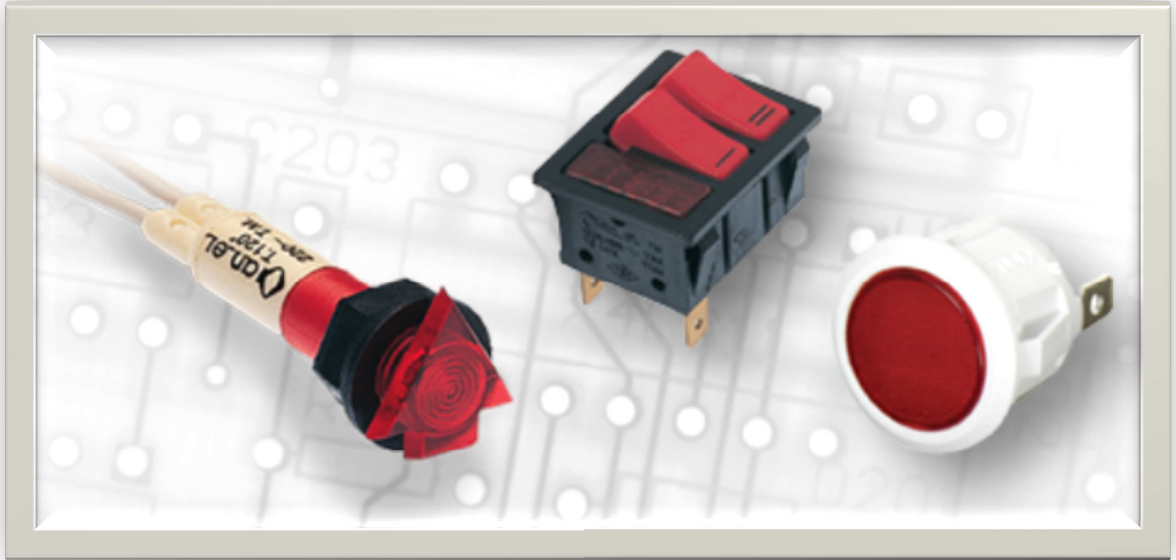




2013

Communication on Progress (COP)



Anahtar ve Elektrikli Ev Aletleri Sanayi A. Ş.
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Pendik 34896 İstanbul Türkiye
Phone: +90 216 307 74 01 pbx
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About the Report

We have considered "10 Principles" of United Nations Global Compact when preparing our third Communication on Progress.

Our goal in the near future is to present a report which is in accordance with Sustainability Reporting Principles of Global Reporting Initiative (GRI) to provide an appropriate measure of activity. Therefore we are working on our data collection system to work according to these criteria. Over the years, the next reports will be able to provide a comparative data for previous periods. We provide compared data for many parameters.

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Message from General Manager

Dear Stakeholders,

We are pleased to share with you the third of our Communication on Progress. With this report we present you our activities realized this year, institutional developments and indicators as well as the targets.

As the sector we serve has rapidly grown up in recent years, with the provided communication with our valuable stakeholders at the domestic and international market we preliminarily tried to perform the steps to be taken on behalf of global citizenship. We were justifiably proud together with our staff to have realized the activities committed in the previous communication progress.

Beside our certified activities described in the following pages of our report we thank a lot our employees for increase of personal development with their own efforts by sharing this also within the institution.

The data we share in this report is indicating our expectations from our stakeholders as well as it is indicating the importance we give to the expectations of our stakeholders. The use of global resources, the value of the labor force, ethical values, with the value of the concept of sustainability is an indication of the priority that we accept as parameters. We may kindly remind you to participate to these principles.

We would like to mention that the activities realized since 1972, ANEL Code of Conducts shared in the following pages will gain meaning and value in consideration of below mentioned topics by our valuable employees.

Responsibility of being a global citizen
Efficient energy use,
Safe working environment for our human resources,
A good Environmental Management,
The use of advanced technology,
Support of innovative approaches,
Continuous education

Things that you do for a sustainable life is precious to all of us.

Yours sincerely

İnanç Erdoğan
General Manager

An-El Code of Conduct

An-El, as a responsible employer and a good corporation strives to produce products performing the functions of electrical devices and to develop them without endangering human lives. All activities are in accordance with relevant directives for human rights, occupational health and safety as well as the directives on the environment should be carried out with the main idea of sustainability.

Ensuring the compliance with the Code of Business Ethics is the responsibility of all employees and management. In case of incompatibility, the employees are encouraged to report it to the responsible persons and it is expected from them to do so too. In addition, it should be assured that there would be no retaliation or other negative consequences.

This Code of Business Ethics at all fields of activity is particularly the mandatory rules for our employees, suppliers and other stakeholders.

Laws and regulations

An-El and its suppliers will act in full conformity with laws and regulations related to the activity and employment. Suppliers will also agree to comply with these rules.

Child labor

Child labor is not tolerated in any form. Young labor (age 16) can be employed appropriate works (summer work – internship etc.). For authorized minors, management is responsible for providing working conditions, hours of work and wage appropriate for his or her age and in compliance with applicable local law as a minimum.

Forced labor

Forced or involuntary labor is not tolerated in any form. This includes prison, indentured and bonded labor, and other forms of working against one's own will or choice. Employee is obligated to perform works written in their employment contract.

Health & safety

All employees shall be provided with a safe and healthy working environment. The employer should take appropriate action to prevent workplace accidents or illnesses. Employee is obligated to protect their health and care about work continuity.

Non-discrimination

An-El recognizes and respects cultural differences. Nevertheless, all employees shall be treated strictly according to his or her abilities and qualifications in any employment decisions, including but not limited to hiring, advancement, compensation, benefits, training, layoffs and termination.

Harassment and abuse

No employee shall be subject to corporal punishment or to physical, sexual, psychological or verbal harassment or abuse.

Working hours

An-El regulates working hours for all employees with a time of 8 hours per day and 1 hour resting time per day. Total working time of more than 45 hours per week (excluding 270 hours overtime per year) will not be requested. Except in extraordinary business circumstances, all workers shall be entitled to at least one day off in every seven-day period.

Compensation

Wages, including overtime and benefits, shall be equal to or exceed the level required by applicable law.

Environmental compliance

Environmental issues are very important and privileged for An-El employee. A holistic approach is applied with the objective to minimize the environmental impact from production, product use and disposal. The unit shall take appropriate actions to address all relevant environmental impacts, including emissions, waste and resource consumption. A management system shall be in place, aimed to continuously improve the units' environmental standards and performance.

Responsibilities to the suppliers and stakeholders

As expected from a good customer, we act respectfully, fairly and ensure the necessary care to fulfill obligations on time. We carefully protect confidential information about people, our business partners and organizations that we do business with.

Giving or taking gifts

Employees do not accept any gifts or benefits which affect their neutrality, decisions or behavior, do not attempt to offer gifts and benefits to the third person or institution which can cause such effects. The top management defines which kind of gifts and promotions can be given to third persons. Advertisement and promotional gifts should not be for personal use.

Confidentiality

It is a common responsibility of our companies and employees to share and in this process to keep all information confidential which can create a competitive disadvantage, trade secrets, financial and other information which are not yet disclosed to the public, the use of staff privacy information and information within this framework signed "confidentiality agreements" with third parties. We share this information only with relevant persons within the authorizations.

Monitoring and compliance

Management is responsible to inform employees about these rules, rights, duties and responsibilities and responsible to implement them. Management and suppliers are responsible for ensuring adequate documentation to demonstrate compliance with these rules. Those who violate the Code of Ethics or the Company's policies and procedures need to be subject to discipline, including termination of employment.

Disciplinary sanctions will be applied also to the persons who confirm, direct the inappropriate behaviors and actions cause violation of the rules or who are aware of the situation without doing the necessary notification accordingly.

Company Profile

About 

AN-EL Co. was established in 1972 in order to meet house appliance producer's demands for electrical components. AN-EL is producing Rotary Switches, Rocker Switches, Slide Switches and Neon Indicators. Furthermore demands for small plastic and metal parts can be fulfilled by the production technique and experience.

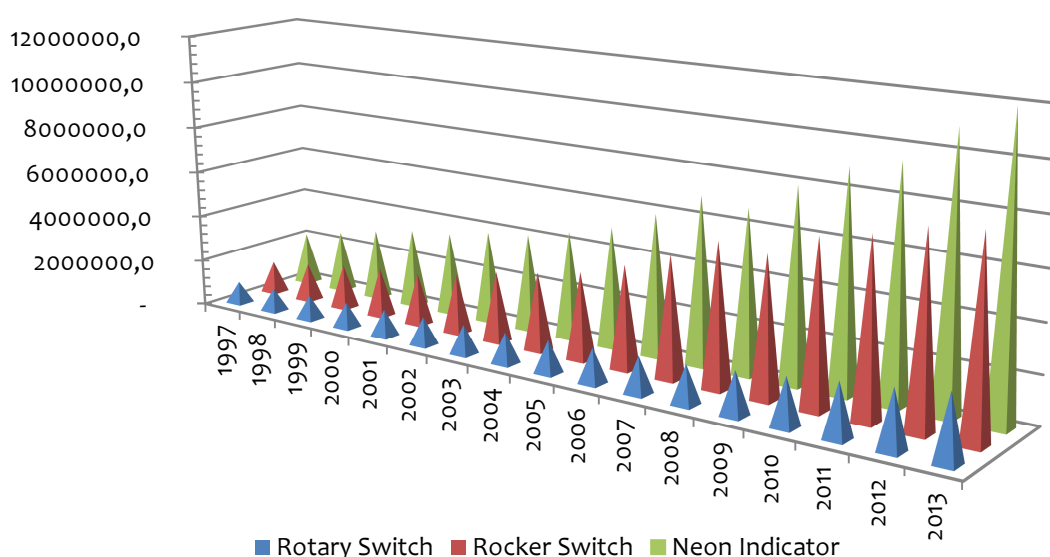
Our products are being presented to meet our customer's expectations at the highest level of quality and service.

Our references and products show that, being a supplier which can adapt to the developing sector has brought us to the current status and we are proud of this.

We have established long term cooperation with the industry's leading companies. 75% of our products are exported directly or indirectly. 50% of this is being realized through the direct sales to the white goods producers.

More than 40 years of activity we have provided service to the national and international manufacturers of household appliances. Today we produce more than 20 million pieces of components per year. We provide our clients with a wide range of alternatives with growing diversity of products.

Production Volume by Years



Main Customers

 Electrolux

VESTEL

 **arçelik**

B/S/H/ **LIEBHERR**  **Dometic**

THOMAS

sineco

 **INDESIT**

gorenje

ESCO

coltherin
DEGREE OF EXCELLENCE

 **ELDOM INVEST**

 **baymak**



BIÇAKCILAR
TIBBİ CİHAZLAR SANAYİ VE TİCARET A.Ş.

 **UGUR**



Metalfrio



 **KLİMASAN**
KLİMA SAN. VE TİC. A.Ş.

 **İhlas**
Ev Aletleri



SILVERLINE
A N K A S T R E

öztiryakiler

İNOKSAN

TESY
the **comfort** generation

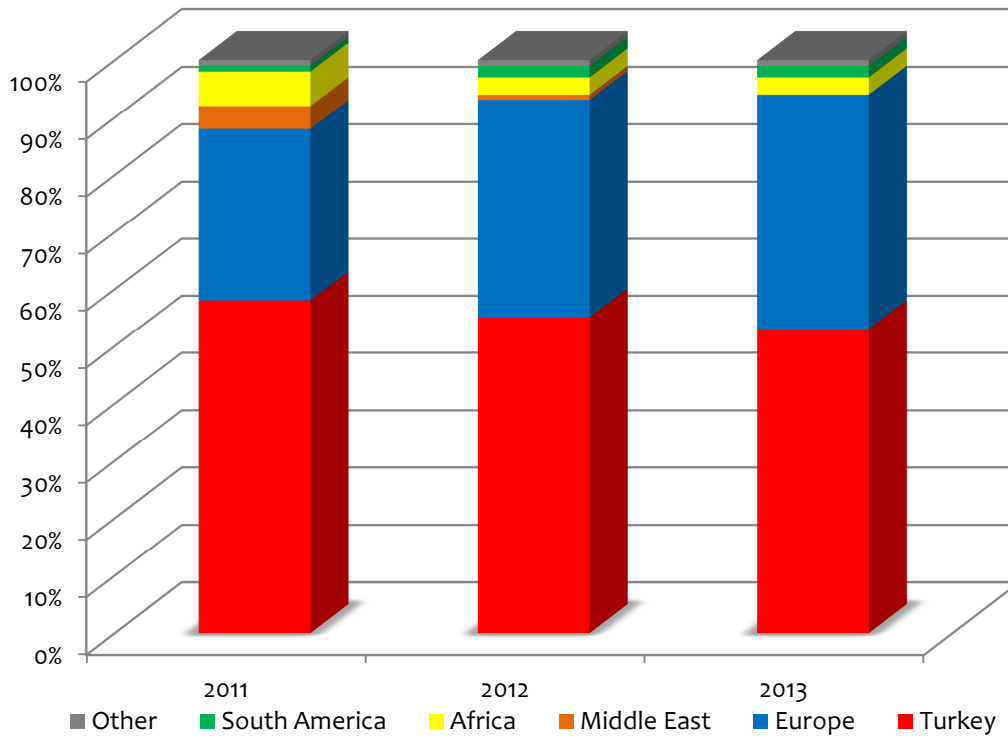


CANDY·HOOVER GROUP

 **TERMİKEL**

CEMSAN

Regional Distribution of Net Sales

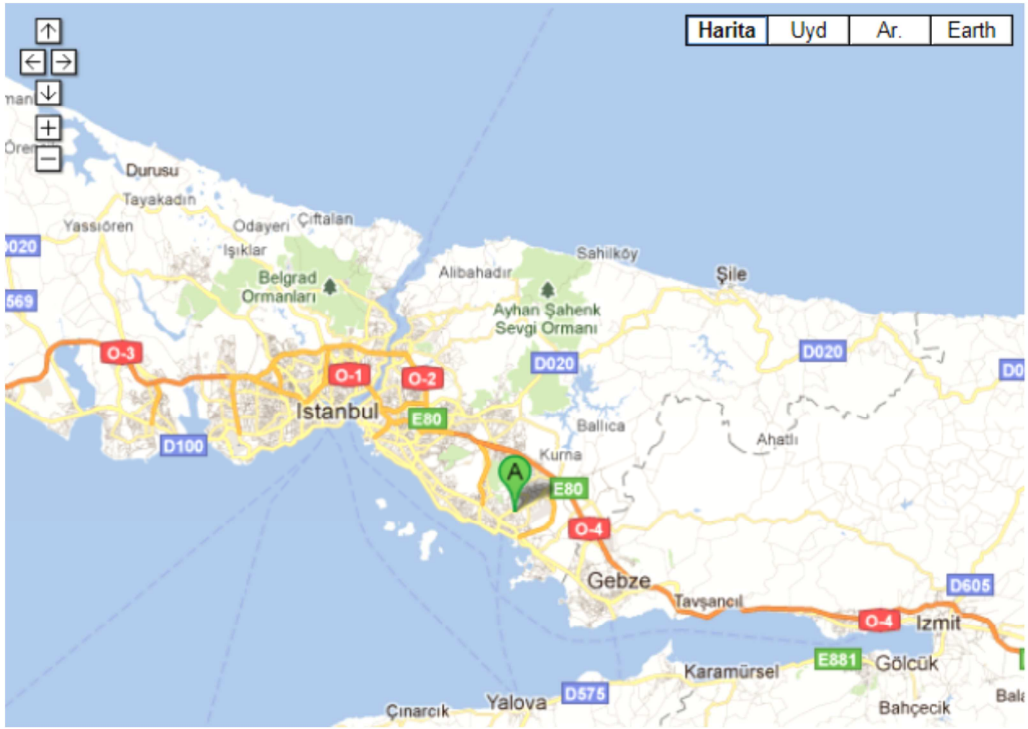


Our products are VDE, KEMA, ENEC, CSA certified and our system is certified to EN-ISO 9001:2008. Our environmental activities are in accordance with EN ISO 14001, occupational health and safety activities are in accordance with OHSAS 18001 standards and these are certificated by DEKRA. Also we are a participant of United Nations Global Compact initiative.

It is known that 90% of Home Appliances Sub-Industry have ISO 9001 Quality Management System and 8% have ISO 14001 Environment Management System and only 2% of them have OHSAS 18001. Implementing ISO 14001 and OHSAS 18001 management systems will bring us great benefit to realize the medium- and long-term goals.

Our enterprise is located in Pendik District of Istanbul City (Asian Side). It is 70 km of distance to Ataturk Airport and 3 km of distance to Sabiha Gokcen Airport. Our production plant has a covered area of 2,100 m². High quality production activities are carried out in our environment-friendly facility with high level of safety and health conditions with approximately 150 employees.

Location of Our Plant



Coordinates 40°53'54" N 40°53,9' / 29°15'48" E 29°15,8'

Address:

Velibaba mah. Ankara cad. No: 188 Dolayoba Pendik 34896 İstanbul Türkiye

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1972

First activity has been started with rotary switch production.

1976

At own building in Istanbul-Cevizli District activities continued to grow. Bakelite, porcelain and melamine rocker switch production started.

1978

Indicator lamp production started with Bakelite body.

1980

Beside of Bakelite raw materials first indicator lamp with plastic body has been produced by using the plastic materials in production.

1984

Silk screen printing technique started to be implemented.

1985

Start of production for plastic parts with plastic injection machines at own plant.

1991

Silver contact production started with know-how support of Japanese Chugai Company. AKS Ltd. Co has been founded after joining a partnership with Mr. Konas.

1994

Purchase of Arburg branded machinery.

1995

AKS Ltd. has moved to its plant in Pendik District.

1996

BEYSAD (WHITE GOODS APPLIANCES ASSOCIATION) membership.

1997

First participation to International Fair Domotechnica in Cologne-Germany. First export realized, VDE certification process started.

1998

Cooperation and Turkey Representation of BAR Electrowerke GmbH.

1999

Export grew after VDE certifications.

2000

Moved from Cevizli Facility to Pendik Facility.

2003

After a partnership with Mr. C. Arslan ANC Mold Machine Ind. Ltd. has been founded.

2004

Audit performed by VDE Testing and Certification Institute and awarded certification to ISO 9001: 2000.

2005

Our export rate has exceeded one third of our total sales.

2008

AKS has moved to the new facility in Pendik District. The whole 2100 m² facility has been started to use by AN-EL.

2010

As a result of the audit performed by VDE Testing and Certification Institute, upgraded to ISO9001:2008 version. Participation to United Nations Global Compact Initiative. Share transfers to Mr. C. Durmaz at the joint venture of AKS Switch and Contact Industry. UYUMSOFT ERP Software has started to be implemented.

2011

New products have been introduced. Website has been updated. Especially tool and mass production studies about new special projects have been completed. Effectiveness of the ERP software has been achieved. Commissioning of automation projects started. Investment in machinery was started to increase production capacity. Occupational Health and Safety as well as our environment activities are continuing to develop.

2012

With the purchase of component production of DEKA Company which is a major producer of our industry we have expanded our product range with new products such as hotplate switches, switches for multi-function oven, refrigerator door switches, dishwasher - washing machine on-off switches. This year the number of employees came up to 140 people. After adding machines and plastic production area to the production facility, our capacity has been doubled. Through the automation support in indication lamp production, product quality and capacity are increased. Apart from VDE we had also cooperation with DEKRA for KEMA regarding the Product certification. ISO 14001 and OHSAS 18001 projects started which is supported by KOSGEB (Small and Medium Enterprises Development Organization in Turkey) for establishing the Management System and certification.

2013

We have made an effort to meet customer demand with increasing our product quality and product capacity. Also we have accelerated investments in product automation. We have continued to take place in research and design studies-of the customer oriented projects.

Our company became the member of the TURKHAS TEAM created in scope of "URGE" project which is supported by Ministry of Economy.



Our Environmental, Health and Safety activities are certificated by DEKRA with EN-ISO 14001 and OHSAS 18001 certificates.



Targets

We are aware of our corporate citizenship responsibilities for a sustainable world. We try to reduce the negative impact on environment and to increase the positive effects which are resulting from our products when fulfilling these responsibilities. By supplying quality, innovative, economical and reliable products we execute our role in sub-industry effectively and efficiently. Especially we try to meet up the expectations of our customers and other stakeholders and we would like to be a part of a common development.

We would like to create more employment with our increasing product range and capacity and would like to gain more quality in employment. We want to ensure a recovery together with all stakeholders.

Open to innovation, keeping the environment in the foreground, we support energy-saving applications and we support the use of renewable energy sources.

In accordance with ethical rules we exhibit a transparent and accountable management and pay attention to the need of stakeholders.

We are working to create a work force that enriches our corporate culture and social environment by improving human resources, know-how, experience, knowledge and ability.

We evaluate our national interests in a parallel to the global interests and we consider it important that we live in the same world.

We are determined to move the activities which increase our brand and corporate awareness with our service and products to a higher level. For this reason, we apply a management style compatible with the system and standards.

"We have the key of quality. All of us must contribute to make the quality life sustainable"

Dialog with Stakeholders

Our stakeholders are organization/individuals who are seriously impressed by our activities and products or through their actions effecting successfully implement of our strategy and our ability to achieve our goals.

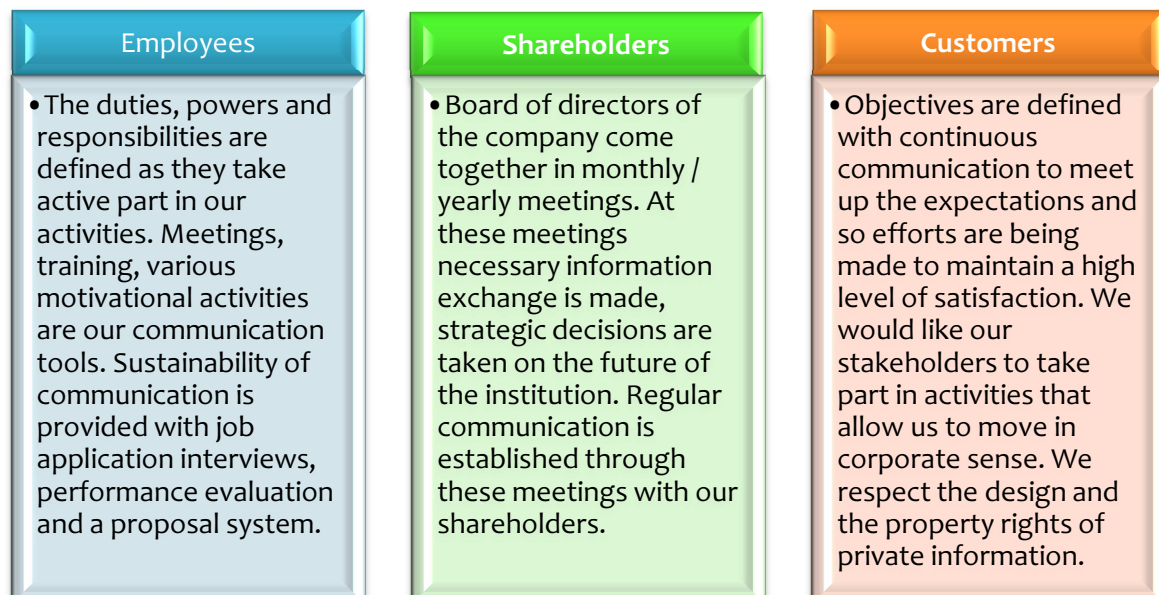
We are trying to be in communication with our stakeholders. Mutually we do detection and measurements with questionnaires and interviews about the expectations. We run a proposal and award system which facilitates the participation and motivation.

We are making disclosures on various topics through the corporate web site, newsletters, print ads, articles and news stories. We are in a full accordance with the requirements for laws, regulations and directives as regard our contacts with local and central governments.

In order to follow developments we have participated in "Sustainability as a Competitive Advantage Seminar" and UNGC General Assembly.

We strive to contribute to the country's promotion and to the sectorial development by considering the national values in relationships with our stakeholders abroad too.

Stakeholders:



Dealers

- They are in the same position as our customers, however due to their relations with our customers they are also in a similar position as our employees. Therefore they are informed about representing our company in accordance with our policy and targets. They represent our company in the best way owing to up to date technical and corporate information.

Suppliers

- They are our stakeholders with whom we try to ensure long-term cooperation due to their contribution to the on-line delivery, quality product, service and our activities. We share necessary information in all progressable areas.

Neighnours and Local Community

- They are our stakeholders that we strive to make them aware of in particular our sensitivity to environmental issues and the economic value we create in our region.

Official Institutions and Organizations

- Official institutions and organizations that we are a member of or we are in contact with– Istanbul Chamber of Industry (Registration No: 13831)
- Istanbul Chamber of Commerce (Registration No:182359)
- Istanbul Association of Minerals and Metal Exporters (Registration No:8833)
- KOSGEB (Small and Medium Enterprises Development Organization)
- United Nations Global Compact Office
- Municipality of Pendik
- Pendik Industrial Vocational High School
- Yakacik Industrial Vocational High School
- Labor Office

Memberships in Associations / Foundations

- White Good Suppliers Association (BEYSAD)
- Ermenek and Surroundings - Culture and Social Solidarity Foundation (ERÇEV)

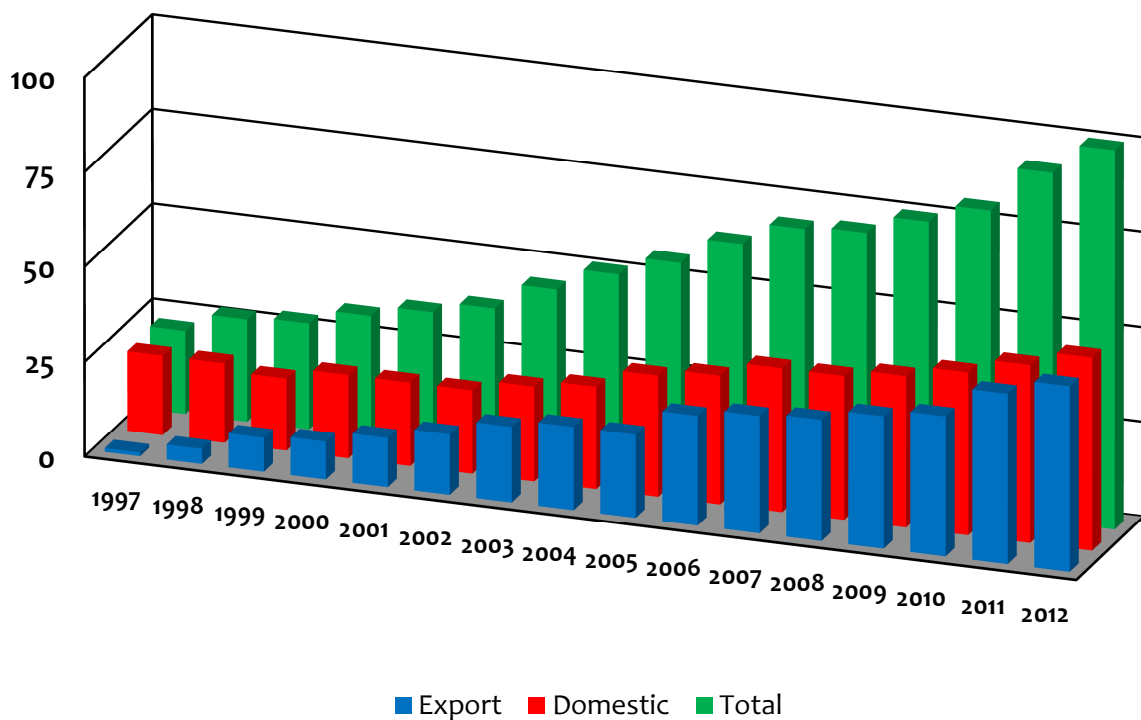


Financial Performance

The capital of our enterprise is 750.000 TL and the structure is an incorporated company.

After starting the activity in 1972, direct export sales started in 1997 and grew rapidly up to 50% share within the total sales.

Distribution of Net Sales by Year (%)



Due to the export of products manufactured by our customers we can state that 75% of our total production represents our brand outside of Turkey. Our target is to be a global supplier performing export in a higher rate in the future.

Environmental Responsibilities

Environmental Management

Our approach to environmental issues is focused on reducing and taking control of the environmental effects of our activities and products. Raw materials and wastes are stored properly, chemicals are kept under control.

The use of less material, creating less waste, water and energy consumption reduction, prevention of chemicals and wastes from polluting the nature are among our environmental improvement activities and goals.

According to 2010 data from Ministry of Energy and Natural Resources, in Turkey %10,7 of primary energy is supplied from renewable resources (including hydro) (EÜAŞ, Electricity Generation Sector Report, 2011). Today, criteria that stand out like efficiency, cost and environmental awareness are affecting the conditions of competition and we are aware that success will be of those who give importance to these criteria. Since the beginning of 2011, we started to use renewable energy. Our supplier provides all of the electrical energy from wind power plants in İzmir-Bergama and Hatay- Samandag.

(<http://www.fibaholding.com.tr/tr/sirketler.php?gid=6&sid=68>)



Energy efficiency activities:

- The use of high efficiency lighting fixtures and bulbs.
- The use thermal insulation jacket on injection machines.
- Analyzing the down times of injection machines, improvements of energy efficiency according to the analysis results.
- The use of air pistons which consume less compressed air in pneumatic processes. Maintenance and repairs performed to prevent leakage and losses.
- Increase in efficiency with planned and periodic maintenance activities.
- As a result of room temperature controls, closing the unnecessary radiators.
- Bringing radiators closer to employees in large areas, to provide comfort and savings.
- Reduction of lighting with fixtures in areas that benefit from the daylight.
- Use of the lighting system with motion sensor in areas that are not occupied all the time.

Other environmental activities:

Waste management is carried out in accordance with the legislation.

- Hazardous wastes are collected separately according to their codes and are disposed of through a licensed company.

2011	2012	2013 (First 9 Month)
343 kg	500 kg	340 kg

- Waste batteries are collected separately and waste batteries employees bring from their homes are also accepted. In 2011 24 kg batteries have been sent to Portable Battery Manufacturers and Exporters Association.
- Packaging wastes are sent to recycling within the scope of the system of Pendik Municipality.

Gating's from injection machines are grinded to be reused in production process. These materials are used without disturbing the product properties and in acceptable proportions as specified by the raw material manufacturers.

Safety Data Sheets of all chemicals in use are examined and the necessary information about chemicals is given to employees. Any new chemical which will be supplied is started to be used after it is approved in terms of environmental and occupational safety. Chemicals are kept in containers which carry a label including the name and the hazard sign.

As a result of the examination by the authorities, it has been determined that our facility is not subject to "Emission Permit" requirement.

We do not have an industrial wastewater discharge. Municipal (tap) water is purified by reverse osmosis system for obtaining drinking water.

"Spill Response Kits" that are necessary to respond to environmental emergencies were obtained.

Environmental impacts of our processes are evaluated in scope of ISO 14001 Environmental Management System studies.

Compliance with Legal Requirements

RoHS

In 2000, in line with customer demand, our activities about restriction of using lead, cadmium, mercury and bromine-containing flame retardants has begun. In 2004, informing all suppliers about this subject has been completed. With the tests carried out, the use of raw materials that do not contain these substances has been achieved. Thus, the production is compatible with RoHS (Restriction of Hazardous Substances) Directive. As a result of harmonization efforts in Turkey, Regulation on the Restriction of the Use of Certain Hazardous Substances in Electrical and Electronic Equipment has been published in the Official Gazette on 30.05.2008 and entered into force on 30.05.2009.

Regulation on Control of Waste Electrical and Electronic Equipment has been issued in Official Gazette on 22.05.2012. Article on some responsibilities of EEE producers related to authorized organization and Coordination Center will come into force in May 2013. The regulation has been prepared in parallel to EU RoHS and WEE directives.

The new ROHS 2 Directive (2011/65/EU) has taken place to the RoHS Directive (2002/95/EC) which is related with the Restriction of Hazardous Substances in the Electric and Electronic Equipment (EEE). Restriction of the lead, mercury, cadmium, hexavalent chromium compounds, polybrominated biphenyls (PBB) which is flame retarder and polybrominated diphenyl ethers (PBDE) is continuing with ROHS 2 Directive.

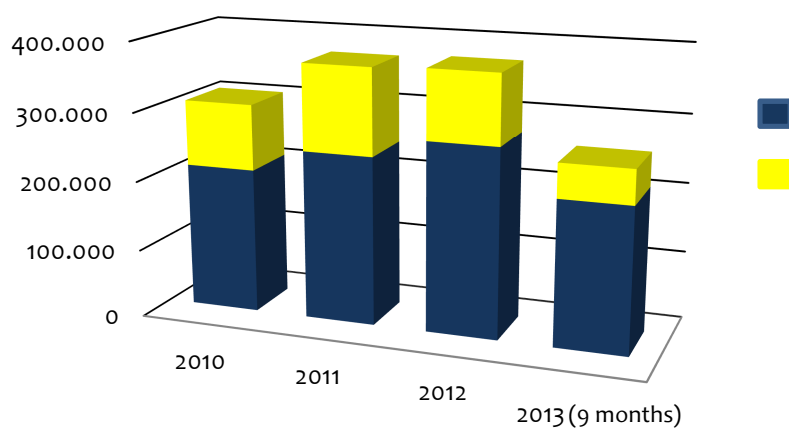
REACH – Substances of Very High Concern (SVHC)

Substances of very high concern are the substances that are candidates to REACH regulation's "Authorization List". These substances are cancer-causing (carcinogenic), mutagenic, toxic to reproduction, persistent organic pollutant and bio accumulative substances. This category also includes chemicals that have equivalent risk like "endocrine system disruptors". There are already 144 substances in the list of SVHC. SVHC List is updated on 20 July 2013 and 6 substances are added.

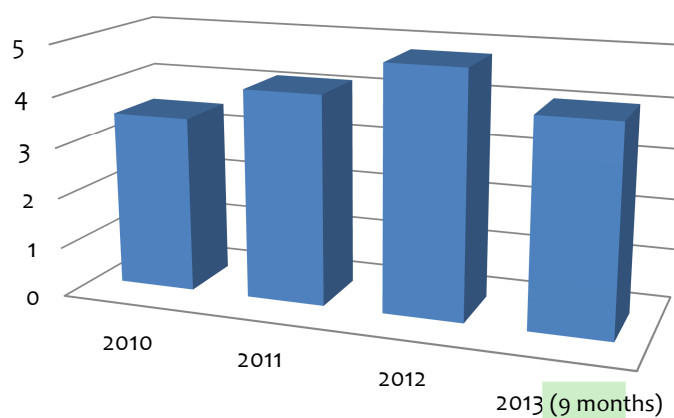
Our products do not contain these substances. We are able to follow this by the declarations of conformity we receive from our suppliers.

Environment Indicators

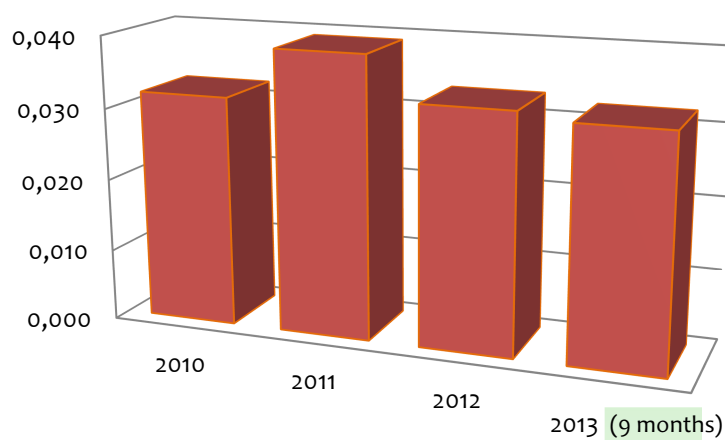
Energy Consumption (kWh / year)



Daily Water Consumption (m³)



Daily per capita water Consumption (m³/employee)



Quality Management

ISO 9001:2008 Quality management system standard has been implemented as reference. It is provided that all departments and employees at all levels participate to the policy and practices.

Our commitment for the efficiency of the quality system, decrease in customer complaints, and increase in product reliability, technological development and productivity will continue; quality targets will be determined and will be recorded.

Important topics of our quality policy;

- Certification of design work by patents
- Increasing the customer satisfaction and reducing the customer complaints
- Compliance to relevant laws, regulations, legislation and standards
- Reducing the non-conforming products / semi products and waste
- Increasing the market share
- Reducing the circulation of human resources and increase the staff training
- Continue to expand the product range

Our Quality Policy and targets will be continuously reviewed for providing communication within the company, being understood and being in line with the corporate goals. Our quality system will be developed continuously; its effectiveness will be continuously improved and reviewed. Thus it will be kept constantly dynamic with the participation of all employees.

We respect our brand and the values we produce. We respect the Industrial Property Rights and we fulfill our right for the production, use, sell or export with the patents we have.



Name of the Certificate	Certificate Received From	Received Date	Number
ISO 9001:2008 QMS CERTIFICATE	VDE PRÜF-UND ZERTIFIZIERUNGSINSTITUT	22.09.2004	2162900/QM/09.04
ISO 14001:2004 EMS CERTIFICATE	DEKRA CERTIFICATION BV.	23.07.2013	170713078
BS OHSAS 18001:2007 OH&S CERTIFICATE	DEKRA CERTIFICATION BV.	23.07.2013	270713048
SIGNAL LAMP WITH TERMINAL PRODUCT CERTIFICATE	VDE PRÜF-UND ZERTIFIZIERUNGSINSTITUT	08.06.1999	117154
SIGNAL LAMP WITH CABLE PRODUCT CERTIFICATE	VDE PRÜF-UND ZERTIFIZIERUNGSINSTITUT	18.03.1998	106645
ROTARY SWITCH PRODUCT CERTIFICATE	VDE PRÜF-UND ZERTIFIZIERUNGSINSTITUT	06.06.2008	40024413
ROCKER SWITCH PRODUCT CERTIFICATE	VDE PRÜF-UND ZERTIFIZIERUNGSINSTITUT	07.03.2002	40000515
RK07 PRODUCT CERTIFICATE	VDE PRÜF-UND ZERTIFIZIERUNGSINSTITUT	14.01.2002	40000006
MOMENTRY SWITCH PRODUCT CERTIFICATE	VDE PRÜF-UND ZERTIFIZIERUNGSINSTITUT	10.06.2008	40024438
RK10 PRODUCT CERTIFICATE	VDE PRÜF-UND ZERTIFIZIERUNGSINSTITUT	31.03.2005	40013518
RK14 PRODUCT CERTIFICATE	VDE PRÜF-UND ZERTIFIZIERUNGSINSTITUT	31.01.2005	40012900
RK20 PRODUCT CERTIFICATE	VDE PRÜF-UND ZERTIFIZIERUNGSINSTITUT	07.01.2011	40031689
RK21 PRODUCT CERTIFICATE	VDE PRÜF-UND ZERTIFIZIERUNGSINSTITUT	12.01.2011	40031716
RK26 PRODUCT CERTIFICATE	VDE PRÜF-UND ZERTIFIZIERUNGSINSTITUT	24.08.2011	40033199
SLIDE SWITCH PRODUCT CERTIFICATE	VDE PRÜF-UND ZERTIFIZIERUNGSINSTITUT	06.03.2002	40000501
SANE TYPE ROCKER SWITCH	VDE PRÜF-UND ZERTIFIZIERUNGSINSTITUT	18.06.2008	40024533
WIRE CONNECTOR (CE2) PRODUCT CERTIFICATE	VDE PRÜF-UND ZERTIFIZIERUNGSINSTITUT	18.01.2011	143335
A20 SWITCH PRODUCT CERTIFICATE	VDE PRÜF-UND ZERTIFIZIERUNGSINSTITUT	15.02.2012	40034394
B20 SWITCH PRODUCT CERTIFICATE	VDE PRÜF-UND ZERTIFIZIERUNGSINSTITUT	08.02.2012	40034350
ROTARY SWITCH PRODUCT CERTIFI.	DEKRA CERTIFICATION BV.	26.07.2013	2163741.01
B40 SWITCH PRODUCT CERTIFICATE	DEKRA CERTIFICATION BV.	10.02.2012	2151398.01
I10 SWITCH PRODUCT CERTIFICATE	DEKRA CERTIFICATION BV.	10.02.2012	2151398.03
I20 SWITCH PRODUCT CERTIFICATE	DEKRA CERTIFICATION BV.	10.02.2012	2151398.02

Employees

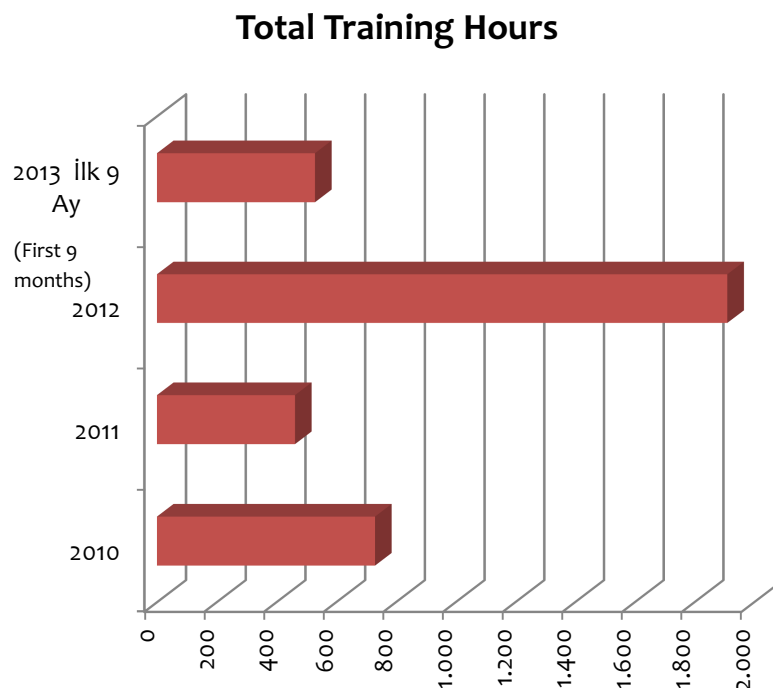
Human Resources Management

Our approach to the recruitment process

Applications are evaluated in terms of education, experience, knowledge and skills by considering first the ethical principles during the recruitment and assignment process. Each candidate is provided an equal opportunity. Information is given about our company's culture, structure and activities. Being our obligation, the number of employees with disabilities is always taken into consideration. Occupational safety and ability of the employees is considered in order to employ more. Applicants to the fixed-term employment are being informed. Besides the expectations from the candidates, we inform them about improvement opportunities to be provided and about changes in the horizontal or vertical position. Our cooperation with educational institutions which train skilled technicians, by providing internship opportunities, is contributing to the vocational education and work discipline of students and teachers.

Performance Evaluation

The attendance, relationships with other employees, development status, presentation of creative ideas and suggestions, awareness on duties and responsibilities, adaptation to the general discipline rules and occupational health and safety rules by employees are being monitored by the top management and co-workers by survey and appraisal interviews. Successful staff are being honored and if necessary rewarded.



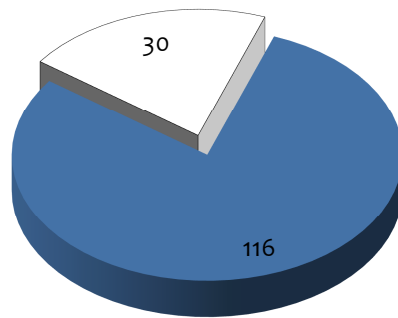
Training Topics and Durations in Year 2012

Training Topic	Hours	Participant	Total Hours
I10-I20 PRODUCTION LINE	1,00	3	3,00
GENERAL HEALTH AND SAFETY RULES	0,50	33	16,50
HEALTH AND SAFETY LABELS AND SIGNS	0,40	77	30,80
ACCIDENTS AND OCCUPATIONAL ILLNESSES	0,75	71	53,25
PERSONAL PROTECTIVE EQUIPMENT	0,50	71	35,50
GENERAL SAFETY RULES	0,75	48	36,00
OHS LAWS, THE RIGHTS AND RESPONSIBILITIES	0,50	25	12,50
HAZARDOUS CHEMICALS	0,75	12	9,00
ERGONOMY AND THERMAL COMFORT	0,50	49	24,50
FIRE, FIRE PROTECTION AND FIRST AID	0,50	23	11,50
OHSAS 18001-INTERNAL AUDIT	18,00	1	18,00
ENVIRONMENT	0,75	46	34,50
OCCUPATIONAL HEALTH AND SAFETY	7,00	119	833,00
BASIC SAFETY MANAGEMENT SYSTEM	7,00	48	336,00
ENVIRONMENTAL AWARENESS TRAINING	1,50	119	178,50
BASIC ENVIRONMET MANAGEMENT SYSTEM	7,00	24	168,00
PRODUCT DESCRIPTION AND REGIONS	2,00	4	8,00
LEAN MANUFACTURING TECHNIQUES	9,00	1	9,00
5S MANAGEMENT	1,00	39	39,00
5S MANAGEMENT (KOSGEB)	9,00	1	9,00
B20 SWICTH PRODUCTION	1,00	15	15,00
ROTARY SWITCH PRODUCTION	1,00	19	19,00
ROTARY SWITCH PRODUCTION FAILURES	1,00	9	9,00
MAINTENANCE ACTIVITIES AND ANNUAL PLAN	2,00	1	2,00
		858	1.910,55

Training Topics and Durations in Year 2013 (First 9 months)

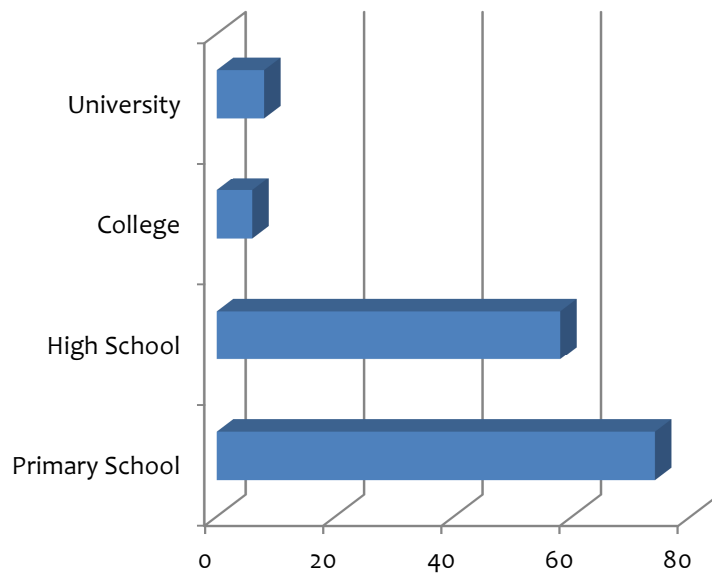
Training Topic	Hours	Participant	Total Hours
R&D INNOVATIOAN AND INDUSTRIAL APPLICATION	2,00	1	2,00
BUSINESS IN USA	18,00	1	18,00
STRATEGIC MARKETING & SALES (FOREIGN TRADE)	18,00	1	18,00
HEALTH AND SAFETY LABELS AND SIGNS	0,50	34	17,00
ACCIDENTS AND OCCUPATIONAL ILLNESSES	0,50	34	17,00
PERSONAL PROTECTIVE EQUIPMENT	0,50	35	17,50
GENERAL SAFETY RULES	0,50	34	17,00
OHS LAWS, THE RIGHTS AND RESPONSIBILITIES	0,50	25	12,50
FIRE, FIRE PROTECTION AND FIRST AID	0,50	71	35,50
RISK ANALYSIS TRAINING	7,00	26	182,00
ISO 14001 MANAGEMENT SYSTEM	14,00	1	14,00
ISO 14001 MANAGEMENT SYSTEM	2,00	36	72,00
ISO 18001 MANAGEMENT SYSTEM	2,00	36	72,00
ISO 9001 AND ISO14001 AUDIT TRAINING	18,00	1	18,00
B20 SWITCH PRODUCTION	1,00	17	17,00
		353	529,50

Distribution of Employees



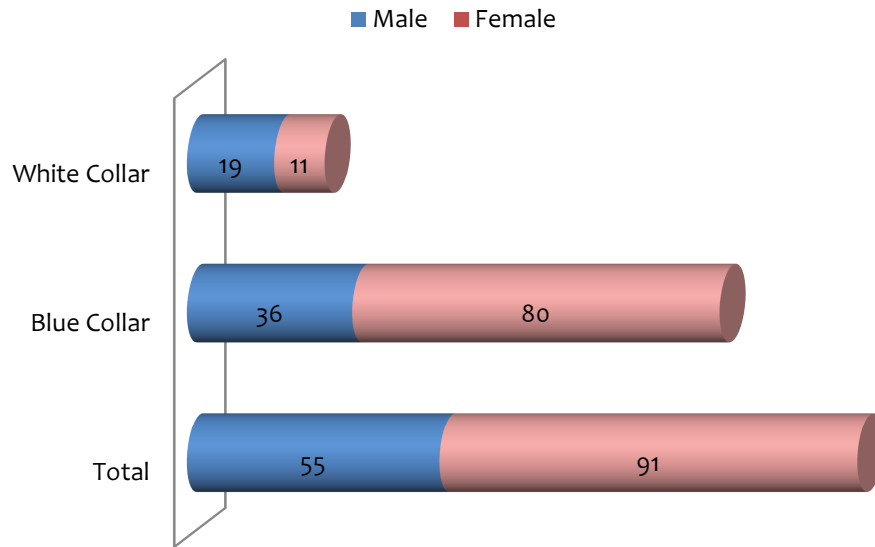
■ Blue Collar
□ White Collar

Distribution of Employees by Education Level

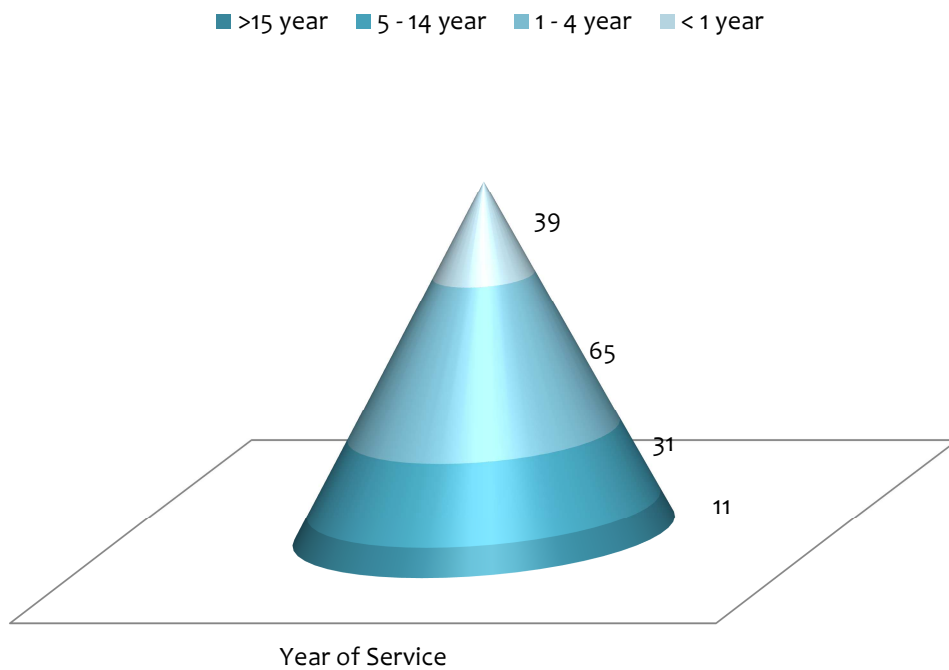


■ Education Level

Distribution of Employees by Gender



Distribution of Employees by Years of Service



Health and Safety Management

We conduct an activity that is in compliance with laws and legislation related to Health and Safety in our organization. Between October 2012 and September 2013, 23 regulations in scope of Health and Safety legislation have been re-issued according to Occupational Health and Safety Law and in addition to these four new regulations have been issued. Occupational Health and Safety Committee meetings were started to be carried out bi-monthly according to the regulation. Existing risk assessments have been reviewed and risk assessments have been made for new units. Health of our employees and business continuity has been secured by meeting the health and safety requirements in our facility and work equipment. Supply and usage of personal protective equipment are audited. Periodical checks of equipment are done by authorized and accredited organizations. Conditions that contribute to efficiency, such as thermal comfort and ergonomics, are continuously observed. Periodical health checks of all our employees are tracked by a contracted institution. Employees receive necessary Health and Safety training.

In 2012 environment, health and safety trainings constituted 96,6% of total training hours, this ratio has been realized as 89,6% in first 9 months of 2013.

Health and safety activities:

- Risk evaluation has been make for the chemicals and the result is that there is no "high risk chemicals" for the chemicals using.
- Environment measurement has been realized and the all results are under limit values for the directives.
- "Safety Data Sheet Board" is put to the place of Inkjet units.
- Evacuation plans are updated and a chart has placed that shows the evacuation area.

Health and Safety Indicators

	2010 (Mar. -Dec.)	2011	2012	2013 (Jan. - Sept.)
Training Hours (Health and Safety)	730,6 hours	462,5 hours	1465,5 hours	370,5 hours
Accident Frequency Rate	0	166,83	10,60	4,04
Accident Severity Rate	0	0	0,004	0,100
Lost Days due to Injuries	0	0	1	24
Number of First Aids	41	40	68	23

(Accident Frequency Rate = Total Number of Accidents / Total Hours Worked x 1000000

Accident Frequency Rate = Number of Days Lost due to Injuries / Total Hours Worked x 1000

<http://osha.europa.eu/fop/turkey/tr>)

10 Principles of UN Global Compact

The UN Global Compact's 10 principles are derived from:

- The Universal Declaration of Human Rights
- The International Labor Organization's Declaration on Fundamental Principles and Rights at Work
- The Rio Declaration on Environment and Development
- The United Nations Convention Against Corruption



The UN Global Compact asks companies to embrace, support and enact, within their sphere of influence, a set of core values in the areas of human rights, labor standards, the environment and anti-corruption:

Human Rights

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and

Principle 2: make sure that they are not complicit in human rights abuses.

Labor

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4: the elimination of all forms of forced and compulsory labor;

Principle 5: the effective abolition of child labor; and

Principle 6: the elimination of discrimination in respect of employment and occupation.


Environment

Principle 7: Businesses should support a precautionary approach to environmental challenges;

Principle 8: undertake initiatives to promote greater environmental responsibility; and

Principle 9: encourage the development and diffusion of environmentally friendly technologies.

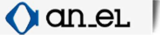
WORK SCHEDULE FOR YEAR 2014

			
<i>Winter</i>	<i>Spring</i>	<i>Summer</i>	<i>Fall</i>
JANUARY	MARCH	JUNE	SEPTEMBER
Mo Tu We Th Fr Sa Su	Mo Tu We Th Fr Sa Su	Mo Tu We Th Fr Sa Su	Mo Tu We Th Fr Sa Su
1 2 3 4 5	31 1 2	30 1	1 2 3 4 5 6 7
6 7 8 9 10 11 12	3 4 5 6 7 8 9	2 3 4 5 6 7 8	8 9 10 11 12 13 14
13 14 15 16 17 18 19	10 11 12 13 14 15 16	9 10 11 12 13 14 15	15 16 17 18 19 20 21
20 21 22 23 24 25 26	17 18 19 20 21 22 23	16 17 18 19 20 21 22	22 23 24 25 26 27 28
27 28 29 30 31	24 25 26 27 28 29 30	23 24 25 26 27 28 29	29 30
FEBRUARY	APRIL	JULY	OCTOBER
Mo Tu We Th Fr Sa Su	Mo Tu We Th Fr Sa Su	Mo Tu We Th Fr Sa Su	Mo Tu We Th Fr Sa Su
1 2	1 2 3 4 5 6	1 2 3 4 5 6	1 2 3 4 5
3 4 5 6 7 8 9	7 8 9 10 11 12 13	7 8 9 10 11 12 13	6 7 8 9 10 11 12
10 11 12 13 14 15 16	14 15 16 17 18 19 20	14 15 16 17 18 19 20	13 14 15 16 17 18 19
17 18 19 20 21 22 23	21 22 23 24 25 26 27	21 22 23 24 25 26 27	20 21 22 23 24 25 26
24 25 26 27 28	28 29 30	28 29 30 31	27 28 29 30 31
DECEMBER	MAY	AUGUST	NOVEMBER
Mo Tu We Th Fr Sa Su	Mo Tu We Th Fr Sa Su	Mo Tu We Th Fr Sa Su	Mo Tu We Th Fr Sa Su
1 2 3 4 5 6 7	1 2 3 4	1 2 3	1 2
8 9 10 11 12 13 14	5 6 7 8 9 10 11	4 5 6 7 8 9 10	3 4 5 6 7 8 9
15 16 17 18 19 20 21	12 13 14 15 16 17 18	11 12 13 14 15 16 17	10 11 12 13 14 15 16
22 23 24 25 26 27 28	19 20 21 22 23 24 25	18 19 20 21 22 23 24	17 18 19 20 21 22 23
29 30 31	26 27 28 29 30 31	25 26 27 28 29 30 31	24 25 26 27 28 29 30

OFFICIAL HOLIDAYS IN 2014

HOLIDAY	TIME	DATE
NEW YEAR'S DAY	1 DAY	JANUARY 1
NATIONAL SOVEREIGNTY AND CHILDREN'S DAY	1 DAY	APRIL 23
LABOR AND SOLIDARITY DAY	1 DAY	MAY 1
COMMEMORATION OF ATATURK, YOUTH AND SPORTS DAY	1 DAY	MAY 1
RAMADAN FEAST	3,5 DAYS	JULY 27 - 30
VICTORY DAY	1 DAY	AUGUST 30
FEAST OF SACRIFICE	4,5 DAYS	OCTOBER 3 - 7
REPUBLIC DAY	1,5 DAYS	OCTOBER 28 - 29

Contact Information

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This report has been prepared with support of UZD Çevre ve İş Güvenliği Danışmanlık Ltd. Şti. and participation of all our units. UZD Çevre ve İş Güvenliği Danışmanlık Ltd. Şti. is an organizational stakeholder of GRI. www.uzd.com.tr



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