

## Policy of Integrated Management System Končar-MES

Company's Management Board Končar - MES is aware of its social and public responsibility and responsibility towards surroundings and takes special care of Policy of Integrated Management System and measurable objectives for its implementation. Management Board assures all necessary resources for its efficient implementation and achievement of set objectives. Management Board takes special care about education of employees, analysis of current and newly occurred risks and optimizes system for removal and mitigation of its impacts.

This Policy clearly defines Company's aspirations to continuous improvement of the Integrates Management System with objective of achievement of customer requirements and reaching their enthusiasm about product quality, time of delivery, future needs, and to usage of ecologically acceptable materials with application of applied standards and legal regulations. All employees are required to conduct this Policy and adopted objectives. Company is committed to sustainable development through continuous increase of satisfaction of customers, employees, owners, suppliers, and other relevant interested parties. In accordance with guidelines for sustainable development, we apply Quality Management System ISO 9001, Environmental Management System ISO 14001, Occupational Health and Safety System ISO 45001, and Quality Management System of explosion-proof devices according to EN/IEC 80079-34 and Annex 4 – SITIIAS-C23-01 RULES;

Design, manufacturing, servicing of electrical motors, fans and drives for use in industry, shipbuilding, and explosive atmospheres

### Quality

Company Končar-MES is present on European and global market for over 50 years, competing with the world's most famous manufacturers. For that reason, Management Board determines quality policy, as integral part of Company's business policy, with the following objectives: uniform quality of all products, satisfaction of customer needs and expectations, according to their specifications and contracts, complying to legal regulations and standards, and elimination of problems that may occur due to not complying to contracts, contract changes or decisions. Product technical characteristics at the level of world's leading manufacturers and applicable standards; Customer participation in development of new product according to special requirements; Business stability and satisfaction of employees. For the realization of this Policy, Management Board is permanently included in work of all organizational functions, monitors conduction of this Policy and objectives, and has given the authorities and responsibilities to area directors for: quality work in a field of activity, motivating associates for quality work and providing the necessary resources.

### Quality of production and repairing of Ex-proof products

Company Končar-MES has determined Quality Policy for explosion-proof product, as integral part of business policy, with the following rules:

- Stable quality and reliable safety of products, in accordance with certified documentation and type certificates.
- Satisfaction of customer needs and expectations according to their specifications and contracts, complying to legal regulations and standards.

### Environment

Company Končar-MES is aware of its responsibility to surrounding environment. Environment Management is introduced in highest business priorities and objectives, planning, and monitoring of performance are performed as part of the Company's yearly plan. Company has implemented Environment Management System according to ISO 14001 standard, whose consistent implementation continuously conducts education and motivation of employees, developing their awareness about environment preservation and prevention of its pollution, rational and efficient usage of energy and other natural resources, in order to decrease their consumption, and awareness about whole life cycle of the product.

Company manages all environment aspects decreasing negative impacts of its activities and continuously improving reached results of Environment Management System, entirely complying to national and European laws and regulations, and applying applicable standards. Company seeks to prevent occurrence of incidents through permanent supervision and preventive actions.

Končar - MES believes that climate change is important and invests significantly in adaptation and mitigation through our activities in every business segment.

### Occupational Health and Safety

In accordance with Croatian regulations, Company Končar-MES permanently and systematically conducts identification of dangerous situations, evaluates and monitors risks that affect or may affect to health and safety of employees and others. Ensuring a safe and healthy workplace is the Company's long-term goal, which is continuously implemented in cooperation with all Company employees on a daily basis and through the projects Končar - MES Partner Employer and the Healthy Workplace Project.

Company permanently and comprehensively plans, conducts and evaluates competence of all employees regarding work safety, conduct previous and periodic checks of employees health abilities, conducts exams: physical and chemical factors at work areas, building installations, machinery and devices with increased danger, and develops awareness and understanding about individual commitments of employees and encourages their active participation in creation, evaluation and improvement of occupational health and safety.

### Information and cyber security

The company Končar - MES, as part of the consolidation of the ICT Končar Group, is determined to ensure the completeness and integrity of all data and information technology that we handle and to provide uninterrupted work processes based on the adopted KONČAR Information Security Policy and Procedures.

The policy of the Integrated Management System is public, it is available to all interested parties on the company's website, and it is known to all employees who are also obliged to use it.

The policy will be reviewed regularly when updates are changed.

Chairman of the Board

Šimun Ercegovac

