

ENVIRONMENT MANAGEMENT SYSTEM MANUAL

EMS

CONTENTS	Page
4.2 ENVIRONMENTAL POLICY	3
4.3 PLANNING	4
4.3.1 Environmental aspects	4
4.3.2 Legal and other requirements	4
4.3.3 Objectives, targets and programme (s)	4
4.4 IMPLEMENTATION AND OPERATION	5
4.4.1 Resources, roles, responsibility and authority	5
4.4.1.1 Organizational chart of Dalekovod d.d.	6
4.4.1.2 Organizational chart of SBU Engineering	7
4.4.1.3 Organizational chart of SBU Business Process Support	8
4.4.1.4 Organizational chart of Dalekovod-Proizvodnja d.o.o.	9
4.4.1.5 Organizational chart of Dalekovod – Projekt d.o.o.	10
4.4.2. Training, awareness and competence	12
4.4.3 Communication	12
4.4.4. Environment management system documentation	13
4.4.5. Document control	13
4.4.6 Operation control	13
4.4.7. Emergency preparedness and response	13
4.5 CHECKING	13
4.5.1 Monitoring and measuring	13
4.5.2 Evaluation of compliance	13
4.5.3 Non-conformance, corrective and preventive action	13
4.5.4 Records management	14
4.5.5 Internal audit	14
4.6 MANAGEMENT REVIEW	14
4.7 OPERATING PROCEDURE LIST	15

4.3 PLANNING

4.3.1 Environmental aspects

Based on evaluation of impacts, during the first review, and within the defined scope, Registers of environment management aspects of Dalekovod Group have been established

The above information are updated in compliance with standard requirements, significance of established aspects is determined, and documentary evidence of the above provided by implementation, application and maintenance of the operating procedure QAP – 431.

4.3.2 Legal and other requirements

By implementation and application of the operating procedure QAP-011, applicability of legal and other requirements is established in relation to environmental aspects to which Dalekovod is committed.

Further, all applicable legal and other requirements referring to the established environmental aspects shall be taken into consideration during the implementation, application and maintenance of the Environment Management System.

4.3.3 Objectives, targets and programme (s)

Dalekovod group has established an environment management policy with a view of continually improving the impacts of the company on the environment. In order to satisfy the above, objectives and programs relating to environment management shall be established. When establishing the environment management objectives, the following requirements shall be into consideration:

1. legal
2. established significant impacts on the environment
3. technological and financial capacities
4. attitudes of concerned parties

By establishing the environment management program, the following shall be defined:

1. allocation of responsibility for achievement of the objectives set at each level within the organization
2. the means and deadlines for attainment of the above objectives

The procedure for implementation, application and maintenance of the environment management policy and for revision of objectives and programs of the afore-mentioned policy shall be defined in the operating procedure QAP-020.

4.4 IMPLEMENTATION AND OPERATION

4.4.1 Resources, roles, responsibility and authority

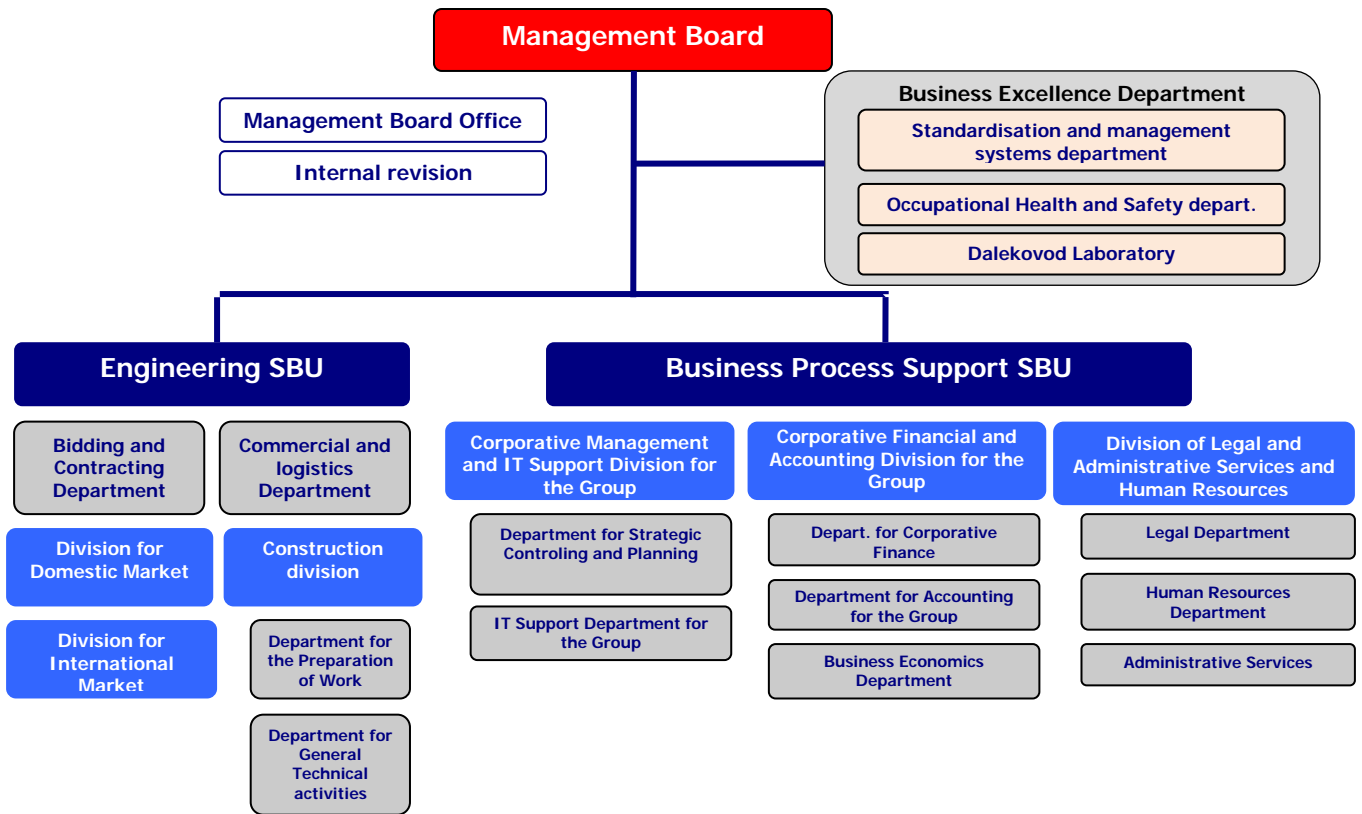
In order to ensure implementation and maintenance of environment management system as well as achievement of general and single goals, the following structure and responsibilities have been established:

- President of Management Board is responsible for provision of funds required for application, maintenance and control of the Environment Management System. He is also responsible for establishing and reassessing the environment policy, goals and programs that make up the system core.
- **Member of Management Board for business excellence** shall be Representative of the Management Board for the Environment Management System
- Assistant Managing Director for **business excellence** shall be responsible for establishing and managing the Environment Management System pursuant to ISO 14001:2004, and for handing over information thereof to the **Member of Management Board for business excellence**.

Support to the Assistant Director for the **business excellence** shall be provided by the following:

- **Head of management system department** shall be responsible for carrying out an analysis of defect reports, unexpected contamination and other corrective measures, analysis of ecological indicators, proposal of preventive measures, measures for improvement, goals, internal assessment programs and plans, and control of completion of execution of the environment management program, provision of prompt information about all non-compliances related to environmental protection and elaboration of draft minutes of meeting of the Management Review.
- Independent Engineer in the **Management system department** shall be responsible for recording defect reports, corrective and preventive measures, realization of assessment plan, performance of practices and providing professional help in case of incidents, follow-up and realization of the environment management program, elaboration of a graphic representation of ecological indicators, co-ordination of application of standards between all computers and the galvanizing plant.
- Head of Design Preparation and Technical Archives Office shall be responsible **for coordination in** establishing and maintaining the system at Dalekovod-Projekt d.o.o.
- Head of **Work preparation department** in BS Engineering shall be responsible **for coordination in** establishing and maintaining the system for **Construction Department**
- Engineer in the **Contracting department in BS Engineering** shall be responsible **for coordination in** establishing and maintaining the system in the Engineering SBU for **Contracting Department**
- **Head of quality control department** shall be Representative for Dalekovod Proizvodnja - Also he will be **responsible for coordination in** establishing and maintaining the system in **MK and OSO Factory**
- Chemical Engineer in the **Technical preparation department** in galvanizing plant Dalekovod Proizvodnja shall be responsible for **coordination in** establishing and maintaining the system at **AKZ (anticorrosive protection) factory**.
- Head of the Legal Department shall be responsible for all issues related to training of personnel and other legal environmental issues

All employees shall commit to perform their tasks in compliance with the prescribed operating procedures and working instructions of the environment protection system.

ORGANIZATION CHARTS
4.4.1.1 Organizational chart of Dalekovod d.d.

Legenda*

Location

d.o.o.

Bussines Unit - BU

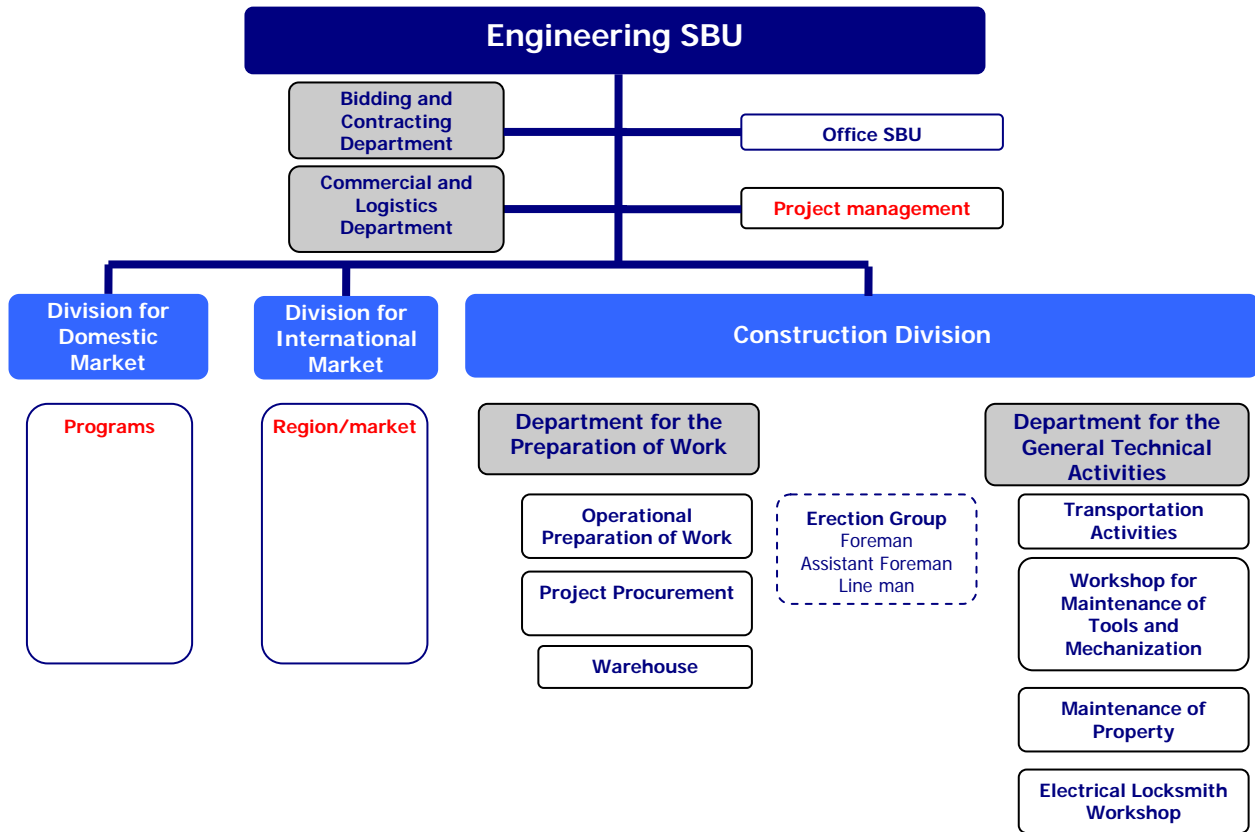
Division

 Department/
Office

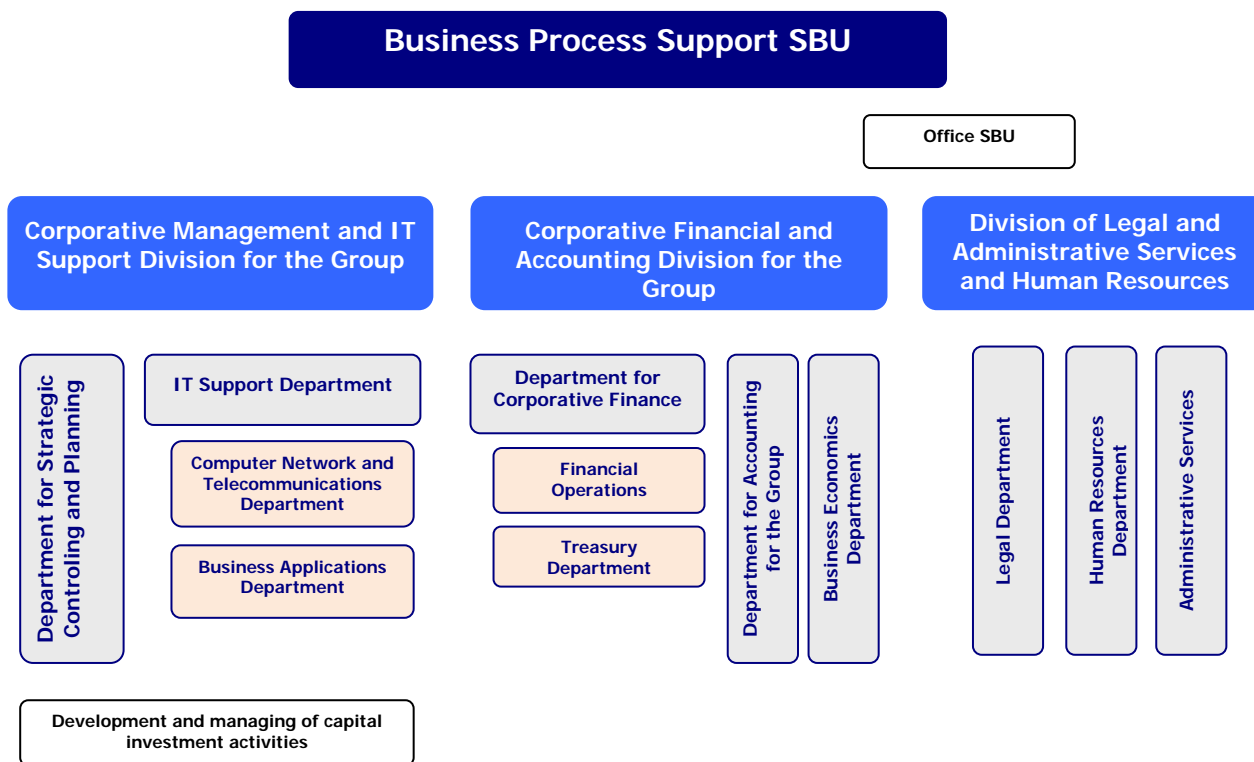
Department

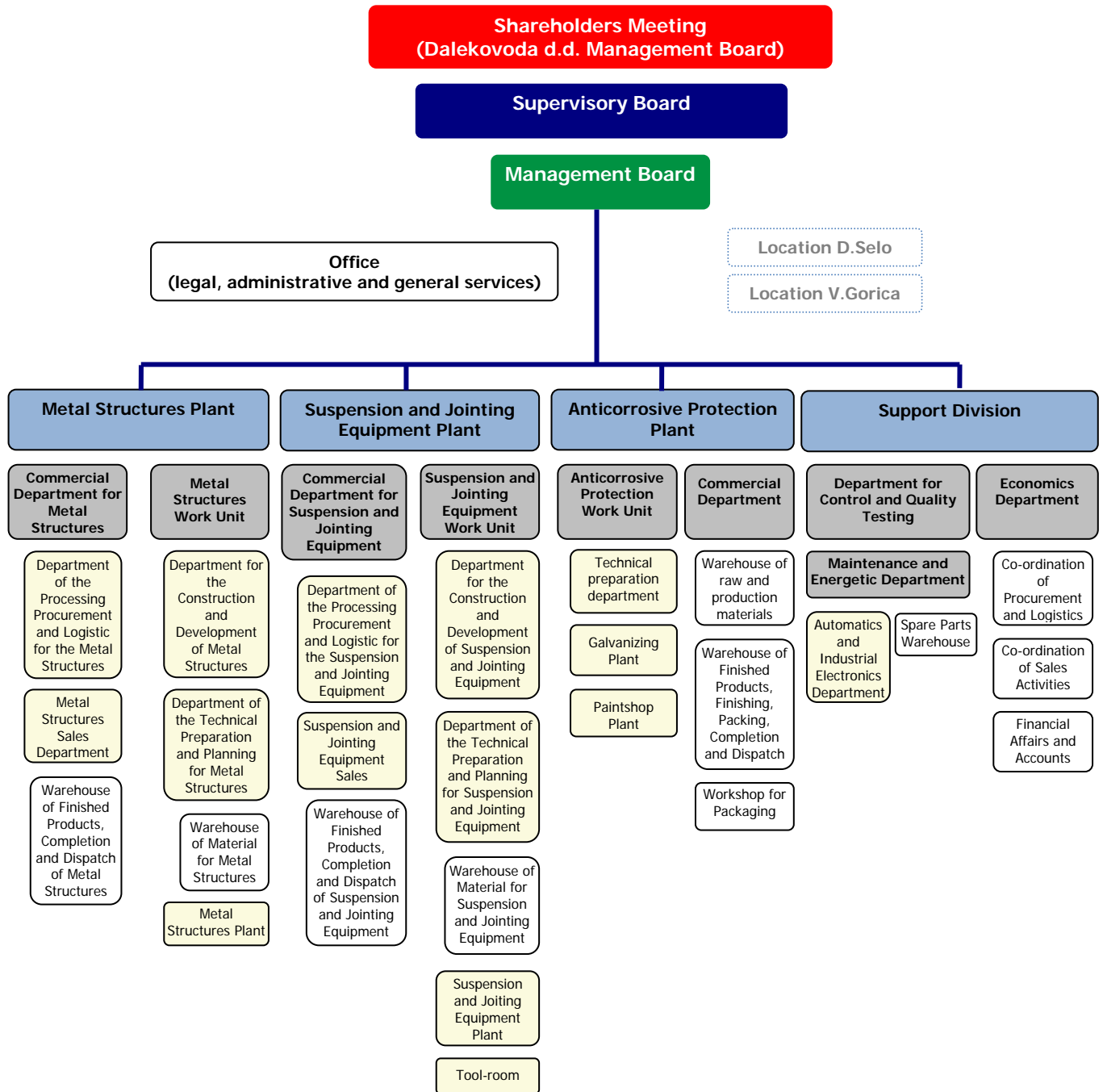
 Group of
Works

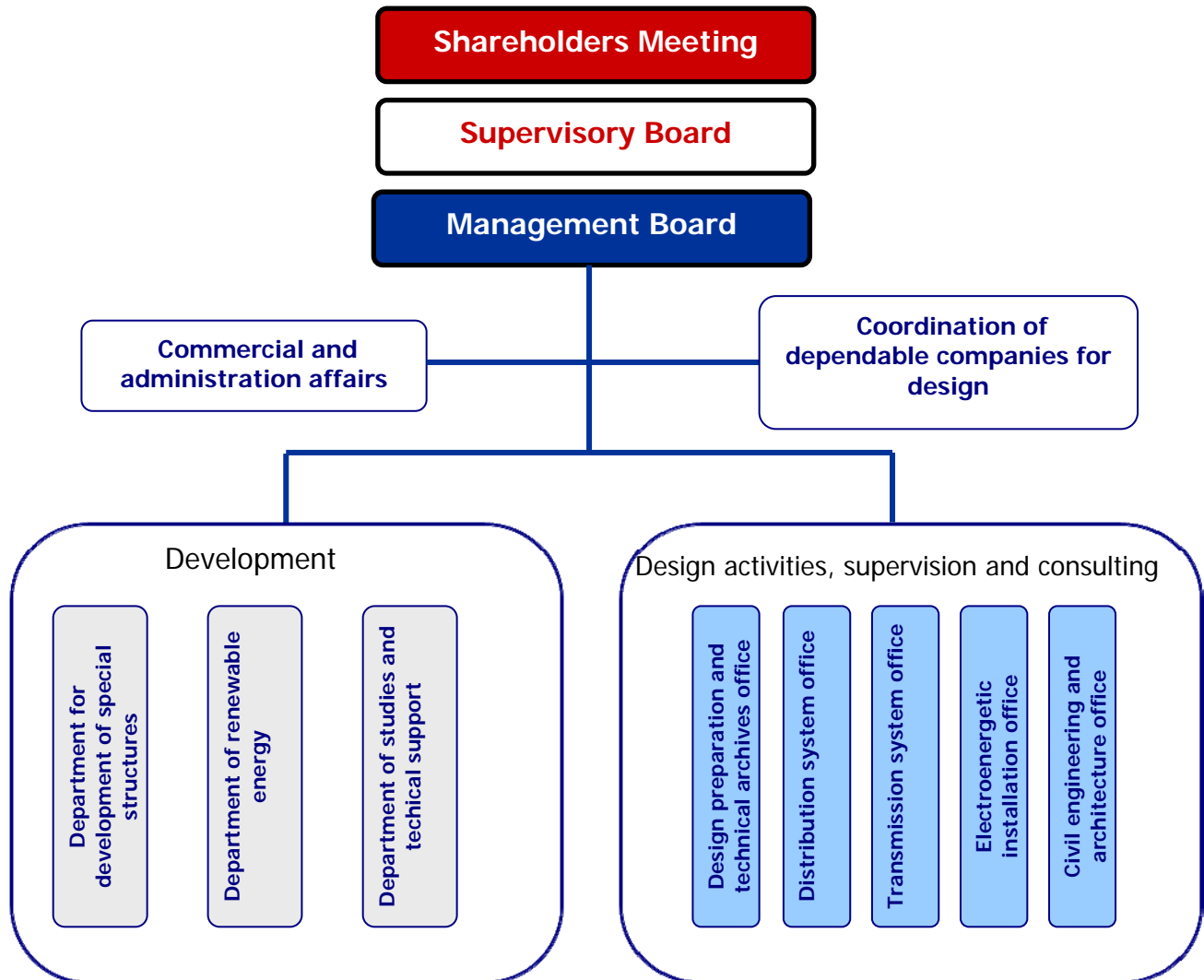
4.4.1.2 Engineering SBU Chart



4.4.1.3 Business Process Support SBU Chart



4.4.1.4 Dalekovod Proizvodnja d.o.o. chart


4.4.1.5 Dalekovod Projekt d.o.o. chart

4.4.2 Training, awareness and competence

Motivation and positive attitude towards environment protection shall enable attainment of established objectives. The basic function of the training system being provided to all employees is to make them acquainted with the established environment management system, environment protection policy, general and individual objectives, their impact on the environment and the benefits resulting from the improved performance of their operating activities.

Training of Dalekovod employees, as well as of all those who are working "in", "for" "or in the name of Dalekovod group shall be determined by the prescribed operating procedure QAP-704.

All sub-suppliers of Dalekovod are obliged to comply with General business terms of Dalekovod.

Director of Legal and Administrative Services and Human Resources shall be responsible for providing education to all relevant functions at Dalekovod and to all sub-suppliers and it shall include as follows.

1. importance of conformance to the policy, operating procedures and other system requirements;
2. establishing and monitoring significant aspects related to their activities;
3. obligations and responsibilities for attaining conformance to environment protection policy and environment protection procedures and other system requirements, and finally importance of the afore mentioned conformance;
4. consequences, if any, as a result of deviations to anticipated operating procedures and work instructions;

4.4.3 Communication

Dalekovod is committed to establishing an open environment-related dialogue between the concerned public on the one hand and Dalekovod on the other hand. Its intention is to establish internal inter-personal communication as well. Operating procedure QAP 443 shall define the implementation method for the above mentioned.

Decision on informing the public about the attained results related to environment protection, by taking into consideration the established environmental aspects, shall be reached at Management Evaluation in compliance with QAP-020.

4.4.4 Environment Management System Documentation

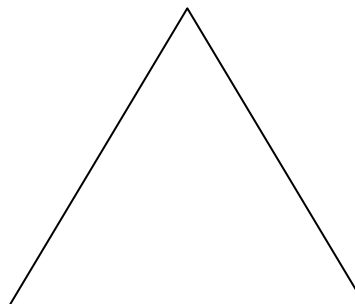
For establishing and maintaining data, an integral environment and quality system shall be used. Four inter-related system levels are shown as follows:

Level I : Environment protection policy and manual

Level II: Environment protection operating procedures -
Pursuant to ISO 14001: 2004 requirements

Level III- Work instructions

Level IV – Records



A list of all operating procedures of the system shall make an integral part of this manual, and the records management method shall be prescribed by the operating procedure.

The archiving place shall be specified in the operating procedure QAP-050.

4.4.5 Document control

Documents related to these system requirements shall be defined as “controlled documents”, and shall be reviewed and approved of by authorized and qualified personnel, before they are distributed. The document control procedure shall be described in the operating procedure QAP-010, Control of **management system** documents.

The above procedure shall ensure that:

- relevant revisions of corresponding documents shall be issued as controlled documents and shall be available on all locations where operations essential to the effective functioning of the environment protection system are performed;
- obsolete documents shall be promptly withdrawn from use on all locations;
- obsolete documents to be archived for legal (QAP-011) or any other purposes, shall be marked accordingly.

4.4.6 Operation control

Dalekovod group has identified operations and activities that exert significant impacts on the environment, as specified in the aspects list. All the above activities shall be carried out in controlled circumstances, by applying prescribed measurement criteria, as described in corresponding procedures and work instructions, in order to ensure both implementation of environment protection policy and attainment of general and individual objectives.

4.4.7 Emergency preparedness and response

Plans and procedures of activities shall be established in case of environmental incidents and possible emergency situations.

Plans related to emergency situations shall include instructions describing activities that should be performed for mitigating possible impacts on the environment, as related to each specified situation.

Plans related to emergency situations shall be reviewed after incidents or cases of emergency, and revised, if necessary.

4.5 CHECKING

4.5.1 Monitoring and measuring

For each established major environmental aspect, the required monitoring and measuring shall be carried out as specified in the work instructions of the above system. Setting of new general and individual objectives shall result in revision of work instructions of the aspects to which these objectives refer.

4.5.2 Evaluation of conformance

4.5.2.1; 4.5.2.2

Evaluation of conformance with regard to applicable legal and other requirements to which Dalekovod is committed shall be carried out by an internal audit pursuant to the operating procedure QAP-011.

4.5.3 Non-conformity, corrective action and preventive action

4.5.4

The procedures used for establishing competent persons in charge of handling and investigating non-conformances, of taking actions with a view of mitigating any consequences arising from non-conformances and of initiating and finishing corrective and preventive actions shall be defined by the operating procedures QAP-020, QAP-030, QAP-06, QAP-062 and QAP-071.

4.5.4 Control of Records

The records which are proving compliance with the environment system shall be permanently kept at the archives, and registered pursuant to operating procedures: QAP-020, QAP-030, QAP-040, QAP-050, QAP-443

4.5.5 Internal audit

In order to ensure effective implementation of this system and fulfill the purpose of its establishing, internal audits shall be carried out. The purpose, frequency and methodology of assessment, as well as responsibilities and requirements for conducting audits and issuing reports about the independent assessment results shall be specified in the operating procedure QAP-030. Elaboration of an independent assessment plan shall be also prescribed by the above mentioned procedure.

4.6 Management review

The assessment process and provision of documentary evidence shall be carried out pursuant to the operating procedure QAP-020 - Management Review. Analysis of corrective actions, internal audit results, ecological indicators, legal regulations, applicable circumstances and commitments of continuous improvement shall result in recommendations for system improvement and environment management goals. The established environment policy advantages shall also be assessed at this Management review.

4.7 LIST OF OPERATING PROCEDURES OF THE ENVIRONMENT PROTECTION SYSTEM:

a) Procedures integrated in the operating procedures of the quality system which is brought into compliance with 9001 standard

QAP-010	Control of ISU documents
QAP-011	Control of standards and legal regulations
QAP-020	Management review
QAP-030	Internal audits
QAP-040	Documented procedure of Human Resources Department
QAP-050	Documents and Records
QAP-061	Corrective actions
QAP-062	Preventive actions
QAP-071	Nonconformities in management systems
QAP-080	Documented procedure of the Sales Office in Dalekovod Proizvodnja d.o.o.
QAP-081	Sales in Dalekovod d.d.
QAP-085	Documented procedure of the Contracting Department
QAP-090	Documented procedure of the Purchasing Department in Dalekovod d.d.
QAP-091	Documented Procedure of the Purchasing Department in Dalekovod Proizvodnja
QAP-100	Eligibility of Supplier
QAP-110	Validation of Supplier

b) System procedures

QAP- 431	Establishing significant environmental aspects
QAP – 441	Responsibilities related to environment protection
QAP-443	Communication in management systems
QAP-443/1D	Communication with the interested public
QAP- 447	Emergency preparedness and response in Dalekovod d.d.
QAP-447/3D	Emergency preparedness and response in Dalekovod galvanizing plant
QAP-704	Training related to Occupational Health and Safety System and Environment Management System

c) Operating procedures

OP- 011/4 D	Reporting environmental emissions to authorities
OP- 063/1D	Use of dangerous substances in Dalekovod d.d.
OP - 401	Elaboration of projects
OP - 900	Classification of waste material and its disposal
OP – 901	Waste management in Dalekovod Proizvodnja – AKZ factory
OP – 902	Waste management in Dalekovod Proizvodnja – OSO and MK factory
OP – 903	Waste management in Dalekovod d.d.
OP - 920	Maintenance of internal waste water drainage system for Dalekovod Proizvodnja
OP - 940	Control of waste water emission in Velika Gorica
OP - 941	Procedure for establishing integrated environmental requirements in AKZ factory
OP - 950	Control of noise and emissions into air for Dalekovod Proizvodnja, location Velika Gorica
OP - 951	Control of noise and emissions into air for AKZ factory
OP - 960	Maintenance of Internal waste water drainage system with control of emissions - Dalekovod d.d.
OP - 970	Environment protection during construction of projects
OP - 980	Control and regulation of water, gas and electric power in Dalekovod-Galvanizing Plant
OP - 992	Storage and manipulation of chemicals with dangerous substances in Dalekovod-Galvanizing Plant
OP - 993	Flux and degreaser treatment procedure in Dalekovod – Galvanizing Plant