while increasing the proportion of its reuse in line with the principles of circular economy,
- overall reduced negative impacts of production on human health and life, the environment and property,
- minimising the impact of major accidents on human health and life, the environment, property and business performance.

YEAR	2018	2019	2020	2021	2022	2023
<b>INVESTMENTS</b> (CZK mil.)	1 710*	2 195*	1 275*	1 663*	1 859*	1 424*

(\*excluding subsidies)

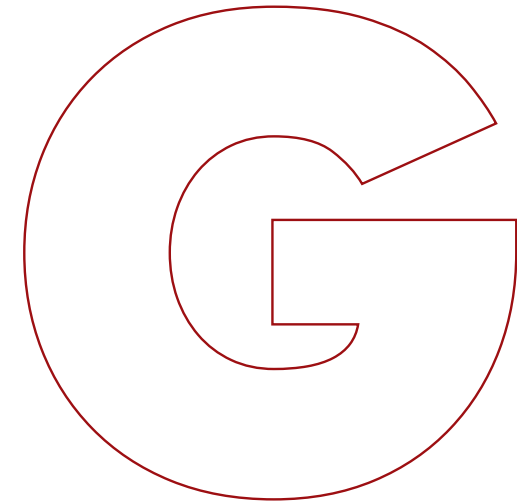
# ESG – WORKING TOWARDS SOCIALLY SUSTAINABLE DEVELOPMENT



**ENVIRONMENT** – a criterion focused on the environment, which includes all the company's activities in caring for the environment and its considerate and sustainable approach to investment.



**SOCIAL** – social area, which is based on the principles of the company's behaviour towards employees, suppliers and other stakeholders. This includes the company's activities to promote health, rights, safety and compliance with working conditions of employees.



**GOVERNANCE** – responsible management of the company. This criterion encompasses the company's management structure and its diversity, respect for rights, information transparency, independence in decision-making combined with managerial skills.

**TŘINECKÉ ŽELEZÁRNY** has long been integrating ESG principles into its visions and strategies through its responsible behaviour and activities. The biggest ESG challenge for steel companies is to comply with the Green Deal for Europe and to actively move towards carbon neutrality with their investment approach.

The company is putting sustainable business principles into practice in the environmental, social and governance (ESG) areas. Preparations have also begun for the introduction of ESG reporting as required by the Corporate Sustainability Reporting Directive (CSRD) No. 2022/2464/EU. A working team has been set up for this purpose and an organisational unit responsible for this area has been identified.

## PROMOTING THE PRINCIPLES OF SOCIAL RESPONSIBILITY IN THE SUPPLY CHAIN

The sustainable business of TŘINECKÉ ŽELEZÁRNY, a.s. is also focusing on our suppliers. The principles of the social responsibility are available to all our suppliers on the company’s website. However, for the great quantity of suppliers are the main activities described below will focused on selected suppliers for automotive industry. **The Supplier Code of Conduct**, a key document, is available on the company's website and is also part of the Quality Agreement, which is concluded with selected suppliers.

**The Quality Agreement** specifies not only the principles for quality assurance of supplies, but also obliges the supplier to ensure that its production and supplies comply with the principles of social responsibility and environmental regulations.

Selected suppliers for the automotive industry are regularly sent **CSR training** in the form of a presentation every 3 years, followed by a **Self-Assessment Questionnaire** to verify the level of social responsibility of the supplier company. Based on the three-step assessment, corrective measures are then recommended/required to the supplier. If the supplier does not achieve an excellent CSR level, the questionnaire is resent to the supplier the following year to review improvements, or the supplier may be subject to an external audit.

The supplier's **CSR status** is also reviewed during the external audit of the Quality Management System (QMS). The „satisfactory“ result have the **100% verified** suppliers.

## EVALUATION OF THE CONCLUSION OF QUALITY AGREEMENTS TOGETHER WITH THE CODE OF CONDUCT

YEAR	2022	2023
Planned	14	12
<b>Closed</b>	<b>12 (71%)</b>	<b>8 (66%)</b>

## EVALUATION OF THE SELF-ASSESSMENT QUESTIONNAIRE CSR AT THE SUPPLIER – YEAR 2023

SELECTED SUPPLIERS	Purchase material	Purchase PS, TRM a ND (works and services, technical and overhead material, spare parts)
Sent	21	35
<b>Returns</b>	<b>13 (62%)</b>	<b>19 (54%)</b>
1. Excellent level CSR	8 (62%)	10 (53%)
2. Good level CSR	3 (23%)	7 (37%)
3. CSR level withs remarks	2 (15%)	2 (11%)

## SWOT analysis – Identification of CSR risks among stakeholders

### STRENGTHS

- Access to CSR information at [www.trz.cz](http://www.trz.cz).
- EcoVadis receives the "silver medal" in the CSR assessment of TŽ, a.s.
- Introduction of the Sustainability process into the integrated system and application of sustainable business principles therein.
- Implementation of EPD certification for individual products in the entire scope of TŽ, a.s.
- Functional "whistleblowing" system for stakeholders based on the legislation of Directive (EU) 2019/1937 of the European Parliament and of the Council of 23 October 2019 on the protection of persons who report infringements of Union law.
- Investment in green projects.
- Guarantee of respect for ethical principles, social responsibility, human rights and protection of employees by stakeholders.
- Transferring the requirements of the document "Principles of Conduct for Suppliers of the TŘINECKÉ ŽELEZÁRNY – MORAVIA STEEL Group (Code of Conduct for Suppliers)" through Quality Assurance Agreements to suppliers.
- Audits at suppliers.
- Implementation of online external audits to reduce carbon footprint.
- Dissemination of CSR principles within the supply chain through CSR training.
- Assessment of CSR levels of selected suppliers through a Self-Assessment questionnaire.
- On-line CSR training from suppliers training events.
- Emphasis on EMS certification according to CSN EN ISO 14001 by stakeholders.
- EMAS system implemented and certified according to Regulation (EC) No. 1221/2009 of the European Parliament and of the Council in public administration (Moravian-Silesian Regional Authority).

### OPPORTUNITIES

- Developing the IT sector to develop CSR in suppliers.
- Enhancing the image, from a CSR perspective, of the entire supply chain.
- Comprehensive and clear information on the website [www.trz.cz](http://www.trz.cz).
- Development of the "Carbon Neutrality" project.
- Implementation of ESG Reporting under CSRD (ESRS) in 2026 for the year 2025.
- Development of CSR at suppliers through external audits.

### WEAKNESSES

- Insufficient IT sector capacity to develop CSR in suppliers (e-learning, portals).
- Reduced flexibility in decision-making and emergency response by government authorities.
- Lack of obligation to apply CSR in the management system of all organisations.
- Reluctance to share CSR information by suppliers.
- Low return rate of CSR evaluation questionnaires from small suppliers.

### THREATS

- Low level and awareness of CSR among new suppliers.
- Reduced level of CSR evaluation of Třinecké železářny, a.s. due to the lack of knowledge of the company by external evaluation companies (EcoVadis, NQC Ltd...).
- Change in the methodology of CSR level assessment by EcoVadis.
- EU approaches towards "Carbon Neutrality" not entirely clear.
- Increase of internal administration related to the application and development of sustainable business.
- Pressure from external stakeholders to report green assets.
- Insufficient capacity of qualified staff in the field of sustainable business.

04

# CARE FOR THE ENVIRONMENT

## CLIMATE PROTECTION

**TŽ PAYS A GREAT DEAL OF ATTENTION TO THE IMPACT ON CLIMATE CHANGE AND THE REDUCTION OF GREENHOUSE GAS EMISSIONS.**

Since 2016, TŽ has implemented an energy management system according to EN ISO 50001:2011. The energy savings achieved for the period 2016-2023 represent CO<sub>2</sub> savings of 180,213 tonne of CO<sub>2</sub>. Other measures to reduce greenhouse gas emissions include, for example, the annual planting of new greenery or the maintenance of extensive existing greenery, in which approximately 100,000 tonne of CO<sub>2</sub> is bound in the long term. Green investments also focus on the construction of photovoltaic renewable electricity sources. Renewable energy is already used to run the company's administrative buildings, i.e. their lighting, air conditioning and other electricity consumption.

At the same time, an ambitious strategic target has been set: to reduce CO<sub>2</sub> emissions by 35% by 2030 compared to 2020, i.e. to reduce direct CO<sub>2</sub> emissions below the 1.85 million tonne threshold. To meet this target, a challenging project to transform steel production technology is being intensively prepared. A plan to achieve climate neutrality by 2050 is also under preparation.

Our steel products, which, as a 100% recyclable material, fulfil the principles of environmental sustainability and are essential for rail transport, wind and hydroelectric power plants and components for the environmentally friendly automotive industry, also contribute to meeting the European Union's climate targets.

The carbon footprint of our production in the SCOPE 1-3 range is approximately 2.15 t CO<sub>2</sub>/tonne of steel, which is a very favourable value for iron and steel production using the traditional ore route.

## PROCLAMATION OF TŘINECKÉ ŽELEZÁRNY TOWARDS CARBON NEUTRALITY

We perceive the danger of climate change and its consequences. We intend to gradually reduce our carbon footprint and continue to take a responsible approach to environmental protection.

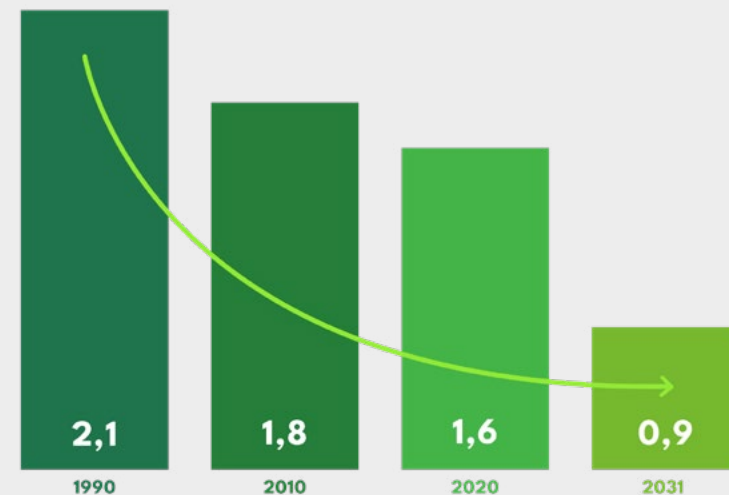
Our steel production has undergone significant changes thanks to investments in the latest technologies and is one of the most environmentally friendly in Europe. All production facilities meet BAT requirements, without any exceptions, and we meet strict environmental limits in protecting air, water and soil every year. We strive for maximum recycling and recovery of by-products and waste generated in our production processes.



There is currently no known commercially viable technology for producing steel without a carbon footprint. We are fully aware of this and are therefore developing innovative projects to reduce it. At the same time, we are implementing partial actions to compensate for the occurrence of emitted CO<sub>2</sub>.

We are continuously innovating our products with the aim of directing steel products from our production lines as far as possible to industries that contribute to reducing the carbon footprint.

94% of our production is sold in European markets, contributing to the reduction of the carbon footprint from transportation.



ANNUAL CO<sub>2</sub> PRODUCTION PER TONNE OF STEEL PRODUCED

## AIR PROTECTION

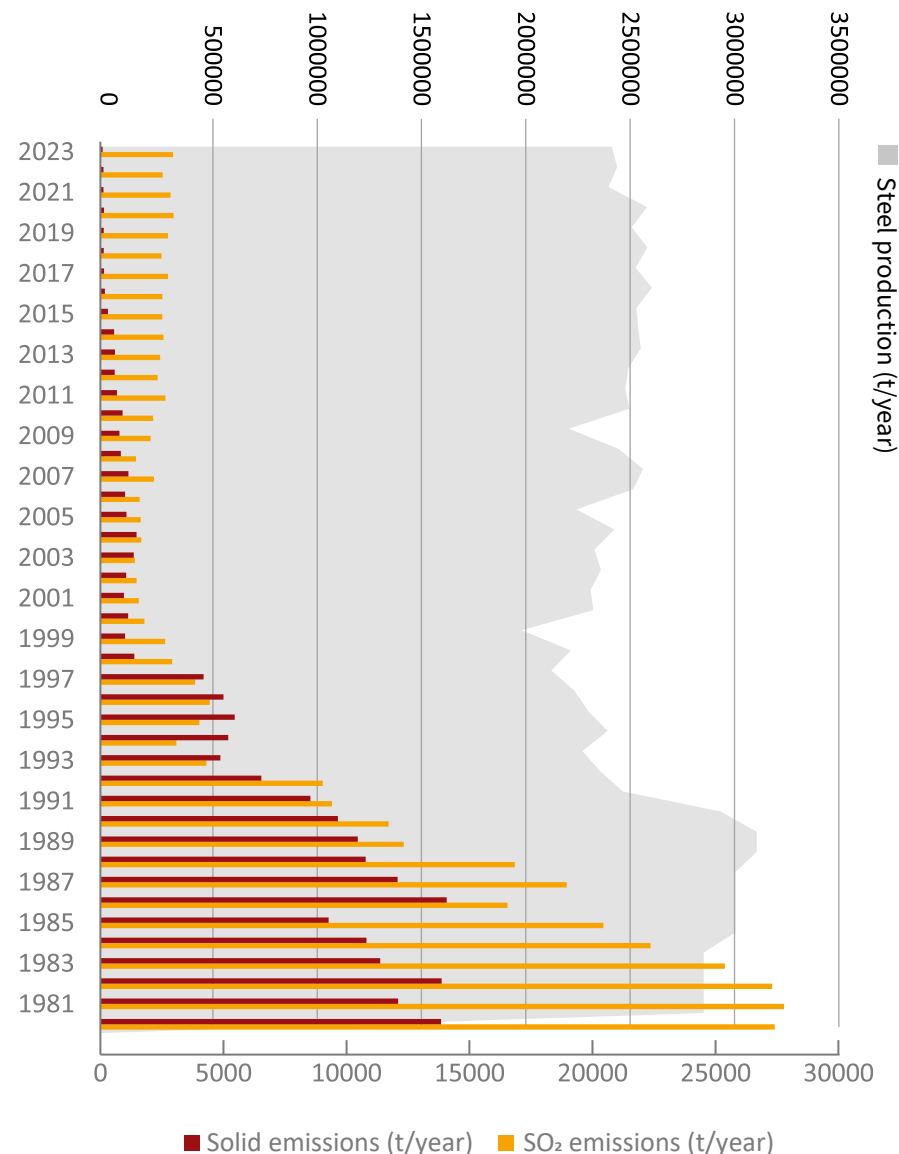
Compared to 2022, TŽ saw a year-on-year decrease in nitrogen oxide emissions and achieved a historic low in particulate emissions. The downward trend in particulate matter emissions is mainly due to a number of environmental investments in the dust removal of air pollution sources made in recent years. On the other hand, the slight year-on-year increase in sulphur dioxide emissions is related to the higher sulphur content of some feedstocks.

In 2023, greenhouse gas emissions monitored on the basis of the monitoring plan approved by the Ministry of the Environment and reported under the EU ETS amounted to 2,536,457 t of carbon dioxide for the Třinec plant and 40,246 t of carbon dioxide for the Sochorá válcovna plant in Kladno. The total amount of greenhouse gas emissions reported under the EU ETS at TŽ for 2023 is 2,576,703 t of carbon dioxide, representing a year-on-year increase of about 1.8% due to higher year-on-year pig iron production.

Emission occurrence in tonnes in 2023 compared to 2022

YEAR	Solid pollutants (t/year)	Sulphur dioxide (t/year)	Nitrogen oxides (t/year)	Carbon monoxide (t/year)	Carbon dioxide (t/year)
2022	119	2 525	1 482	60 961	2 532 338
2023	84	2 946	1 013	61 718	2 576 703

## AIR PROTECTION – LONG TERM DEVELOPMENT





## EMISSIONS PER UNIT OF PRODUCTION IN 2023 COMPARED TO 2022

YEAR	Solid pollutants (kg/t of steel/ year)	Sulphur dioxide (kg/t of steel/ year)	Nitrogen oxides (kg/t of steel/ year)	Carbon monoxide (kg/t of steel/ year)	Carbon dioxide (t/t of steel/ year)
2022	0.05	1.04	0.61	24.98	1.04
2023	0.03	1.22	0.42	25.55	1.07



## WATER PROTECTION

Water protection is a very important element in the environment. Throughout the TŽ Group, the focus is on water efficiency. The operation of closed water circuits for the recirculation of industrial water eliminates the amount of wastewater discharged to the minimum necessary.

The amount of industrial wastewater discharged by TŽ into the Olše watercourse shows a slight reduction in 2023 compared to 2022. In the long term, the water management status of TŽ is stable. The level of wastewater pollution is at a sustainable level with regard to the fulfilment of the established limits of permitted pollution.

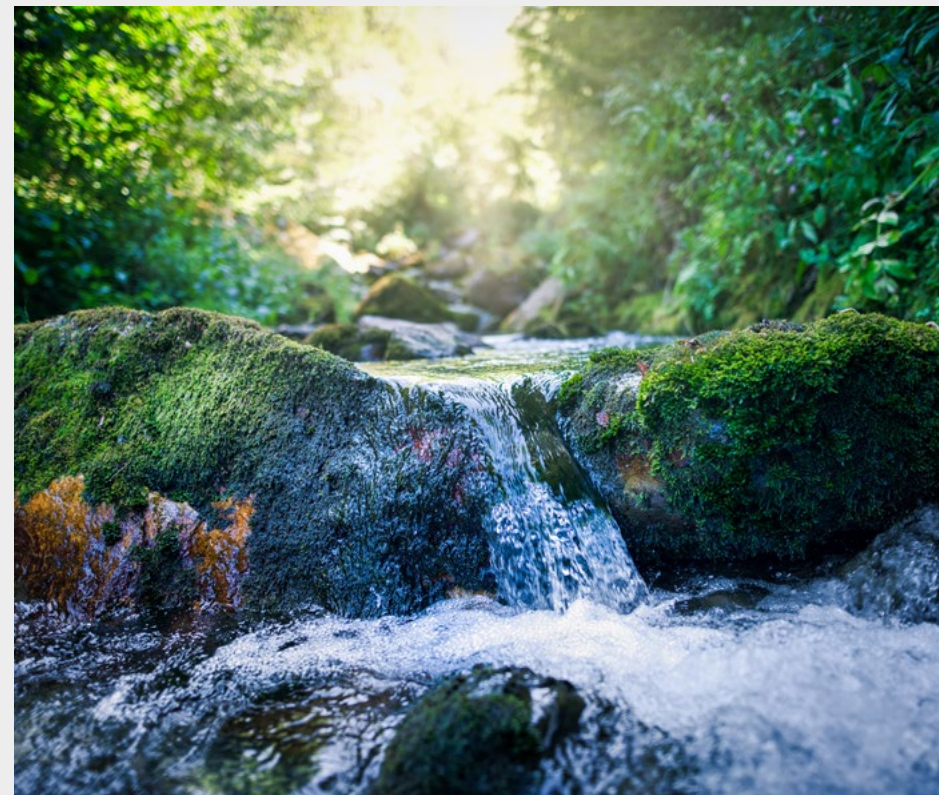
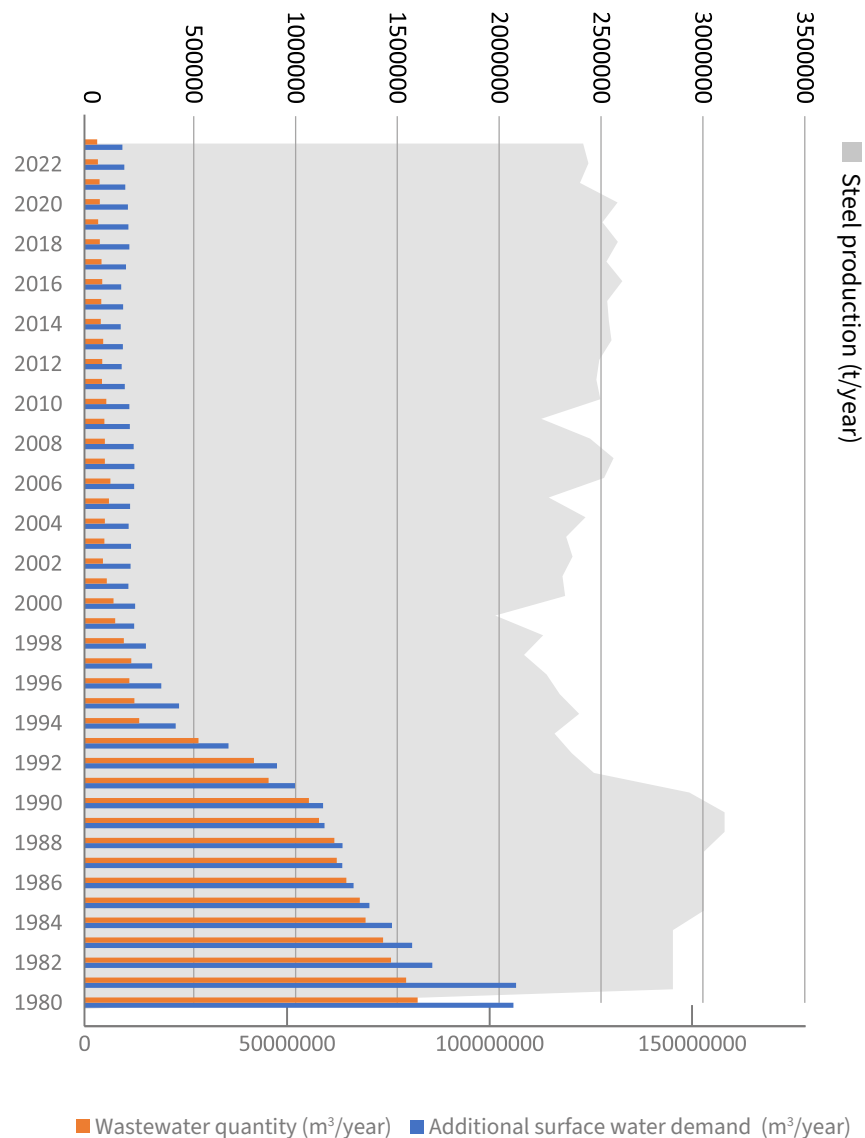
During 2023, no emergency situation caused by the TŽ resulted in deterioration or endangerment of groundwater or surface water quality.

## POLLUTION DISCHARGED TO THE WATERCOURSE IN 2023 COMPARED TO 2022

YEAR	Volume of wastewater (m <sup>3</sup> /year)	Undissolved substance (t/year)	C <sub>10</sub> – C <sub>40</sub> hydrocarbons (t/year)	Dissolved inorganic salts (t/year)	Chemical oxygen consumption using dichromatic method (t/year)	Total iron (t/year)
2022	3 311 703	25.6	0.11	1 864	44.7	3.0
2023	3 108 771	29.3	0.21	1 862	46.1	2.4

Note.: refer to the TŽ area in Třinec

## AIR PROTECTION – LONG TERM DEVELOPMENT



### THE AMOUNT OF INDUSTRIAL WASTEWATER DISCHARGED TO THE ENVIRONMENT PER UNIT OF PRODUCTION IN 2023 COMPARED TO 2022

YEAR	Wastewater volume (m³/t of steel produced/year)
2022	1.36
2023	1.29

## WASTE MANAGEMENT

**The production of steel and its finishing into long rolled products cannot be carried out without the generation of a number of by-products such as slags, scale, metal bearing sludge, various types of metallic grind offs, returnable technological scrap, etc.**

In accordance with the principles of the circular economy, TŽ aims to maximise the use of these by-products in metallurgical production or to process them into certified products such as artificial metallurgical aggregates, which in many cases fully replace natural aggregates.

Only those by-products that cannot be reused or processed in TŽ are passed on as waste to other contractual customers for recovery or disposal. In selecting waste buyers, TŽ emphasises the hierarchy of waste management priorities, giving priority to buyers who can make meaningful use of the waste they take over. The last priority is disposal by landfill.

The main reasons for the lower production of waste in the "Other" category are the lower volume of metallurgical production compared to the previous year, the maximum use of production residues back in metallurgical production or their recovery in the form of certified products, but also the lower level of repairs of production units associated with their production. Hazardous waste generation remained at approximately 2022 levels.



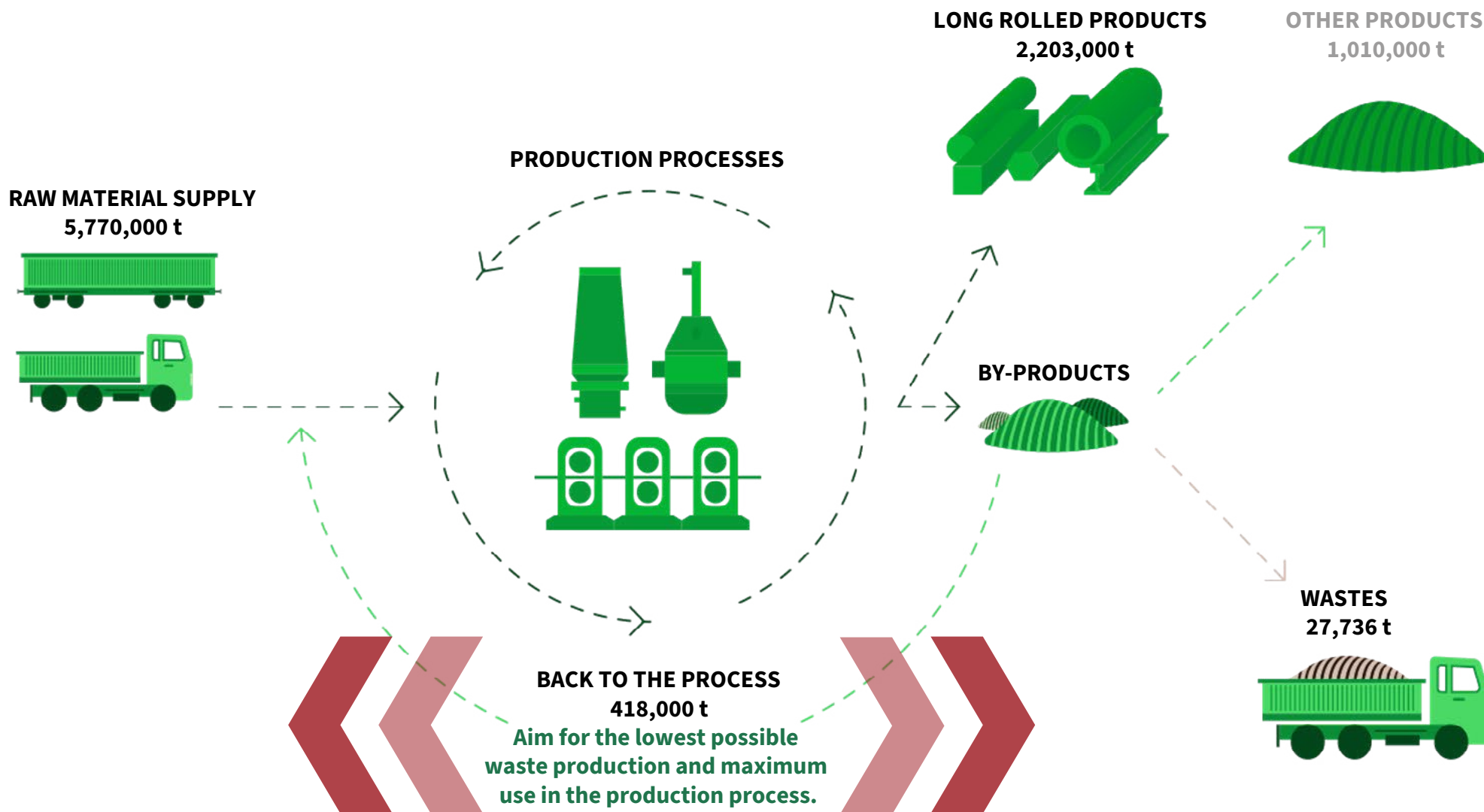
**TAKING ALL THE ABOVE INTO ACCOUNT, THE TOTAL WASTE GENERATED IN TŽ IN 2023 WILL BE 27 736 TONNES, A DECREASE OF 26 693 TONNES COMPARED TO 2022.**

Specifically, 12,865 tonnes of other waste and 14,871 tonnes of hazardous waste were generated in TŽ in the year under review.

The waste indicator per tonne of steel produced in 2023 was 11.37 kg/tonne of steel.

The above figures confirm the positive trend in TŽ's waste production.

## CIRCULAR EKONOMY



## THE AMOUNT OF TŽ WASTES IN 2023 COMPARED TO 2022

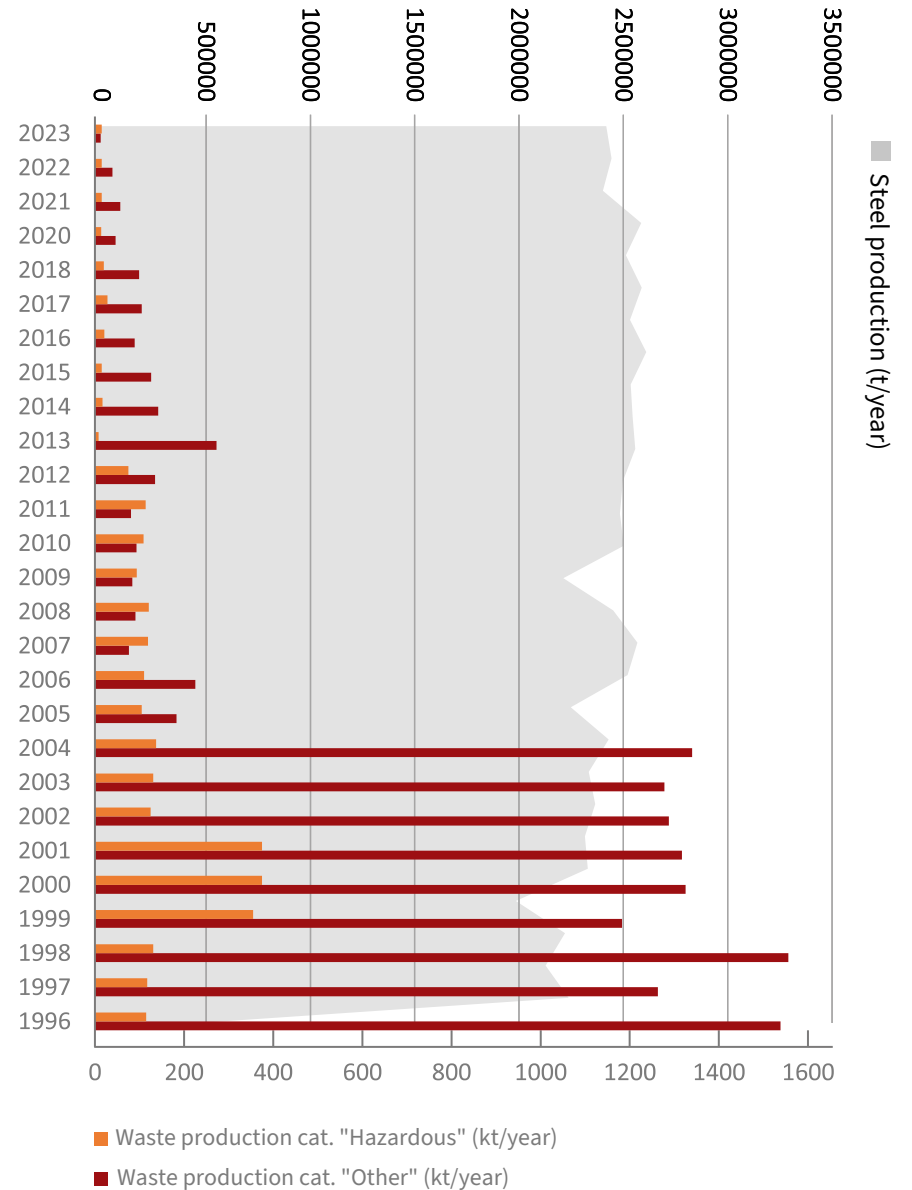
YEAR	Steel production	Production of waste category "Other" t/year	Production of waste category "Hazardous"
2022	2 440 214	39 395	15 034
2023	2 415 191	12 865	14 871

## WASTE PRODUCTION PER UNIT OF PRODUCTION IN 2023 COMPARED TO 2022

YEAR	Steel production	Production of waste per tonne of produced steel category "Other" t/year	Production of waste per tonne of produced steel category "Hazardous" t/year
2022	2 440 214	0.016	0.006
2023	2 415 191	0.005	0.006

From a circular economy perspective, of the total amount of by-products generated in 2023 as an integral part of production, 68% were processed into products, 28% were used back in the production process, about 3% were stored for further disposal and only 1% were disposed of as waste.

## WASTE MANAGEMENT – LONG TERM DEVELOPMENT



## PACKAGING

**The production of packaging is due to the need to package our products before they are shipped.**

For this reason, TŽ falls under the scope of the Packaging Act and must ensure the take-back and recovery of packaging waste. The fulfilment of this obligation is ensured by participation in the system of associated fulfilment of the obligations of take-back and recovery of packaging waste, which is provided by the authorised packaging company EKO-KOM, a.s.

The amount of packaging used by TŽ to package its products in a given year and the type of packaging depends on the size of sales and customer requirements for packaging.

Compared to the previous year, there was a positive reduction in TŽ's total packaging production by approximately 2.5%. In general, 2023 can be assessed as comparable to previous years in terms of the quantity and range of packaging used.

### PACKAGING PLACED ON THE MARKET IN 2023 COMPARED TO 2022

YEAR	MATERIAL OF PACKAGES (t/year)				Total
	Metal Fe	Plastic	Wood	Others	
2022	3 083	34	6 950	178	10 245
2023	3 124	45	6 765	165	10 098



## CARE FOR NATURE AND LANDSCAPE

Every year, TŽ spends considerable financial resources on the maintenance, development and planting of greenery on its premises and in its surroundings. It also strives to support the development of species diversity in the long term.



In 2023, TŽ financially supported the planting of forest greenery in the Beskydy Protected Landscape Area with the amount of CZK 50 thousand. For this amount, 2000 fir trees from the forest nursery in Košariska were planted by the organisation of the Czech Union of Nature Conservationists ČSOP Salamandr near the nature reserve Gutské peklo under the Javorový vrch in the Moravian-Silesian Beskydy. Missing tree species with valuable Beskydy genetic origin were planted. Not only TŽ employees, but also students of the Secondary Vocational School of Třinecké železářny and the Polish Gymnasium in Český Těšín helped with the planting as part of the volunteer day.



On the occasion of Earth Day in April, a clean-up of the banks of the Olše River flowing through the company's premises for about 6 km took place with the participation of students from the Třinecké železářny Secondary Vocational School. A total of 1.48 tonne of rubbish was collected.



As in previous years, all nest boxes on the company's premises were cleaned in 2023 in cooperation with the fire brigade. Our aim is to provide new nesting opportunities for wild birds.

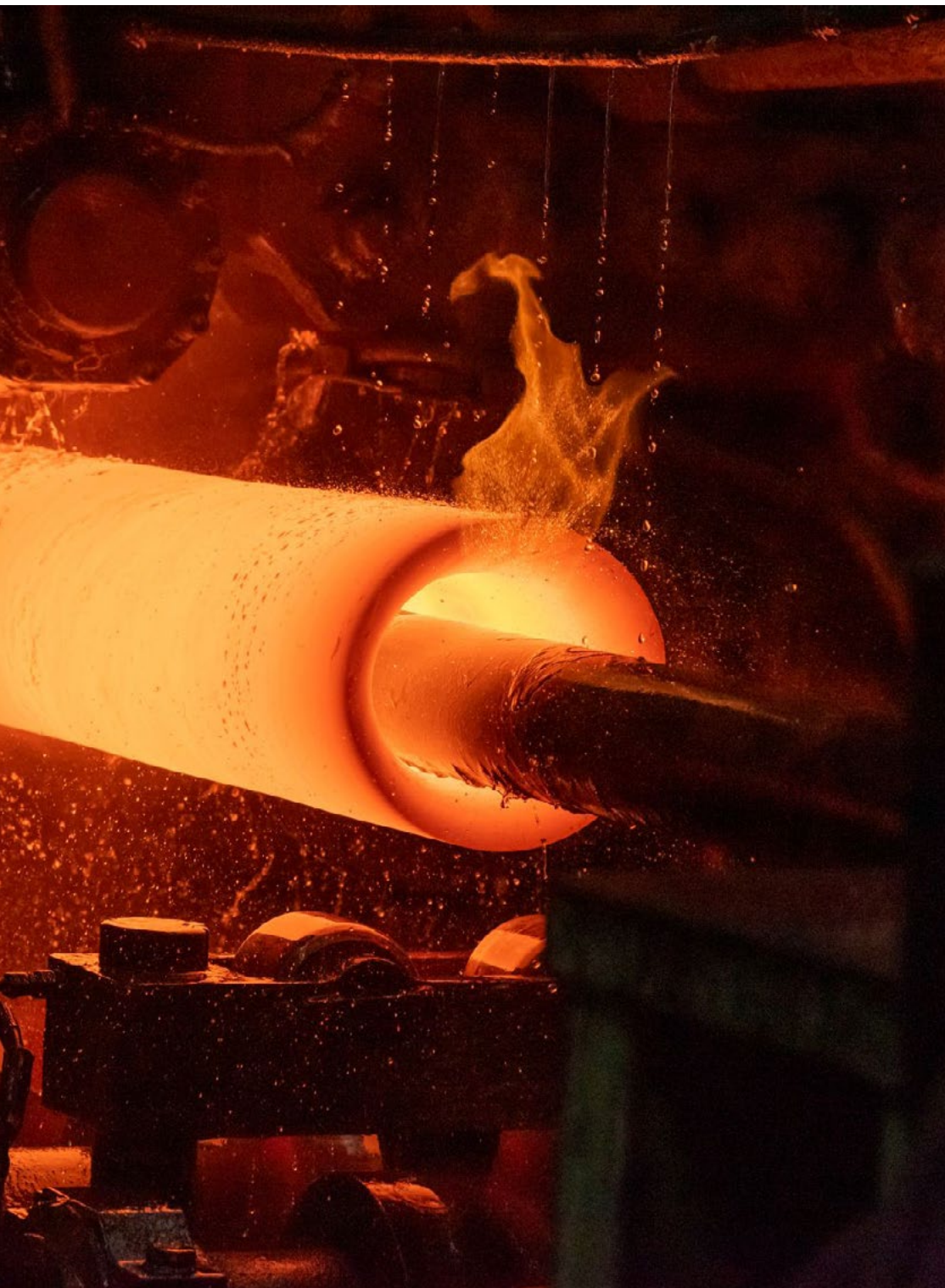
## OLD ENVIRONMENTAL BURDENS

**Removal of old environmental burdens has been carried out at TŽ since 2003. The remediation works are carried out in accordance with the terms of the guarantee from the so-called ecological contract No. 185/97, as amended, concluded with the Ministry of Finance of the Czech Republic. In 2023, the main remediation action "TŘINEC-TŽ-SANACE" was completed, within the framework of which a total of 24 contaminated sites on the TŽ premises were gradually remediated. The target pollution limits set by the ČIŽP were achieved at all these sites.**

New additional findings or contaminated sites discovered during the remediation are dealt with by separate contracts fully covered by the above guarantee. These are the residual groundwater contamination on the left bank of the Olše River along Závodní Street, intensification of hydraulic groundwater remediation at the Railway accessories centre and remediation and treatment of the bottom of the dammed Líštnice stream, including the mouth of the Olše River. Remediation work on the banks of the Olše River and at the Railway accessories site has been actively ongoing since 2023. The remediation of the Líštnice stream is currently in the phase of preparing project documentation.







## HANDLING OF CHEMICALS AND MIXTURES, REACH

**As a manufacturer of steel and production-related substances, we are obliged to comply with the obligations set out in Regulation (EC) No 1907/2006 of the European Parliament and of the Council on the Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH) and Regulation (EC) No 1272/2008 on the classification, labelling and packaging of substances and mixtures (CLP).**

The registration of substances manufactured in TŽ took place in 2010. The registration dossiers of the registered substances are continuously updated within the framework of the membership of the individual consortia according to the requirements of ECHA. These updates may affect changes in safety data sheets, strictly controlled conditions, etc. They are therefore monitored and incorporated into the dossiers in question. Furthermore, the manufacturer's obligations include communication in the supply and use chain. Information on substances of very high concern (SVHCs), on substances banned in articles, registration numbers and other information requested by the customer shall be provided at the request of customers. The management of chemicals and mixtures at TŽ's sites is monitored through regular internal controls that assess compliance with CLP, REACH and other chemical and mixture legislation, including occupational safety.

## ENERGY MANAGEMENT

**An integral part of TŽ's policy is the effort to continuously reduce energy consumption, which in practice is manifested by the gradual replacement of outdated production equipment with modern, lower energy consumption and maximum energy use of by-products of the company.**

At Třinecké železářny, we use an energy management system according to EN ISO 50001, which was certified in 2016. In 2023, the system was audited according to EN ISO 50001-2019, not only at the Třinec site, but also at the separate sites (Tube Rolling Mill, Steel Drawing Mill, Billet Rolling Mill), which were expanded in 2017. In 2024, we will again have a control audit.

The metallurgical gases generated in the coke, pig iron and steel production process were 94.31% energy recovered on average in 2023.

The specific electricity consumption in 2023 was 298.28 kWh per tonne of steel produced.

The actual technological energy intensity in 2023 was 20,531.18 MJ per tonne of steel produced.



## ENVIRONMENTAL PROJECTS

The following ecological investment projects were completed in 2023:

- **Dedusting of the bell-less chargers at blast furnaces No. 4 and No. 6**  
Environmental benefit: Reduction of dust emissions on both blast furnaces.
- **Energy-saving measures in the base plate production process**  
Environmental benefit: The new milling line increased security against coolant leaks. The line is designed so that any coolant leaks are captured in a catch basin.
- **Benzol station – heat exchangers phase II**  
Environmental benefit: Thermal energy savings

The total cost of completed environmental investment actions in 2023 amounted to CZK 210.48 million.

In 2024, Třinecké železářny will continue the following environmental projects:

- **Reconstruction of fabric filter No. 3 at the sinter plant**  
Environmental benefit: Reduction of dust emissions from the outdoor sinter overflow at sinter plant 1. By increasing the extraction capacity, dust release to the surrounding area was minimised.
- **Construction of preheating media for the hot blast stoves of Blast Furnace No. 4**  
Environmental benefit: Reduction of energy consumption by using the thermal energy of the outgoing flue gas.
- **Iron ore briquetting line**

Environmental benefit: Production of blast furnace charge in a cold way without CO<sub>2</sub> emissions.

- **Transformational decarbonisation project:**
  - **Modernisation and decarbonisation of steel production.**
  - **Connecting the electric arc furnace to the electrical transmission system**
  - **External scrap iron landfill**

Environmental Benefit: The low-emission steelmaking projects involve a change in steelmaking technology, aiming to significantly reduce CO<sub>2</sub> emissions and increase energy efficiency.

The following environmental projects are planned to start in 2024 as part of the investment actions:

- **Raw phenol-ammonia water cooler**  
Environmental benefit: Reduction of the concentration of tar-like substances in the wastewater
- **Utilization of waste heat from the pusher furnace on the universal strip mill**  
Environmental benefit: Reduction of energy consumption
- **Photovoltaics for tube rolling mill**  
Environmental benefit: Reduction of carbon footprint by generating electricity from own renewable energy source

**Other ecological investment actions with a positive impact on the environment have been or are being implemented in the companies within the TŽ Group.**

05

# SOCIAL FIELD

**Třinecké železářny is a company with a long tradition of metallurgical production. Since the foundation in 1839, the values on which its based today have been shaped. Its further development is firmly linked to its responsibility toward its employees, business partners, society, the regions in which the company operates and the people who live there.**

These principles of conduct express the principles that underpin our business, our activities and the application of our management tools.

## **We follow ethical principles and adhere to legal rules and regulations**

- Ethical principles and respect for the law are the fundamental principles of our Code of Conduct and corporate culture.
- Our company is established and exists under the laws applicable in the Czech Republic; the laws governing our activities and relations are systematically followed, recognized, respected and adhered to unconditionally and consistently.
- We act and make our decisions in accordance with the principles of corporate culture, social responsibility, employee collegiality and fair-trade, and also in accordance with the laws and obligations ensuing from legal regulations, decisions of public authorities and the contractual relations in which we participate.
- Business partners' conduct in accordance with the law and ethical principles is considered an unavoidable condition for our cooperation.
- The compliance program, including management of business and procedural risks according to International Organization for Standardization (ISO) standards, international standards for Quality Management Systems (QMS) including IATF 16949 standard, principles of Corporate Social Responsibility (CSR) international standard SA8000 Social responsibility, is consistently enforced, its effectiveness is continuously evaluated and measures are taken to improve it.

## We are a socially responsible company

- We fulfil our corporate mission "Together for the next generations."
- In our visions, plans and decisions, we always take into account the interests of our business partners and employees, the impact on the regions in which we operate, and the impact on their inhabitants and on the environment,
- We strive to make our relations with our business partners, public authorities, our employees, trade unions and the public long – established, stable and based on mutual respect and rightful trust in honest conduct,
- We support the regions in which we operate and we strive to contribute to further improving the quality of life of their inhabitants,
- Every year we issue a Corporate social responsibility report, which is published on our website [www.trz.cz](http://www.trz.cz).



## We respect our corporate culture

**We are proud of our history which we build on through further development of our company as a place with lasting values, traditions and customs.**

The basic principles of our corporate culture are:

- focus on the customers, forthcoming and complete satisfaction of their needs with the highest quality products and services,
- consistent fulfilment of the obligations,
- good interpersonal relations based on cooperation and mutual respect,
- satisfaction and motivation of employees,
- development and use of knowledge, abilities, skills and experience of employees,
- teamwork,
- a high level of work ethics,
- entrepreneurial spirit of good economists – technological advancement based on systematic innovation,
- continuous improvement of everything and everyone.

## We respect our employees

- Observance of human rights is commonplace in our company. We do not incite nor tolerate any acts of discrimination. We respect employees' privacy rights. We condemn any form of forced or involuntary labour.



- We condemn the abuse of child labour. We only employ persons who meet the conditions provided by legal regulations.
- We provide specialized training for pupils of secondary vocational schools and university students at our workplaces; we do so under the contracts with these schools under special circumstances meeting the requirements of pupils and students' age, knowledge and experience.
- We do not tolerate any form of illegal work, not even with our business partners.
- Procedures and conditions provided by legal regulations have always been the minimum standard in our relations with employees. This also applies to the conclusion and content of employment contracts or other labour-law contracts and agreements, length of working hours, work rest periods including breaks, setting overtime, remuneration, making wage deductions, and termination of labour-law relations.

- Our employees are properly remunerated for their work, including providing extra pay for work in the afternoons, at night, on weekends and public holidays, overtime, and other bonuses. Beyond the law we provide our employees with social and other benefits.
- In relation to our employees, but also in relation to public authorities, we fulfil all our statutory disclosure obligations.
- We respect our employees' rights, including the right to form unions and negotiate collectively. We respect the position of trade unions as representatives of our employees and consider them our partners in social dialogue.
- We consistently communicate with our employees, including having meetings and consultations with TOP management and other senior supervisors, and informing our employees about current issues via effective means of communication.
- We regularly conduct surveys of employee satisfaction and motivation.
- We regularly evaluate our employees every year.

### **We apply a whistle-blowing policy**

- We enable our employees and other persons to practice whistle-blowing, make queries and complaints.
- All whistle-blowing reports, queries and complaints are consistently addressed, solved and used for further improvement.
- We guarantee all employees protection against any disciplinary action on account of bona fide practicing whistle-blowing, making queries and complaints.

## We consistently comply with occupational health and safety

- Occupational health and safety of our employees is an integral part of all our activities and has the highest priority. We create the most favourable working conditions. We adhere to the accident prevention safety program; we ensure that every work activity is conducted according to safe working practices.
- We have developed and systematically evaluate and update the system for identifying and assessing the risks of potential health damage at work, including measures to eliminate the risks of health damage.
- We adhere to prevention. We constantly train and educate our employees to work safely and to protect their health.
- We provide our employees with personal protective equipment according to the list drawn up for each job. Employees at workplaces with increased heat or physical load are provided with protective beverages.
- We consistently provide assessment of our employees' medical fitness for work by means of occupational medical examinations; we do not permit performance of any work that does not meet employees' requirements for medical fitness.
- If a work accident occurs despite our best efforts, we employ our system comprising of providing first aid, reporting and investigating injuries or other unfortunate events, and taking measures to prevent their recurrence and to compensate for damages.



## We appreciate our business partners

- We deal with all of our business partners honestly and transparently, with respect and fairness; we expect such conduct from them.
- We respect the interests and needs of our business partners, unless it is contrary to legal regulations and does not cause excessive risk or harm.
- We are committed to create value for our business partners. With regard to our products, we implement the principle of constant improvement, increasing their added value, while reducing the burden on the environment. We practice the strategy of zero errors.
- We choose our suppliers with thorough care in order to maintain the quality of our products. We negotiate agreements with our suppliers regarding product quality and evaluate the fulfilment of their obligations.
- We ensure adequate supervision of compliance with labour and technological procedures and of solutions to potential complaints from business partners. We evaluate the satisfaction of our business partners.
- We want our business partners to work with us continuously or to come back to us for business. The success of our business partners is also our success.
- We recognize the unity of words and actions; we keep our promises. We support ethical business culture; we fulfil our duties thoroughly, fairly and honestly.
- We are ready to arrange an audit with our business partners in our company.





## We condemn any manifestations of corruption

- We adhere to zero tolerance towards offering or accepting bribes.
- Our employees are strictly guided to refrain from any act of corruption; in connection with the performance of work for our company, acting on our behalf or with reference to us, no one may solicit or accept any services in exchange for granting or promising to grant any privileges, nor offer or provide such services.
- We respect economic competition and intellectual property and also protect personal data.
- We advocate a free, honest and fair competition; we do not engage in any acts that would undermine such competition.
- We avoid any conflicts of interest and situations that may cause suspicion of such conflicts.
- We respect intellectual property rights and interest to protect the confidentiality of trade secrets and other confidential information, and we protect these rights and such information within the scope of legal regulations, contracts with business partners, data subjects' consents and business ethics.
- Personal data of our employees, as well as any other persons whose personal data have been provided to us, are always processed only in accordance with legal regulations.
- All our employees, who in the course of their duties come into contact with personal data, information constituting a trade secret or any other confidential information, are obliged to maintain confidentiality of such data and information.





# 40 000

TODAY, WE TAKE CARE  
OF 40,000 MATURE TREES  
ON THE TŘINECKÉ ŽELEZÁRNY  
PREMISES.

## We protect the environment

- Environmental protection is a fundamental part of our policy. The standard is no less than fulfilling all legislation and authorization requirements granted to us thereunder by public authorities.
- In the long term and conceptually, we strive to continually reduce the impact of our activity on the environment. Old environmental burdens are removed.
- To meet environmental protection principles, we have set up and implement waste management systems preferring recycling, closed water systems and industrial wastewater treatment plants, chemical treatment and energy management; The priority is to gradually reduce air pollutant emissions.

## We apply the Code of Conduct to all activities

The Code of Conduct is the fundamental basis of our company's internal regulations, including:

- conditions of employment
- social code,
- technical and organizational regulations and related internal standards that are specified in such a way as to ensure their consistent application.

The Code of Conduct is respected and its compliance in our company is monitored and enforced.

## CARE FOR EMPLOYEES

### Employee motivation (engagement, satisfaction)

Direct measurement of motivation is carried out by Třinecké železářny through a questionnaire survey in two-year periods. The last one was conducted in 2022, with 25.5% of the total number of employees participating. The findings of this questionnaire survey allowed to create a comprehensive picture of employees' attitudes towards individual corporate values, which were divided into four areas: individual, social, customer and community values. Compared to the results of the 2020 survey, the organisational culture at Třinecké železářny shows a slight improvement in several parameters. Social, customer and societal values show improvement

From a CSR perspective, the assessment of social values was particularly important. Within this category, according to the employees' statements, Třinecké železářny performed very well. Employees perceive the company as socially responsible; they register its efforts to behave responsibly towards the environment, they also perceive that the company has great prestige with other companies, persons and institutions.

## WHISTLEBLOWING – INTERNAL NOTIFICATION SYSTEM

Employees of Třinecké železářny and external stakeholders are able to raise concerns, submit questions, complaints and suggestions for improvement in the area of CSR through an internal notification system. The whistleblowing procedure covers both human and labour rights and business ethics. In 2023, we did not receive any complaints in accordance with the applicable internal regulations of Třinecké železářny.

## EMPLOYMENT

Despite the constant emphasis on increasing labour productivity in order not to jeopardise the overall production of the required quality in all production units, the actual number of employees in 2023 was negatively affected mainly by the unfavourable economic situation associated with the rise in energy and input material prices. As a consequence of this negative impact, investment projects have been suspended or postponed to subsequent years, such as the heat treatment of rails at the VH plant. The above-mentioned effects have also resulted in a slight increase in employee turnover and, consequently, in understaffing at some plants. The occupancy of individual units was related to employee absenteeism.

In 2023, Třinecké železářny reached an actual annual average of 6,831 employees.



## TŽ EMPLOYEES AND AGENCY STAFF ON THE LAST DAY OF THE YEAR

YEAR	TŽ Employees	Agency staff
2019	7075	133
2020	7004	137
2021	6848	122
2022	6794	112
2023	6801	76

## EDUCATION

Corporate training is a planned, coordinated process to maintain and develop the knowledge, skills and attitudes of employees through various types of training. The goal is to improve employee performance in a specific area to meet the current and future needs of the company. Therefore, training at TŽ is one of the processes underpinning TŽ's HR strategy, whose key role is to ensure a ready and highly skilled workforce to meet strategic objectives, especially in view of demographic developments.

To maintain the qualification level of employees, professional training, especially in the field of quality and EMS, professional training including on-the-job training, is a priority. This is also the reason why these trainings accounted for 96% of the total corporate training implemented in 2023. An integral part of corporate training is the online application Corporate Academy, which is used mainly by on-the-job trainers and internal trainers. This application also allows the sharing of information, knowledge and experience, as well as discussions on a selected topic.



## MOTIVATIONAL PROGRAMS

Employees are rewarded for their work performance not only with wages, but also with a range of other incentives, motivational components and social benefits that encourage quality performance while compensating for the effects of the work environment. Benefits are provided over and above the statutory framework. Through them, we want to motivate employees as much as possible to support the aims and objectives of the entire joint-stock company. In 2023, the following incentives and benefits were applied in the individual areas.



### Remuneration

- bonuses – regular and extraordinary bonuses
- manager's and foreman's funds
- extra pay for afternoon work and work in difficult working environments of risk category 3 above the Labour Code
- higher rates of premium pay for work in the afternoon, at night, on weekends
- rewards based on financial results achieved
- continuity bonuses



### Human resources development

- creating conditions for professional development of selected groups of employees and career progress
- providing trainee program for university graduates
- providing scholarships to students in selected study courses
- evaluation of the secondary school graduates; their meeting with the managers within the adaptation process



### Evaluation of employees

- awarding the title “Employee of the Year” with financial reward and the prestigious prize “Queen of Steel” for best projects, significant actions, key events and representation of the company
- rewarding for work and life anniversaries and retirement
- rewarding the best innovators



## Health support

- covering the costs of medical examination prior to employment
- covering the costs of preventive breast cancer screening and colorectal cancer check-ups
- organising of rehabilitation stays, ambulant rehabilitation care and additional rehabilitation care
- providing employees with contribution catering in the amount of 55% to one main meal plus contribution of CZK 2.60 to one hot meal
- providing employees with non-alcoholic drinks in the period of extremely hot days
- ensuring other activities to support health (providing with vitamins, health promotion benefits)
- vaccination against flu



## Other benefits

- vacation extended by 1 week
- extended range of days off with remuneration in case of personal impediment
- providing social assistance and social credits in case of very serious life situations
- providing interest-free housing promotion loans
- providing contribution for supplementary pension provision and additional pension savings

- providing contribution for private life insurance
- providing donations to support education, culture, sports and physical education
- providing donations to support and protect young people
- providing optional staff benefits
- providing curative stays for children in cooperation with the labour union
- support for kindergarten with prolonged service for employees' children



**98 %**

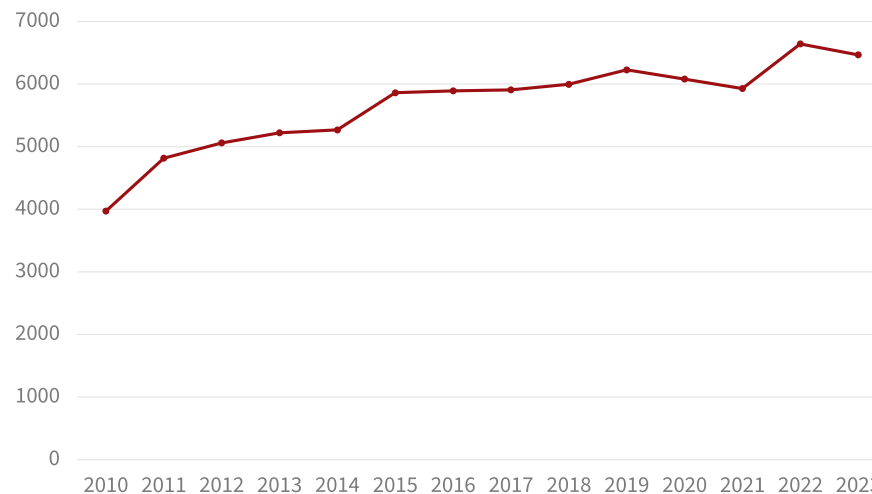
**6,467 EMPLOYEES  
TOOK ADVANTAGE  
OF THE BENEFIT.**



**BENEFITS**

Optional employee benefits are provided to all employees according to established rules. In 2023, benefits ranging from CZK 6,000 to CZK 9,000 were provided depending on years of service. 6,467 employees (98%) took advantage of the benefit option.

**NUMBER OF EMPLOYEES RECEIVING BENEFITS**



**MOST FREQUENTLY USED BENEFITS**



Employee recreation  
(41 %)



Use of sports facilities  
(24 %)



Vitamin preparations  
(19 %)

## RECRUITMENT OF NEW EMPLOYEES

We use a variety of forms in this area.

Here are some of them.

### Regional talent

To support and promote technical fields among young people, we organise a social event called "Regional Talent", where we reward pupils and students from regional schools for top placings in knowledge Olympiads and high school vocational activities. The idea of this event is very simple – to stimulate and encourage interest in technical fields and in science subjects, i.e. mathematics, physics, chemistry, which are not always popular among pupils and students.

### NUMBER OF STUDENTS AWARDED:

YEAR	2019	2020	2021 (online)	2022	2023
School Olympiads	46	-	18	26	25
Secondary school professional activity	19	-	17	23	24
<b>Regional talent total</b>	65	-	35	49	49



### Recruitment and promotional activities aimed at primary school pupils (primary schools)

- In 2023, "Open Days" were held at the Secondary Vocational School of Třinecké železářny. Students and teachers organised excursions on three dates.
- In January 2023, the Open Day of Třinecké železářny was held for students of 8th and 9th grades and their legal representatives.
- TŽ participated in the Career Markets for 8th and 9th grade pupils in Třinec, Frýdek-Místek and Havířov. These career fairs are organised by the respective Labour Offices.
- Třinecké železářny also participated in the Triangle – Children's Day event for primary schools in Slovakia. The event was organised by the Slovak border municipalities of Černé, Skalité and Svrčinovec.



## Recruitment and promotional activities aimed at secondary school students

- Provision and financing of vocational training for TŽ secondary school pupils at TŽ workplaces.
- Providing short-term internships for technical high school students with the aim of recruiting high school students to work in the company.
- Presentations of companies in the TŽ-MS group to students of selected secondary schools in the region with the aim of recruiting them for employment in the group or for studying desirable technical fields at universities.
- Providing selected students with summer paid internships at TŽ sites.
- Organising competitions for high school students (e.g. Craft Fair).



## Recruitment and promotional activities aimed at university students

- Preparation and participation of TŽ in “Job Fairs” of selected universities in the Czech Republic.
- Excursions for 2nd year students and presentations of companies in the TŽ-MS group to facilitate the choice of specialisation.
- Enabling professional two-week internships for second-year students of technical disciplines.
- Identifying suitable themes for final theses (bachelor, master and dissertation), including professional guidance of students during their preparation.
- Awarding the best thesis in cooperation with the Czech Metallurgical Society (ČHS).
- Implementation of paid summer internships at selected workplaces in TŽ.

## Youth and avoiding discrimination

During the past year, we have not experienced any acts of discrimination. There were no requests from our employees to address specific instances of discrimination during the 2019-2023 reporting period, nor were any provisions of the company's collective bargaining agreement violated. No violations and cases of discrimination were detected during the inspections carried out by the Labour Office and the Regional Labour Inspectorate during the reporting period.

TŽ employs only persons over 18 years of age. This completely prevents the possibility of child labour and dangerous work by minors. Thus, the activities of persons under 18 years of age are only carried out in the framework of practical training activities and cooperation with secondary schools in accordance with the relevant legislation.



## Providing vocational training for secondary school pupils

**TŽ provides vocational training at its facilities in the form of practical training of secondary school pupils (vocational training, continuous vocational practice, etc.), not only for pupils of the Třinecké železářny Secondary Vocational School, but also for pupils of other cooperating schools in the regions in which TŽ operates. The vocational training of these minors is carried out in accordance with the educational programmes of the individual schools under the supervision of authorised employees of the secondary schools and instructors from among the employees of the individual TŽ plants in a special regime and in accordance with the agreements concluded between TŽ and the individual secondary schools.**

Our company also financially supports retraining. It cooperates in the long term with the Qualification and Personnel Agency, whose mission is to increase the employment of the citizens of the micro-region of Třinec, Český Těšín and Jablunkov, as well as to expand their knowledge and skills, including retraining.



### Events for former employees of the company

Every year Třinecké železářny organises an event for its former colleagues who have just retired. Our employees who retired in 2022 met in June 2023 in the garden of the Museum of Třinecké železářny and the City of Třinec. A musical performance by a regional artist brought a pleasant and relaxed atmosphere. With a smile, they received thanks for their work and said goodbye after years spent in the company.

### Jubilarians of 90, 95 and 100 years

We visited former employees who spent many years of their lives in Třinecké železářny. We congratulated them on their 90th, 95th and 100th birthdays. They retired several decades ago, many of them in the 1990s. Due to the epidemiological situation, the company has decided to change the form of the event and is visiting the former workers in person from 2021. This tradition not only expresses gratitude and appreciation towards former employees, but also reinforces a sense of belonging and care for the people who formed the core of the company. Seventeen women and twenty-five men who worked at the factory for at least 15 years received thanks for their long service, but above all, wishes for good health.





## Occupational Health and Safety (OHS)

**TŽ regularly assesses the risks to employees' health and takes measures to eliminate them. The long-term positive results achieved in protecting the health of employees, the quality of preventive care and the established and effective management system in this area have also been recognised by the State Labour Inspectorate and in 2022 TŽ was awarded the title "Safe Enterprise" for the fourth time.**

Monitoring the state of OSH is an integral part of OSH management and evaluation. These activities are carried out in close cooperation with the supplier of OSH services, which is the Třinec-based company ENVIFORM.

Employee participation in OSH issues is carried out through trade unions, in particular through the Health and Safety Committee.

**The mission of this commission is to evaluate and assess the occupational health and safety:**

- regularly assess risks related to occupational safety and health, receive employee suggestions, and discuss the suggestions and identified risks on behalf of the Chairman and Vice-Chairman of the Commission at the meeting of the OHS Representative and the OHS service provider (ENVIFORM), including taking action,
- assessing the level of accidents and discussing the causes of accidents at work and other adverse events with a potential impact on health hazards (accidents, near misses), including action to be taken
- address suggestions in the field of the working environment and ergonomics at work.

**Joint expert committees are also set up:**

- Commissions of Inquiry for the investigation and compensation of accidents at work,
- audit committees for internal OSH audits at individual workplaces,
- joint weekly evaluation meetings between the employer's representative (OSH representative), the employees (representative of the KOVO trade union) and the OSH service provider (ENVIFORM).

**Within the OSH training system, the following are carried out:**

- initial OSH training – for new employees,
- initial on-the-job training – conducted by the supervisor of the recruited employee,
- practical training under the supervision of an experienced employee and testing,



- periodic training according to the curriculum approved by the supervisor and the safety engineer,
- emergency training, as required – analysis of the causes of work-related accidents and other untoward incidents, including corrective action,
- issuing information material on current OSH issues.

In 2023, with an annual average of 6,831 employees, TŽ recorded a total of 30 work accidents with inability to work for more than three calendar days. The injury frequency rate was 0.44 work injuries per 100 employees per year.

The management of accidents at work, including non-absentee accidents, is always accompanied by measures to prevent recurrence. Absentee and non-absentee injuries with the potential for serious injury, including the adoption of company-wide measures, are investigated on a commission basis.

## Impact of the activities of Třinecké železářny on the surroundings



### Health stays

Since 2014, our company has been providing health stays in the Tatra Mountains for children from primary schools in Třinec and its surroundings. Between 2014 and 2023, 2,202 children from the first grade of primary schools participated in these stays, the amount spent amounted to CZK 15.1 million.

### Holidays in Třinec

Třinecké železářny prepared a fun presentation for children. Virtual reality brought the participants of Holidays in 3nec directly to the production facilities of the steelworks. Within seconds, thanks to modern technologies, the children hovered over blast furnace No. IV, walked through the steelworks and visited the rolling mills.

Together with the Fire Rescue Corps of Třinecké železářny, the employees of the steelworks diversified the programme of the suburban camp in Třinec.

Holidays in 3nec is organised annually by the city of Třinec for school-age children together with non-profit organisations and companies operating in the city.

### My WERK

Thousands of children took part in the My Werk competition organised by Třinecké železářny for pupils of the seventh grade of primary schools in the region.

Fun lessons about the company returned to schools from Mosty u Jablunkova to Český Těšín. In an interactive way, we introduce children to production processes, ecological activities, a wide range of employment opportunities, but also build a sense of belonging and pride in the region where they grow up.





**SINCE 1969**

## Museum of Třinecké železáren and the city of Třinec

As the company with the longest tradition and the largest employer in the region, Třinecké železáren has been operating its company museum since 1969. During its operation, it has gained many fans, as evidenced by the ever-increasing number of visitors. Its mission and focus make it a unique institution in the region, and Třinecké železáren and the town of Třinec support the cultural life of its citizens through it. After the reconstruction of the Permanent Exhibition in 2019, the museum manages the following exhibition spaces – the Permanent Exhibition, three rooms for short-term exhibitions and a gallery. Visitors can also see the outdoor Werk Gallery in the garden. The museum not only uses the works for exhibition purposes, but also often hosts important events and visits by company and city leaders. Every year, it organises educational programmes and competitions for primary and secondary school pupils and the public. Events such as the Museum Summer, the Living Nativity, In the Name of Fashion and carving symposia are shining examples of the success of this important institution.



### Volunteer day

Since 2012, Třinecké železárny has been organizing a corporate event called "Volunteer Day" to support public benefit activities in non-profit organizations in the region. So far, almost 400 TŽ employees have taken part in it.

Last year, we planted 2,000 trees in Gutské peklo as part of the volunteer day. This is the sixth time that the plant has carried out forest restoration with the ČSOP Salamadr association. Planting native tree species and restoring the diversity of the forest is a long-term goal of the association, which is why we plant firs, beeches and other missing tree species with valuable Beskydy genetic origin. Last year, students from the Polish gymnasium in Český Těšín joined the planting again.



**Werkchallenge** They were pedalling or driving together. This was the main idea of the Werkchallenge, an ecological competition that Třinecké železárny organises for its employees every year. Employees of TŽ and its subsidiaries with a workplace in Třinec competed for valuable prizes in three categories: teams of cyclists, car-poolers and individual cyclists. The rules of the competition were simple. All you had to do was cycle to and from work or carpool and take a photo on the way. The photos taken during the trip, along with the names of the participants with traffic assignments, were sent by employees to a specific address. Cycling to work is a traditional and widely used activity that more and more employees prefer, especially because it speeds up their journey home.

For example, 100 cars a day driving from Jablunkov to Třinecké železárny produce 900 kg of CO<sub>2</sub>, which is already 225,000 kg of CO<sub>2</sub> per year.

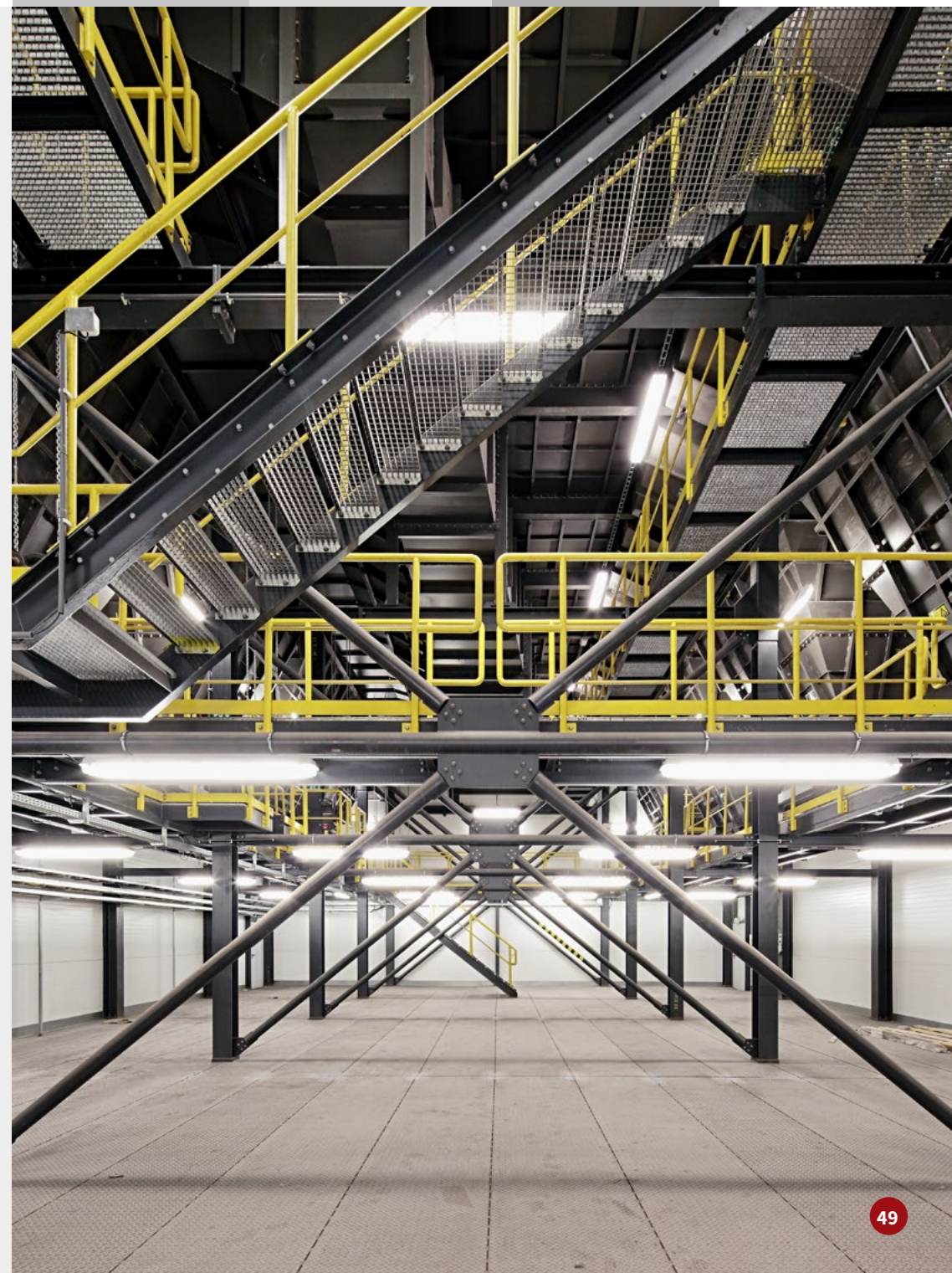


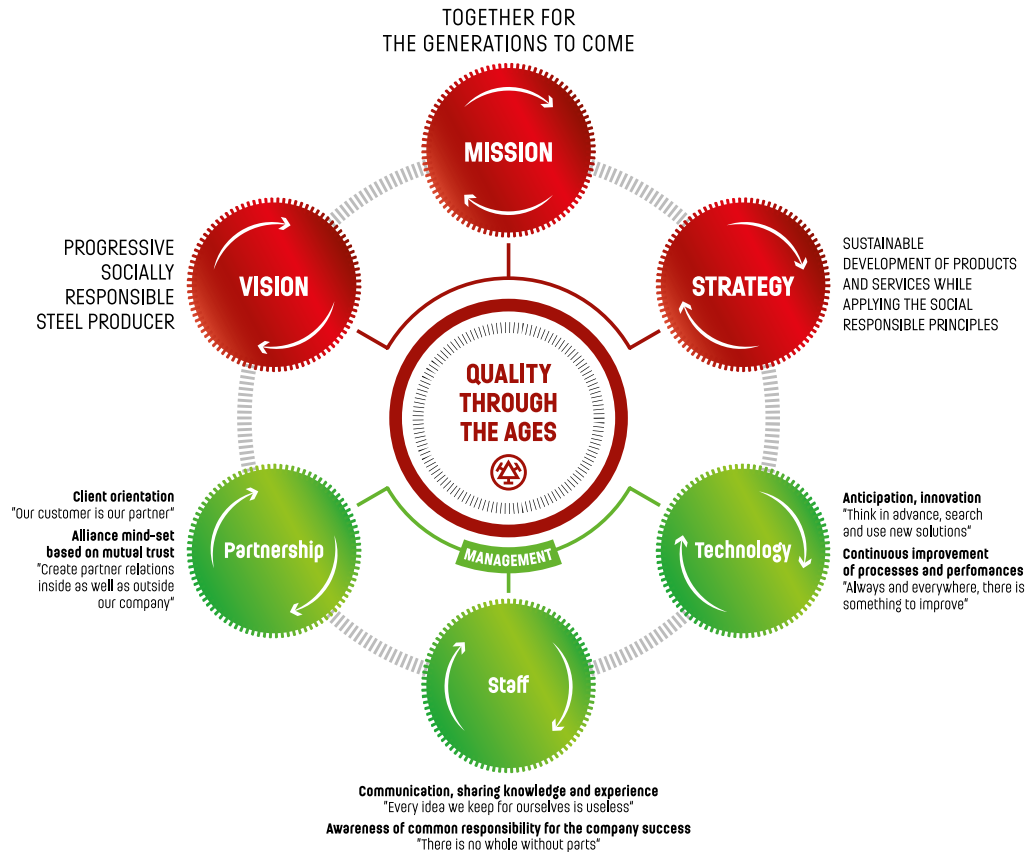


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# GOVERNANCE

Every year, Třinecké železářny publishes an annual report and a corporate social responsibility report. They also inform customers, partners and the general public about their plans, goals, activities and results through the company's website, the regional weekly Třinecký hutník and the company's social media profiles. To ensure competitiveness, the company must continuously strive to improve the quality of its products while keeping costs low and to allocate funds judiciously among projects aimed at renewing and modernising equipment, developing technology and ensuring environmental protection.





The company's management system is used to implement a business strategy aimed at gradually increasing the share of high steel grade products, creating and developing product chains and intensive use of assets while increasing the profitability of sales. The efforts of all employees are focused primarily on increasing the added value of long-rolled products, which make up the majority of TŽ production.

The basic rules of management include a linear organisational structure, process and project management and a call for risk analysis in all management subsystems. None of the principles is applied in isolation; management consists of combining them in a thoughtful way. A system of regular reporting indicators is set up to provide the necessary feedback to define and monitor the achievement of strategic objectives.

Also in 2023, a number of measures have been taken to support the strategic objectives in all sectors of the strategic framework of Třinecké železárny (Partnership, Technology, Staff, Management).



**FINANCIAL DONATIONS BY TŽ IN 2018-2023 (CZK THOUSAND)**

2018	2019	2020	2021	2022	2023
45 691	20 972	26 561	19 641	51 522	22 231

## COMMITMENT OF MANAGEMENT

Each member of management, within the scope of his/her responsibilities, shall: ensure that sufficient human, material, financial and informational resources are available to meet the objectives, review their availability and adequacy, and guarantee their effective use. Takes decisions solely in accordance with legislation and standards. Guides and motivates staff to work safely.

## COMMITMENT OF EMPLOYEES

All employees of the company are committed to increasing the added value of long rolled products, which make up a decisive part of Třinecké železářny production.

## COMPLIANCE PROGRAM

It includes business and process risk management according to International Organization for Standardization (ISO) standards, international standards for quality management systems (QMS) including IATF 16949, principles of corporate social responsibility (CSR), international standard SA8000, Social Responsibility, we consistently enforce, continuously evaluate its effectiveness and take measures to improve it.



## **TŘINECKÉ ŽELEZÁŘNY, a. s.**

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