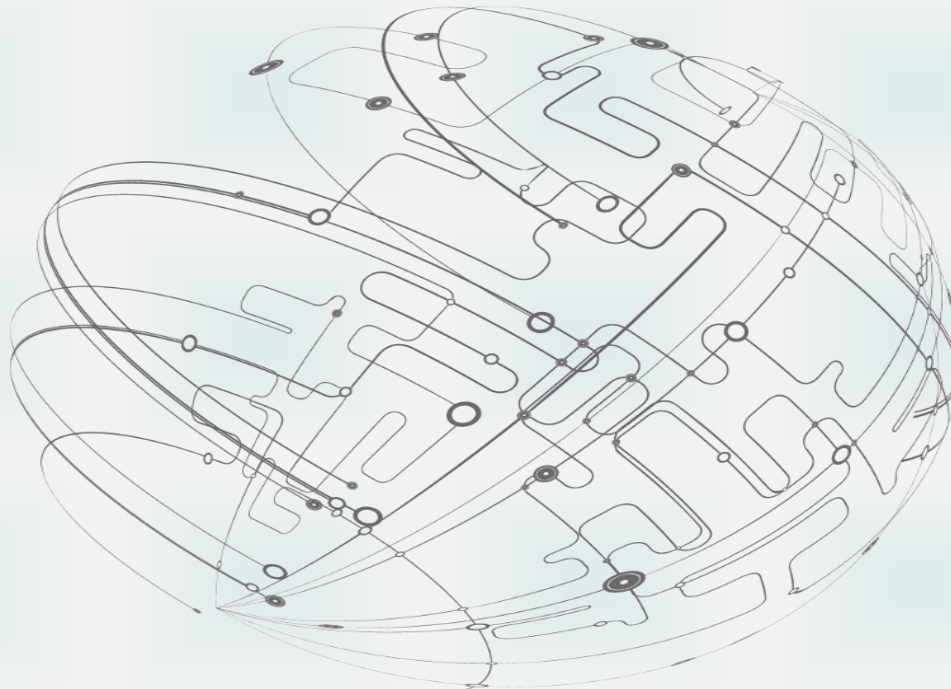


MARTURFOMPAK

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



UN GLOBAL COMPACT PROGRESS REPORT (COP)-2020

INTRODUCTION	STRATEGIC APPROACH	LABOUR & HUMAN RIGHTS	ENVIRONMENT	SOCIAL RESPONSIBILITY	ANNEXES
--------------	--------------------	-----------------------	-------------	-----------------------	---------

CONTENTS

1

2

3

4

5

6

INTRODUCTION

STRATEGIC
APPROACH

LABOR &
HUMAN RIGHTS

ENVIRONMENT

SOCIAL
RESPONSIBILITY

ANNEXES

SCOPE OF REPORT	2
MESSAGE OF BOARD MEMBER	3
OUR VISION / MISSION/ CORE VALUES	4
ABOUT MFI	7

MFI's RESPONSE TO COVID-19	15
RISK MANAGEMENT	17
PROTECTION OF PERSONAL DATA	17
COSTUMER SAFETY AND QUALITY MANAGEMENT	18

HUMAN RIGHTS AND LABOR PRACTICE	21
NEW TALENTS	26
TALENT MANAGEMENT	29
HEALTH AND SAFETY	35

ENVIRONMENT AND ENERGY MANAGEMENT	39
CLIMATE ACTION	43
WATER MANAGEMENT	48
CHEMICAL MANAGEMENT	49
WASTE MANAGEMENT	50
RECYCLED MATERIAL USAGE IN PRODUCTS	53
SUSTANIABLE SUPPLY CHAIN	55

SOCIAL ACTIVITIES	63
-------------------	----

CERTIFICATES	65
AWARDS	66
OHS PERFORMANCE INDICATORS	68
ENVIRONMENTAL PERFORMANCE INDICATORS	69
SOCIAL PERFORMANCE INDICATORS	70
GRI CONTENT INDEX	72



info@marturfompak.com

www.marturfompakinternational.com



[linkedin.com/company/martur-automotive-seating-and interiors](https://www.linkedin.com/company/martur-automotive-seating-and-interiors)



[instagram.com/marturfompakinternational/](https://www.instagram.com/marturfompakinternational/)

SCOPE OF THE REPORT

The 10th edition of MFI Progress Reports related to the Ten Principles of the UN Global Compact covers the strategy, performance, goals, and progress made in labour & human rights, environment and social responsibility and our response to Covid19.

The requirements for communication of progress of United Nations Global Compact (UNGC) was taken into consideration while preparing this report.

The report covers the period between January 1–December 31, 2020, plants located in Turkey, Romania, Russia, Algeria, Morocco, and Italy as MFI. The performance of MFI on related SDG's will be reviewed in this report.

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 Fompak International 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 Fompak International will continue to support ten principles of the UN Global Compact in a big loyalty.

Yours Sincerely,

MÜFİT KARADEMİRLER

Our Vision, Mission and Core Values

MFI 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

About MARTUR FOMPAK INTERNATIONAL

Integrity and focus on people assure that Martur Fompak International (MFI)'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.

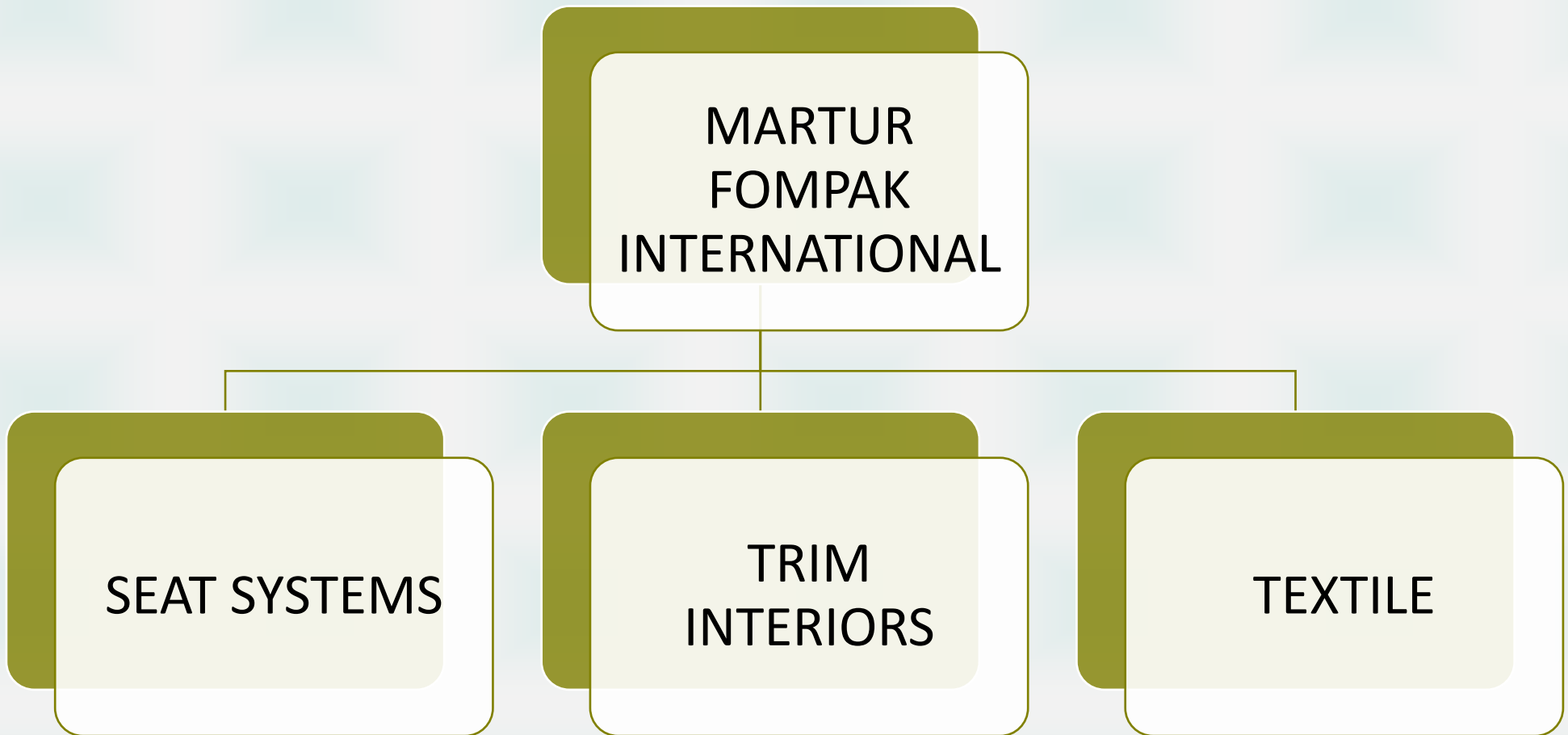
An integral part of our DNA is creating long-lasting customer relationships and working closely with them to identify their need and provide solutions that support their success. The concept of providing solutions specific to our customers' challenges has been with Martur Fompak International since the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

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



Please see **ANNEX 2** for the complete list of Awards as MFI.

Integrated In-house Production



Products and Services

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.



Injection



Fompak utilizes cutting-edge injection moulding machines to produce bumpers, mud guards, dashboards, door panels, and plastic seat parts for the automotive industry

The moulding machines Fompak uses feature clamping forces ranging from 60 to 2,700 tons, as well as automated, sequential, gas, and bi-injection options.

Dashboard / Instrument Panels

Fompak produces PVC coated dashboards and glove compartments (including airbags) for the automotive industry using automated plasma cutting, automated gluing, thermoforming, laser cutting, and vibration and ultrasonic welding systems. The company is able to use JIT or Kanban systems in deliveries to suit the needs of its customers.



Door Panels



Fompak produces front and rear door and trunk lid panels for the automotive industry using automated plasma cutting, automated gluing, thermoforming, cutting, ultrasonic welding systems, utilizing plastic injection or thermal injection methods, or a combination of both. The company is able to use JIT or Kanban systems in deliveries to suit the needs of its customers.

Sun Visor

Fompak produces world-class, high-quality sun visors, offering the optimum solution for its customers in every aspect, including safety and comfort. This multi-technology approach enables the company to integrate its services into the supply chains of its customers all around the world.



Sun visors are produced using a sandwich method, shell method, EPP method or EPP & Sandwich with manual sewing.

Fompak's sun visor production processes make use of high-frequency cutting and welding presses.

Headliners



Fompak produces its headliners on seamless manufacturing lines, utilizing glass-u-tech technology.

Headliner foams are coated with adhesives using either spraying or roll-coating, and headliners are cut using cutting dies or waterjets according to model.

The visible surfaces of headliners can be lined with either standard non-woven fabrics, or with soft touch knitted fabrics produced in-house.

Parcel Trays

Fompak produces wood stock parcel trays, using traditional methods (infrared heating & pressing) or with air-blowing.

PP+GF parcel trays are manufactured using thermo-compressing.



Slabstock Foam /Rigid Foam



Fompak produces flexible polyurethane block foam for the automotive industry for use in flame lamination, as well as other types of polyurethane foam with a wide variation in density, ranging from 20-

50 kg/m³. In addition, the company is capable of producing semi-rigid foam for headliner manufacturing, with densities ranging from 22 to 28 kg/m³.

Seating Foam



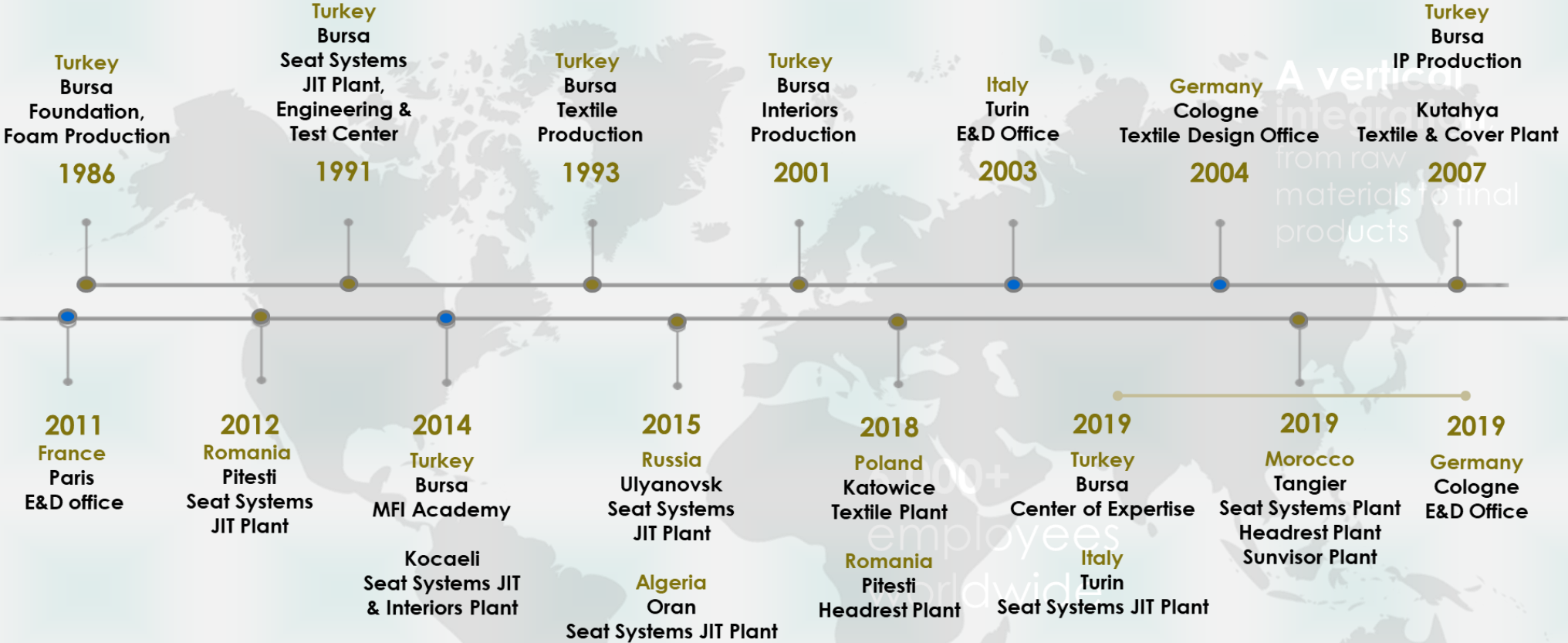
Martur is able to produce MDI and TDI-based molded foams, tailored to the comfort, durability, and aesthetic requirements of its customers. Thanks to

its expertise, extensive machine park and chemical formulations, Fompak is able to meet the needs of all automotive manufacturers.

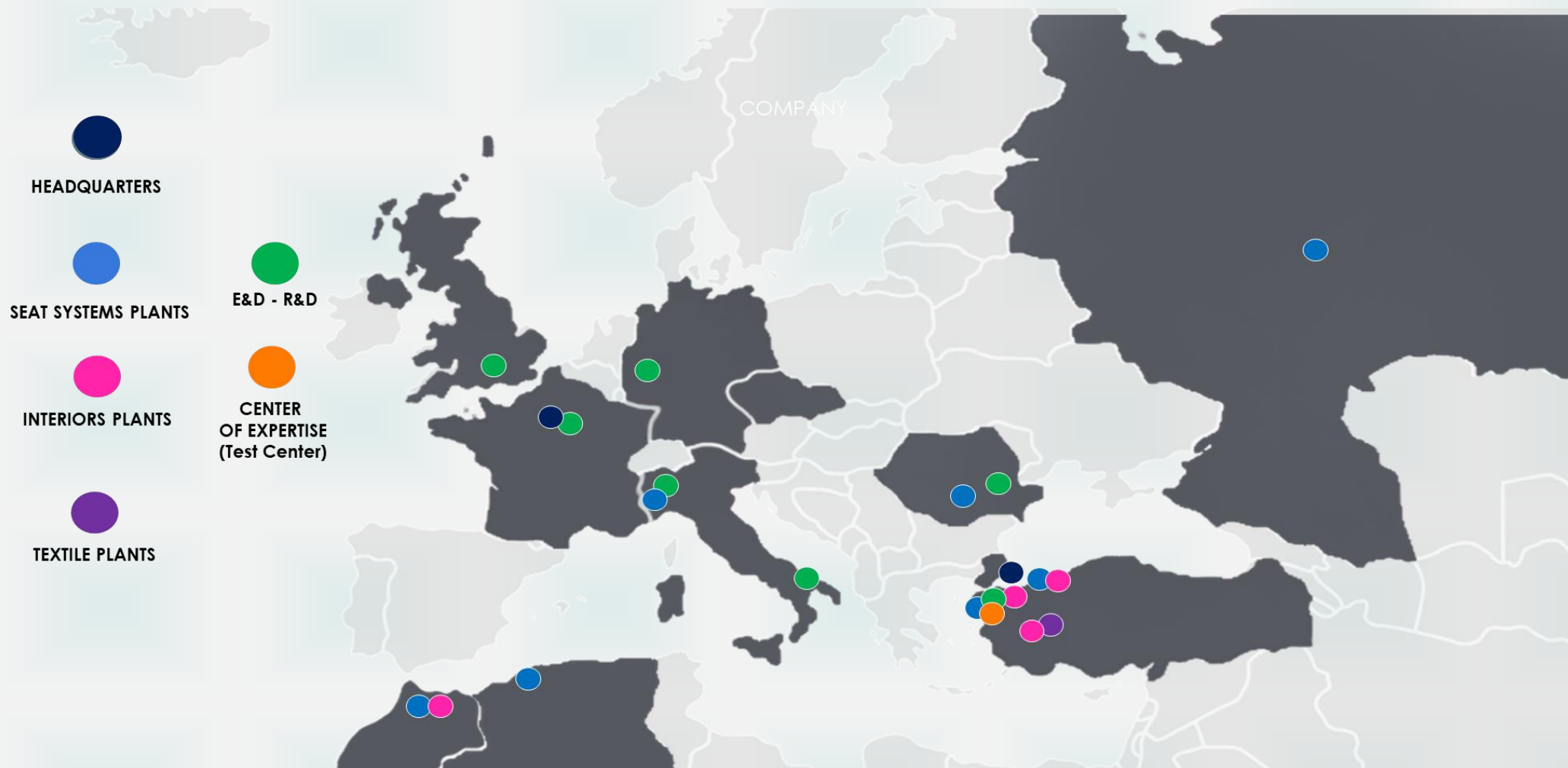
Martur can create its own foam formulas from scratch, utilizing automated formulation, raw material transfer and feeding systems. With integrated automation technologies, the company can create an end product with different density and rigidity in different locations. Martur's foam production lines use TDI, MDI, or a mixture thereof.

Martur's foam production involves a 503-meter overhead conveyor line that is critical for the two-hour curing process of the foam after it exits the mold. This curing process allows the foam to cure completely, and therefore minimizes deformation in the final product.

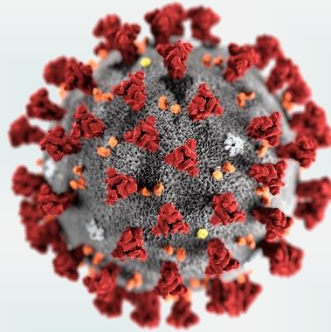
Milestones



Locations



MFI's Response To COVID-19



We put in place several actions to prevent from Covid19 risks starting from the beginning of 2020. The steering committee meet everyday to decide the measures against Covid19 risk. The action plan prepared within the coordination of all stakeholders. And one of the first action was starting to work at home. At the same time, highlevel hygiene practices put in place at manufacturing facilities from the early stages of the pandemic.

The Epidemic Response Committee established with all interested parties such as human resources, health and safety, employee representatives, production responsables, academy, IT, management systems and purchasing in the plants. The

Epidemic (Pandemic) Response Committee defines the activities for local and international level.

A detailed pandemic response plan which defines the measures according to risk level is prepared. All employees are informed about the measures with documents and videos.

In April 2020, the safe return-to-work handbook with measures was published and shared with all our employees. In this handbook all precautions are defined starting from leaving home, working in the plant, and going back to home. Subjects explained in this handbook are as below;

1. Precautions at Home
2. Come to Work
3. Precautions to be Taken in the Workplace - General Rules
4. Common Areas – Smoking
5. Common Areas – Coffee Break Point
6. Common Areas – Canteen
7. Common Areas – Meeting Rooms
8. Common Areas – Elevator

INTRODUCTION	STRATEGIC APPROACH	LABOUR & HUMAN RIGHTS	ENVIRONMENT	SOCIAL RESPONSIBILITY	ANNEXES
--------------	---------------------------	-----------------------	-------------	-----------------------	---------

9. Visitors Management

10. Incoming Material Acceptance

11. Travel Management

12. How to Wash Your Hands

13. How to Put on and Remove Your Mask

14. How to Remove Your Gloves

15. How to Use Hand Sanitizer

16. Emergency Phone Numbers

Some of the common measures for all plants are listed at below.

- General information about Covid19 was given to all employees. Visual aids and booklets were used to get all employees on Covid19 risks.
- The Epidemic Response Committee Whatsapp group was established for instant communication. Positive cases and theirs contacts were traced closely and those employees were isolated from the plant and health status followed by the workplace doctor.

- Face-to-face meetings almost cancelled and online meetings started. The maximum capacity of meeting rooms are defined and it is not allowed to meet more people in the meeting room than the defined rule.
- Rules were setted and working at home was started.
- Temperature of everybody (employee, visitors etc.) measured at the entrance of the plant.
- Workplace psychologist started to provide online services.
- Dietician organized webinars about immune strengthening and nutrition recommendations against COVID 19.
- In order to eliminate the contact risk;
 - Canteen layout changed and timing rescheduled
 - Separators are installed at common areas
 - Shuttle service capacity reduced fifty percent
- Safe distances are decided and indicated with visual aids.
- Wastes of masks, gloves were collected and stored separately.
- Suppliers were assessed with audits on the scope of Covid-19 measures. And if the score is less than 90, the audit repeated after the countermeasures are completed.

Risk Management



Risk management is one of the key factors for the organizational resilience. We consider risks on catching our company goals and evaluate the effects and possibilities of them. Risk analyses are conducted for each process separately and actions taken to minimize the effect of these risks. Opportunities are included into evaluation. Longterm and shortterm financial / non-financial effects of risk and opportunities are evaluated and reviewed yearly. Martur Fompak International Management Systems Department leads the reviews with process owners to elavute risks and opportunities analysis in order to keep sustainability.

Personal Data Protection



Personal data protection is the one of the top priorities of Martur Fompak International. MFI is committed to the principle of protecting personel data of all stakeholders such as our current and potential customers, employees, candidates, shareholders, visitors, and suppliers etc. We have a clearly defined policy and procedures to manage personal data called as Personal Data Protection and Processing Policy.

In 2020, the declaration to the community how we manage the personal data are completed. This declaration covers the purpose of collecting personel data, related parties who see these data, where/how long be stored and the disposal ways. We are in line with legal requirements in all plants.

Consumer Safety and Quality Management



We follow several national/international quality and safety standards to provide a safer and more pleasant travel experience for our customers. Our activities cover the life cycle of our products starting from design. The recalls and benchmarks in the same sectors are followed closely to define all related risks of our products at the first stage. Those risks are one of the inputs of our design. FMEA (Failure Mode and Effects Analysis) are carried out to detect and eliminate failures before they occur. The status of action plans are reported to the top management periodically.

The composition of our products are in line with the legal requirements such as Registration, Evaluation, Authorization and Restriction of Chemicals (REACH), ELV Directive. There is IMDS (International Material Data System) portal to check whether we are in line with the legal limits or not. The compositions are tested and reported to the customer and then it is approved.

Sustainable Purchasing Policy is revised and expectations on working conditions, health & safety, environment issues are highlighted. The green purchasing guide is also revised and shared with our suppliers through the MFI Supplier Portal and they are expected to comply with the requirements set in the guide. Trainings on ethics, environment and working conditions are shared via Supplier Portal with videos.



Please see **ANNEX 1** for the complete list of Certificates as MFI.



LABOR & HUMAN RIGHTS

21 Labor & Human Rights Practices

26 New Talents

29 Talent Management

35 Health & Safety



Human Rights and Labor Practices



Martur Fompak International ensures that all its activities in each country where it operates are in line with the universal human rights proclaiming with its policies clearly shared on its website (www.marturfompakinternational.com).

We believe that our biggest power is our human resources to achieve our strategic targets and to manage the growth within continuously changing competitive conditions. In our business relations; we believe that WORK PEACE created by respect, communication, understanding and confidence atmosphere

affects the sincere loyalty and working life success of our employees and we show superior effort with respect this matter.

Martur Fompak International Human Resources Policy is a statement of its practices regarding management of its employees. The company provides equal opportunities to all candidates and employees regarding the principles in its policy. These rules are the following:

- No discrimination made on the basis of religion, language, race, gender, marital status, physical disability, region and etc.,
- Employees over age of 18,
- Salary Policy in line with our employees' competencies and performance, economical data and sectoral trends,
- Sustain the corporate and respect to the ethical values.

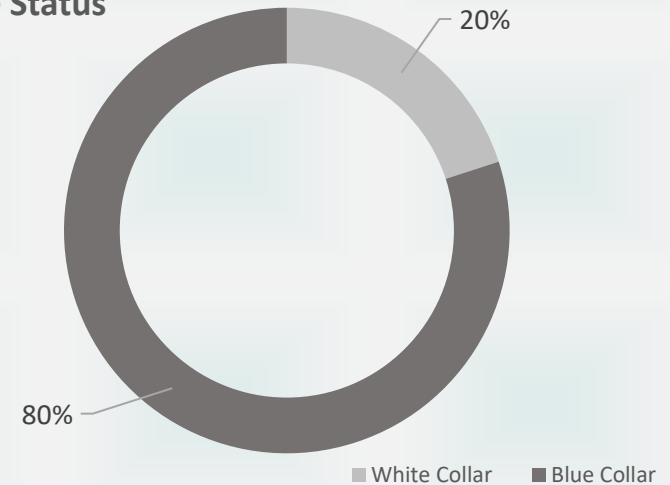
Our approach to business ethics is communicated to all employees and stakeholders through Ethics Policy. Ethics Policy provides guidance and set common ethical standards to promote consistency in behaviour across all levels of

employment. It governs the working relationships between management, employees and all other stakeholders.

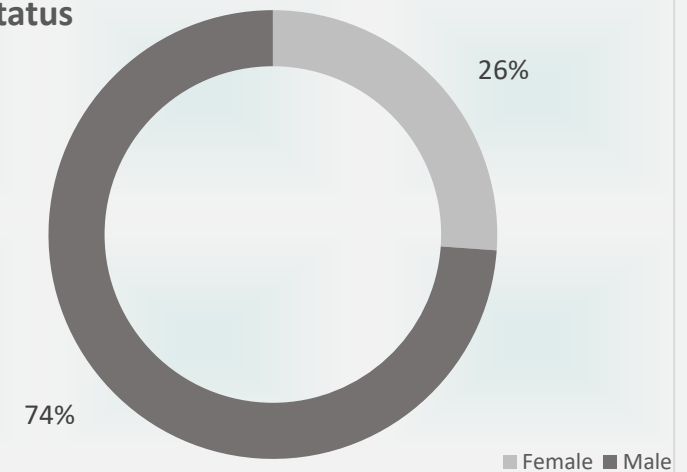
Its functioning and proper implementation is ensured by the Ethics Committee. The “Ethics Policy” and related internal procedures and instructions are defined under the documentation system where all employees can reach. They ensure the dissemination of the ethical values of the company among employees as well as the prevention of probable violations. Each new employee is trained on the Ethics Policy, rules and the grievance mechanism. There were no incidents of ethical non-compliance within any of the Martur Fompak International facilities regarding the reporting period.

In Martur Fompak International operations, “employee representative” system has been in practice. Employees select their representatives and the representatives communicate the employees’ needs and negotiate with the employer.

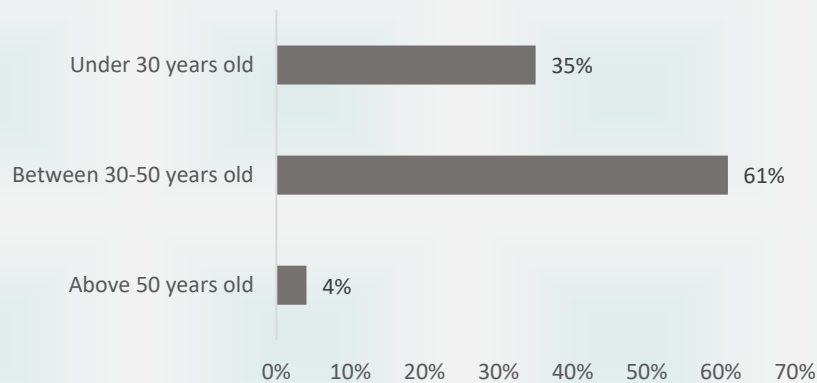
Employee Status



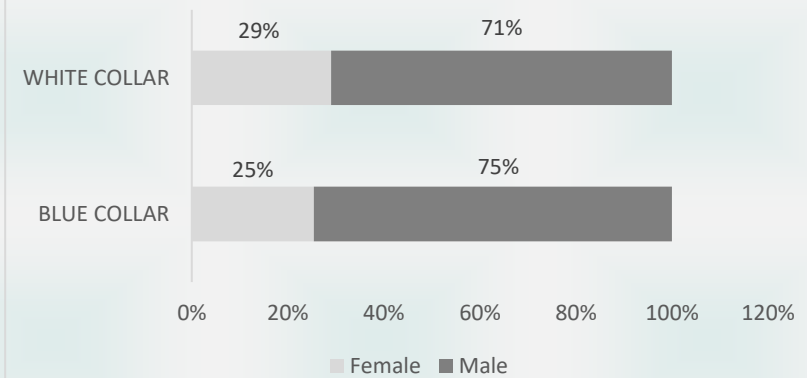
Gender Status



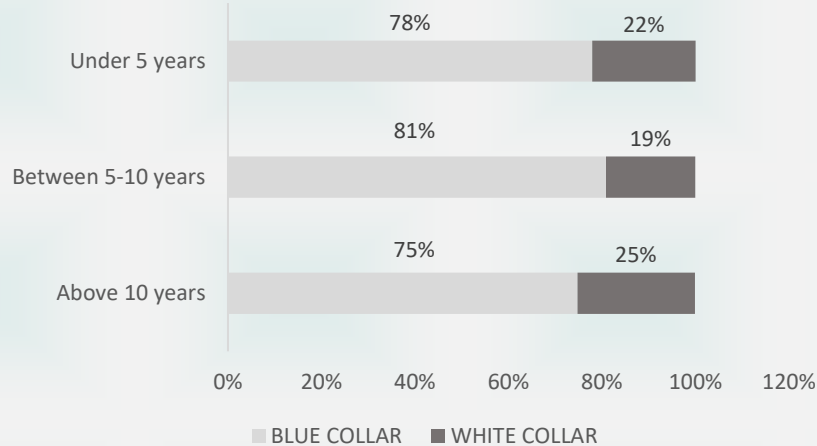
Employees by Age



Employees per Category



Employees by Seniority



TOTAL EMPLOYEE
4,657



Please see **ANNEX 5** for the complete list of Social Performance Indicators as MFI.

Remuneration System & Fringe Benefits

Within the framework of company remuneration policy which is implemented with the principle of equal pay for equal work, wage level 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 are done in accordance with the local laws and company regulations, at least once a year. Performance assessment is done and according to the year-end results, high performance employees are also subject to a performance increase.

Wage increases are determined by several factors; wage market, sectoral wage trends, personal performance, company economical strength and profitability.

The company policy and procedures conclusively prohibit each individual to be discriminated based on gender within the remuneration practice.

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. In order to avoid any speculations among the personnel, as well as the start

and end dates of the process; the relevant procedures shall be communicated transparently to the employees.

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 another 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.

The company offers different kinds of fringe benefits; clothing, shoes, heating allowance, transportation service to/from company-home, food basket, Bayram allowance, Christmas allowance, Easter allowance, health insurance package, vacation allowance etc. which are regulated according to country/location specific needs/priorities.

All employees are informed about their rights and company regulations by the Employee Handbooks.

Health Service



Martur Fompak International has an equipped health center to meet local requirements. The infirmary/first aid team may provide services (first aid, periodical health controls and/or training) based on the legal regulations.

The company 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 some locations as an improvement, the company offers dietitian & psychologist service.

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



The employees have maternity and paternity leave rights determined by each country's legislations.

The company 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. The company 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.

The company supports the employees' children who meet the specific criterias by scholarship and internship opportunities. Between 2007-2020, 705 students have been supported by scholarships.

Female supervisors
%17

Training
hours/employee
WC **25.7 hours**
BC **11.6 hours**

Employee
Engagement rate
% 62

Some figures from global operations

New Talents



For Martur Fompak International, 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 expactations and company culture. With this approach, the process is being improved every year. We use global tools and systems to match the candidates' competencies and attitudes with the required characteristics. Our approach is to recruit the best fit for the company culture and the job expectations.

In the reporting year, company HR accelerated its digital transformation that started in 2014. Many processes; recruitment, recruiting marketing, onboarding, learning, performance & goals and career planning either went live or were planned to carry on a digital platform. The target is to manage all HR processes on a single platform, making all processes compatible with remote work, improving and standardizing the processes in the group and ensuring one single employee experience in any one of the locations groupwide.

In 2019, the company received a finalist recognition for LinkedIn Rising Star at the 2019 LinkedIn Talent Awards. The Talent Awards are the region's flagship program for companies who have made a mark in the recruitment and employer branding space.



The company 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 and invites the students for technical visits to the facility, cooperate in joint research projects.

Especially the local universities where the company operates are strong partners; company representatives participate the technical seminars and symposiums and enhance the information exchange between the industry & academy.

In addition, the company HR searches new talents through “Üstün Yetenek” Program. It is a part time student study program where the students can get the opportunity to work with professionals from different functions, work in a real project, have the opportunity to learn the business from professionals and experience the automotive industry.

Welcome on board!



check-in meetings with each new employee to learn about initial impressions, feedbacks and training or other needs. These meeting minutes and exit interviews are inputs for company HR improvement activities.

A good onboarding process builds a sense of connection and delivers real value for the organization in terms of employee retention and accelerated productivity. We aim to provide a good start for our new employees by a well-prepared welcome program. We put effort to ensure an inclusive onboarding experience to any newcomer to any location of our company through our digital HR platforms. Everyone goes through a specialized induction program for an effective adaptation to the company values and the roles they will carry out. HR organizes

Talent Management



Our employees are our most important strength in our global success and in achieving our sustainability goals. We put an approach in the center that responds to employee needs for talent management and acquisition. Our main goal is to bring the best human resources to Martur Fompak International with a comprehensive approach to provide competitive advantage and to provide continuous development by offering innovative training and practices to all our employees. In line with this goal, we constantly invest in human resources, differentiating employee experience and development opportunities in line

with changing trends, and establishing the business environment of the future together. We ensure effective communication with our employees and internalize the innovative and creative corporate culture.

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

Performance Management

Our understanding of Performance Management is to provide clear direction and continuous dialog at all levels of the organization. We promote values, knowledge and responsibility, and put focus on the future. 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 Fompak International employee fully understands how to improve his/her individual role and

performance and makes significant contribution to achieving the company core business objectives. Since we are working in an agile working environment, the individual objectives are reviewed every quarter to check their priorities.



The company competency model

Managers meet their employees at least twice a year and at 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.

All of our training and development programs are designed with the principles of continuous development and Growth Mindset, aligned with the corporate strategy. Considering the rapidly changing and developing conditions, the process is followed by

keeping agility in the foreground as in every field and the development needs are observed for all levels.

While our company focuses on gaining and developing behavioral competencies, exploring and guiding potential,



career development and level-based leadership trainings, our employees are supported in their “Functional Development” trainings regarding their

professional development in the department or line of business. We started actively the individual development programs 2018/2019, where employees can develop themselves entirely under their own control as they wish in the areas of their own special interests and/or develop the areas they need in their work & social environment. They can contribute to their own development with the online trainings on our e-learning platforms voluntarily.

In 2020 regarding all global locations:

- **4,641** hours of training and development were realized with our programs in the Corporate Development category,

- **17,988** hours were realized with our programs realized in the Functional Development category,
- **8,398** hours were realized with our programs realized in the Individual Development category,

The company has an institutional academy founded in 2014. MFI Academy offers training, learning and development solutions designed in line with corporate strategies and values to the MFI community.

It provides personalized and unique learning experiences with programs aimed at progressive development.

Vision

In order Martur Fompak International to achieve its strategic goals in a sustainable manner; to provide global, distinctive learning and transforming experience for our employees.

Mission

To support and assist the MFI community globally for their personal development and corporate culture understanding effectively through utilizing many worldwide contemporary learning tools.



Company Training Modules

Corporate Development	Functional Development	Individual Development
<ul style="list-style-type: none"> * Orientation programs for newcomers * Growth mindset * Corporate Culture Training Programs * Agile Leaders Program * Management development programs for all levels * Corporate Mentorship Program * Train the Trainers Program 	<ul style="list-style-type: none"> * Technical trainings for each role * MFPS pillar trainings * Quality School * Internal Auditor Program * Procurement School 	<ul style="list-style-type: none"> * Self improvement and soft skill courses * Language courses

In addition to these programs above, there are training and development opportunities offered by the company such as foreign language trainings or webinars. Employees can find various visuals, audios and reading materials/resources on the e-learning platform.

The People Development Pillar has achieved a level of score 3 in 5-level scale in WCM external audit in 2 locations and the methodology is being deployed to the other locations.

Career Planning & Succession



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

The company offers opportunities to its employees for using and developing their competencies effectively. For this reason, the company defines for its potentials the 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.

Recognition & Rewarding



Recognition and rewarding system is a supplementary part of our overall talent management. The company looks for any opportunity to keep the motivation high. There are many categories such as;

- Performance
- Seniority
- Pension
- Attendance
- Education progress
- Continuous development (suggestion, kaizen, lean team)

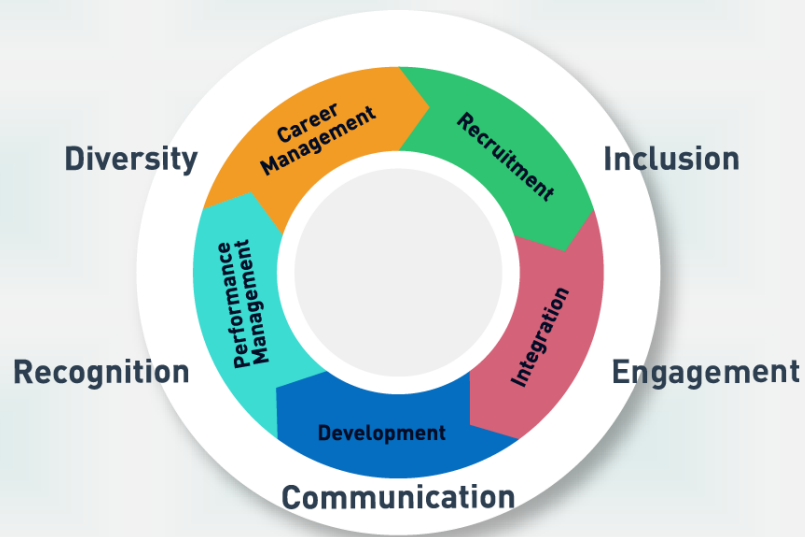
The company strives to create the best working environment for its employees and always looks for improvement areas. Employee satisfaction is the extent to which employees are happy or content with their jobs and work environment.



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”.

The company prepares improvement plans and realizes projects based on the survey results in each location.

In the reporting year, the company organized a pulse survey throughout the group. Since the situation with COVID-19 in terms of work and personally were challenging, we aimed to receive the employees’ feedback on how we can better support them in the pandemic situation.



The “COVID-19 and Virtual Work Environment Employee Experience Survey” results were interpreted with the management teams and various actions were taken to better engage our employees and reduce their anxiety while working remotely during the pandemic period. Executive board and HR shared periodical informative messages to update the employees about precautions and re-designed working procedures. Manuals for both “optimizing remote working” and for “safely returning back to office” were prepared and shared with employees. The coverage of health insurance policies that company offers to its employees was expanded and started 24

hours on 7 days online service. The company psychologists and dietitians started to provide online services. They also supported our employees with monthly online seminars in physical and mental health issues.



Health and Safety

We carry out our activities to create a safe working environments on Occupational Safety and Health. With the occupational safety rules and trainings that we have determined within the scope of Martur Fompak International 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 certified Occupational Health and Safety Management System.

OHS management system external audits are carried out yearly.

No nonconformities were raised in 2020, too.

We obtained

ISO 45001 Certificate

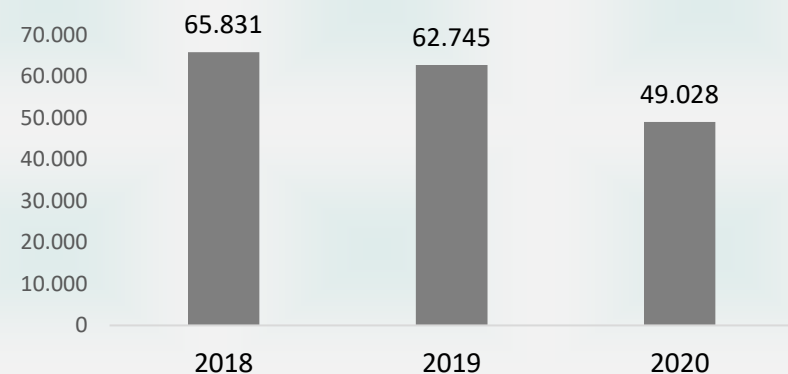
In 2020, ISO 45001 OHS management system certification process is completed for all production sites except new plant in Italy and Morocco. It is planned to get the certification in 2021.



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*



*Safety trainings is belonging to Martur Fompak International facilities.

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 Fompak International locations shall be follow this procedure.

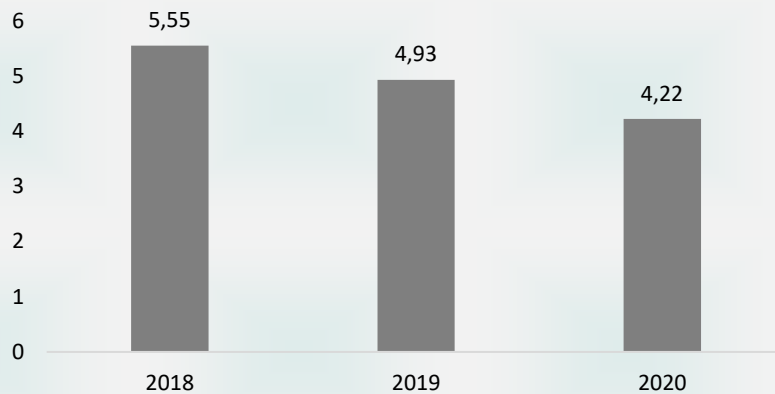
To prevent chemical hazards; there is an automatic dosing system in the plant producing foam. To prevent mechanical and physical hazards; shielding systems are available in welding machines. It is an aim to establish ergonomically convenient lines in the seat assembly. All the studies are completed before 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 Fompak International there are few injuries. The main type of work accidents is finger cut due to metal parts.

Accident frequency rate**



**Accident frequency rate Martur Fompak International Facilities (including subcontractors) (total number of lost time injury events) x 1,000,000 / total hours worked)

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



Please see **ANNEX 3** for the complete list of OHS Performance Indicators as MFI.



ENVIRONMENT

39 Environmental and Energy Management
43 Climate Action
48 Water Management
49 Chemical Management
50 Waste Management
53 Recycled Material Usage in Products
55 Sustainable Supply Chain



Environment and Energy Management

According to our 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

Our Environmental and Energy Management Approach

We carry out our activities during the product life cycle with the environmentally friendly and energy efficiency perspective. All processes are evaluated on their environmental impacts and activities are decided and managed with this approach to reduce the negative impact on the environment.

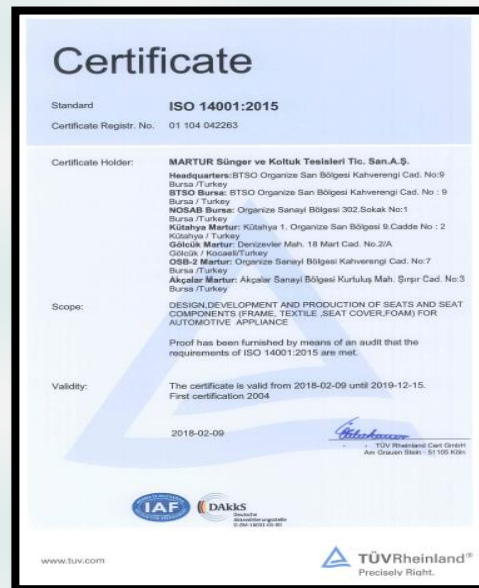
We support to the sustainability by committing Sustainable Development Goals. We develop our management systems under the light of SDGs and put them into our corporate policies.

We have integrated management system, which is certified by the the accredited certification body, TUV Rheinland. We sustain and maintain certified ISO 14001 Environmental Management System, ISO 45001 Occupational Health and Safety Management System, ISO 50001 Energy Management System, 14064 Greenhouse Gases Management System and 16949 Automotive Quality Management System for almost 20 years.

Martur Fompak International has no nonconformity on EHS Management System from the beginning of certification period.

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

During the external audits, we always getting positive feedbacks from the auditors and they recommend us as a benchmark for the other plants.



Martur OSB plant has ISO 50001 Energy Management System Certification since 2013.

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

MFI has a common management system for all plants and even our plants doesn't have the certification, they should follow the company requirements as defined according to ISO 50001:2018.



Transition to ISO 50001: 2018 was competed with zero nonconformity in 2020.

Training on environment subjects are provided to employees every year during refreshment and orientation programme in all Martur Fompak International plants.

Training Name	2018	2019	2020
Environmental Accident Emergency Conditions and Waste Management (Employee*hours)	4,281	3,054	1,314
14001 Env. Management System Information (Employee*hours)	3,454	1,014	1,005

Energy Committe conducts activities to manage energy consumption and efficiency. Energy efficiency and reduction projects are realized and CO2 emission reduction is followed.

Martur Fompak International acts in awareness of global warming, climate change and gradually decrease of natural resources. Martur Fompak International 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.



Please see **ANNEX 1** for the complete list of Certificates as MFI.

Energy Saving School;

Energy Saving School used to show the effectiveness of efficient material usage on energy consumption by trying the saving systems.



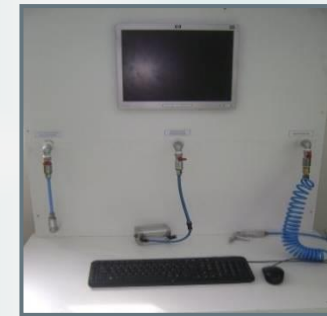
Water Saving Equipment



Energy Saving Bulbs



Solar Pannel



Air Pressure Equipment

There are several simulation equipments to show the efficiency for renewable energy, air pressure, water saving equipments, and insulation materials.



Environment and Energy Library

Climate Action



Climate change has become one of the most important problems that concern the whole world. Greenhouse gas emissions are increasing due to increasing population, industrialization, urbanization, increase in fossil fuel use and decrease in forests. This situation causes an increase in global warming and climate change.

According to the Global Risks Report of the World Economic Forum (WEF), it has been published that climate change and environmental events related to climate change will create the most global risks that will affect the world's next 10 years.

The increase in the average surface temperature must remain below 1.5°C not to have irreversible negative impact on life.

If greenhouse gas emissions are not reduced, it is predicted that there will be an increase of approximately 3°C in global average surface temperatures by 2100. Depending on this situation, it will bring negative consequences such as rising sea levels, exposure of coastal areas to floods and erosion, deterioration in coastal ecosystems, salinization of soil and water and loss of natural drainage, permanent soil losses, and reduction of sea creatures.

As MFI, studies are carried out to increase energy efficiency, reduce energy consumption and reduce the use of natural resources by providing energy with the use of renewable energy sources within the scope of combating climate change.

The use of equipment/machines with minimum energy consumption is preferred. In 5 years, we aim to get required energy for all assembly lines from renewable energy sources.

Numbers 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 green house gases removals, monitoring, reporting and verification.

MARTUR OSB have 14064 -1 Greenhouse Gases Management System certification since 2012.

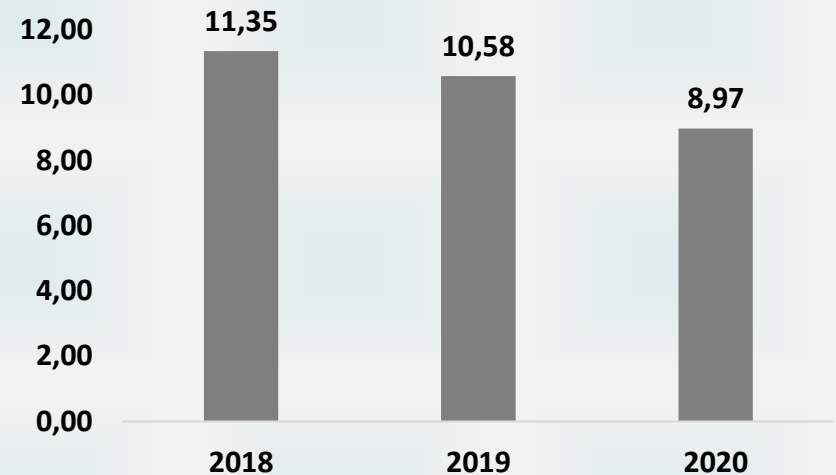


Martur OSB plant is the first supplier in automotive sector get 14064 -1 certification

Within the scope of Greenhouse Gas Management System Certification, Greenhouse Report is prepared yearly. It was a voluntary reporting and there is no legal or other requirements.



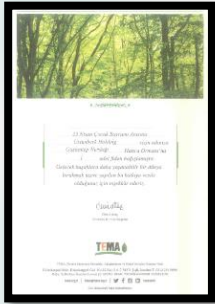
Greenhouse Gas Emission Kg CO₂/Seat



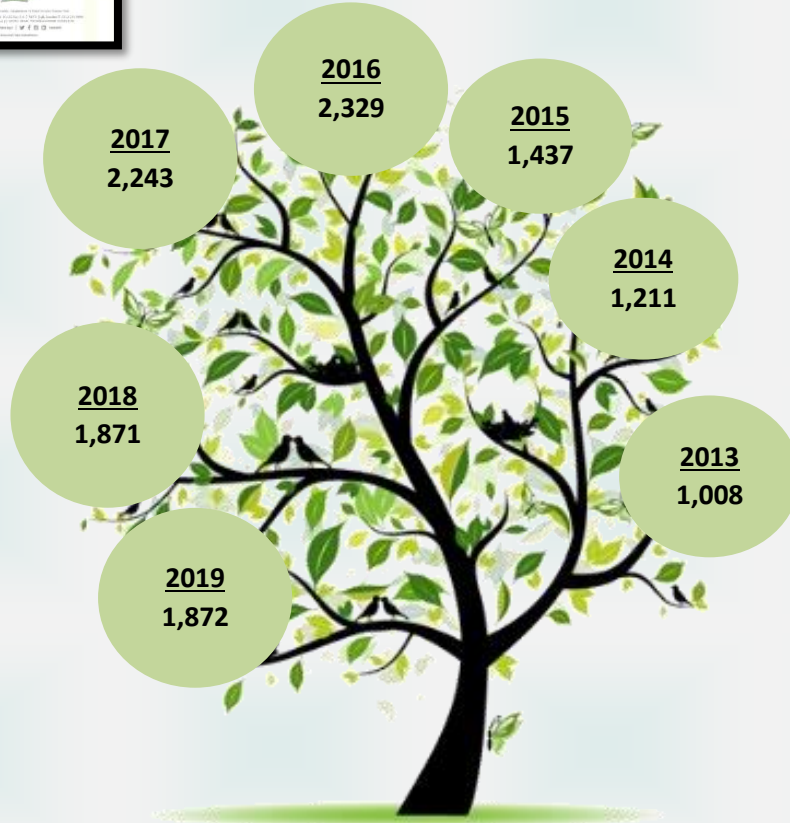
CDP declaration was completed according to ISO 14064.

We have arbor day on 23rd April in every year. Saplings are planted every year on behalf of the children of the employees.

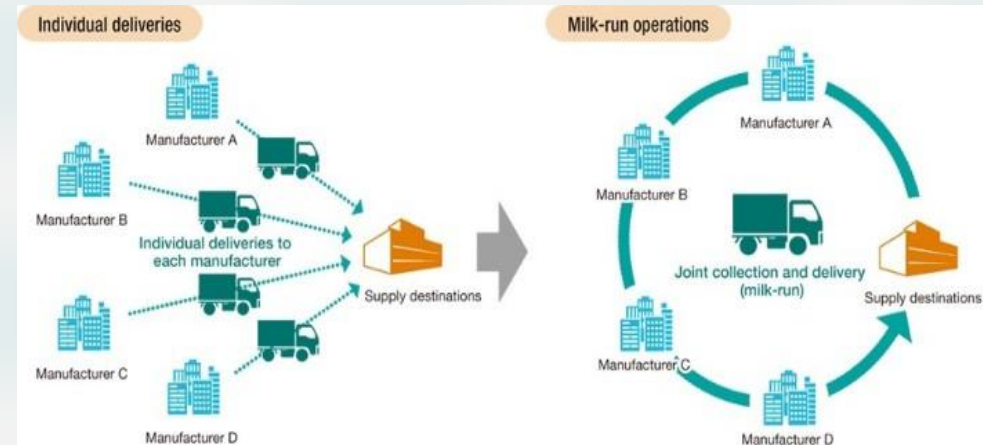
This activity is with the collaboration of TEMA.



In the last 7 years, 11,971 saplings have been planted and 263,362 kg of CO₂ emissions have been reduced.



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 each year.



Improving our Energy Efficiency



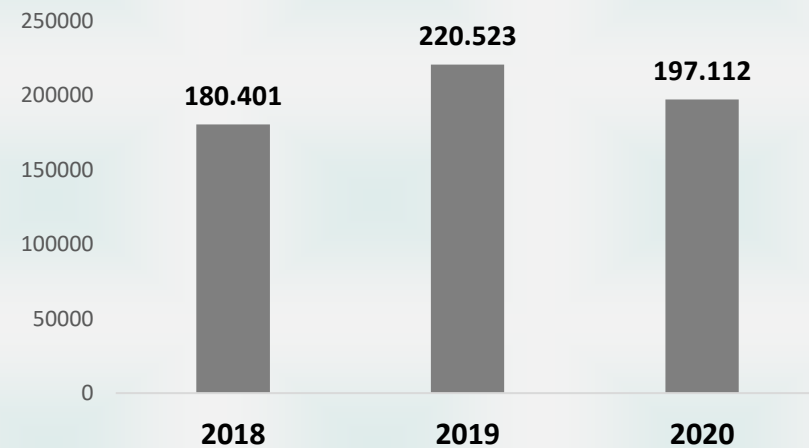
Martur Fompak International aims to reduce the energy consumption per final product of processes by transforming energy sources into renewable ones. In this context, the defined KPIs are followed. And in 5 years, we aim to get required energy for all assembly lines from renewable energy sources.

29.500 Kwh energy is saved yearly with the solar panel installation.

Energy consumption reduction projects with the high benefits in 2020 are summarized as below.

- Automatic Shutdown of Ventilation in Non Production Time
- Exchanging engines of compressor and chiller for energy efficient ones

Electricity consumption GJ



*Italy and Morocco plants start to produce in 2019

Also, air emission measurements are done every year or once in two years according to local legal requirements. Air emission measurement results are also evaluated according to World Bank standards annually.

Just for a reference, the highest SO₂, TOC, NO and CO parameters are put in the following table from the latest air emission measurement report of operations in Turkey in 2020.

All parameters of MFI plants are in line with the local limits.

AIR EMISSIONS(KG/HOUR)

Parameters	Legal Limits	Measurement Result- 2020
TOC	10	2,8093
SO₂	60	0,0218
NO	20	0,7665
CO	5	1,2591



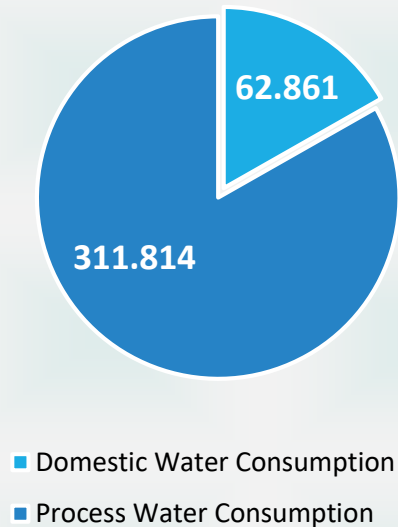
Please see **ANNEX 4** for the complete list of Environmental Performance Indicators as MFI.

Water Management

In the coming years due to the disruption to the balance of rainfall caused by climate change, we will be affected by water scarcity significantly. We are managing our water and wastewater processes in the most efficient manner while trying to carry out operations with minimum consumption of water.

Total water consumption of all MFI plant is as follows in 2020.

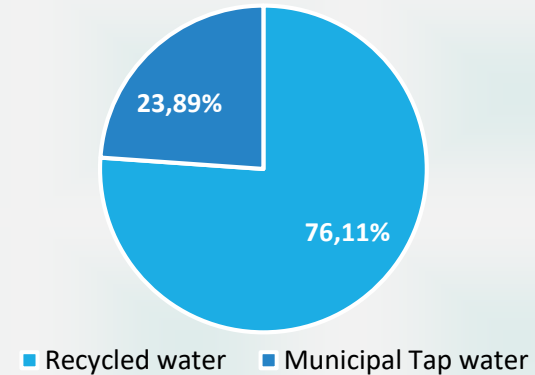
MFI Water Consumption (tonnes) in 2020



If possible, we always prefer to use treated water instead of tap/fresh water. We only have this possibility in Turkey Bursa Organized Industrial Zone.

Mostly treated water are used in the cataphoresis process in Martur Bursa seat plant. The proportion of municipal and treated water usage is summarized in 2020 at Martur OSB plant as below. We aim to do it for all our plant if available.

Total process water withdrawal by resource for Martur OSB plant (2020)



Please see **ANNEX 4** for the complete list of Environmental Performance Indicators as MFI.

Chemical Management



All chemicals are evaluated with SDS forms during purchasing decision. Chemicals are categorized according to the dangerous categories and non-dangerous ones are preferred. If there is no other choice to use the least dangerous one, the effect on the environment and public health are analyzed and proper controls are set before purchasing. The system is clearly defined and managed with the coordination of related parties.

The most commonly used chemical in our processes is in the cataphoresis process. Water-based chemicals are preferred and used in this process. Chemical uses are monitored monthly and reported to the operation management in the Monthly Environment Performance Report.

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

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.

Chemicals are stored in the new chemical storage area according to the storage matrix. This area is closed for unauthorized entrance and away from the plant to prevent fire risk.

The proper personal protective equipment is 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.

Integrated Waste Management

Martur Fompak International manage all activities to reduce the



amount of the generated waste. It is our goal to maximize resource usage by optimization project in each process. Therefore, both the economy and the environment will win.

Waste generated at the

plants is collected separately at the source in accordance with the type of waste and legal requirements. It is classified according to waste type and sent to recycling, energy recovery or disposal firms. Except domestic waste all type of wastes are send to the recycling or energy recovery firms. Only domestic wastes are send to the landfill for disposal.



Please see **ANNEX 4** for the complete list of Environmental Performance Indicators as MFI.

Waste by Type (ton)	2018	2019	2020
Hazardous Waste (Energy Recovery)	343	303	448
Non-hazardous Wastes (Recycled)	4,804	4,241	4,114



DOMESTIC WASTE

There is NO other waste to send for disposal except from domestic waste.

All wastes are stored at the waste site in accordance with legal requirements.

There is an emergency trolley in case of an environmental accident in the waste area and production areas. In the event of any environmental accident, the first intervention is carried out with the equipment there.

Towards to Zero Waste



Zero Waste Project initiated by the Ministry of Environment and Urbanization and to be implemented gradually between 2018 - 2023 in all public institutions in Turkey, terminals, educational institutions, shopping centers, hospitals, entertainment and recreation facilities cover establishments.

Martur Fompak International aims to achieve the zero waste target by focusing on the following activities:

- ❖ To prefers technology that does not generate waste
- ❖ To use of waste as raw material when possible
- ❖ To decompose food wastes to prevent from landfill.
- ❖ To organize trainings increase the awareness on zero waste.

Package Management

We aim to minimize the environmental impact by minimizing packaging waste. We prefer to use reusable packages when possible. The first choose of us is environmentally friendly packages.

The usage of ecopacks instead of cardboard boxes, **532 trees** were prevented from cutting. So, **12 tons of CO2** is absorbed more in each year.

Plastic packages contain **60% recycled material**.

Life Cycle Evaluation of our Products

We analyze the environmental impact of our activities and products with the life cycle perspective.



We evaluated all component of our products starting from raw material to the disposal by considering national / international requirements.

Our final product, the seat, the main components are metal, foam and cover with some plastic parts. All of them can be used again as raw material after some processes.

The interior parts are made of mainly plastic. Even there are several different recycling ratios, they can be recovered.

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

Metarials	Status
Metals	100% recyclable
Foam	100% reuse
Cover	100% recovery
Plastic	60% recyclable 100% recovery

Recycled Material Usage in Products



9 million tons of plastic waste is dumped into the oceans every year.

Plastics make up 85% of all waste on beaches around the world.

We carry out R&D studies to reduce the amount of plastic and to develop alternative raw materials in the fight against the plastic crisis. In this context, we have a cover project made of PET bottles. The project is ready and according to customer request, it can be alive.



Chips from pet bottles were obtained, followed by yarn and woven/knitted fabric. Thus, it is ensured that 22 plastic bottles are collected from nature for a vehicle seat.

Sustainable Supply Chain

We involve our suppliers in our development, production and business processes at an early stage. This generates a close, intensive exchange of know-how, ideas, and expertise and ensures optimum product realization. In return, we offer our suppliers excellent opportunities for development, attractive conditions and long-term partnerships.

Our suppliers are the key to our success.

Martur Fompak International recognizes suppliers can make a difference in favour of social responsibility, especially on human rights, environmental impacts, health and safety risks.

The principles for sustainable procurement were determined for preferred suppliers in our sustainable procurement policy.

Our policy is published on the website

You can access the whole text of Sustainable Procurement Policy at the website

www.marturfompakinternational.com

<https://supplier.ustunberkholding.com.tr>

As a part of our commitment to environmental compliance and human rights protection, the suppliers should commit to all Martur Fompak International Policies as below.

- ❖ Business Ethics Policy and Rules
- ❖ Human Resources Policy
- ❖ Social Responsibility Policy
- ❖ Occupational Health and Safety, Environment and Energy Policy
- ❖ Quality Policy

We share all our policies, the green purchasing guideline and sustainable supplier report with our suppliers on our green purchasing portal.

We support and respect the protection of human rights. As a part of its approach to respecting human rights, we are committed to the responsible sourcing of materials used in its products. We expect from our suppliers to adopt the same

approach and commit on the compliance with MFI Social Responsibility Policy and MFI Sustainable Procurement Policy.

Conflict Minerals Management

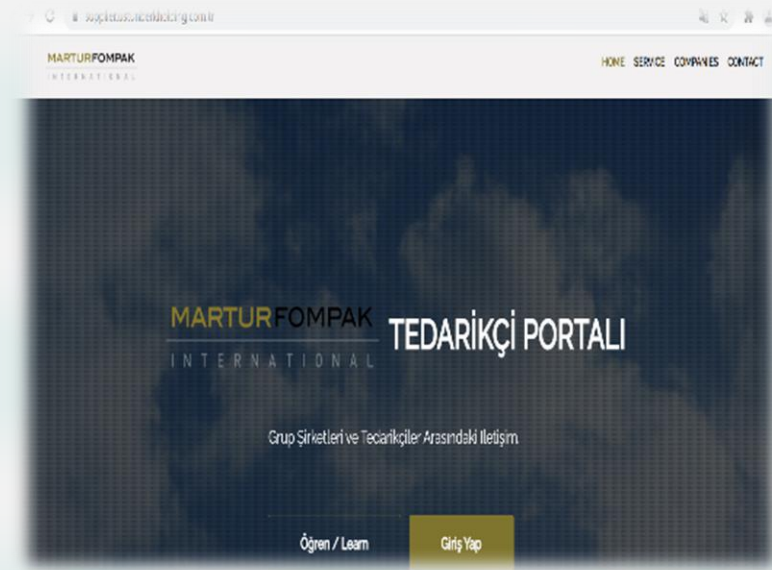
Martur Fompak International is committed to ensuring that its products do not incorporate conflict minerals, which are minerals smelted into tin, tantalum, tungsten and gold (3TG) sourced from entities that directly or indirectly finance conflict in the Democratic Republic of Congo or adjoining countries.

We have Responsible Sourcing and Conflict Minerals Policy in the Martur Fompak International (MFI) Supplier Portal .

You can access the whole text of Sustainable Procurement Policy at the website

<https://purchasing.marturfompak.com/downloads/>

Supplier Evaluation



We want from suppliers to complete the Supplier Environmental and Social Responsibility Survey on the Martur Fompak International (MFI) Supplier Portal.

Martur Fompak International (MFI) Supplier Portal;

<https://supplier.ustunberkholding.com.tr/Admin/SupplierQualityDocumentsDashboard>

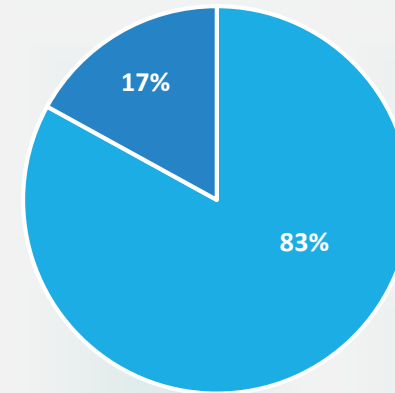
We request our suppliers to fullfill the questionnaire on the portal according to the following topics.

- ❖ Environmental and Social Responsibility Certification
- ❖ Working conditions and employee rights
- ❖ Business ethics
- ❖ Energy
- ❖ Information Security
- ❖ Occupational Safety
- ❖ Environment
- ❖ Chemical Substance Management
- ❖ Legal Legislation Assessment

In this questionnaire, supplier should verify not to have any worker under age 18. It is strickly forbidden to have child worker.

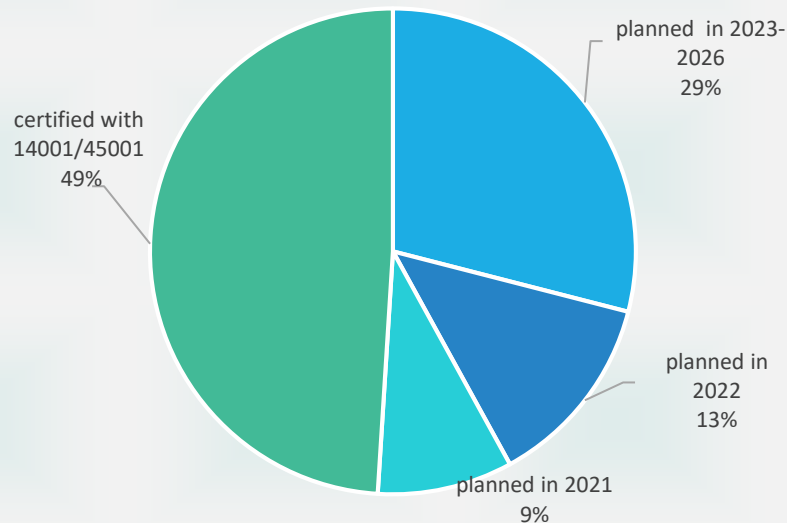
The ratio of companies completing the environmental and social responsibility survey on the MFI Supplier Portal is as below.

■ Completed Self Assesment ■ Uncompleted Self Assesment



All Suppliers should upload ISO 14001 and ISO 45001 certifications on Martur Fompak Internaional (MFI) Supplier Portal. System follows expire dates of all certifications. If the expired date close to end, system give an alert to suppliers for change the certification with new one.

The number of certified suppliers on E-OHSMS and the number of suppliers that will get E-OHSMS certification in the coming years are as below.



Supplier Audit

We prioritize our suppliers according to legal requirement and significant environmental impacts. Then, we prepare the audit plan at our suppliers.

We evaluate our suppliers according to the Environment and Occupational Safety checklists. Working conditions and all

aspects are evaluated. Improvements are planned for the nonconformities that emerge as a result of the audits, and the actions taken regarding these plans are checked in the follow-up audits.

83% of our suppliers have been audited for environment and health and safety.

Supplier Trainings

Supplier trainings are one of the most important elements in the development of our performance.

Ethics, environment, and occupational safety trainings are provided with classroom or online sessions. The purpose of the supplier trainings is to increase the awareness on ethics, labour&human rights, environment, and safety issues. And also to explain Martur Fompak Internaional rules and expectations as a supplier. All MFI Policies, supplier handbook and green purchasing handbook are shared during the training.

SUPPLIER KPI

Encouraging recyclable packaging to use our providers outside of these indicators and have been making efforts to bring into operation, MFI recyclable packaging utilization rate of the supplier, CO2 emissions rate, the amount of annual waste, emission measurements are taken into consideration and are being followed, monitored specific KPI on a sectoral basis other than that the topics are summarized as follows,

- Press suppliers's waste oil recovery,
- Cooling water and waste oil recycling in cold forging and machining suppliers,
- First recycled production parts and Gates are recycled to use plastic part product scope of customer specification
- Textile dyes waste disposal in Textile suppliers
- Sponge rework our suppliers% to discard foam that customers be approved under the condition that the spectrum of recovery
- Recycled delivery plastic boxes for each supplier (also MFI logistic-purchasing and environment target)

All the Purchasing and supplier KPIs shown on the table below;

SUPPLIER KPI	2018	2019	2020
% of suppliers signing procurement CSR charter or contrast clause	38%	64%	65%
% of supplier have ISO 14001&45001 Certificate	37%	49%	49%
% of recycled packaging purchased suppliers signing procurement CSR charter or contrast clause	40%	40%	45%
Suppliers scope of environmental effect	8	11	11
Suppliers important non-conform environmental effect for current and potential supplier	4	7	7
Non-conform environmental effect in supplier panel	2	3	3

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, sustainable 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 Fompak International 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.

- ❖ We evaluate our suppliers about HR, OHS and Environmental topics with E&S Self assessment



SOCIAL RESPONSIBILITY

63 Social Activities

Social Activities

The company is always sensitive about its responsibilities towards society and act in collaboration with its employees, public, non-governmental organizations and other stakeholders as it promised in its Social Responsibility Policy (www.marturfompakinternational.com).



In the reporting period, due to pandemic our collaborations with NGOs have been interrupted. The following activities are some of our previous cooperations are

- Visiting the residents of the local nursing home to spend time with them and present small gifts
- Collaboration with local schools, participating their activities and supporting for the students' education
- Sponsorships for cultural organizations (local philharmonic orchestra etc.)
- Organizations to attract attention on environmental issues (World Cleanup Day, World Environment Day, etc.)



- Blood donation in collaboration with Red Crescent
- Digital trainings for children
- Afforestation in collaboration with NGOs.

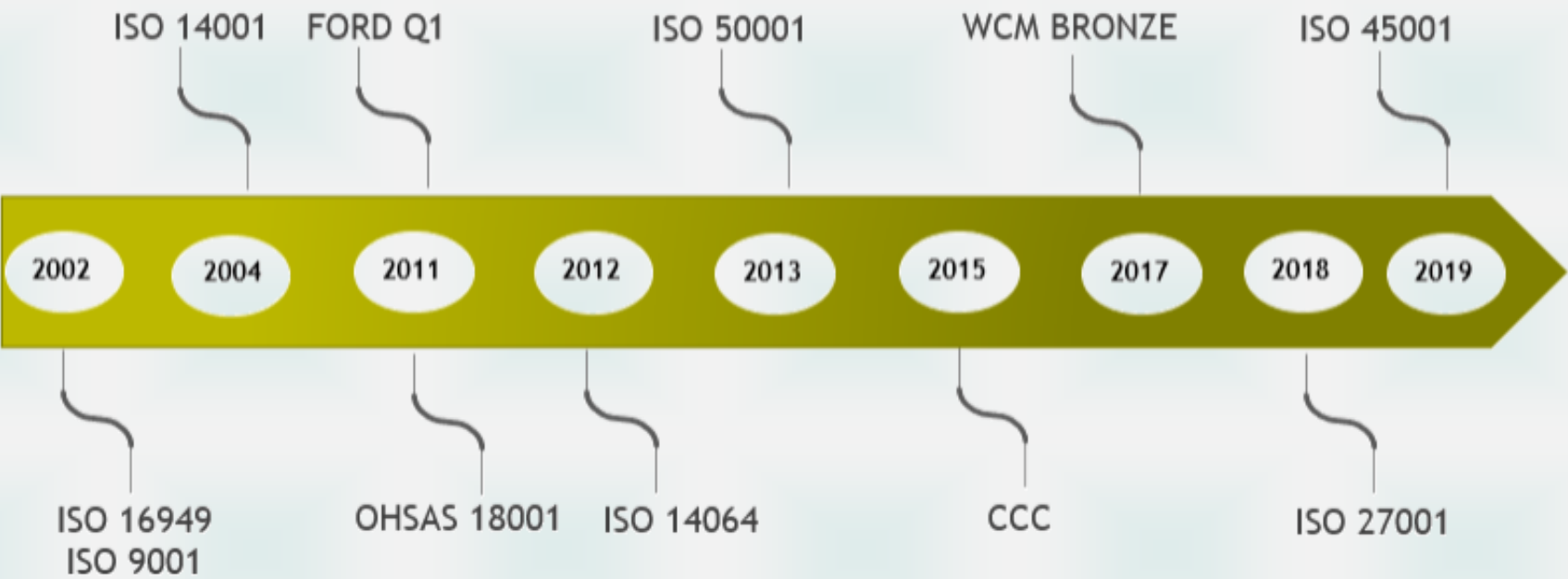


In their spare time, our employees can participate to company sport activities. While trekking or cycling, they can enjoy nature and have a good time together. Basketball or football tournaments among departments both boost health and fitness and promote teamwork and communication.



Please see **ANNEX 2** for the complete list of Awards as MFI.

ANNEX 1: CERTIFICATES



ANNEX 2: AWARDS



BOSİAD Environment-friendly Industrial Facility Award – 2018



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 Business Transformation Category- 2014



FORD OTOSAN – Best Supplier Award - 2014



OYAK RENAULT - 2013 Best Supplier Award – 2014



BOSİAD –Value Adders to Economy / Innovation Awards – 2013



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



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



TOFAŞ - Supplier Quality Award – 2005



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



MAN - Best Supplier Award – 2005

ANNEX 3: ORGANIZATIONAL HEALTH AND SAFETY PERFORMANCE INDICATORS

GRI:403	MFI		
	2018	2019*	2020*
Lost time Injury Frequency Rate**	5.55	4.93	4.22
Occupational Disease Rate***	0	0	0
Number of Fatalities	0	0	0

*Italy and Morrocco plant were added.

Calculations are based on the following formulas:

** Injury Frequency Rate = (Number of Lost time injuries / Total working hours) * 1,000,000

*** Occupational Disease Rate = (Number of occupational diseases / Total working hours) * 1,000,000

ANNEX 4: ENVIRONMENTAL PERFORMANCE INDICATORS

	MFI		
GRI:302-303-306	2018	2019*	2020*
Energy Consumptions			
<i>Electricity Consumption (mwh)</i>	57,913	61,377	54,753
<i>Natural Gase (m3)</i>	1,693,253	2,144,868	2,540,037
<i>Other Fuel (specify)(L) (gasoline , diesel)</i>	186,011	208,740	167,237
Water Consumption m3			
<i>Water Consumption m3</i>	205,966	147,494	135,959
<i>Treated Water m3</i>	34,423	32,221	23,156
Amount and type of waste (ton)			
<i>Hazardous Waste</i>	343	303	448
<i>Non-hazardous Waste</i>	4,804	4,241	4,114

*Italy and Morrocco plant were added.

GRI 307: ENVIRONMENTAL FINES

During the reporting period, there was **no fines** due to non-compliance with environmental legislations as MFI.

ANNEX 5: SOCIAL PERFORMANS INDICATORS

	MFI	
GRI:102-401-404-405	2020*	
Total number of employees by gender	Female	Male
White collar employees	289	683
Blue collar employees	963	2,722
Number of employees by employment type	Full time	Part time
White collar employees	972	
Blue collar employees	3,685	
Contractors	Female	Male
Number of contractors per gender	235	456
	Full time	Part time
Number of contractors by employment type	691	
Turnover by age & gender	Female	Male
Total number of employees who left the company (blue and white collars)	208	334
Total number of employees who left the company (blue and white collars) under 30 years old	75	136
Total number of employees who left the company (blue and white collars) 30-50 years old (30 & 50 will be included)	110	185
Total number of employees who left the company (blue and white collars) over 50 years old	7	29
Total number of employees (blue and white collars) who left the company voluntarily (resigned)	121	141

	2020*	
Seniority by gender	Female	Male
<i>Number of employees who have 0-5 years seniority (5 years excluded)</i>	576	1,200
<i>Number of employees who have 5-10 years seniority (10 years excluded)</i>	582	1,324
<i>Number of employees who have 10 years or more seniority</i>	94	881
Gender per age groups	Female	Male
<i>Number of employees under 30 years old</i>	291	821
<i>Number of employees 30-50 years old (30 & 50 will be included)</i>	923	2,452
<i>Number of employees over 50 years old</i>	38	132
New employee hires	Female	Male
<i>Number of new hires under 30 years old</i>	172	512
<i>Number of employees 30-50 years old (30 & 50 will be included)</i>	100	180
<i>Number of employees over 50 years old</i>	4	26
Training hours per employee	Total	
<i>Total training hours</i>	193,735	
<i>Training hours per employee</i>	41.60	

*Italy and Morrocco plant were added.

GRI CONTENT INDEX

GRI STANDARTS	DISCLOSURE	REFERENCES
<i>GRI 101: Foundation 2016</i>		
<i>General Disclosures</i>		
GRI 102: <i>General Disclosures</i> 2016	Organizational Profile	
	102-1	MFI A.Ş http://www.marturfompakinternational.com/
	102-2	7-13
	102-3	http://www.martur.com.tr/ Headquarters Turkey: Eski Büyükdere Caddesi No: 14 Park Plaza Kat: 17 Maslak 34467 İstanbul ,TURKEY France: Corosa 1-3 Rue Eugène et Armand Peugeot 92500 Rueil Malmaison, FRANCE
	102-4	14-15
	102-6	14-15
	102-7	7-13
	102-8	22-23
	102-9	55-60
	102-11	18
	Strategy	
	102-14	3
	102-15	17
	Ethics and Integrity	
	102-16	21-22
	102-17	21-22

GRI STANDARTS	DISCLOSURE	REFERENCES
GRI 102: General Disclosures 2016	<i>Reporting Practices</i>	
	102-50	2
	102-51	2
	102-52	2
	102-53	2
	102-54	<i>This report has been prepared according to the GRI core scope.</i>
	102-55	72-79
GRI 200: Economic Standard Series		
<i>Procurement Practices</i>		
GRI 103: Management Approach 2016	103-1	55-60
	103-2	55-60
	103-3	55-60
GRI 204: Procurement Practices 2016	204-1	55-60
<i>Anti-corruption</i>		
GRI 103: Management Approach 2016	103-1	21-22
	103-2	21-22
	103-3	21-22
GRI 205: Anti-Corruption 2016	205-1	21-22 http://www.martur.com.tr/about-martur/our-policies/
	205-2	21-22 http://www.martur.com.tr/about-martur/our-policies/
	205-3	22

GRI STANDARTS	DISCLOSURE	REFERENCES
<i>GRI 300: Environmental Standard Series</i>		
<i>Materials</i>		
<i>GRI 103: Management Approach 2016</i>	<i>103-1</i>	<i>50-52</i>
	<i>103-2</i>	<i>50-52</i>
	<i>103-3</i>	<i>50-52</i>
<i>GRI 301: Materials 2016</i>	<i>301-1</i>	<i>50-52</i>
	<i>301-2</i>	<i>52-54</i>
<i>Energy</i>		
<i>GRI 103: Management Approach 2016</i>	<i>103-1</i>	<i>43</i>
	<i>103-2</i>	<i>43-44</i>
	<i>103-3</i>	<i>39-40, 43-47</i>
<i>GRI 302: Energy 2016</i>	<i>302-1</i>	<i>69</i>
	<i>302-2</i>	<i>69</i>
	<i>302-4</i>	<i>45-47, 69</i>
<i>Water</i>		
<i>GRI 103: Management Approach 2016</i>	<i>103-1</i>	<i>48</i>
	<i>103-2</i>	<i>48</i>
	<i>103-3</i>	<i>48</i>
<i>GRI 303: Water and Effluents 2018</i>	<i>303-1</i>	<i>48,69</i>
	<i>303-2</i>	<i>Since most of the water is withdrawn from the municipal systems and no water bodies with RAMSAR or similar protection status are employed, MFI operations do not result in any stress on water bodies.</i>
	<i>303-3</i>	<i>48,69</i>
	<i>303-5</i>	<i>69</i>
<i>Emission</i>		
<i>GRI 103: Management Approach 2016</i>	<i>103-1</i>	<i>43</i>
	<i>103-2</i>	<i>43-44</i>
	<i>103-3</i>	<i>39-40,43-47</i>

GRI STANDARTS	DISCLOSURE	REFERENCES
GRI 305: Emissions 2016	305-5	46
	305-7	47
Effluents and Waste		
GRI 103: Management Approach 2016	103-1	50-51
	103-2	50-51
	103-3	,50-51
GRI 306: Wastes 2020	306-1	50-51
	306-2	50-51
	306-3	50-51
	306-4	50-51
	306-5	50-51
Environmental Compliance		
GRI 103: Management Approach 2016	103-1	69
	103-2	69
	103-3	69
GRI 307: Environmental Compliance 2016	307-1	During the reporting period, there were no fines due to non-compliance with environmental legislations.
Supplier Environmental Assessment		
GRI 103: Management Approach 2016	103-1	55-59
	103-2	55-59
	103-3	55-59
GRI 308: Supplier Environmental Assessment 2016	308-1	55-59
	308-2	55-59

GRI STANDARTS	DISCLOSURE	REFERENCES
<i>GRI 400: Social Standard Series</i>		
<i>Employment</i>		
<i>GRI 103: Management Approach 2016</i>	<i>103-1</i>	<i>21-26</i>
	<i>103-2</i>	<i>21-26</i>
	<i>103-3</i>	<i>21-26</i>
<i>GRI 401: Employment 2016</i>	<i>401-1</i>	<i>70,71</i>
	<i>401-2</i>	<i>21-26</i>
	<i>401-3</i>	<i>26</i>
<i>Labor/Management Relations</i>		
<i>GRI 103: Management Approach 2016</i>	<i>103-1</i>	<i>21-26</i>
	<i>103-2</i>	<i>21-26</i>
	<i>103-3</i>	<i>21-26</i>
<i>Occupational Health and Safety</i>		
<i>GRI 103: Management Approach 2016</i>	<i>103-1</i>	<i>35-37</i>
	<i>103-2</i>	<i>35-37</i>
	<i>103-3</i>	<i>35-37,68</i>
<i>GRI 403: Occupational Health and Safety 2018</i>	<i>403-1</i>	<i>35-37</i>
	<i>403-2</i>	<i>35-37</i>
	<i>403-3</i>	<i>35-37</i>
	<i>403-4</i>	<i>35-37</i>
	<i>403-5</i>	<i>35-37</i>
	<i>403-6</i>	<i>35-37</i>
	<i>403-7</i>	<i>35-37</i>
	<i>403-8</i>	<i>35-37,68</i>
	<i>403-9</i>	<i>35-37,68</i>
	<i>403-10</i>	<i>35-37,68</i>

GRI STANDARTS	DISCLOSURE	REFERENCES
<i>Training and Education</i>		
<i>GRI 103: Management Approach 2016</i>	<i>103-1</i>	<i>30-32</i>
	<i>103-2</i>	<i>30-32</i>
	<i>103-3</i>	<i>30-32</i>
<i>GRI 404: Training and Education 2016</i>	<i>404-1</i>	<i>30-32, 70,71</i>
	<i>404-2</i>	<i>30-32</i>
<i>Diversity and Equal Opportunity</i>		
<i>GRI 103: Management Approach 2016</i>	<i>103-1</i>	<i>21-23</i>
	<i>103-2</i>	<i>21-23</i>
	<i>103-3</i>	<i>21-23,70,71</i>
<i>GRI 405: Diversity and Equal Opportunity 2016</i>	<i>405-1</i>	<i>21-23,70,71</i>
	<i>405-2</i>	<i>21-23</i>
<i>Non-discrimination</i>		
<i>GRI 103: Management Approach 2016</i>	<i>103-1</i>	<i>21-23</i>
	<i>103-2</i>	<i>21-23</i>
	<i>103-3</i>	<i>21-23</i>
<i>GRI 406: Nondiscrimination 2016</i>	<i>406-1</i>	<i>21-23</i>

INTRODUCTION	STRATEGIC APPROACH	LABOUR & HUMAN RIGHT	ENVIRONMENT	SOCIAL RESPONSIBILITY	ANNEXES
--------------	--------------------	----------------------	-------------	-----------------------	---------

GRI STANDARTS	DISCLOSURE	REFERENCES
<i>Child Labor</i>		
<i>GRI 103: Management Approach 2016</i>	<i>103-1</i>	<i>21-23, 55-57</i>
	<i>103-2</i>	<i>21-23, 55-57</i>
	<i>103-3</i>	<i>21-23, 55-57</i>
<i>GRI 408: Child Labor 2016</i>	<i>408-1</i>	<i>21-23, 55-57</i>
<i>Forced or Compulsory Labor</i>		
<i>GRI 103: Management Approach 2016</i>	<i>103-1</i>	<i>21-23, 55-57</i>
	<i>103-2</i>	<i>21-23, 55-57</i>
	<i>103-3</i>	<i>21-23, 55-57</i>
<i>GRI 409: Forced or Compulsory Labor 2016</i>	<i>409-1</i>	<i>21-23, 55-57</i>
<i>Security Practices</i>		
<i>GRI 103: Management Approach 2016</i>	<i>103-1</i>	<i>24-25</i>
	<i>103-2</i>	<i>24-25</i>
	<i>103-3</i>	<i>24-25</i>
<i>GRI 410: Security Practices 2016</i>	<i>410-1</i>	<i>All security personnel in MFI operations are trained on professional procedures and legal requirements, including the rights of the person</i>
<i>Supplier Social Assessment</i>		
<i>GRI 103: Management Approach 2016</i>	<i>103-1</i>	<i>55-57</i>
	<i>103-2</i>	<i>55-57</i>
	<i>103-3</i>	<i>55-57</i>
<i>GRI 414: Supplier Social Assessment 2016</i>	<i>414-1</i>	<i>55-57,59</i>
	<i>414-2</i>	<i>55-57</i>

INTRODUCTION	STRATEGIC APPROACH	LABOUR & HUMAN RIGHT	ENVIRONMENT	SOCIAL RESPONSIBILITY	ANNEXES
--------------	--------------------	----------------------	-------------	-----------------------	---------

GRI STANDARTS	DISCLOSURE	REFERENCES
<i>Customer Health and Safety</i>		
<i>GRI 103: Management Approach 2016</i>	<i>103-1</i>	<i>17-18</i>
	<i>103-2</i>	<i>17-18</i>
	<i>103-3</i>	<i>17-18</i>
<i>GRI 416: Customer Health and Safety 2016</i>	<i>416-1</i>	<i>MFI complies with all international and local regulations concerning health and safety impacts of its products.</i>
	<i>416-2</i>	<i>There were no incidents of non-compliance with regulations and/or voluntary codes concerning the health and safety impacts of products and services within the reporting period.</i>
<i>Customer Privacy</i>		
<i>GRI 103: Management Approach 2016</i>	<i>103-1</i>	<i>17-18</i>
	<i>103-2</i>	<i>17-18</i>
	<i>103-3</i>	<i>17-18</i>
<i>GRI 418: Customer Privacy 2016</i>	<i>418-1</i>	<i>17-18</i>

We Dream, Develop, Realise, Test, Produce and Deliver



info@marturfompak.com

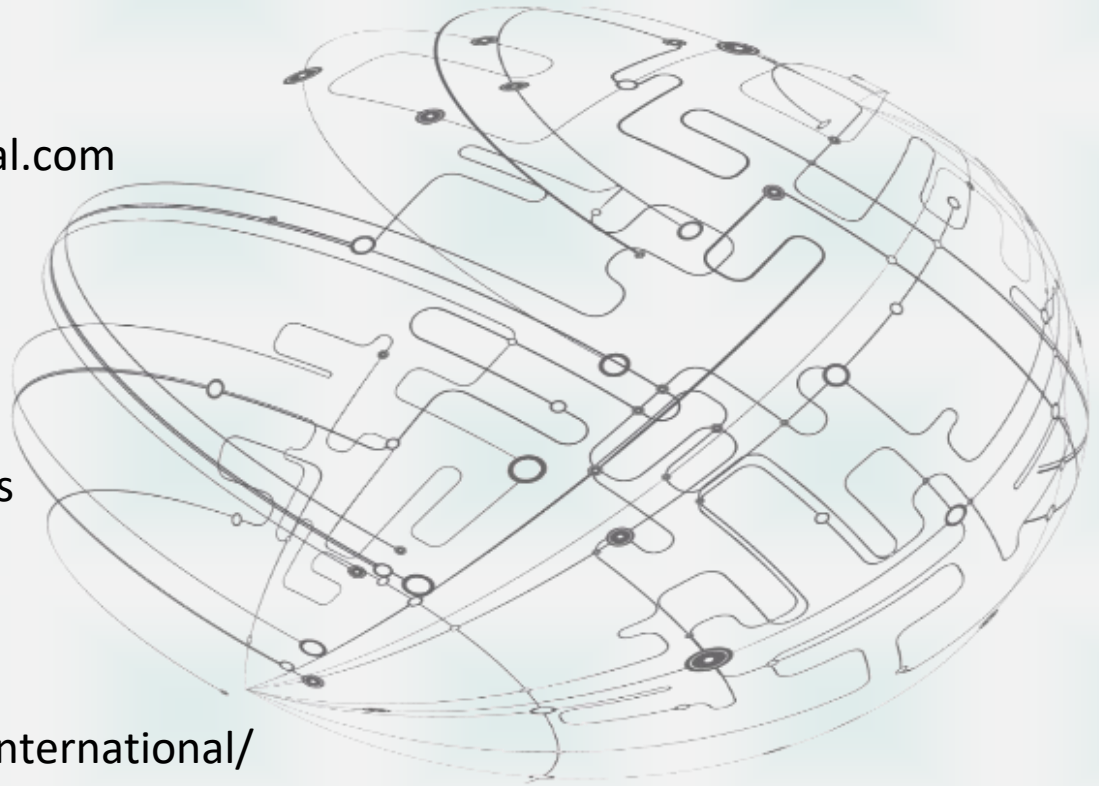
www.marturfompakinternational.com



[linkedin.com/company/martur-automotive-seating-and-interiors](https://www.linkedin.com/company/martur-automotive-seating-and-interiors)



[instagram.com/marturfompakinternational/](https://www.instagram.com/marturfompakinternational/)



MARTURFOMPAK

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