

	POLICIES OF QUALITY, ENVIRONMENTAL MANAGEMENT, SAFETY AT WORK, ENERGY MANAGEMENT AND COMPLIANCE	OB 5.2.0.– 1		
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All employees participate in the established systems of quality management, environmental management, safety at work, energy management and compliance, and the efficiency of the system is a direction and a common obligation.

Quality, environmental management, safety at work, energy management and compliance are incorporated into all stages of the creation of our product, from the reception of raw materials, through the production process to the shipment of products and monitoring of its use and application by customers.

Consequently, all of us employees strive and advocate for the constant improvement of the quality of our products and services, cost reduction and improvement of our competitiveness and business success.

With this approach, we meet the needs, requirements and expectations of our customers, employees, suppliers, local community, environment, owners and our obligations to comply with regulations.

Our efforts and actions in the established orientation are based on the following:

- flexibility in adapting to customer requirements (quality, quantity, services...)
- motivation of employees (education, possibility of advancement, rewards...)
- informing suppliers (planned needs, requirements, urgent deliveries, quality of delivery...)
- improvement of internal communication and information flows
- continuous improvement of the technological process and the quality of products and services
- developing and promoting businesses that will contribute to economic development, while improving the quality of life of employees and their families, as well as the local community and society as a whole
- mastery of environmental parameters and control of emissions into the environment
- monitoring and supervising activities that cause an increased risk to health or injuries at work, losses of time, equipment and resources in order to prevent injuries at work
- establishing an environment in which health and safety risks are controlled with the aim of preventing injuries, eliminating hazards and reducing risks to health and safety at work
- compliance with legal and other requirements defined by environmental aspects, recognized hazards, as well as aspects of energy management
- regular inspection and review of work areas and practices to ensure compliance with internal and external regulations
- continuous improvement of management methods and procedures defined by environmental aspects
- elimination of bottlenecks, up to the realization of technological processes absolutely harmonized with environmental aspects
- rational use of water and application of the best technologies for its use and purification
- optimization of energy effects through adequate use and maintenance of equipment
- continuous improvement of all activities for improving energy indicators as well as increasing the use of alternative energy sources instead of "fossil fuels"
- procurement of the most modern energy-efficient equipment as well as equipment that increases the efficiency of resource use in production facilities
- increasing the use of waste from other industries as alternative fuels and raw materials, a substitute for natural resources
- managing waste generated from the process in a way that it can be reused
- product design with the aim of extending service life and optimizing wear resistance
- establishment of a mechanism for consultation with workers and participation of workers on issues related to health protection and safety at work
- developing, maintaining and promoting a culture of compliance and standards of ethical behavior and integrity
- establishing compliance management system through the implementation of compliance programs, processes and procedures to identify and comply with obligations for compliance with legal regulations and domestic and international standards and applicable international regulations
- fulfilling and assuming responsibility for the compliance of all the company's obligations established by legal regulations, internal acts, standards, procedures and work instructions
- non-compliance with legal regulations, internal acts, standards, procedures and work instructions is considered a violation of work obligations, which is regulated by the LC Labour Rulebook
- compliance function was established, whose responsibilities and powers are prescribed by the Rulebook on compliance monitoring
- encouraging the reporting of irregularities and protecting any kind of revenge against the reporting person
- commitment to respecting, protecting, and promoting human rights and freedoms guaranteed by the constitution and international conventions through the implementation and communication of adequate decisions, policies and procedures that ensure the respect of human rights at all times
- promoting a culture of diversity in which all employees, regardless of differences, are accepted to actively participate in organizational activities and have equal opportunities
- active participation in local communities with the aim of improving the quality of life and strengthening social responsibility
- implementing a zero-tolerance policy towards discrimination and harassment, ensuring that all employees have the right to dignity, respect and equal opportunities in the workplace
- promoting and protecting workers' rights in accordance with legal regulations and international conventions, ensuring adequate remuneration for work, safe working conditions and freedom of association and the prohibition of child and forced labor
- continuous improvement of all existing systems
- continuous monitoring of non-compliance costs (peak load, reduced quality, refinements, norms, reclassification...) and work on reducing and eliminating them
- reduction of energy and raw material costs by using alternative sources.

The Company's Management Board prescribes the organization's Policy and, through internal audits, assesses the compliance of processes with the prescribed Policy, while the responsibility for implementing the Policy is assumed by the process owners in their processes. All employees are responsible for consistently applying the prescribed Policy in their work.

All of us, the undersigned, accept and commit ourselves to the guidelines outlined in the defined Quality, Environmental Management, Safety at Work, Energy Management and Compliance Policy.

Lukavac, 08.11.2024.

Stjepan Kumrić  
Chairman of Management Board /CEO

Nihad Begić  
Sales and Marketing Director

Damir Imamović  
Member of the Management Board/ Finance director

Nedim Pašić  
Technical director/Plant manager