

Corporate Governance

With the aim of determining the level of Compliance to the Corporate Governance Principles designated by regulations, company Board has charged the corporate management with the duty of contacting with Corporate Governance Rating companies authorized by CMB and signing a contract after evaluating the proposals. While the level of compliance to the Corporate Governance Principles provides independent expert opinion related to importance given to shareholders and stakeholders by company, timely and accurately disclosure of public and credibility of Board of Directors activities, it would also affect the image of our company positively against official institutions and public. Our company aims to be the first and only one in its sector with the rating it would receive. The revised version of our Corporate Governance Principles Compliance Report that also includes the activities of our company in 2014 will be published in Public Disclosure Platform (PDP).

Plant Information

Current capacities belonging to our factories are stated in the table below.

Facility	Total Area	Indoor Space	Capacity
Glasswool (Tarsus)	131.725 m2	36.761 m2	55.000 Ton/Year
Foamboard (Tarsus)			160.000 m3/Year
Stonewool (Gebze)	61.291 m2	29.394 m2	75.000 Ton/Year
XPS (Gebkim)	86.065 m2	19.633 m2	560.000 m3/Year
EPS (Gebkim)			6.000 Ton/Year
Tekiz Panel (Gebkim)			4.000.000 m2/Year
Tekiz Corrugated Sheet (Gebkim)			3.000.000 m2/Year
Rubber (Eskişehir)	20.000 m2	7.680 m2	4.000 Ton/Year
Polyethylene (Eskişehir)			700 Ton/Year

Production Data

Our production quantities belonging to the first 9 months of 2014 are stated below

Facility	Output	Unit
Mineral Wools	65.743	Ton
Plastics	10.731	Ton
Tekiz Panel	2.225.266	m2

During this period, respectively 8% and 21,9% growth has been realized in our net sales revenue and operating income compared to the same period of 2013.

Information about our product sales in the first 9 months of 2014 is stated below.

Net Sales	
Domestic	220.005.756 TL
Export	52.224.350 TL
Other	10.100.690 TL
Gross Sales	282.330.796 TL
Discount and Returns (-)	(14.232.564 TL)
Net Sales	268.098.232 TL

Number of Employees

The number of permanent staff working in our company by the end of September 2014 is 437. Information about the distribution of employees according to their locations is available in the table below.

Location	White-collar	Blue-Collar
Head Office	83	0
Gebkim	22	63
Dilovası	29	62
Tarsus	36	96
Eskişehir	9	12
Sales Offices	25	0
Total	204	233

In addition to that, contract labor is being employed mostly in facilities.

Energy Efficiency

As being the trustworthy leader of insulation sector both in our country and its peripheral, our company's prime target is to raise the insulation and energy saving awareness, to ensure that the human beings are enjoyed the maximum insulation comfort and thus to protect the environment.

Understanding of our company's Managements Systems is to meet the demands and expectations of our customers on due time and in compliance with international standards, to protect the environment, to maintain the energy efficiency and to fulfill punctiliously all the legal and other requirements we are responsible of, in all our activities without compromising the occupational health and safety.

As İzocam, we assign crucial priority to the protection of environment and energy. Apart from the contribution of our products to the environment, our goal is preventing the pollution and minimizing the energy consumption occurring during the production and usage processes of our products. To attain this goal we are running continuous improvement and development programs. In line with this objective, we purchase environment and energy friendly products and services and support the designs for improving the system.

We are specifying our risks in order to determine the occupational health and safety performance, executing the periodic controls and ensuring the permanent improvement of the system by taking all the precautions in all our departments and investments.

We are providing the necessary trainings to our personnel that establish and maintain the Quality, Environment, and Occupational Health and Safety understanding at every level.

Within the context of this policy;

- Manufacturing confirming to national and international standards will be made.
- Proposals for enhancing the quality and research and development activities will be supported.
- For a sustained improvement in Quality, Environment, Energy and Occupational Health and Safety, our targets and their results will be revised continuously.
- The pollution and energy consumption of our products and services will be minimized.
- The environmental awareness of our suppliers and consumers will be increased and the studies in this field will be supported.
- The risk posing situations and actions will be controlled via taking the scientific and technological measures that will minimize their effects.

- In order to increase the insulation and energy consumption awareness, our IYEM, IZOdemi trainings and our community and sector services through the social responsibility projects will be maintained as a company culture.
- As Izocam, we obey all legal requirements and conditions that we are subject to in the field of Quality, Environment, Energy and Occupational Health and Safety.

Energy Management Systems ISO 50001 standard studies of our company is supposed to be finished and certificated till the end of the current year. We are targeting to complete the continuing studies of ISO 14064 Greenhouse Gas Monitoring and EPD Environmental Product Declaration in 2015.

Risk Management

On the purpose of minimizing the effects of risks that might influence the stakeholders, the Board established an Early Detection of Risk Committee to maintain and monitor the efficiency of internal control systems in a way involving the processes of information systems and operational activities.

Risk Management Chart is created for following the company risks. Analysis related to critical processes are completed. In addition to these, Izocam Internal Control System Reference Book, containing the internal control activities that ensure the effectiveness of the risk management process, is published for increasing the awareness within the company and guiding the users.

Besides, Early Detection of Risk Workgroup is created within the company and this group prepares plans to take actions by revising the existing and potential risks on regular meetings. The notes of the meetings are shared with the members of Early Detection of Risk Committee and recorded via minutes of meeting. Early Detection of Risk Committee held three meetings as of September, 2014.

Other Major Activities and Developments

The legal procedures related with the fire outbreak in finished goods warehouse of our Tarsus Glasswool factory on the date of 14 August 2014 are completed and wreck removal activities have been started. In consequence of our assessments, it is understood that the damage by fire did not affect the normal course of our business and the cost of damage that will be received from insurance companies will not change our financial statements. At present, wreck removal activities are ended and the construction of indoor spaces damaged by fire is continuing.