

gorenjegroup



EMAS Environmental Statement

of the companies Gorenje, d. d.,
and Gorenje I.P.C., d. o. o.,

for the year 2015



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1 Statement of Authenticity of Environmental Data

The EMAS Environmental Statement for the period from January 1 to December 31, 2015, includes operations of the companies Gorenje, d.d., and Gorenje I.P.C., d.o.o. All information and facts specified in the EMAS Environmental Statement are authentic and reflect the true and actual state of the environmental management system at both companies. The Statement is also available on the website at www.gorenje.com.

In 2003, the parent company Gorenje, d.d., adapted its operations to comply with the EMAS requirements as laid out in the EU Regulation No 761/2001; in early April 2004, the audit was successfully completed. Requirements for entry into the EMAS system register were met as of May 1, 2004 when Slovenia became a member of the European Union. In 2006, the company Gorenje I.P.C., d.o.o., joined the system. In March 2015, the Slovenian Institute of Quality and Metrology (SIQ) carried out an audit of the EMAS system and found that it complies with all requirements of the EU Regulation No 1221/2009 (the EMAS Regulation).

Vilma Fece
Head of Environment Protection
and Occupational Safety and Health



2 Company Profiles

Activities of the company Gorenje, d. d.

Name: Gorenje, gospodinjski aparati, d. d.
Date of entry into the Court Register: December 31, 1997
Abbreviated company name: Gorenje, d. d.
Head office: Velenje, Partizanska 12
Company activity: Development, manufacturing, and sales of home appliance, and information and industrial equipment
Activity code: 27.510 Production of electric home appliances

Activities of the company Gorenje I.P.C., d. o. o.

Name: Gorenje I.P.C., Invalidsko podjetniški center, d. o. o. (social enterprise)
Date of entry into the Court Register: June 25, 1991
Abbreviated company name: Gorenje I.P.C., d. o. o.
Head office: Velenje, Partizanska 12
Company activity: Development and production of electrical components, packaging and expanded polystyrene, and printed material
Activity code: 27.330 Production of power outlets, switches, and other wiring
22.220 Production of packaging made of plastics
18.120 Other printing

105,349.91 t

INPUT RAW MATERIALS

for Gorenje, d. d.



18 t

DISPOSED WASTE

for Gorenje, d. d.

91,182 t

PRODUCTS

for Gorenje, d. d.



3 Scope of company activities

Activities of the company Gorenje, d. d.

The EMAS system includes activities of the parent company, taking place at the following locations:

- Velenje, Partizanska 12;
- Šoštanj, Primorska c. 6a and Primorska cesta 6d;
- Rogatec, Ceste 56.

Activities of Gorenje, d. d., at the Velenje location are taking place in a mixed zone indented for industrial, repair and maintenance, handicraft, and service activities; at Šoštanj and Rogatec locations, operating activities are conducted in an industrial and handicraft/artisan zone.

EMAS system does not include Gorenje, d. d., MEKOM Program, at location Hrastje 2a, Bistrica ob Sotli, where refrigeration appliance doors are produced and where other activities not related to the company core activity take place.

Activities include development, production, and sale of home appliances, and information and industrial equipment. Following are the manufacturing plants within the parent company:

- Fridge Freezer and Dishwasher Program ("cold and dishwashing program"): refrigerators and combined appliances, dishwashers
- Cooking appliance program ("hot program"): electric and gas cookers, ovens, cooking hobs;
- Laundry appliance program ("wet program"): washing machines, laundry dryers;
- MEKOM Program: metal and plastic components;
- Point program: development, production, and sale of information technology equipment;
- Heating systems program: development and sale of heating systems.

As at December 31, 2015, Gorenje, d. d., had 4,138 employees, of which 3,784 were employed at the Velenje location, 81 worked at the Šoštanj plant, and 205 worked at the Rogatec plant.

Activities of the company Gorenje I.P.C., d. o. o.

The EMAS system includes company activities taking place at the following locations:

- Velenje Partizanska 12;
- Šoštanj, Primorska c. 6d.

Activities of Gorenje, I.P.C., d. o. o., at the Velenje locations are carried out in a mixed zone intended for industrial activities, repair and maintenance, handicraft, and service activities. In Šoštanj, Gorenje I.P.C., d. o. o., is located in the industrial zone along the Primorska cesta, intended for industry and handicrafts.

Company activities comprise the following key processes:

- development and production of electronic components;
- design and printing,
- development and production of expanded polystyrene packaging; and
- assembly of subsets for home appliances.

The production facilities include the following:

- Packaging Program: production of expanded polystyrene packaging;

- Services Program: assembly of subsets for home appliances;
- Graphics Program: production of instruction manuals for home appliances;
- Electrical Components Program: production of cable sets for home appliances.

As at December 31, 2015, Gorenje I.P.C., d. o. o., had 858 employees. The number of employees at the Šoštanj location was 414, number of employees at Velenje location was 444.

Gorenje, d. d., is the sole shareholder of Gorenje, I.P.C., d. o. o., holding 100 percent ownership of the company. 96.8 percent of Gorenje IPC production output is intended for programs of Gorenje, d. d. Gorenje IPC is connected to production processes of Gorenje, d. d., via the SAP information system. The systems of quality management, environment protection, and occupational health and safety are integrated into the said systems of Gorenje, d. d.; the same applies to maintenance, organization, and IT.



4 Environmental management system

At Gorenje, d. d., the environmental management system in compliance with the requirements of the ISO 14001 standard was certified in 2000. The company was entered into the EMAS register in 2004. In 2006, Gorenje, d. d., introduced a system of safe and healthy work in compliance with the OHSAS 18001 standard. Following the decision to implement integrated systems of environment protection and occupational safety and health, the systems were also introduced in 2006, and certified in 2007, by the company Gorenje, I.P.C., d. o. o. In 2015, the company KEMIS, d. o. o., a Gorenje Group member and a part of Gorenje Group's portfolio investments, was entered into the EMAS system register. The company released an independent EMAS environmental statement.

Gorenje, d. d., issued the first environmental report in 2000. Environmental Report for 2003 already included a certified EMAS Environmental Statement. In compliance with the provisions of the EMAS Regulation, a complete environmental statement was also prepared for the years 2006, 2009, 2012, 2013, and 2014, with updates to the Environmental Statement being issued in the years between.

The Rules of Procedure are the fundamental document for the environmental management systems and occupational health and safety management systems. It specifies the measures for continuous monitoring and improvement of the environment and occupational health and safety at the Group companies. Environmental management of procedures is further specified at each organizational unit with internal normative acts. Implementation of programs leads to attainment of goals, which paves the way for continuous progress. Audits and inspections are carried out to control the progress of programs aimed at our goals. The reports for the public summarize and present the information on the environmental effects and the progress made in the field of environment protection. "Environment Protection and Occupational Health and Safety" are in charge of the activities in environment protection at the parent company Gorenje, d. d. This department has a consulting, supervisory, development, and operational role both at the parent company Gorenje, d. d., and at the entire Gorenje Group. Company management reviews the efficiency of the environmental management system once per year, during the managerial review.

5 Development

A satisfied customer is the key goal in the development of our products. We strive to understand the consumers' habits and needs, and to anticipate the trends they set.

In this pursuit, we are focusing on the areas that improve the competitiveness of our products and services, as follows:

- **development of technological innovation** that brings added value to the users and simplifies their lives;
- **energy efficiency** which requires permanent care because of both consumer expectations and regulations in this field. This will remain a key area of our focus in the future;
- **new materials** that will improve the functionality of the products while reducing the burden to the environment;
- **Simplicity of use** of our products is a field we devote a lot of effort to when designing and developing all our products;
- **platform-based thinking** and search for solutions are of key importance if we are to develop appliances for various target groups of our customers (in terms of price segments), while at the same time managing our complexity, i.e. the offer of several products within a single product category;
- **Carefully thought-out and advanced design of our**

products is one field we devote maximum attention to, starting in the early stages of development.

Revision of new product development process which is to be uniform for the entire Gorenje Group was another key focus in development for 2015.

In the refrigeration appliance segment, we have developed a new platform of built-in combined refrigerator-freezers to be launched in 2017. We have also developed highly energy-efficient free-standing fridge-freezers with a width of 60 cm.

We have launched the second stage of new built-in oven platform development for our premium brands Asko and Atag. Working with Philippe Starck, we have developed a new line of superiorly designed Gorenje by Starck kitchen appliances.

In the dishwasher segment, we have developed an entirely new modular dishwasher platform to be launched in the markets in 2016 and 2017.

In the segment of washing machines and dryers, we were developing a new premium washing machine platform with excellent functionality, high energy efficiency, and a long



useful life. Working with our strategic partner Panasonic, we have completed the second stage of our joint project: we have developed washing machines with extra-large load capacity.

We actively developed digital solutions, including connectible appliances.

In heating systems, the main development challenge in 2015 was improvement of energy efficiency.

6 Evaluation of suitability of environmental policy

In 2007, we specified a joint environment protection and occupational health and safety policy for the companies Gorenje, d. d., Gorenje I.P.C., d. o. o., and Gorenje Orodjarna, d. o. o.

In 2011, the policy was also adopted by the companies Gorenje Valjevo, d. o. o., and Gorenje GAIO, d. o. o. In 2012, the policy was adjusted to the guidelines and policies laid down in the Gorenje Group Strategic Plan for the period 2012–2015.

In 2014, the environment protection and occupational health and safety policy was updated to match the Gorenje Group's new strategic policies for the period 2014–2018. In 2014, the policy was also adopted by the company Gorenje Gostinstvo, d. o. o. In 2015, it was adopted by Gorenje Home, d. o. o., Zaječar, and INDOP, d. o. o., Šoštanj. At the end of 2015, a new Gorenje Group Strategic Plan for the period 2016–2020 was adopted. The environment protection policy and occupational health and safety policy did not have to be

adjusted due to the changes in the Strategic Plan.

Environment protection and occupational safety and health are constituent parts of Gorenje Group's corporate governance policy and organizational culture. Therefore, the key values that lead us, consistently with the new strategic policies, in our pursuit of the corporate vision and mission and in our day-to-day actions, have to be strongly embedded in the very core of the environment protection and occupational health and safety policy. These values include responsibility, innovation, and entrepreneurship. In environment protection and occupational health and safety, they are asserted through openness of thinking, team spirit, respect, efficiency, goal-orientation, and commitment.

Environment protection and occupational safety

SAFE. HEALTHY.
2015 – the year of safety
and health at work

Gorenje's strategic plan is based on the pursuit of the Group's vision and mission: to create original, superiorly designed products and services that afford simplicity for our users. We are focused on increasing customer satisfaction and creating value for our owners, employees and other stakeholders of the Gorenje Group companies in a socially responsible manner. Owing to its importance, the environmental protection and occupational health & safety policy is an integral part of the corporate governance policy and organisational culture of the Gorenje Group.

Environmental protection and the provision of safe working conditions are among the basic rights, obligations and responsibilities of all employees, and as such are treated as constituent parts of the Company's corporate governance.

We undertake to continue carrying out the following activities in future:

- incorporating the protection of the working and broader environment into our development strategy as well as annual and operational plans via the foreseen measures, assets, responsible persons, service provides and deadlines in order to allow our employees to fulfil their tasks in a safe and health manner, while constantly reducing the risk of injury or illness and continuously reducing negative impacts on the environment;
- monitoring and measuring indicators of the state of the working environment and environmental aspects, including appropriate response measures in case of any deviations;
- improving the condition of the working and broader environment at our company, subject to relevant regulations;
- planning and implementing new technologies and products in line with environmental protection principles, and introducing appropriate, flawless, and ergonomic working equipment while constantly seeking opportunities to improve working conditions;
- using such materials and components that will comply with the strictest domestic and foreign environmental standards;
- planning new products in compliance with the requirements of environmental design which includes the entire useful life of a product: from development, through production, to production and waste management after the expiry of its useful life;
- reducing the volume of generated waste and rationalising the use of energy resources,
- educating, training and raising awareness of employees and partners about their responsibility to the working and broader environments,
- cooperating with interested internal and general publics in order to contribute to the success of joint efforts in environmental protection and occupational health & safety,
- informing the public on our achievements in environmental protection and concern for occupational health and safety.



Franjo Bobinac
President and CEO

Velenje, 1. 3. 2014

Gorenje, d.d.
Gorenje d.o.o. Valjevo
Gorenje Home d.o.o. Zaječar

Gorenje I.P.C., d.o.o.
Gorenje GAIO, d.o.o.
Indop d.o.o.

Gorenje Orodjarna, d.o.o.
Gorenje Gostinstvo, d.o.o.

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7

Identifying the key environmental aspects and assessment of environment impact

Environmental aspects are defined as activities, products, and services that interact with and bear an impact on the environment. The analysis of environmental aspects includes all stages of the production process, products, and activities, both in normal operation and in operation under extraordinary conditions or states of emergency.

The following criteria are applied to identify a particular aspect:

- environment policy and legislative requirements;
- opinion of interested parties and stakeholders;
- risk assessment;
- own assessments; and
- assessments pertaining to extraordinary conditions and states of emergency.

In assessing the environmental impacts which include every change to the environment, favourable or detrimental, resulting in part or entirely from the activities, products, and services taking place, being produced or being rendered at Gorenje, d. d., and Gorenje I.P.C., d. o. o., the following has been considered:

- **direct impact**, i.e. direct results of the two companies' own activities over which the companies have direct control; and
- **indirect impact**, i.e. the effects caused directly by other parties, the occurrence, scope, and the nature of pollution of which, however, may be affected by our activities (e.g. use of our products, logistics, power production, etc.).

Framework and operative environmental targets and programs

have been defined for major environmental aspects and the identified environmental aspects are being adapted in compliance with the legislation (raw materials, emissions into air, water, and ground, noise, waste etc.) and environmental policy. Gorenje, d. d., is also monitoring the use of energy resources that represent a vital part of environment protection for the holders of the Integrated Pollution Prevention and Control Permit (who are liable to comply with the relevant requirements). In 2013, environmental aspects were fully assessed at Gorenje, d. d., and Gorenje, I.P.C., d. o. o. In 2014, the environment aspects of dishwasher production were assessed for the first time, as well as environment aspects of the relocation of a part of the Mekom program production from the Šoštanj plant to the Galvana plant. New assessments did not affect the range of identified environment aspects and therefore, the environmental aspect register has not been changed. Thus, product/service, and industrial wastewater from production processes remain the major aspects at Gorenje, d. d. With regard to products and technological wastewater, the emphasis is on the content of hazardous substances. Technological wastewater was



classified as a major environmental aspect based on an in-house assessment. Wastewater management at Gorenje, d. d., does not include only cleaning of industrial wastewater at own waste water treatment plant, but also implementation of measures for optimum consumption of water

and chemicals for industrial purposes. Indirect aspects have been studied in detail through development of new products.

At Gorenje I.P.C., d. o. o., product/service is defined as an important aspect.

Chart: **Detailed overview of identified and estimated environmental aspects of the operation of the companies Gorenje, d. d., and Gorenje I.P.C., d. o. o.**

IDENTIFIED ENVIRONMENT ASPECTS AT GORENJE, d. d.

1. RAW MATERIALS

- sheet metal
- components of non-metal and metal origin
- chemicals
- thermal and sound insulation
- rubber and plastic semi-products
- packaging

2. ENERGY RESOURCES

- electricity
- heat
- natural gas
- compressed air
- water

3. OTHER

- stationery
- auxiliary material

4. EMISSIONS

- emissions into air
- emissions into ground
- noise emissions
- emissions into water
 - industrial wastewater
 - cooling wastewater
 - communal wastewater
 - sewage system
- light pollution
- odours

5. WASTE

- hazardous waste
- waste packaging
- municipal/communal solid waste
- other non-hazardous waste

6. PRODUCTS

- product/service
- own parts

IDENTIFIED ENVIRONMENT ASPECTS AT GORENJE I.P.C., d. o. o.

1. RAW MATERIALS

- components of non-metal and metal origin
- chemicals
- thermal and sound insulation
- rubber and plastic semi-products
- packaging

2. ENERGY RESOURCES

- electricity
- heat
- natural gas
- compressed air
- water

3. OTHER

- stationery
- auxiliary material

4. EMISSIONS

- emissions into air

- emissions into water

- industrial wastewater

- communal wastewater

- sewage system

- light pollution

- odours

5. WASTE

- hazardous waste
- waste packaging
- municipal/communal solid waste
- other non-hazardous waste

6. PRODUCTS

- product/service
- own parts

2,665.90 t

INPUT RAW MATERIALS

for Gorenje I. P. C.



0,71 t

DISPOSED WASTE

for Gorenje I. P. C.

2.376,06 t

PRODUCTS

for Gorenje I. P. C.



8 Material balance

8.1 Material balance of Gorenje, d. d.

	2006		2009		2012		2015	
	(t)	(%)	(t)	(%)	(t)	(%)	(t)	(%)
Input raw materials	188,685.8	100	150,009.0	100	115,303.0	100	105,349.91	100
Output								
Products	171,029.1	90.6423	138,388.4	92.2534	102,635.0	89.0133	91,182.0	86.56
Metal secondary raw	13,451.7	7.1291	8,272.9	5.5149	9,196.8	7.9762	10,442.0	9.91
Non-metal secondary	2,633.1	1.3955	2,102.6	1.4017	2,454.8	2.1290	3,287.1	3.12
Disposed waste	1027.4	0.5445	670.9	0.4472	15.3	0.0133	18.0	0.02
Non-hazardous waste	/	/	461.3	0.3075	377.7	0.3276	310.5	0.29
Hazardous waste	498.2	0.2641	101.9	0.0679	95.4	0.0827	108.0	0.10
Emissions into water	1.120	0.0006	0.170	0.0001	0.129	0.0001	0.135	0.0001
Emissions into air	45.2	0.0235	10.9	0.0073	14.4	0.0125	2.17	0.0021

The balance for 2015 includes production of home appliances at plants located in Velenje, Šoštanj, and Rogatec. Šoštanj and Rogatec plants mostly manufacture components that are in turn installed into final products – home appliances produced at the Velenje plant. The quantities of input raw materials depend on the planned or actually produced volume of home appliances.

Basic input raw materials for home appliance production are sheet metal, plastic granulates, electrical components, chemicals, and packaging materials. Output of the material balance includes products (home appliances), waste, and emissions into water and air.

Waste is classified into secondary raw materials (metal and non-metal), hazardous waste, disposed waste, and other non-hazardous waste (waste dust, ashes, enamel, and sludge generated in the waste water treatment plant). Polymer waste is recycled within in-house processes. Hazardous waste includes waste chemicals, oil-stained cloth, and used emulsions and mineral oils.

Emissions into air include emissions from all technological processes at Gorenje, d. d., except for emission of flue gasses resulting from consumption of fuels. Emissions into water include all parameters specified by the national legislation and environmental permits, except for sulphate which is not classified as a major environment aspect of Gorenje, d. d., operations.

8.2 Material balance of Gorenje I.P.C., d.o.o.

	2006		2009		2012		2015	
	(t)	(%)	(t)	(%)	(t)	(%)	(t)	(%)
Input raw materials	4,374.7	100	3,549.9	100	2,966.4	100	2,665.9	100
Output								
Products	4,103.9	93.8103	3,279.0	92.3699	2,760.9	93.0708	2,376.06	89.125
Metal secondary	10.9	0.2480	10.8	0.3032	16.4	0.5522	15.9	0.6
Non-metal secondary	143.5	3.802	194.4	5.4773	153.6	5.1772	273.1	10.24
Disposed waste	115.0	2.6288	64.3	1.8099	35.5	1.1964	0.71	0.03
Hazardous waste	1.3	0.0297	1.2	0.0338	/	/	/	/
Emissions into water	/	/	0.005	0.0001	0.012	0.0004	0.048	0.002
Emissions into air	0.1	0.0030	0.2	0.0058	0.09	0.0030	0.08	0.003

The balance for 2015 includes production at Velenje and Šoštanj plants.

Basic input raw materials are paper used at the Graphics program and expanded polystyrene which is the basic raw material for packaging. Materials used at the Services Program and Electro Components Program are the property of Gorenje, d. d.; the company Gorenje, I.P.C., d. o. o., only provides the services.

The output side of the material balance includes products (printed material, packaging), waste, and emissions into water and air. Emissions into water and air are generated at the Packaging Program. Metal secondary raw materials include waste wire, while non-metal secondary raw materials include waste paper from the print shop and waste packaging. Hazardous waste includes oil from the machinery used in the Packaging Program.



9 Environmental targets and efficiency of environmental management

9.1 Outline targets

In 2014, the following goals were specified and adopted at Gorenje, d. d., with regard to environment protection, to be attained by 2018:

- implementation of requirements related to hazardous substances in products;
- reducing the amount of waste generated;
- rational use of energy.

Following are the environment protection goals of Gorenje I.P.C., d. o. o., for the period from 2014 to 2018:

- implementation of requirements related to hazardous substances in products;
- reducing the amount of waste;
- rational use of energy.

9.2 Implementation targets in Gorenje d. d.

9.2.1 Location Velenje

Aspect	Unit					Target	Actual result	Target
		2011	2012	2013	2014	2015	2015	2016
rational use of energy								
water consumption	m ³ /unit	0.10	0.085	0.079	0.084	0.08	0.08	0.08
power consumption	kg/t	2.00	1.74	1.68	1.82	1.78	1.78	1.75
consumption of compressed air	kWh/unit	25.25	24.98	24.03	23.09	23.00	23.98	23.00
natural gas consumption	kg/t	496.6	511.7	508.8	498.1	496.2	510.6	506.9
	m ³ /unit	12.88	14.03	13.67	12.25	12.25	12.87	12.5
	kg/t	253.3	287.4	289.5	264.3	264.3	273.8	272.1
	Sm ³ /unit	1.33	1.28	1.35	1.28	1.30	1.28	1.25
	kg/t	26.3	26.25	28.5	27.6	28.0	27.2	26.5

Attainment of environment protection goals at the Velenje plant

With regard to rational use of energy (per number of appliances manufactured), our performance was better than the goals laid down with regard to natural gas consumption by 1.5%.

Our performance was also better than planned by 5.1% for the indicator of specific compressed air consumption; by 3.8% for water consumption; and by 10.4% for power consumption.

No corrective measures were required as a result of the deviation from the specified goals, as all discrepancies are below the tolerable level of 15%.

9.2.2 Location Rogatec

Aspect	Unit	2011	2012	2013	2014	Target	Actual result	Target
						2015	2015	2016
Reducing the quantity of								
hazardous waste	t	7.1	5.19	5.0	4.6	4.7	5.2	5.0
waste to be disposed	t	13.6	12.69	3.9	4.7	/	/	/
Rational use of energy:								
electricity	kWh				1,681,176	1,650,000	1,826,184	1,826,000
natural gas	Sm ³				220,257	210,000	240,012	239,000

Attainment of environment protection goals at the Rogatec plant

Comparison of the amount of hazardous waste points to an increase over the year before; it is 9.6% above the target. Use of natural gas was higher than the goal specified by 12.5%, and the use of electric energy was higher by 9.6% as the production output at the Rogatec plant also increased.

No corrective measures were required as a result of the deviation from the specified goals, as all discrepancies are below the tolerable level of 15%.

9.2.3 Location Šoštanj

Aspect	Unit	2011	2012	2013	2014	Target	Actual result	Target
						2015	2015	2016
Reducing the quantity of								
hazardous waste	t	0.485	0.97	0.92	0.890	0.890	0.90	0.90
Rational use of energy								
water consumption	m ³	1,099	1,158	1,124	686	750	651	650
power consumption	kWh	1,520,768	1,508,487	1,431,395	1,446,645	1,449,000	1,419,141	1,400,000

Attainment of environment protection goals at the Šoštanj plant

In 2015, the amount of hazardous waste increased by 1%. Water consumption is 13% lower than the specified target and power consumption is 5% below the specified target.

No corrective measures were required as a result of the discrepancy relative to the specified goals.



9.3 Implementation targets in Gorenje I.P.C., d. o. o.

9.3.1 Location Velenje

Aspect	Unit	2011	2012	2013	2014	Target	Actual result	Target
						2015	2015	2016
Rational use of energy								
Water consumption	L/€NS*	3.112	2.718	2.952	3.009	2.710	3.292	3.621
Power consumption	kWh/€NS*	0.140	0.135	0.140	0.133	0.130	0.144	0.147
Compressed air consumption	m ³ /€NS*	0.155	0.152	0.169	0.137	0.134	0.167	0.850
Natural gas consumption	Sm ³ /€NS*	0.199	0.182	0.191	0.182	0.180	0.193	0.180

Attainment of environment protection goals at the Velenje plant

* measurement unit for the aspect per EUR of net revenue

Power consumption was 10.7% higher than the target; compressed air consumption was 24.6% above the target; natural gas consumption was 7.2% above the target; and water consumption was 21% above the target. Power consumption was higher due to intensive operation of air conditioners during the hot summer, suboptimal production at the Packaging Program, and introduction of computer aid to workplaces. Water consumption exceeds the target value due to sub-optimum machinery utilization. New meters were installed to measure the compressed air consumption on respective consumption points.

The following corrective measures have been adopted as a response to the discrepancies from the specified targets: specify optimum machine utilization, implementation of electric drivers (screwdrivers and nut runners), energy consumption monitoring.

9.3.2 Location Šoštanj

Aspect	Unit	2011	2012	2013	2014	Cilj	Doseženo	Cilj
						2015	2015	2016
Racionalna raba energentov								
water consumption	L/€NS*	0.205	0.185	0.243	0.299	0.270	0.318	0.327
power consumption	kWh/€NS*	0.170	0.158	0.135	0.134	0.134	0.157	0.162

Attainment of environment protection goals at the Šoštanj plant

* measurement unit for the aspect per EUR of net revenue

Water consumption was higher than the target by 17.7%; use of electric energy exceeded the target by 17.2%. This is a result of a revised division of costs between Gorenje I.P.C., d. o. o., and Gorenje, d. d., more intensive operation of air conditioners, additional air conditioning at digital print premises, and introduction of computer-aided workplaces.

Realistic goals have been laid down as a result of the deviation from the specified goals, and energy consumption is being monitored in detail.

9.4 Environmental program efficiency

At Gorenje, d. d., the goals were supported by 12 environmental programs in 2015.

With regard to the program Content of Substances in Technological Procedures and Home Appliances, we started to set up a computer database in 2015 with documentation on input raw materials. The project of revising the decorative chrome-coating process is in its early stage. The revision will eliminate the use of Cr6+. We are also examining the option to connect the discharge from the Gorenje central waste water treatment plant to the public sewage system which terminates at the Municipal waste water treatment plant for the Šalek Valley (Šaleška dolina). The year 2015 was the first year in which we reported on imports of equipment containing fluorinated greenhouse gases directly to the EU Commission. In May 2015, we obtained the decision on the change to the environmental permit for the operation of equipment that could cause major environmental pollution, as a result of a small change in production processes or abandonment of some production procedures.

At Gorenje I.P.C., d. o. o., the main emphasis in 2015 was placed on improvement of energy efficiency of buildings, and start-up of combined heat and power (co-generation) system for efficient use of energy.

Activities in new product development are described in section 5 of this Environmental Statement.

10 Information on emergency situations

Our employees are continuously trained for safe work and for conduct in case of extraordinary events. We do regular evacuation drills and practical fire extinguishing tests. We also conduct regular control of technological procedures and we regularly monitor the effects on the environment.

In 2015, the Professional Fire Brigade intervened twenty-two times in cases of extraordinary environmental events at Gorenje, d. d. In 2015, the Fire Brigade had one intervention at Gorenje I.P.C., d. o. o., due to flooding of channels resulting from a safety valve failure. The most common incident was spill of hydraulic oil from forklift trucks and ingress of precipitation during heavy rain. All events were minor and did not require further measures. **There were no negative effects on the environment** resulting from extraordinary events at Gorenje, d. d., and Gorenje I.P.C., d. o. o. in 2015.

In October, Gorenje professional fire brigade worked with the Velenje volunteer fire brigade to hold a firefighting and evacuation drill at the hanger cleaning plant.



11 Communication with interested parties and stakeholders

In 2015, Slovenian press (or media) ran 652 reports (articles, contributions) on environmental topics, related to the Gorenje Group. Relative to 2014, this is 231 reports more.

Fewest environment-protection-related reports were run in January (3 reports). The media reported most frequently on environmental issues in March (as many as 113 contributions). In that period, the media reported extensively on the Pure Joy (Čisto veselje) campaign in which the company Gorenje Surovina took part as a partner. In the campaign, the public was invited to dispose of waste raw materials at specific collection points throughout Slovenia to raise money for holidays for children with emotional and behavioural disorders. The media reports related to environment protection in 2015 paid the most attention to the company Gorenje Surovina (379 reports), followed by contributions on waste electric and electronic equipment (112) and the company Zeos (72 reports).

Media reports can be seen as positive as they mostly concerned activities of the companies Gorenje Surovina and Zeos in the field of waste management, i.e. the issues related to waste packaging, waste electric and electronic equipment, and waste candles.

Gorenje, d. d., is a member of the Green Network of Slovenia which brings together enterprises, local communities, educational institutions, institutes, offices, and other legal entities aware of the importance of sustainable development and (corporate) social responsibility. It paves the way to cooperation and communication on environmental and sustainability projects, solutions, innovation, and achievements.

All members may communicate their environmental and sustainability projects to the expert community and the general public in the EOL Magazine and the Green Network of Slovenia online portal. Thus, the Green Network is pursuing its mission of being the environmental hub in Slovenia. The Green Network of Slovenia is managed by the company Fit media, d. o. o., as a part of the Green Slovenia project.

Gorenje employees take part in professional and expert meetings, also as lecturers, both in Slovenia and abroad, to share their experience.

Internal communication that includes environment protection is conducted via Works Council, system of submission and awarding of beneficial proposals called "Sparks" ("Iskrice"), the 20 key system, internal magazines, and coordinators for environment protection and occupational safety and health.

Independent portals Environment Protection and Occupational Health and Safety have been set up on the Gorenje Group intranet to provide efficient notification. Employees are also notified and informed about the events, activities, and policies in environment protection and occupational health and safety with contributions in company newsletters: weekly info.G newsletter and the Pika na G periodical.

In 2015, Gorenje, d. d., was addressed by 9 groups or individuals looking for additional information on environmental management. Some of them requested response to questionnaires and surveys. There are no records of complaints by the interested public.

Periodic training on occupational safety and health, fire safety, and environment protection was carried out according to annual plans in 2015.

- 1,5%



**NATURAL GAS CONSUMPTION
BETTER THAN THE GOALS
LAID DOWN**

for Gorenje, d. d.,
location Velenje

12

Compliance with legislation and other requirements

Based on continuous monitoring of legal (in the field of emissions into water, emissions into air, waste, noise, packaging, chemicals, energy resources, building construction and protection against natural and other disasters) and other requirements related to environment protection, environmental due diligence audits, results of environmental monitoring and relevant documentation, and results of inspection reviews, we find that operations of the company Gorenje, d.d., are in compliance with legal and other requirements specified by the requirements of the ISO 14001 standard and the EMAS Regulation.

In 2015, inspection was carried out at Gorenje, d.d., by the Health Inspectorate of the Republic of Slovenia, to control the materials and products intended for contact with food, at the manufacturers of such products. No irregularities or deviations were found.

Representatives of the Slovenian Environment Agency conducted a verbal inspection and a tour of Gorenje, d.d., before issuing the decision on the change to the environmental permit for the operation of equipment that could cause major environmental pollution. All comments or recommendations were implemented within the specified deadline, and the decision on the change to the permit was issued in May 2015.

Inspectorate of the Republic of Slovenia for the Environment and Spatial Planning, Environment and Nature Inspection Service, regional unit Celje, conducted an inspection following a request by the Ministry of the Environment and Spatial Planning, to check the situation at major clients regarding the management of mixed municipal waste. The inspector found that Gorenje, d.d., manages the municipal waste in compliance with the relevant legislation.

At Gorenje I.P.C., d.o.o., there were no inspections regarding environment protection in 2015.

Gorenje, d.d., and Gorenje I.P.C., d.o.o., meet the legally provided limit values with regard to wastewater, emissions into air, and noise released into the environment, specifically defined for the activities of these two companies. For other areas referred to above, no limit values are provided by currently effective legislation.

The companies Gorenje, d.d., and Gorenje I.P.C., d.o.o., have obtained all required environmental permits. Gorenje, d.d., obtained the Integrated Environmental Permit No. 35407-91/2006-13 for its Velenje plant, for the following:

- operation of equipment that may cause major pollution, activity 2.6; and for
- operation of equipment for surface treatment of metals using electrolysis and chemical procedures, with a total tub volume of 215.4 m³. The permit is effective through September 2018 or to the first major change in the technological procedure covered by the environmental permit.



As a result of anticipated changes in the technological procedures at Gorenje, d. d., minor change to the environmental permit was required; this, in turn, required a study of the changes in the environmental impact. In October 2013, the study "Expert Assessment of the Environmental Impact of the Change in the Operation of Equipment at Gorenje, d. d.," was conducted. In 2014, Gorenje, d. d., filed an application for a change to the Environmental Permit to the Ministry of Environment and Spatial Planning, Environmental Agency of the Republic of Slovenia, as well as two amendments to the application. The decision on the change to the environment permit No. 35406-17/2014-13 was issued in May 2015.

In 2015, the partial water course permit for Gorenje, d. d., Velenje plant, was changed due to the inclusion of new consumption points and reassessment of the annual water consumption potential.

In 2015, the Rogatec plant obtained its Environmental Permit (Decision No. 35444-71/2014-6) for release of industrial wastewater, valid until March 12, 2025; black lacquer coating chamber is registered with consecutive number 2 in the records of equipment using organic solvents

(decision No. 35413-22/2011-4, valid until October 28, 2016). In 2014, Gorenje, d. d., obtained a partial water course permit (Decision No. 35536-83/2013-2) for the Rogatec plant, which allows direct use of water for industrial/technological purposes. Water course permit is effective until August 30, 2040. Water course permit for the Velenje plant was changed in 2015 due to inclusion of new consumption points and reassessment of the annual water consumption potential.

In 2014, Gorenje I.P.C., d. o. o., obtained its water course permit (Decision No. 35536-157/2013-3) for the Packaging (Embalaža) Program, which allows direct use of water from facilities and devices for provision of potable water, for industrial/technological purposes. Water course permit was effective until December 31, 2015. Gorenje I.P.C., d. o. o., submitted the complete application in due time, and the Slovenian Vater Agency issued the water course permit in March 2016.

Gorenje, d. d., and Gorenje I.P.C., d. o. o., report regularly each year to the Slovenian Environmental Agency on their entire environmental impact.



**Environmental Verifier's Declaration on verification and validation
activities No O-001 and No O-002**

Slovenian Institute of Quality and Metrology,
with EMAS environmental verifier registration number SI-V-0001,
accredited for the scope NACE: 27.510, 27.330, 22.22 and 18.120

declares to have verified the sites as indicated in the environmental statement of the
organizations

Gorenje, d.d.
Partizanska 12, 3320 Velenje, Ceste 56, 3252 Rogatec in Primorska cesta 6d, 3325 Šoštanj
with registration number **Reg.No. SI-00001**

Gorenje I.P.C. d.o.o.,
Partizanska 12, 3320 Velenje in Primorska cesta 6d, 3325 Šoštanj
with registration number **Reg.No. SI-00002**

meet all requirements of the Regulation (EC) No 1221/2009 of the European Parliament and
of the Council of 25 November 2009 on the voluntary participation by organizations in a
Community eco-management and audit scheme (EMAS).

By signing this document, we declare that:

- the verification and validation has been carried out in full compliance with the requirements of Regulation (EC) No. 1221/2009;
- the outcome of the verification and validation confirms that there is no evidence of non-compliance with the applicable legal requirements relating to the environment;
- the data and information in the environmental statement " EMAS Environmental Statement of the companies Gorenje, d. d., and Gorenje I.P.C., d. o. o., for the year 2015, issue 4, 4th April 2016" " reflect a reliable, credible, and correct image of all the organisations activities, within the scope specified in the environmental statement.

This document is not equivalent to EMAS registration. EMAS registration can only be granted by a Competent Body under Regulation (EC) No. 1221/2009. This document shall not be used as a stand-alone piece of public communication.



Validation date: 2004-09-24 (Gorenje d.d.)
2007-06-14 (Gorenje I.P.C., d.o.o.)

Issue: 11/2016-04-13 (Gorenje d.d.)
08/2016-04-13 (Gorenje I.P.C., d.o.o.)

Valid until: 2019-03-31

Igor Likar:
Director of SIQ

gorenjegroup

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