

# SUSTAINABILITY REPORT 2018



## CONTENT

ABOUT THE REPORT .....	2
MESSAGE FROM THE CEO.....	3
ABOUT BRISA .....	4
OUR SUSTAINABILITY APPROACH.....	8
SMART MOBILITY .....	12
DIGITALIZATION .....	14
INNOVATION and CORPORATE ENTREPRENEURSHIP.....	16
ENERGY AND EMISSION MANAGEMENT .....	18
EFFICIENT USE OF NATURAL RESOURCES AND LESS WASTE GENERATION .....	20
RESPECTING BIODIVERSITY .....	22
ENVIRONMENTALLY FRIENDLY PRODUCTS & SERVICES.....	23
CONTRIBUTING TO CIRCULAR ECONOMY .....	25
DISTRIBUTION CHANNELS MANAGEMENT .....	26
SMART CULTURE.....	29
EQUALITY AND DIVERSITY .....	31
PUBLIC RELATIONS.....	32

## ABOUT THE REPORT

As Brisa, we have been transparently sharing the economic, social and environmental impacts of our operations together with how these impacts are being managed in line with related targets and performance criteria with our shareholders since 2012. The 2018 Sustainability Report covers our sustainability performance between the dates 01.01.2018 and 31.12.2018.

Our report is prepared in accordance with the Core level guidelines as stated in the Global Reporting Initiative Standards Reporting Guideline. As we did in our 2017 reporting period, we again contracted an independent external audit service for issues concerning energy consumption, carbon emissions, water consumption, training times, employee distribution, newly hired employees, employees who quit their jobs, top management, workplace health and safety, and total amount of waste according to its type. We further included the water consumption and carbon emission values of our Altunizade and Aksaray premises, Istanbul Maslak Otopratik and Esenler Bridgestone Service Points, and Izmir Karşıyaka and Bornova Otopratik Service Points to the extent of the independent external audit services.

Our sustainability priorities, which are compiled as a result of our Sustainability Questionnaire Project organized with the participation of our internal and external shareholders during our first reporting period, and which are reviewed on an annual basis, constitute the framework and contents of our report. These primary topics are reevaluated and revised with a reviewing project that has been held during the reporting period.

Carrying our sustainability performance forward and becoming a more accountable and transparent organization inline with our elevated sustainability performance is amongst our indispensable targets. We believe in the importance of shareholders' feedback. You can share your feedback by communicating with us from [b.kurumsaliletisim@brisa.com.tr](mailto:b.kurumsaliletisim@brisa.com.tr) address in order to help us continually increase our sustainability performance to better levels.

## MESSAGE FROM THE CEO

Estimable Shareholders,

Leaving behind 30 years of success, we kept driving on with courage in 2018, and undersigned many practices that will set an example not only in our own sector but also in the industrial and business worlds. In this context, we are pleased to share with you our seventh sustainability report, which is a performance summary of the projects we have implemented.

The world tire industry grew by 2% in 2018 due to developments in the automotive sector. On the other hand, Turkish tyre industry contracted in line with the contraction occurring in the Turkish automotive industry. Under these circumstances, we maintained our leadership in the industry with a performance above the market in 2018 with our increasing production capacity, and investments in our dealer network and brands. Our annual total sales revenue reached 2,999 million TL. We recorded sales and shipment records in international markets in more than 70 countries and increased our international sales revenues by 55,1%.

Brisa, as the leader of the Turkish tyre market with Bridgestone, Lassa Tyres, and Dayton brands, steadily continued its investments with its intimate, innovative, technologic, well-balanced financial structure. Brisa, continuing its investments in Izmit for the past 44 years, started its manufacturing operations in its Aksaray Manufacturing Plant in 2018, and assumed the leadership of innovation leadership with the strongest dealer network in Turkey, competent employee base consisting of more than 2,700 employees, and services that enrich the journey of customers beyond tyres.

The first smart factory of the industry, based on an area of 952,000 m<sup>2</sup> in the Aksaray Organized Industrial Zone, started its operations showcasing the best examples of industry 4.0 implementations with Brisa's competency in manufacturing and Bridgestone's innovative technologies. As a result, this facility stood out as a pioneering investment with its efficiency, environmental conscience, product quality, and performance. With this investment, Brisa enriched its contribution to the empowerment of our country in local production and international competition, and continued to add value to national economy with its actions in production and employment.

Our sustainable operations, and our performance in this context continued to be appreciated with awards received from various institutions during the reporting period. Brisa became the 43rd most valuable brand, as well as being the brand value leader of the Turkish tyre industry, with its 103 million USD brand value as assessed by Brand Finance, an internationally renowned brand valuation organization, in the "Most Valuable Brands of Turkey – Turkey 100" list. More over, we were included among the companies in the BIST Sustainability Index during the November 2018 – October 2019 period for the 4th time as a result of our sustainability implementations.

As Brisa, our goal is to drive on courageously to bolster the sustainability of our operations and our achievements with value added innovative products and services. Implementing practices that will increase the value we create for our shareholders through new business models will continue to be among our most important business priorities.

I would like to express my gratitude to all of our shareholders, particularly our employees, who accompanied and drove on courageously with us in our sustainability journey, for our accomplishments.

Respectfully,

**Cevdet Alemdar**

## ABOUT BRISA

The foundation of our Turkish tyre industry leader company, goes back to the establishment of the Lassa Tyres brand in 1974 with the initiative of Sabancı Holding and its partners. The establishment of Brisa, and the start of Lassa Tyres' and Bridgestone's journey goes back to the partnership agreement signed in 1988 between Sabancı Holding and World tyre industry leader, Bridgestone Corporation.

Having won the first National Quality Award in 1993, our company became the first Turkish enterprise to be awarded with the EFQM European Quality Award in 1996 as a result of its superior performance in business excellence. Today, we are among the largest tyre manufacturers of Europe.

We are manufacturing tyres especially designed for passenger vehicles, light commercial vehicles, buses, trucks, agriculture vehicles and earthmovers under Bridgestone, Lassa Tyres and Dayton brands. We are also presenting the Kinesis brand tyres, which are manufactured for industrial vehicles with high safety and quality standards inline with international standards, Firestone branded agricultural tyres and Bridgestone motorcycle tyres to the market, hence reaching a total of 1.800 different tyres in our portfolio.

Our products and services meet with vehicle owners through 1.540 branded sales points domestically, and Lassa Tyres, produced with Brisa employees' efforts, reach vehicle owners in 72 countries through 80 distributors, and 6.000 sales points in total, of which 610 are branded with Lassa Tyres.

With a closed area reaching to 361.000 m<sup>2</sup>, our İzmit Manufacturing Plant is one of the biggest manufacturing plants gathered under one roof globally, and is one of the most important manufacturing facilities of Bridgestone in the World. Our second manufacturing plant, based on a total area of 952.000 m<sup>2</sup> area in the Aksaray organized industrial zone and built with 300 million USD investment, is the first of its kind in the industry as a smart manufacturing plant.

Services	Non-tyre Products	Sales Channels	Tyre Brands
Profleet	Partvendo	Bridgestone	Bridgestone
Mobilfix	Castrol	Lassa Tyres	Lassa Tyres
Filofix	Bridgestone Seismic Isolator	Bandag	Bandag (Retreading)
Tyre Hotel		Lastiğim	Firestone
Brisa Academy		Lastik Vs	Dayton
Brisa Museum		Speedy	Kinesis
Aspects		Lastik.com.tr	Protread
OtoPratik		Bridgestone Box	Cutcure
ProPratik			Continuum
Probox			
Aspects+ / Truckcam / AMF / TMP+ / MFS			



**FOR 30 YEARS, WE HAVE BEEN ACCOMPLISHING FIRSTS IN OUR INDUSTRY WITH DIFFERENTIATING PRODUCTS AND UNIQUE SERVICES. WE ARE DRIVING ON COURAGEOUSLY AS THE INNOVATION LEADER OF TURKISH TYRE INDUSTRY.**

### Our Mission

Provide superior value to society with sustainable growth

### Our Values

Occupational safety, innovation, customer orientedness, team work, business excellence, sustainability

### Our Slogan

We drive on with courage

### Our Vision

We innovate your journey

## A SMART FACTORY FROM BRISA

In 2018, we started production operations in our Aksaray Manufacturing Plant, which has been set-up on a 952.000-m<sup>2</sup> area with a 300 million USD investment. Being the first of its kind in the tyre industry as a smart factory, our manufacturing plant showcases the best examples of Industry 4.0 applications.

We equipped our new manufacturing plant both with our company's more than 40 years of industrial experience and competence, and with Bridgestone's advanced technology and global accumulation. Our smart manufacturing plant possesses energy savings applications, fully automated transfer systems, digital twin applications set-up in digital platforms, and equipment providing solutions through virtual reality and advanced data analytics. We believe that our manufacturing plant will serve us to become stronger in international competition as a technology base in productivity, environmental consciousness, and product quality and performance fields.

We will provide important contributions to the Turkish economy in terms of production, regional employment and export fields with our Aksaray Manufacturing Plant, where we employ 341 employees.

Hürriyet Newspaper: "Brisa made tyres smart with its 300 million dollar production plant investment in Aksaray near Hasan mountain. With smart machines and equipment, daily, 800 million data is processed, and a new tyre is produced every 2.5 second in the factory."

Capital Magazine: "Brisa built the first ever smart factory in its industry in Aksaray. Realized with a 300 million dollar investment, the factory starts autonomous era in tyre production with Industry 4.0 practices. First production already begun, the factory will produce 4.2 million tyres and will employ in full capacity.

Cenk Alper- Sabancı Holding Industry Group President and Brisa Chairman of the Board: We believe that local and value added production is the most important leverage for our economy. We focus on technology and value added products with our "Sabancı for New Generations" vision. The smart factory of Brisa in Aksaray is one of the most concrete examples of this vision. Brisa blazed a trail for Industry 4.0 in Turkey. Brisa Aksaray Factory is a genuine example of Industry 4.0 that everyone talked about but we have realized. We celebrate the 30th anniversary of our successful partnership with Bridgestone Corporation with our second factory in Aksaray. The 300 million dollar investment is an important proof of our mutual trust as well as the trust we hold for Turkey.

## 2018 IN FIGURES

Number of countries where Lassa Tyres are exported to: **72**

Number of sales points set-up with our own concepts: **610** Lassa Tyres branded sales points and **6.000** sales points

2018 net sales revenues: **2,999** Billion TL

Tyres sold in Turkey during 2016 by Brisa: **6.642.040**

Tyres exported during 2016 by Brisa: **5.424.808**

Total investments by Brisa in Turkey: **1.379** Billion USD

Our energy consumption savings ratio per ton since 2008: %**16**

Artesian water consumption savings ratio since 2008: %**47**

Number of employees: **2,787**

Number of satisfaction surveys compiled: **25,450**

Average yearly training hours for our employees: **44**

Number of local suppliers: **2,397**

Number of fatal work place accidents: **0**

Ratio of consumer tyres with a wet surface label grade of "C or higher" in our total portfolio: %**87**

Customer satisfaction ratio %**94.8**

Over **1,500** branded sales points in Turkey

Brisa Academy training programs: We provided trainings for **12,481** participants – **47,412** men\*hours

Environmental Protection and Investment Expenditures: **308,000** USD

**40%** energy savings increase with energy efficiency projects compared to 2008 values

We reduced our emissions per ton by **30%** since 2005

We retreaded **116.000** commercial vehicle tyres as part of our Bandag services

We prevented release of greenhouse emissions equal to **3,210** tons of CO<sub>2</sub> as a result of our energy efficiency projects

# OUR AWARDS IN 2018

## Sustainability, Innovation, R&D and Digitalization Awards

- **Brisa Awarded with The Industrial Engineering Operational Research (YAD - Yöneylem Araştırması Derneği) Reward** - Brisa team was awarded the first place in the Operational Research Association Application Awards Competition, where projects using industrial engineering and operational research methods are used for execution, with their project that focused on the "solution for the inter factory product placement problems with the two tiered mixed whole number programming model".
- **Brisa was awarded with the Automotive Industry Association (OSD) Subsidiary Industry Success Award by the OSD** - Brisa was awarded with the "OSD Subsidiary Industry Success Award" by the Automotive Industry Association and proved its role and success as an entrusted business partner once again.
- **We are among the leaders in the BIST Sustainability Index for the past 4 years** - We were included in the BIST Sustainability Index's (an index that is made up of the corporations that are traded in Borsa Istanbul whose sustainability performances are at top levels) November 2018 – October 2019 period, for the 4th time in the history of the index.
- **We came back with 3 awards from Bridgestone Regional Rewards Organization** - Bridgestone rewarded the projects that were realized during 2018 in the EMEA Region. The organization evaluated projects in 5 different categories, and as Brisa we were honored with rewards in 3 categories. We received the Golden Award in the environment category with our "Reduction of Groundwater Withdrawal in Izmit Plant" project, and we received the Silver Awards in the business management category with our "Genba Room" project and in the mobility category with our "Passenger Car Fleet Service Module" project. With this project, we also received the Gold Award at the Bridgestone Global Awards, where all regions' Gold Award winners compete.
- **An award for Lassa Tyres' "Soil is our passion, joint is our future" ("Sevdamız Toprak Yarınlarımız Ortak") project** - Lassa Tyres' "Soil is our passion, joint is our future" project, which has been continuing for the past 5 years to add value to farmers, was awarded the runner-up prize by the Direct Marketing Communicators Association in the social responsibility category. The projects were evaluated on the basis of brands' ability to form a relationship and loyalty between the targeted group and the brand, as well as projects' interactivity and measurability.

You can reach the advertising and marketing awards we were deemed worthy of during the reporting period from our [annual](#) report.

# OUR SUSTAINABILITY APPROACH

Sustainability is one of the most important fundamentals of how Brisa carries on its activities. We are driving on courageously in all the geographies we operate in with pioneering applications of our industry following the corporate values and governance experience guidelines of our shareholders, Bridgestone Corporation and Sabancı Holding. With the consciousness driven by being a responsible manufacturer, we are investigating further to accomplish better results, develop innovations, make investments, work harder and produce in order to carry on the value we have created for our shareholders further.

## We Continued to Take Our Place Amongst the Companies Listed in the Borsa İstanbul Sustainability Index

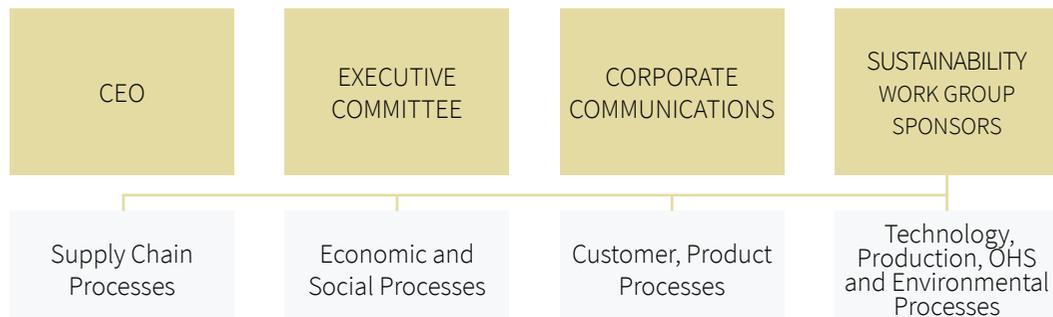
Earning its right to take its place in the Borsa Istanbul Sustainability Index in 2015, our company once again successfully met the criteria of the index for the November 2018 – October 2019 period and got listed in the index for the fourth time.

## SUSTAINABILITY MANAGEMENT

We are combining our sustainability management approach and sustainability strategies together with our core operations and competences and continue to create added value for our shareholders. We are viewing our sustainability approach as part of our corporate culture and therefore as part of all our activities. We are carrying on communication projects in order to extend our sustainability approach among our shareholders. We are executing audit activities in order to identify our improvement areas in terms of sustainability and we assure the development of our sustainability performance with action plans based on tangible targets.

We are taking advantage of nationally and internationally accepted standards in order to assure the continuous development of our social, environmental and extensive economic performances and we periodically carry out benchmarking projects. We are moving in line with an effective sustainability management structure that stretches out from the top management level to all other levels of our company and we are ensuring the effectiveness of this structure with transparent and bidirectional communication mechanisms and extensive auditing processes.

### SUSTAINABILITY MANAGEMENT STRUCTURE



We identified our priority responsibilities in social, environmental and economy fields as part of our sustainability policy, which we established in 2015. We are realizing communication activities and training sessions in order to increase the awareness of our policy both amongst our own employees and other shareholders based in our value chain. You can reach the Brisa Sustainability Policy from the <https://www.brisa.com.tr/brisa-way-of-sustainability/brisa-sustainability-policy> address.

## OUR MATERIAL ISSUES

We are annually reviewing our sustainability priorities, which were first identified in respect to the project carried out in 2012, with workshops and communication activities. During the reporting period, we reviewed our prioritized issues within the topics-universe created in line with global megatrends, industrial priorities, our sustainability priorities, and feedback we have received from our shareholders with 37 employees from 25 different departments. We organized a workshop that reflects the expectations of 6 different stakeholder groups. We presented our topic universe and materiality matrix to our top management team and placed their views on a Kano Model. The materiality matrix that has been finalized following our studies can be found below.

Following workshops we have organized, we also revised the structure of the report with which we present our sustainability performance to our stakeholders. We shared our “Management Fundamentals”, which have been included in our previous period sustainability report, on our corporate website and included our material topics in conjunction with related megatrends to our sustainability report in line with the data we have gathered as a result of this workshop and feedback shared by the participants. Our new report body, which was structured as explained, is as follows:



MEGATRENDS	MANAGEMENT FUNDAMENTALS	PRIORITIES
Comprehensiveness & Diversity Human Rights Quality of Life Climate Change Responsible Supply Chain Depletion of Resources New Mobility Trends Rapid Urbanization Demographic Changes Big Data	Work Health and Safety Campaign Against Bribery and Corruption Employee Rights Responsible Value Chain Initiatives Way of Conducting Business Beyond Legal Regulations Growing Economic Added Value Inclusion In Identification of Environmental and Social Policies	Smart Mobility Digitalization Innovation and Corporate Entrepreneurship Energy and Emission Management Use of Natural Resources Environmentally Friendly Products and Services Circular Economy Public Relations Becoming a Preferred Employer (Development Journey) Equality & Diversity Data Safety Sales Channels Management Biodiversity

Detailed report with information about Management Fundamentals can be found in our [website](#).

	Top Management	Customers	Business Partners	Employees	Suppliers	Local management/ people	Investors and Public Institutions
Smart Mobility		▪	▪	▪	▪	▪	▪
Digitalization	▪	▪	▪	▪	▪	▪	▪
Innovation and Corporate Entrepreneurship		▪	▪	▪	▪	▪	▪
Energy and Emission Management	▪	▪	▪	▪	▪	▪	▪
Use of Natural Resources	▪	▪	▪	▪		▪	▪
Environmentally Friendly Products and Services	▪	▪	▪	▪		▪	▪
Circular Economy	▪	▪	▪	▪	▪	▪	▪
Public Relations	▪	▪	▪	▪	▪	▪	▪
Becoming a Preferred Employer (Development Journey)	▪	▪	▪	▪	▪	▪	
Equality & Diversity	▪	▪	▪	▪		▪	▪
Data Safety	▪	▪			▪	▪	▪
Sales Channels Management	▪	▪	▪		▪	▪	▪
Biodiversity						▪	▪

## 2018 developments and 2019 targets for our goals identified in conjunction with our sustainability performance and priorities are as follows:

	WHAT WE TARGETED IN 2018?	STATUS	2018 PERFORMANCE STATEMENT	2019 TARGETS
MANAGEMENT	Identifying a Personal Performance management system model by structuring KPI sets for every function and department and expanding the new KPI scheme with in management and functions	Completed	Tracked within the organization. Reflected to individual performance system	To expand new KPI scheme with in management and functions
	Regulating all processes of our company in accordance with the Law on the Protection of Personal Data	Completed	The committee successfully carried out its processes and inventory studies with a participatory approach.	The next QAR study is planned for the first quarter of 2020.
	Successfully complete the Quality Assurance Review "QAR" project that assures the compatibility of internal auditing activities with International Internal Auditing Standards	Completed	Internal Audit activities were conducted in accordance with international quality standards	To complete our application to Protection of Personal Data Institute
	To continue our projects that enable the expansion of our Sustainability Policy within the value chain	In Progress	Expansion studies continues	To continue our projects that enable the expansion of our Sustainability Policy within the value chain
VALUE CHAIN	To enable the continuity of the verification system controlling that all our suppliers read and comprehend our Responsible Purchasing Policy periodically on an annual basis	In Progress	1,324 suppliers were complied	To enable the continuity of the verification system controlling that all our suppliers read and comprehend our Responsible Purchasing Policy periodically on an annual basis
	Include 6 forklifts operating with electricity in our operations	Completed	We achieved our target	To complete 70% of our WSA project
	To include CRM Mobile in our operations	In Progress	75 dealer, 3 visit for each	410 dealers, 3 visit for each
	To extent the Customer Satisfaction Survey to 16.000 participants	In Progress	25.450	To extent the Customer Satisfaction Survey to 28,000 participants
	To reach a Customer Satisfaction ratio of 95%	In Progress	94.8%	NPS-net recommendation score will be followed as KPI. Target 75% NPS
ENVIRONMENTAL FOOTPRINT	To reduce artesian water consumption by 61% in 2020 compared to 2008	In Progress	46%	To reduce artesian water consumption by 61% in 2020 compared to 2008
	To continue to be a part of the CDP-water program	Completed	B (Management Level)	To continue to be a part of the CDP-water program
	To verify our performance in accordance with ISO 14046 Water Footprint Standards	Completed	Reporting and assurance completed in compliance with the standard	To verify our performance in accordance with ISO 14046 Water Footprint Standards
	To reduce total carbon emissions per tons manufactured by 25% in 2020 compared to 2005	In Progress	30%	To reduce total carbon emissions per tons manufactured by 25% in 2020 compared to 2005
	To continue Green Office projects	Completed	We continued Green Office projects	To continue Green Office projects
	To continue reporting activities for CDP-climate change	Completed	B (Management Level)	To continue reporting activities for CDP-climate change
	To verify our performance in accordance with ISO 14064 Greenhouse Gas Emissions Calculation Standards	Completed	Reporting and assurance completed in compliance with the standard	To verify our performance in accordance with ISO 14064 Greenhouse Gas Emissions Calculation Standards
	To complete ISO 50001 Energy Management Systems certification in 2019	In Progress	System installation continues in compliance with the standard	To complete ISO 50001 Energy Management Systems certification in 2019
WORK LIFE	To retread 120.000 tyres as part of our Bandag services	Completed	We retreaded 116.000 tyres	We aim to retread 120.000 tyres
	To continue Employer Branding activities on new digital platforms and to actively participate in University Career Day organizations	Completed	Cooperated with Toptalent.co platform and universities. Actively participated career days	No new target at this area
	To monthly follow and improve action plans for increasing employee loyalty	In Progress	Functions and action plans were reviewed at the annual assessment meetings.	To monthly follow and improve action plans for increasing employee loyalty
	To continue sharing the Human Resources Journey Bulletin	Completed	The mid-year evaluation bulletin was shared.	No new target at this area
	To highlight our R&D message in our HR Communication in line with our strategy to be a Preferred Employer	Completed	Prepared the R & D video and took part in the activities in universities and participation in the applications.	No new target at this area
	To continue and develop human resources processes with in the growing structure of Aksaray Manufacturing Plant	In Progress	Aksaray Culture Transformation project was initiated.	The project will be continued and completed.
	To include the new training module and enrich our Brisa Journey	Completed	Strategic Thinking Workshop design and first group application were completed.	Leadership journey and development journey will be reviewed and renewed.
	To extend the Sustainability Journey training geared towards Izmit Manufacturing Plant, Istanbul and Regional Office Managers	Completed	Sustainability Journey Trainings were continued with our newly recruited employees.	No new target at this area
SOCIAL DEVELOPMENT	To improve the Onboarding process	In Progress	Warm-up activities initiated	To improve the Onboarding process
	To reach truck drivers with our healthy nutrition project truck during the summer period	Completed	The domestic tour completed	To reach target audience with digital projects
	To continue our support for public organizations and civilian initiatives	Completed	We actively shared our knowledge and experience with the initiatives	To continue our support to public institutions and civil initiatives
	To continue our support for education through BMODD	Completed	We supported 92 students during the 2017-2018 academic year	To continue our support for education through BMODD
	To continue our support for sports through Brisaspor	Completed	Our team competed in national and international competitions	Continue our support with the Mountain Bike (MTB) Team
	To hold on to traffic security as a priority	Completed	Information provided to the long-distance drivers and the headlights were distributed to the farmers.	To provide general information through press communication
	To establish more systematic relations with the public by advancing shareholder communication and feedback methods	In Progress	We gathered stakeholder opinions	To establish more systematic relations with the community by developing stakeholder communication and feedback methods
		COMPLETED	IN PROGRESS	NOT COMPLETED

## SMART MOBILITY

Safe and efficient mobility has been one of the most important contributors of cultural and economic development in human history. The advances in technology changed the transportation requirements of people; depleting resources and accelerating tempo of business-world made it necessary to flourish even smarter mobility solutions. Here at Brisa, we consider changes in requirements, contribute cities to be more sustainable and help prevent traffic accidents as a result of the importance we place in product safety while designing our products and services.

We were awarded with Silver Prize with our "Passenger Car Fleet Service Module" project in Mobility Category in Bridgestone Regional Awards Program for EMEA region.



"In Brisa, we do not consider ourselves as just a tyre manufacturer and retailer. We closely follow customer behaviour, trends and technological developments in smart mobility. We aim to accompany our customers throughout their journeys and to perfect their experiences"

**Numan Erdoğan – Entrepreneurship Manager**

### We assist people to make smart choices with our product information scheme

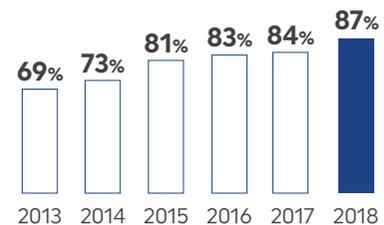
Providing understandable information about our products to our shareholders constitutes one of the fundamental principals of our responsible marketing approach in terms of customer health and safety. We fully support Tyre Labeling System criteria as a primary reference within this scope. We provide multi-parameter information that enable our customers to prefer the tyres accommodating their driving habits as well as road and weather conditions that they drive on, rather than focusing on providing product information that focuses on only a single performance criterion.

### We are working harder to improve the Wet Surface Braking Distance performance of our products

We share wet surface braking distance performance of all our products on our products labels, as it is an important indicator of our performance in terms of traffic safety.

We are consistently working towards increasing the ratio of products with a "C" or a higher wet surface performance grade in our product portfolio. We realized our 86% target set for consumer products as 87% during the reporting period, and we are aiming to increase this ratio to 89% in 2019.

The ratio of products with a "C" or a higher wet surface performance grade



## **Bridgestone will use self-driving cars for Silent Tyres**

The recent regulations on tyre noise in Europe, Asia and Japan aim to reduce tyre related noises during driving. Bridgestone brand partnered with ZMP to use automatic-driving technology in noise reduction tests. Bridgestone and ZMP completed successful tests by using human power for automatic driving in Bridgestone test tracks previously. Now, with the addition of noise tests to automatic driving tests, we aim to enhance the quality of our products by enhancing the accuracy of tyre tests without relying on the ability of test pilots. Bridgestone will perform various tyre performance tests in its own test centres with test pilots in addition to testing noise levels of tyres with automatic driving technologies. New automatic driving vehicle RoboCar® Mini Van and new generation Bridgestone tyres will be used in test centres to move vehicles using automatic driving technologies. With this new deal, in 2019, tyre noise tests will be conducted by using self-driving technologies in SAE-Level 4.

## **Local production spurt from Brisa: 112-year-old international tyre brand Dayton is manufactured in Turkey**

Brisa markets Dayton, a 112-year-old global brand that meets with customers under Bridgestone Group, since 2014. With the aim to increase local production rate that is currently 94% with investments in engineering, R&D and technology, Brisa started manufacturing Dayton tyres in İzmit plant in 2017, contributing to local production power of Turkey. Brisa produced 13-18 rim Dayton tyres in automobile segment in 20 different sizes and 2 patterns and 30 different sizes and 2 patterns in light commercial vehicle segments in Turkey.

## **We are offering a new generation tyre purchasing experience with Otopratik.**

We are improving tyre purchasing experience with our easy, qualified, fast and economic maintenance shop chain Otopratik. During 2018, the number of our Otopratik service points reached 45.

## **We continue to offer special services to fleets with Propratik.**

Propratik is a sales and service chain concept focusing on heavy commercial vehicle segment with which we are reaching drivers with 9 nationwide service points. Our Propratik service points meet all sales and service requirements of heavy commercial vehicles with innovative solutions as well as providing support to drivers for an efficient and safes driving experience.

## **We are working to be accessible any time and any place.**

We are expanding our service network with Lastiğim, Speedy and Lastik Vs service points in order to be accessible to vehicle owners whenever and wherever they need our products and services. We are taking our services where our customers are with Mobilfix and Probox concepts.

## **We are targeting the perfect Brisa experience for our fleet customers with Profleet.**

We are generating sustainable solutions with Profleet fleet management model, which we developed in order to combine our fleet management solutions under a single roof, so that our customers can manage their operations with minimum costs. Through Profleet Value Package that enables 5% savings on fuel consumption and increases average tyre life by 15%, we provided savings worth 500 million TL in total until today.

# DIGITALIZATION

We are expanding technology in all our production and business processes with our digitalization initiatives as a natural outcome of our innovation culture and sustainability approach. We lead our industry with our digitalization efforts, which help us to use company resources more efficiently, develop new business models, design innovative products and services and create unique customer experience, and we create added value for everyone with analytical and mobile solutions.

We were awarded with Pioneers of Digitalization and Industry Leader awards in Accenture's Turkey Digitalization Index for 3 years in a row between 2015-2017.

## **Brisa Team participated to the "Advanced Data Analytics Academy" Hackathon.**

During 2018, Brisa and Sabancı University regularly met to discuss advanced data analytics and smart factory topics. Following the trainings offered by Advanced Data Analytics Academy, Brisa Advance Data Analytics Team participated to the Hackathon.

## **We took our place in Sabancı Group Companies' exemplary projects initiative.**

We attended the Sabancı Holding Executive Meeting to share our company's digital transformation journey and to present our "War Room" and Best Industry Application Award winner "MENTOR-Aksaray Manufacturing Plant Set-up, Aksaray-izmit Product Profit Maximization" projects during the "Exemplary Advanced Data Analytics Projects" session.

## **We provide efficiency with e-signature.**

We are targeting to save 60.000 pages of paper and 285 men-hours with Brisa e-signature process.

## **Our children's turn for Digital Transformation: Coding Workshop for Children**

Following Makers Turkey's presentation about new generation learning trends and do it yourself culture, children of Brisa employees were introduced to "do it yourself with technology" culture. Children came together in the coding workshops to participate activities fit for their ages and also took a tour of the technology exhibition featuring production and robotics applications on 3D printers.

## **We brought Genba Room into action.**

Genba Room is a digital system that helps Brisa to follow field activities on a real-time basis. The aim of the system is to swiftly and creatively solve the problems faced by dealers and sales teams in the

field. We took advantage of new generation technologies such as robotic applications based on artificial intelligence and advanced data analytics. During Genba Rooms first year of operations, we reduced problem resolution time from 30 hours to 1.4 hours. We achieved 18% increase in commercial products and 12% increase in consumer products in terms of sales. We received the Silver Awards in Bridgestone's Regional and Global Awards' Business Management Category with the "Genba Room" project.

### **We are digitalizing together with our business partners.**

We, as the first company to implement Google's project for digital transformation of its reseller network, held training sessions as part of the "My Business Partner is Digitalizing" project with the participation of our Adana, Mersin, Hatay, Ankara, Konya and Çorum business partners. We shared information about digitalization and changing customer expectations during the training sessions and provided support so that our business partners can generate digital solutions.

In 2018, we started to come together with our business partners on live broadcast over a digital system. In our first digital meeting, during which our CEO, Mr. Cevdet Alemdar, shared his yearly review, our business partners received the chance to share their opinions and present their questions.

We opened the Business Excellence Center (BEC), which offers trainings with various simulation designs in order to help strengthen sales teams in the field.

### **We came back with an award from Operational Research Association (YAD) Awards.**

Brisa team was awarded the first place in the Operational Research Association Application Awards Competition, for their project that focused on the "solution for the inter factory product placement problems with the two tiered mixed whole number programming model"

### **We made no concessions on data safety.**

We continued to protect our customers' and business partners' data with highest standards while we proceeded our digitalization projects at full speed. We provided trainings to 443 employees as part of our projects within the ISO 27001 standards.

We are conducting the "Pioneers of the Journey" open innovation program in order to be able to bring innovative solutions in mobility. Our company is focusing on trainings and processes in order to increase the digital competencies of our employees and we are accelerating the pace of our practices in order to raise the benchmark of digital maturity level of our company beyond the leadership of the industry.

# INNOVATION and CORPORATE ENTREPRENEURSHIP

We are working to transform Brisa from being an industry company into an innovation company. We are aiming to make innovation an indispensable part of our corporate culture and business processes.

To this end, we restructured our organization and established Entrepreneurship Department under Market Development and Quality Directorate. We are conducting our Innovation and Corporate Entrepreneurship projects, which play an important role in our sustainability strategies, under the leadership of this is department.

## Brisa Innovation Strategy

WHY?	HOW?	WHAT?
	Intrapreneurship Programme, re-designed with a user-centered approach	Encourage employees and all stakeholders to question and challenge the status-quo
Cultivating a customer driven innovation culture within Brisa	Startup engagement management and startup scouting	Facilitating intrapreneurship and startup engagement experiences
	Local and global network building within the entrepreneurship ecosystems	Designing methods and systems to exploit innovation and entrepreneurship

## Brisa Innovation Team (BIT)

BIT, consisting of volunteering professionals from different functions and disciplines, is continuing with a team of 16 people to support extending innovation culture and management of innovation processes. The aim of BIT is to contribute to our business success by bringing out multidisciplinary, customer focused and creative solutions and to mentor internal corporate entrepreneurs.

## Brisa Innovation Portal

Brisa Innovation Portal is a platform that enables Brisa employees to reach information they seek to find about innovation. Employees can investigate industrial and macro trends together with inspiring innovation examples, reach resources from BIP library, share their ideas on the portal and can participate themed idea generation competitions. Renewed in 2018, at least 120 projects are to be accepted in 2019 to BIP in line with the evaluations of Brisa Innovation Team.

## **We are supporting entrepreneurs with Pioneers of the Journey**

We are encouraging entrepreneurs and entrepreneurship candidates to develop business ideas, prototypes, and initiatives to offer guidance to the future of the journey with our Pioneers of the Journey program. With our vocation calls during all the phases of the three-tiered program, we are offering various opportunities such as financial support, mentorship and entrepreneurship trainings. In 2018, 86 initiatives were pre-screened, 21 teams had the chance to present their ideas to the jury, 7 teams won the chance to compete in the finals in March, 2019.

## **Brisa Demoday Meeting at the İTÜ (Istanbul Technical University) Core Program.**

During the Demoday entrepreneurship meeting we held together with the İTÜ Core, we listened to 7 different entrepreneurship projects and awarded the GmPLY platform, which we identified as the most successful project.

## **We enlightened the future of the journey at the Global Entrepreneurship Congress**

As one of the sponsors of the Global Entrepreneurship Congress, our company shared its accumulated knowledge of entrepreneurship and new generation technologies with participants during the event. We organized a workshop, "The Future of the Journey", to gain feedback from our stakeholders.

## **Brisa's entrepreneurship journey is strengthening**

Brisa Transformation Leadership Team attended the entrepreneurship valuation-training program at Istanbul Technical University's An Teknokent in order to reinforce the corporate entrepreneurship activities we have been carrying on to support the "Innovation Leader of Journey Experience" position of our company.

## **We are sailing off to new Technologies with our R&D Center.**

We are accelerating our value added product development and production activities at the Brisa R&D Center located in our Izmit Manufacturing Plant, which is certified with the incentive of the Ministry of Science, Industry and Technology. We possess the only testing center that is accepted by the Turkish Standards Institute within our organization. Working in coordination with Bridgestone Corporation's technical centers based in Rome and Tokyo, our R&D Center is also one of the leading facilities of Bridgestone Corporation.

We are increasing our competence in terms of developing products in line with global standards and helping new products to be released in shorter time with the efforts of Turkish engineers and contribution of new generation technologies at our R&D Center. We are focusing on innovative production techniques and raw materials that strengthen us in international competition. We are contributing to industrial accumulation by increasing local production as well as adding value to national economy by accelerating our export business.

## **Brisa R&D Day**

We organized the first R&D Day with the participation of Brisa employees from various departments and R&D Team. During the 1st R&D Day, we shared our R&D projects in detail, as well as holding discussion sessions to share information and opinions that will enlighten the future R&D projects.

# ENERGY AND EMISSION MANAGEMENT

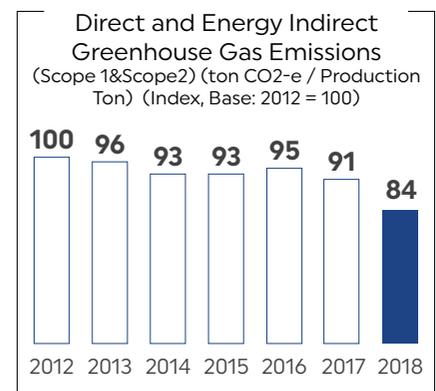
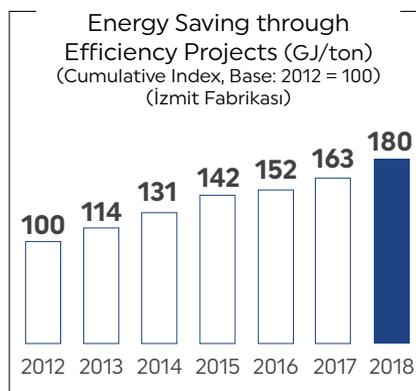
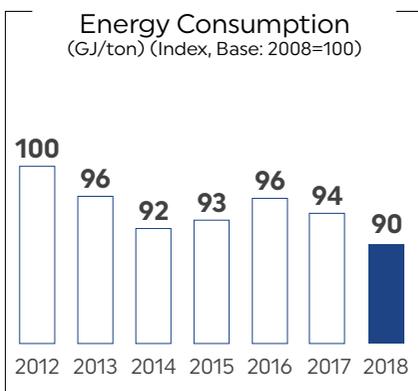
Climate change, one of the most crucial problems that our world faces with, necessitates a collective combat for all business world regardless of sector and size. As Brisa, we manage our operations with the awareness of our responsibility in solving this problem.

In this perspective, efficient use of energy, elimination of wasted or inefficient energy constitute one of the roots of our way of doing business. In 2018, we have increased our energy savings by 16% compared to 2008 thanks to the systematic improvement efforts we made in order to ensure efficiency in energy consumption and to minimize our impact on climate change.

We are paying great attention to ensure energy efficiency with regular checks and evaluations. As a result of the energy efficiency projects held during the reporting period, our energy consumption reduced by 4% compared to our energy consumption during 2017. This reduction in energy consumption translates to savings of 324,395 USD.

Reducing greenhouse gas emissions resulting from our activities and their impact on global warming is among our strategic targets. In this manner, Bridgestone Group Environment Committee identifies global policies on climate change with the coordination of Global Management Platform. These policies are shared with strategic business units to be internalized and executed by organizations. Detailed execution plans concerning these policies developed by Bridgestone Group Environment Committee is identified on a national scale and their results are periodically reviewed and reported.

Greenhouse gas emissions resulting from our operations in Izmit Manufacturing Plant between the years 2012 – 2018 calculated according to Assurance Audit Standards (GDS 3000) within the context of Sustainability Report, and greenhouse gas emissions resulting from our operations in Altunizade / Esenler / Maslak locations between the years 2014 – 2018 and in Aksaray Manufacturing Plant between the years 2017 – 2018 calculated according to ISO 14064 Greenhouse Gas Emissions Standards are verified by independent auditing organizations. "Greenhouse Gas Inventory Report" is prepared periodically on an annual basis since 2013 in accordance with ISO 14064 Standards.



We have been continuing our efforts to reduce carbon dioxide emissions at our Izmit facilities since 2005. We are aiming to reduce carbon emissions per unit rubber manufactured by 25% in 2020 compared to 2005 figures. We achieved 30% of our goal by 2018, and covered substantial ground in line with our target.

Scope 1 emissions increased 70% compared with the previous reporting period as a result of the finalization of steam supply during the reporting period. On the other hand, Scope 2 emissions reduced by 27% compared to the previous reporting period as a result of the increased natural gas usage. In total, Scope 1 and Scope 2 emissions increased by 7,69% according to the previous reporting period figures.

During the reporting period 80% of our logistics operations were carried on by sea freights, 4% were by railroad freights. Compared to 2008, we have decreased the ratio of road haulage by 37%.



**WE PREVENTED GREENHOUSE GAS EMISSIONS EQUAL TO 3,210 TONS OF CO<sub>2</sub> AS A RESULT OF OUR ENERGY EFFICIENCY PROJECTS CARRIED OUT IN 2018.**

## EFFICIENT USE OF NATURAL RESOURCES AND LESS WASTE GENERATION

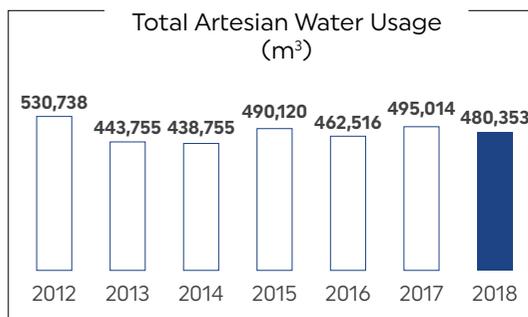
The sustainability of our operations is directly linked with the reduction of environmental impact caused by our operations. We are putting great attention into using raw materials that do not possess health and pollution risks by taking into consideration the environmental impacts caused by the use and consumption of our products. We are using natural resources in an effective and efficient manner in line with our improvement and awareness projects.

As Brisa, we prepared our long-term business plans in order to more efficiently use water resources that are forecasted to be depleting in the following years. Our most important target in that manner is to reduce our artesian water consumption by 61% in 2020 compared to 2008. During the reporting period, we reached 47% improvement compared to 2008 levels in terms of water consumption and recovery of wastewater as a result of our projects, and we surpassed Bridgestone's global targets.

During the reporting period, our total water consumption decreased by 2.96% compared to previous reporting period thanks to the applications for reducing the amount of groundwater drawn for domestic and industrial use.

We are decontaminating wastewater resulting as a result of our processes at the biologic decontamination facilities and discharging it to Water and Sewage Administration's collector in Izmit and to Organized Industrial Zone's collector in Aksaray. We are periodically reviewing the compatibleness of our facilities with measurement tests.

As part of the reduction of our environmental footprint, we are reviewing our production processes considering prevention of waste at the main source, regaining or recycling generated waste and we are



paying great attention to using raw materials that do not possess health and pollution risks by taking into consideration the environmental impacts caused by the use and consumption of our products with our waste management projects.

We are taking important steps towards the minimization of waste with all our projects. We have improved our waste per manufactured product ratio by 9% at our Izmit Manufacturing Plant compared to our performance in 2013.

**As part of our waste management strategies, we started “Zero Landfill” implementation as of the end of 2015 at our Izmit facilities. In line with this implementation;**

- We do not send any waste to waste storage facilities,
- Solid waste generated in our facilities are
  - reused
  - recycled
  - regained

This implementation is extended towards the 100% of the units in our Aksaray facilities that commenced production in the reporting period.

Green Office practices are implemented by WWF (World Wide Fund for Nature) in order to provide savings and improvements in the office place. Organizations participating to the program systematically utilize their Office resources, define savings criteria and design an environmental management system for their offices accordingly. In this respect, we continued our efforts to efficiently use of resources and activities to increase awareness with the “Green Office” program implemented by Brisa employees during the reporting period. Within the scope of the Green Office Program, both our Izmit and Altunizade offices possess the Green Office Certificate as a result of our activities carried on with the support of Green Office team.

Bridgestone rewarded projects that were realized during 2018 and evaluated projects in 5 different categories. Brisa was honored the Golden Prize in the environmental category in both the EMEA Regional Awards and the Bridgestone Global Awards for the “Reduction of Groundwater Withdrawal in Izmit Plant” project.

## RESPECTING BIODIVERSITY

We refrain from processes that might negatively effect biodiversity while conducting our operations and carry on our activities in accordance with Environmental Impact Assessment regulations while making our new investments. Within this scope, we are enabling possible risks that may arise to be evaluated through audits by accredited organizations. Projects conducted until today reveal that there are no lands taken under preservation or harm biodiversity within or in proximity to Brisa' operational zones.

We continue the implementation of "Let the Cranes Fly" project we started together with the cooperation of WWF-Turkey (World Wide Fund for Nature) in 2013. We carry on the implementation of our activities, which we started in order to preserve the cranes' lineage in Anatolia, in the Çukurova Delta, where 95% of the cranes spending winter in our country take shelter. During the reporting period, together with observation projects, we held informative sessions at schools, hunting associations and village coffeehouses. More over, we organized crane observation activities at Adana, Mersin, Samsun and Kayseri with the participation of volunteers on October 6th, Wild Bird Day.

We cooperated with Play for Nature (Doğa İçin Çal) platform with in the scope of our "Let the Cranes Fly" project, for which we are working together with WWF Turkey. In this project, Brisa and WWF Turkey employees got together with Brisa's business partners based in Adana to play and sing the "Allı Turnam" folk song on a voluntary basis. "Allı Turnam" video was viewed more than 2 million times and obtained 15 million reach on social media and helped increase awareness about the topic. We have been granted the grand prize by Felis Awards, one of the prestigious awards of the advertisement and marketing world, in the internal communication category. We have also been awarded the grand prize at the Prida Communication Awards designed and organized by the Communication Consultancy Companies Association (IDA) in the Change Management & Internal Communication category.



Play for Nature was a very valuable platform that was established to attract attention to global climate change and reached the masses with the universal language of music. As an industrial company, we became the first company to cooperate with this platform thanks to concrete outcomes of our sustainability efforts. More than that, we became the only voice with the participation and enthusiasm of more than 40 employees for the protection of cranes that are both cultural and natural values in our country. By introducing this voice to large audiences, we have created awareness for future generations to adopt the Anatolian Cranes. It was a project that left a mark in every sense. It was also a good example of being able to add meaning to your work with a collective spirit.

**Gamze Sifoğlu-Corporate Communications Specialist**

With the forestation projects we conducted in 2018 in our İzmit and Aksaray manufacturing plants, we are continuing our efforts to create "sink areas" for the elimination of carbon emissions and preservation of bio-diversity. In that regard, we raised 18.000 tree saplings from seed in our greenhouse located in our İzmit manufacturing plant in 2018. These trees play an important role in the elimination process of the carbon emissions that we create. As a result, we are targeting to reach our goal of becoming a manufacturing plant with "Zero Carbon Release" in the mid-term.

# ENVIRONMENTALLY FRIENDLY PRODUCTS & SERVICES

We are reviewing our “increasing environmentally friendly products portfolio to provide continuous mobility” strategy by following weighted rolling resistance average of the products that we sell and environmentally friendly products portfolio ratio and we organize projects to support our strategy.

We make efforts to produce products and services that are environmentally friendly considering their effects on the environment during their life cycle. We are working on new concept products, which have lower rolling resistance and weight and which cause lower carbon emissions and noise. We own a rich portfolio of products consisting of environmentally friendly tyres like the Ecopia and Greenways series as part of our environmentally friendly product manufacturing approach.

We provide onsite services to fleets in order to provide savings in terms of fuel and time spent for going to a service point with our Mobilfix concept. We are creating service awareness on customer side by meeting their service requirements. During 2018, we offered fuel savings services to 1.200 vehicles belonging to 40 different fleets and we helped save 5.4 million TL in terms of fuel and tyre life savings at their own garages.

We follow the performance of the tyres of our fleet customers with our Aspects+ services and help them use our products with maximum efficiency. We are calculating the time required to change tyres by measuring tyre pressure and tyre tread depth values, and therefore provide positive impact in terms re-treadability and using our tyres appropriately by controlling the tyres onsite and in a timely manner. We performed a total of 3 million tyre measurements until today and every year we offer more than 4.000 customers field and tyre measurement services.

## **We reduce use of natural resources with Bandag retreading services**

We provide savings up to 40% in fleet’s tyre costs and contribute greatly to both national economy and protection of natural resources through quality products and sound production conditions with our Bandag retreading services within the scope of tyre management business. We are tripling tyre life by retreading them for reuse and contribute to the protection of the environment with lesser amounts of tyre waste. ([https://www.youtube.com/watch?v=VEBy\\_4\\_Nolk](https://www.youtube.com/watch?v=VEBy_4_Nolk))

## **We provide fleet management solutions with Profleet**

The Profleet fleet management solutions is a service enabling the economic use of natural resources developed for heavy commercial vehicle fleets. As a result of our Profleet solutions we reduce environmental impact to minimum levels whilst providing fuel savings.

## Ecopia EP150, the safety tyre of the environment

We reduce the rolling resistance of our tyres without compromising safety with Ecopia technology and provide efficiency in fuel consumption. We completed the domestic production process of our EP150 product in 2014.

- 9%** lighter construction (\*)
- 14%** lower rolling resistance (\*)
- 1,7%** fuel efficiency (\*)
- 5%** shorter wet surface breaking distance (\*)
- 15%** more durability (\*)

Under normal circumstances:  
(\*) Comparison to previous generation of Bridgestone product according to TUV test results

## Lassa Greenways

We provide savings with Lassa Greenways. The nano-pro technology used in Greenways tyres reduce rolling resistance and fuel consumption. While Greenways enables easier handling on dry and wet surfaces due to its environmentally friendly tread pattern, it also provides a comfortable and silent driving experience with its light construction and innovative design.

- 37%** less rolling resistance (\*)
- 5,5%** fuel efficiency (\*)
- 8%** shorter wet surface breaking distance (\*)
- 30%** more durability (\*\*)

Under normal circumstances:  
(\*) Comparison to previous generation of Lassa Tyrese product according to TUV test results  
(\*\*) Comparison to competitor tyres according to Brisa field test results

## Bridgestone Driveguard

As you will not carry a spare tyre, you will have more space in your trunk and the weight of your vehicle will decrease. As a result of this decline in vehicle weight, fuel consumption will also decrease significantly.

**Bridgestone fuel test (<https://www.youtube.com/watch?v=chLAe9W0ntc&feature=youtu.be>)**

**Lassa Driveways** provides shorter braking distance with more effective contact to the road on wet surfaces. Driveways has an 8% shorter wet surface breaking distance than its competitors as identified by TUV, and it reduces fuel consumption as a result of its 9% lower rolling resistance. It is offered to the market as a more economic and environmentalist tyre pattern.

# CONTRIBUTING TO CIRCULAR ECONOMY

We have an important responsibility in terms of contributing to circular economy as a leading actor of the tyre industry. The use of fossil fuels during its production phase makes tyres one of the most basic waste resources. In that manner, we are adopting an effective waste and recycling management.

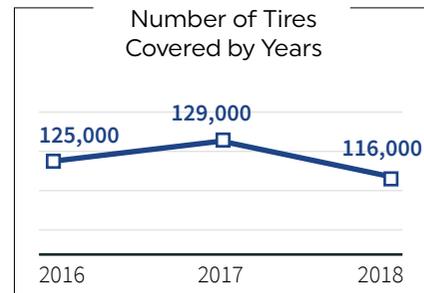
First of all, we are contributing to sustainable management of natural resources by implementing production models supporting circular economy. We are enabling tyre wastes generated during production to be transformed into fuel and energy. Secondly, we are providing the elimination of tyres that completed their life cycles.

The collection and reuse of tyres that have completed their product life cycles in to production is one of the most contributive factors to circular economy. During 2018, the tyres that have been collected and reused have contributed 150 million TL to national economy. We are continuing our operations with full responsibility of collecting and reusing tyres that have completed their product life cycles as floor covering in children's parks, as synthetic grass in football fields and as fuel in the cement industry. In that manner, we support the appropriate collection and regaining of tyres that have completed their life cycles in accordance with Tyre Industrialist's Association (LASDER), of which we are a founding member. During 2018, we supported the collection and recycling of 74,175 thousand tons of tyres.



**“WE ARE REGAINING 20% OF TYRES THAT HAVE BEEN SET ASIDE AS SCRAP TYRES TO CONTRIBUTE BOTH TO THE ENVIRONMENT AND TO ECONOMY.”**

We provide retreading services and reuse of tyres with our Bandag services as part of our tyre management services. With Bandag services, which are in accordance with circular economy model, we extend the life cycle of tyres. While we extend the product life cycle of a tyre up to 3 times with our Bandag retreading services, we reduce tyre wastes in order to contribute to preservation of natural resources and environment. The retreading of a truck or bus tyre allows for 55 kilograms of savings in use of raw materials, prevent 60 kilograms of waste and decrease CO<sub>2</sub> emissions by 30%. More over, the process of retreading means 70% less use of petroleum resources. In the meantime, Bandag also provides cost advantages and provides up to 40% savings in the tyre costs of fleet businesses. During 2018, we retreaded 116.000 vehicle tyres as part of our Bandag services.



We further insure the collection and recycling of a certain ratio of packaging materials we use in our operations with the coordination of Çevko and in accordance with the regulation of packaging waste control. As a result of our efforts, we signed a contract with Çevko for 9,920 kilograms of packaging waste in 2018.

# DISTRIBUTION CHANNELS MANAGEMENT

We are continuously expanding our sales and service points in order to enable our customers easy reach to our products. We are targeting to offer our customers an effective sales and after sales service organization with a extensive sales and service network. We are working to develop and grow our sales network with our business partners who have adopted a similar business culture with us. We are separately focusing on retail, wholesale and fleet distribution channels in order to utilize our business in a more effective manner.



**WE OWN THE LARGEST DEALER NETWORK IN TURKEY WITH MORE THAN 1,500 BRANDED SALES POINTS.**

## OUR BUSINESS PARTNERS

Our dealers, forming the most important connection point between vehicle owners and us, play a very important in our business success. We are improving the competence of our dealers through dealer improvement projects and support their sustainable development. We follow their business and sustainability performances with effective auditing mechanisms. We understand our dealers' expectations from us with bidirectional communication channels.

We are implementing a trustworthy training and auditing system so that no concessions are made in terms standards offered at our sales points. We are providing trainings to our business partners at their shops, where they offer services, to support the improvement of their customer satisfaction and customer experience by observing their operational status onsite and determining the development areas with the leadership of Brisa Academy and Marketing Excellence teams. In that manner, during 2018, we offered 16,476 man\*hour trainings to 2,358 dealer employees. We get together with our business partners, whose customer satisfaction evaluation grades are under Turkey average and increase their awareness. During 2018, we provided 73 onsite trainings to 50 business partners with the help of Brisa Academy trainers in that context.

We pay attention to contribute to the continuity of our business partners' operations and to develop long-term relations with them based on reciprocal trust. We are implementing the "New Generation at Work" certificate program for our business partners, which are being handed on by one generation of owners to another, in line with our vision to grow together with our business partners in order to contribute our business partners to expand their visions, increase their efficiency, and institutionalize their businesses.

During 2018, we increased the number of business partners whom we view as long-term business partners. We added 33 new business partners to the Brisa Family. We hosted business partners whom we welcomed to our family during 2017 with the “Welcome Meeting” we organized at our Aksaray Manufacturing Plant. We shared our intent to develop Brisa’s systems, customer approach, and customer satisfaction policies together with business partners while we listened their expectations and requirements.

We are implementing a coaching program in order to swiftly increase the adaptation of members, who have recently joined the Brisa Family, and to strengthen our ties with our business partners. We are aiming to expand good implementation examples by informing our business partners about our customer approach, customer satisfaction standards, and correct practices with in the context of this program. Moreover, we regularly follow the future forecasts of our business partners in line with our “confidence index” and structure our monthly operational agenda in accordance with their expectations.

## OUR CUSTOMERS

Our customers are found at the main focus of our business. Correctly understanding the needs and expectations of our customers and designing solutions in accordance with these needs and expectations form the basis of our customer relations understanding. We are continuously working to improve our customers’ experiences, and targeting to satisfactorily conclude their experience at our sales and service points.

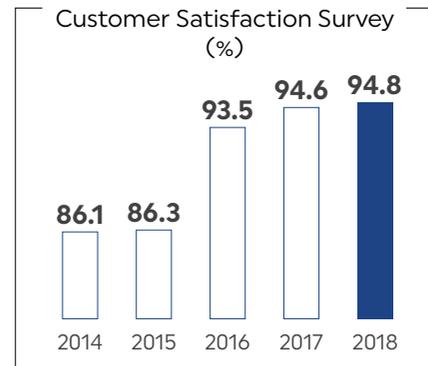
One of the most important elements of our customer management model is our customer communication channel. Brisa Hot Line is one of the leading communication mechanisms with which we receive customer feedback. We support and inform our customers all along a product’s life cycle with Customer Contact Points. We collect our customers’ suggestions and opinions, prioritize this feedback and develop appropriate solutions with our Customer Application Management System. In addition to these systems, we identify improvement points about our products and services, and continuously enhance our performance through online questionnaires, focus group projects and experience maps derived from our web sites.



**OUR PRODUCT GUARANTEE APPLICATION INSPECTION AND REPLY TIME  
WAS AN AVERAGE 6.4 DAYS DURING 2018.**

We measure our customers' satisfaction rate about our products and services together with our dealer network's service quality with our annually conducted customer satisfaction research. The result of the 2018 research revealed that our customer satisfaction ratio for the year was 94.8%.

We are offering easy, economic, swift and quality vehicle and tyre maintenance services at our Otopratik points, which we designed to improve tyre purchasing experiences of our customers with a diverse product range answering customer expectations, effective sales and service processes and technological infrastructure. We carry on exemplary implementations and projects geared towards our customers and offer solution suggestions that will help our business partners to improve customer experience at our Otopratik Model Points.



We are offering solutions to our fleet customers under one roof with the Profleet fleet management model. We are creating sustainable solutions with which our fleet customers can manage their businesses with minimum costs with our Profleet services. In addition to the product and service supports we offer to our clients, we also enable them to make savings on fleet management costs such as trainings, consultancy, road assistance, inventory management, digital programs, central invoicing, regular tracking and reporting processes.

- We continue to provide our customers road assistance, the first ever established in Turkey in our industry, with Filofix services. We provided road assistance to 1.350 vehicles in 2018.
- We provided consultancy services to our customers in Turkey following our inspections of 3 million tyres in total as of the end of 2018.
- During 2018, we offered fuel savings services to 1.200 vehicles belonging to 40 different fleets and we helped save 5.4 million TL in terms of fuel and tyre life savings at their own garages with our nationwide Mobilfix tour.

# SMART CULTURE

In 2018, Brisa started development and transformation at work place journey in line with its “Smart Culture” main strategy. We structured Smart Culture based on our differences, and set a project and an accompanying road map with wide attendance. Our priority is to enable the appropriate climate so that our employees can contribute to Brisa, which is getting ever stronger in a transformation phase, with their best.

**Smart Culture is made up of two dimensions: Digital Transformation Journey and Development Journey**

## Digital Transformation Journey

We are aiming to increase digital literacy and enable the efficient use of cutting edge technological devices within the context of our digital transformation journey. We are structuring our new generation based on data analytics and new generation technology solutions. We are differentiating as a company from the rest of the industry and Turkey with our advanced data analytics projects. As a result of our projects, our employees’ need for information system declined. They can reach the data they require on their own, interpret these data and analyze their own reports. One other step of digital transformation is the digital workplace. We integrate digital workplace applications with our systems and offer them to our employees. We organized launching activities at Aksaray, İzmit and Altunizade locations to share our digital transformation road map with all Brisa employees. During the activities, Brisa employees received feedback on the changes taking place in our working environment and were able to say “My work place is digitalized, what a relief!”

## Development Journey

One of the steps under Smart Culture was to launch the culture transformation project in our Aksaray factory. Roadmaps and actions were determined within workshops organized with the participation of management teams and Aksaray employees. In particular, studies that focus on young Brisa employees to make their own development plans will be carried out. In the process, a workshop was held with the participation of senior management teams to determine our new generation competencies. Efforts were initiated to support these competencies through digital applications. We are working on placing a deep-rooted feedback culture within the organization.

## My Brisa Journey

We believe that starting from their initial recruitment, every Brisa employee has potential to add value to the company, shareholders, processes, teams and him/her self. While we acknowledge every Brisa employee as a talent, we expect every Brisa leader to create value by developing him/her self, his/her occupation, his/her talent, and the general climate. We co-evaluate our employees showing high potential and performance together with all our managers within the context of our “Organizational Success Plan” and plan their development. We support our employees’ Brisa experience with our differentiating training processes such as 360° Competence Evaluation, Development Center, “Development Journey” and “Leadership Journey”. We take their competencies and Sabancı Group Business Model as our basis while we design their leadership roles.

## Brisa Academy

We are organizing our employees' occupational and personal development trainings under the Brisa Academy roof. During 2018, we provided 65.894 men\*hour occupational and personal development trainings. This equals to a 53% increase compared to 2017. During the period, we organized The Team Leader Development Program, Awareness in Sales Training, Dealer Management, Strategic Thinking Workshop sessions with the attendances of 24, 58, 38, and 16 participants respectively.

One of our most important priorities is to enable a working environment in which our employees can develop themselves, increase their competencies, and become more productive. During 2018, we continued to implement programs helping us getting in touch with our employees in line with our priorities. In that manner, we held the following activities;

**First Footprint in My Career:** We aim to support the development of students' careers, meet with new generation young talents and enrich their projects with a different and dynamic perspective with the "First Footprint in My Career" long-term internship program with which we will meet with students from engineering departments of universities.

**Warm-up Meetings:** We continue to support the development phase of our employees following their first year in the company with the warm-up program. Brisa employees, who joined us during 2018, got together with Brisa top managers from related departments in breakfast meeting sessions at İzmit Manufacturing Plant, Aksaray Manufacturing Plant and Altunizade offices.

**Leave a trace with your leadership:** We organized the development day activity of the Leave a Trace With Your Leadership program, which we first started in 2018 in order to support the leadership competencies of our managers during their first year as managers following their careers as specialists.

**Internal Trainers' Summit:** Brisa Academy organized the Internal Trainers' Summit in order to pay respect to trainers who provide nearly 20% of all the training sessions.

**Break Time Social Platform Witamin:** During the last Wednesday of every month, Brisa employees can listen to many speakers from various platforms as they take a 20 minute break with our Witamin activity. Employees, who would like to share their accumulated knowledge using the platform, can broadcast their speeches.

**We Are One in the Field:** We organized the #weareoneinthefield activity in order to both better analyze and observe customer expectations onsite with the knowledge of the importance of "being present in the field".

**Brisa Transformation Leadership Team:** Situated as the "Innovation Leader of Journey Experience" of Brisa, Brisa Transformation Leadership team attended an evaluation training at the Istanbul Technical University Teknokent facility to reinforce our organizational entrepreneurship activities.

**Suru-Raku Conference:** 14<sup>th</sup> of the traditional Suru-Raku Conferences, with which we gather attention to the importance of standardization of business processes of our company and to continuous improvement, was held at the İzmit Conference Hall with the participation of Brisa employees and managers.

## Our Suru-Raku Philosophy

Suru-Raku is a philosophy that makes improvement activities a component of the whole process that emphasizes the requirement to uninterruptedly be in compliance with standards in terms of quality product and service production in operational processes. During 2018, 28 of our employees received 331 men\*hour Suru-Raku training. The number of employees we have trained so far has reached 262.

# EQUALITY AND DIVERSITY

We believe in the organizational enrichment of diverse experiences and perspectives brought by diversity and uniqueness. We are carrying on our implementations with diversity and equality in opportunity principles in all organizational and operational processes.

We believe equality in opportunity to be one of the foundations of social sustainability. We are working towards eliminating obstacles such as age, gender, social infrastructure, religion, language, physical conditions, etc for equal participation in employment. We accept elimination of discrimination in terms of employment and placement as an ethical responsibility.

We are adopting enabling equal and efficient participation of women to business life and increasing female employment as a principle. We increase the ratio of female employees in our recruitment processes while we implement projects in order to improve the working conditions of our female employees. During 2018, the recruitment of female employees have risen 38% compared to the previous reporting period.

We are providing the necessary support for our female employees to return to their positions following their maternity leave and to create a balance between their personal and business lives. During 2018, following our easing implementations, all of our female employees returned to their positions following their maternity leaves.

## **A video spot special to March 8th International Women's Day from Lassa Tyres**

Lassa Tyres prepared a video spot to celebrate March 8th, International Women's Day with the slogan "Lassa Tyres is strong with the participation of its female work force". In the video spot, we unfolded the strength of female employees and shareholders in the tyre industry, which is perceived to be male dominant.

## **A Special Celebration For The International Women in Engineering Day**

We broadcasted a digital video spot during The International Women in Engineering Day celebrated under the aegis of UNESCO on June 23rd featuring female engineers of Brisa and their families.

As part of our diversity principle, we are working towards employing more disabled individuals in our work force and we are employing more disabled individuals than required by legal regulations. We are organizing our work place to according to the needs of disabled employees. As a result of our meticulous approach about this topic, as of 2018, the number of our disabled employees has risen to 80.

## **"Female Service Representatives Trainee Program" from Brisa Academy**

We are working towards extending our efforts to strengthen female employees within the organizations of our business partners as well as in the business world. During 2018, we started the "Female Service Representatives Trainee Program" as part of Brisa Academy's training programs. Participants of the training program completed the three-tiered training and graduated having become specialized in all aspects of the tyre services operations. Graduates of the program possess all the required level of experience and expertise to offer Brisa customers a wide array of services from mounting and dismounting tyres to wheelbase inspection.

## PUBLIC RELATIONS

We adopt contributing to social development and wealth as a principle. We are organizing social responsibility projects in order to have a positive impact on the geography where we carry on our activities. We realized many different social contribution projects in our 30 years of history in line with our "Management With Social Responsibility" approach. We continue to contribute towards the social, cultural, and economic development of our country with the projects that we have realized.

We move in line with our principle to establish positive relations with local societies while implementing our social responsibility projects, and we consider the expectations of our shareholders. As a leading tyre manufacturer, we perceive driving safely on traffic, which matches with our products, as our most important responsibility. In that manner, we execute pioneering practices and take place in projects that contribute industrial implementations. We create long-term projects in education, culture and sports in order to reach all members of the society and provide value in various fields. We provide support for projects lead by the Hacı Ömer Sabancı Foundation, as well as implementing our own projects.

### CONTRIBUTION TO INDUSTRIAL IMPLEMENTATIONS

We execute various different projects from strengthening women to the development of the value chain in order to contribute to the sustainable development of the tyre industry, which we operate in. We share our knowledge, accumulation and experience and make effort to extend sustainability approach within our industry. We actively participate to national and international initiatives implemented by public and civil organizations. We are one of the pioneering company's of the industry to sign the Traffic Responsibility Action Declaration. We believe that we have certain important responsibilities to increase safety driving awareness due to our position in the industry. Within this context, we implement projects for different target groups such as passenger and light commercial vehicle drivers, long-distance drivers, and agricultural vehicle drivers.

#### Soil is Our Passion, Joint is Our Future

We are standing side by side with our farmers by explaining good agricultural practices with the help of our Lassa Tyres consultants since 2013 by making face to face meetings with 4.000 farmers during 230 village visits travelling 104.000 km all year long in Konya, İzmir, and Adana regions. We came together with 5.520 farmers in 70 villages located in 14 different cities during 2018. During our visits we traveled 9.000 km and rather than mounting reflectors as we did in the previous years, this year we mounted beacon lights to 2.500 tractors in 2018. We traveled 62.000 km in total during 5 years and reached approximately 30.000 farmers in 680 villages. In 2019, we aim to reach 100 villages, give face-to-face trainings to 5.000 farmers, and organize "Lassa Tyres Wednesday" activity in 150 different villages.

#### Take off safely

We are offering health life style tips to drivers with the project, which we started in 2011, through Lassa Tyres' teams consisting of dieticians and sports instructors. As part of the project, we came together with 2.372 long-distance drivers at 30 different locations in 18 cities during 2018. Since the start of the project, we delivered healthy lifestyle and traffic safety information to approximately 20.000 long distance drivers in 74 points. In 2019, our aim is to evolve the project so that we can reach more people and create an atmosphere that contributes to people's lives.

### Support to Kamil Koç Captain Academy

We are working with Brisa Academy since 2016 in order to increase the knowledge levels of long distance drivers in terms of tyre safety. In 2018, we offered basic tyre information and maintenance, alignment and balance, and basic safe driving information to 1.050 bus captains of Kamil Koç company

### Brisa Museum

At the Brisa Museum, which is a first time implementation in the industry, we are showcasing Brisa's historical evolution together with its transformation process from being an industrial company to a services company with products under the "Journey" main theme. We are informing the visitors of the museum about manufacturing process and anatomy of a tyre, the importance of a tyre's rolling resistance, pressure, balance, weight, and softness, the difference between a summer tyre and a winter tyre, and the importance of water drainage.

The fact that Brisa Museum is located in a smart and environmentally friendly building further attracts the attention of its visitors. 20% of the electricity used by the building is generated through the sun panels located at the roof of the building, while watering of the more than 90 varieties of plants planted in the garden of the building is done with water received from water treatment plant. The building is among the few buildings that hold the Leed Gold certificate in Turkey. We hosted approximately 7.000 visitors at the Brisa Museum until today.

## CONTRIBUTION TO EDUCATION AND SPORTS

We make important contributions to social development with our long-term and sustainable projects in the fields of education and sports. We view education as the primary element of social development. While we contribute to future generations with our educational activities, we also try to increase the awareness levels of our shareholders about the issue. We support students' educational activities with a fund we created with the income coming from the online trainings of Brisa Academy and the money generated through the efforts of Brisa Members' Education Support Association. We are contributing to spreading sports with our Lassa Tyres cycling team competing under Brisaspor organization, which we have always been proud to support. In addition to supporting our cycling team, we are also supporting sports and increasing both our company and brands' global awareness with sponsorship activities we realize in different branches of sports.

### Brisa Members' Education Support Association

The Brisa Members' Support for Education Association (BMÖDD), which is continuing its operations based on voluntary participation of Brisa employees, is founded with the aim to support students in need to help them continue their education. Since its foundation, the association provided funds to more than 460 students until today and supported 92 students in 2018. We are proud to see that more than 340 students, whom we have helped in the previous years, are contributing to society today as professionals.

### Brisaspor

Brisaspor, first established under the Lassaspor name in 1978, became Brisaspor in 1988 following the joint venture between Bridgestone and Lassa. Brisaspor is a federate club continuing its activities in Turkey, Europe, Asia and Africa continents. Since its foundation, the club has been competing in Young, Junior, and Adult Men's Teams categories and included Female Team to the organization in 2001 and Mountain Bike Team in 2005. Brisaspor succeeded in many national and international competitions. The team not only contributes to the promotion of cycling sport, but also contributes to increasing interest in bicycle use, which is an environmentally friendly means of transport in line with Brisa's sustainability approach. In addition to their success in the Turkish Championships in 2018, our athletes also represented our country successfully in the Balkan and European Championships.

ENVIRONMENTAL PERFORMANCE INDICATORS										
		2012	2013	2014	2015	2016	2017	2018		
Raw Material Group Supply Values (%)		/	/	/	/	/	/	/	/	
Energy Consumption (GJ/ton) (Index, Base:2012=100)	TOTAL	100	96	92	93	96	93	89		
	Direct	100	78	73	70	105	199	346		
	Indirect	100	99	95	97	95	75	44		
Verimlilik Projeleri ile Saglanan Enerji Tasarrufu (GJ/ton) (Kümülatif İndeks, Baz:2012=100) (İzmit Fabrikası)		100	114*	131*	142*	152*	163*	180		
Total Water Consumption by Source (m <sup>3</sup> )	Well Water	530738*	443755*	438486*	490120*	462.516	495014	480671		
	Municipal Water (İzmit+Aksaray)	13.126	19132*	17132*	21397*	17896*	70628	115873		
	Municipal Water (Other)	-	-	1.250	1.732	4.213	3.744	4.233		
Geri Dönüştürülen ve Yeniden Kullanılan Su (m <sup>3</sup> ,%)		/	/	/	/	/	/	/		
Total Water Discharge by Destination (m <sup>3</sup> )	TOTAL (İzmit)	268.854	319.662	309.724	680.566	557.449	846.307	388.341		
Total Water Discharge by Destination (m <sup>3</sup> )	TOTAL (İzmit,Aksaray,Alt.& Otopratik)	268.854	319.662	310.974	682.298	561.662	919.400	489.334		
Direct Carbon dioxide Emissions (Scope 1)(ton CO <sub>2</sub> -e/Production ton) (Index, Base: 2012=100)	Direct (Scope 1) (İzmit)	100	73*	66*	62*	90*	167*	284*		
Enerji Dolaylı Sera Gazı Salımı (Scope 2) (ton CO <sub>2</sub> -e/Üretim Ton) (İndeks, Baz:2012=100)	Enerji Dolaylı (Scope 2) (İzmit)	100	99*	96*	97*	95*	81*	59*		
Indirect Carbon dioxide Emissions (Scope 2) (ton CO <sub>2</sub> -e/Production ton) (Index, Base: 2012=100)	TOTAL (İzmit)	100	96	93	93	95	91	84		
Other Indirect Emissions- Scope 3 Emissions (ton CO <sub>2</sub> -e)						35.097,29	41.320,12	255.154,92		
	Goods and services bought	/	/	/	/	/	/	92,40		
	Fuel and energy related activities	/	/	/	/	20.401,83	24.897,69	21.882,31		
	Transport and distribution (raw material)	/	/	/	/	6.908,50	7.659,45	8.756,76		
	Wastes	/	/	/	/	149,79	166,23	179,00		
	Business travel	/	/	/	/	1.274,41	633,16	930,38		
	Employee commuting	/	/	/	/	2.044,61	3.650,18	3.645,43		
	Transport and distribution (product)	/	/	/	/	2.815,19	2.798,74	3.736,16		
	Use of products sold	/	/	/	/	/	/	214.346,32		
	Disposal of products sold	/	/	/	/	1.502,97	1.514,67	1.586,17		
	Transport and distribution (raw material)	Highway	/	/	/	/	2.362,64	2.688,10	4.295,65	
		Sea lane	/	/	/	/	3.833,49	4.244,28	4.148,19	
		Railway	/	/	/	/	-	-	199,01	
	Transport and distribution (product)	Airway	/	/	/	/	712,37	727,07	113,91	
		Highway	/	/	/	/	2.402,18	2.031,67	2.878,07	
		Sea lane	/	/	/	/	322,95	595,23	705,87	
		Railway	/	/	/	/	90,06	103,62	107,16	
	Airway	/	/	/	/	-	68,23	45,07		
Nox, Sox and Other Significant Air Emissions by Type and Weight (ton CO <sub>2</sub> -e/Production ton) (Index, Base: 2012=100)	CH <sub>4</sub> (İzmit)	100	82	85	99	140	160	157		
	N <sub>2</sub> O (İzmit)	100	90	108	99	100	101	95		
	CH <sub>4</sub> +N <sub>2</sub> O(İzmit)	100	90	107	99	102	104	100		
Total Waste Amount by Type (Ton)	Hazardous Wastes	640*	761*	661*	672*	660	607	1,040		
	Non-hazardous Wastes	6,293	6,274	6,618	7,721	6,368	6,497	7,286		
	Total Waste (Ton/ton production)	0,053	0,052	0,050	0,055	0,049	0,046	0,0496		
	Hazardous Waste (Ton/ton production)	0,0049	0,0056	0,0045	0,0044	0,0046	0,0039	0,0062		
	Non-Hazardous Waste (Ton/ton production)	0,0479	0,0463	0,0451	0,0503	0,0447	0,0421	0,0434		
Total Waste Amount by Process Type (Ton)	Reuse	183	161	171	4	198	150	187		
	Recycle	3,240	3,442	3.806	4.901	3,462	2,705	2,946		
	Recover	2,676	2,626	2,932	3,182	3,239	3,908	5,174		
	Inceneration	234	298	15	4	128	330	0.007		
	Storage	602	509	354	303	1	11	0		
Environmental Protection and Investment Expenditures (US dollars)		1,098,097	1,198.410	847,566	869,000	876,179	803,983	308,000		

## ECONOMIC AND ADMINISTRATIVE PERFORMANCE INDICATORS

	2012	2013	2014	2015	2016	2017	2018
Income (TL)	1.451.919.360	1.552.032.545	1.723.135.014	1.850.704.094	1.818.879.472	2.333.574.486	2.998.775.696
Operating Costs (TL)	1.027.613.373	1.027.744.179	1.137.124.014	1.173.732.849	1.193.816.021	1.644.975.933	2.154.004.211
Employee Wages and Other Provided Benefits (TL)	188.512.109	201.899.957	236.497.535	292.383.705	298.971.149	335.798.450	404.300.843
Payments to Pecuniary Resource Providers (TL)	122.703.715	131.564.956	179.103.952	230.189.633	345.019.569	209.544.341	280.135.634
Payments to the State (TL)	23.470.772	174.170	195.200	207.010	206.954	203.656	271.644
Social Investments (TL)	33.441	1.269.906	453.874	277.000	5.379.811	379.461	1.341.485
Protected Economic Value (TL)	89.288.950	155.887.307	163.302.630	137.537.042	79.515.726	142.672.645	158.721.879

## SOCIAL PERFORMANCE INDICATORS

	2012	2013	2014	2015	2016	2017	2018	
Total Number of Employees	1.745	1.818	2.431	2.591	2568	2713*	2.787	
Employee Breakdown by Gender and Status (Numeral, %)	Blue Collar Female	0 (0)	0 (0)*	0 (0)*	0 (0)*	1 (0,04)*	5 (0,2)*	6 (0,2)
	Blue Collar Male	1.305 (100)	1.361 (100)*	1.893 (77,9)*	1.989 (76,8)*	1956 (76,2)*	2133 (78,6)*	2202 (79,0)
	White Collar Female	67 (15,5)	79 (18)*	108 (4,4)*	126 (4,8)*	129 (5,0)*	132 (4,9)*	133 (4,8)
	White Collar Male	366 (84,5)	372 (82)*	430 (17,7)*	476 (18,4)*	482 (18,8)*	443 (16,3)*	446 (16,0)
Employee Breakdown by Contract Type	Permanent Female	67	79*	108*	126*	130*	137*	139
	Temporary Female	0	1*	0*	0*	2*	0*	0*
	Permanent Male	1.671	1733*	2323*	2465*	2438*	2576*	2648
	Temporary Male	1	1*	0*	1*	38*	52*	1*
Employee Breakdown by Age Groups	<30 (%)							
	White Collar	23,9	18,6*	20,3*	24,3*	24,4*	21,91*	20,9
	Blue Collar	27,6	27,3*	30,3*	28,9*	25*	27,2*	25,0
	<30-50> (%)							
	White Collar	68,8	76,1*	72,7*	68,4*	69,2*	73,0*	74,1
	Blue Collar	71,9	72,5*	69,4*	70,7*	74,3*	72,1*	73,6
Employee Breakdown by Age Groups	50> (%)							
	White Collar	7,4	5,3*	7*	7,3*	6,4*	5,0*	5,0
	Blue Collar	0,5	0,1*	0,3*	0,5*	0,7*	0,7*	1,3
Employees Covered by Collective Bargaining Agreement (%)	75	75	78	77	76	79*	79	
Employee Trainings (person/hour)	Blue Collar (person/hour)	24,85*	17,7*	31,51*	28,28*	43,95*	36,27*	42,21
	White Collar (person/hour)	53,11*	71,6*	70,69*	65,74*	37,81*	25,32*	50,26
	Female			75,88*	64,57*	35,24*	25,14*	29,69
	Male			38,85*	35,99*	42,86*	34,23*	44,72
Incidence Rate (IR)	İzmit	0,69*	0,71*	0,86*	0,82*	0,51*	0,79*	0,54
Severity Rate (SR)	İzmit	14,79*	13,42*	12,27*	14,62*	12,35*	22,52*	9,95
Incidence Rate (IR)	Aksaray	/	/	/	/	/	0,69	1,47
Severity Rate (SR)	Aksaray	/	/	/	/	/	5,22	13,26
Absentee Rate (%)	İzmit	5,68	5,09	5,34	5,61	6,49		
Senior Management by Gender (%)	Board of Directors Female (%)	11,1	9,1*	11,1*	9,1*	0*	0*	9,1
	Board of Directors Male (%)	89,9	90,9*	89,9*	90,9*	100*	100*	90,9
	Executive Committee Female (%)	0	0*	0*	0*	0*	0*	0
	Executive Committee Male (%)	100	100*	100*	100*	100*	100*	100
Senior Management by Age Groups	<30 (%)							
	Board of Directors	0	0*	0*	0*	0*	0*	0
	Executive Committee	0	0*	0*	0*	0*	0*	0
	<30-50> (%)							
	Board of Directors	44,4	44,4*	44,4*	45,5*	45,5*	63,6*	63,6
	Executive Committee	66,7	66,7*	66,7*	40*	50*	50*	66,7
Senior Management by Age Groups	50> (%)							
	Board of Directors	55,6	55,6*	55,6*	54,5*	54,5*	36,4*	36,4
	Executive Committee	33,3	33,3*	33,3*	60*	50*	50*	33,3
	Board of Directors (Turkish)		63,6*	63,6*	72,7*	73*	73*	73
	Board of Directors (Foreign)		36,4*	36,4*	27,3*	27*	27*	27
	Executive Committee (Turkish)		50*	50*	40*	67*	67*	67
Senior Management by Nationality (%)	Executive Committee (Foreign)		50*	50*	60*	33*	33*	33

SOCIAL PERFORMANCE INDICATORS		2012	2013	2014	2015	2016	2017	2018
Hired Employees by Gender (Numeral, %)	Blue Collar Female	0 (0)	0 (0)*	0 (0)*	0 (0)*	1 (1,7)*	4 (1)*	1 (0,8)
	Blue Collar Male	42 (100)	96 (100)*	586 (100)*	183 (100)*	57 (98,3)*	277 (99)*	119 (99,2)
	White Collar Female	10 (18,2)	18 (30)*	35 (28,9)*	31 (20,9)*	23 (24,7)*	17 (27)*	32 (28,1)
	White Collar Male	45 (81,8)	42 (70)*	86 (71,1)*	117 (79,1)*	70 (75,3)*	46 (73)*	82 (71,9)
Leaving Employees by Gender (Numeral, %)	Blue Collar Female	0 (0)	0 (0)*	0 (0)*	0 (0)*	0 (0)*	0 (0)*	0 (0)
	Blue Collar Male	39 (100)	38 (100)*	50 (100)*	87 (100)*	86 (100)*	118 (100)	65 (100)
	White Collar Female	6 (9,8)	6 (13)*	7 (14,9)*	13 (17,1)*	67 (77)*	14 (14)*	30 (26,8)
	White Collar Male	55 (90,2)	40 (87)*	40 (85,1)*	63 (82,9)*	20 (23)*	87 (86)*	82 (73,2)
Hired Employees by Age Groups (Numeral, %)	Blue Collar <30	39 (92,9)	91 (94,8)*	283 (48,3)*	135 (73,8)*	37 (63,8)*	219 (77,9)*	97 (80,8)
	Blue Collar <30-50>	3 (7,1)	5 (5,2)*	299 (51)*	48 (26,2)*	21 (36,2)*	62 (22,1)*	23 (19,2)
	Blue Collar 50>	0 (0)	0 (0)*	7 (1,2)*	0 (0)*	0 (0)*	0 (0)*	0 (0)
	White Collar <30	29 (52,7)	37 (61,7)*	49 (48,1)*	76 (51,4)*	42 (45,2)*	33 (52,4)*	66 (57,9)
	White Collar <30-50>	25 (45,5)	22 (36,7)*	50 (49)*	69 (46,6)*	51 (54,8)*	30 (47,6)*	48 (42,1)
	White Collar 50>	1 (1,8)	1 (1,7)*	3 (2,9)*	3 (2,0)*	0 (0)*	0 (0)*	0 (0)
Leaving Employees by Age Groups (Numeral, %)	Blue Collar <30	1 (2,6)	0 (0)*	3 (6)*	27 (31,0)*	4 (4,6)*	40 (33,9)*	22 (33,8)
	Blue Collar <30-50>	33 (84,6)	35 (92,1)*	45 (90)*	57 (65,5)*	55 (64,0)*	73 (61,9)*	32 (49,2)
	Blue Collar 50>	5 (12,8)	3 (7,9)*	2 (4)*	3 (3,4)*	27 (31,4)*	5 (4,2)*	11 (16,9)
	White Collar <30	14 (23)	18 (39,1)*	12 (25,5)*	18 (23,7)*	12 (13,8)*	25 (25)*	35 (31,3)
	White Collar <30-50>	39 (63,9)	25 (54,3)*	34 (72,3)*	52 (68,4)*	63 (72,4)*	61 (60)*	69 (61,6)
	White Collar 50>	8 (13,1)	3 (6,5)*	1 (2,1)*	6 (7,9)*	12 (13,8)*	15 (15)*	8 (7,1)
Entry Level Wage by Minimum Wage	Blue Collar	3,8	3,79	3,72	3,55	2,95	3,05	2,95
	White Collar	3,51	3,52	3,26	3,39	2,71	2,68	2,46

## UN GLOBAL COMPACT PROGRESS STATEMENT INDICATORS TABLE

**Human Rights**

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

p.31

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

p.31

**Labour**

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

Management Fundamentals Report p.15

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

Management Fundamentals Report p.16

Principle 5: the effective abolition of child labour; and

Management Fundamentals Report p.16

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

p.31

**Environment**

Principle 7: Businesses should support precautionary approach and environmental challenges;

pp.18-24

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

pp.18-24

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

pp.18-24

**Anti-Corruption**

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

Management Fundamentals Report pp.4-5

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## VERIFICATION STATEMENT DOĞRULAMA BEYANI

RINA Denizcilik ve Belgelendirme Ltd. Sti., on the basis of the assessments carried out, declares that RINA Denizcilik ve Belgelendirme Ltd. Sti., *yapılan değerlendirmeler temelinde, aşağıdakileri beyan eder*

Assurance Performance Tables, submitted on 27/06/2019 for Brisa Bridgestone Sabanci Lastik San. ve Tic. A.S. according to the standard GRI Sustainability Reporting Guidelines  
27/06/2019 tarihinde Brisa Bridgestone Sabanci Lastik San. ve Tic. A.S. tarafından sunulan Güvence Performans Tabloları, GRI Sürdürülebilirlik Raporlama Kuralları uyarınca

Reference Year: 2018  
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complies with the requirements of the following reference document  
*aşağıdaki referans dokümanın gereksinimlerine uygundur*

**GRI (Global Reporting Initiative) Sustainability Reporting Guidelines**  
**GRI (Küresel Raporlama Girişimi) Sürdürülebilirlik Raporlama Kuralları**

The verified data can be found in the annex  
*Doğrulan veriler ekte belirtilmiştir*

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