

QUALITY AND ENVIRONMENTAL POLICY

The company FABRICACIÓN METALES DUROS S.A.L. is pioneering HARD METAL SINTERING for the manufacture of TOOLS AND TOOLING SYSTEMS in Spain, and for decades, it has contributed towards the development of many sectors of industrial activity.

Our current strategic approach focuses on meeting more specific market needs by manufacturing SPECIAL HARD METAL PARTS ACCORDING TO CUSTOMER DRAWINGS AND SPECIFICATIONS, applying state-of-the-art COMPACTING AND SINTERING techniques with the aim of continuing to lead this segment of activity as we have been doing for years. Management hopes that this QUALITY AND ENVIRONMENTAL POLICY will be understood by the entire organisation and that it will be fulfilled to meet the following objectives:

1 - **PERMANENTLY SATISFY CUSTOMER REQUIREMENTS AND ANY LEGAL REQUIREMENTS** thereby ensuring that the products we supply to the **MARKET** are suitable for use and provide appropriate performance, safety and reliability. Additionally, a fundamental requirement shall be to **INCREASE CUSTOMER SATISFACTION** in the above sense and in any other way that affects customer perception of FMD's service and products.

2.- **BE COMPETITIVE IN THE MARKET** so that correct application of and compliance with the **MANAGEMENT SYSTEM** will enable us to monitor and reduce the **COSTS OF NO QUALITY** or in other words, eliminate wasteful operations that do not bring added value to the product. **WORK THROUGHOUT THE ORGANISATION** with a philosophy or culture of **ZERO DEFECTS**.

3 – **RESPONSIBILITY** in all aspects of our activity for the **ENVIRONMENTAL IMPACT**. This involves suitably **IDENTIFYING, EVALUATING AND MANAGING** these aspects and working towards **MINIMISING** them along with the **WASTE PRODUCED AND RESOURCES CONSUMED**. Work will be done to ensure that **ONGOING ENVIRONMENTAL IMPROVEMENT** forms part of the company's day-to-day management and we will **TRAIN AND SENSITISE** our employees in this regard. Our **COMMITMENT** to the environment goes beyond mere **COMPLIANCE WITH THE ENVIRONMENTAL LEGISLATION** that applies to us and **OBJECTIVES AND ACTIONS** will be considered to reduce the main environmental impacts.

4- **USE TEAM WORK THROUGHOUT THE ORGANISATION**, that is, the participation of all staff to solve problems and **CONTINUOUSLY IMPROVE**.

5 - **IF A PROBLEM APPEARS**, take the necessary corrective and preventive actions, investigating potential causes for the faults in order to eliminate them.

6 - **WORK WITH ADVANCED QUALITY PLANNING** by **PLANNING** the activities contemplated, **EXECUTING THEM** as planned and **EVALUATING** the results to make **CONTINUOUS IMPROVEMENTS**.

7- **INVOLVE OUR SUPPLIERS** as an integral part of our Quality and Environment chain, as we are for our **CUSTOMERS**

8 - **WORK THROUGHOUT THE ORGANISATION** with the concept of external customer satisfaction, applying it rigorously in our permanent relations as **INTERNAL SUPPLIERS AND CUSTOMERS**.

9 - **TRAIN EVERYONE IN THE ORGANISATION** to meet the demands of each position.

10 - **INFORM** staff of the outcomes.

When these objectives are achieved, we are sure we will have achieved the **COMPANY'S OVERALL OBJECTIVES**, enabling us not only to remain in the current **MARKET**, but also enter new, even more competitive ones. **MANAGEMENT IS ALSO COMMITTED** to reviewing the present **POLICY** so that it can be continuously fine-tuned.

Bilbao, 20th June 2016

MANAGEMENT

