

Special interview with the management of the Mill

In order to explain even closer to all our partners and stakeholders how much big and important work awaits us in the next few months, we have prepared one more edition of special interview. This time we had the opportunity to talk with the Head of the quality control sector, who further clarified information related to the machine reconstruction, quality and new technology of cardboard production.

Danijela Ošap - QA, Ecology, R&D and CI Director at Umka Board Mill



1. How your sector is preparing for the upcoming reconstruction of the machine, and what will change in the production process itself and is related to the development and improvement of Mill's products?

The upcoming investment is one more investment in a series of investments, but also the main one, which we have in the last decade of the Mill's history. Multiple investments we made in the previous period have always been aimed at improving the quality of our cardboard. With the upcoming reconstruction of the machine, the characteristics of our cardboard will be further improved. As our colleague Saša Dobrić, in previous Newsletter mentioned, new fourdriniers of the machine will be implemented, and this will change the way of web forming of our cardboard. As an outcome we will have better fibres formation, improved visual effect, as well as surface smoothness and more balanced grammage on the whole web width. Better printability of the cardboard surface layer will be ensured with installation of a Curtain coater

Besides the increasement of production capacity, Umka Board Mill, since its privatisation in 2003, is continuously increasing quality of its product in order to achieve rising market demands and standards. These exciting investments reflect a great opportunity to raise the bar and lead the new reality we are seeing in today's market. The demands placed on packaging quality continue to increase, as well as the needs to produce cost-effective and environmentally friendly packaging. This investment will enable us to be more flexible and will strengthen our market position, as we will be able to produce significantly wider range of the board grammages 160- 450 g/m² with significantly improved quality of all products.

Installing of fourdriniers instead of vacuum formers which we have at the moment, will provide improved web formation which will lead to more balanced grammage and thickness on whole web width. Better formation means more uniform visual appearance of board surface and better smoothness of base board. After coating with newest technology of Curtain coater which will be installed during summer shutdown final board will get better coverage, more uniform look and better printing properties as final goal.

Changes in production, beside improving quality of standard products, will enable further development and extension of our portfolio, in terms of production of liners and other products in accordance with market demands. After reconstruction we will continue with production of board with standard food contact certificates (for dry non fatty food), but will work on development on product for fast food and moist/fatty food as well.

2. What are the main goals when it comes to ecology and environmental protection, and what improvements in this field can we expect after the machine reconstruction?

The environmental protection policy of the Umka Board Mill implies principles that, above all, confirm the responsibility and application of the highest standards in business. Umka has an integrated approach to environmental protection in compliance with all applicable legal regulations in the field of environmental protection, safety and human health, as well as material goods. We apply continuous monitoring, measurement and prevention in order to prevent the emission of pollutants into the environment, whether it is air, water or soil.

Recognition of the importance of ecology in the life of modern man, more precisely in the industry that has the greatest impact on the environment, is reflected in the increasing application of the principles of circular economy, i.e., abandoning the linear business model where the end of production is waste disposal. Our factory has been operating according to the principles of the circular economy since its beginnings, since old paper is used as the basic raw material for production, which enters our new life cycle through our production process.

In order to contribute to the goals of sustainable development, we continuously reduce the use of water as a natural resource by recirculation in the production process, with a reduction in consumption and other resources, with an emphasis on reducing energy consumption and continuously reducing CO2 emissions.

The reconstruction that will be realized this year will enable an additional reduction of the specific consumption of fresh water, while the reconstruction in the preparation of the mass that is planned for next year will contribute to the reduction of the wastewater load. After the realization of the planned reconstructions in the production of cardboard, we plan to build an additional stage of wastewater treatment, i.e., additional reduction of emissions. In addition to the above, the reconstruction in the sector for mass preparation will contribute to better usage of waste paper, reduction of technological waste generation, which will be one more step towards to the zero-waste business model that we strive for.

3. What would you single out as the main achievements and results in the previous decade of your work and career at Umka?

I have been a member of Umka team almost since the change of ownership structure in 2003. In my long history of working in this company, I have gone through various positions. My first position was the position of production engineer, which allowed me to get acquainted with our production process from start to finish, with all the challenges that production brings, and also allowed me to later manage the quality control process and product development, as well as process improvements in collaboration with colleagues from the technical sector. The latest segment of my responsibilities is environmental work and continuous improvements, where, thanks to my significant previous experience in the work of our company, I help to understand the problems and suggestions for solutions that lead to further improvements in our business.

On a daily basis, we jointly recognize the space for improvements in various business segments, and in that purpose, we make more or less daily changes that in total lead to a constant increase in the efficiency of our company.

I am proud that the capacity growth was accompanied by a continuous growth of product quality, all in accordance with the comments and needs of our customers. Implementation and development of an integrated management system in terms of process management, ecology, H&S and improvements in the information system and improved traceability at all levels have contributed to more efficient work in terms of reducing non-compliant products, better research into the causes of problems, as well as preventing their recurrence, which together resulted in a reduced share of complaints and increased satisfaction of our customers.

In the field of ecology, in addition to obtaining all necessary permits for regular operation of the Mill, the most important duty is to develop a sustainable approach to business and a common goal to reduce resource use, reduce waste generation, and raise environmental awareness of employees in Mill as well as outside our Mill. Our motto is to produce sustainable packaging for a green future to which we all hope and for the realization of which we all together contribute, as a company and as individuals.

Happy world environment day 2021 – June 5th



On June 5th within the European Green Week, and in cooperation with the Serbian Chamber of Commerce, we marked the World Environment Day 2021.

The event and the manifestation itself took place at one of the central streets at Belgrade, Knez Mihailova pedestrian zone, and brought together representatives of various institutions from business and academic circles, civil society and all interested parties to raise awareness of the impact of pollution on health and well-being of citizens, the problem of historical pollution and ways to reduce pollution and solutions for climate-smart bio-waste management. Umka supported this event and joined the celebration of the World Environment Day respectively. For the needs of manifestation, Umka also donated products and cardboard, in order to support and promote recyclable products.

As a company that is fully committed to the principles of circular economy, recycling and sustainable development, we wanted to remind once again that pollution is one of the main causes of biodiversity loss, as well as reducing the resilience and degradation of natural ecosystems. It is a global problem that affects all aspects of life and business. In order to solve it effectively, the EU Green Deal, which represents the development strategy of the European Union, envisages the adoption of the Action Plan "Towards the ambition of zero air, water and soil pollution - building a healthier planet for healthier people". The goal of this strategy is to create an environment free of toxic substances, which will be achieved through better monitoring and reporting, prevention and removal of pollution from air, water, soil and consumer products.

Dual education at Umka Board Mill

Starting from September, we will have the first students from the dual education program in our Mill. We currently have 14 licenced instructors from various sectors of the mill (cardboard production sector, pallet production sector, maintenance and logistics sector) who have completed training at the Serbian Chamber of Commerce. Our plan is for students from educational profiles to come to us, such as: construction machinery operator, locksmith-welder and electrician.

We are eagerly waiting for the first students in the dual education program from the beginning of the 2021/2022 school year.

Thanks to all participants in the training and licensing, our HR sector, as well as to the Serbian Chamber of Commerce.



Oil prices still rising

The price of "black gold" continues to rise, so a barrel of Brent oil, which is one of the benchmarks for the state of the global market, exceeded 71 dollars in June. This is partly a consequence of the expectations from the new meeting of the Organization of the Petroleum Exporting Countries and their allies (OPEC +), and the oilmen believe that the price will continue to rise also because the demand for oil is increasing.

The beginning of the summer season and vacations contributes to that, and optimism is growing due to the recovery of the global economy and because more and more countries are opening up because the epidemiological situation with the corona virus is getting better day by day.

Jun 10, 2021

1M 6M YTD 1Y 5Y MAX



Source: <https://www.nasdaq.com/>



In Q2 2021 we managed to deliver our products to 23 countries across Europe, Asia and North America. Our products were shipped to Mexico, Netherlands, Italy, Poland, Greece and Russia among others.

Depending on the transportation possibilities, pandemic issues and all other relevant factors, we will continue to adapt and follow latest market trends and limitations caused by the pandemic.

Thank you for your trust and cooperation!

If you have questions or inquires please contact us

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