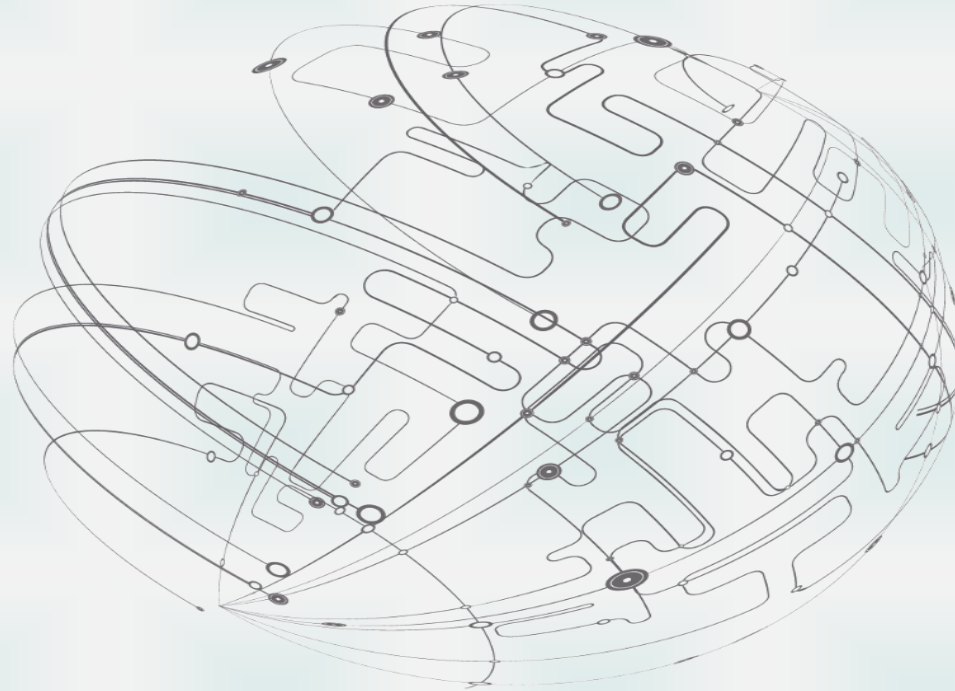


MARTURFOMPAK

INTERNATIONAL



**UN GLOBAL COMPACT PROGRESS
REPORT (COP)-2018**

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About MARTUR A.Ş.

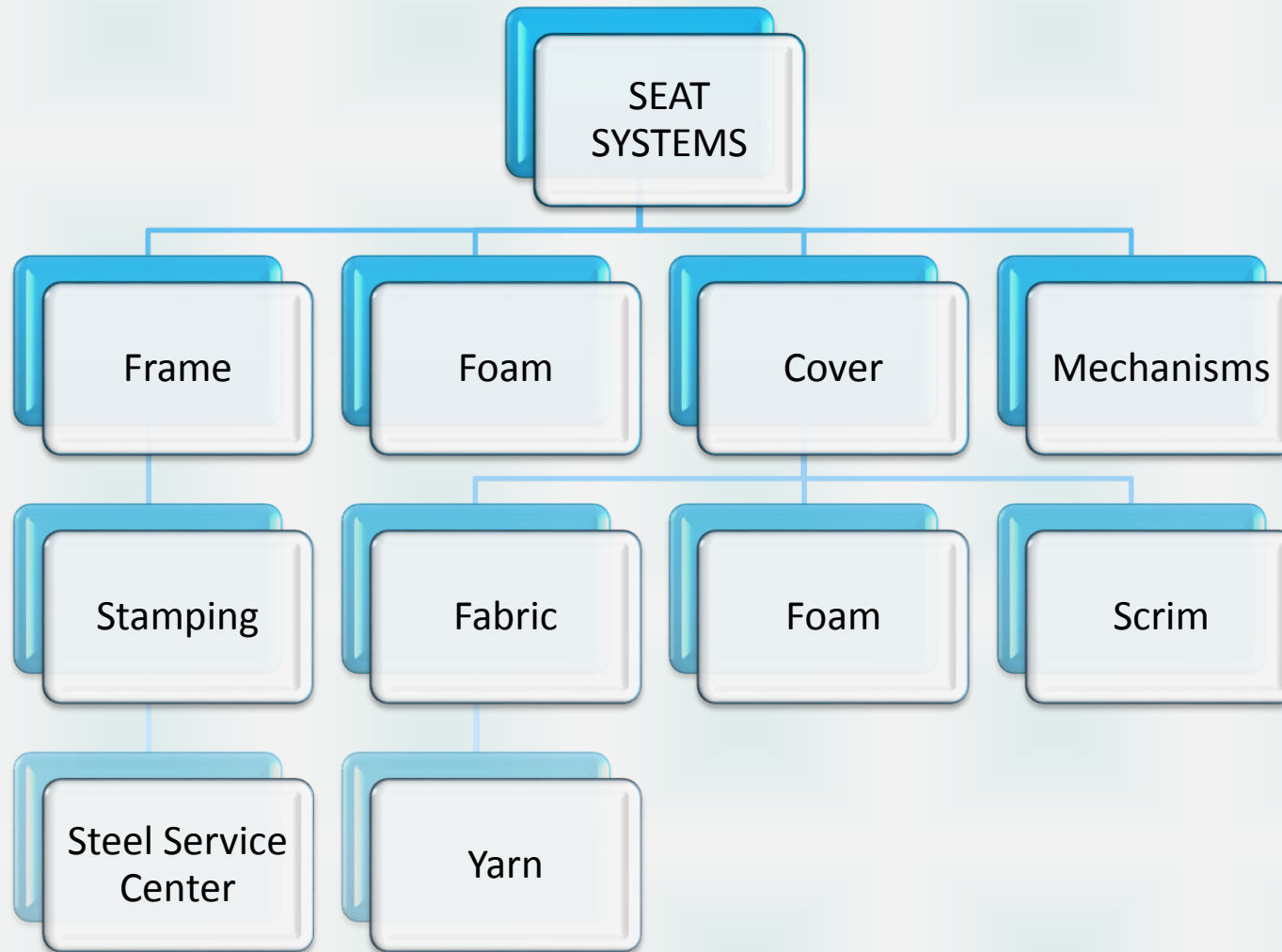
Integrity and focus on people assure that Martur's excellence spans across every level of our business. Our long history of positive and effective employee practices provide us with a set of beliefs, approaches and tools that we apply in every detail of our business. In pace with our core values, we nurture a deep commitment to our employees. Developing and motivating people as innovators and leaders is a cornerstone in our management process.

An integral part of our DNA is creating long-lasting customer relationships and working closely with them to identify their need and provide solutions that support their success. The concept of providing solutions specific to our customers' challenges has been with Martur Group since the very beginning.

Martur is a member of group of companies supplying high quality products. With R&D and design offices in multiple locations in Europe, Martur continues to set the standards for the industry.



Integrated In-house Production



Products and Services

Seat Assembly



Martur produces world-class, high-quality seat systems tailored to the standards of each specific customer in a working environment that attaches utmost importance to safety, leveraging its creativity, dynamism, and innovation. Martur utilizes

lean production methods to deliver its products to the right place at the right time, using the best logistics solutions tailored to the customer's expectations.

Seat Frames

Martur designs its seat structures from the ground up, with safety and comfort as its key design guides. FEA (finite element analysis) supported CAD and CAM techniques help produce the lightest, yet most durable and functional seat structures. Martur production technologies feature transfer presses that utilize advanced technologies and automated welding



equipment. Cathaphoretic coating applied before delivery ensures the longevity of the structures.

Seat Covers



Fabric arriving from the integrated production process undergoes cutting and sewing inside the production facility. The main goal here is to minimize raw material loss while increasing operational efficiency. Covers used in Martur

seats are produced entirely in the company's integrated production facilities for attaining the highest quality and creating added value.

Headrests / Armrests

Head- and armrests used in Martur seats are designed to offer maximum safety and comfort to the user. Finished products undergo Final Acceptance Tests in in-house testing facilities in accordance with international testing standards. Products incorporate maximum aesthetic value possible without compromising on safety.



Seat Textiles



Martur manufactures high quality woven, warp-knitted and circular-knitted fabrics in a wide selection of colors and designs for the automotive industry. All subcomponents (such as yarn, scrim and lamination foam) used in seat

fabric production of Martur are manufactured in the company's Kütahya Plant that utilizes state-of-the-art technology to ensure maximum quality. Martur's R&D and Design teams develop fabrics on a project basis, with designs tailored to the customer's needs. The company has design offices in Turkey, France, Italy, the UK and Germany.

Headliner Textiles

Martur produces warp knitted headliner fabrics for the automotive industry. Knitting, painting and finishing processes are all carried out in the same production plant to offer the highest quality products to customers.



Flame Lamination

Flame Lamination, commonly used in automotive textile products, involves lining fabrics with polyether or polyester foams of varying widths to enhance flame retardancy.



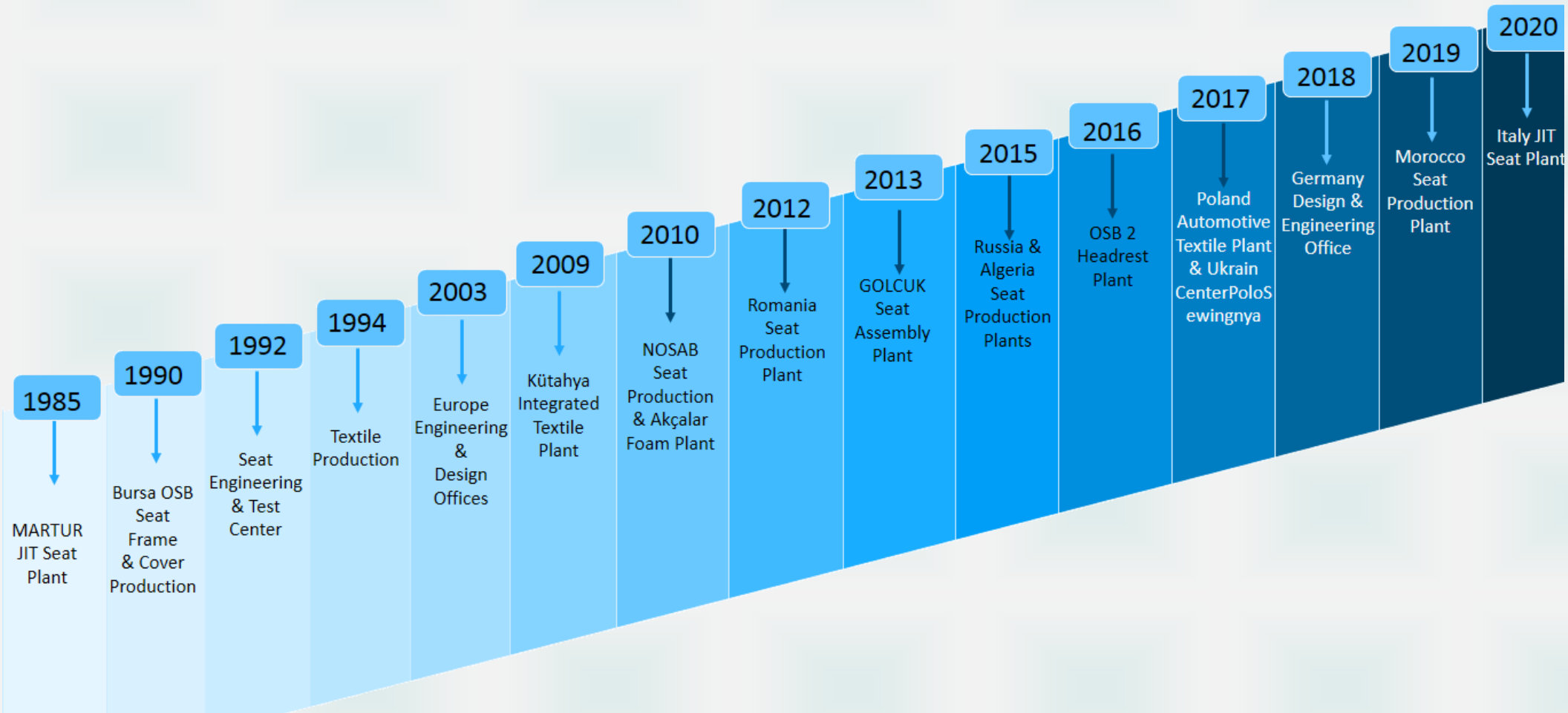
In flame lamination, both faces of the foam are passed through an open flame to adhere to the fabric and the scrim. Compared to chemical glues, this method delivers a longer lasting product while increasing the flexibility of the fabric and ensuring a stronger stitch during sewing. All Martur seats, seat covers, door panels and headliners undergo flame lamination in in-house facilities.

Yarns

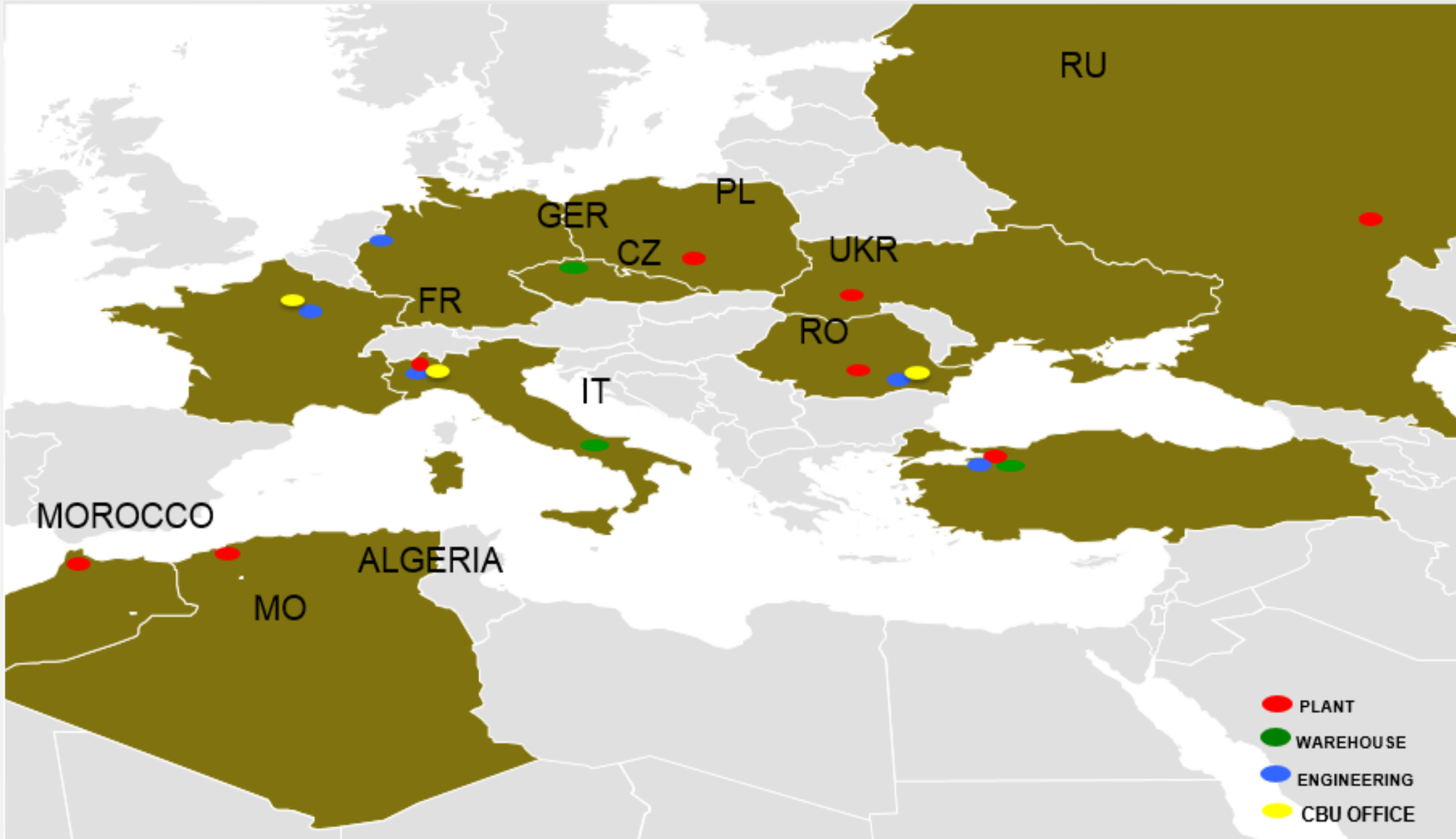
Martur established its Yarn unit in 1998 as part of its efforts to attain full integration in seat cover production. Martur's Yarn unit produces partially oriented yarn (POY), air texturized yarn and friction texturized yarn, and also carries out custom yarn dyeing and production services in accordance with customer specifications. The unit is capable of performing all necessary physical resistance and colorfastness tests in-house.



Company History



WHERE ARE WE?



Message of Board Member



We adopt to act with a sense of social responsibility towards our employees, the community and the environment of all our activities as a building stone. We believe that our core value is human resources in order to enhance the competitiveness of our customers by providing high-quality and innovative products, solutions and services.

Global warming and climate change are among the most important problems of recent times and leads to excessive consumption of natural resources. In order to leave a clean and livable world to the next generation we act with an environmental awareness in all of our activities and adopt to be the leader in this respect as a principle. We conduct effective projects to increase the energy efficiency, decrease the waste and the consumption of natural resources.

By signing the UN Global Compact, Martur A.Ş. undertakes to share his works related to ten main areas which are located under main topics human rights, labor, environment and prevention of corruption with the whole world and to take the lead for his employees, suppliers and stakeholders in order to adopt Global Compact.

Martur A.Ş. will continue to support ten principles of the UN Global Compact in a big loyalty.

Yours Sincerely,

MÜFİT KARADEMİRLER

Our Vision / Our Mission / Our Core Values

Martur is a member of a group of companies that supply high quality interior components to the automotive industry. Product design & development and innovative solutions form the key factors of the group

Mission Statement

As a world-class solution partner, we create and supply innovative cockpit systems at best quality, with best service and at the best cost

What We Do

We are a first tier supplier for automotive interiors and seating (we call it shortly as cockpit systems). Whatever the specification is, our mission is to provide our customers with the best quality and best service at the best cost. This is our competitive offer to OEMs that will ensure our sustainable growth in the global markets.

We position ourselves as a solution partner rather than just a supplier. Because we adopt our customers' objectives as ours. We strengthen their competitiveness and brand recognition with our world-class service and products.



Vision Statement

Reshaping mobility for people to provide a safer and more pleasant travel experience.

Aiming For

The world is becoming smaller. Mobility of people is increasing dramatically. People are travelling for their professional lives and also for recreational purposes. They spend long hours on the go. Our vision is to make their travels safer and more enjoyable.

We believe everyone deserves access to advanced technologies. So we work hard to offer highest technologies available.



Core Values



We Care

for People
for Diversity
for our Company
for Quality
for Customer Success
for the Environment



We Share

Success and Experience
Information
Customer Vision
Technology

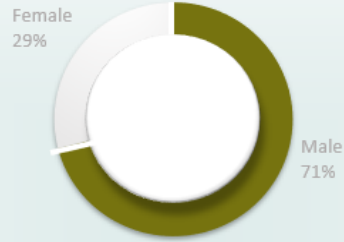
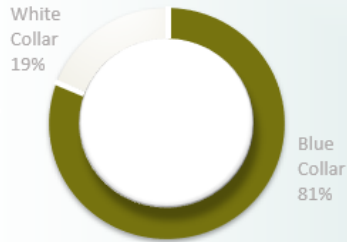


We Dare

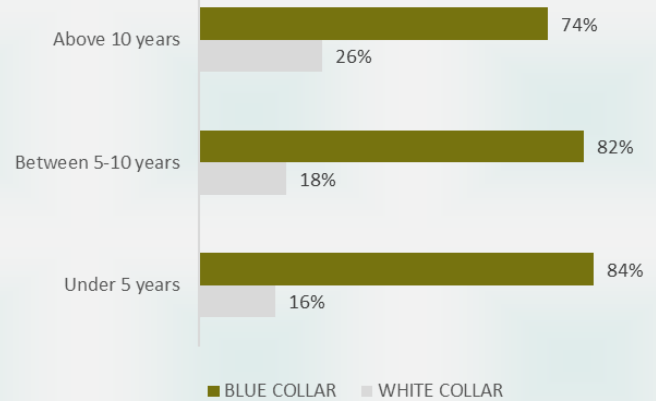
to Try
to Evolve
to Create
to Develop

Martur Group Employees in 2018

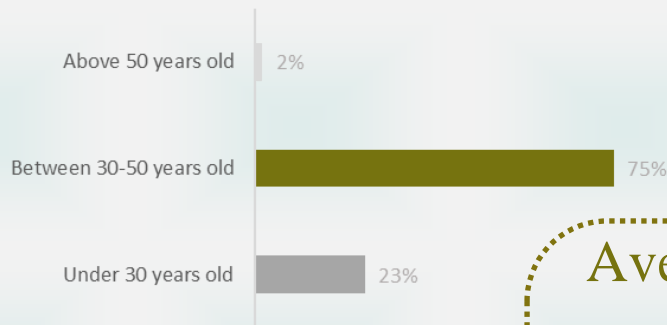
**Total Employee
2555**



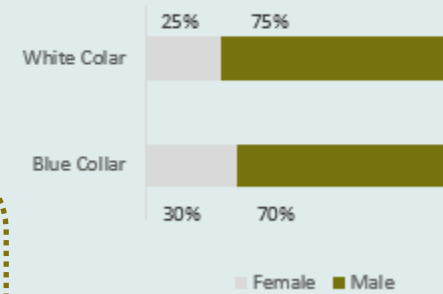
Employees by Seniority



Employees by Age



Employees per Category



**Average Seniority
6**

White Collar 8, Blue Collar 6

**Training Hours
23,05**

White Collar 43, Blue Collar 18,14

Respect for Human and Employee



Martur A.Ş. Human Resources company policy can be accessed under the “About Martur” tab of the company website (www.martur.com.tr). There is a fair and anti-discriminatory approach at the root of the policy. The company provides equal opportunities to all candidates and employees. All HR processes are regulated absolutely without discriminating based on religion, race, gender, marital status, disability, region and nationality.

The requirements of the principle of opposing “Child Labor and Forced or Involuntary Labor are fulfilled both by Martur A.Ş. and by our suppliers.

Martur A.Ş. Ethics Policy provides guidance and set common ethical standards to promote consistency in behavior across all levels of employment. It governs the working relationships between management, employees and all other stakeholders. It is accessible on the company website (www.martur.com.tr). Its functioning and proper implementation is ensured by the Ethics Committee that is comprised of one of the Board Member, HR Director, relevant HR Manager, relevant Plant/Function director and Legal Advisor. Human Resources Director is responsible for regulating and implementing human rights principles. The “Ethics Policy” and related internal procedures and instructions are defined under the documentation system where all employees can reach. They ensure the dissemination of the ethical values of the company among employees and human and employee rights, as well as the prevention of probable violations. All previous employees in the company were trained on Ethics Policy and Ethical Rules by classroom and video trainings. All 391 recruited employees in reporting period (2018) trained on Ethics as part of their orientation processes and also received Employee Handbook which has the Ethics Policy in the content.

Ethics Committee received 2 complaints up to date, both cases were investigated and concluded in line with the internal instructions.

In Martur A.Ş. operations, “employee representative” system has been in practice since 1996. Employees select their representatives by “secret vote-open count” method. HR and the representatives meet 2 times a year. They negotiate the wage increase for the respective period, improvement in fringe benefits, restaurant and transportation service quality, expectations about working conditions and environment, quality and standard of work clothes & work shoes. In the meeting agenda, information about the company road map and future projects also take place. Besides, HR and top management also shares the general economical indicators of the company.

Remuneration System & Fringe Benefits

Within the framework of Martur A.Ş. remuneration policy which is implemented with the principle of equal pay for equal work, wage level for blue collars (hourly-paid employees) is determined by taking into consideration of some factors; the degree of difficulty of the work done, the knowledge-skills and

experience required. Wage increases for blue collar employees are done in accordance with the periods and the rates which the government increases the minimum wage. Performance assessment is done two times a year and according to the year-end results, high performance employees are also subject to a performance increase.

For white collar employees, wage levels are determined by several factors; wage market, sectoral wage trends, personal performance, company economical strength and profitability. Wage increases for this group of employees are done once a year, after the year-end performance assessment. There is definitely no discrimination based on gender within the remuneration regulations.

In case of collective redundancy due to customer production volumes dramatically decrease, the process is managed with utmost care to avoid demoralization and demotivation of employees, with an emphasis on the social aspects. Consultations between employee representatives and the employer take place and a document shall be issued to demonstrate that the meeting has been held. In order to avoid any speculations among the personnel, as well as the start and

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end dates of the process; the relevant procedures shall be communicated transparently to the employees through employee representatives.

Utmost care shall be taken to minimize the social effects and repercussions of collective redundancy. In the event of closing and/or moving a process, the personnel involved shall be offered three alternatives at the initial planning phase. Employees shall be offered the chance to work at the new location, quit with all their benefits and rights paid by the company, or assume a new role with the required training provided by the company. In case of collective dismissals required by the economical, technological, structural and similar operational conditions, or as a result of company or business requirements; the following employees shall be given precedence in termination of contract:

- Employees who have not completed their compulsory military service
- Employees who have reached their date of retirement
- If the employee to be dismissed is married, it is important that his/her spouse is employed

- If the employee to be dismissed is married and his/her spouse works in the same organization, only one of them can be dismissed (in this case, we prioritize the spouse who is more likely to find a job elsewhere, regardless of gender).
- Employees who are not homeowners but tenants, who have children at school-age, who take care of the dependent family members only through their salary
- Employees who are on a fixed term employment contract and whose contracts have expired.

In this case, the severance and notice pay, the salary, the annual leave fees are paid by the company in accordance with the legal requirements the day of leaving on the employee's bank account.

As a fringe benefit, the company offers clothing, shoes and heating allowance, transportation service to/from company & home and monthly food packages.

In case of;

- the employee's child birth,
- decease of the employee's spouse, children or father, mother and sister/brother degree
- employee's marriage

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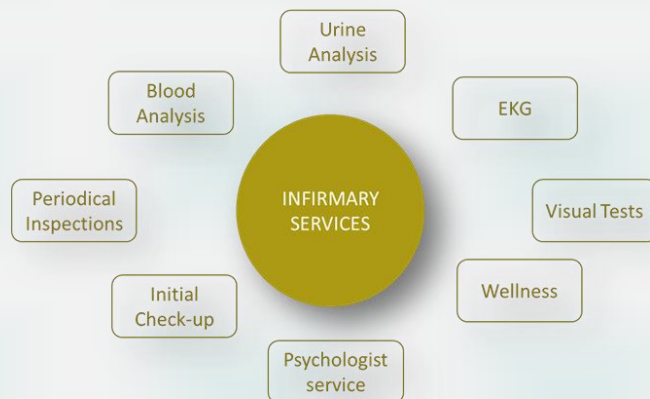
paid leaves are allowed for the specified periods determined in Internal Regulation as discussed and compromised with employee representatives.

Employees are supported also by private health insurance.

Infirmary Service



Martur A.Ş. offers various services with high-qualified health care team and well-equipped infirmary centers in each plant. All employees are fully informed about health and safety issues by regular trainings and periodical controls.



Martur A.Ş. wants to reduce health risks of its employees, improve quality of their lives and cares about their physical and mental health. For this reason, in each location, it offers dietitian & psychologist service.

Employees can visit the infirmary whenever they need to receive support under privacy policy.

Martur A.Ş. also provides childcare support to its female employees to enable women employment. In Kütahya plant which is a textile center, women make up the majority of the workforce in the plant (59%). Historically, few married women in the region, particularly mothers, were in the labor market. Martur A.Ş. provided free childcare for the employees so this service enabled and encouraged women to start to work for the company and stay for the long term.

Martur A.Ş. provides free summer sport schools for employees' children and also covers all costs including sportswear and shuttle services.

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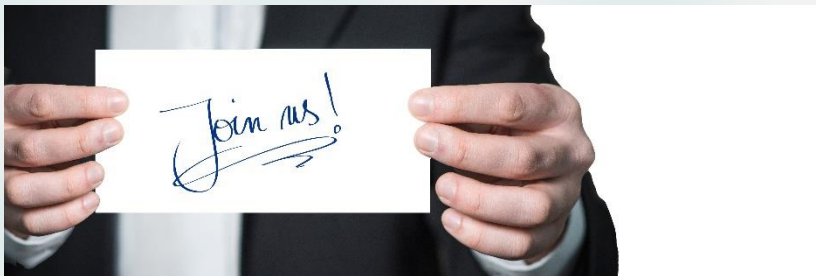
At the beginning & end of each academic year, employees have a half day-paid leave to accompany their children to/from the school.

The company provides an annual financial amount for the employees and/or their spouse & children's education. This amount is reviewed and increased each year.

Martur A.Ş. highlights the importance of education, by enabling its employees to raise their graduation level with a salary increase in a range of 2% to 5% of their net salary gradually according to their graduation degree.

The company supports the employees' children who meet the specific criterias by scholarship and internship opportunities. Between 2007-2018, 609 students have been supported by scholarships.

Attraction of New Talents



Martur A.Ş. reaches the young talents through diverse channels to let the new generation become familiar with the company. The company participates in the activities of the local technical school and universities, has internship agreements with them, invites the students for technical visits to the plants, shares know-how.



Martur A.Ş. sees as an opportunity the strong relationships with the academical environments for mutual benefit; the company collaborates for technical research and development activities, participates the technical seminars and symposiums, and enhance the information exchange between the industry & academy.

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Great companies are built by great employees. For Martur A.Ş., each employee is a talent and must be selected and recruited carefully. The company approach is to select and recruit the best fit for the job expectations and company culture. With this approach, the process is being improved every year and new tools are being added for matching candidates' competencies and attitudes against the required characteristics. In addition, the company HR searches new talents through "Üstün Yetenek" Program.



The program is designed for senior or post graduate students that have enthusiasm in having a career in automotive industry. During almost 1 year, by different in-house trainings and mentorship of the direct supervisors, they develop new skills that are difficult to acquire in a classroom and that will be useful to them throughout their career. They are given important

duties on company projects according to their particular interest and skills. They experience the pleasure of being part of a team and of collective success. At the end of the program, proper vacant positions are offered to those students who have already adopted company culture.

Welcome aboard!

Our aim is to provide a good start for the new comer by a well-prepared welcome program. Everyone passes through a standardized 1-day orientation program and then a 2-4 weeks-specialized orientation program which prepares him/her to the respective position. While classroom and office trainings are being organized for white collars, shopfloor trainings also take place for blue collars. The employee has to gain operational skills, so he/she is trained on the operations by the dedicated trainer in a special training room. The new employees' programs are supervised by HR and their managers, and evaluated when they are completed.

At the end of the 2nd month, HR organizes a meeting with the new employee to learn about initial impressions, feedbacks, training or other needs and points to improve. These meeting notes are inputs for company HR activities.

Talent Management



Having a people-oriented management culture at its core, Martur A.Ş. believes that its existence and sustainability depend on its human resources. For this reason, Talent Management focuses on all employees. Martur A.Ş. supports the development of human resources in line with the company objectives through career and development plans with Martur Fompak International Academy.

Performance Management

With the performance management system, company targets and strategies are spread to employees.

Management by objectives, development in line with the competency model, effective communication with our employees and mutual feedback are the basis of performance management system. With the system, each Martur A.Ş. employee fully understands how to improve his/her individual role and performance and makes significant contribution to achieving the company core business objectives.

Business objectives and competencies are evaluated on the performance evaluation system.



The company competency model

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Managers meet their employees at least twice a year and in these meetings, mutual feedbacks are given in a transparent way. The evaluation results provide input in many human resources processes, from training & development to career planning and succession.

Training & Development

Development of our people is fundamental for our success. In order to ensure success of the company, targeted training is being implemented and evaluated both in terms of our people's understanding and the impact of the training on company performance.

In 2018, Martur has organized 58,895 hours training for the employees with proper teaching/learning methods and environment.



Martur A.Ş. has an institutional academy founded in 2014. The aims of the academy are;

- To plan and execute training programs that will develop skills and competencies for everyone working in MFI

- To promote Martur competencies, Growth Mindset structure and corporate culture among all group employees
- To create programs which support the talent development and personal development globally
- To develop learning methods that use technology greatly and open to new ideas
- To plan behavioral and technical trainings that support

Personal Development
• Online Trainings (LMS)

Functional Development

- Lean 6 Sigma Green Belt Trainings
- Procurement School
- Quality School

Corporate Development

- Competencies Model and Growth Mindset
- Early Potentials Development Program
- Managers Development Program
- Shift Leaders Development Program
- Presentation Skills
- Training of Trainers
- Seminars

the personal and functional development

- To develop programs that will enable to promote the corporate identity and corporate culture globally.

In addition to these programs above, there are training and development opportunities offered by the Academy such as foreign language trainings, webinars and online trainings (LMS). Employees can find various visuals, audios and reading materials/resources on this platform.

Career Planning & Succession

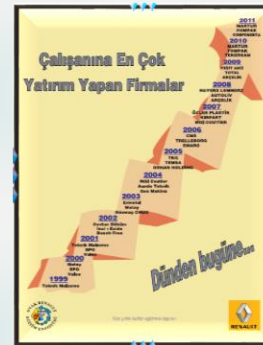
Martur A.Ş. considers career planning and succession management as a key process for employee engagement and company future growth.



Martur A.Ş. offers opportunities to its employees for using and developing their competencies effectively. For this reason, the company defines for its potentials career paths and support their development. Key positions within the organization are identified and appropriate candidates are specified. Short-term, medium-term and long-term succession plans are

prepared, and candidates are developed for their future positions.

Company focus on training is being appreciated and awarded by the society and the customers.



The company most investing in people (Renault)



Award for Occupational Training Collaboration (BUIKAD-Local Business Women Associate)

Recognition & Rewarding

Company management believes that the employees are the engine to the present and future success. For this reason, there is a well-structured recognition and rewarding system and is regularly reviewed and updated. The recognition and rewarding ceremonies are the moments which employees

share their improvement ideas with the management and feel the satisfaction and proud for their contribution to the business results. The ceremonies are always organized on the shopfloor among their colleagues. The categories of the rewardings are; performance (5% of the top performers in each department), improvement suggestions (general theme and health-safety theme), kaizens (general theme and health-safety theme), lean team, perfect presence, etc.



Health and Safety

With the goal of zero accidents, we carry out our activities on Occupational Safety and Health. With the occupational safety rules and trainings that we have determined within the scope of Martur A.Ş, we ensure that the occupational safety culture is spread to our employees at every level. We manage our activities with a risk-based approach. Since 2010, we have OHSAS 18001 Occupational Health and Safety Management System certification. We are in the recertification process of our 18001 certification and we are continuing our efforts to obtain 45001 certification in 2019.

OHS performance and activities (including legal and others) are reviewed monthly with the participation of management and employees by OHS committee meetings.

OHS trainings are provided for all employees and subcontractors within the scope of legal requirements and the creation of a work safety culture and raising safety awareness on employees.



*Safety trainings is belonging to Martur OSB facility.

The detailed risk analyzes are conducted to detect and eliminate potential injuries/health problems as a proactive approach. The risk analysis team consists of an OHS specialist, production manager, employee representatives and the department responsible. Necessary measures are taken according to the control hierarchy after the related risks are identified. In determining of Occupational Health and Safety Hazards and Risks; working environments, types of energy used in working environments, ergonomics, chemicals, processes, noise and fumes released to the workplace during the activities,

operations carried out by employees at all levels and operations performed by subcontractors are evaluated. There is a well-prepared procedure for risk analysis and all Martur locations shall be follow this procedure.

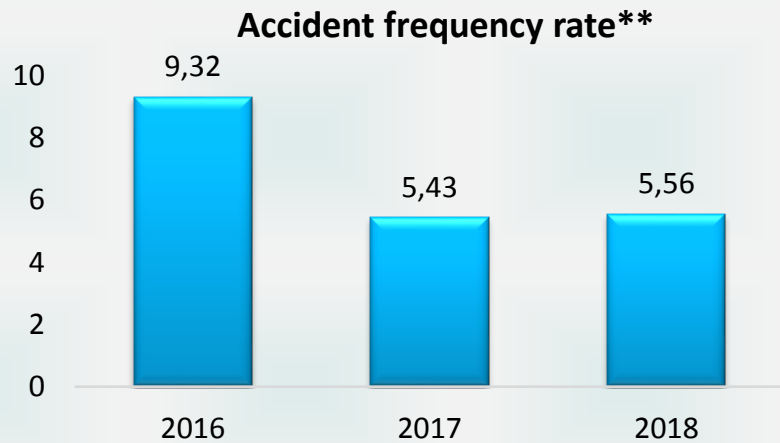
To prevent chemical hazards; there is an automatic dosing system in the plant producing foam. To prevent mechanical and physical hazards; shielding systems are available in welding machines. It is an aim to establish ergonomically convenient lines in the seat assembly. All the studies are completed before the installation of the lines.



In order to be ready for emergency situations such as fire, earthquake, leakage etc. emergency action plans are

prepared and practiced periodically. Drills covers announced / unannounced drills in the annual period. Internal and external emergency response teams such as firefighters, fire department of the region, rescue team and first aiders are participated into the drills.

In Martur there are few injuries. The main type of work accidents is finger cut due to metal parts.



**Accident frequency rate- Martur Gulp Turkey (total number of lost time injury events) x 1,000,000 / total hours worked)



Since July 2018, there have been **NO** Lost Working Days Accident in Martur OSB facility.



There is **NO** fatal accident and **NO** occupational diseases ever.

Employee Engagement and Satisfaction



Martur A.Ş. strives to create the best working environment for its employees and always looks for improvement areas. In the previous reporting periods, the company applied employee satisfaction surveys that focus mainly on company applications on specific areas. Employee satisfaction is the extent to which employees are happy or content with their jobs and work environment.

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In 2018, the company measured both satisfaction and engagement of its employees that show their commitment to the organization. In this new model, companies are divided into 3 categories according to their engagement levels; lower, middle and upper quartile. Martur A.Ş. is placed in the upper quartile in this survey with an engagement rate of 69% and a participation rate of 89%.



The company has been awarded with the “Employee Engagement Achievement Award” by the independent external

company for “making a difference in the business elements that affect employee engagement and employee experience”.

Environment and Energy Management

According to our Occupational Health And Safety, Environment And Energy Policy, we committed;

- To respect all related national and international legal requirements, and compliance obligations by the interested parties
- To maintain the continuous improvement of the performance of occupational health and safety, environment and energy management system by increasing the effectiveness of our activities with workers participation and consultation
- To prevent any living organism from being negatively affected by our products and activities

You can access the whole text of Occupational Health and Safety, Environment and Energy Policy at the website

www.martur.com

Our Environmental and Energy Management

Approach

Within the scope of the product life cycle, we carry out our works on environmentally friendly and energy efficiency perspective. Activities in processes are decided and managed with this approach by evaluating environmental impacts from raw material to the disposal of products.

We support to ensure of environmental sustainability with following and committing 17 Sustainable Development Goals. We develop our management systems by 17 SDGs and insert them into our corporate policies.

With in scope of this, Management Systems are certified by external certification body with 14001 Environmental Management System, 18001 Occupational Health and Safety System, 50001 Energy Management System, 14064 Geerhouses Management System and 16949 Automotive Quality Management System Certifications.

Martur has ISO 14001 Certificate since 2004 and there have no nonconformity until now.

Environmental management system external audits are carried out yearly. No nonconformities were raised in 2018, too.



In 2017, 14001: 2015 version was audited and the transition was achieved with zero nonconformity.

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Since 2013, Martur has 50001 Energy Management System Certification and it is the first automotive supplier

industry, which gets this certificate.

Energy Management Working Group was established by the Energy Management Representative in October of 2012. This group find out several energy reduction project and reduced CO2 emission due to energy consumption.



ISO 14001 and environmental legal requirement trainings are provided to employees every year during refreshment and orientation programme.

Training Name	2016	2017	2018
Waste Management (Employee*hours)	702	123	287
Environmental Accident and Emergency Conditions (Employee*hours)	700	103	328
14001 Env. Management System Information (Employee*hours)	1612	3638	1083

Martur OSB plant is First Automotive Supplier in Turkey, which gets 50001 certification.

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MARTUR A.Ş. acts in awareness of global warming, climate change and gradually decrease of natural resources. Martur A.Ş. constantly reviews production and service activities in order to minimize the environmental impact and energy consumption, uses more recycling raw material and advanced technology at all stage of product & process design by considering the energy efficiency and environmental issues.

Visual Training are given to all employees in Environment Club & Energy Saving School which opened on the Environment Week in 2011.

Visual Training corners in the Environment Club and Energy Saving School;

RENEWABLE ENERGY

AIR PRESSURE

WATER SAVING

SAVING EQUIPMENT

INSULATION

LIBRARY

Hands-on trainings are provided to our employees in the Environment Club & Energy Saving School.



Water Saving Equipment



Energy Saving Bulbs



Solar Pannel



Air Pressure Equipment



Environment and Energy Library

Climate Change



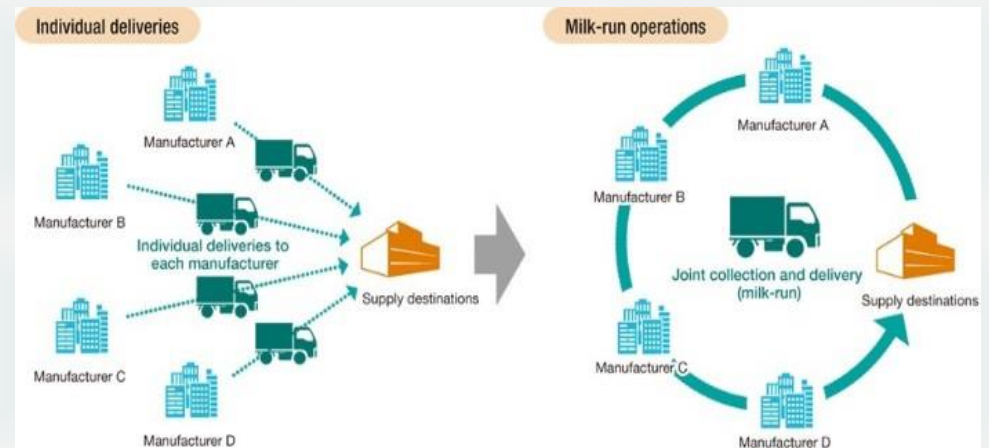
Climate change is determined as one of the biggest problems of countries, humans, business world, shortly of whole world. A number of initiatives are being developed in order to reduce greenhouse gases in international, regional, national and local levels. Those initiatives are based on calculation of greenhouse gases removals, monitoring, reporting and verification.

Martur A.Ş. have 14064 -1 Greenhouse Gases Management System certification since 2012.



Martur OSB plant is the first automotive supplier to get 14064 -1 certification

Improvement Project on Transportation



Milkrun was implemented to reduce environmental impacts due to logistic activities. At the result of this project, 55 tons CO₂ was reduced.



Improving our Energy Efficiency



Martur A.Ş aims to reduce the energy consumption per vehicle by means of the works carried out within the scope of the greenhouse gas management system and energy management system. In this context, the defined KPIs are followed.

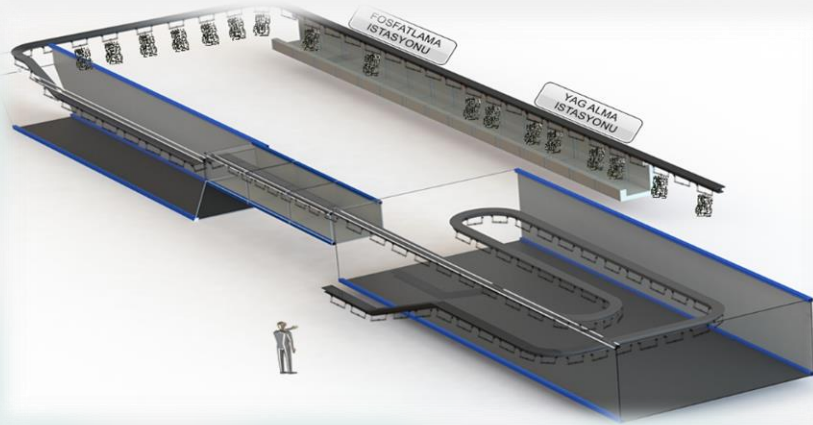
In this scope, we have made energy improvement projects in 2018.

- Reducing electricity consumption by using LED armatures.
- Obtaining energy from 18 kw/hour solar panels in R&D Center.

- Replacement of the heat exchangers of the compressor heat recovery system.
- Use of High Efficiency Compressors (8% more electricity consumption saved with the use of highly efficient compressor).
- Machine Based Analysis in Scada System
- Electricity consumption is reduced with Reducing of Pump Speed While Cabin is Empty in Cataphoresis



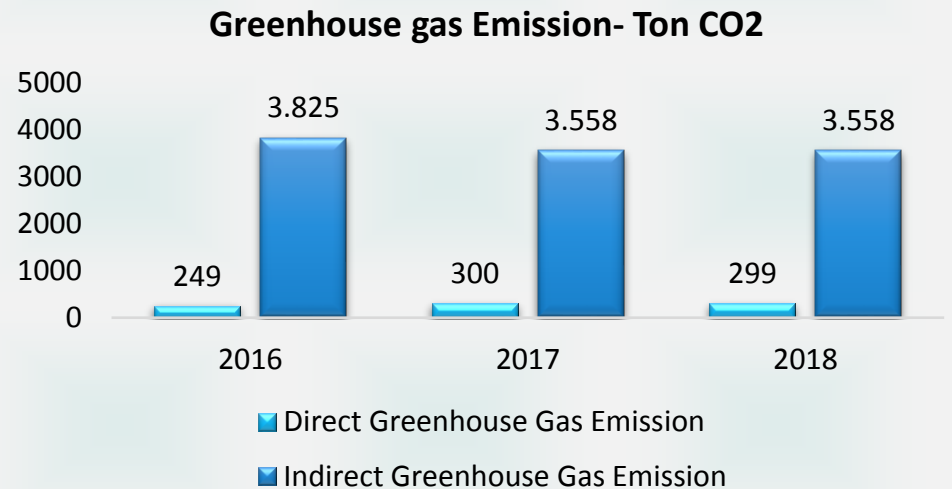
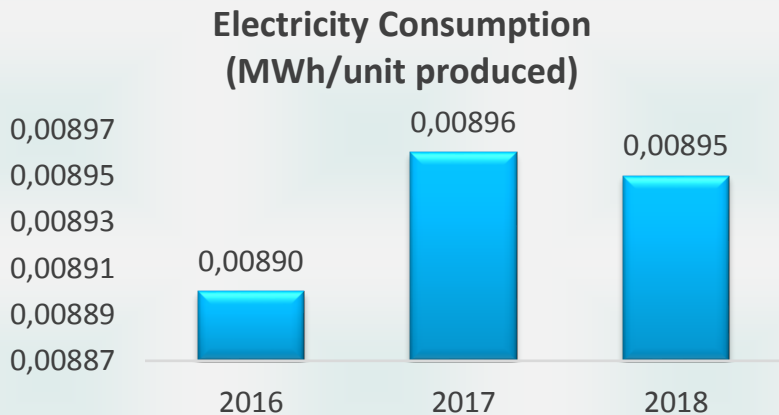
29.500 Kwh/year energy saving is achieved with the solar panel.



Within the scope of Greenhouse Gas Management System Certification, Greenhouse Report is prepared and calculated direct and indirect greenhouses datas as yearly. It was a voluntary reporting, there is no legal or other requirements on this subject.

In comparison with the year 2011 (base year), the total greenhouse gas emission reduction for **7 years is 43%**.

By reducing the operating speed of the pumps when the cabinet was empty, **107.056 kwh / year** saved in electricity consumption.



Also, air emission measurements are done every two year within scope of legal requirement. Air emission measurement parameters and results are also evaluated according to World Bank standards annually.

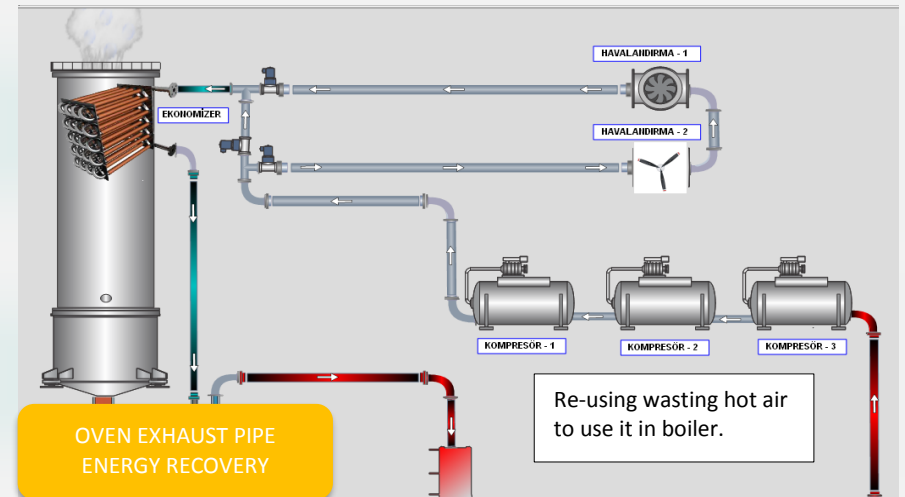
Results are too lower than the limits.

Air Emission measurement result***				
Parameters	Legal Limits	Measurement Result- 2016	Measurement Result- 2017	Measurement Result- 2018
CO	50	0,0039	0,0167	0,005
SO ₂	60	0,0053	0,0078	0,0073
NO	20	0,1616	0,1994	0,1828
NO ₂	-	0,2478	0,3058	0,2928
Dust	10	0,107	0,1248	0,3177
TOC	10	0,362	-	0,341
VOC	-	-	0,00003	-

*** Emission measurement is belonging to Martur OSB

Improvement Project on Heat Loss

Recovery project in cataphoresis line process stack has been achieved to reduce greenhouse gas emissions in 2018.



The heated gas thrown from the cataphoresis furnace stack at 180 °C was reduced to 60 °C by the project. Energy Saving is **623.482 kWh / year** and **118 tons of CO₂** emission was reduced.

Water Management

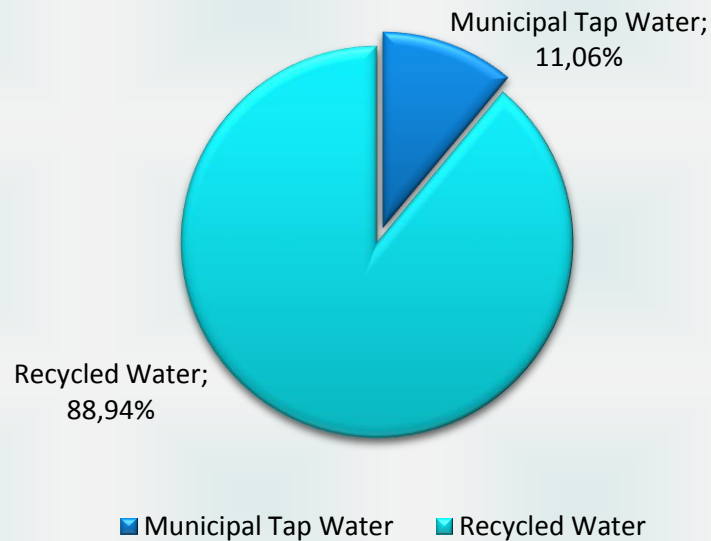
Municipal tap water and industrial recycled water are used in the cataphoresis process. Especially, projects are carried out in relation to the use of natural spring water in the process. In end of the 2015, Reverse osmosis system was started to use in cataphoresis. Accordingly, the amount of recycled water was increased to 15.656 m³ in 2016. In 2018, water filtration system was exchanged with the ultrafiltration system. Thus, the usage amount of recycled water was increased to 30.616 m³.

Realized Improvement projects for water saving in 2018;

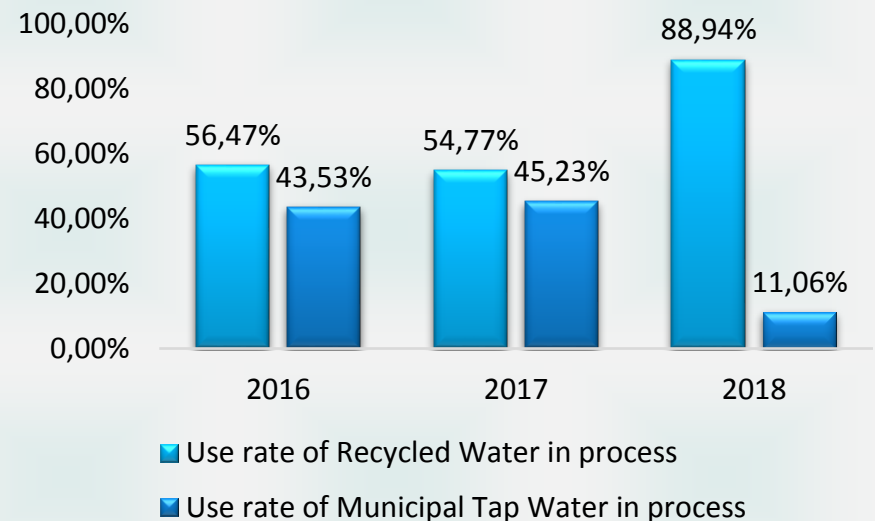
- Recycled water requirement from ultrafiltration system.
- Obtaining drinking water from municipal water.

Recycled water usage increased 88.94% in the cataphoresis process by the ultrafiltration system.

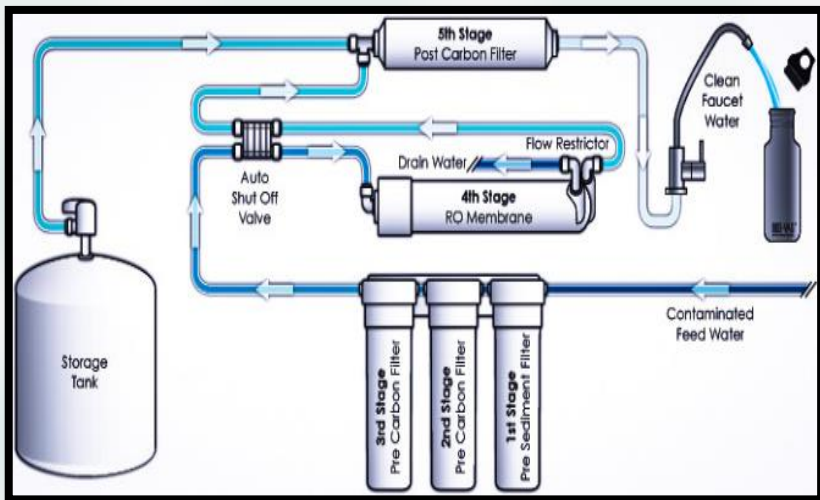
Total water withdrawal by resource (2018)



Water Use Rate in Process



Drinking water requirement was provided by the treatment of tap water instead of carboy, thus reducing **CO₂ emissions of 27 tons / year.**



Chemical Management



The most commonly used chemical in our processes is the cataphoresis process. Water-based chemicals are preferred and used in this process. Chemical uses are monitored monthly. The chemicals are selected and used in all processes in line with the REACH regulation and IMDS system. In this context, there is no possibility to use any prohibited/restricted substances.

All chemicals are evaluated with SDS forms. Chemicals are categorized according to their hazardous properties and the chemicals with the least hazard are preferred. The effects of the used chemicals on the environment and human health are analyzed and proper controls are set.

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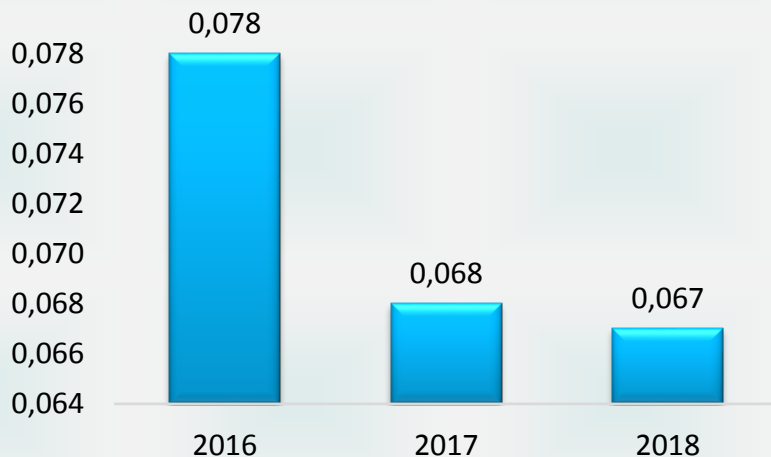
Chemicals are stored in the chemical storage area according to the storage matrix.

The proper personal protective equipment are determined by the work safety specialist and ensured to use.

MSDS and emergency kits are available in chemical usage and storage areas. And there is a detailed procedures for the chemical management.

Alternative chemicals are searched to reduce the usage amount of paints and the usage of less chemicals is supported by projects.

Paint Use Rate (m2)

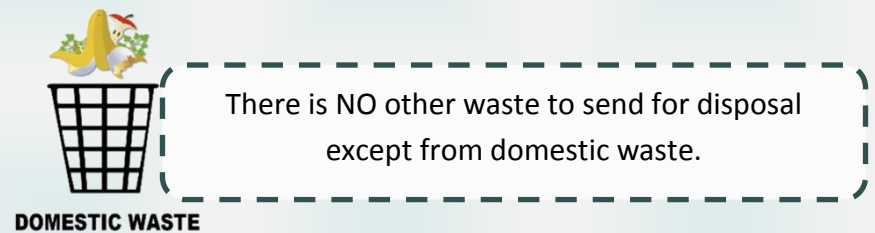


Integrated Waste Management

Martur A.Ş. supports the efforts to reduce the generated waste. Recycling Waste generated at the facility is collected separately at source in accordance with the type of waste and legal requirements. It is classified according to waste type and sent to recovery or disposal facilities. Non-hazardous wastes from the offices are collected separately and sent to recycling facilities.



Waste by Type (ton)	2016	2017	2018
Hazardous Waste (Energy Recovery)	32	18	15
Non-hazardous Wastes (Recycled)	374	369	284



Green Purchasing



Green purchasing activities have started to be implemented within the scope of the use and purchase of environmentally friendly products and materials. In this context, green purchasing guideline,

green purchasing policy and procedures have been prepared.

Within the scope of green purchasing activities;

- ❖ Sustainable supplier guide and sustainable supplier report are prepared annually.
- ❖ The chemicals used are evaluated at the purchasing stage to ensure that they are environmentally friendly.
- ❖ Martur A.Ş. An environmental survey is done on the supplier portal and our suppliers are evaluated in terms of compliance with environmental and legal requirements.
- ❖ In line with our annual plans, we conduct supplier audits on environmental and OHS issues for our environmentally risky suppliers. Efforts are made to develop suppliers.

Life Cycle Evaluation of our Product

14001 Environmental management system standard requirements are considered in our facility and our products are evaluated by considering national / international requirements.

14001: 2015 With the environmental management system standard, impact dimensions and life cycle of the product should be evaluated. In this context, the environmental impacts of our product seat from raw material procurement to disposal process are determined with our environmental impact dimension tables. Our final product the seat are evaluated as metal, foam and cover one by one.

Based on this, the status of the product at the end of its service life in the disposal process was determined.



The life cycle evaluation of our product at the end of its life cycle is below.

Metarials	Status
Metals	100% recyclable
Foam	100% reuse
Cover	100% recovery

Environmental Activities

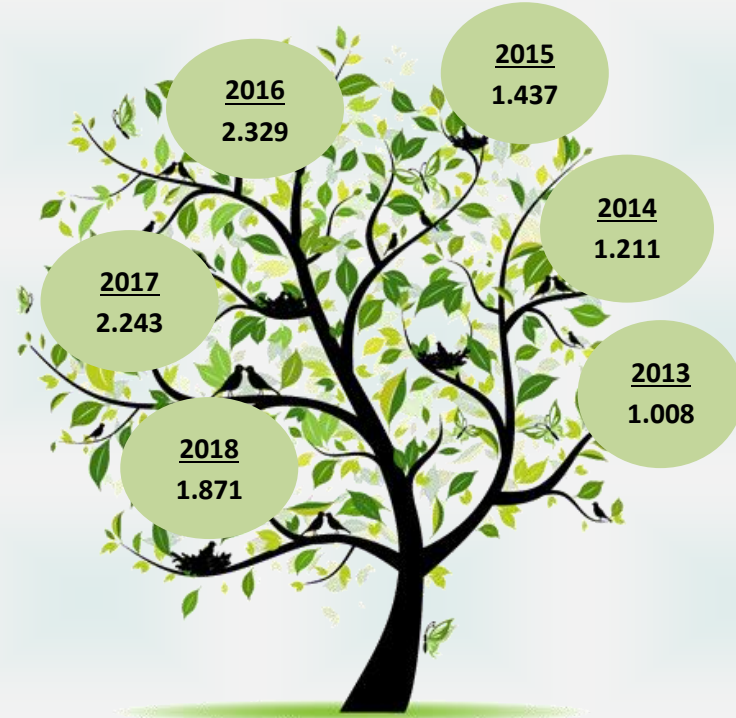
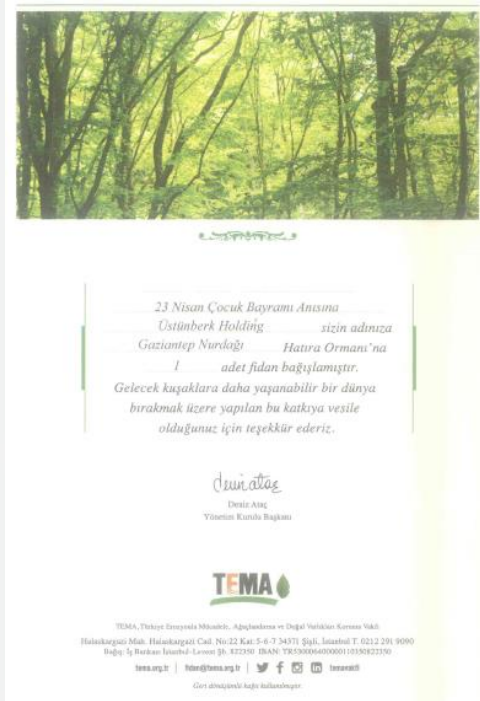
Environment Week



We celebrated the Environment Day with our employees and their children with the events we have organized at the Science and Technology Center on June,2,2018



Tree Planting Collaboration with Tema



MARTUR planted 10.099 trees for employees' children who are between 6 and 14 years old through the medium of TEMA.

Company Social Responsibility



We are proud to fulfill our responsibilities towards society in all locations we operate, in close collaboration with our employees, public, non-governmental organizations and other stakeholders as we promised in our Social Responsibility Policy (www.martur.com)

Martur Social Responsibility Projects;



Health;



Every year, employees donate blood to Red Crescent in Turkey



Employees are informed about different health topics by seminars in cooperation with NGOs

UN Global Compact Progress Report -2018



Thanks to the quit-smoking campaign companywide, 88 employees stopped smoking and described their stories by personal letters to encourage the rest.



The reconstruction of 2 village schools, building libraries and computer donation

Training



A dormitory with 300 student capacity was built and transferred to Ministry of National Education



Support for the library of a vocational school



The furnishing and equipping of a vocational high school IT laboratory and library



-Battery-power cars donation to childcare center

-The assembly of the safty belts we produced on these cars

-Traffic training organization for the childs in collaboration with traffic police departments

-Safety belt training given by Martur Production Responsible



Drawing Competitions for children on different themes (safety, environment, energy saving) to raise awareness



Collaboration with the local university engineering faculty, support the engineering education, being a partner of "R&D Engineer Development Project"



532 university students have scholarship between 2007-2017



Coding training for 5-6 years-old employee children

Others



Partnership with TEMA (Turkish Foundation for Combating Soil Erosion, for Reforestation and the Protection of Natural Habitats).

Each 23rd April, TEMA plant saplings on behalf of Martur employees children and send them the certificate.



Organization of planting saplings campaigns

UN Global Compact Progress Report -2018



Cleaning organization of common public recreation areas



Visits to nursing home for elder people



Winter boots donation to 580 village school students



We meet with the young potentials by seminars, fairs etc., share our technical knowledge & know-how, collaborate in projects and help them in their career development



Industry 4.0 symposium Dec. 2017



Meeting with Vocational High School students in Otofest event May 2017

Awards and Certifications



BOSiAD Environment-friendly Industrial Facility Award – 2018



ISO/IEC 27001 : 2013 – Information Security Management System Certification – 2018



ISO 14001 : 2015 - Environmental Management Systems Certificate - 2017



IATF 16949 : 2016 – Quality Management System Certificate - 2017



WCM – Bronze Award for Martur OSB Plant – 2017



Q1 – “Q1 award” for Gölcük Martur by Ford Automotive Industry- 2016



SAP – “Golden Prize” for Üstünberk Holding SAP Project - 2014



FIAT – Supplier Relationship Award – 2014



SAP – Gold Winner in Bussiness Transformation Category- 2014



FORD OTOSAN – Best Supplier Award - 2014



OYAK RENAULT - 2013 Best Supplier Award – 2014



BUSiAD –Value Adders to Economy / Innovation Awards – 2013



ISO 50001 - Energy Management System Certificate – 2013



ISO TS 14064 : 1 - Specification with Guidance at the Organization Level for Quantification and Reporting of Greenhouse Gas Emissions and Removals – 2012



FIAT - WCM - The Most Successful Major Kaizen Applications, Managerial Pillar and Professional Maintenance Applications – 2012



BS OHSAS 18001 : 2007 – Occupational Health and Safety Management Systems Certificate



MINISTRY OF SCIENCE INDUSTRY AND TECHNOLOGY - R&D Center Award – 2010



FIAT - Strategic Partnership Award – 2010



FIAT - Best Supplier Proposal Performance Award – 2010



TOYOTA - Value Analysis Award - 2009



FIAT - Most Successful Supplier Award in Technical Cost Improvement
TOFAŞ - Yan Sanayi Kalite Ödülü - 2005



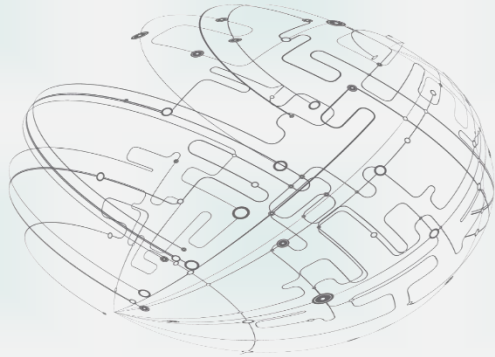
MAN - Best Supplier Award – 2005



TOFAŞ - Supplier Quality Award – 2005

MARTURFOMPAK

I N T E R N A T I O N A L



MARTUR Sünger ve Koltuk Tesisleri Tic. San. A.Ş.

Organize Sanayi Bölgesi Kahverengi Cad. No:9 16150 Nilüfer / BURSA - Turkey

Telephone: +90 224 294 90 00 Fax: +90 224 241 33 60

Email: info@martur.com.tr

www.martur.com.tr

- HR topics are involved datas of Martur Group Turkey
- Environmental and Energy topics are involved datas of Martur OSB.