

## DECLARATION

### QUALITY POLICY

The mission and the vision of WATTS INDUSTRIES BULGARIA EAD is entirely defined by the policy and strategy of Watts Industries Europe – the owner of WATTS INDUSTRIES BULGARIA EAD and the representative of the WATTS group in Europe.

The strategic goals needed for accomplishing our mission for the next 3 years are:

1. To deliver all required gauges, flow meters and ball valves at the required quality and price to the Watts subsidiary intercompany (ICOs) and final customers.
2. To provide a faster service by reducing the Lead Time and increasing the Delivery performance (OTIF)
3. To continuously increase the production efficiency of the organization.
4. To develop new products and new processes in order to be more competitive on the market.
5. To diversify the typology of produced products
6. To further improve the performance of our suppliers and set together plans for win-win collaboration.
7. To provide adequate training to all our people at different levels

**We are absolutely sure that this conception for the future could be achieved by our quality policy.  
That's why we are making a declaration of the principles we are pursuing:**

- The management of WATTS INDUSTRIES BULGARIA EAD will be defending and balancing the interests of the main concerned parties, such as
  - clients
  - employees
  - owners
  - suppliers
  - society
- The management of WATTS INDUSTRIES BULGARIA EAD realizes that the prosperity and its stability depend on Watts Industries' stability and prosperity. That's why the management of WATTS INDUSTRIES BULGARIA EAD will guarantee Watts Industries' interests
  - as a client, by continuously striving for satisfying the requirements of our clients and expectations about the quality and variety of our products, the arrangement, the times and procedures of delivery.
  - as an owner, by defending the interests of the company's owner. That's why we will strive to assure a higher profit by increasing the effectiveness of production. Our interests are also related to stable management of the company and possibilities of development.
- The management of WATTS INDUSTRIES BULGARIA EAD realizes that the qualification of the team is a base for future growth. That's why the management will guarantee the motivation and the development of our employees by
  - an accurate payment based on the achieved results and productiveness,
  - an opportunity for improving the qualification and the practical training,
  - a healthy working environment,
  - a friendly working atmosphere and
  - medical and social insurances.

At the same time the management of Watts Industries Bulgaria EAD obliges all its employees to give all their efforts, diligence, initiation and responsibility while fulfilling their goals and keeping them like confidential information. The management is aware about the fact that the prosperity of the company is also relevant to a responsible attitude about the public society by opening vacant working positions and by conservation of the environment. The management and the employees are striving all the time to open up possibilities for improving all the manufacturing processes.

The management of Watts Industries Bulgaria EAD guarantees that the above principles are well-known by all its employees and they completely understand the importance of their meaning. The management also strives for achievement of all goals according to these principles.

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Operation Manager: .....  
Milen Naydenov