

**ASSAN ALÜMİNYUM**  
*Sustainability Report*  
**2021**

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# About THE REPORT

With our third sustainability report, we aim to present a summary of our economic, social and environmental performance and sustainability understanding to all our stakeholders. The information included in the report covers the period from January 1 to December 31, 2021 and involves all our operating regions and subsidiaries.

This report has been prepared in accordance with the GRI Standards: “Core” option. In the report, we also included our performance in line with the United Nations Sustainable Development Goals and the UN Global Compact.

## MESSAGE FROM THE CEO

“As Kibar Group, we consider sustainability as a crucial component of our management approach, we act with the awareness of our responsibility to make the value we create sustainable for future generations.”



### Distinguished Stakeholders,

We are pleased to present to you the 2021 Sustainability Report of Assan Alüminyum.

As Kibar Group, we consider sustainability as a crucial component of our management approach, we act with the awareness of our responsibility to make the value we create sustainable for future generations. We evaluate our impact at every stage of our activities and develop products with environment-friendly technologies while using natural resources efficiently.

As Kibar Group, we constantly move towards reaching our goals that are determined in the Kibar Group 2025 Sustainability Strategy, which we shaped in line with the United Nations Sustainable Development Goals. We embrace our sustainability studies holistically with all their economic, social and environmental dimensions, and we try to disseminate them in our value chain as well. We achieved great performance results through our determination to maintain economic growth and development in line with sustainability principles, and we continue to present them transparently in accordance with our corporate governance tradition.

As Kibar Group, we are aware that the success we create will be sustainable by revealing and developing the potential of our stakeholders. Thus, we are taking

firm steps towards our growth targets with our business partners, with whom we develop sustainable relationships and mutual trust. Assan Alüminyum is an outstanding strength in this field with more than 1,500 employees, production volume and exports to more than 70 countries.

With the motto "We Produce Without Consuming the Future", we take all necessary measures to minimize our environmental impacts in the operations of our Group companies, and implement projects that will improve our performance, combat climate change and contribute to the circular economy. As part of our efforts in this direction, we, as Assan Alüminyum, obtained the I-REC certificate for the entire energy and electrical energy consumption produced at the Manavgat renewable energy plant, while reducing our carbon footprint and continuing to produce the clean energy we need.

I would like to thank all our customers, business partners, stakeholders and my colleagues who did not leave us alone and supported us in these comprehensive studies we carried out as Kibar Group.

Sincerely yours,

**Haluk Kayabaşı**  
CEO  
Kibar Holding

# MESSAGE FROM THE GENERAL MANAGER



## Distinguished Stakeholders,

COVID-19 pandemic still ranked first on the world agenda at the beginning of 2021 with its new variants namely Delta and Omicron, even though there was a gradual normalization in the social sphere thanks to the measures implemented and high vaccination rates.

Although the global economy entered the recovery process, it has seen a slowdown process with the effect of variants. However, the aluminum sector, in which we operate, performed successfully during the pandemic period compared to other sectors. 2021 went down in history as a year in which the Turkish aluminum industry achieved a very significant growth, especially in the field of exports, and became Europe's second largest source of supply by further strengthening its position as a regional production center. Total export revenue in 2021 increased by 69% to reach \$5.1 billion.

As Assan Alüminyum, which is ranked 39th in ISO's 500 largest industrial companies list, we make significant contributions to our industry and the country's economy with our more than 1,500 employees, our production volume and exports to more than 70 countries. We do not focus only on the economic dimension of the value we create, we integrate sustainability into our corporate strategies with the motto "We Produce Without Consuming the Future".

Therefore, we reviewed our sustainability strategy and targets in 2021, and continued our work in the field without slowing down. We have successfully completed the ASI audit, the first and only sustainability certification standard of the aluminum industry, which we were entitled to receive in 2020. We have ensured document continuity by performing interim audits for all other quality documents we have. This year, we also added ISO 22301 Business Continuity Management System and ISO 22000 Food Safety Management System Certificates, which is the first for integrated foil production facilities in the rolled products sector, to our quality portfolio.

We implemented many efficiency projects by allocating more than 13 million TL to R&D studies. During the period, two of our patents were registered, one nationally and one internationally. Our digitalization journey continued growingly in 2021.

We also showed a remarkable performance in environmental sustainability. In order to reduce the environmental impact of our products, we completed LCA (Product Life Cycle Analysis) and EPD (Environmental Product Declaration) studies. As part of our efforts to reduce our carbon footprint, we developed an alloy that can only be produced using scrap/recycled aluminum and has a low carbon footprint and meets quality criteria.

We completed 18 major projects in 2021 and we saved 3.3 million kWh of energy. Thus, the amount of savings we have achieved with nearly 100 projects we have implemented in the last 6 years has reached 22.2 million kWh. We produced 88,299 MWh of electricity from renewable energy sources at our Manavgat renewable energy plant. Thanks to our Manavgat power plant, we also obtained an I-REC certificate for all of our electrical energy consumption, balancing our Scope 2 emissions.

With the water saving projects we implemented, we achieved a 21.6% reduction in water consumption per ton compared to 2020, and our water density was 1.31 m<sup>3</sup>/ton.

We recovered all of the waste generated as a result of our operations through our integrated recycling facility. We received the Zero Waste Certificate for our facilities from the Ministry of Environment, Urbanization and Climate Change after compliance with the regulations.

We continued our works that create added value for the society in 2021 as well. As Assan Alüminyum, we transferred more than 1.4 million TL to social investment support. In cooperation with Kocaeli University Biology Department, we started an

initiative to reproduce the Sand Lily plant in a laboratory and bring it back to nature as part of our Biodiversity Conservation Project. Through the Aegean Forest Foundation, we created an Assan Alüminyum Memorial Forest of 5,000 trees to compensate the wooden pallet we use.

We will continue our successful work by focusing on sustainability. I am very glad to present to you our third sustainability report, in which we summarize the steps we have taken for this purpose, and I would like to thank my esteemed colleagues, valuable business partners and all our stakeholders who contributed to our sustainability activities.

**Göksal Güngör**  
General Manager

# About KIBAR HOLDING



Kibar Holding, which started its activities in 1972 and is among the leading business groups in Turkey, has been making significant contributions to the national economy and social welfare since its establishment.

As of the end of 2021, Kibar Group operates in various sectors such as metal, automotive, packaging, building materials, real estate, logistics, energy and service with more than 20 companies and more than 7,500 employees.

Among the international business partners of Kibar Group are Hyundai, THY, Posco, TIL, Seoyon E-Hwa and Heritage, which are among the world's leading brands. Kibar Holding and Group companies create significant value in the Turkish economy with their high production capacities, export, social investments and employment they create.

# About ASSAN ALÜMİNYUM



Assan Alüminyum, one of the leading manufacturers of the global flat aluminum industry, has been producing rolled aluminum since its establishment in 1988. It provides services to many sectors such as packaging, distributor, construction, durable consumption, automotive and heating-cooling with its coils, sheets, foil and painted aluminium products.

Assan Alüminyum, which produces under the roof of Kibar Holding in its Tuzla, Istanbul and Dilovası, Kocaeli facilities, is the leading company in Turkey in the flat aluminium sector with an annual 300,000 tons of plate and foil installed capacity, and an annual aluminium painting capacity of 60,000 tons in roll painting facilities. It is one of the three largest foil producers in Europe with its aluminium foil production capacity reaching 100,000 tons.

Exporting 75 percent of its sales, Assan Alüminyum exports to more than 70 countries in four continents, primarily in Western Europe and North America. Kibar Americas, a 100% Assan Alüminyum company established in Chicago, operates as part of the company's strategy to realize its growth targets for North America.

Ranking 39th in the ICI's list of the 500 largest industrial companies, Assan Alüminyum has created more than 300 new jobs in the last 4 years, and today, with its more than 1,500 employees, it makes a positive contribution to the country's economy.

Assan Alüminyum aims to "Shape the Future Together" with its business partners. With its core values of reliability, flexibility, innovation and sustainability, it creates trusting and long-term relationships with its business partners and develops flexible solutions tailored to them. Shaping its production and management processes in line with the motto of "We Produce Without Consuming the Future", Assan Alüminyum leads the sustainability practices in the sector.

Assan Alüminyum, which strives to create long-term value in the axis of sustainability, reduces its carbon footprint with its renewable energy production facility, integrated recycling facility and energy efficiency projects that it implements every year. It also strives to leave a more livable world to future generations with its social responsibility projects.

Leading the continuous casting technology on a global scale, Assan Alüminyum continues to create value by developing innovative solutions for all its customers and stakeholders with the studies it carries out in the R&D Center registered by the Turkish Ministry of Industry and Technology.

Assan Alüminyum is the first and only aluminum company in Turkey to receive the ASI Performance Standard Certificate, which sets the global sustainability standards in the aluminum industry, for its Tuzla and Dilovası production facilities and recycling facility.

## Our Vision

To be a company with a global culture that exceeds customer, employee and shareholder expectations, continues to increase international growth.

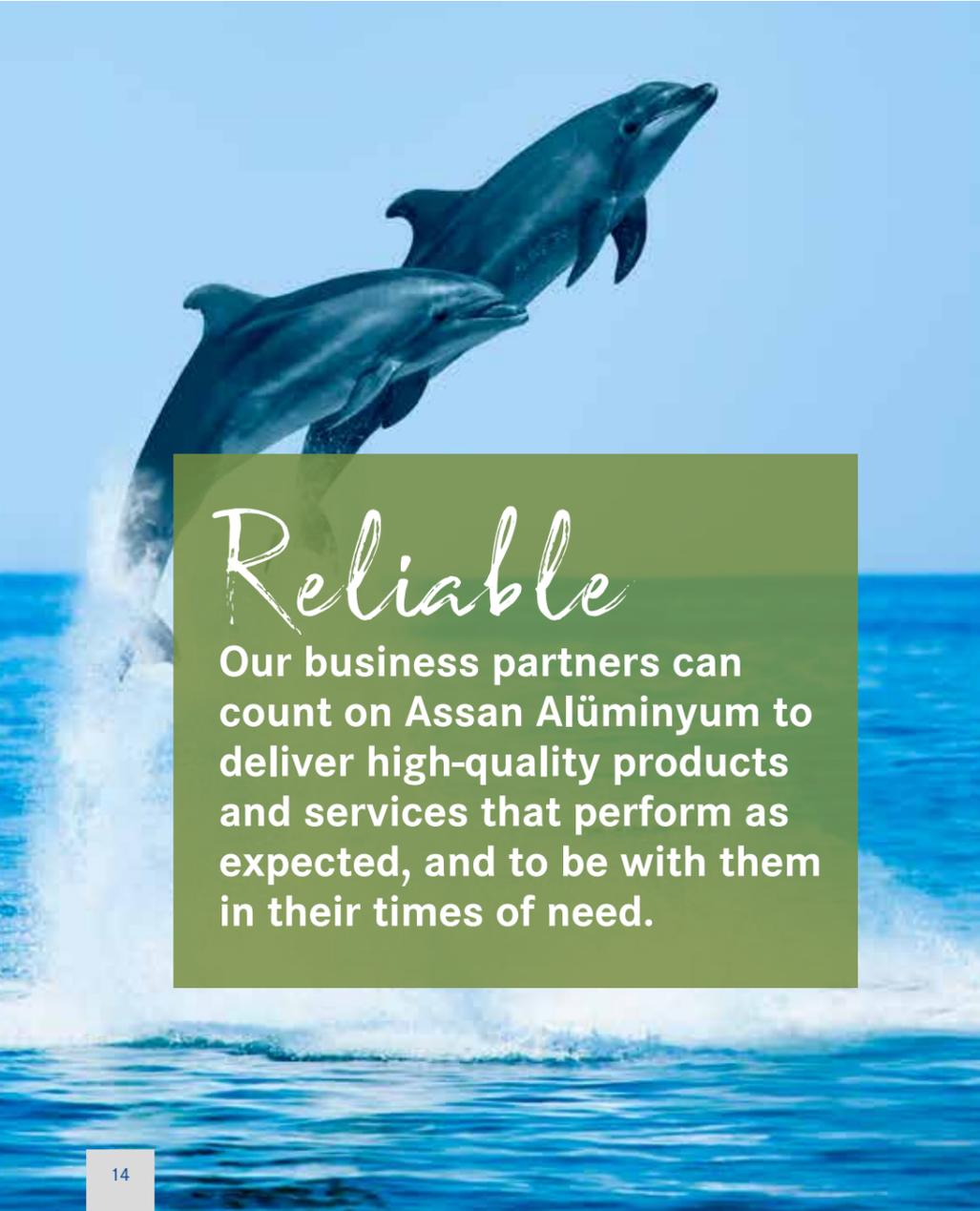
## Our Mission

To create value for our stakeholders:

- By offering to our customers the right combination of quality, service, innovation and price to become their preferred supplier,
- By using sustainable production methods to make a better world for future generations,
- By creating a modern and safe workplace for our employees,
- By striving for operational excellence in every aspect of our business;
- By strengthening our brand through our every action.



# Our Brand VALUES



## Reliable

Our business partners can count on Assan Alüminyum to deliver high-quality products and services that perform as expected, and to be with them in their times of need.



## Flexible

We strive to understand customer needs and deliver solutions that fit their needs based on our dedication and adaptability.



## Innovative

We use our experience and expertise to try and innovate every aspect of our processes and products.



## Sustainable

We build a more sustainable future, together with our business partners, by using our joint expertise and aluminium's advantages.

# Assan Alüminyum in NUMBERS

**Industry Leader**  
in Turkey

**39th Largest**  
Industrial Company  
of Turkey

**2nd Largest**  
Foil Producer of Europe

**300,000 Ton**  
Annual Production  
Capacity

**286,063 Tons**  
of Production in 2021

**More than 1,500**  
Employees

**600**  
Customers

**100**  
Implementation Areas

**Export to More than**  
**70 Countries**

**75%** Export Volume

## 2021 Highlights

We have successfully completed the Aluminum Stewardship Initiative (ASI) Performance Standard Certification audit.

We received the ISO 22000 Food Safety Management System Certificate.

We received the ISO 22301 Business Continuity Management System Certificate.

We have completed LCA and EPD studies for product groups.

Through our Manavgat renewable energy power plant, we obtained an I-REC certificate for all of our electrical energy consumption, balancing our Scope 2 emissions.

We allocated more than 13 million TL to our R&D studies.

We applied for one patent, one of our patents was registered in the national area, and one of our patents was entitled to receive the European Patent Registration Certificate in the international arena.

We started an initiative to reproduce the Sand Lily plant in a laboratory environment and bring it back to nature within the scope of the Biodiversity Conservation Project that we implement in cooperation with Kocaeli University Biology Department.

*Pancratium maritimum*

# Sustainability AT ASSAN ALÜMİNYUM



At Assan Alüminyum, we adopt a participatory, innovative, reliable, environmentally sensitive, and people-oriented management approach. Sustainability is our fourth brand value after “Reliability”, “Flexibility” and “Innovation”. We strive to integrate economic, social and environmental factors into decision-making mechanisms in all strategic and operational processes.

The principles of honesty and reliability which are defined as the core values of Kibar Group by Asım Kibar, the founder and honorary president of Kibar Holding, corporate governance tradition, innovative perspective, business ethics understanding, social responsibility culture and United Nations Global Compact are the guides of Kibar Group in the field of sustainability. We shape this deep-rooted tradition with our sectoral requirements and corporate engagements. With our motto “We Produce Without Wasting the Future”, we strive to produce sustainable aluminium and to become a preferred employer and business partner.

## ALUMINIUM STEWARDSHIP INITIATIVE (ASI)

As the first and only sustainability certification standard of the aluminum industry on a global scale, ASI guides the integration of sustainability elements throughout the aluminum value chain and certifies the best companies.

We, as Assan Alüminyum, were awarded the ASI Performance Standard Certificate in 2020 for our Tuzla and Dilovası production facilities and recycling facility, as a result of our efforts to shape all our processes in accordance with ASI principles. Thus, we became the first aluminum brand in Turkey to receive the ASI Sustainability Performance Standard Certificate. We continue to take our globally registered sustainability vision to higher levels.

## OUR SUSTAINABILITY STRATEGY: *Vision 2025*



In line with our sustainability and sectoral priorities, we created our sustainability roadmap, namely Vision 2025. (For details of our work, please visit Assan Alüminyum 2019 Sustainability Report, page 19)

Vision 2025 defines the sustainability priorities that we focus on in our company and our sustainability axis between 2020-2025.

We developed it under the topics of “More Satisfied Stakeholders”, “Better People” and “A Better World”. Considering the risks, opportunities and stakeholder expectations, we determined our goals corresponding to these areas and the UN Sustainable Development Goals. Subsequently, we created our business plans for the realization of the determined targets.

In 2020, we developed a sustainability scorecard called the “Sustainability Inventory” and conducted competitor benchmarking and impact analyzes for our main performance indicators. In 2021, we reviewed our strategy and targets.

# Vision 2025

## Management Principles: Corporate Governance and Business Ethics, Effective Risk Management, Business Continuity



### MORE SATISFIED STAKEHOLDERS

R&D, Innovation and Digitalization, Customer Satisfaction, Product Quality and Safety



### BETTER PEOPLE

Occupational Health and Safety, Supply Chain Management, Employee Development and Talent Management, Gender Equality and Equal Opportunity



### A BETTER WORLD

Efficient Use of Resources, Renewable Energy, Environmental Friendly Products, Circular Economy

[Click here for Sustainability Strategy of Assan Alüminyum.](#)

## OUR TARGETS AND REALIZATIONS

Performance Area	2025 Target	2021 Realization
More Satisfied Stakeholders	Working towards the target of "0" customer complaints	Compared to 2019, the number of complaints decreased by 50%.
	Ensuring the continuity of the existing product and process certifications	Continuity of all certificates was ensured. In addition, we received ISO 22000 Food Safety, ISO 22301 Business Continuity Management System certificates.
	Completing the ASI certification	The 2021 ASI Performance Standard Certification field audit was successfully completed.
	Maintaining academic cooperation in the field of R&D	We carried out projects with Vrije University, Marmara University, İzmir Institute of Technology.
	Starting the supplier development program	Survey studies with suppliers continue.
Better People	Increasing employee commitment 5 points for office employees and 4 points for field employees	While the talent focus score increased by 3 points in office workers compared to the previous year, it stayed at the same level for field workers.
	Designing and implementing a new leadership program for each first and mid-level manager managing office and field employees.	With the development programs that started in September 2021, we organized trainings under the titles of Leadership Development, Expert Development and Managerial Development. We aim to continue these trainings in 2022.
	Performance above EA averages by improving Occupational Health and Safety statistics.	The process is followed for the target of 2025.
	Starting a social responsibility project for at least one of the SDGs that we have determined as priority.	We donated aid distribution vehicle to Kızılay Tuzla branch. In cooperation with Kocaeli University Biology Department, we started the project of bringing the Sand Lily plant to nature with the Biodiversity Conservation Project. Through the Aegean Forest Foundation, we created an Assan Alüminyum Memorial Forest of 5,000 trees in return for the wooden pallet we use. In addition, we planted 3,010 saplings on behalf of our business partners.
A Better World	Reducing our energy intensity (GJ/ton) by 5% with respect to 2017-2019 averages.	In 2021, we achieved a 3.4% reduction in GJ/ton energy intensity.
	Reducing our carbon footprint through our own renewable energy production.	With our Manavgat renewable energy power plant, we obtained an I-REC certificate for all of our electrical energy consumption in 2021, balancing our Scope 2 emissions.
	Continuing to support biological diversity efforts.	We made an agreement with Kocaeli University for the continuity of the project support.
	Better understanding our environmental impact by analyzing the life cycle assessment of our products.	We completed LCA and EPD studies for product groups.
	Developing projects to reduce our primary aluminium use.	We developed an alloy that is produced from 100% non-primary inputs, has a low carbon footprint and meets quality criteria.



## Aluminium Life Cycle and Our Focus Areas

### Extraction, Refining, Melting

Alumina from bauxite ore is obtained by electrolysis of alumina, primary aluminum.

#### Our focus area: Supply Chain Management

We adopt responsible procurement principles.

### Casting, Rolling and Painting

Primary and recycled aluminum is used as input for the production of aluminum sheet and foil.

For some usage areas, aluminum sheet is painted on a roller dyeing line.

#### Our focus areas: Occupational Health and Safety, Efficient Use of Resources, Renewable Energy

We are working to make our operations more sustainable.

### Final Product Production

Aluminum sheets and foils are turned into final products and used in many sectors such as packaging, construction, consumer durables and automotive.

#### Our focus areas: Environmental Products, R&D, Innovation and Digitalization, Product Quality and Safety

We are working to provide our customers with the right products.

### Product Use

All products are used according to their product life.

#### Our focus areas: Customer Satisfaction

We are working to expand the application areas of aluminium, which is an environmentally friendly and safe material by nature.

### Recycling

The aluminium that completes the product life is reused in production.

#### Our focus areas: Circular economy

We are working to increase the reuse of aluminium, which can be recycled endlessly.



# SUSTAINABILITY *management*

At Assan Alüminyum, sustainability is managed by the Sustainability Unit under the Strategy and Marketing Directorate. The main task of the Unit is to monitor the sustainability performance and targets of the company in the field of sustainability. The unit is also responsible for increasing sustainability awareness and coordination within the company, monitoring external engagements and integrating best practices in the field of sustainability into company processes.

As Assan Alüminyum, we are also a member of the Kibar Holding Sustainability Committee and Sustainability Working Group. Chaired by the CEO of Kibar Holding, the Committee consists of Holding function managers and general managers of Group companies. The Sustainability Committee determines the sustainability strategy and goals

of the group, prepares action plans, and monitors the sustainability performance in line with the prepared business plans.

The Sustainability Working Group consists of the relevant managers of the Holding and Group companies. The Working Group is responsible for implementing the action plan determined by the Sustainability Committee and disseminating the strategy to the entire Group. Assan Alüminyum Strategy and Marketing Director represents our company in the Sustainability Working Group.

# OUR CONTRIBUTION TO SUSTAINABLE *development goals*

As Assan Alüminyum, we support the United Nations Sustainable Development Goals and directly contribute to 8 goals in our area of influence with our activities.



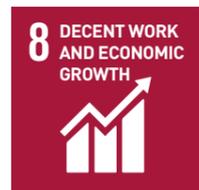
We prepare our employees for future competencies with development programs for their professional and personal development. With our social benefit investments in education, we contribute to the increase in the quality of education in our country.



We implement practices that support and strengthen women's employment. We increase the number of female employees and the ratio of female managers. We carry out various practices and awareness-raising activities in order to encourage women's active participation in business life.



We reduce our carbon footprint with the electricity we produce from our renewable energy facility within our company. We reduce our energy and emission intensity with energy efficiency projects.



We work for an inclusive economy that creates value for all our stakeholders. We take international standards as a guide in our supply chain, we attach importance to the issues of not employing child and forced labor and ensuring fair working conditions. We produce value-added products with our investments in R&D and innovation.



# OUR CONTRIBUTION TO SUSTAINABLE *development goals*

As Assan Alüminyum, we support the United Nations Sustainable Development Goals and directly contribute to 8 goals in our area of influence with our activities.



We develop high-performance, customer-specific, value-added products that support the low-carbon economy with the work we carry out in our R&D Center. We consider strengthening our R&D competencies as one of our main strategic goals.



We support a low carbon economy and adopt a circular economy and innovation-based production model. We increase reuse with effective waste management and prefer environmentally friendly disposal methods. We help our customers choose the right products with the technical support we provide.



We evaluate the effects of climate change on our operations in our risk processes. We increase energy efficiency, reduce our energy and emission intensity and generate electricity from renewable energy sources.



As a member of Kibar Group, we adopt the principles and objectives of the United Nations Global Compact. We do not compromise on our business ethics and corporate governance principles. We closely follow sectoral initiatives in the field of sustainability and collaborate to support a low-carbon circular economy.

# COMMUNICATION WITH *stakeholders*

102-21; 102-40; 102-42; 102-43; 102-44

We consider providing accurate and timely information to all our stakeholders as our corporate responsibility. For this reason, we maintain stakeholder communication on many platforms unique to each stakeholder group. We are increasing our corporate knowledge with numerous non-governmental organizations, global and sectoral initiatives that we are a member of and support. Our sustainability report, fairs and other events, social media activities, interviews and news published on our website, press and other media, one-to-one customer meetings, technical trainings and university meetings are among our most important communication activities.

Our Customers
Business Partners sharing meeting with all customers and sharing meeting with authorized dealers (once a year)
Social media posts
Evaluation meetings with our domestic authorized dealers (twice a year)
General customer satisfaction survey made by independent research companies (once a year)
Fairs (annually)
Public relations, corporate communication activities

Management
Evaluation meeting with Kibar Holding top management (monthly)
Assan Alüminyum Board Meeting (4 times a year)
Workshops with management staff

Our Employees
Internal Communication Meetings with office employees (4 times a year)
Social media posts and other digital channel publications for employees
General employee engagement survey - Great Place to Work (biennial)
Employee engagement survey (once a year)

Suppliers
Audits
One-on-one meetings and visits

Society
Corporate website
Social media content
Presentations
Internship programs
Annual reports
Sustainability report
Consultation meetings with local and general administrations, factory visits as needed
Interviews and articles given through media channels
Career Events
Corporate Social Responsibility Projects
Public relations, corporate communication activities

Face-to-face activities were limited due to COVID-19.

## AFFILIATED ORGANIZATIONS

**AA**-Aluminum Association  
**ASI**-Aluminum Stewardship Initiative  
**BEYSAD**-White Goods Manufacturers Association  
**CEFLEX**-A Circular Economy for Flexible Packaging  
**DEİK**-Foreign Economic Relations Board  
**EA**-European Aluminium Association  
**EAFSA**-European Aluminium Foil Association  
**ECCA**-European Coil Coating Association  
**FASD**-Flexible Packaging Manufacturers Association  
**GLAFRI**-Global Aluminium Foil Roller Initiative  
**İMMİB**-Istanbul Mineral and Metals Exporters Association  
**İMSAD**-Construction Materials Manufacturers Association  
**NCCA**-National Coil Coating Association  
**TALSAD**-Aluminium Industrialists Association of Turkey  
**WGM**-Wirtschaftsband Grosshandel Metallhalbzeug

## INITIATIVES WE SUPPORT

We support the UN Global Compact (UNGC) and UN Women's Empowerment Principles, Business Plastic Reduction Initiative, and Business World and Sustainable Development Association (SKD Turkey), where Kibar Holding CEO is on the Board of Directors.

In addition to these, as Assan Alüminyum, we actively support many initiatives initiated by international associations and organizations of which we are a member, on economic, social and environmental sustainability, such as ASI, Ceflex Roadmap, EA Circular Economy for 2030, EA 2025 Sustainability Roadmap.

## MORE SATISFIED *stakeholders*

At Assan Alüminyum, we work to produce better, more environmentally friendly, innovative, solid and reliable products. We manufacture our products with the highest possible quality and safety standards. We continue our R&D and innovation studies to expand our product range and to offer creative solutions to customers' needs. We care about digitalization and work with Industry 4.0 principles. We aim to increase customer satisfaction with our special products that support the low carbon economy.

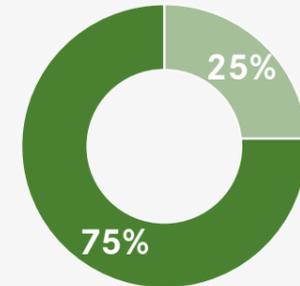
# Our products

Aluminum, which is a 100% and infinitely recyclable material, is one of the most abundant elements in the world and is the second most used metal. Therefore, it is an alternative that is increasingly used in many different sectors all over the world. It is widely used all over the world thanks to its nature to preserve food for a longer period of time and its logistics advantage due to lighter packaging materials compared to its alternatives, its positive effect on reducing CO<sub>2</sub> emissions with its contribution to reducing vehicle weight in the automotive sector, high corrosion resistance, lightness and

easy formability in the construction and durable consumption sectors.

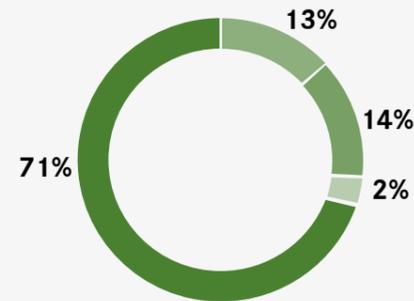
We offer a large number of products for different sectors in order to introduce all our customers with this environmentally friendly material. We serve many sectors such as packaging, construction, durable consumer goods, automotive and energy with our coil, sheet, foil and painted aluminum products. We sell our products to more than 70 countries in 6 continents. The main export markets with high-quality expectations are North America and Western Europe.

## Our Sales



■ Domestic ■ Abroad

## Regions We Export



■ East Europe ■ North America  
■ Other ■ West Europe

# Product quality and safety

At Assan Alüminyum, our primary business priority is to produce quality and reliable products. For this reason, we follow many national and international standards and are subject to audits by independent organizations and our customers. Within the scope of compliance with REACH and similar regulations, we have the samples taken from all our products tested in accredited laboratories every year, and create a “Declaration of Conformity”.

## Management System and Quality Certifications

- ASI: Aluminium Stewardship Initiative
- ISO 5000 1: Energy Management System
- ISO-IEC 27001: Information Safety Management System
- IATF 16949: Quality Management System
- ISO 900 1: Quality Management System
- CE: EU Certificate of Conformity
- ISO 1400 1: Environment Management System
- ISO 31000: Corporate Risk Management System
- NSF: International Health Organization Certificate of Conformity
- Kosher: Kosher Food Compliance Certificate
- ISPM 15: Wooden Packaging Materials Compliance Certificate
- Authorized Obligation Status
- ISO 2230 1: Business Continuity Management System
- ISO 22000: Food Safety Management System
- ISO 4500 1: Occupational Safety Management System
- Zero Waste Certificate
- TSE COVID-19 Safe Production Certificate
- EFQM: European Foundation for Quality Management Excellence Model

## 2021 highlights

- We were audited for the first time for the ISO 22000 Food Safety Management System, which covers the Dilovası Foil Plant, and we were awarded the certificate. We became the first integrated foil production facility to be entitled the ISO 22000 Food Safety Management System Certificate in the rolled products sector.
- We were audited for the first time for the process of entitling the ISO 22301 Business Continuity Management System, and at the end we received the certificate. Thus we became the first company in our industry to receive this certification.
- As one of the first companies in Turkey to obtain the ISO 14001:2015 certificate with the New Environmental Standards, we successfully completed the re-certification audit and ensured document continuity.
- We successfully completed the re-certification audit of our Quality Management Systems, IATF 16949 & ISO 9001, and ensured document continuity.
- We ensured document continuity by performing interim audits for ISO 31000 Risk Management System, ISO 45001 Occupational Health and Safety Management System, ISO 27001 Information Security Management System and ISO 50001 Energy Management System documents.
- We ensured the continuity of all other certificates (CE, NSF, KOSHER, Business Registration Certificate, ISPM 15, TS EN 485-1, TS EN 1386).
- We received TSE Covid-19 Safe Production Certificate for our Tuzla and Dilovası facilities.
- We received the Zero Waste Certificate for the Tuzla facility.
- ASI (Aluminium Stewardship Initiative) Performance Standards field audit was conducted for our Tuzla and Dilovası facilities.
- Substances covered by the REACH regulation are reviewed every year and a declaration is made that they are not included in the scope. We continue our work in line with the ISO 22301 Business Continuity Management System, which we received in 2021.

## CUSTOMER satisfaction

As Assan Alüminyum, we manage our customer relations meticulously. Thus, we provide sector-based trainings to our customers in order to assist them choose the right product for their needs, organize business partner meetings, and conduct routine evaluation meetings with domestic authorized dealers. We inform our customers through various channels such as social media posts and e-bulletins. We also provide transparent information with the package labels of our delivered products, test certificates and product specs prepared based on the wishes of our customers. We strengthen our interaction with our customers through our customer portal and CRM applications. Compared to 2019, the number of complaints decreased by 50%.

Product Management and Technology teams evaluate the engineering adjustments or new product studies, in line with the feedback from customers for improvement in the end-product performance, production speeds, etc. or in line with the request of change in case of a problem with the product.





Our goal with our R&D studies is to improve the continuous casting technique beyond its known limits. For this purpose, we conduct fundamental research in materials science, design new processes and develop high-performance products that meet customer expectations at the highest level. In line with our goal of sustainable growth, we constantly review our operations, closely follow the technology and developments in the world that increase efficiency. We aim to reduce emissions as a result of the use of materials with low environmental impact and the use of products

with our works. We carry out our R&D studies at our R&D Center, which is registered by the Ministry of Science, Industry and Technology. With our efforts in this context, we focus on the development of high-performance, industry-specific and customer-specific products.

In the reporting period, we continued our cooperation with Vrije University for our research and development studies. In addition, we received academic consultation from academics at Marmara University and İzmir Institute of

High Technology. Again in the same period, we applied for an international patent for one product, and we received one national and one international patent with a European Patent registration certificate.

**We allocated more than 52 million TL to our R&D studies in 2021.**

Please [click here](#) for more information on our R&D studies.

## 2021 *highlights*

### **Improving The Corrosion Performance Of The Material For Automotive Thermal Systems Applications**

With the developing technologies, our customers have higher life and performance demands for their products. Within the scope of the study, significant changes were created in the microstructural components of the material with the changes made in the parameters at different stages of the production process, and the corrosion behavior was developed in line with the expectations. In this way, the service life of thermal systems exposed to atmospheric conditions has been increased.

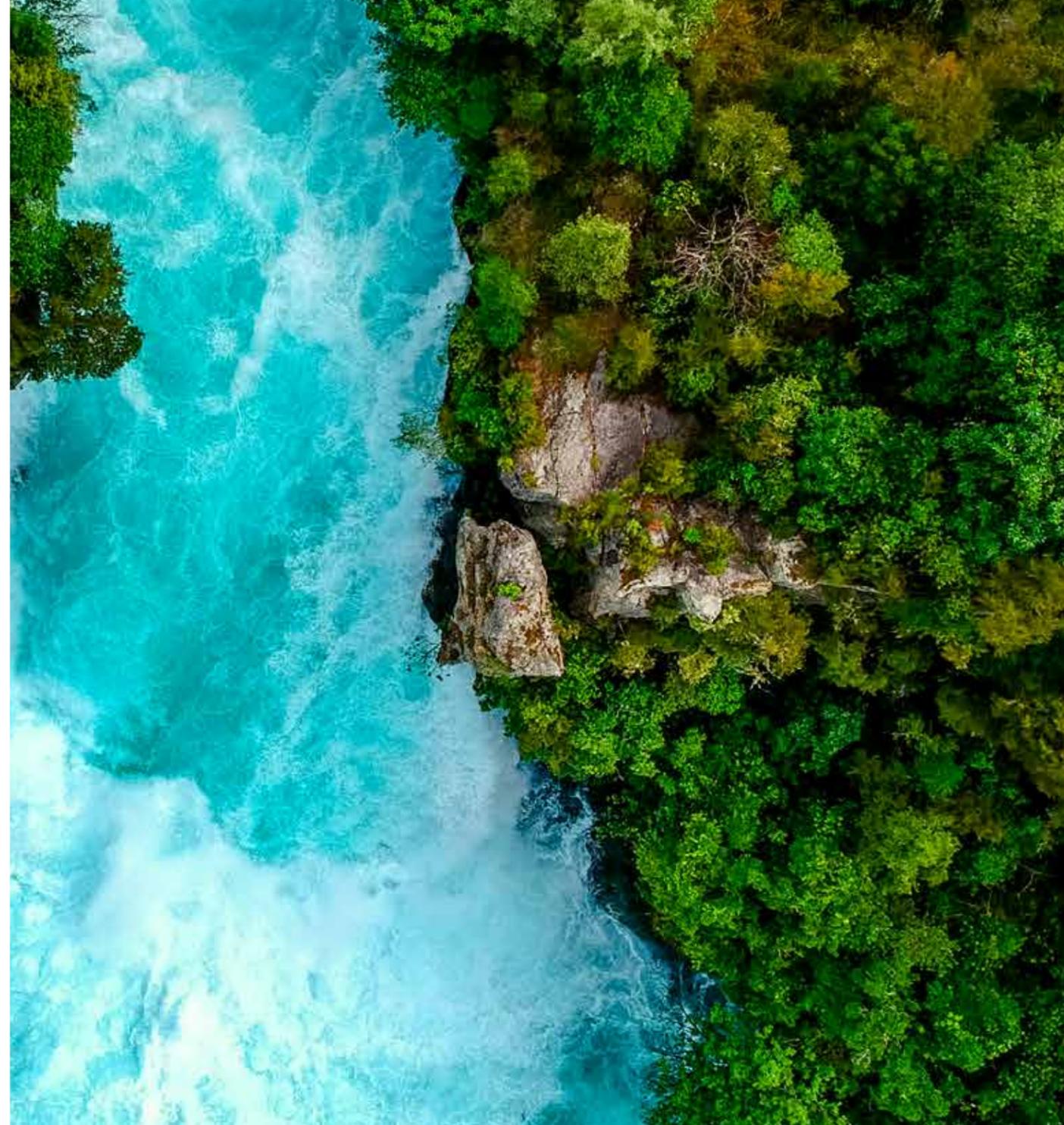
### **Development of High Strength Packaging Foil**

With the project we launched in 2021, we carried out R&D studies to develop thinner but rigid aluminum foil for flat lid foil and beverage can lid foil, which are widely used in the packaging industry. Within the scope of the project, the thinner product has been made to give the best answer to the expectations in the aforementioned area of use, thanks to the added strength.



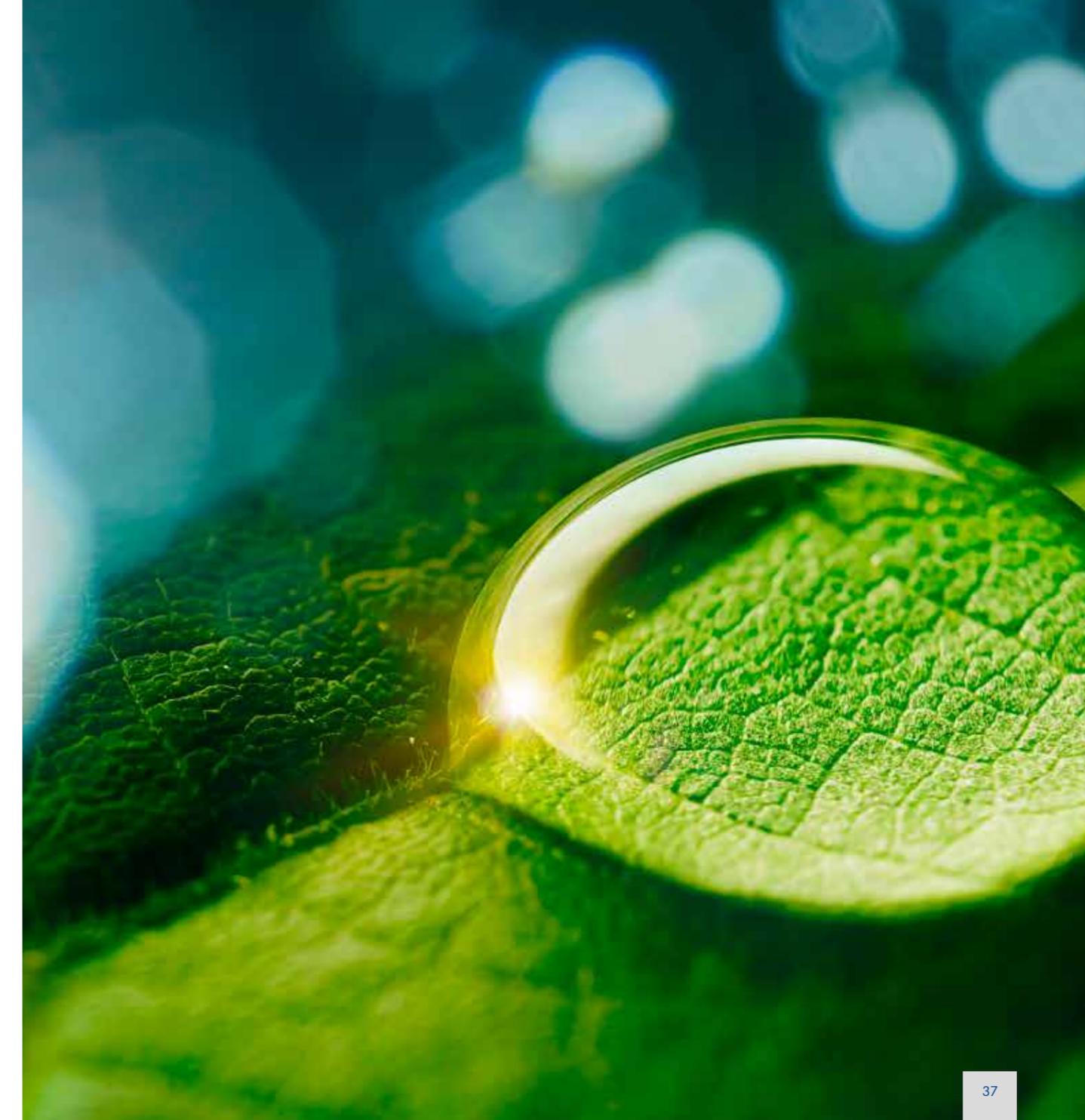
### **Studies on Solidification Dynamics in Alloys Produced by Twin Roll Continuous Casting Technique**

The main importance in the continuous casting process is understanding the solidification characteristics of the alloys and mastering them during casting. In this study, the relationship between the solidification behavior of alloys and their chemical composition was investigated within the specific solidification mechanisms of the continuous casting technique. Advanced characterization techniques were used, and the solidification process was mimicked in the laboratory environment.



### **Realization of Oxide Layer Thickness on the Surface of Aluminum Alloys by Spectroscopic Methods and Supporting Algorithms**

In foil products used in the production of storage containers and brazed radiators, the degree of oxide thickness caused by the production technique or the applied process is important. Appropriate processes are defined to keep the oxide thickness at the lowest level. In addition, the measurement of oxide thickness is equally important. While this measurement is made with sophisticated techniques in academic studies, FTIR (Fourier Transform Infrared) device was used to make this measurement under operational conditions. The spectra obtained from the FTIR device were analyzed with the developed algorithms, and the measurement of the oxide thickness formed on the material surface with very high accuracy without the need for the aforementioned sophisticated equipment was made possible by the FTIR technique.



# Digitalization

In today's world, it is critical to reach data quickly and use communication channels effectively to keep up with the speed of the business world. With this understanding, we position digitalization as one of our fundamental corporate priorities. Digital transformation projects continue actively in our Kibar Group companies. In addition to the studies carried out specifically for our companies, our Assan Bilişim company carries out activities for digitalization for all of our Group companies. Our journey of digitalization continued increasingly in 2021 with the works we put into use in line with our digitalization priorities.

Our most important digitalization priorities in 2021 were to create the Big Data architecture and Analytical Reporting infrastructure and to increase our efficiency with active "Artificial Intelligence" projects. Another digitalization goal in 2021 was to carry out Robotic Process Automation (RPA) studies for our Group companies, to identify and commission the processes that will use RPA. In this way, we aim to increase efficiency, data consistency and quality, and to focus our human resources on jobs that will create more value.

## Cast'n Roll Project

The Cast'n Roll Project is a supply chain transformation project that focuses on sustainability and aims at the revision of the end-to-end supply chain process. With this project, we aim to digitize and automate all our business processes. With the program, which includes 15 information technology projects, we are strengthening the agile structure and making significant improvements in processes in order to create more value for our business partners.

## Data Analytics Project

Launched in 2021, the Data Analytics Project aimed to perform data analytics quickly in a user-friendly manner, to create automatic warnings with algorithms to be recorded in the program, to detect quality problems at the preliminary stages, to reduce internal failures and to increase efficiency. Within the scope of the study, we plan to invest in a data lake technology that can collect data. In this way, data will be collected in a single environment, thus data analysis and identification of root causes will be facilitated. The project, which is planned to be completed by the end of 2022, lays the groundwork for comprehensive projects involving artificial intelligence and machine learning technologies in the future, with the steps taken in advanced analytics.

## EDI and Logistics Integration Projects

With the EDI and Logistics Integration Projects, we continued automation work in 2021 with some of our customers and suppliers. With the analytical studies, SAP BW structure was created, Data Warehouse establishment studies were started and the data of processes such as cost/profitability were transferred to the Data Warehouse. As for the mobile applications, we achieved process improvement by using industrial tablets in loading instructions. We also launched a CRM project in order to increase sales efficiency.

## Other Digitalization

### WORKS IN THE REPORTING PROCESS:

**Subcontractor Management System:** With the launch of this project, we aim to ensure that the documents are checked digitally while in the field, before giving work permits to the contractors. We aim to meet the process management expectation of the subcontractors by making the controls online.

**Logistic integrations:** By digitizing our manual business follow-up process with our supplier with a 15% rate in our logistics volume, we aim to automate invoice, shipment, status tracking and increase the speed of work.

**Digitalization loading instructions:** With the project, we aim to reduce the occupational safety risk by reducing physical movement, reduce the time spent by the operator, and end the use of

paper. In addition, we anticipate that customer satisfaction will increase and the number of logistics-related complaints will decrease with the feature of displaying customer special requests.

**Integration of Pinhole detector with SAP:** As a result of integrating the data collected in the pinhole detector with SAP, the pinhole expectations of our customers will be more systematic, out of manual tracking for each coil.

**BA BS Project:** With this project, BA Reconciliation, BS Reconciliation, Vendor Balance Reconciliation and Customer Balance Reconciliation can be made on the online system. Thus, we keep the reconciliation answers of the companies on the online system, and can take faster action with the companies with which we do not reach an agreement.

**RPA Project:** We aim to achieve efficiency in the processes operated by entering data into more than one system repetitively. We aim to disseminate this project in the processes of sales-finance-production etc.

**Digital Transformation of the Production Site:** Within the scope of the digital transformation of the production site, we aim to disseminate the practices of MES on pilot counters, automatic OEE (Overall Equipment Effectiveness) measurement on the same counters, and melting charge optimization in the casting operations.

**Big Data Platform:** The project aims to collect and analyze data from machines in a single environment, to find the relationships between them, to identify root causes and to take actions to reduce internal failures.

## INFORMATION security

While data has become the most valuable asset today, and data volume and connection points of electronic devices are increasing rapidly, it also brings security vulnerabilities. We carry out projects and studies in Cyber Security, System Continuity, Infrastructure and Operational Development every year in order to prevent malicious attacks and to access data in an uninterrupted and consistent manner. We manage our information security practices in line with the ISO 27001 certification requirements. In compliance with the Personal Data Protection Law, we meticulously approach the processes of classifying, securing and anonymizing data when requested.

In line with the joint work carried out with the Kibar Holding Risk Department, we determine the information security risk map of the Group companies annually, prepare action plans for the relevant risks and report them at regular intervals. In addition, we prepare risk analyzes and forms throughout the Group in compliance with the processes of the ISO 27001 certificate.

In the reporting period, the SoC, SOAR and Service Tree structures were put into use in order to proactively manage the cyber security within Assan Alüminyum. With these structures, we formed a system that monitors all security and infrastructure components, and implements early warning/intervention rules under a consolidated platform on a 24/7 basis.

We put into use the necessary structures and adaptations with Cyber Intelligence software in order to be informed about attacks as soon as possible. With the partnerships made, we increased the competency set vertically and carried out gap analysis and project design studies for the continuous development of Cyber Maturity. Ease of management and sustainability were achieved by switching to a hybrid structure with infrastructure modernization and cloud solutions. In order to prevent the increasing end-user attacks that emerge as a result of remote working, we focused on practices for the security of communication channels.



## **BETTER** *people*

**At Assan Alüminyum, we listen to the expectations of our employees, business partners, customers and suppliers and constantly improve our processes in order to be a preferred employer and business partner.**

## **GENDER AND EQUAL** *opportunity*

We aim to be a fair, participatory employer that respects diversity, and we strive to make all these values a permanent part of our corporate culture. At Assan Alüminyum, we provide equal opportunities to all candidates by conducting the recruitment processes in an objective and fair manner. We use different career platforms and databases to increase diversity.

As per Kibar Holding Human Resources Policy, we have zero tolerance policy towards any discrimination that may occur due to differences such as language, religion, race and gender. Salary rating policies are created based on job families and size. Equal pay policy applies to equal work regardless of gender. There has been no cases of discrimination in our company in 2021.

As Assan Alüminyum, we carry out various activities in order to prevent gender inequality and to increase women's employment. 37 of our 67 colleagues who were recruited in 2021 are female. In addition, in order to facilitate the work life of nursing employees, we prepared a lactation room in the office.

## WE are equal

In 2021, Kibar Group initiated the “WE are Equal” project for gender equality at the workplace. The decisions and actions determined in this project are implemented and disseminated through the We are Equal Company Committee that is established in our company. We report all our related work to the Group Committee at quarterly meetings.

With the project that is implemented with the motto of “Equal Society, Equal Future”, we are carrying out activities to increase gender equality awareness and to ensure equality in communication. In line with these goals, during the project we implemented the following activities;

- We organized webinars titled “What is gender equality?” for all our employees.
- All employees received 3-hour online “Gender Equality” trainings from internal trainers.
- The online training program prepared by AÇEV (Mother Child Education Foundation) was made mandatory for all employees.
- “WE are Equal” Guide, which covers the topics of gender equality, human resources approach, biological and social gender, cultural and linguistic judgments, gender equality in representation and participation, was disseminated within Kibar Group employees.
- We shared regular posts over the Kibar Group mobile application in order to ensure equality in communication.
- In order to emphasize all genders can do any job and gender does not influence success, we created content under two title and disseminated them every week through the mobile app: “The Best in Their Fields” and “Women Inventing”.

- We participated in the The Women’s Empowerment Principles Gender Gap Analysis and carried out an action study based on the results of the analysis.

We aim to obtain the KAGIDER Equal Opportunity Model Certificate in the coming period.

## HUMAN rights AND OUR EMPLOYER approach

Assan Alüminyum gives priority to creating a business environment for its employees where human rights and union rights are respected, occupational health and safety is prioritized. Human rights are guaranteed within the company in accordance with the Universal Declaration of Human Rights, the Global Compact, and the provisions declared in national and international legislation. In addition, the Kibar Holding Ethics booklet, which is shared with all employees, includes rules regarding human rights. With the defined processes and systems, all kinds of discrimination, child labor, forced and compulsory labor practices are prevented.

We expect our suppliers and business partners to comply with the relevant norms, and accordingly, we monitor the performance of our suppliers and support our suppliers in improving conditions. (For details: Sustainability in the Supply Chain, page: 54).

In 2021, within the framework of ASI, a risk assessment regarding trade union rights and human rights was carried out in the operations of Assan Alüminyum and its business partners. As a result of the evaluation, no human rights violations were observed.



# EMPLOYEE *development* AND TALENT *management*

We carry out training and development activities together with Kibar Holding. With the approach of "lifelong learning", we strengthen the competence, professional knowledge and skills of our employees, we offer them opportunities to discover their strengths and areas that are open to development.

In 2021, we provided 27,732 person\*hours of training for our employees. We also provided our employees with 26,181 hours of OHS training and 1,367 hours of environmental training. We gave performance feedback to 1,527 employees.

## Talent Management

With our talent management processes, we are able to identify employees who make a difference with their performance and potential. We prepare career development plans by evaluating the needs and goals of our employees and our company. We use the advantage of being a company group, we support our employees in the talent group with rotations and position changes between companies.

## Our Future is Within

Kibar Group has the "Our Future Is Within" platform in order to ensure the visibility of positions opened within the organization and to prioritize existing employees in career development. Positions opened in group companies are shared on this platform, ensuring that employees are informed about the opportunities. In this way, we can provide our employees with career mobility between group companies. In 2021, 8 of our employees benefitted from this platform.

## "Power Is Within Us" Platform

In Kibar Group, all employee development programs are gathered under a single roof called "Power Is Within Us Programs". These programs aim to ensure the continuity of the development process and dissemination of the culture of learning from each other. They consist of the Managerial Development Program, the Expert Development Program, the Leadership Development Program, the Development Ambassadors (internal training and mentoring), the Succeeding Together HR Development Program and the Game Changers Program.

The platform offers a personalized learning experience; it enables employees to follow their individual developments and to access different resources at any time and from any place. It also provides support in learning analytics by allowing detailed reporting of training records. In addition, education activities are carried out more effectively with digitalized education processes and we are able to preserve the institutional memory.

## Managerial Development Program

In 2021, 316 employees from Assan Alüminyum were included in the "Managerial Development Program", which was implemented to support the career and leadership skills of managers and executive level employees at Kibar Group. In the program the subjects of building trust, values, effective feedback, appreciation and recognition are covered, and experience sharing sessions are also held in which senior managers convey their experiences. We aim that every manager from Assan Alüminyum will pass this basic program.

## Expert Development Program

In 2021, 397 employees from Assan Alüminyum participated in the "Expert Development Program", which is carried out to support the competencies of employees at the expert level.

## Leadership Development Program

In 2021, 101 employees from Assan Alüminyum participated in the "Leadership Development Program", which is carried out to strengthen the leadership skills of directors and higher level managers in Kibar Group and to determine and exhibit the behaviors expected from Kibar Group leaders.



## Development Ambassadors

With the Development Ambassador Training Program carried out at Kibar Group, we aim to perpetuate the culture of sharing and to contribute to the career and personal development of employees. Employees who are called Development Ambassadors as per the program and who want to share their knowledge and experience voluntarily provide classroom training within the company or between Group companies.

## Shift Officer Development Program

The "Shift Officer Development Program" was prepared in order to increase the competencies

and awareness of the shift supervisors, who are the first managers of the field workers within Assan Alüminyum, in terms of leading the team, developing the team, and giving feedback. The first two modules were implemented in 2019, and 110 Shift Supervisors participated in the program. The third and final module of the program will be commissioned in 2022.

## Leadership Training

In 2021, we implemented leadership trainings in order for our managers to acquire basic coaching skills such as effective listening and asking questions, appreciation, feedback, and identifying strengths and areas open to improvement.

# EMPLOYEE *engagement* *and communication*

Assan Alüminyum sees a participatory business environment as the key to both employee satisfaction and corporate success. We include the expectations and suggestions of our employees in decision processes. Employee opinions are collected through the Employee Opinion Survey conducted by an independent institution since 2014. According to the results of the research conducted in 2021, the employee satisfaction rate was reported as 55% for office workers and 63% for field workers. We examine the results of the survey and take the necessary actions in line with the feedback. Apart from employee opinions, we also carry out improvement studies through the suggestions received in the employee suggestion system. In 2021, 2,092 suggestions were submitted to the employee suggestion system, and 155 of these suggestions were put into practice.

As Assan Alüminyum, we believe that strong communication between the company and its employees has a positive effect on employee engagement. We aim to make employees feel the value of working together through various communication platforms. Among our most important communication channels are the internal communication meeting held every year, the management meeting held throughout the Group, the internal network Porttakal and the "Kibarca" magazine, both digital and printed. In addition, we inform all our employees about new practices via e-mail and Mobiliz mobile phone application.

At Assan Alüminyum, the exemplary behavior and achievements of the employees are also appreciated through recognition, acknowledgement and reward systems.



## **K-Team Young Talent Program**

Launched in 2014 with the motto "Real career begins with real internship", the K-Team Young Talent Internship Program aims to bring young talents to Kibar Group and prepare them for business life. Since the beginning of the program, 62 young talents have had internship opportunities at Assan Alüminyum and 13 interns were recruited in 2021.

## **Asım Kibar Mavi Damla (Blue Drop) Awards**

The Asım Kibar Mavi Damla Awards, implemented with the motto "Every successful project first starts with a drop of idea and spreads in waves", aims to reveal and reward creative and innovative ideas and to achieve the company's strategic goals. In 2021, we participated in the Asım Kibar Mavi Damla Awards with a total of 7 projects, and 4 of our projects were awarded in various categories.

## **Dissemination of Feedback Culture**

In line with the new performance system, we continued to work on raising awareness about feedback and disseminating the feedback culture in the company within the scope of the "Dissemination of Feedback Culture" program, which was launched at Kibar Group in 2020.

## **BİZPlus Appreciation, Recognition and Rewarding Platform**

With "BİZPlus", the online recognition and rewarding platform launched in 2020 at Kibar Group, we ensure that all company employees are appreciated and rewarded for their outstanding efforts and contributions in different categories. With BİZPlus, managers can reward their colleagues in their teams in 6 different categories on the platform. In 2021, 441 of our employees were awarded within the scope of BİZPlus.



## Social life

**As Assan Alüminyum, we support practices that will enrich the social lives of our employees and increase the culture of sharing. We aim to develop a sense of belonging to our employees with the happy and participatory work environment we provide.**

### Avita Employee Support Program

Kibar Group's employee support program, Avita, provides 24/7 free consultancy support to Kibar Group employees and their families. With the program, consultancy services are offered on many subjects such as psychology, medicine, law, healthy nutrition, ergonomics, technology, veterinary, social life and general information services. If necessary, up to six sessions of free, face-to-face psychological support are provided with the guidance of clinical psychologists in the call center.

The program, which can be accessed through different channels such as telephone, website and mobile application, is based on information confidentiality.

### Kibar Sports Festivals

Encouraging employees to do sports, Kibar Sports Festivals contribute to the strengthening of communication between employees and the building of a shared culture within the Group. Kibar Sports Festivals, organized throughout the Kibar Group and which has become a tradition

since 2016, took place in eight branches including football, volleyball, basketball, tennis, table tennis, swimming, athletics and bowling; however, it was postponed in 2021 due to the pandemic.

### Assan Alüminyum Sports Club

Established in 2008, Assan Alüminyum Sports Club offers employees many opportunities such as kickboxing, yoga, pilates and folk dance activities. However, it was postponed in 2021 due to the pandemic.

## OCCUPATIONAL HEALTH AND SAFETY

As Assan Alüminyum our main goal for occupational health and safety is to create a healthy and safe working environment and a shared culture of occupational safety in which our employees take action in a healthy and safe manner not only in our own working areas, but also in their social lives, with a "life safety" approach.

Occupational Health and Safety (OHS) processes at Assan Alüminyum are managed under the leadership of the OHS and Environment unit (OHS-E) and a workplace physician in line with the requirements of ISO 45001 Occupational Health and Safety Management System and Life Safety Culture Change Program. A total of 31 members and 9 employee representatives take part in 2 OHS Committees at Assan Alüminyum, and the Committees meet once a month.

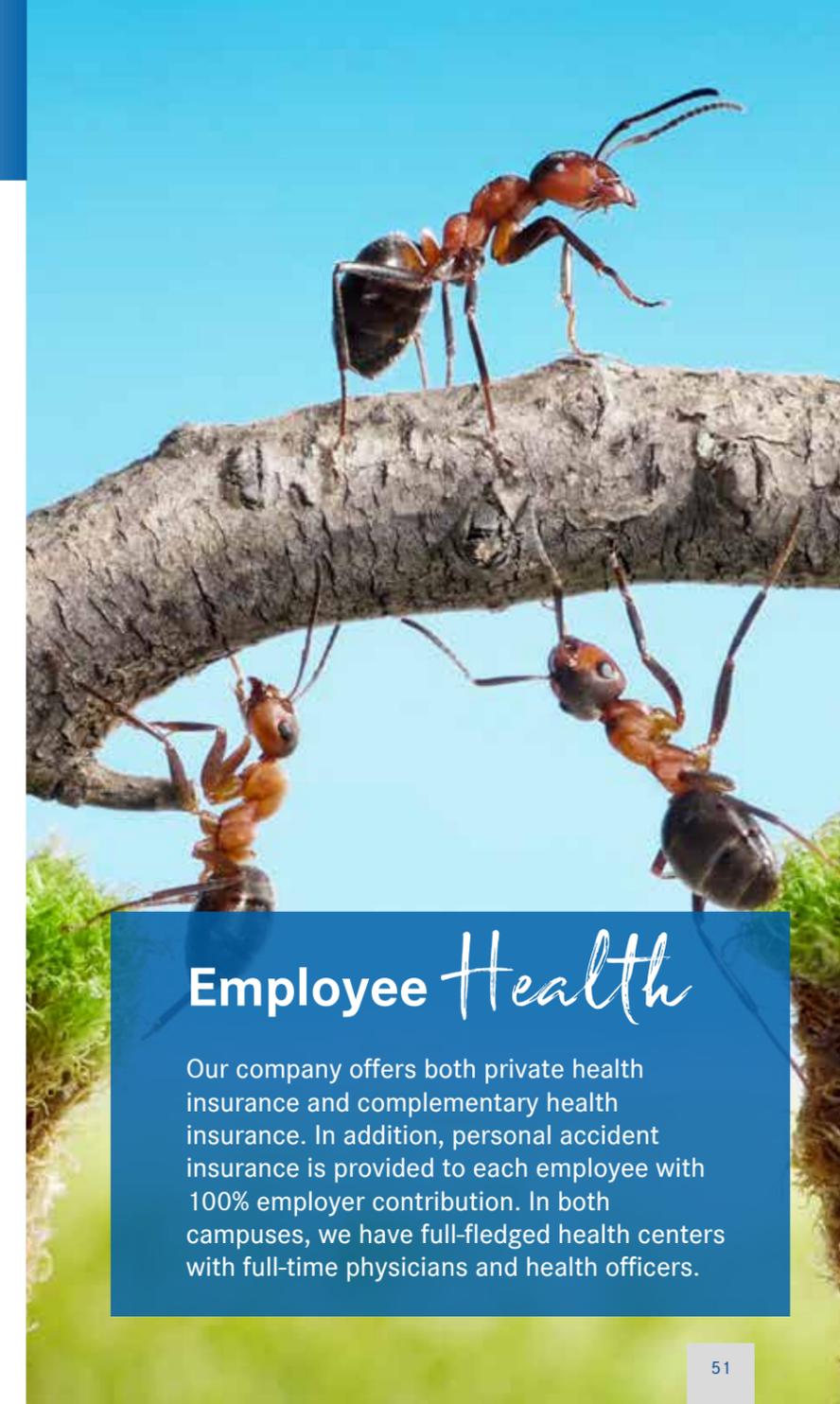
Assan Alüminyum OHS practices also include subcontractor employees. The competencies that the subcontractor employee must have for the job are defined in the "Occupational Health, Safety and Environment Agreement for Contractors".

One of the main objectives of Assan Alüminyum OHS strategy is to create a risk prevention culture with the active participation of all actors. We take the following procedures and certificates

as reference within the scope of risk assessments; OHS Hazards Recognition and Risk Management Procedure, ISO 45001 Occupational Health and Safety Management System (received in 2020), and Fine Kinney risk analysis method. We identify the hazards that may arise by all our activities and determine the risk level of each hazard. Business plans are prepared according to the result of the risk map and the risks determined are shared with the employees in order to raise awareness. Risk analyzes are periodically reviewed.

We are also evaluating the health risks in the working areas, and accordingly take the necessary actions. Regular hygiene tests are carried out for all work areas. The condition of chronic patients, pregnant and lactating workers are followed.

Office ergonomics is also a subject that we take into account as part of risk management, and we implement practices to improve the conditions for our office workers. The training for colleagues who are working in the office covers the topics of monitoring posture while sitting, taking effective breaks, and exercise tips. In addition, while picking office furniture, we consult the workplace physician in order to choose the best furniture for our employees.



## Employee Health

Our company offers both private health insurance and complementary health insurance. In addition, personal accident insurance is provided to each employee with 100% employer contribution. In both campuses, we have full-fledged health centers with full-time physicians and health officers.

Furthermore, we constantly update our procedures, action plans, instructions and risk maps in order to monitor and prevent risks regarding natural disaster and pandemics.

Employees are informed about the measures to be taken against all risks through the Occupational Health and Safety Handbook, the Life Safety Program Information Booklet, the ISO 14001 Environmental Management System Information Booklet and trainings. We offer our employees the right to refuse dangerous work, and we ensure that our employees report risks and take precautions with the system we created.

Despite the precautions taken, all occupational accidents, even small ones, are reviewed in detail by occupational safety experts and representatives of the relevant unit. After the evaluations, we implement necessary preventive and corrective measures. In the reporting period, the accident frequency rate was 10.20; accident severity rate was 0.36.

Every year, we organize 4-hour training for all employees including the new ones, on the causes of occupational diseases, the application of prevention principles and techniques, physical, chemical, biological, psychosocial risk factors and office ergonomics. Within the scope of compulsory OHS trainings, the OHS-E unit creates an annual training plan and shares it with the HR unit in order to include it in the company training plan. Employees participate in hands-on OHS trainings (DOJO), as well as remote and classroom trainings. We also conduct an attention perception measurement test (Vienna test) for our employees based on the risks of their work.

During the reporting period, we provided 26,181 hours of OHS training to our employees and 1,302 hours to contractors' employees.



## SAFE PRODUCTION IN THE *Pandemic*

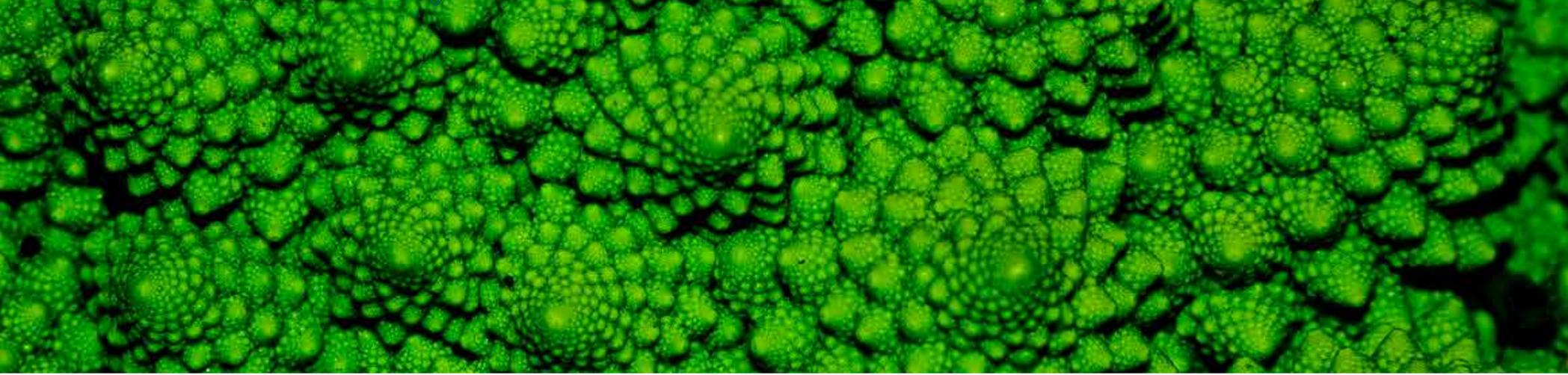
In the pandemic, we received the TSE COVID-19 Safe Production Certificate through taking the maximum measures to protect the health of our employees.

### **Life Safety Captain**

It is a surveillance mechanism established to ensure the participation of field workers in field surveillance related to OHS and environment at Assan Alüminyum. With this mechanism, we aim to increase individual awareness by enabling field workers to look at their work and workspace from outside, to create a team spirit by observing other colleagues, and to take action by ensuring that the observed behaviors are acknowledged by the unit managers.

### **Life Safety Coaching**

This project is implemented to ensure that the management is visible on OHS and to convey the message that the management is open to receiving feedback from the employees.



Purchasing operations at Assan Alüminyum are managed cohesively with Kibar Group. Kibar Group works to ensure that corporate ethics and sustainability principles are adopted by the supply chain; therefore, we prefer suppliers with high technology and energy efficient products and services. The sustainability performance of the Group's wide supply network is constantly monitored and improved.

All matters taken into consideration in purchasing processes are defined by corporate documents and procedures. Purchasing procedures of Kibar Group were developed in compliance with the United Nations Global Compact. Purchasing Ethics Rules, which are an integral part of Kibar Group Code of Ethics, are

binding for all supplier companies. Kibar Group Business Ethics Principle defines in detail all the rules regarding anti-corruption and bribery, forced labor, child labor, remuneration, working hours, non-discrimination, local communities, occupational health and safety, environment, biodiversity, integrity, quality and continuous development, and information security. In addition, the Kibar Group Framework Agreement, which is signed by all supplier companies, ensures that the sustainability priorities are also adopted by the suppliers.

We carry out supplier performance evaluation and supplier risk evaluation studies, which include legal and environmental risks, every year in compliance with certain criteria. We also

organize supplier audits and site visits along with these evaluations. The supplier is expected to be able to prove that it complies with all legal regulations and the certifications. We carry out process audits under the headings in the Ethics and Framework Agreements and, we can request and follow-up of up-to-date data if necessary. The performance card prepared after the performance evaluation is shared with the suppliers and we come up with plans regarding the areas that need improvement, if needed.

In 2021, we carried out the evaluation studies via online surveys or site visits with limited capacity due to the pandemic. In the evaluations, no suppliers were found in the critical category regarding their environmental and social impacts. All the new suppliers passed the evaluation and were not subjected to environmental and social audits.

In the reporting period, we organized supplier performance actions and held trainings on various issues such as identifying the issues that need improvement and auditing, as part of the supplier development program. In the coming period, we aim to systematically monitor the practices related to supplier development programs by creating a new system. In addition, we continue to cooperate with our suppliers on product development for company and supplier needs

**At Assan Alüminyum, we adopt local procurement practices as much as possible in order to increase our contribution to the national economy. At this point, we focus on procurement of the local machinery and spare parts instead of the imported ones. In 2021, 85.5% of our 3,062 suppliers were domestic companies.**



# SUPPLIER SELECTION *criteria*



**Supplier selections are made by considering the rules specified in the Group Purchasing Procedure and the Approved Supplier List.**

**The following features of the supplier firm are taken into consideration:**

- Its development
- Its prospect, stability and continuity
- References, reputation and experience
- Flexibility and support
- Quality assurance
- Financial structure
- Authorization documents such as license, distributorship, agency
- Technological competence
- Kibar Group Procurement Code of Conduct
- Partnership structure and other factors required by the relevant business area.

Before the company is added to the Approved Supplier List for items that may affect product and production quality, the Purchasing department and related company units conduct preliminary interviews, and the Quality and R&D departments carry out audit and evaluation studies. When the companies reach sufficient points, we start the sample production and testing phase. Suppliers that receive positive results after these stages are added to the Approved Supplier List. In the supplier selection stage, we make the supplier classification regarding information security, and conduct audits for approved suppliers.

In 2021, 149 supplier companies were evaluated in Assan Alüminyum.

# *Social responsibility*

We are committed to the UN Sustainable Development Goals, and we carry out activities aimed at creating common benefits for the society as a whole. As Assan Alüminyum, we allocated more than 1.4 million TL to social investment support in 2021.

## **Biodiversity Conservation Project**

With the Biodiversity Conservation Project, which we carried out in cooperation with Kocaeli University Biology Department, we reproduced the endemic and endangered Blue Star plant, in a laboratory environment and brought back to nature. In 2021, we started the same project for the Sea Daffodil plant.

## **Logistic Support to Turkish Red Cross (Kızılay)**

We donated aid distribution vehicle to Kızılay Tuzla Branch.

## **Assan Alüminyum Memorial Forest**

Through the Aegean Forest Foundation, we created an Assan Alüminyum Memorial Forest of 5,000 trees in return for the wooden pallet we use. In addition, we planted 3,010 saplings on behalf of our business partners.

## **Kibar Gönüllüleri**

Launched in 2018, “Kibar Volunteers” aims for all Kibar Group employees to participate voluntarily and work in solidarity for the environment and public interest. 542 Kibar Volunteers are actively working on the platform in 6 different areas. With the realized projects, we aim to both increase the awareness of social responsibility within the company and to provide the voluntary support of the employees in the areas in need.

## **Kibar Education and Social Aid Foundation**

As Assan Alüminyum, we support the investments made by Kibar Holding in the fields of education, health and social life under the roof of Kibar Education and Social Assistance Foundation in 1999.

## **Internship Programs**

We carry out internship programs with vocational high schools in Tuzla and Dilovası, where our production facilities are located, and help students create their career plans, gain work experience and improve their social conditions.



## A BETTER *World*

A clean environment and a livable world are the greatest legacy we can leave to future generations and our most significant fundamental responsibility. We feel the effects of climate change even deeper every day, and we are working on minimizing the environmental impacts of our production processes in order to demonstrate our contribution to the solution of the climate crisis. We evaluate the risks posed by climate change with a proactive approach, determine the effects on our processes and implement the necessary measures. We reduce our carbon footprint with our integrated recycling facility, and we balance the amount of energy we use in production with clean energy with our renewable energy facility. With our R&D activities, we turn potential threats created by environmental problems into opportunities by developing environmentally friendly technologies and products.

We allocated approximately 4.63 million TL for environmental expenditures in 2021.

[Click here to read our Environmental Policy.](#)



## OUR APPROACH TO *biodiversity*

Climate change, urbanization, environmental pollution and many other reasons are factors that have negative and destructive effects on the balance of the ecosystem. This balance is one of the basic elements of sustainable development. With the awareness of our responsibility in this regard, we continue our activities with the approach of “producing without consuming the future”. By actively observing the effects of our activities, we implement practices and take measures to reduce these impacts.

Our company does not have production activities in areas sensitive to biodiversity and under protection. We also consider the impact on biodiversity of all our new investment and purchasing decisions.

In 2020, we conducted a biodiversity impact assessment study through an independent institution in Tuzla and Dilovası regions. The results of this study shows that our activities did not have a negative impact on Level 3 habitat type 7 different endemic species in Tuzla region and 6 different endemic species in Dilovası region.

In cooperation with Kocaeli University Biology Department, we reproduced the endangered endemic Blue Star plant in the laboratory environment. As of 2021, we started the Sea Daffodil plant project as part of the same cooperation. In addition to these works, we planted 8,010 trees during the reporting period.



## OUR APPROACH TO *combating* CLIMATE CHANGE

102-15

As Assan Alüminyum, we believe that producing and consuming in harmony with nature is crucial and this understanding will shape business methods. It is estimated that the demand for aluminum in sectors such as construction, transportation and energy will increase by 50% by 2050. Keeping in mind the fact that the amount of emissions created by the aluminum industry corresponds to 2% of human-induced emissions, we implement emission reduction activities.

Climate change increases the uncertainties about the management of natural disaster risks. It causes disasters such as heavy rain, hail, snow, tornadoes, lightning, flash floods, city floods to be more frequent, more severe, longer-lasting and effective everywhere. We create action plans in line with the “Climate Change: Risks and Opportunities” study prepared by Kibar Holding Risk Management Directorate, in which the risks and opportunities emerged by climate change for Group companies are analyzed. In the risk assessment studies for 2021, we reviewed the company’s risk map and the actions to be taken for the risks that are likely to be triggered due to climate change.



As Assan Alüminyum, we closely follow national and international developments regarding climate change. We are working to become an important actor in this field by transforming our experience into innovative studies. New business opportunities emerge along with the increase in climate change awareness. Aluminum, which is an environmentally friendly material by nature, stands out as a preferred material because it reduces the carbon footprint and other environmental impacts of the projects in which it is used.

## *Energy and Emission* MANAGEMENT

We meticulously monitor our energy efficiency, and carry on our work by implementing projects and investments that provide efficiency. In line with our strategy to reduce greenhouse gas emissions, we are actively working to identify and reduce our current emissions, both on a product basis and from our activities. We attach great importance to energy efficiency projects.

With 18 main projects completed in 2021, we saved 3.3 million kWh of energy. Thus, the amount of savings we achieved with nearly 100 projects in the last 6 years has reached 22.2 million kWh. Our energy intensity in 2021 was 8.8; our emission intensity was 0.65; Our NOx-SOx emissions amounted to 203 tons.

In 2021, we produced 88,299 MWh of electricity from renewable energy sources with our Manavgat Hydroelectric Power Plant. In our renewable energy production facility, we produce clean electrical energy equivalent to our annual use, and with the I-REC International Renewable Energy Certificates, we can balance all of our scope 2 emissions.

We actively follow the regulations related to greenhouse gas emissions and proactively cooperate with industry associations to minimize our impact.

In order to help prevent climate change and save our forests, we created an Assan Alüminyum Memorial Forest with 5,000 trees through the Aegean Forest Foundation. We also planted trees to offset the effects of carbon emissions from our business partners’ activities.

### 2021 *Highlights*

#### **Transition to the Use of Cardboard Cores in Foil Products**

Cardboard creates an advantage in transportation due to its lower carbon emissions and lighter weight compared to steel. We achieved reduction in emission by using cardboard cores in foil products instead of steel.

#### **Recycling Friendly Alloy**

We developed an alloy with chemical composition and process design that can only be produced using scrap/recycled aluminum and included it in our portfolio. Thus, we reduced our emission through the use of materials and products with low environmental impact.

# Water Management

Water is gaining more and more importance as a limited natural resource, thus it is becoming more significant for us to develop a common mind for the efficient use of this natural resource. As Assan Alüminyum, we ensure the sustainable use of water in our operations with our 5-year water consumption targets.

Our operating regions are not located in a protected wetland. There is no water source under stress, no water resource that we consume most of, and no receiving environment that is adversely affected by our wastewater. In addition to all this, we follow our water footprint meticulously. In order to ensure water efficiency, we monitor loss and leakage rates, carry out efficiency projects and try to reduce the amount of discharged water by increasing the quality of our water preparation processes.

At Assan Alüminyum, we use water in our operations in cooling the machines, cleaning the boards, dampening the wood and fire extinguishing systems. We measure the amount of water consumption and chemical parameters on a daily basis. We analyze water resources on a weekly basis. Cooling water towers and chemical conditioning devices are controlled by independent institutions. We conduct detailed water analyzes twice a month. We measure consumptions on a monthly basis and compare them with previous values, and intervene in case of abnormal consumption. With the water saving projects carried out in 2021, we achieved a 21.6% reduction in water consumption per ton compared to 2020, and our water density was 1.31 m<sup>3</sup>/ton.

We also carry out quality control of wastewater. We control the quality of the water discharged at our Tuzla facility by analyzing it in the company laboratory every week. There is an automatic sampling device in the discharge area. In the Dilovası facility, the discharged water is sent to the DOSB treatment facility and analyzed by DOSB every month.

## 2021 highlights:

### Recovery of rinsing water of Dilovası water treatment equipment

During the reporting period, the rinsing waters of the water treatment equipment were analyzed and re-directed to the raw water tank if convenient. With this practice, we recovered 50 m<sup>3</sup> of water daily. We plan to expand the project to the Tuzla factory.

### Water savings at social use points

In 2021, cost-effective aerators were installed on all faucets and shower heads in Tuzla and Dilovası factories and Group companies in Tuzla. Thus, water consumption in social areas was reduced by 28%, and we achieved an annual saving of around 20,000 m<sup>3</sup> of water.

## WASTE MANAGEMENT AND CIRCULAR ECONOMY

Efficient management of the waste generated from our operation is crucial not only for the sustainability of natural resources but also for the circular economy. Thus, we carry out our operations meticulously in compliance with international strategies and standards such as European Aluminum “Circular Economy 2030 Action Plan”, strategy documents such as CEFLEX “Designing for a Circular Economy” and Aluminum Stewardship Initiative (ASI) standards. In addition, we obtained the Sustainability Performance Standard Certificate, which is a certification of the sustainability of both our Tuzla and Dilovası production facilities and our recycling facility, from ASI, the initiative that determines the sustainability framework of the aluminum industry on a global scale. We are proud and happy to be the first and only company to have this certificate in the Turkish aluminum industry.

Since primary aluminum (from ore) production can only meet 5% of the total need in Turkey, we are trying to increase the use of secondary aluminum and aluminum scrap in order to reduce import dependency in supply and to demonstrate an effective waste management. Since recycled aluminum requires 95% less energy in production than primary aluminum, this application allows us to reduce our carbon footprint.

We attach importance to reducing, recycling and eliminating wastes with environmentally friendly methods. Even though our production increased approximately by 12%, our total waste amount was 15,374 tons with an increase of 8.1% in 2021 compared to 2020. All of the wastes generated as a result of our operations were processed and recovered at the recycling facility, and the recovery rate of all wastes was 100%. There were no significant leaks at our facilities in 2021.



In 2021, we carried out product life cycle (LCA) studies for our product groups (foil, sheet, painted) and published environmental product statements (EPD) after third-party verification. The environmental impacts of our products, from raw materials to recycling/disposal steps, were calculated in accordance with ISO 14040 standards. We obtained the Zero Waste Certificate for our facilities from the Ministry of Environment and Urbanization after compliance with the regulations.

The plastic used in our fields in 2021 was 792.3 tons. With the Business World Plastic Reduction Initiative, the consumption of single-use plastics used in the office spaces of Kibar Holding and Group companies will be gradually reduced starting from 2021 and will be terminated at the end of 2023.

## OUR MANAGEMENT *approach*

As Assan Alüminyum, we shape our management approach in line with Kibar Holding's management principles such as resource efficiency, effective leadership and transparent communication. In this way, we aim to keep up with the rapidly changing global conditions and create sustainable value for all our stakeholders.

## Corporate GOVERNANCE

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Assan Alüminyum adopts a responsible management approach in line with international principles such as accountability, ethics and transparency. The Board of Directors consists of 5 members and is the highest level strategic decision-making body of Assan Alüminyum. The Board is responsible for determining corporate targets, ensuring compliance with corporate governance principles, determining and managing strategic orientations, and ensuring the functionality of risk management and control systems. The General Manager of Assan Alüminyum is responsible for the implementation of the strategies determined by the Board of Directors.

[Click here for detailed information about the Assan Alüminyum Board of Directors.](#)

## RISK *management*

At Assan Alüminyum, we give critical importance to the identification and effective management of corporate risks. We take into account the ISO 31000 Enterprise Risk Management System standards as a basis. We also manage the risks related to sustainability in compliance with the ASI Performance Standard. Corporate risk management, which is an important part of the decision-making mechanism, is based on the analysis of not only risks but also opportunities.

Assan Alüminyum obtained the TSE ISO 31000 verification certificate in 2020 after a single audit carried out by TSE.

As Assan Alüminyum, we define risk as any kind of uncertainty that may cause positive or negative deviation, and we place human rights and ethics at the center of our risk management perspective. In particular, we handle employee health and safety and environmental issues with great sensitivity.

In this context, a large part of our corporate risk map consists of risks related to human rights, fire, natural disaster, occupational health and safety, environment, loss of an employee, occupational disease, and abuse. Reputation risks are also included in risk management studies. All risks are measured and analyzed together with their impact and consequences.

The Institutional Risk Map is updated annually through workshops participated by the representatives of the relevant units. The development of medium and high-level risks is monitored quarterly and shared with the Company Risk Committee. Every six months we carry out follow-up studies for defined actions and make the necessary updates. With monthly activity reports, we follow up the key risk indicators (KRI) of specific subjects/processes. In addition, the KRI values that are exceeded are submitted to the committee's attention at the Kibar Holding Risk Committee meetings on a quarterly basis.

102-11; 102-15; 102-30



## INTERNAL AUDIT *and control*

At Assan Alüminyum, internal audit and control activities are conducted to control compliance with the legislation, corporate policies and principles, and the strategic targets. Internal audit and control processes are carried out by the Internal Audit Department under the coordination of Kibar Holding and are based on International Internal Audit Standards and Kibar Holding Code of Ethics. Audits performed by the Internal Audit Vice Presidency are conducted in a risk and process-oriented manner.

Internal audits are carried out in four areas: process auditing, compliance auditing, financial auditing and information technology auditing. The risks identified with the audits are conveyed to the relevant units together with the suggestions for improvement.

Corruption and abuse issues were taken into consideration in all audits at Assan Alüminyum in 2021. No major fines or non-compliances with laws have been recorded in the reporting period.



# Business ethics

Kibar Group Code of Ethics is the basic guide document regarding the business ethics at Assan Alüminyum. Kibar Group's responsibilities to the law, its internal and external stakeholders, the principles of behavior and the basic rights and responsibilities of employees are set forth in the Code of Ethics. Kibar Group Code of Ethics consists of seven main topics: honesty, confidentiality, justice, quality and continuous improvement, conflict of interest, our responsibilities and accepting/giving gifts. These topics are handled in detail in the guide, along with the case studies and examples of behavior expected to be put forward in situations that may be encountered in business life.

During the recruitment process at Kibar Group, employees are given an "Ethics Booklet" explaining the ethical principles of Kibar Group together with case examples. The last page of this booklet is signed by the employee in order to state

that the person reads and understands the content, and is given back to the Human Resources unit. In addition, our employees receive ethics training in certain periods. Ethics training, which was organized face to face periodically every year until 2020, was held through the online training portal in 2021 due to Covid-19. In addition, we hang posters saying "Do you think it is ethical?" in the common work areas in order to attract employees' attention to ethical issues.

Within the Kibar Group, the Ethics Committee is responsible for ensuring compliance with the Code of Ethics, investigating and resolving complaints and notifications regarding violations. Working under the Chairman of the Board of Kibar Holding, the Ethics Committee consists of the Vice President of Internal Audit, the Head of the Human Resources Department and the Group Legal Counsel. Specifically, Assan Alüminyum has Ethics Rule Advisors assigned to support all kinds of needs

and questions of employees regarding the implementation of the Code of Ethics.

We established an Ethics Line to be reached from within the Group or from outside in case of a situation against the Ethical Rules. Reports that are made through this line are directly conveyed to the Ethics Committee. All notifications received by the Ethics Committee by telephone, e-mail and/or post are handled and evaluated confidentially, appropriate units are assigned to take the necessary steps, and all actions are carried out meticulously. The Ethics Committee takes the necessary measures to prevent any kind of retaliation, pressure and intimidation that may occur against those who report an ethical violation.

[Click here to access Kibar Holding Code of Ethics.](#)



## Anti-corruption

Assan Alüminyum does not tolerate bribery and corruption in any way due to its high business ethics understanding. Our approach to fight against bribery and corruption is defined in the Kibar Holding Code of Ethics. In addition, corruption and bribery are among the standards determined by the ASI initiative, of which we are a member, and we follow these standards.

Compliance with the Code of Ethics is the responsibility of all Assan Alüminyum managers and employees. All Assan Alüminyum employees are obliged to report the breach of ethical rules or the suspicion of bribery and corruption. Notifications forwarded are evaluated confidentially. Anti-bribery and anti-corruption approach is binding on all relevant stakeholders, especially suppliers and business partners.

Internal control regarding corruption risks is carried out by Kibar Group Internal Audit Department; and covers process audits, inspections and investigation activities. In addition, we constantly improve our ways of doing business pursuant to the results of the independent audit results conducted every year. There had been no confirmed corruption cases found as a result of the process audits, examination and investigation activities were carried out at Assan Alüminyum in 2021.

# BUSINESS *continuity* AND EMERGENCY *preparedness*

Management of operational risks at Assan Alüminyum is carried out with the coordination of Risk Management, Insurance Management and Risk Engineering units within Kibar Group. The Risk Engineering department established within the group's insurance and brokerage company detects and monitors the findings that create operational risks in the production areas of the subsidiaries, and presents its suggestions to the companies for the mitigation of these risks.

The work to be done for effective management of operational risks and determined action plans are carried out by all relevant departments and are followed regularly. All policies and procedures (case management, emergency response, crisis communication, business continuity, corporate action plan, return to work guide, etc.) for the management of such risks in case of an incident and for business continuity are shared with all employees.

We developed business continuity plans to ensure the continuity of business processes, products and services, and to return all business processes back to usual working order in case of an interruption, crisis or disaster. Assan Alüminyum was certified within the scope of TSE ISO 22301 Business Continuity Management System after the audit conducted in 2021. We aim to increase the effectiveness of business continuity programs through exercises and trainings organized on an annual basis



# *Annexes*



# Awards IN 2021

We won the "Recommended Practice" award in the "Stars of Occupational Safety" competition organized by MESS at the May 4-10 OHS Week Events.

We participated in the "2021 Asım Kibar Mavi Damla (Blue Drop) Awards" competition with 7 projects, and received awards for 4 of them.

We won the 2nd prize with our project of "Development of Foil Alloy with Enhanced Corrosion Resistance for Food Storage Containers" in the category of "Adding Value with Innovation"; and the 3rd prize with our project "Development of Microstructure in the Twin Roll Continuous Casting Method". "Flexible Packaging Work Roll Roughness" in the "Efficiency" category, and the "Recycling Friendly Alloy" in the "Making a Difference in Customers" category were awarded the 3rd prize.



# PERFORMANCE indicators

Employee Demographics	2020	2021
<b>Total Number of Employees</b>	1,507 ✓	1,535 ✓
Female	89 ✓	105 ✓
Male	1,418 ✓	1,430 ✓
Female Employee Rate	6 ✓	7 ✓
<b>White-Collar Employees</b>		
Female	87 ✓	102 ✓
Male	198 ✓	189 ✓
<b>Blue-Collar Employees</b>		
Female	2 ✓	3 ✓
Male	1,220 ✓	1,241 ✓
<b>Total Employees by Age</b>		
30 and Below	284	303
Between 30-50	1,167	1,126
Above 50	45	110
<b>Senior Managers</b>		
Total Number of Senior Managers	45 ✓	44 ✓
Total Number of Female Senior Managers	6 ✓	7 ✓
Female Manager Ratio	14 ✓	16 ✓
<b>Parental Leave</b>	<b>2020</b>	<b>2021</b>
<b>Number of Female Employees on Parental Leave</b>	7 ✓	12 ✓
Number of Male Employees on Parental Leave	107 ✓	93 ✓
Number of Female Employees on Returning From Parental Leave	7 ✓	2 ✓
Number of Male Employees on Returning From Parental Leave	107 ✓	91 ✓

Trainings	2020	2021
<b>Employee Trainings - Number of Participants</b>		
Blue-Collar	361	11,177 ✓
White-Collar	656	3,273 ✓
Female	238 ✓	1,070 ✓
Male	779 ✓	13,380 ✓
<b>Employee Trainings - Total Hours (person*hours)</b>		
Blue-Collar Female	3 ✓	36 ✓
White-Collar Female	463 ✓	2,434 ✓
Blue-Collar Male	654 ✓	20,683 ✓
White-Collar Male	933 ✓	4,579 ✓
<b>Total Training Hours</b>	2,053 ✓	27,732 ✓
<b>Number of Employees Trained</b>	1,017 ✓	14,450 ✓
<b>Annual Training Hours Per Employee</b>	2 ✓	18 ✓
<b>Employee Engagement</b>	<b>2020</b>	<b>2021</b>
<b>Suggestion Systems</b>		
Number of Suggestions	3,669	2,092
Number of Suggestions Implemented	324	155
<b>Number of Employees Participating in Performance Evaluation</b>		
Blue-Collar Female	2	3
White-Collar Female	82	97
Blue-Collar Male	1,220	1,243
White-Collar Male	192	184
<b>Total</b>	1,496	1,527 ✓

# PERFORMANCE indicators

Occupational Health and Safety	2020	2021
<b>Injury Rate</b>		
Female	0 ✓	0 ✓
Male	8,76 ✓	10,76 ✓
Total	8,30 ✓	10,20 ✓
<b>Accident Severity Rate</b>		
Female	0 ✓	0 ✓
Male	0,182 ✓	0,36 ✓
<b>Occupational Disease Rate (ODR)</b>		
Female	0 ✓	0 ✓
Male	0 ✓	0 ✓
Contractor Female Employee	0 ✓	0 ✓
Contractor Male Employee	0 ✓	0 ✓
<b>Fatal Accidents</b>		
Female	0 ✓	0 ✓
Male	0 ✓	0 ✓
Contractor Female Employee	0 ✓	0 ✓
Contractor Male Employee	0 ✓	0 ✓
<b>Total Number of Lost Days</b>		
Female	0 ✓	0 ✓
Male	522 ✓	1.045 ✓
Contractor Female Employee	15 ✓	10 ✓
Contractor Male Employee	52 ✓	45 ✓

Occupational Health and Safety Trainings	2020	2021
<b>Total Hours Of OHS Training Given To Employees</b>	37.183 ✓	26.181 ✓
<b>Total Hours Of OHS Training Given To Contractor Employees</b>	624,5 ✓	1.302 ✓
<b>Occupational Health and Safety Management</b>	<b>2020</b>	<b>2021</b>
<b>Number of Established OHS Committee</b>	2 ✓	2 ✓
<b>Total Number of Members in Established OHS Committees</b>	31 ✓	31 ✓
<b>Number of Employee Representatives in Established OHS Committees</b>	9 ✓	9 ✓
<b>Economic Performance Indicators</b>	<b>2020</b>	<b>2021</b>
<b>R&amp;D Budget (TL)</b>	18.737.490	52.504.367
<b>Number of Patents Received</b>	2	2
<b>Number of Suppliers</b>	2.174	3.022 ✓
<b>Local Supplier Ratio (%)</b>	87	85,5 ✓

# PERFORMANCE indicators

Environmental Performance Indicators	2020	2021
<b>Resource Efficiency</b>		
Total production amount (tons)	256,151 ✓	286,063 ✓
Amount of raw materials consumed (tons)	360,049	346,929
Amount of non-primary raw material used as input (tons)	124,469	133,066
Non-primary raw material / Total raw material (%)	35	38
<b>Total withdrawal by source</b>		
Well water (m <sup>3</sup> )	359,812 ✓	326,973 ✓
City water (m <sup>3</sup> )	46,409 ✓	48,074 ✓
Total amount of water consumed (m <sup>3</sup> )	406,221 ✓	375,047 ✓
Water density (m <sup>3</sup> /ton)	1.59 ✓	1.31 ✓
<b>Total energy consumed in the organization</b>		
<b>Direct energy consumption</b>		
Natural gas-m <sup>3</sup>	48,108,038 ✓	48,727,720 ✓
Natural gas-GJ	1,828,105 ✓	1,851,653 ✓
Direct energy consumption total (GJ)	1,828,105 ✓	1,851,653 ✓
<b>Indirect energy consumption</b>		
Electricity-kwh	165,090,158.00 ✓	180,995,527 ✓
Electricity-GJ	594,325 ✓	651,584 ✓
Total indirect energy consumption (GJ)	594,325 ✓	651,584 ✓
Total energy consumption(GJ)	2,422,430 ✓	2,503,237 ✓
Renewable energy production amount (kWh)	129,700 ✓	88,300 ✓
Renewable energy generation (GJ)	467 ✓	318 ✓
Energy density (GJ/ton)	9.5 ✓	8.8 ✓
Scope 1 emissions (tons)	99,507 ✓	101,127 ✓
Scope 2 emissions (tons)	78,090 ✓	85,602 ✓
Greenhouse gas (GHG) emission intensity	0.704 ✓	0.652 ✓
NOx, SOx and other significant air emissions*	175	203

Waste Management	2020	2021
Total water discharge by quality and destination	164,193	172,716
Natural receptive environment	18,971	208,821
Water channel	145,222	166,226
Hazardous waste amount (tons)	10,126 ✓	11,148 ✓
Recovery	10,084 ✓	11,148 ✓
Landfill	43 ✓	0 ✓
Waste incineration	0 ✓	0 ✓
Amount of non-hazardous waste (tons)	4,090 ✓	4,226 ✓
Recovery	4,090 ✓	4,226 ✓
Landfill	0 ✓	0 ✓
Total amount of waste (tons)	14,216 ✓	15,374 ✓
<b>Management Approach</b>		
Environmental trainings		
Environmental training hours given to employees	1,955	1072.5
Environmental training hour given to contractor personnel	488.5	623.5
Number of employees receiving environmental training	2,039	759
Number of contractor employees receiving environmental training	1249	1,247
Number of trees planted	0	8,010
Environmental budget	13,520,571	4,633,114
Environmental investment expenditures (TL)	10,017,328	464,815
Environmental management expenditures (TL)	3,503,243	4,168,299



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<b>GRI 102: General Disclosures 2016</b>	
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102-2	About Assan Alüminyum, page: 7
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102-5	GRI Content Index: <a href="https://e-sirket.mkk.com.tr/esir/Dashboard.jsp#/sirketbilgileri/12026">https://e-sirket.mkk.com.tr/esir/Dashboard.jsp#/sirketbilgileri/12026</a>
102-6	About Assan Alüminyum, page: 7
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102-8	Performance Indicators, page: 45
102-9	Sustainability in the Supply Chain, page: 33
102-10	GRI Content Index: There were no significant institutional changes during the reporting period.
102-11	Risk Management, page: 41
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<b>Strategy</b>	
102-14	Message from the CEO, page: 4; Message from the General Manager, page: 5-6
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<b>Ethics and Integrity</b>	
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102-17	Business Ethics, page: 43

As part of the Materiality Disclosures Service, GRI Services has assessed that the GRI Content Index is clearly presented and disclosures 102-40 and 102-49 are included in the appropriate sections of the report. This service was carried out through the Turkish version of the report.

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<b>Stakeholder Engagement</b>	
102-40	Relations with Our Stakeholders, page: 14
102-41	GRI Content Index: There is no collective bargaining agreement at Assan Alüminyum.
102-42	Relations with Our Stakeholders, page: 14
102-43	Relations with Our Stakeholders, page: 14
102-44	Our Sustainability Strategy: Vision 2025 page: 10; Relations with Our Stakeholders, page: 14
<b>Reporting Practices</b>	
102-45	About Kibar Holding, About Assan Alüminyum, page: 7
102-46	About the Report, page: 3
102-47	Our Sustainability Strategy: Vision 2025, page: 10
102-48	GRI Content Index: No change.
102-49	GRI Content Index: No change.
102-50	About the Report, page: 3
102-51	GRI Content Index: 2021 Sustainability Report is the third report of Assan Alüminyum. The previous report is Assan Alüminyum 2020 Sustainability Report.
102-52	GRI Content Index: Reporting is done annually.
102-53	Communication, page: 61
102-54	About the Report, page: 3
102-55	GRI Content Index, page: 50
102-56	GRI Content Index: No external audit was received

MATERIAL ISSUES		
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<b>Business Continuity and Emergency Preparedness</b>		
GRI 103: Management Approach 2016	103-1 Description and Binding of Material Issues	Business Continuity and Emergency Preparedness, page:43-44
	103-2 Management Approach and Its Components	Business Continuity and Emergency Preparedness, page: 43-44
	103-3 Evaluation of Management Approach	Business Continuity and Emergency Preparedness, page: 43-44
GRI 201: Economic Performance 2016	201-1 Economic value created	About Assan Alüminyum, page: 7-8
GRI 204: Procurement Practices 2016	204-1 Amount of local procurement budget and ratio in total procurement budget	Sustainability in the Supply Chain, page: 34
GRI 412: Human Rights Assessment 2016	412-3 Investment treaties or human rights clauses in contracts.	Human Rights and Our Employer Approach, page: 27; Sustainability in the Supply Chain, page: 33-34
<b>Renewable Energy</b>		
GRI 103: Management Approach 2016	103-1 Description and Binding of Material Issues	Our Approach to Combating Climate Change, page: 37; Energy and Emissions Management, page: 37-38
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GRI 302: Energy 2016	302-1 Energy consumption within the organization	Performance Indicators, page: 48
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	302-4 Reducing Energy Consumption	Energy and Emissions Management, page: 37-38
	302-5 Reducing Energy Consumption of Products and Services	Energy and Emissions Management, page: 37-38
GRI 305: Emissions 2016	305-1 Direct greenhouse gas emissions (Scope 1)	Performance Indicators, page: 48
	305-2 Indirect energy greenhouse gas emissions (Scope 2)	Performance Indicators, page: 48
	305-4 Intensity of greenhouse gas emissions	Performance Indicators, page: 48
	305-5 Reducing Greenhouse Gas Emissions	Energy and Emissions Management, page: 37-38
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx) and other important air emissions	Performance Indicators, page: 48
<b>Efficient Use of Resources</b>		
GRI 103: Management Approach 2016	103-1 Description and Binding of Material Issues	Water Management, Waste Management and Circular Economy, page: 38-40
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GRI 303: Water and Effluents 2018	303-1 Water Policy and Management Approach of the Institution	Water Management, page: 38
	303-2 Management of Impacts Related to Water Discharge	Water Management, page: 38
	303-3 Withdrawal	Performance Indicators, page: 48
	303-5 Total water withdrawal	Performance Indicators, page: 48
GRI 307: Environmental Compliance 2016	307-1 Non-compliance with environmental laws and regulations	GRI Content Index: No fines were charged on environmental compliance.

# GRI CONTENT *index*

MATERIAL ISSUES		
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<b>Circular Economy</b>		
GRI 103: Management Approach 2016	103-1 Description and Binding of Material Issues	Waste management and Circular Economy, page: 39-40
	103-2 Management Approach and Its Components	Waste management and Circular Economy, page: 39-40
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GRI 301: Materials 2016	301-1 Raw Materials Used	Performance Indicators, page: 48
	301-2 Recycled Raw Materials	Performance Indicators, page: 48
	301-3 Reclaimed products and their packaging materials	Performance Indicators, page: 48
GRI 306: Wastewater and Waste 2016	306-1 Water Discharge	Performance Indicators, page: 48
	306-2 Waste by Type and Disposal Method	Performance Indicators, page: 48
	306-3 Cases of Leakage and Spill	GRI Content Index: There were no significant cases of leakage/spill during the reporting period.
	306-5 Affected Water Resources	Water Management, page: 38
<b>Sustainable Supply Chain</b>		
GRI 103: Management Approach 2016	103-1 Description and Binding of Material Issues	Sustainability in the Supply Chain, page: 33-34
	103-2 Management Approach and Its Components	Sustainability in the Supply Chain, page: 33-34
	103-3 Evaluation of Management Approach	Sustainability in the Supply Chain, page: 33-34
GRI 308: Supplier Environmental Assessments 2016	308-1 Environmentally Audited Suppliers	Sustainability in the Supply Chain, page: 33-34
	308-2 Significant current and potential negative environmental impacts of the supply chain and measures taken	Sustainability in the Supply Chain, page: 33-34
GRI 414: Supplier Social Assessments 2016	414-1 Proportion (%) and number of new suppliers audited for social impact	Sustainability in the Supply Chain, page: 33-34
	414-2 Current and potential negative social impacts of the supply chain and actions taken	Sustainability in the Supply Chain, page: 33-34
GRI 408: Anti-Child Labor 2016	408-1 Activities and suppliers identified as at risk for child labor	Sustainability in the Supply Chain, page: 33-34
GRI 409: Anti-Forced-Involuntary Labor 2016	409-1 Activities determined to be at risk in terms of forced or compulsory labor	Sustainability in the Supply Chain, page: 33-34
<b>Employee Development and Talent Management</b>		
GRI 103: Management Approach 2016	103-1 Description and Binding of Material Issues	Employee Development and Talent Management, page: 27-29
	103-2 Management Approach and Its Components	Employee Development and Talent Management, page: 27-29
	103-3 Evaluation of Management Approach	Employee Development and Talent Management, page: 27-29
GRI 404: Employee Development 2016	404-1 Training hours per employee	Employee Development and Talent Management, page: 27; Performance Indicators, page: 46
	404-2 Talent management and lifelong learning programs	Employee Development and Talent Management, page: 28-29
	404-3 Percentage of employees who receive regular performance and career development evaluation	Employee Development and Talent Management, page:28-19; Performance Indicators, page: 46

# GRI CONTENT *index*

MATERIAL ISSUES		
STANDARD	DISCLOSURES AND PAGE NUMBERS	
<b>Gender and Equal Opportunity</b>		
GRI 103: Management Approach 2016	103-1 Description and Binding of Material Issues	Gender and Equal Opportunity, page: 26-27
	103-2 Management Approach and Its Components	Gender and Equal Opportunity, page: 26-27
	103-3 Evaluation of Management Approach	Gender and Equal Opportunity, page: 26-27
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of management bodies and employees	Performance Indicators, page: 45
	405-2 Base salary and wage ratio between women and men	GRI Content Index: There is no gender-based salary difference at Assan Alüminyum. The principle of equal pay for equal work is applied.
GRI 406: Anti-Discrimination 2016	406-1 Cases of discrimination	GRI Content Index: No case of discrimination has occurred during the reporting period.
<b>Occupational Health and Safety</b>		
GRI 103: Management Approach 2016	103-1 Description and Binding of Material Issues	Occupational Health and Safety, page: 31-33
	103-2 Management Approach and Its Components	Occupational Health and Safety, page: 31-33
	103-3 Evaluation of Management Approach	Occupational Health and Safety, page: 31-33
GRI 403: Occupational Health and Safety 2018	403-1 Occupational Health and Safety Management System	Occupational Health and Safety, page: 31-33
	403-2 Identification of OHS Risks	Occupational Health and Safety, page: 31-33
	403-3 Identification of Occupational Health Practices	Occupational Health and Safety, page: 31-33
	403-4 Employees represented on Management-Worker health and safety committees	Occupational Health and Safety, page: 31-32
	403-5 OHS Trainings given to Employees	Occupational Health and Safety, page: 31
	403-6 Practices to improve employee health	GRI Content Index: We do not have employees in specific occupations with a high risk of accident or occupational disease. However, Assan Alüminyum company, which is included in the very dangerous workplace group, has 1204 field workers.
	403-7 OHS risks that employees are exposed to due to production processes and products	Performance Indicators, page: 47
	403-8 Workers under the occupational health and safety management system	Occupational Health and Safety, page: 32; Performance Indicators, page: 47
	403-9 Work-related injuries	Occupational Health and Safety, page: 33
	403-10 Occupational diseases	Occupational Health and Safety, page: 33
<b>Product Quality and Safety</b>		
GRI 103: Management Approach 2016	103-1 Description and Binding of Material Issues	Product Quality and Safety, page: 18-20
	103-2 Management Approach and Its Components	Product Quality and Safety, page: 18-20
	103-3 Evaluation of Management Approach	Product Quality and Safety, page: 18-20
GRI 416: Customer Health and Safety 2016	416-1 Health and safety impacts of products and services	Product Quality and Safety, page: 18-20
	416-2 Violations of legal regulations and voluntary principles and codes regarding the health and safety conditions of products and services	GRI Content Index: No such non-compliance has occurred during the reporting period.

MATERIAL ISSUES		
STANDARD	DISCLOSURES AND PAGE NUMBERS	
<b>Customer Satisfaction</b>		
GRI 103: Management Approach 2016	103-1 Description and Binding of Material Issues	Customer Satisfaction, page: 20; Information Security, page: 24-25
	103-2 Management Approach and Its Components	Customer Satisfaction, page: 20; Information Security, page: 24-25
	103-3 Evaluation of Management Approach	Customer Satisfaction, page: 20; Information Security, page: 24-25
GRI 417: Marketing and Labeling 2016	417-1 Product Information and Labels	More Satisfied Stakeholders, page: 18; Product Quality and Safety, page: 18-19
	417-2 Number of violations of law or voluntary code in product information and labeling	GRI Content Index: No such violation occurred during the reporting period.
	417-3 Incidents of non-compliance with regulations and voluntary rules on marketing communications	GRI Content Index: No such violation occurred during the reporting period.
GRI 418: Customer Information Privacy 2016	418-1 Customer Information Privacy	GRI Content Index: There was no case of breach of customer information privacy during the reporting period.
<b>R&amp;D, Innovation and Digitalization</b>		
GRI 103: Management Approach 2016	103-1 Description and Binding of Material Issues	R&D and Innovation, page: 21-22
	103-2 Management Approach and Its Components	R&D and Innovation, page: 21-22
	103-3 Evaluation of Management Approach	R&D and Innovation, page: 21-22

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## ASSAN ALÜMİNYUM 2021 SUSTAINABILITY REPORT – REPORTING GUIDANCE

This reporting guidance (the “Guidance”) provides information on data preparation and reporting methodologies of the indicators within the scope of limited assurance in the Assan Alüminyum A.Ş.’s (the “Company”, “Assan Alüminyum”) Assan Alüminyum 2021 Sustainability Report (the “2021 Sustainability Report”). The indicators include social, environmental and economic indicators. It is the responsibility of the Company’s management to ensure that appropriate procedures are in place to prepare the indicators mentioned above in line with, in all material respects, the Guidance.

The data included in this guideline is for the FY 21 (1 January – 31 December 2021), fiscal year ended December 31, 2021, and as detailed in the “Key Definitions and Reporting Scope” section comprises only the relevant operations of the Company that are the responsibility of the Company by excluding information about subcontractors.

### General Reporting Principles

In preparing this guidance document, consideration has been given to following principles:

- Information Preparation – to highlight to users of the information the primary principles of relevance and reliability of information; and
- Information Reporting – to highlight the primary principles of comparability / consistency with other data including prior year and understandability / transparency providing clarity to users.

### Key Definitions and Reporting Scope

For the purpose of this report, the Company defines:

Type	Indicator	Scope
Social Indicators	<b>Human Resource</b>	
	Number of Employees	This indicator means the total number of employees working in the Assan Alüminyum during the reporting period.
	Number of Employees by Gender	This indicator means the number of employees classified by gender, working at Assan Alüminyum during the reporting period.
	Number of Senior Executives by Gender	In the reporting period, this indicator means the number of employees classified as “CEO, CFO, Vice President, General Manager, Assistant General Manager, Director, Consultant and Manager”, classified by gender, as defined by Assan Alüminyum.
	Number of Employees on Maternity Leave and Returning,by Gender	This indicator means the number of employees on maternity leave and returned from maternity leave, classified by gender, during the reporting period.

Type	Indicator	Scope
Social Indicators	<b>Occupational Health and Safety</b>	
	Injury Rate	This indicator is calculated by multiplying the ratio of the total number of accidents that occurred during the reporting period to the total working time by one million. Injury Rate, Accident Frequency Rate and Accident Frequency Ratio mean the same thing.
	Accident Severity Rate	This indicator represents the total number of lost days due to work accidents that occurred during the reporting period and occurred during a certain working period.
	Number of Occupational Diseases	This indicator means the number of temporary or permanent illness, physical or mental disability that occurred during the reporting period, due to a recurring reason due to the nature of the work or the work performed by the insured, or due to the conditions of operation of the business.
	Number of Fatal Accidents	This indicator represents the number of Companies employees who lost their lives in a fatal accident during the reporting period.
	Number of Employee /Contractor Company Employees Attending Occupational Health and Safety Trainings and Training Hours	This indicator represents the number of Companies employees and Contractor Companies employees who participated in the trainings given within the scope of Occupational Health and Safety during the reporting period and the training hours.
	Number of Occupational Health and Safety Committee/ Committee Members	This indicator means the number of members in the Occupational Health and Safety Committee and the number of the Committee, which was formed to work on issues related to occupational health and safety at work at Assan Alüminyum during the reporting period.
	<b>Trainings</b>	
	Number of employees and training hours by gender	This indicator refers to the number of people who participated in the trainings organized for the employees during the reporting period, classified by gender.
	Number of employees participating in performance evaluation by gender	This indicator represents the number of employees participating in the performance evaluation, classified by gender, during the reporting period.
Suppliers		
	Total and Local Suppliers	This indicator represents the total number of suppliers and local suppliers that Assan Alüminyum works with during the reporting period.
	Ratio of Local Supplier and Foreign Supplier	This indicator represents the ratio of local and foreign suppliers that Assan Alüminyum works with in the total suppliers during the reporting period.

Type	Indicator	Scope
Environmental Indicators	<b>Direct Energy Consumption</b>	
	Natural Gas	This indicator means the total amount of natural gas purchased during the reporting period and used in operations that require heating, kitchens and other natural gas at the relevant locations. It is reported as cubic meters (m <sup>3</sup> ) and GJ.
	<b>Indirect Energy Consumption</b>	
	Electricity	This indicator means the total amount of electrical energy purchased during the reporting period and used in air conditioning, lighting, use of electrical appliances and other electricity-requiring operations. It is reported in kWh.
Energy Intensity		
	Energy Intensity	This indicator means the total amount of direct and indirect energy consumption consumed by the Company to produce a unit of output during the reporting period. It is reported as GJ/ton of production.

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Type	Indicator	Scope
Environmental Indicators	<b>Greenhouse Gas Emissions (Scope 1, Scope 2, Scope 3)</b>	
	Scope 1 (tCO <sub>2</sub> e)	This indicator means greenhouse gas emissions due to the use of natural gas, diesel fuel (company vehicles, diesel generator, forklifts) and gasoline in the relevant locations of the Company during the reporting period.
	Scope 2 (tCO <sub>2</sub> e)	In the reporting period, this indicator means the greenhouse gas emission caused by the electrical energy consumption purchased at the relevant locations of the Company.
	Scope 3 (tCO <sub>2</sub> e)	In the reporting period, this indicator means the greenhouse gas emissions arising from the air travels of the Company employees for work and personnel services.
	<b>Greenhouse Gas Intensity</b>	
	Greenhouse Gas Emissions Intensity	This indicator means the amount of carbon dioxide equivalent greenhouse gas emitted into the atmosphere by the Company in the reporting period to produce one unit of output. It is reported as tons of CO <sub>2</sub> e/tonne of production.
	<b>Renewable Energy Production</b>	
	Renewable Energy Production	This indicator means the Company's renewable energy production amount during the reporting period. It is followed through the EPIAŞ Transparency Platform. It is reported in kWh.
	<b>Water Consumption</b>	
	Water Consumption	This indicator means the total water consumption (mains water and well water) used by the Company in the relevant locations during the reporting period.
	<b>Water Intensity</b>	
	Water Intensity	This indicator means the amount of water consumed by the Company to produce one unit of product during the reporting period. It is reported as m <sup>3</sup> /tonne production.
	<b>Waste Management</b>	
	Total Hazardous Waste	It means hazardous waste at the locations where the Company's operations take place during the reporting period. The amount of hazardous waste is reported in tons according to disposal methods such as energy recovery, recovery, landfill, waste incineration and other.
Total Non-Hazardous Waste	It means non-hazardous waste at the locations where the Company's operations take place during the reporting period. The amount of non-hazardous waste is reported in tons according to disposal methods such as energy recovery, recovery, landfill, waste incineration and other.	

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## Data Preparation

### Social Indicators

#### Distribution of Female Managers

In the reporting period, the ratio of female senior managers represents the ratio of the number of female employees holding the titles of "CEO, CFO, Vice President, General Manager, Assistant General Manager, Director, Consultant and Manager", which Assan Alüminyum defines as "senior level", to the total number of employees holding these titles. . This ratio is calculated according to the following formula:

- Ratio of Female Senior Managers (%) = Number of Female Senior Managers / Total Number of Senior Managers

#### Occupational Health and Safety Data

- The number of accidents and the number of fatal cases are followed by the Company breakdown and direct employment & contractor classification with the tables listing the Social Security Institution notifications.
- No occupational disease was encountered during the relevant period.
- No fatal accident occurred during the relevant period.
- The following definitions and formulas are used in the calculation of occupational health and safety indicators.

#### Formulas:

Injury Rate (%) = Number of Lost Day Accidents (3 Days and More Accidents) \* 1.000.000 / Total Hours Worked (Including Overtime)

Accident Severity Rate (ASR) = Total Number of Days Lost in Accidents\* 1.000 / Total Hours Worked (Including Overtime)

ASR = LDR (Due to no occupational disease) Total Number of Days Lost in Accidents\* 1.000 / Total Hours Worked (Including Overtime)

Working hours are calculated on the payroll, which is an official document prepared periodically by the employer every month, in which the wages paid by Assan Alüminyum to its employees are recorded together with all taxes and deductions. Hours of overtime, short-time working allowance, paid & unpaid leave, paid & unpaid rest, annual leave, marriage leave, paid maternity leave (mother & father) and unpaid maternity leave (mother & father) are not included in the total working hours.

In the total number of lost-day accidents, accidents with 3 or more lost working days are included with reference to the International Labor Organization (ILO).

#### Suppliers Data

Assan Alüminyum's Local Supplier & Foreign Supplier Ratio is calculated according to the following formulas:

- Local Supplier Ratio (%) = Number of Local Suppliers / Total Number of Suppliers
- Foreign Supplier Ratio (%) = Number of Foreign Suppliers / Total Number of Suppliers

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## Environmental Indicators

### Water Consumption

Water consumption of Assan Hanil Tuzla and İspak Tuzla facilities is also included in the amount of water consumption of Assan Aluminum Tuzla Facility. Water is distributed to all facilities by Assan Aluminum Tuzla Facility Auxiliary Facilities and includes mains water, well water, utility water, cooling water and hot water consumption.

### Water Intensity

Water intensity corresponds to the amount of water consumed to produce a unit of output and is calculated according to the formula below.

- Water Intensity (m<sup>3</sup>/ton) = Water Consumption (m<sup>3</sup>) / Total Production (ton)

### Direct Energy Consumption Data by Fuel Type

#### Natural Gas

The natural gas supply unit is billed in “m<sup>3</sup>” and the following formula is used in the conversion of natural gas activity data to gigajoule (GJ). “Intensity” values in “kg/m<sup>3</sup>” and “Net Calorific Value (NKD)” data in “TJ/Gg” are obtained from natural gas distribution companies and the relevant organized industrial zone general directorates. Since the calorific value on the invoice of the company is used, a conversion factor of 0.038 is used.

[Activity Data (m<sup>3</sup>)\*Intensity (kg/m<sup>3</sup>)\*0.000001(Gg/kg)\*NKD(TJ/Gg)\*1000(GJ/TJ)]

#### Indirect Energy Consumption Data

The amount of electrical energy is reported as “kWh” and the conversion factor “1 kWh electricity = 0.0036 GJ” in the annex of the “Regulation on Increasing Efficiency in the Use of Energy Resources and Energy” is used for conversion to “GJ” unit.

### Energy Intensity

Energy intensity corresponds to the direct and indirect energy consumption consumed to produce a unit of output and is calculated according to the following formula:

- Energy Intensity (GJ/ton) = Direct and Indirect Energy Consumption (GJ) / Total Production (ton)

### Greenhouse Gas Emissions (Scope 1, Scope 2, Scope 3 Emissions)

#### Scope-1 Emissions

- Natural gas, diesel, gasoline are reported as primary fuel sources within the scope of energy consumption data for Assan Alüminyum. The data is obtained by the breakdown of the meter, invoice, receipt and vehicle identification system of the service providers.
- Diesel consumption is obtained from service providers’ invoices for generators and fire pumps. Gasoline and diesel consumption of company vehicles is obtained from the invoices of the vehicle identification service provider.

#### Diesel

The diesel supply unit is invoiced in terms of “tons” and “liters”. The following formula is used in the conversion of diesel oil activity data in “tons” to gigajoules (GJ). The NKD value is taken from the “2006 IPCC Guidelines for National Greenhouse Gas Inventories/Volume 2 Energy/Chapter 1 Introduction”.

[Activity Data (tons)\*0.001(Gg/ton)\*NKD(TJ/Gg)\*1000(GJ/TJ)]

The conversion factor of “1 liter diesel oil = 0.00083 tons of diesel oil” was used in the conversion of diesel fuel consumption from “liter” to “ton”, with reference to the annex of the “Regulation on Increasing Efficiency in the Use of Energy Resources and Energy”.

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### Gasoline

Gasoline supply unit is billed in “liter” and the following formula is used in converting gasoline activity data to gigajoule (GJ). The NKD value is taken from the “2006 IPCC Guidelines for National Greenhouse Gas Inventories/Volume 2 Energy/Chapter 1 Introduction”. In the conversion of “liter” gasoline consumption to “ton”, the conversion factor “1 liter gasoline = 0.00073 tons gasoline” was used with reference to the annex of the “Regulation on Increasing Efficiency in the Use of Energy Resources and Energy”.

[Activity Data (tons)\*0.001(Gg/ton)\*NKD(TJ/Gg)\*1000(GJ/TJ)]

### Solvent

Solvent amount used in Dilovası location is included in Scope-1 emissions. The IPCC was taken as reference for the net calorific value and emission factor values in the emission calculation.

- The following formula is used to calculate fuel-related emissions (Scope 1).  
[Fuel-Related Emission (Fuel)=Activity Data (AD) \* Emission Factor (EF) \* Oxidation Factor (OF)]
- Scope 1 emissions are calculated with reference to the “2006 IPCC Guidelines for National Greenhouse Gas Inventories/ Volume 2 Energy/ Chapter 2 Stationary Combustion”.
- Oxidation factor has been used in all calculations within Scope 1 Emissions (natural gas, diesel, gasoline) with reference to the “Communiqué on Monitoring and Reporting of Greenhouse Gas Emissions”.

### Scope-2 Emissions

- The total electricity consumption of company locations is reported within the scope of electricity consumption data for Assan Alüminyum. The data is obtained by the Company’s monthly breakdown follow-ups and invoices received from location-based electricity distribution companies.
- Scope-2 emissions have been calculated based on the emission factors included in the “Turkey Electricity Production and Electricity Consumption Point Emission Factors Information Form” announced by the Ministry of Energy and Natural Resources on 09.08.2022.

### Scope-3 Emissions

Scope-3 emissions cover the data of flights and personnel services made by company employees for Assan Alüminyum. Data is obtained from the Company’s detailed flight logs and personnel shuttle routes. Scope 3 emissions are calculated with reference to UK DEFRA 2020 Emission Factors.

### Greenhouse Gas Emissions Intensity

Greenhouse gas emission intensity corresponds to the amount of carbon dioxide equivalent greenhouse gas released into the atmosphere to produce one unit of output and is calculated according to the following formula:

- GHG Emission Intensity (tons CO<sub>2</sub>e/tonne production) = Total GHG Emissions (tonnes CO<sub>2</sub>e) / Total Production (tonnes)

### Restatement

The measuring and reporting of sustainability-related data inevitably involves a degree of estimation. Restatements are considered where there is a change in the data of greater than 5 percent at the Company level.

### Limited Assurance Report

to the Board of Directors of Assan Alüminyum Sanayi ve Ticaret A.Ş.

We have been engaged by the Board of Directors of Assan Alüminyum Sanayi ve Ticaret A.Ş. (the "Company" or "Assan Alüminyum") to perform an independent limited assurance engagement in respect of the Selected Sustainability Information ("Selected Information") stated in Assan Alüminyum Sanayi ve Ticaret A.Ş. 2021 Sustainability Report ("2021 Sustainability Report") for the year ended 31 December 2021 and listed below.

#### Selected Information

The scope of the Selected Information for the year ended 31 December 2021, which is subject to our independent limited assurance work, set out in the pages 75, 76, 77 and 78 of the 2021 Sustainability Report with the sign  is summarised below:

#### Social Indicators

- Occupational Health and Safety
  - Injury Rate
  - Accident Severity Rate
  - Occupational Disease Rate (ODR)
  - Total OHS training hours allocated to employees
  - Total number of employees participating in OHS training
  - Total number of members in OHS committees established
- Employee Demographics
  - Total number of employees by gender
  - Total number of senior executives by gender
  - Total number of maternity leave & paternity leave / returning from maternity leave & paternity leave
- Employee Training
  - Number of participants & training hours by gender
  - Number of employees under performance review by gender
- Suppliers
  - Number of Total & Local Suppliers
  - Local Supplier & Foreign Supplier Ratio

#### Environmental Indicators

- Energy
  - Direct Energy Consumption
  - Indirect Energy Consumption
  - Energy intensity
- Emissions (Scope 1, Scope 2, Scope 3)
  - Greenhouse gas emissions intensity
- Water Management
  - Municipal water consumption
  - Well water consumption
  - Water intensity
- Waste Management
  - The amount of hazardous waste according to the disposal method
  - The amount of non-hazardous waste according to the disposal method

Our independent assurance report has been prepared only for the year ended 31 December 2021, and we have not performed any procedures with respect to earlier periods or any information other than Selected Information marked with an  in the 2021 Sustainability Report, and therefore no do not express any conclusion thereon.

#### Criteria

The criteria used by the Company to prepare the Selected Information is set out in section "Assan Alüminyum 2021 Sustainability Report - Reporting Guidance" (the "Reporting Guidance") on pages 87, 88, 89, 90, 91 and 92 of the 2021 Sustainability Report.

#### The Company's Responsibility

The Company is responsible for the content of 2021 Sustainability Report and the preparation of the Selected Information in accordance with the Reporting Guidance. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of Selected Information that is free from material misstatement, whether due to fraud or error.

#### Inherent Limitations

Non-financial performance information is subject to more inherent limitations than financial information, given the characteristics of the subject matter and the methods used for determining such information. The absence of a significant body of established practice on which to draw to evaluate and measure non-financial information allows for different, but acceptable, measures and measurement techniques and can affect comparability between entities. The precision of different measurement techniques may also vary. Furthermore, the nature and methods used to determine such information, as well as the measurement criteria and the precision thereof, may change over time. It is important to read the Selected Information in the context of the Reporting Guidance.

In particular, for carbon emissions from energy used is based upon, inter alia, information and factors generated internally and/or derived by independent third parties as explained in the Reporting Guidance. Our assurance work has not included examination of the derivation of those factors and other third-party information.

#### Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Our firm applies International Standard on Quality Control 1 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

#### Our Responsibility

Our responsibility is to form a conclusion, based on limited assurance procedures, on whether anything has come to our attention that causes us to believe that the Selected Information has not been properly prepared in all material respects in accordance with the Reporting Guidance. We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised), Assurance Engagements other than Audits or Reviews of Historical Financial Information', and, in respect of greenhouse gas emissions, International Standard on Assurance Engagements 3410, Assurance Engagements on Greenhouse Gas Statements, issued by the International Auditing and Assurance Standards Board.

A limited assurance engagement is substantially less in scope than a reasonable assurance engagement under ISAE 3000 and ISAE 3410. Consequently, the nature, timing and extent of procedures for gathering sufficient appropriate evidence are deliberately limited relative to a reasonable assurance engagement.

The procedures we performed were based on our professional judgment and included inquiries, observation of processes performed, inspection of documents, analytical procedures, evaluating the appropriateness of quantification methods and reporting policies, and agreeing or reconciling with underlying records.

Given the circumstances of the engagement, in performing the procedures listed above we:

- Made inquiries of the persons responsible for the Selected Information;
- Understood the process for collecting and reporting the Selected Information. This included analysing the key processes and controls for managing and reporting the Selected Information;
- Evaluated the source data used to prepare the Selected Information and re-performed selected examples of calculation;
- Performed limited substantive testing on a selective basis of the preparation and collation of the Selected Information prepared by the Company and;
- Undertook analytical procedures over the reported data.

#### Limited Assurance Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Company's Selected Information for the year ended 31 December 2021, is not properly prepared, in all material respects, in accordance with the Reporting Guidance.

#### Restriction of Use

This report, including the conclusion, has been prepared for the Directors of the Company as a body, to assist the Directors in reporting of Assan Alüminyum Sanayi ve Ticaret A.Ş. 's performance and activities related to the Selected Information. We permit the disclosure of this report within the 2021 Sustainability Report for the year ended 31 December 2021, to enable the Directors to demonstrate they have discharged their governance responsibilities by commissioning a limited assurance report in connection with the Selected Information. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Directors of Assan Alüminyum Sanayi ve Ticaret A.Ş. as a body and of Assan Alüminyum Sanayi ve Ticaret A.Ş. for our work or this report save where terms are expressly agreed and with our prior consent in writing.

PwC Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş.



Beste Ortaç, SMMM  
Partner

Istanbul, 29 August 2022





Kibar



AssanAlüminyum