



# POLICY OF INTEGRATED MANAGEMENT SYSTEM IN TŽ–MS

The key business activity of TŘINECKÉ ŽELEZÁRNY, a.s., and MORAVIA STEEL a.s. is the production and sale of metallurgical products, with an increasing focus on finalization and added value. An integral part of their business activities is the continuous improvement of quality, reduction of environmental impact, including efforts to lower greenhouse gas emissions, climate protection aimed at achieving carbon neutrality, application of circular economy principles, support for biodiversity, employee health care, and an action plan for optimizing the Energy Management System (EnMS) to enhance energy efficiency and achieve target energy values. With an awareness of social responsibility towards all stakeholders and an active approach to sustainable business for both companies and the region, the following principles are defined within the strategic framework in various areas:

## A. PARTNERSHIP

Customers, processors of our materials, and suppliers are regarded as partners contributing to the quality of our products. The foundation lies in focusing on the current and future requirements of customers and processors. Emphasis is placed on expanding cooperation with these partners, particularly in the most demanding product segments such as wires, special bar steel and its products, rails, and seamless tubes.

Partnership with suppliers of key commodities, services, and energy enables responsible planning and the ability to respond effectively to immediate situations both within and outside the steelworks.

We respond to the requirements of our partners, including state and regional authorities, to reduce the environmental impact of applied technologies and products while progressively eliminating historical ecological burdens of TŘINECKÉ ŽELEZÁRNY, a.s. Our goal is to adhere to a safety program for the prevention of major accidents, prevent harm to the health of employees of partner companies and suppliers within the TŽ–MS premises, and provide all relevant information to our partners.

We also apply the principles of partnership to employees and social partners. By strengthening elements of cooperation, mutual trust, and information sharing, we reinforce the sense of shared responsibility for meeting production objectives in accordance with customer requirements and for ensuring both workplace and product safety.

## B. TECHNOLOGY

The development of the production base, technological advancements, and research activities are focused on the continuous improvement of product quality, the introduction of new products, and the implementation of innovative manufacturing technologies to ensure that:

- The current and future requirements of customers and processors regarding supply quality are met,
- The regulatory requirements for products in controlled sectors (such as construction and pressure vessels) are fulfilled,
- Raw materials, materials, and energy are used efficiently, with reduced consumption, leading to a positive impact on greenhouse gas emissions and climate protection,
- The energy intensity of processes is considered, prioritizing energy-efficient technologies and equipment when multiple options are available,
- The amount of generated waste is reduced, and the share of its reuse—primarily through material recycling—is increased in line with the principles of the circular economy,
- The negative impacts of production on human health, the environment, and property are proactively minimized,

The occurrence of major accidents is minimized, along with their impact on human health, lives, the environment, property, and business performance.

## C. PEOPLE

The foundation for ensuring a qualified workforce for the needs of TŽ–MS is effective cooperation with state, regional, and private educational institutions, particularly those with a technical focus. The employee training system addresses the requirements of all current and upcoming development projects while simultaneously reducing undesirable turnover among key employees.

Enhancing intellectual capital is a fundamental approach in human resource management, leading to improvements in:

- The qualifications, knowledge, and skills of employees at all operational and managerial levels,



- A sense of responsibility for product quality and safety,
- Awareness of personal health, the health of colleagues, and the working environment,
- Environmental awareness, with a focus on pollution prevention,
- The level of prevention of major accidents at all management levels,
- Awareness of the need for efficient energy management and the prevention of energy waste.

## **D. MANAGEMENT**

In both production and supporting activities, the principles of process-based management with a focus on prevention are being strengthened. Combined with project management and teamwork at all levels, these principles form the foundation for improving all management systems.

As the largest energy consumers, production processes are planned with a focus on optimizing energy consumption to ensure that target values are not exceeded while maintaining compliance with workplace and overall environmental requirements.

The management system within the TŽ–MS group responds to the evolving business environment by optimizing management, operational, and support processes, primarily through the implementation of advanced planning systems, automation, and robotics.

In final production processes, a zero-defect and zero-delay strategy is applied, particularly for deliveries to the automotive and petrochemical supply chains.

Emphasis is placed on internal and external communication with stakeholders regarding achieved results. Conditions are created to encourage broad employee engagement in improving the integrated management system, including energy savings, with an active approach being required.

### **COMMITMENT OF TŽ–MS MANAGEMENT**

#### **Each member of the management team, within their competencies:**

- Ensures sufficient human, material, financial, and informational resources to achieve objectives, reviews their availability and adequacy, and guarantees their efficient use,
- Makes decisions exclusively in accordance with legal regulations, standards, and the principles of sustainable business,
- Leads and motivates employees to work safely and to improve all components of the integrated management system.

#### **Company management expects the managers to:**

- Compliance with the Company's Code of Conduct, particularly in preventing corruption and upholding human rights,
- Ensuring that work activities are carried out using safe work procedures,
- Translating this Policy into measurable objectives,
- Developing these objectives into improvement programs to enhance the integrated management system and eliminate the root causes of process risks.

#### **Company management expects all employees to:**

- Follow work and technological procedures with an active approach to continuous improvement, both individually and in teams, leading to the achievement of objectives and cost reduction across all workplaces,
- Be mindful of avoiding waste of electricity, water, gases, and all other forms of energy in the workplace,
- Work in a manner that does not endanger their health or the health of their colleagues,
- Act in accordance with the Company's Code of Conduct, comply with legislation, and respect the legitimate interests of both the employer and fellow employees.

### **THIS INTEGRATED MANAGEMENT SYSTEM POLICY IS FURTHER DEVELOPED INTO IMS OBJECTIVES WITHIN TŽ–MS AND IS SUPPORTED BY:**

#### **Codes of Conduct:**

- Corporate Social Responsibility Policy – Codes of Conduct of TŽ, a.s.
- Principles of Conduct of Moravia Steel, a.s. – Code of Ethics

#### **Sustainability Policies and Objectives:**

- Human and Labour Rights Policy



**TŘINECKÉ ŽELEZÁRNY**



**MORAVIA STEEL**

- Business Ethics Policy
- Sustainable Procurement Policy
- Occupational Health and Safety (OHS) Policy
- Information Security Policy

**ALL THESE POLICIES ARE AVAILABLE ON THE WEBSITE [WWW.TRZ.CZ](http://WWW.TRZ.CZ).**