

Istanbul, 20.04.2018

To our stakeholders,

I am pleased to confirm that Alpplas Endüstriyel Yatırımlar A.Ş. continues to incorporate the Principles of the UN Global Compact, as these principles complement our own business values and goals. We follow the Sustainable Development Goals (SDG) set by UN and report systematically the outcome of our efforts.

In this annual Communication on Progress we describe the progress we made over the past year in support of UNGC principles together with SDG and our drive to continually improve.

We also commit to share this information with our stakeholders using our primary channels of communication.

Sincerely yours,

Tufan Öney

CEO



UNITED NATIONS GLOBAL COMPACT

COMMUNICATION ON PROGRESS REPORT - 2017

HUMAN RIGHTS

ASSESSMENT, POLICY AND GOALS

Alpplas Endüstriyel Yatırımlar A.Ş. (Alpplas) continues to support and protect the internationally proclaimed human rights legislation. Alpplas strives to ensure that procurement functions endeavor to seek partners upholding the same principles through their operations and supply chains where practical. We are committed that we are not complicit in any form of human rights abuses through neither direct, nor beneficial nor silent complicity.

Our equality policy gives consideration to human rights and discrimination. It is implemented throughout the business and outlined in our Code of Conduct. Our corporate and social responsibility policy is integrated into our daily business activities.

All policies and management systems are reviewed on yearly bases and audited as per schedule.

IMPLEMENTATION

Alpplas has been audited again in 2017 to comply SEDEX Global Standards in order to assure global Human Rights for all employees.

All of our employees are encouraged to report to Ethical Committee or directly to CEO in case of any suspected misconduct and unethical behavior directly to their supervisors.

MEASUREMENT OF OUTCOMES

There have been no reported breeches of our human right policies. We are proud members of SEDEX. All policies and procedures are reviewed on yearly bases by senior management team to ensure relevance and suitability to the business and ultimately signed off by the CEO.

LABOUR

ASSESSMENT, POLICY AND GOALS

Alpplas undertakes to comply with national legislation and regulations relating to discrimination (in any form), employment, working condition, freedom of expression and association and reporting of human rights and other violations. Our recruitment process complies with the law on minimum age.

All Alpplas employees are issued with a Contract of Employment clearly stating their terms and conditions of employment with clearly stated pay rates, sick leave, maternity and paternity leave, etc.



This we consider as fair, just and fully in compliant with local Rules, Laws and Regulations. Employees are in addition provided with manuals explaining the company's culture, commitment and procedures.

IMPLEMENTATION

Applas is accredited to OHSAS18001 Occupational Health and Safety standards in Bolu factory since 2005. We will revise our system in 2018 to fulfill requirements of new ISO45001 Occupational Health and Safety Management System. Applas has been audited again in 2017 to comply SEDEX Global Standards.

MEASUREMENT OF OUTCOMES

Applas has not been involved with any investigation or legal cases relating to the contravention of UNGC Labour Rights principles or local legislation.

Applas has not been subject to any health and safety statutory notices or prosecutions.

ENVIRONMENT

ASSESSMENT, POLICY AND GOALS

Applas is committed to continuously improve our environmental performance. We will achieve this through the efficient use of the resources, preventing pollution, minimizing waste and the promotion of recycling.

Applas has implemented an Environmental policy and complies with all relevant Turkish environmental legislation and regulations. The environmental policy is understood by all key personnel. Employees are in addition provided with manuals explaining the company's environmental policy, commitment and procedures.

IMPLEMENTATION

We are pleased to confirm that Applas is accredited to ISO14001 standards in all manufacturing locations for many years. We have implemented latest version of ISO14001-2015 to our Environment Management System. Key environmental figures are shared with shareholders through our sustainability report.

MEASUREMENT OF OUTCOMES

Applas has never had a reportable environmental incident or fine.

ANTI CORRUPTION

ASSESSMENT, POLICY AND GOALS

Applas is committed to conducting all of our business in an honest and ethical manner and has adopted the anti-bribery policy to promote honest and ethical conduct and ensure compliance with applicable laws, rules and regulations as set by UN Convention against corruption.



IMPLEMENTATION

Employees are encouraged to raise concerns about any issue or suspicion of malpractice at the earliest possible stage. All employees are encouraged to report any suspicious malpractice to Ethical Committee or directly to CEO.

MEASUREMENT OF OUTCOMES

There have been no reports of misconduct during or previous reporting periods.

