



2023 SUSTAINABILITY REPORT





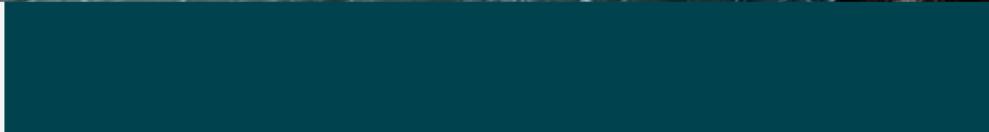
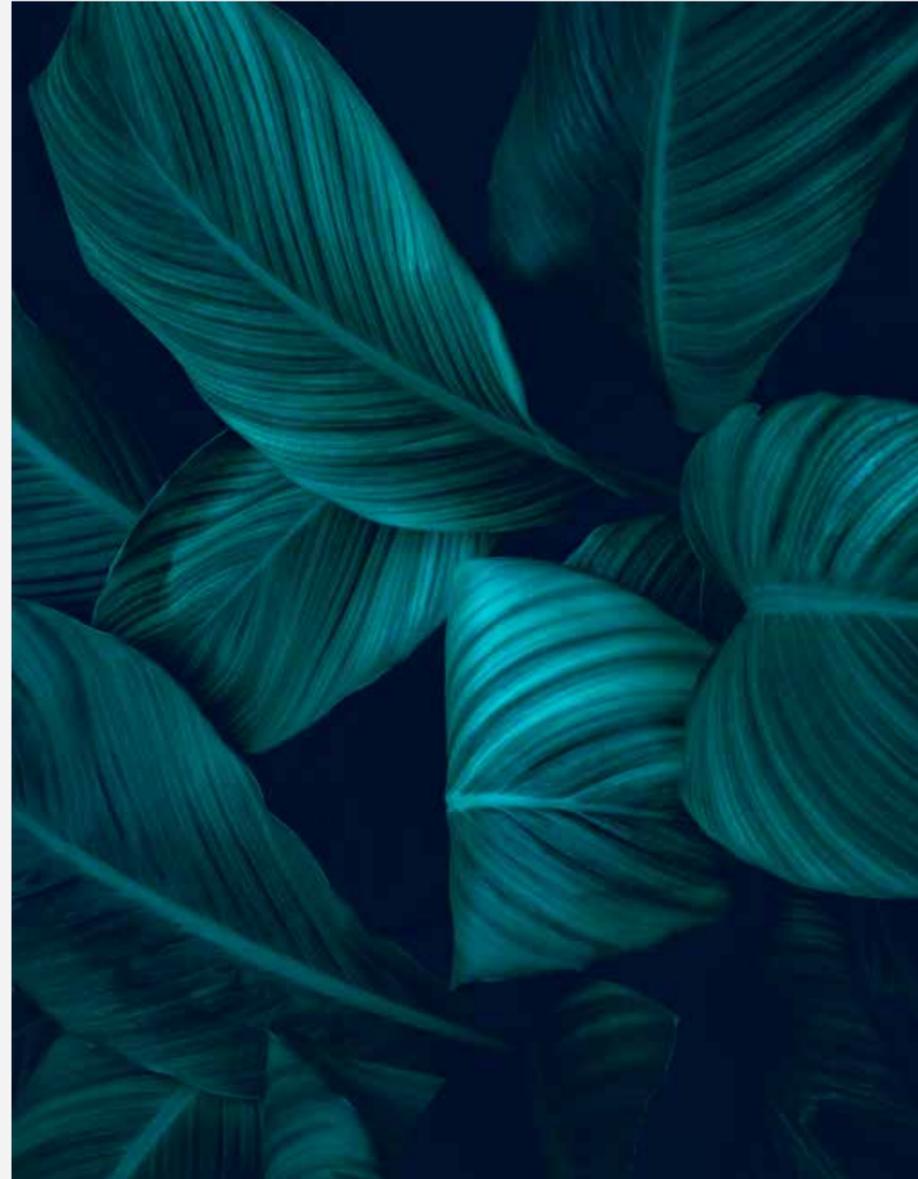
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*The world we will pass on to future generations is now under our responsibility.
We need to work together with this sense of responsibility to build a sustainable future.*

Asim Kibar
Founder & Honorary Chairperson
Kibar Holding



INTRODUCTION & ABOUT THIS REPORT

Having celebrated its 50th foundation anniversary just a couple of years ago, Kibar Group continues to grow consistently and create value for all its stakeholders with the values of reliability, integrity, diligence, flexibility, and innovation. It carries out activities at over 20 high-capacity production plants established in various locations, both in Türkiye and throughout the world, in compliance with international standards and exports to over 100 countries across 5 continents. With more than 5,000 employees, the Group contributes not only to the national economy, but it is also a key element of the global economy as well as the sustainability ecosystem.

Having integrated its sustainability mindset, standing at the core of its growth strategy, into all of its processes, Kibar Holding has continued disclosing its economic, social, and environmental performance to all stakeholders in a transparent manner through sustainability reports published on a yearly basis since 2013.

“Kibar Group 2025 Sustainability Strategy” was disclosed in 2020. This strategy defines “Kibar Group’s Sustainability Principles” under six main topics, which constitute the material targets intended to be achieved by 2025. Sustainability Reports contain an overview of the actual progress towards these targets based on this strategy under the following principles.

WE GROW with sustainability principles

- An approach combining economic growth with the sustainability principles
- Efficient use of resources with a focus on efficiency and innovation

WE EMPOWER people

- A safe and healthy work environment
- Personal and professional development of employees
- Equal opportunities and diversity
- Business ethics and anti-corruption approach

WE INNOVATE for the future

- Innovative products and services
- Sustainable production and consumption models
- Digital transformation
- Information security

WE CARE for next generations

- Green production approach
- Combating climate change
- Management of climate-related risks and opportunities
- Conservation of nature

WE ENCOURAGE our stakeholders

- Encouraging all stakeholders in the value chain to adopt sustainability approach
- Collaborations with stakeholders to raise sustainability awareness

WE SHARE for the communities

- Contributing to the communities with corporate social responsibility projects
- Training and development projects
- Volunteering activities

The report covers the period from January 1 to December 31, 2023. Unless otherwise provided, the information contained in the report includes the consolidated data of Assan Alüminyum, Assan Hanil, Assan Panel, and İspak. The data contained in the section, “About Kibar Holding” cover all Kibar Holding companies and subsidiaries with the aim of providing a general introduction about the Holding.

This report was issued in accordance with the GRI Standards. The report also contains information on the contribution to the United Nations Sustainable Development Goals as well as information on the performance in reference to the United Nations Global Compact (UNGC), the Women’s Empowerment Principles (WEPs), the World Economic Forum Stakeholder Capitalism Metrics, and the Task Force on Climate-Related Financial Disclosures (TCFD).

The environmental and social performance indicators contained in Kibar Holding Sustainability Report of 2023 have been validated within the framework of the International Standard on Assurance Engagements (ISAE 3000) and the Assurance Engagements on Greenhouse Gas Statements (ISAE 3410) as indicated in “Annex-3 Performance Indicators” section of the report.

You can submit all your opinions and suggestions about this report via e-mail to kurumsaliletisim@kibar.com



MESSAGE FROM THE CHAIRPERSON

Dear Stakeholders,

The health crisis, geopolitical tensions, fluctuations in energy markets, and inflation encountered in recent years have caused the world economy to undergo difficult times. Despite all such developments, Kibar Group was able to achieve its growth targets and continue investments at full steam thanks to our adaptability to changing conditions and agility. By the end of 2023, we put behind a successful year as we maintained our financial stability and achieved our targets.

Our outlook, for which we look out financial and non-financial capital elements together, played a crucial role in this success. We believe that a business model which focuses solely on profitability and economic growth cannot be sufficient and sustainable since a sustainable business may only be achieved through a business model respecting people and the environment.

With its impacts becoming more prevalent at an ever-increasing level with each passing day due to events such as heavy rainfall, flood disasters, droughts, and forest fires in many regions around the world, climate change strongly puts the importance of sustainability into perspective. Scientific studies on climate change clearly demonstrate the urgency of taking action to achieve sustainability targets.

Kibar Group acts with a sense of responsibility and is committed to a vision for a fair and balanced future. We work towards achieving the net zero emission target by 2050 in alignment with the Paris Agreement, the European Green Deal, and the national policies and commitments of Türkiye.

In this context, we invest in renewable energy sources and increasing energy efficiency. We ensure sustainable management and efficient use of natural resources and reduce negative impacts on the environment. We create more eco-friendly and sustainable solutions in addition to improving the quality of our products and services through our R&D and innovation activities. We improve resilience and compliance regarding climate-related risks. In addition, we strive to seize long-term opportunities within the framework of a new economic transformation model focusing on green energy transition and digitalization.

Even though the global climate crisis is our main focus, we take into consideration all aspects of sustainability. We carry on our activities based on the values of reliability, integrity, diligence, flexibility, and innovation that we have prioritized since our foundation. We take into consideration the expectations of our employees, customers, suppliers, business partners, and other stakeholders and we are committed to creating value within this broad ecosystem.

We have adopted a sustainability approach pivoting around people and communities, conserving natural resources and the environment, making investments intended for providing social benefit, and implementing social responsibility projects, which represents an innovative growth mindset.

Once again, we would like to give our condolences and convey our deepest sympathy to the relatives of our employees and citizens who lost their lives due to the earthquake disasters in 2023, bringing unimaginable sorrow to us all. We have provided support to the regions affected by the earthquakes through our Group, especially through our Group company, namely, Assan Port based in Hatay province by using every means available since the onset of the earthquakes. I would like to announce that this support will continue.

Apart from the deep sorrow caused by the earthquake disaster, I would also like to mention that our nation celebrated the 100th anniversary of the Republic of Türkiye with great pride in 2023.

I am honored to present our 11th Sustainability Report, which contains our sustainability performance for 2023 in line with our principles of transparency and accountability.

I would like to extend my gratitude to our valuable co-workers and all stakeholders, who contribute to the sustainable growth and progress of our Group.

Ali Kibar
Chairperson of the Executive Board

MESSAGE FROM THE CEO

Dear Stakeholders,

We began the year 2023 with an unimaginable earthquake disaster that will never be forgotten throughout history. We have provided support to the earthquake region, using every means available in cooperation with public institutions and non-governmental organizations since the first day of the earthquakes that have shaken our country to the core and we will continue to provide our support.

In 2023, our nation also celebrated the 100th anniversary of the Republic of Türkiye with great pride. This honorable day in history, following our celebration of the 50th foundation anniversary of our Group, was indeed a very special occasion for us. Today, following a half-century steady growth, we contribute to sustainable development in 6 different business sectors across 7 different countries with over 15 companies, more than 20 production plants, and 5,000 employees as our workforce.

The health crisis, wars, and geopolitical tensions encountered in recent years on a global scale have caused stagnation of global economic growth, reduction in trade volume, fluctuations in energy and commodity markets, inflation, and increase in uncertainties. Despite these extraordinary developments, we achieved our growth targets. In 2023, our sales revenues increased by 36% compared to the previous year. With over \$3 billion exports to over 100 countries, Kibar Dış Ticaret ranked 4th among the top exporters of Türkiye and emerged as the export champion in the ferrous and non-ferrous metals sector.

The key element of our success is our great workforce consisting of 5,000 employees, who are able to overcome any challenges by demonstrating unmatched effort and devotion, capable of adapting to changing conditions, do not miss out on any opportunities by eliminating risks, and have adopted our sustainability approach. We would like to express our gratitude to each and every one of our co-workers for their valuable contributions.

We carry out all our operations in line with our sustainability principles, which we developed with reference to the United Nations Global Compact and the Sustainable Development Goals and their targets. These principles, together with economic, social, and environmental aspects, represent our commitment to sustainable growth and the achievement of our sustainability targets. Within the framework of “Kibar Group 2025 Sustainability Strategy,” which was developed based on these principles and published in 2020, we are glad that we have already achieved the majority of our 2025 Goals. Every year, we continue to disclose to the public our progress in the 36 targets, which are monitored by 92 performance indicators in a transparent manner.

We make investments in renewable energy for a sustainable energy future. We have achieved net-zero emissions as of 2021 for Scope 2 emissions resulting from electricity consumption at Assan Alüminyum, which is one of our energy-intensive companies. In 2023, we secured a loan of \$90 million from the International Finance Corporation (IFC) for investments intended for reducing greenhouse gas (GHG) emissions. With this loan, Assan Alüminyum became the first company to receive 100% climate-labeled green loan support in its business sector.

In 2023, Assan Alüminyum and İspak began reporting within the scope of the Carbon Disclosure Project (CDP). Assan Alüminyum became the first company to participate in the CDP platform in our country's aluminum sector.

During the last four years, we have implemented nearly 100 new projects to contribute to taking action against climate change as well as contributing to the circular economy.

With our investment in the Waste Water Recovery Plant in Asım Kibar Organized Industrial Zone, we ensure the recovery of nearly 500,000 m³ of water on a yearly basis.

We increased the quantity of raw materials reused after recycling by 58% within the last seven years and increased the quantity of recycled waste to 99%.

In collaboration with Kocaeli University within the scope of our strategy to protect biodiversity, we have restored the natural habitats of the endangered plant species “Blue Star” and “Sand Lily” in the ecosystem. In 2023, we implemented a new project under the same collaboration. We ensured the reproduction of the endangered plant species “Verbascum bugilifolium” by using biotechnological methods.

We introduce various activities under “WE Are Equal” to support women's increased participation in the business world and their empowerment. As of 2023, we began recording the targets for increasing women's employment into the performance metrics of our managers and recruitment teams. As a result of our gender equality policies as a signatory of the Women's Empowerment Principles (WEPs), we have increased the number of female employees by

54% and the number of female senior executives by 42%. In 2023, we received the Equal Opportunities Model (FEM) certificate granted by the Women Entrepreneurs Association of Türkiye (KAGİDER).

Through “Kibar Volunteers” platform, we have implemented nearly 100 projects focusing on education and children with over 500 volunteers for more than 5 years. We expanded our area of influence by adding five more regions in 2023.

In 2023, we implemented “Kibar Holding Supplier Sustainability Program/K-STAR,” which is considered to be the world's first program in terms of its scope of inclusion. We transformed our broad ecosystem, consisting of over 5,000 suppliers of large-scale businesses and SMEs as well as customers from over 100 countries, into our business partners in sustainability. With training programs designed specifically for all our stakeholders, we have expanded our area of influence.

We introduced “Kibar Holding Sustainability Information Management System” project in order to implement a system in which data are collected, analyzed, inquired, and reported in a digital environment within internationally recognized sustainability standards and integrated into decision-making processes.

We also continue our internal communication and awareness activities through “Kibar Group Sustainability Platform,” which was developed for the purpose of improving the level of awareness of our employees on sustainability.

We are happy to share our 11th sustainability report with you, wherein we present our economic, environmental, and social

performance in line with our transparency and accountability principles.

We issue our reports in accordance with the GRI standards, which is one of the most recognized standards for assessing corporate sustainability performance and share our performance with all our stakeholders in a transparent manner.

We are committed to carrying out continuous improvement processes to understand and manage all aspects of the impacts of our activities by following globally recognized frameworks and standards in sustainability. While disclosing our contribution to the United Nations Sustainable Development Goals in Kibar Holding Sustainability Report of 2023, we continue to refer to a great number of international standards, including the United Nations Global Compact (UNGC), the Women's Empowerment Principles (WEPs), the World Economic Forum Stakeholder Capitalism Metrics, and the Task Force on Climate-Related Financial Disclosures (TCFD).

We have extended the scope of transparency in addition to accountability in corporate sustainability reporting at the highest standards. We further allow information on non-financial aspects of our activities to undergo independent audits. Since 2020, we have allowed 80 environmental, social, and governance data to be validated by independent audits within the framework of the International Standard on Assurance Engagements (ISAE 3000) and the Assurance Engagements on Greenhouse Gas Statements (ISAE 3410).

Kibar Holding's Sustainability Report of 2022 received six different awards from four different platforms. At the Vision Awards, organized by the League of American Communications Professionals (LACP), it ranked first in the “Sustainability Reports” category once more. The report also ranked first in the “Online/Digital Reports” category while receiving the “Technical Achievement Award” for overall excellence in the art and management of communication, in addition to the Gold award in the “Best in House” category. Our report also received the Silver Award at “The International Annual Report Design Awards” organized by the UK-based IADA and the Silver Award in the “Innovation Award in Annual Reports” category at the Stevie Awards.

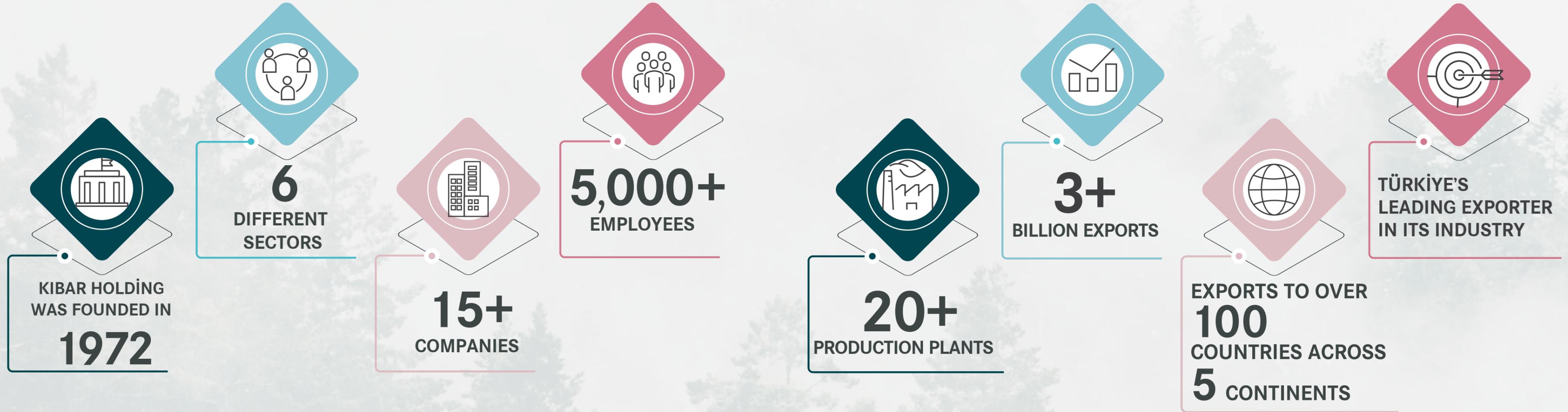
As in previous years, we had a busy schedule this year to continuing our efforts to contribute to our country and the world by implementing numerous projects. We are very pleased to share with you our report containing a comprehensive overview of our sustainability activities in 2023.

We would like to express our heartfelt thanks to all our esteemed colleagues, customers, suppliers, business partners, and all stakeholders supporting us in our sustainability journey for their valuable contributions.

Haluk Kayabaşı
CEO



ABOUT KİBAR HOLDİNG



KİBAR GROUP INDUSTRY

ASSAN ALÜMİNYUM

Since its foundation in 1988, Assan Alüminyum, a global leader in flat-rolled aluminum (FRP) industry, carries out production activities for rolled aluminum. It offers its coil & sheet, foil and pre-painted aluminum products to a variety of industries such as packaging, distribution, construction, durable consumer goods, automotive, and HVAC. Carrying out productions in Istanbul Tuzla and Kocaeli Dilovası plants, the company is a leader in flat-rolled aluminum industry in Türkiye with its installed sheet/foil production capacity of 360,000 tons/year and with aluminum pre-painting capacity of 60,000 tons/year. In addition, it is one of the top 2 manufacturers in Europe with its aluminum foil production capacity of 130,000 tons. It ranks 39th on ISO 500 - Türkiye's Top Industrial Enterprises 2022 list.

The company carries out export operations on four continents, including the Western Europe and North America, to more than 70 countries. With Kibar Americas based in Chicago, it plans to achieve its growth targets directed towards North America.

Assan Alüminyum received a provisional Performance Standard Certificate for all its plants from Aluminium Stewardship Initiative (ASI), which establishes global sustainability standards for the aluminum industry.

ASSAN HANİL

As one of the automotive investments of Kibar Group, Assan Hanil was founded in 1997 in partnership with South Korean Seoyon E-Hwa and began production as a main parts supplier in the automotive industry. In addition to manufacturing of driver and passenger seats, Assan Hanil also manufactures door panels front and rear bumpers, dashboard panels, consoles, mats, heater holders, inflatable parts, glove compartment, ceiling as well as interior and external plastic parts. It is one of only five automotive companies on a global scale to be capable of carrying out design, development, and manufacturing operations related to air suspension driver's seat.

After having provided parts exclusively for Hyundai Assan during the first years of its foundation, Assan Hanil later added to its customer portfolio Ford Otosan, Isuzu, Honda, AGCO, Mercedes-Benz Türkiye, Türkiye's Automobile Joint Venture Group (TOGG) and Stellantis (TOFAŞ) respectively. In addition, it exports truck seats to Korea, following design and manufacturing operations at its Kocaeli plant for Hyundai XCIENT Fuel Cell, the world's first electric truck equipped with a hydrogen fuel cell.

In 2019, it commissioned Aksaray Plant to carry out manufacturing operations for Mercedes-Benz Türkiye, Gölcük Plant to carry out manufacturing operations for Ford Otosan in the same year, and the fourth İzmit Plant in 2023. With a total of 6 different locations, 4 in Kocaeli, 1 in Bursa, and 1 in Aksaray, Assan Hanil carries out automated hi-tech production with its over 1,000 expert employees.

ASSAN PANEL

A leader in the industry of sandwich panel, Assan Panel began its production activities in 1990 in its first production plant in Tuzla with a capacity of 4,000,000 m²/year. Having continued its investments to increase its production capacity, Assan Panel invested in Iskenderun, Plant with a capacity of 3,000,000 m²/year in 2004, Balıkesir Plant with a capacity of 3,000,000 m²/year in 2009, and Jordan Plant with a capacity of 4,500,000 m²/year in 2012, respectively. By completing the second line investment in Tuzla-Istanbul Plant with a capacity of 3,500,000 m²/year in 2015, it has reached a capacity of 18,000,000 m²/year. In 2021, it made the first investment in Turkic Republics and began activities in Azerbaijan Plant in partnership with Sumqayıt Texnologiyalar Parkı (STP). Having a total production capacity of 22,000,000 m²/year, the company has expanded further by putting into service sales offices in the UK and Hungary in 2023.

Assan Panel contributes to construction of sustainable and green buildings with a wide range of products from polyurethane (PUR) panels to fire-resistant PIR and mineral wool sandwich panels for cold room, roofing, and exterior wall applications, prefabricated panels ready for assembly in solar systems, project-specific custom accessories, polycarbonate skylights, fittings consisting of a variety of screws as well as construction chemicals consisting of sealing and filling materials. It also provides superior quality application service with its high-quality, reliable, innovative, and fire-resistant product range with its business partners in Türkiye and abroad.



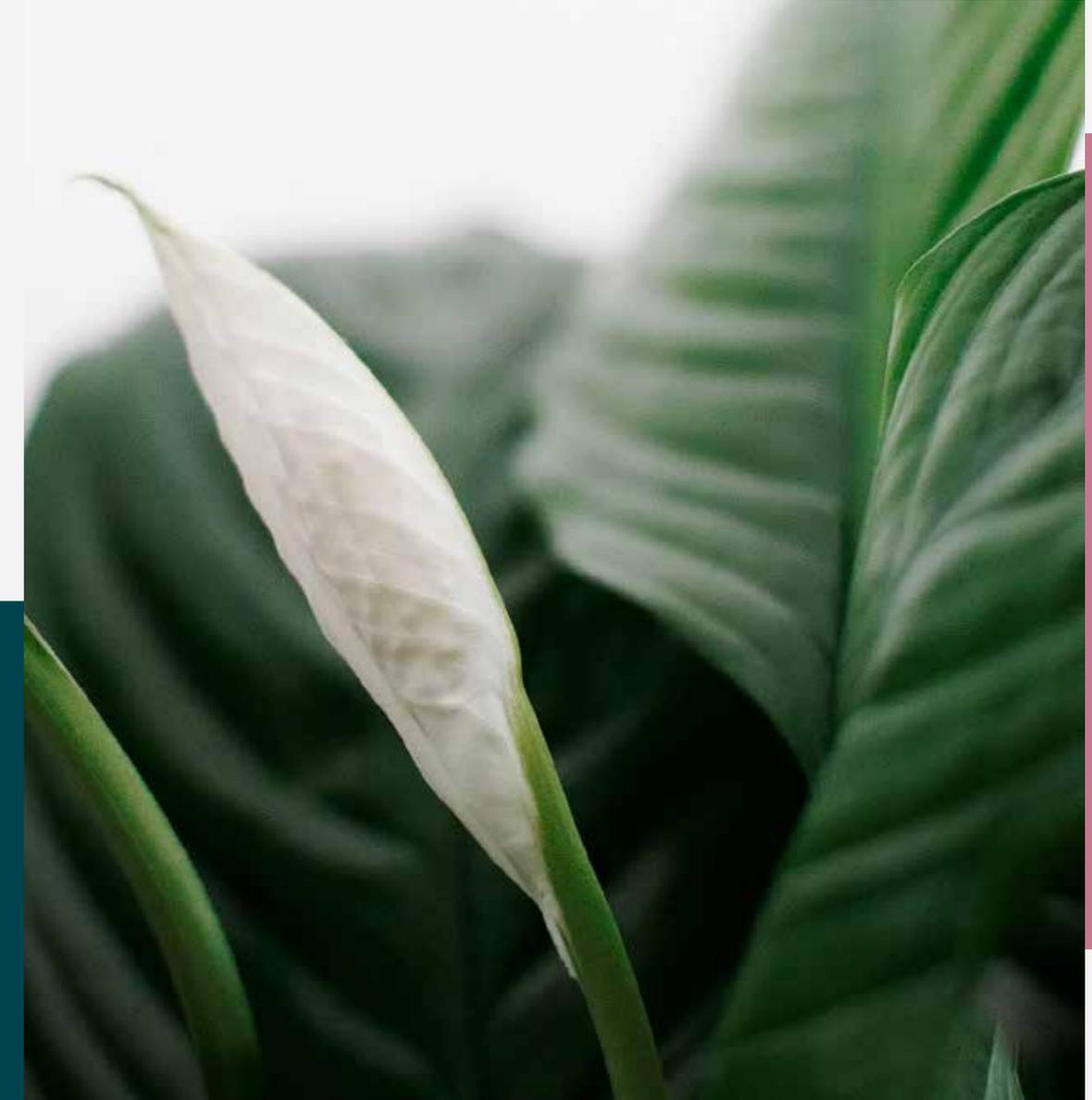
Assan Panel, which takes an active role in the global market, with its Assan Demir and Assan Board brands and AFG Çelik Yapı ve Kimya company, is a total solution partner for industrial buildings with exports to 85 countries. With AFG Çelik Yapı ve Kimya, it carries out main activities for project development, management, design, and construction. While AFG Çelik Yapı ve Kimya carries out specialized engineering projects in various areas such as industrial plants, health facilities, modular structures, cold chain, and GES system installations, it also conducts in-house manufacturing of polyurethane (PUR) systems to meet a wide variety of needs with its strong R&D and industrial know-how.

İSPAK AMBALAJ

İspak Ambalaj is one of Türkiye's longest-established flexible packaging manufacturers with over 45 years of expertise and experience. With its new production plant designed based on Industry 4.0 insights, it has increased the production capacity to 30,000 tons/year. At its Istanbul/Tuzla and İzmit plants, it carries out integrated packaging production from the procurement of raw materials to lacquering, lamination and extrusion, from printing and slicing to delivery of special packaging products. With its expertise, especially in flexible packaging production, it offers integrated solutions for flexible packaging required by many sectors such as food and dairy products, chocolate products, confectionery, beverages, medical equipment and pharmaceuticals, personal hygiene products, and pet food. In addition, it is an industry leader and key supplier with its tobacco and industrial products range.

POSCO ASSAN TST

Posco Assan was established as a partnership by Kibar Holding, Pohang Iron and Steel Company (POSCO) and POSCO Daewoo in 2011. Having the first and only stainless steel cold rolling plant of Türkiye, Posco Assan TST began production in 2013 with a capacity of 300,000 tons/year.



KİBAR GROUP TRADE

ASSAN GAYRİMENKUL

Established in 2008 within Kibar Group, Assan Gayrimenkul provides services to the Group for determination of new areas for real estate investment, acquisition, development of the final design, and commissioning in addition to the development of the current lands and parcels owned by the Group.

Assan Gayrimenkul continues to operate the campuses where the key production plants of Kibar Group are located and gives the necessary support to provide uninterrupted and the most efficient operational opportunities for the Group companies.

ASSAN YAPI

Established in 2007 within Kibar Group, Assan Yapı carries out operations in all areas included in the building sector. The projects commissioned to and finalized by Assan Yapı include the following: Pendik-Kurtköy Houses, Asım Kibar Vocational and Technical Anatolian High School, Tuzla Municipality Semiha Kibar Recreational Facilities, Tuzla Semiha Kibar Teacher's Lounge, Tuzla Municipality Şelale Park projects. Assan Alüminyum Dilovası plant and paint shop facilities construction, Assan Hanıl additional production facilities projects, and İspak Packaging Plant project design were also carried out by Assan Yapı.

KİBAR DIŞ TİCARET

Kibar Dış Ticaret is the foreign trade company of Kibar Group, one of the leading industrial enterprises in Türkiye. It was founded in 1985 in order to pioneer in the foreign trade initiatives launched in Türkiye and manage Kibar Group's foreign trade activities as an expert in this field.

The company provides export services for many leading companies based in Türkiye as well as procurement of raw material requirements of such companies. In addition, it carries out high-tonnage transit trade from foreign countries to third countries. The company's foreign trade volume has reached as high as 1,500,000 tons/year.

With its widespread contact points worldwide and its foreign trade expertise and know-how, Kibar Dış Ticaret consistently ranks among the top 1000 Export Champions list published by the Turkish Exporters Assembly every year.



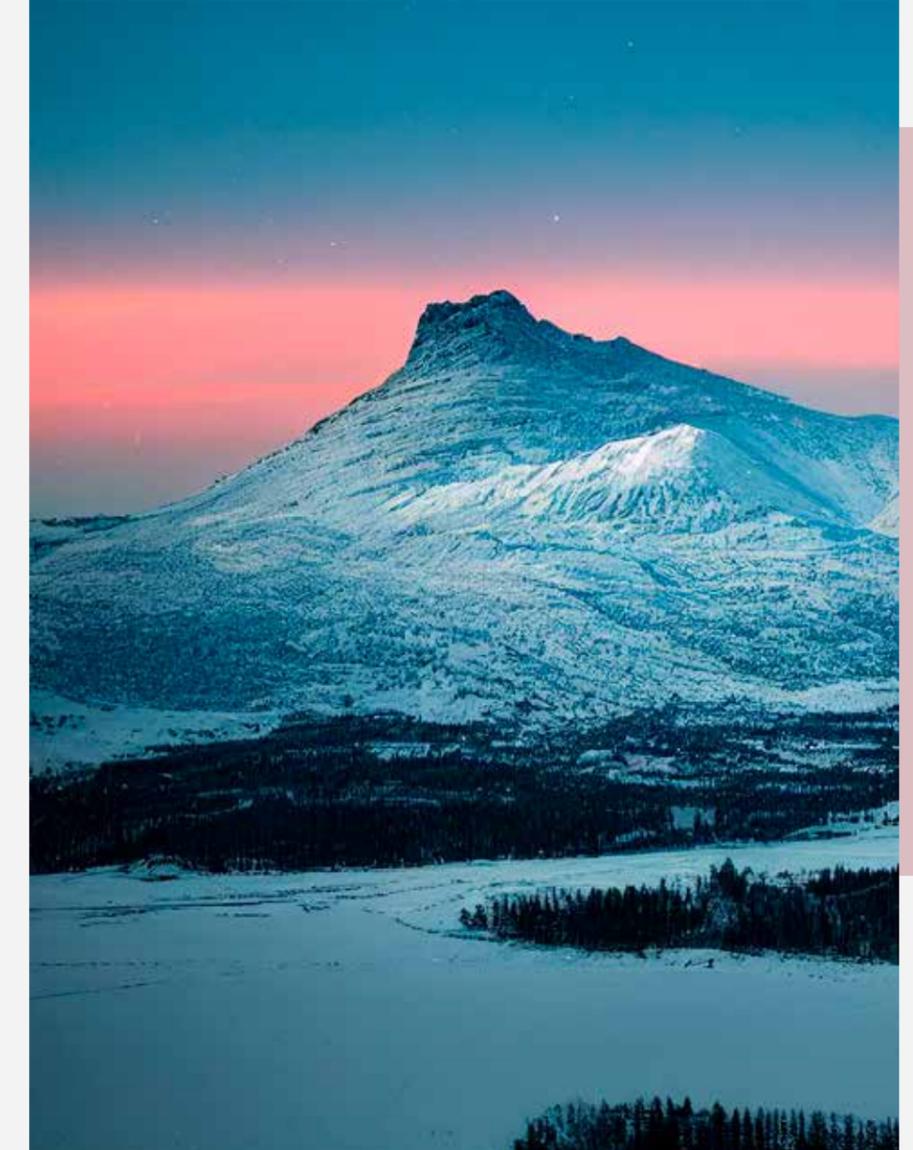
KİBAR ENERJİ

Kibar Enerji was established in 2011 within Kibar Group for import and wholesale of natural gas in the Turkish Energy Market. Having taken over a natural gas purchase and sales contract with a yearly volume of 1 billion m³ natural gas within the scope of the Western Pipeline Contract transfer in 2012, Kibar Enerji has engaged in natural gas import and wholesale activities since January 1st, 2013.

The main purposes of Kibar Enerji are to contribute to meeting the natural gas need of the country by purchasing natural gas from Türkiye and abroad; to play a role in establishing a natural gas market to serve the interests of the country; to carry out the necessary activities to store natural gas; to take advantage of the opportunities that will provide supply security and resource diversity in the Turkish Energy Market; and to take the necessary actions to capitalize on new business and investment opportunities.

KİBAR INTERNATIONAL

Kibar International was established in 2001 in order to provide Kibar Group companies with the necessary support in their business operations. Incorporated in Switzerland, Kibar International offers business and financial solutions through domestic and EU-based financial institutions. It also eliminates serious risks by insuring commercial receivables and supports the compliance of the Group companies' international activities with international regulations and practices.



KİBAR GROUP SERVICE

ASSAN BİLİŞİM

Assan Bilişim was established in 2006 with an aim to meet the Information Technology (IT) needs of Kibar Group companies. It is a tech company serving as a business partner to the Group companies by providing advanced services and solutions based on state-of-the-art technologies. It develops strategic partnerships with leading global technology companies around the world.

Providing system development and integration services as well as IT consultancy to all Group companies and external customers outside of the Group, Assan Bilişim A.Ş. also provides system integration services to various industries, including flat metal in particular, in addition to flat metal, automotive, logistics, insurance, technology, construction, liquid packaging, foreign trade, financing, logistics, and retail.

ASSAN LOJİSTİK

Assan Lojistik was established in 1996 to provide logistics services in connection with ports. Providing services such as inland transport around Türkiye, warehousing, storage, out of gauge loads transport, and port handling services, Assan Lojistik also engages in intermodal transportation, transport by road, sea, and air as well as project-based transport operations overseas.

Having introduced scheduled partial transportation to West Mediterranean and North African countries as of 2017, Assan Lojistik provides services to many large-scale corporations in addition to Kibar Group companies with its facilities located in Istanbul-Tuzla and Hatay-Iskenderun, sales office in Mersin, self-owned semitrailer truck fleet, and a comprehensive supplier pool.

ASSAN PORT

Put into service in 2010, Assan Port is the first container terminal serving modern container ships in the Gulf of Iskenderun. Assan Port Iskenderun has become the second and a very important alternative serving the same hinterland, following Mersin. As of the end of 2013, it continues its business activities in partnership with Terminal Investment Limited SA (TIL).

Having an installed capacity of 250,000 TEU on a yearly basis, Assan Port serves for “container, general cargo, project-based cargo, and dry bulk carriers”. A ro-ro ramp is also available in the port.

In addition to providing a great advantage for firms geographically located in the Eastern Mediterranean and Southeastern Anatolia as well as in the south of the Central Anatolia, Assan Port Iskenderun is also the closest container terminal for Northern Iraq to access the western trade routes.



İNERAKTİF ÇEVRE DANIŞMANLIK

Established as a joint venture by Kibar Holding and The Heritage Group based in the United States, İnteraktif Çevre began its activities in 2016 to offer competitive and innovative solutions for total waste management and environmental consultancy services.

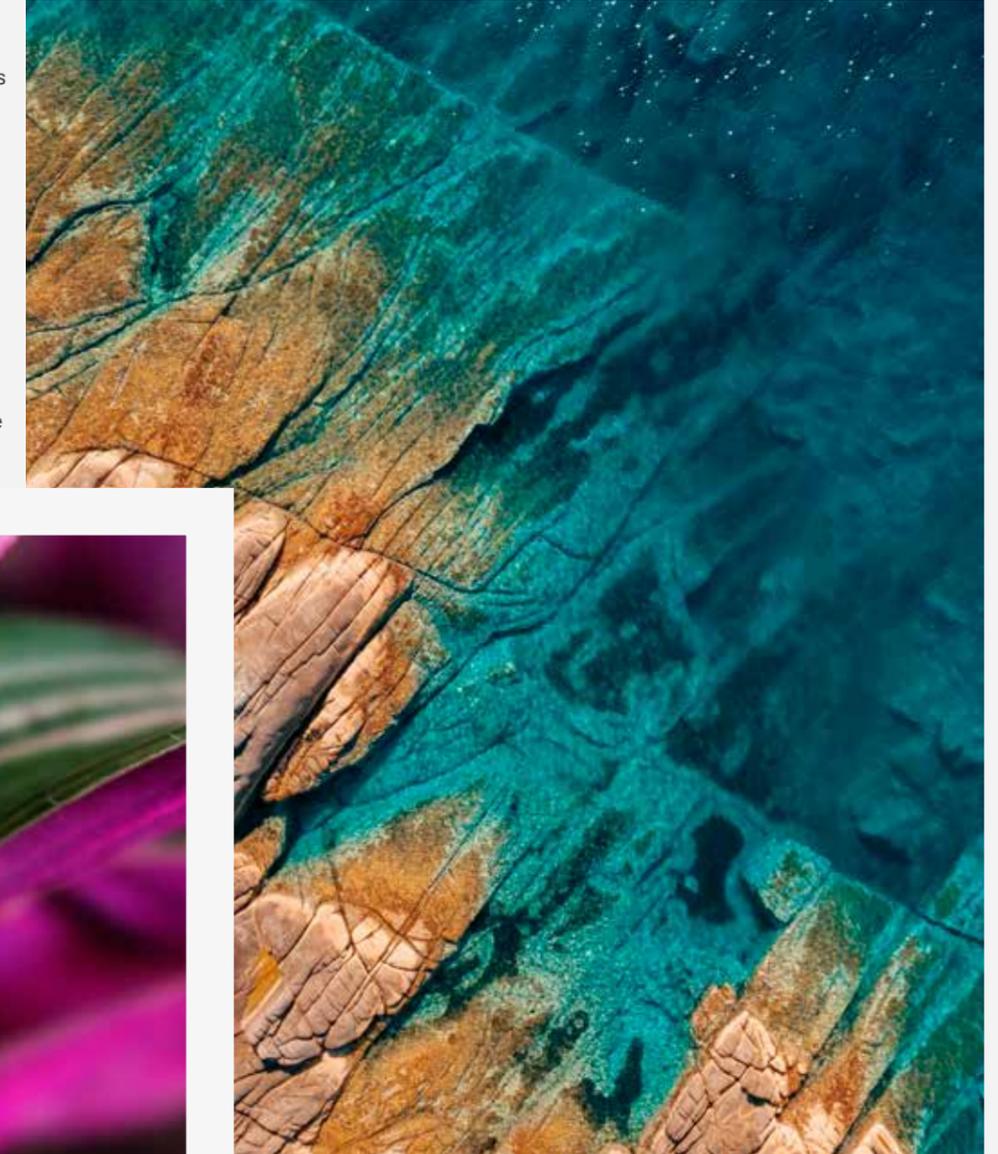
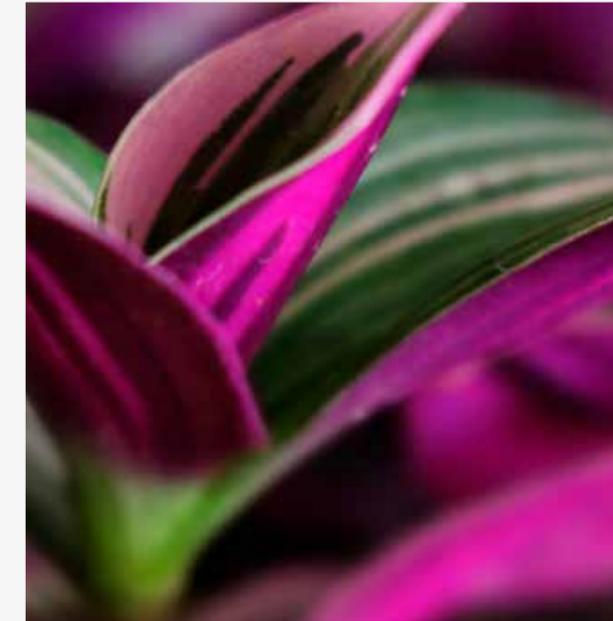
İnteraktif Çevre offers various solutions, comprehensive training, and auditing services such as total waste management, environmental consultancy, zero waste consultancy, sustainable tourism certification consultancy, waste management, and on sustainability issues.

Acting as a solution partner in the sustainability journey of its customers, İnteraktif Çevre offers unique solutions to continuous challenges to mitigate associated risks as well as ensuring reliable and sustainable growth in environmental services.

İRB SİGORTA

Having performed insurance activities within Kibar Holding for about 25 years, İRB Sigorta ve Reasürans Brokerliği A.Ş. provides insurance brokerage and risk management services. It designs the most feasible insurance schemes in the presence of complex risks and offers viable alternatives to ensure cost optimization by analyzing the risk factors of Kibar Group companies and other corporate customers thanks to its strong ability to access both domestic and international markets.

The main scope of services of İRB Sigorta includes corporate insurance, employee benefits insurance, credit insurance, affinity projects, individual insurance, claims management, risk management, and consultancy. It provides consultancy services to corporations for mitigating risk factors to the lowest levels by providing support for determination and implementation of proactive measures through its Risk Engineering Services, and thus ensuring optimum conditions for insurance policies. It aspires to prevent any disturbance in the liquidity flows of insured parties by carrying out the entire process from notification of a damage claim to its compensation through its Claims Consultancy and Management service.

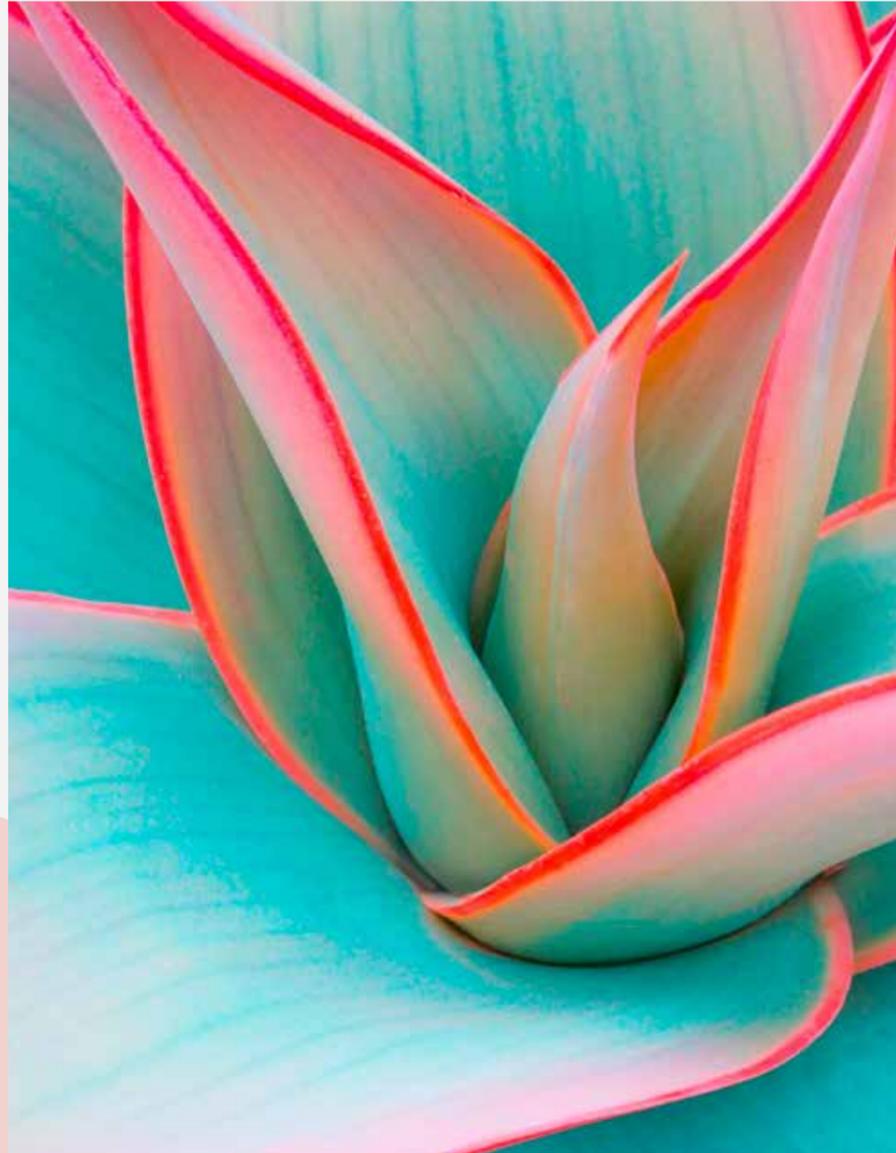


GOVERNANCE AT KİBAR GROUP

Kibar Group has adopted a strong corporate governance model in line with the principles of transparency, accountability, responsibility, and equity. Kibar Group carries on its operations in line with its values, namely, reliability, honesty, diligence, flexibility, and innovativeness as well as its sustainability principles, which represent its growth mindset focusing on all stakeholders and environment at its core.

This is taken into account in all strategic and operational procedures and decision-making mechanisms together with associated economic, social, and environmental aspects. Risks and opportunities related to sustainability are identified, assessed, and managed accordingly.

While a transparent communication with stakeholders and executive staff at Group companies is ensured, governance elements are prioritized through strategic plans and long-term planning activities.



CORPORATE GOVERNANCE

Due to its sustainable corporate governance approach, Kibar Group has a management structure in line with its corporate governance principles.

The Executive Board is the top-level strategic decision-making body within the Group. The Board is responsible for setting corporate objectives, ensuring compliance with corporate governance principles, determination and management of strategic trends as well as complete execution of risk management and control systems.

The Executive Board of Kibar Holding is composed of a total of 6 members, one of whom is female. Different members perform the roles of the Chairperson of the Executive Board and the CEO. The Executive Board of Kibar Holding includes Sustainability Committee, Risk Management Committee, Audit Committee, and Ethical Committee. These committees are responsible for supervision of strategies and performance in their areas of expertise by holding regular meetings.

The main role of the top management under the leadership of the CEO is to ensure the implementation of strategic plan and corporate policies approved by the Executive Board.

For more information on the Executive Board and the Top Management of Kibar Holding, please visit our website pages: <https://www.kibar.com/en/holding/board-of-directors> and <https://www.kibar.com/en/holding/senior-management>.



RISK MANAGEMENT

Kibar Group carries out necessary activities required for identification and effective management of corporate risks to its stakeholders, assets, and operations in line with applicable international standards within the scope of corporate risk management. Risk management activities as part of corporate governance are carried out within the framework of corporate risk management principles. Positioned as a part of the decision-making mechanism, corporate risk management activities include analyzing opportunities as well as risks.

The Executive Board of Kibar Holding optimizes the balance of risk, growth and return in its strategic decisions and acts with a risk management approach that supports global developments and current management elements. The Risk Committee formed by the Executive Board is responsible at the highest level for early detection of risks and taking necessary measures. It convenes four times a year within the scope of establishing and overseeing relevant policies and procedures and monitoring activities and evaluates the risk management progress on behalf of the Executive Board through quarterly reports received from the Group companies.

Corporate risk management and business continuity principles are structured in accordance with international standards such as ISO 31000 Risk Management System and ISO 22301 Business Continuity Management System as well as in line with company strategies and corporate culture. ISO 31000 Risk Management System Validation Certifications, issued by

the Turkish Standards Institution (TSE), were granted to Assan Alüminyum in 2020, Assan Panel in 2021, and Assan Hanil in 2023. For other Group companies, roadmaps and action plans have been created to improve the maturity level of risk management and the risk management culture as well as to ensure excellence in practices.

Integration projects for business continuity program management for the industrial companies of Kibar Group were introduced in 2019 and completed in 2022. A roadmap has been created for companies having the relevant management systems to obtain ISO 22301 Business Continuity Management System certifications. Assan Alüminyum obtained this internationally accredited certification in 2021 and Assan Panel obtained the same certification in 2022 while other industrial Group companies are planned to complete these certification processes within the next 2 years.

Annual risk assessment activities are performed by the Risk Management Director, who is responsible for coordination of the risk management activities of Kibar Holding and its Group companies and detailed risk maps are created. All corporate risks are taken into account in risk assessment and strategy development. Short-, medium-, and long-term risk action plans are prepared for corporate risks. Actual progress on action plans is subject to quarterly follow-ups by the Executive Boards and Risk Committee of Kibar Holding and Group companies. In addition, risk management and internal control systems are effectively managed by assigned company risk management representatives and through the established sharing platform.

The risk management process is reviewed in a comprehensive manner. In the process of identifying and rating risks and formulating management strategies, financial and operational impacts as well as environmental and social impacts are evaluated. In this context, corporate risk inventories include issues such as fire, natural disasters, occupational health and safety, environment, human rights, employee rights, sociocultural rights, and misconduct.

In particular, issues related to employee health and safety are approached with utmost care, risk and root cause analyses conducted by Occupational Safety, Health & Environmental units on a case and scenario basis provide input to annual corporate risk assessment activities. In 2023, activities involving the analysis of the direct and indirect impacts of climate change on the company as well as the analysis of related risks and opportunities were introduced at Assan Alüminyum and Assan Panel while the activities within this scope are planned to be initiated for Assan Hanil and İspak Ambalaj in 2024.

At Kibar Group, employees are provided with risk management training and such training activities are included in the Group's online training platform.

Kibar Holding, which creates the information security risk map on an annual basis, prepares action plans for the relevant risks and reports them at certain intervals. In addition, risk analyses and forms are prepared within the scope of ISO 27001 Information Security Management System and necessary corrective actions are taken for items with high-risk scores.



EMERGENCY PREPAREDNESS

Activities for dealing with operational risks such as natural disasters, epidemics, pandemics, etc., which may potentially pose a risk to the safety of life and property of internal and external stakeholders or otherwise disrupt business operations, are carried out by the central crisis committee. Decision-making processes and actions for the prevention of operational risks and minimizing any potential losses are carried out by inclusion and collaboration of all relevant functions.

Relevant policies and procedures for managing risks at the time of occurrence as well as for ensuring business continuity during the subsequent period have been implemented and communicated to all employees.

Formed within the insurance and brokerage company of the Group, the Risk Engineering department, in coordination with internal and external audit teams, carries out determination and follow-up of findings posing an operational risk in the production processes of Group companies and presents its suggestions for improvement. Activities required to be carried out to ensure effective management of operational risks and action plans determined are subject to active and periodic follow-up by all relevant company executives and employees.

Companies have been equipped with necessary strategies and tactical competencies to be used in planning and response in order to maintain their operations at a pre-defined acceptable level in case of any incident where operational risks occur or otherwise in case of business interruption and business continuity plans have been created and deployed. Short-, medium-, and long-term planning activities are carried out for the purpose of extending the scope of corporate business continuity programs across all Group companies, while emergency drills and training activities related to these programs are held annually.



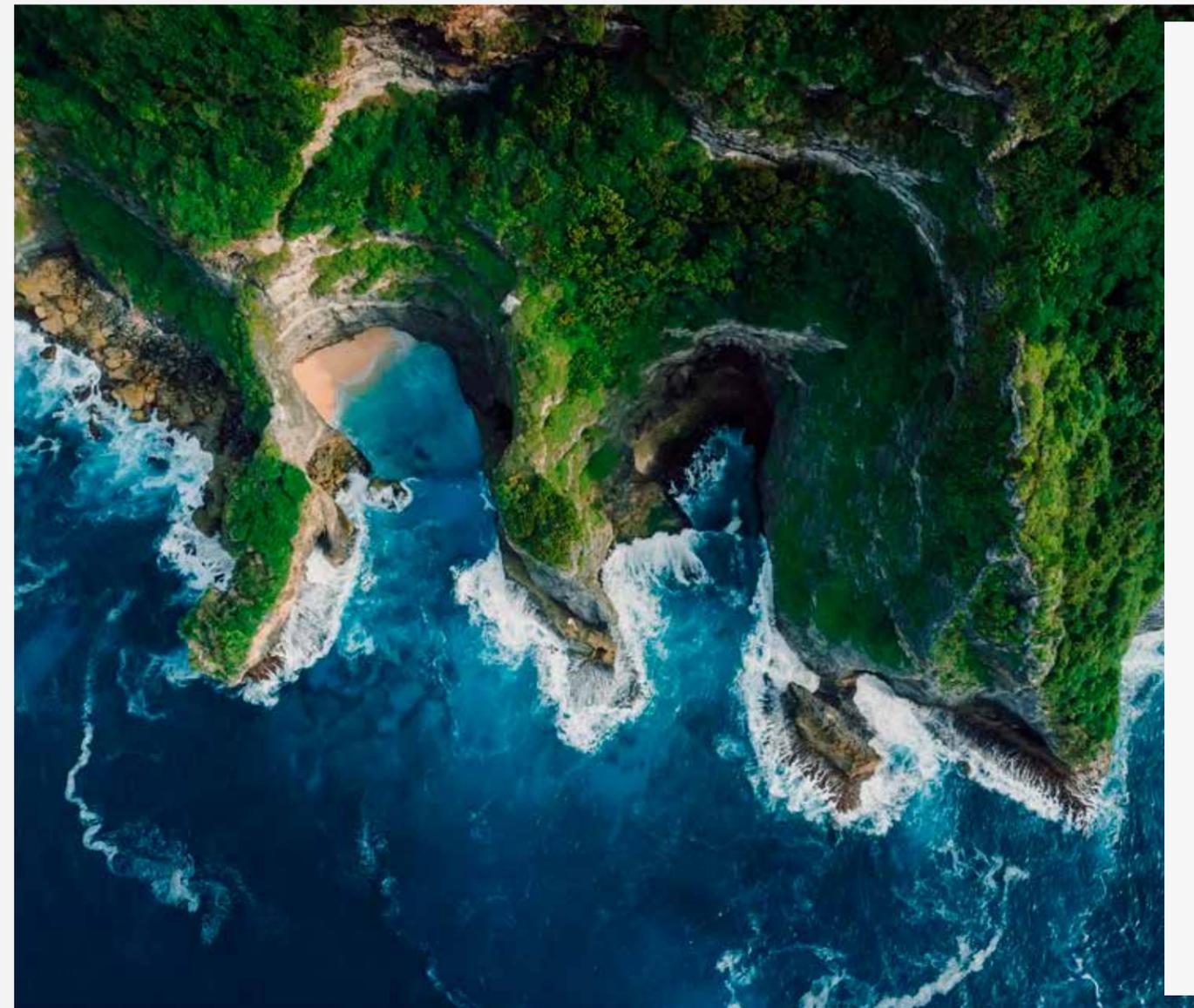
INTERNAL AUDIT AND CONTROL

Internal audit activities within Kibar Group are executed using a risk- and process-oriented methodology based on International Internal Audit Standards and Kibar Holding Code of Conduct.

Internal audits are applicable in a total of four areas, consisting of Process Audit, Compliance Audit, Financial Audit, and Information Technologies (IT) Audit and overseen by the Internal Audit VP.

Audit and control activities are conducted to check compliance with applicable legislation, corporate policies, and principles as well as the strategic targets determined. Findings related to identified risks determined within the scope of auditing activities are communicated to relevant departments and necessary corrective actions are proposed.

SUSTAINABILITY AT KIBAR GROUP



Kibar Group has adopted an inclusive, innovative, environmentally conscious, human-oriented, and community-oriented governance approach. This mindset is taken into account in all operations and decision-making mechanisms together with associated economic, social, and environmental aspects, which constitutes a basis for the sustainability approach of the Group. All activities and stakeholder relations are based on the integrity and reliability principles, which are defined by Asim Kibar, the founder and honorary president of Kibar Group, as the fundamental values of Kibar Group.

Based on a low-carbon circular economy with main aspects consisting of economy, human, innovation, environment, stakeholders, and social welfare, "Kibar Group 2025 Sustainability Strategy" provides the Group with essential guidance. This strategy is subject to regular assessment and is applied to all business processes.

Kibar Group companies are liable for ensuring compliance with the principles of UN Global Compact as well as all policies and strategies determined in line with these principles by Kibar Holding in all operations carried out by the Group companies.



Human rights are ensured by the Universal Declaration of Human Rights and UN Global Compact as well as any other applicable provisions contained in national legislation. The Group maintains a zero-tolerance policy against all forms of child labor, forced or compulsory labor practices and any other similar practices. Group companies require similar operational norms/standards from their suppliers and business partners and monitor their compliance to such practices as well as contributing to fulfill these conditions.



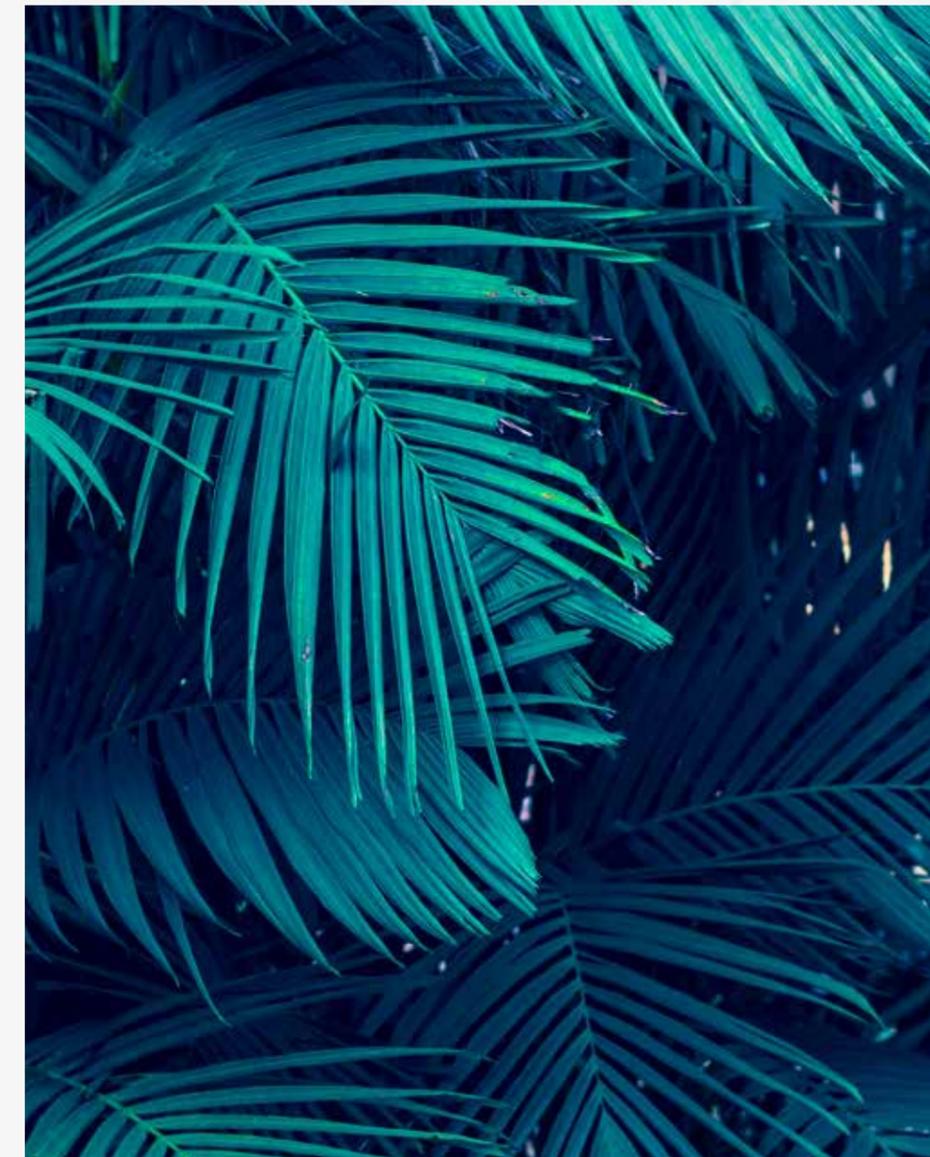
Employees are provided with a workplace environment where human rights are protected, gender discrimination or any other form of discrimination is strictly prohibited, occupational health & safety measures are prioritized, career development is supported, and a fair place where equal opportunities are provided.



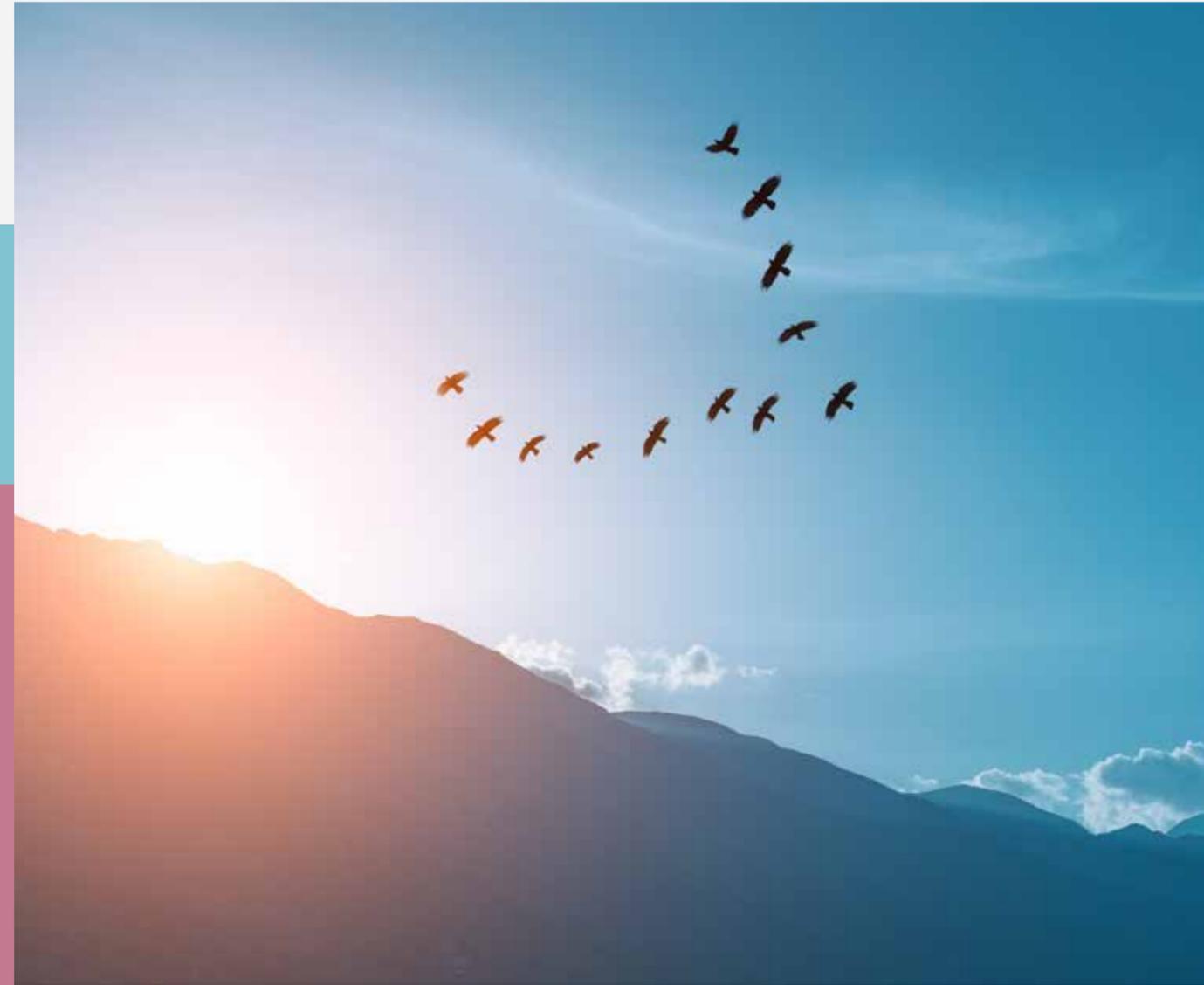
Efforts made against Climate Change are maintained in compliance with national and international standards. All necessary measures are taken to eliminate or minimize the negative effects of the activities on the environment. Potential risks arising from environmental issues are turned into opportunities with green technologies and products.



There is no tolerance for bribery and corruption activities in any manner. Anti-bribery and anti-corruption approach is also applicable to all relevant stakeholders, especially including suppliers and business partners, in addition to Group employees.



GRI 2-12, 2-13, 2-14, 2-17, 2-24



SUSTAINABILITY MANAGEMENT

Sustainability management at Kibar Group is designed as a collaborative practice. The Sustainability Committee and the Sustainability Working Group are the main components of sustainability management.

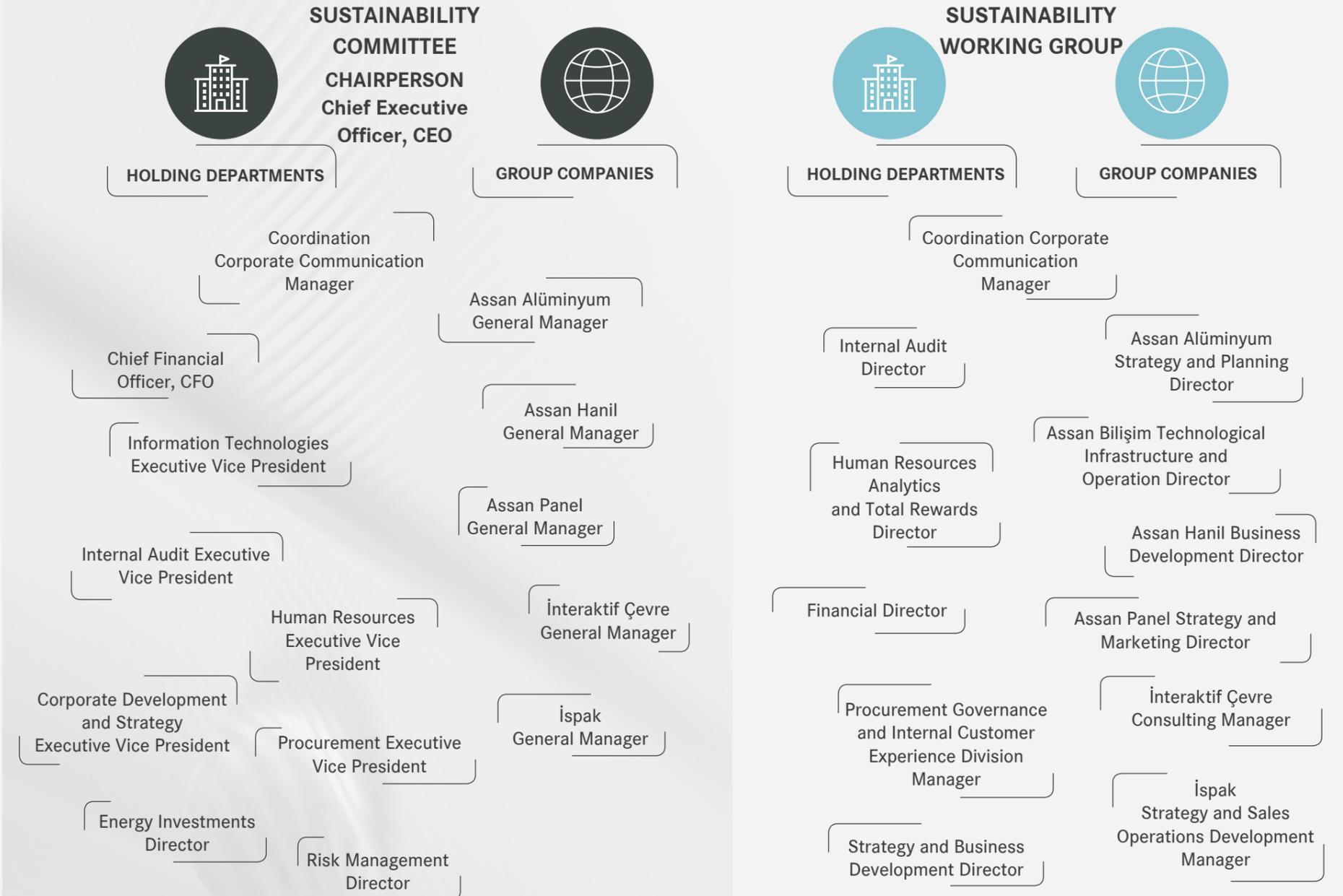
The chairperson of the Sustainability Committee is the CEO of Kibar Holding, being the top executive of the Group at the highest level. The Committee members consist of the relevant functional managers of the Holding and general managers of the Group companies. The Sustainability Committee determines the sustainability approach of the Group, creates the relevant policies and strategies, creates action plans, sets targets and monitors the sustainability performance.

The Sustainability Working Group members include Holding and Group company Human Resources, Financial Affairs, Strategy, Purchasing, Internal Audit, Information Technologies, Corporate Communication, and Sales & Marketing managers. The Working Group carries out preliminary activities for the decisions of the Committee, taking into consideration international standards in sustainability activities. It implements practices and action plans within the scope of the approach determined by the Sustainability Committee. The members of the Working Group also coordinate the sustainability activities carried out in their own sector and areas as well as sustainability activities based on the function they represent.

Ensuring that sustainability management becomes a collaborative practice, this structure contributes to integrating sustainability into all business processes as well as developing efficient and comprehensive strategies.

GRI 2-12, 2-13, 2-14, 2-17, 2-24

SUSTAINABILITY MANAGEMENT STRUCTURE





CONTRIBUTION TO SUSTAINABLE DEVELOPMENT GOALS

Sustainable Development Goals represent a universal call to action containing a set of goals that are intended to be achieved by the United Nations member countries by the end of 2030 to end poverty, protect the environment, and ensure that all people live in peace and prosperity. Sustainable Development Goals primarily consist of “The 17 Goals” in various areas affecting people around the world from efforts made against poverty and hunger, access to quality education and health services to establishing gender equality, peace and justice as well as taking climate action, transition to circular economy, clean products, biodiversity, R&D and innovation to sustainable growth.

Kibar Group acts with a sense of responsibility required to be undertaken in order to achieve the Sustainable Development Goals. Accordingly, it significantly contributes to the following goals: “Good Health & Well-Being,” “Quality Education,” “Gender Equality,” “Clean Water and Sanitation,” “Affordable and Clean Energy,” “Decent Work and Economic Growth,” “Industry, Innovation and Infrastructure,” “Reduced Inequalities,” “Responsible Consumption and Production,” “Climate Action,” “Peace, Justice and Strong Institutions,” and “Partnerships for the Goals.”



GOAL 3: Good Health and Well-Being

We provide support for opportunities to access health services with investments in health sector for social benefit and strive to ensure the best health conditions possible for employees based on occupational health & safety practices.



GOAL 4: Quality Education

We invest in the development of our employees, develop opportunities for children to access education, and carry out corporate social responsibility activities intended for children and education, focusing on supporting disadvantaged schools.



GOAL 5: Gender Equality

As a signatory of the Women’s Empowerment Principles (WEPs), we implement practices that support women’s employment. We carry on our activities intended to increase the number of women employees and the rate of women at management levels. In addition, we also carry out various practices and awareness-raising activities in order to encourage women’s active participation in business life.



GOAL 6: Clean Water and Sanitation

We develop sustainable water strategies to protect the ecosystem and reduce our water intensity with our investments. We contribute to protecting water resources with our Wastewater Recovery Plant investment.



GOAL 7: Affordable and Clean Energy

We work towards achieving the target of net-zero carbon emissions. We continue our investments in renewable energy sources to ensure energy transformation. We reduce our energy and emission density with energy efficiency projects and activities to raise awareness. We develop products contributing to low-carbon economy.



GOAL 8: Decent Work and Economic Growth

We take international standards as a guide to provide our employees with fair and decent working conditions. We take all necessary measures to prevent child labor and forced labor in our purchasing procedures as well as ensuring fair working conditions. We promote production and economic growth by our investments in R&D and innovation.



GOAL 9: Industry, Innovation and Infrastructure

We make investments in technology and R&D for sustainable development. We make significant contribution to the national economy and social welfare with innovative investments.



GOAL 10: Reduced Inequality

We ensure equal opportunities with a performance-based management system. We execute a Kibar Group Framework Agreement with suppliers prior to contract works to ensure that no discriminatory and unfair practices will be applied due to individual traits and personal lifestyle such as language, religion, race, gender, etc. In this way, we promote a fair workplace environment with equal opportunities.



GOAL 12: Responsible Consumption and Production

We adopt a production model based on the principles of circular economy, focusing on sustainability and innovation; make efficient use of natural resources, encourage reuse by efficient waste management, and prefer eco-friendly waste disposal methods.



GOAL 13: Climate Action

In line with our priority to combat climate change, we take action to limit the negative impacts of our activities on the environment, reduce energy and emission density, and generate electricity from renewable energy sources.



GOAL 16: Peace, Justice and Strong Institutions

We have written rules and procedures in place to define our Group’s standing for anti-bribery and anti-corruption practices. We expect the same approach from all relevant stakeholders, especially suppliers and business partners, in addition to Group employees.



GOAL 17: Partnerships for the Goals

We adopt the principles of the United Nations Global Compact and use our best efforts to extend the scope of its adoption among all stakeholders. We make collaborations in order to promote a low-carbon circular economy and ensure gender equality.



SUSTAINABILITY PRIORITIES

Kibar Group determines sustainability priorities (i.e., material topics) in line with changing national and international regulations, global risks and opportunities, industrial developments, Kibar Holding policies and strategies, opinions of the Sustainability Committee and Working Group, various sustainability standards, and stakeholder expectations.

Employees and all stakeholders within the entire value chain actively participate in prioritization efforts. Expectations, opinions, and suggestions of all stakeholders are carefully and duly evaluated and provide a significant input for activities. The Group's sustainability priorities are reevaluated and updated every year.

Kibar Group reviewed the material topics in 2023 based on the "double materiality" approach. The double materiality approach requires determining the impacts of sustainability topics on the company in addition to how the company's operations impact people and the environment. For the determination of material topics based on this approach, financial and non-financial potential impacts of such topics on business strategies are evaluated by adopting an integrated approach. Each topic included in the prioritization undergoes a concurrent materiality assessment process considering financial and reputational risks for the company, the level of impact of the topic on relevant stakeholders, and the company's potential to influence the topic.

In the initial phase of prioritization, a list of topics that may be considered material for Kibar Group was created. When creating this list, elements such as global trends that may have a potential impact on the business model as

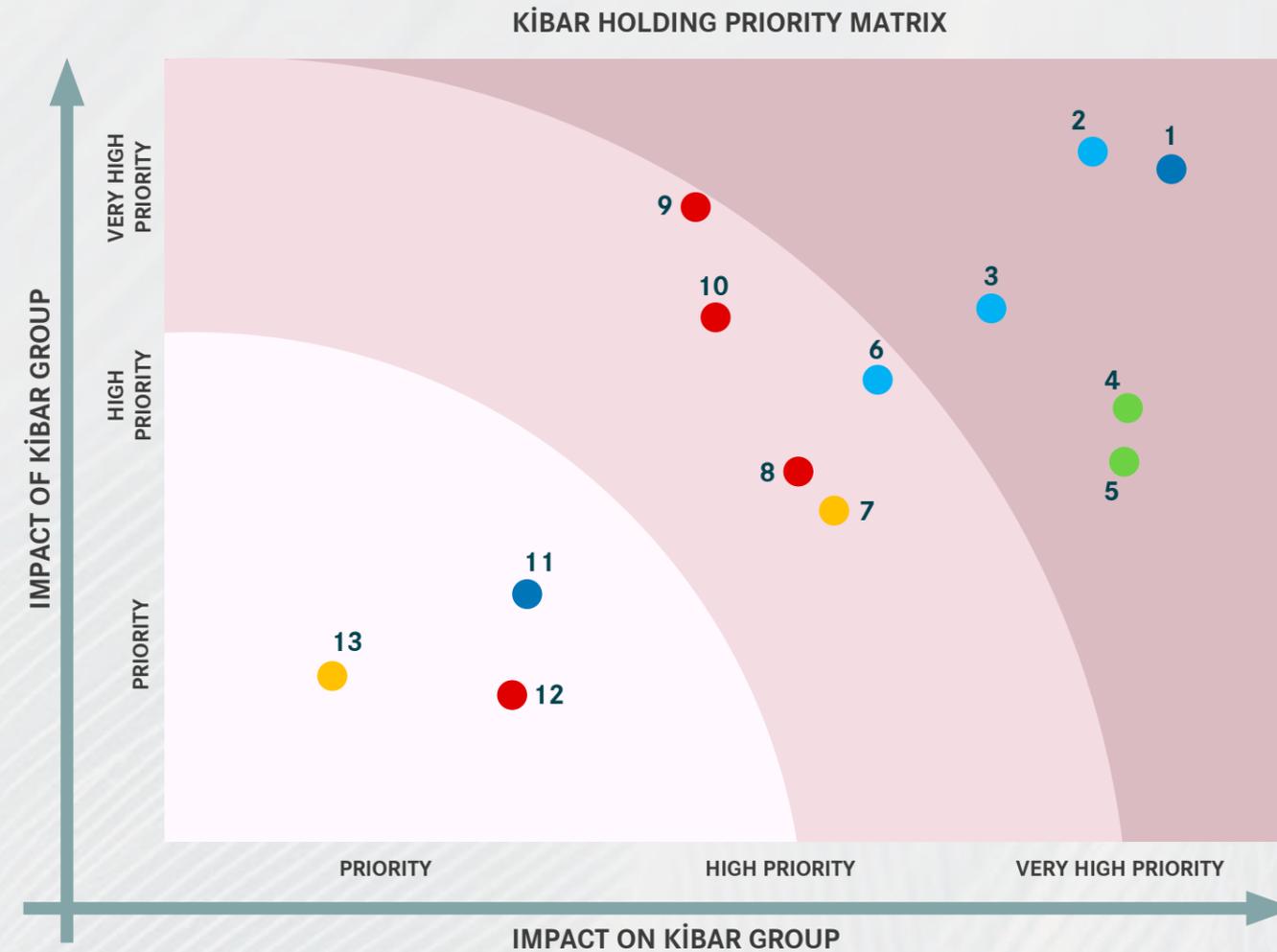
well as sectoral practices in operational areas, corporate strategies, sustainability standards, and stakeholder expectations were taken into consideration.

In the second phase, surveys were conducted to receive feedback from employees and external stakeholders. Various stakeholder groups provided opinions about their expectations from Kibar Group in the context of sustainability. The management staff of Kibar Group evaluated the materiality of the topics included in the aforementioned list in terms of financial impact on Kibar Group. The topics included in the impact matrix were investigated in terms of potential risks and opportunities for the Group to determine such potential for each topic. In addition, the Group's positive and negative economic, environmental, and social impacts on the topic were evaluated. Survey results, sustainability meetings, workshops, and opinions of employees and stakeholders obtained through various channels as well as management reviews were determining factors in prioritization.

In the third phase, the reviewed topics were included in the impact matrix. Sustainability priorities were categorized into 3 groups in terms of materiality as "top priority," "high priority," and "priority," respectively. In the matrix below, the "X" axis shows the impact of the topic on Kibar Group while the "Y" axis shows the impact of Kibar Group on the topic.

In the final phase, the matrix created was submitted to the members of Kibar Group's Sustainability Committee and Sustainability Working Group for their approval.

As a result of the process based on a double materiality approach, 13 prioritized topics were determined as Business Continuity and Effective Risk Management, Customer Satisfaction, R&D-Innovation-Digitalization, Climate Change, Circular Economy, Data Security, Supply Chain Management, Employee Development and Talent Management, Occupational Health & Safety, Business Ethics, Corporate Governance Practices, Gender Equality and Equal Opportunities, and Social Responsibility.



Very High Priority

1. Continuity and Effective Risk Management
2. Customer Satisfaction
3. R&D-Innovation-Digitalization
4. Climate Change
5. Circular Economy

High Priority

6. Data Security
7. Supply Chain Management
8. Employee Development and Talent Management
9. Occupational Health & Safety
10. Business Ethics

High Priority

11. Corporate Governance Practices
12. Gender Equality and Equal Opportunities
13. Social Responsibility.

- WE GROW with sustainability principles
- WE EMPOWER people
- WE INNOVATE for the future
- WE CARE for next generations
- WE ENCOURAGE our stakeholders
- WE SHARE for the communities

SUSTAINABILITY PRINCIPLES

“Kibar Group’s Sustainability Principles”, which are determined in reference to the Global Compact’s Sustainable Development Goals & targets and form a basis for Kibar Group’s sustainability strategy, represent the Group’s sustainable growth by taking into account economic, social, and environmental aspects. These principles are defined as “WE GROW with sustainability principles,” “WE EMPOWER people,” “WE INNOVATE for the future,” “WE CARE for next generations,” “WE ENCOURAGE our stakeholders,” and “WE SHARE for the communities.”



WE GROW

with sustainability principles

We continue to grow steadily, add value to the economy and create employment within the framework of sustainability principles through innovative investments.



WE EMPOWER

people

We work together and taking power from each other. “WE” share the future, success, and life.



WE INNOVATE

for the future

We consider product quality and customer satisfaction at the highest level and we see technological development and innovation as the cornerstones of sustainable growth.



WE CARE

for next generations

With the awareness that natural resources are not infinite and unlimited, we act with future generations in mind.



WE ENCOURAGE

our stakeholders

As we grow with sustainability principles, we take strength from our stakeholders.



WE SHARE

for the communities

We continue to serve the society with our social responsibility approach.



SUSTAINABILITY STRATEGY: “2025 STRATEGY”

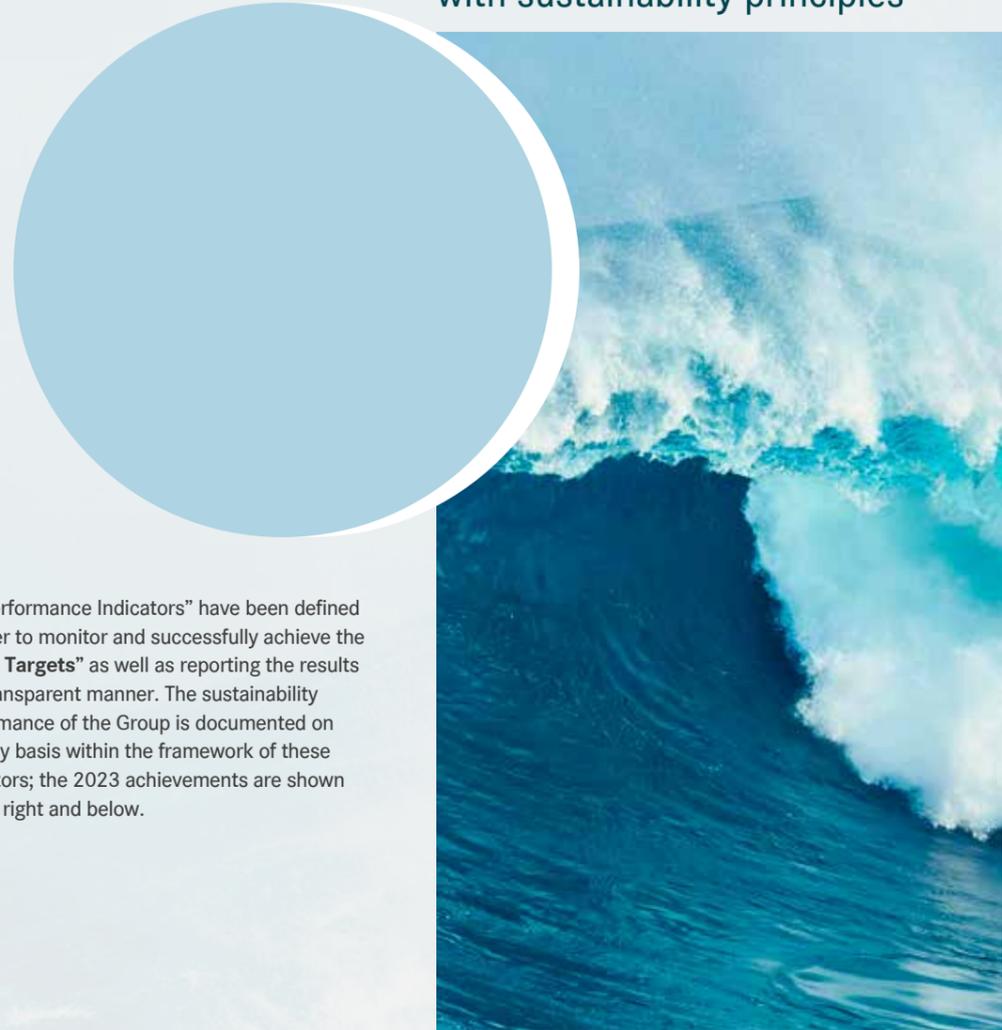
With a sustainable governance approach, Kibar Group integrates economic, environmental, and social factors into corporate governance principles and considers such factors in all practices, activities, and decision-making mechanisms.

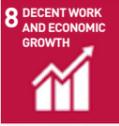
Within this scope, “Kibar Group’s 2025 Sustainability Strategy” was created on the basis of “Kibar Group’s Sustainability Principles” and shaped by “Kibar Group’s Sustainability Priorities”.

As a result of the analyses made to determine the ongoing/future contribution of Kibar Group to the “169 targets” that the United Nations plans to achieve by 2030, “36 Targets” were determined. The “36 Targets” that the Group plans to achieve by 2025 include tangible targets such as achieving economic growth within the framework of sustainability principles, increasing the number of female employees and the ratio of female senior executives, improving professional development and participation, completion of digital transformation in all companies, maintaining product and service quality at the highest standards, implementation of clean and green technologies and processes, ensuring sustainable management and efficient use of natural resources, improving contribution to actions for climate change, increasing recycling and reuse, development of global collaborations, ensuring that stakeholders adopt sustainable development principles and goals, and increasing the number of activities for social responsibility projects.

“92 Performance Indicators” have been defined in order to monitor and successfully achieve the “2025 Targets” as well as reporting the results in a transparent manner. The sustainability performance of the Group is documented on a yearly basis within the framework of these indicators; the 2023 achievements are shown on the right and below.

WE GROW
with sustainability principles



RELEVANT SUSTAINABLE DEVELOPMENT GOAL	PRIORITY SUSTAINABILITY ISSUES	TARGETS FOR 2025*	PERFORMANCE INDICATORS	2023 PROGRESS*
  	Business Continuity and Effective Risk Management	Target B1. Maintaining economic growth.	B1.1. Sales revenues B1.2. Number of companies in ISO 500 list B1.3. Most export companies ranking in Türkiye	B1.1. Sales revenue increased by 12.1 times compared to 2016, the reference year. B1.2. Türkiye’s 500 Top Industrial Enterprises 2023 Survey 4 companies were included. B1.3. Ranking for the list of top exporters, which is published by Turkish Exporters’ Assembly (TIM) every year, was not published in July, the same month in which the report was published. In 2022, it was ranked in the 5th place in the category of “Top exporters in Türkiye” and ranked 1st in the category of “Ferrous and Non-Ferrous Metals”. The 2023 list had not been published as of June when the report was published.
		Target B2. To realize new investments within the framework of sustainability principles.	B2.1. Full compliance of the United Nations Global Compact (UNGC) and Kibar Holding Sustainability Principles with investment and decisionmaking processes	B2.1. Assan Haniil’s new production plant in Kocaeli province was put into operation. The production plant carries out automated, high technology, and high quality production operations and carries on its operations based on a sustainable production approach. The plant is equipped with the state-of-the-art lighting systems, efficient HVAC/cooling units, and green filtration systems.
		Target B3. To increase resource efficiency for the sustainable development, to use clean and environmentally friendly technologies and processes.	B3.1. Number of clean and environmentally friendly new products / projects B3.2. Full compliance with the national environmental legislation B3.3. Actions in line with EU regulations on low-carbon circular economy	B3.1. 34 new projects to contribute to climate action and circular economy have been implemented. B3.2. All activities comply with national environmental legislation. International Environmental and Energy Management Systems standards are followed. B3.3. Production and manufacturing methods, business models, operation principles, investment decisions, and growth strategies are developed within the scope of A European Green Deal in compliance with the EU regulations to achieve the 2030 and 2050 targets. Assan Alüminyum and İspak completed their activities related to the Carbon Border Adjustment Mechanism (CBAM).
		Target B4. To be prepared for disasters and emergencies.	B4.1. Disaster and Emergency Action Plan	B4.1. The activities to be carried out to ensure effective management of operational risks such as natural disasters and epidemics and the action plans determined are monitored effectively and regularly. Policies and procedures for the management of these risks at the time of the incident and for business continuity in the following process have been established and communicated to all employees. Drills are conducted every year and training activities are maintained for corporate business continuity programs.
	Corporate Sustainability Management	Target B5. Adopting sustainability practices and reporting sustainability performance.	B5.1. Sustainability Internal Communication Plan B5.2. UNGC Progress Report in GRI Standards B5.3. Inclusion of companies in at least one initiative based on sustainability practices B5.4. Inter-functional coordination to ensure that all stages of the sustainability strategy are implemented in harmony and integrity B5.5. Establishing project-based sustainability working groups	B5.1. Communication activities are carried out with a circular and audience-based strategy. Informative messages on sustainability continued to be published through the “Kibar Group Sustainability Platform” initiative created for internal communication. In order to disseminate these messages, communication channels were diversified; many channels such as internal communication screens, Intranet, SMS, and Mobiliz, the Kibar Group mobile application, were used. B5.2. The Sustainability Report in accordance with the GRI Standards was created for the UN Global Compact database. B5.3. Assan Alüminyum joined and began reporting to the CDP platform. B5.4. Three meetings were organized with the participation of the Sustainability Committee and the Working Group members. In addition, a great number of project/topic-based meetings/discussions were held with the participation of the Working Group members and employees. B5.5. Zero Plastic Working Group, WE Are Equal Group Committee, WE Are Equal Working Group, and other working groups within the scope of the Group’s 2050 net-zero emission target continued their activities. No new working group was formed.

*The reference year for setting the “2025 Targets” is 2016, which is the first date when performance indicators were declared in the first report prepared in GRI standard, unless otherwise stated. Realizations are given according to the reference year. [Click here](#) to view the 2019 realizations of the 2025 Goals. [Click here](#) to view the 2020 realizations of the 2025 Goals. [Click here](#) to view the 2021 realizations of the 2025 Goals. [Click here](#) to view the 2022 realizations of the 2025 Goals.

WE EMPOWER people



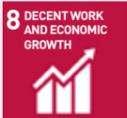
RELEVANT SUSTAINABLE DEVELOPMENT GOAL	PRIORITY SUSTAINABILITY ISSUES	TARGETS FOR 2025*	PERFORMANCE INDICATORS	2023 PROGRESS*
	Occupational Health and Safety	Target G1. To continue to provide occupational health and safety at international standards at workplaces.	G1.1. Occupational health and safety training hours per person G1.2. Accident severity rate	G1.1. Increased by 13%. G1.2. Accident severity rate is 0.31.
		Target G2. To prevent the effects of hazardous chemicals and wastes on employee health.	G2.1. Occupational disease rate	G2.1. Occupational disease rate is "0".
	Employee Engagement and Satisfaction	Target G3. To ensure inclusive and participatory decision-making at all levels.	G3.1. Participation level of Employee Opinion Survey	G3.1. The Employee Opinion Survey is conducted every year and the participation rate in the last survey conducted in 2023 was 85%.
			G3.2. Spreading the suggestion reward system to all companies	G3.2. Employees submitted 3,202 suggestions on Kibar Group employee suggestion system and 1,624 of these suggestions were implemented.
			G3.3. Employee satisfaction/engagement survey score	G3.3. There was a one-point decrease in the employee satisfaction/engagement survey score compared to the previous survey results.
			G3.4. Performance culture index	G3.4. Talent Focus Index is followed to evaluate training and development activities, performance management, talent retention, and wages. The opinions of both office and site employees were obtained through questions asked in the areas of Engagement, Agility, Talent Focus, and Engaging Leadership Indices as well as Equality & Inclusivity.
	Employee Development and Talent Management	Target G4. To ensure that all employees have access to quality technical and vocational training.	G4.1. Participation rate for "Managerial Development Program"	G4.1. Managerial Development Program participation rate is 61%.
			G4.2. Specialist training hours per person within the scope of the "Specialist Development Program"	G4.2. Specialist training hours per person within the scope of the "Specialist Development Program" is 14 hours.
			G4.3. "Leadership Development Program" recommendation score	G4.3. The program's recommendation score was measured at 8.57 out of 10 full points.
			G4.4. Number of Development Ambassadors	G4.4. The number of Development Ambassadors is 99 in total, consisting of 67 internal instructors and 32 internal mentors.
			G5.1. Number of employees receiving technical and vocational training	G5.1. The number of employees receiving technical and vocational training is approximately 2,680.
			G5.2. The rate of employees receiving technical and vocational training by age groups	G5.2. Technical and vocational training opportunities are provided for all age groups at all times. Distribution of employees receiving training by age groups is as follows: 18-25 years: 11%, 26-35 years: 41%, 36-45 years: 35%, and 46+ years: 13%.
	Gender Equality and Equal Opportunities	Target G6. To increase employment and employee trainings.	G6.1. Number of employees	G6.1. The number of employees increased by 42.5%.
			G6.2. Number of students employed from K-Team Young Talent Internship Program	G6.2. The number of students employed from K-Team Young Talent Internship Program is 29. The actual recruitment rate was 64%.
			G6.3. Training hours for employee development	G6.3. A total of 123,557 hours of training, including online classroom training and e-learning, were provided.
	Gender Equality and Equal Opportunities	Target G7. To increase the full and effective participation of women in decision-making processes, to increase the ratio of senior female managers by 50% and the number of white-collar female employees by 45%.	G7.1. Number of senior female manager	G7.1. The number of women senior executives was increased by 27.3%.
			G7.2. The number of white-collar women employees	G7.2. The number of white-collar women employees was increased by 65.9%.
	Gender Equality and Equal Opportunities	Target G8. To ensure gender equality in employment and employee income, to increase the number of female employees by 50%.	G8.1. Number of women employees	G8.1. The number of women employees was increased by 93.2%.
			G8.2. Kibar Holding total reward policy	G8.2. Pursuant to the wages policy, no discriminatory and unfair treatment is carried out due to personal traits and orientation such as language, religion, race, gender, etc. Within the scope of external assurance of equal wages, Phase 1 and Phase 2 of the Equal Pay Certification process were completed.
	Gender Equality and Equal Opportunities	Target G9. To ensure equal opportunities increasing the rate of women in white-collar recruitment.	G9.1. Ratio of women in white-collar recruitment	G9.1. The rate of white-collar women employees as new recruits is 43.2%.
			G9.2. Ranking in the top five among companies employing the highest number of disabled people	G9.2. Assan Hanil received an award from Kocaeli Provincial Directorate of Turkish Employment Agency (İŞKUR) for being the top company to employ the highest number of individuals with special needs three times in the last five years throughout Kocaeli.
	Business Ethics	Target G10. Maintaining accountability and transparency at all levels.	G10.1. Compliance audits for Kibar Holding Code of Ethics	G10.1. Ethical compliance audits are conducted.
			G10.2. Business ethics training	G10.2. Code of business conduct training is provided to all recruited personnel and consultant training is provided to Code of Conduct Consultants at Kibar Group companies.
			G10.3. Reporting of notifications received on the ethical line and their results	G10.3. Reporting is made to the Chairperson of the Executive Board regarding ethical disclosures and results.
			G10.4. Establishing early warning mechanisms with technology support	G10.4. Misconduct risks are investigated within the scope of audit activities.
			G10.5. Obtaining a statement from all employees regarding whether they are in a situation that will cause conflict of interest	G10.5. Circumstances which could cause a conflict of interest are investigated within the scope of audit activities. Online ethics training sessions are provided through Güç BİZde (WE Have the Power) Training & Development Platform.
			G10.6. Communication of the Code of Conduct Guidebook to all employees	G10.6. Code of Conduct Manual is shared with all recruited employees.
			G10.7. Awareness activities for Code of Conduct	G10.7. "Do you think it is ethical?" project continues to be implemented. The Code of Conduct and the list of Code of Conduct Consultants as well as their contact details are published on the Company's Intranet.
			G10.8. A review system to ensure that the Code of Conduct is updated based on requirements and new developments	G10.8. The Code of Conduct Guidebook has been updated.
		Target G11. Ensuring public access to information and protecting fundamental freedoms.	G11.1. Sustainability Performance Progress Report	G11.1. Kibar Holding's Sustainability Report, which contains detailed information on the sustainability performance of Kibar Group, was published. In addition, the Sustainability Reports of the Group companies, namely, Assan Alüminyum, Assan Panel, and Ispak, were also published.



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WE INNOVATE for the future



RELEVANT SUSTAINABLE DEVELOPMENT GOAL	PRIORITY SUSTAINABILITY ISSUES	TARGETS FOR 2025*	PERFORMANCE INDICATORS	2023 PROGRESS*	
 	Customer Satisfaction	Target Y1. Leadership in product and service quality.	Y1.1. Management standards, quality and security systems subject to follow-up	Y1.1. As of the end of 2023, the companies subject to reporting follow ISO 45001: Occupational Health & Safety Management System, ISO 9001: Quality Management System, ISO 14001: Environmental Management System, and ISO-IEC 27001: Information Security Management System. In addition, Assan Alüminyum and Assan Hanil follow IATF 16949: Quality Management System, Assan Alüminyum and Assan Panel follow ISO 31000: Corporate Risk Management System, Assan Alüminyum and İspak follow ISO 22000 Food Safety Management System, Assan Alüminyum follows ISO 22301: Business Continuity Management System, ISO 50001: Energy Management System and ASI: Aluminium Stewardship Initiative Performance Standard and İspak follows BRC: International Food Safety Standard.	
			Y1.2. Product and process certification	Y1.2. As of the end of 2023, Assan Alüminyum and Assan Hanil received Zero Waste Certificate; Assan Alüminyum and İspak received Kosher Food Conformity Certificate; Assan Alüminyum received CE: EU Certificate of Conformity, NSF: International Health Organization Certificate of Conformity and ISPM15: Wood Packaging Materials Certificate of Conformity; Assan Panel received Certificate of Compliance to Panel Standard, Roofing Sheets, Trapezoidal Section Corrugated Sheet Certificate, FM Approval: Fire safety certificate and Greenguard Gold certificate; İspak received Halal Food Product Safety Certification, and Certificate for Awarding and Use of the 'OK Compost Industrial' Conformity Mark Certificate.	
			Y1.3. Customer satisfaction surveys	Y1.3. Customer satisfaction surveys are conducted regularly in all companies and activities continue to achieve "0" customer complaint.	
			Y1.4. Rate of response to customer requests	Y1.4. Customer requests are responded to by full-time teams. Feedback is provided as soon as possible, depending on the type of request.	
	R&D, Innovation and Digitalization	Target Y2. To increase added value/economic growth through technological innovations, improvement and innovation.	Target Y3. To increase resource efficiency for sustainable development, to apply clean and environmentally friendly technologies and processes.	Y2.1. High technology investments	Y2.1. At Assan Alüminyum, Electronic Data Interchange (EDI), Data Analytics Project, and Aluminum Alloy Production by Twin Roll Continuous Casting Method; Robotic Process Automation (RPA) projects.
				Y3.1. Innovative improvement investments contributing to circular economy	Y3.1. At Assan Alüminyum, Recyclable Alloy Development Project, Project for Improving Corrosion Resistance of Recyclable Aluminum Alloys, Alloy and Process Development Project for Foil Products and Project for the Development of a New Alloy Produced from Secondary and Scrap Aluminum. At Assan Hanil, Hyundai FCEV Truck Seats Project, Development of Next Generation Lightweight and Smart Composite Materials and Production Processes, Next Generation Polymer Development, Product Development with Glass Mat Reinforced Thermoplastic and Composite Bumper Beam. At Assan Panel, Mineral wool Insulated Roof Panels Compatible with Solar Equipment and Use of Insulating Material with Improved Thermal Conductivity Coefficient. At İspak, Recyclable Tea Packaging, Compostable Coffee Packaging, Project for Domestic Production of Seal Caps for Induction Sealing.
		Target Y4. To increase R&D studies.	Y4.1. R&D Laboratory/Center	Y4.1. All companies have an R&D Laboratory/Center.	
			Y4.2. Collaborations in R&D studies	Y4.2. Collaborations with 6 different universities continued in R&D activities.	
			Y4.3. Promoting R&D activities	Y4.3. The 7th "Asim Kibar Mavi Damla (Blue Drop) Awards" program was held.	
			Y4.4. R&D budget	Y4.4. The R&D budget is TRY 83,000,000.	
Y4.5. Number of patent applications			Y4.5. The number of patent applications is 13.		
Y4.6. Number of patents secured			Y4.6. The number of patents secured is 6.		
Y4.7. Number of utility models			Y4.7. The number of utility models is 8.		
Y4.8. Number of R&D employees			Y4.8. The number of R&D employees is 135 as of the end of 2023.		
Target Y5. To complete infrastructure works and digitalization processes within the scope of the "Digital Transformation Roadmap".	Y5.1. Compliance with the digital transformation roadmap	Y5.1. The work planned according to the digitalization road map, which is reviewed and updated every year in line with technological developments and business processes, has been completed. Digital Transformation Master Plans have been prepared and three-year category-based plans have been created for 2022-2024. Kibar Industry (Jordan)'s SAP transition has been completed.			
	Y5.2. Corporate data architecture	Y5.2. Assan Hanil BW data warehouse project has been completed, data modeling studies and master data dictionary have been delivered. The Qlikview --> QlikSense transition project (AMP project), which is used as a business intelligence tool in all Group companies, has been launched.			
	Y5.3. Analytical and artificial intelligence studies	Y5.3. With the analytical structuring established within Assan Bilişim, studies have continued to cover priority production processes. In this context, more than 15 Analytical/ Artificial intelligence use cases have been studied. MS Azure platform, which was chosen to create "Big Data" and carry out analytical studies, has been put into operation in our Assan Alüminyum and Assan Hanil companies. With the applied AI academy training, key users were given theoretical and practical training on data and related technologies such as Artificial Intelligence, Cloud and Machine Learning.			
	Y5.4. Robotic process automation	Y5.4. By the end of 2023, nearly 80 processes have been carried out by RPA software.			
	Y5.5. Industry 4.0	Y5.5. Infrastructure work for the digitalization of the production area continues. At Assan Panel, the production data monitoring project has been put into operation for all lines in Tuzla, Balıkesir and Iskenderun. Phase 2 of the MES Project in İspak has been completed. Digital transformation has been achieved, especially in production, quality and maintenance processes.			
Target Y6. To provide all kinds of transactions and data security in the field of Information Technologies.	Y6.1. Quality and uninterrupted service	Y6.1. Tuzla Network redundancy, Data Center redundancy, Internet and MPLS redundancy development works have been completed. Business Critical systems continued to transition to hyper-converged infrastructures. Significant progress has been made in DLP & Data classification projects. Web & DNS migration projects have been carried out.			
	Y6.2. Cybersecurity infrastructure	Y6.2. Trendmicro's Endpoint Detection and Response (EDR) solution was deployed. DNSSense (formerly Roksit) product, which offers a DNS Layer Security Platform focusing on providing active protection for all devices connected to the network against any kind of malicious attacks, including phishing, ransomware, and zero-day attacks. "Baiting" systems (also called "Honeypots") are used to detect cyber threats throughout the organization and a Firewall Monitoring product was deployed for monitoring the cyber security systems. Cyber security drills (for ransomware and malware) are organized. Within the scope of cyber security, social engineering activities (for phishing) were carried out as well as providing awareness training.			
	Y6.3. Standards subject to follow-up	Y6.3. ISO-IEC27001 Information Security Management System is followed.			
	Y6.4. Machine learning-assisted threat hunting and intelligence solutions	Y6.4. In order to minimize the risk of cyber threats, automation that analyzes hacker behavior and informs about possible threats has been put into operation.			

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WE CARE

for next generations



RELEVANT SUSTAINABLE DEVELOPMENT GOAL	PRIORITY SUSTAINABILITY ISSUES	TARGETS FOR 2025*	PERFORMANCE INDICATORS	2023 PROGRESS*
 	Circular Economy	Target O1. To ensure the sustainable management and efficient use of natural resources.	O1.1. Sustainability Management	O1.1. Sustainability Management consisting of the Sustainability Committee and the Sustainability Working Group constitutes the key element of corporate governance and carries on its activities. 3 main meetings and over 10 topic-based meetings were organized with Sustainability Management representatives.
		Target O2. To minimize the negative effects of wastes on the environment / To reduce waste generation through reduction, recycling and reuse.	O1.2. Energy and Environmental Management Systems and compliance with the relevant legislation	O1.2. All companies act in accordance with the relevant legislation. Companies within the scope of reporting have ISO 14001 Environmental Management System certification. Assan Alüminyum, one of the energy-intensive companies, has ISO 50001 Energy Management System Certificate and Aluminum Stewardship Initiative Performance Standard.
			O1.3. Measurable targets for sustainability performance	O1.3. "2025 Goals" have been defined in line with the goals that the United Nations plans to achieve by 2030. 36 Targets are monitored through 92 performance indicators and the progress made is shared transparently every year.
			O2.1. Recycled/recovered raw materials quantity	O2.1. The amount of recycled/recovered raw materials used as inputs increased by 57.6%.
			O2.2. The quantity of recycled waste	O2.2. The quantity of recycled waste was increased by 60.8%.
	Target O3. To reduce water intensity on revenue basis by at least 5% compared to the previous year.	O2.3. Recycling/recovery rate of waste generated	O2.3. Recycling/recovery rate is 99.1%.	
		O2.4. The quantity of plastic reduction	O2.4. In 2023, the use of single-use plastics used in the office spaces was completely eliminated.	
		O3.1. Annual water intensity reduction rate	O3.1. Annual water intensity reduction by revenue has not fallen below 5% since the baseline year of 2016. In 2023, the annual water intensity reduction was 25%.	
		Target O4. To reduce energy intensity on revenue basis by at least 7% compared to the previous year.	O4.1. Annual energy intensity reduction rate	O4.1. Annual energy intensity reduction by revenue has not fallen below 7% since the baseline year of 2016. In 2023, the annual energy intensity reduction was 26%.
	Combating Climate Change	Target O5. To increase the ratio of electricity generation from renewable energy sources to consumption.	O5.1. Amount of renewable energy production	O5.1. The rate of electricity generated from renewable energy sources to meet the total electricity consumption is 44.8%.
Target O6. Increase the resilience and adaptation to climate-related hazards and natural disasters.		O6.1. Annual Risk Assessment Studies	O6.1. The activities for the assessment of Climate-Related Risks and Opportunities are reviewed and updated annually.	
		O6.2. Scope 1, Scope 2 and Scope 3 greenhouse gas emission weights	O6.2. The reduction in annual emission intensity to produce a unit of output was 25% in 2023. Within the scope of Paris Agreement and the European Green Deal, actions for zero emission target are carried on.	
Target O7. To increase the studies for sustainable development and to reduce the negative effects of climate change and to carry out information/awareness raising activities.		O7.1. Internal communication plan for employee awareness/briefing activities	O9.1. Through Kibar Group's Sustainability Platform, employee awareness/briefing activities on sustainability, including climate action, are carried out.	
		O7.2. Measurement of employee awareness levels	O9.2. Surveys are conducted every year to measure the awareness levels of employees. Measurements are made through feedback mechanisms created in many channels such as the Sustainability Platform, workshops, events, and meetings.	
Target O8. To develop global collaborations for sustainable development.	O7.3. External stakeholder communication	O9.3. The Group's activities, sustainability targets, and progress on sustainability are published in detail on its website. Short videos on the Group's sustainability performance are prepared and sent to stakeholders annually to raise awareness. Climate action and circular economy topics are given coverage in press bulletins and news, social media channels, and organizations/events organized.		
Target O9. To support and encourage public, private sector and NGO partnerships to achieve the targets.	O8.1. Corporate memberships	O10.1. Collaborations are made with 7 national and international organizations carrying out activities for sustainability throughout the world.		
		O9.1. Corporate memberships	O11.1. The United Nations Global Compact (UNGC); Women's Empowerment Principles (WEPs) platform as a partnership between the UN Global Compact and UN Women; UN Global Compact Target Gender Equality; TUSIAD Environment and Climate Change Working Group; İş Dünyası Plastik Girişimi (Business Plastic Initiative) founded by UNGC-TR, TUSIAD, and SKD; The 30% Club; UNGC-TR Sustainable Finance Working Group, Gender Equality Working Group, Diversity and Inclusion Working Group; SKD Sustainable Finance and Risk Management Working Group, Transition to Low-Carbon Economy and Efficiency Working Group, Women Employment and Equal Opportunities Working Group, Sustainable Industry and Circular Economy Working Group.	

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WE ENCOURAGE our stakeholders

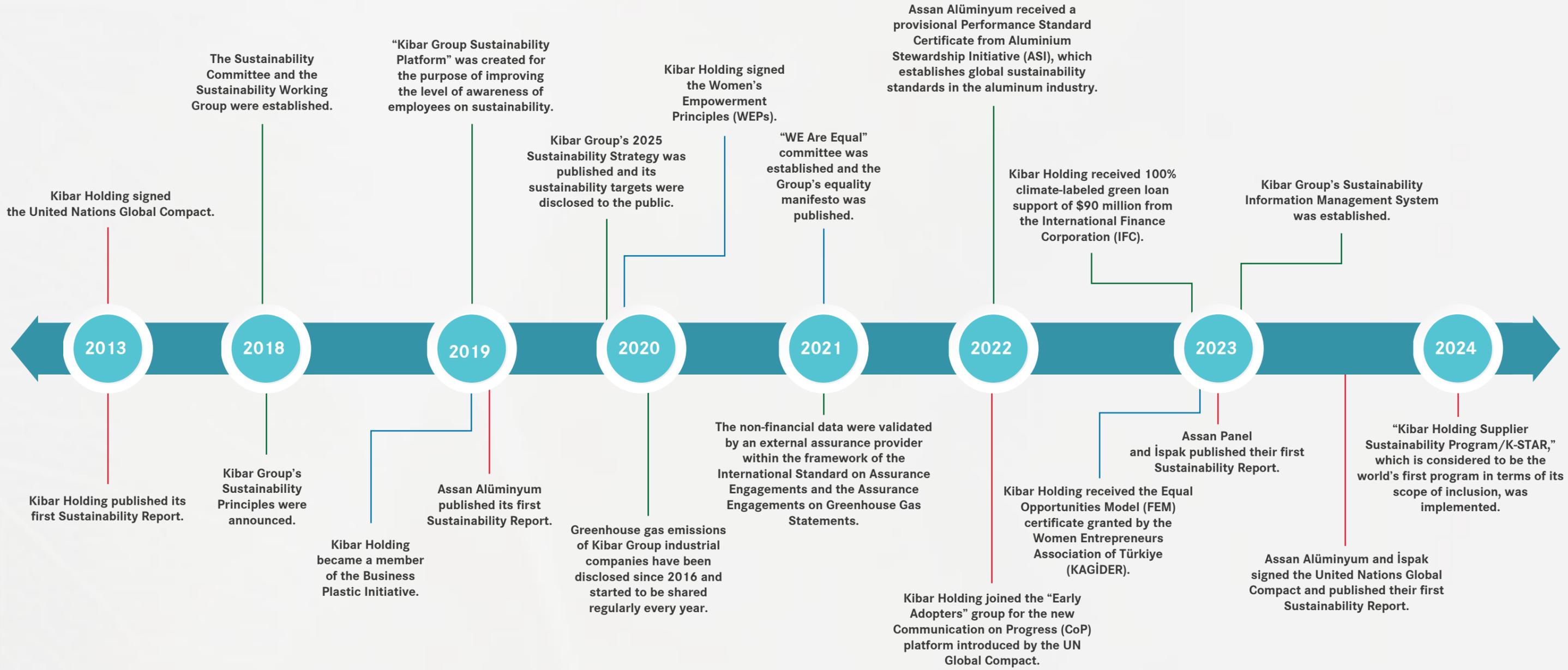


WE SHARE for the communities

RELEVANT SUSTAINABLE DEVELOPMENT GOAL	PRIORITY SUSTAINABILITY ISSUES	TARGETS FOR 2025*	PERFORMANCE INDICATORS	2023 PROGRESS*
 	Sustainable Supply Chain	Target T1. To ensure that suppliers and stakeholders adopt UNGC principles and objectives.	T1.1. Purchasing Code of Conduct	T1.1. All suppliers are expected to adopt the Procurement Codes of Conduct. The rules and principles required to be followed by all suppliers are defined in detail in the Code of Business Conduct Principles, Anti-Corruption and Anti-Bribery, Forced Labor, Child Labor, Harassment, Wages, Working Hours, Non-Discrimination, Communities, Occupational Health & Safety, Environment, Biodiversity, Integrity, Quality and Continuous Development, and Information Security as applicable.
			T1.2. Kibar Group Framework Agreement	T1.2. Before starting to work with suppliers, the Framework Agreement and the Code of Conduct contained therein are signed to ensure that critical sustainability priorities are adopted by suppliers. In addition to the Framework Agreement, legally binding conditions on issues such as Code of Conduct, waste management, etc. have been established on order letters/POs.
			T1.3. Supplier training hours	T1.3. The Supplier Sustainability Program (K-STAR) was introduced for the purpose of improving and speeding up the contribution of the suppliers to global sustainable development. Sustainability performance of suppliers was assessed through supplier surveys. 875 suppliers were assigned nearly 30,000 actions to be taken in practice based on the performance results. Information and reference documents to be required by suppliers were created and made available to suppliers. Monitoring mechanisms were implemented for tracking progress in practices as well as providing necessary guidance.
		Target T2. To define a standard regarding the reduction of environmentally harmful effects to be applied in all suppliers audits.	T2.1. Certifications of suppliers for compliance with environmental legislation and standards	T2.1. Supplier performance evaluations based on certain criteria are regularly carried out every year while supplier audits and site visits are organized based on the results of such evaluations. Suppliers' certifications are examined and process audits are carried out on various topics referred to in applicable codes of conduct and framework agreements. Such audits also cover topics related to quality, information security, environmental, and occupational safety. The supplier is expected to be in a position to prove its full compliance with all statutory regulations on environmental protection in all activities. Process and on-site audits are conducted for suppliers listed under the critical category due to their environmental impact as a result of assessments carried out. In addition, performance scorecards, which contain detailed information on all processes based on the performance evaluation, are shared with the suppliers and necessary discussions and planning are undertaken for areas of improvement.
 	Social Responsibility	Target P1. To increase participation of employees in social responsibility activities.	P1.1. Number of Kibar Volunteers	P1.1. 650 Kibar Volunteers
		Target P2. To reach 10,000 disadvantaged children in the scope of social responsibility projects.	P2.1. The number of children reached	P2.1. 8,500 children have been reached out.
		Target P3. To organize trainings for children of primary school age regarding global warming, climate change, environment and children's rights within the scope of social responsibility projects.	P3.1. The number of student participated	P3.1. 200 students
			P3.2. Training hours scheduled	P3.2. 849 hours of volunteering activities were carried out in a total of 31 volunteering activities/events such as A Box of Happiness, Environmental Protection Week Activities, Hope Café Project, Istanbul Marathon, and Contribution to Children's Cultural Development.

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IMPORTANT ACTIVITIES CARRIED OUT IN SUSTAINABILITY



SUPPORTED SUSTAINABILITY INITIATIVES



THE UNITED NATIONS GLOBAL COMPACT (UNGC)

The United Nations Global Compact is a multi-stakeholder initiative encouraging businesses and firms to develop sustainable practices to adopt a universal global development culture worldwide. Member organizations have made commitments to follow 10 principles in a total of 4 areas as “Human Rights,” “Working Conditions,” “Environment,” and “Fighting against Corruption.” Kibar Holding signed the UN Global Compact in 2013 and submits a Communication on Progress (CoP) report on a yearly basis.

UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

The United Nations has identified the problems that need to be addressed immediately all around the world as well as the goals and targets to achieve in order to eliminate such problems by adopting the 2030 Agenda. In this context, 17 Sustainable Development Goals and 169 targets have been defined in a wide range of topics, including efforts against poverty and hunger, access to quality education and health services, gender equality, establishing peace and justice, R&D and innovation, climate change, and circular economy. Kibar Holding has developed its 2025 Sustainability Strategy in line with the targets set within the scope of the above-mentioned Sustainable Development Goals. In a positive manner, Kibar Group significantly contributes to 12 Sustainable Development Goals and 36 targets.



UNITED NATIONS WOMEN'S EMPOWERMENT PRINCIPLES (WEPS)

The United Nations Women's Empowerment Principles (WEPs) consist of guiding principles for women's empowerment in the business world and society. These principles aim to promote women's inclusion and empowerment in every stage of business life by encouraging companies to focus on practices promoting equal opportunities and gender equality. Recognizing “Gender Equality and Equal Opportunities” as material topics, Kibar Holding is a signatory of the WEPs. The targets aiming for ensuring women's full and active participation in business life and decision-making processes (i.e., Targets G7-G8-G9) are included in the “Kibar Group's 2025 Sustainability Targets,” achievements are monitored by 6 performance indicators, and the results are reported to all stakeholders in a transparent manner.



UNGC TARGET GENDER EQUALITY PROGRAM

The “Target Gender Equality” Program, globally initiated by the UNGC, aims to mobilize the business world by setting ambitious and realistic corporate goals to achieve the targets of women's full and active participation in all decision-making mechanisms at all levels and creating equal opportunities. Organizations participating in this program have the opportunity to facilitate the adoption of the Women's Empowerment Principles. As a member of the Target Gender Equality program, Kibar Holding continues to quickly adopt and implement practices to promote employment of women and empower women.



TÜSİAD ENVIRONMENT AND CLIMATE CHANGE WORKING GROUP

The Environment and Climate Change Working Group works on prioritized subjects such as climate action, sustainable financing, waste management, energy and resource efficiency. It supports the activities carried out within TÜSİAD as well as other national and international activities on low-carbon sustainable development and action for climate change. Kibar Holding contributes to these studies and chair the Circular Economy and Waste Management Sub-Working Group.

BUSINESS PLASTIC INITIATIVE

Kibar Holding signed the protocol of Business Plastic Initiative, which was established by Global Compact Türkiye, Turkish Industry & Business Association (TÜSİAD), and Business Council for Sustainable Development Türkiye (BCSD Türkiye), on November 20th, 2019 and completely eliminated the single-use plastics in 2023.



30% CLUB

The 30% Club is a global campaign through which chairs and CEOs as members aim at increasing gender diversity at all levels of their organizations. This campaign is based on the idea that gender diversity leads to more successful companies and more efficient boards and executive committees. As a member of the 30% Club since 2022, Kibar Holding ensures active participation in the campaign's activities through the Sustainability Committee and the representatives of WE Are Equal Group Committee.



UNGC TÜRKİYE WORKING GROUPS

Kibar Holding and Group companies participate in Executive Board and Sustainable Finance Working Group, Gender Equality Working Group, and Diversity & Inclusivity Working Group of the Global Compact Türkiye, which is the local network in Türkiye of the Global Compact, the world's greatest corporate sustainability initiative.

SUSTAINABLE DEVELOPMENT FOUNDATION WORKING GROUPS

Kibar Holding and Group companies are the members of the Executive Board of the Business Council for Sustainable Development Türkiye, the regional network and business partner in Türkiye of the World Business Council for Sustainable Development (WBCSD) and serve as the co-chair of the Sustainable Industry and Circular Economy Working Group. In addition, Kibar Holding and Group companies also participate in the working groups of Sustainable Finance and Risk Management, Transition to Low-Carbon Economy and Efficiency, Women's Employment, and Equal Opportunities.



AWARDS IN SUSTAINABILITY - 2023

Kibar Holding Sustainability Report Received 4 Awards From LACP

Kibar Holding's Sustainability Report of 2022 received 4 awards in individual categories as granted by the League of American Communications Professionals (LACP) as follows.



1st prize in the "Sustainability Reports" category



1st prize in the "Digital Reports" category



Kibar Holding CEO/Chairperson of the Sustainability Committee was listed again in the "Sustainability Leaders 50 List" organized by Fast Company.



IADA Award for Kibar Holding Sustainability Report
Kibar Holding's Sustainability Report of 2022 received the Silver Award in "The International Annual Report Design Awards" organized by the UK-based IADA.



"Technical Achievement Award" in overall excellence in the art and management of communication.



2nd prize in the "Best In-House" category



Stevie Award for Kibar Holding Sustainability Report
Kibar Holding's Sustainability Report of 2022 received the Silver Award in the category of "Award for Innovation in Annual Reports" at the international Stevie Awards.



WE GROW

with sustainability principles



WE INNOVATE

for the future

WE EMPOWER

people



WE ENCOURAGE

our stakeholders

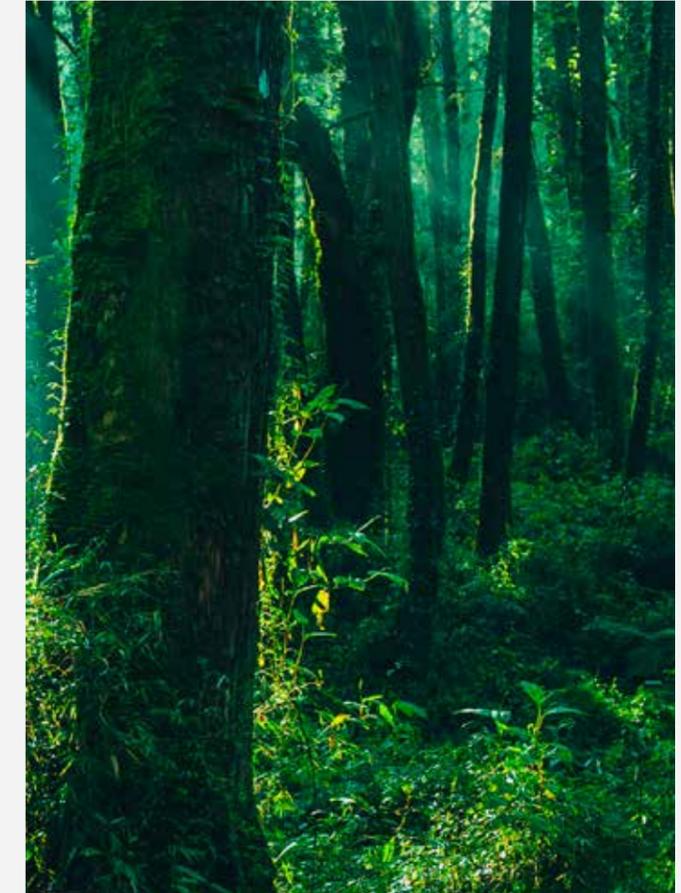


WE SHARE

for the communities

WE CARE

for next generations





WE GROW

with sustainability principles

We continue to grow steadily, add value to the economy and create employment within the framework of sustainability principles through innovative investments.

WE GROW with sustainability principles

Kibar Group provides significant contributions to the Turkish economy with industrial plants with a high production capacity, employment opportunities created, export volume, and social investments.



KİBAR GROUP INVESTMENTS

- Sheet processing unit was established in Kartal, Istanbul (1972).
- Galvanized sheet production plant was established (1980).
- Kibar Sigorta (insurance company) was established (1982).
- Kibar Group companies were brought under Kibar Holding (1984).
- Kibar Dış Ticaret was incorporated (1985).
- Assan Alüminyum came into operation (1988).
- Turkish distributorship of South Korean Hyundai Motor Company was acquired (1989).
- Assan Panel was founded and Assan Panel Istanbul plant investment is made (1990).
- The shares of İSPAK, a company carrying on business activities in flexible packaging industry, were acquired (1993).
- Hyundai Assan was incorporated in partnership with South Korean Hyundai and Izmit plant was founded (1995).
- Assan Logistics and Fleet Leasing was incorporated (1996).
- Assan Hanil, carrying out operations in automotive supply industry, was founded in partnership with South Korean Seoyon E-Hwa and began production (1997).
- Assan Foods, having the largest integrated tomato paste production facilities in Türkiye, was founded (1998).
- Kibar Training and Social Welfare Foundation was founded (1999).
- Kibar International was incorporated in Lausanne, Switzerland (2001).
- Assan Panel Iskenderun plant came into operation (2004).
- Assan Bilişim was founded (2006).
- Assan Alüminyum's Dilovası Plant began operations (2006).
- Assan Yapı was founded (2007).
- Assan Gayrimenkul was founded (2008).
- Assan Panel began operations in Balıkesir plant (2009).
- Assan Port came into operation in Iskenderun, maritime and port sector activities began (2010).
- TSI Uçak Koltuk Üretimi A.Ş., having the first aircraft seats production site in Türkiye, was incorporated in partnership with THY Teknik A.Ş., a Turkish Airlines (THY) company (2011).
- Kibar Industry, having the biggest panel production plant in the Middle East, was founded in Amman, Jordan (2011).
- Kibar Energy was founded (2011).
- Posco Assan, the first and only cold rolled stainless steel manufacturer in Türkiye was founded in partnership with South Korean Posco (2011).
- Assan Alüminyum Paint Shop Facilities began operations (2013).
- Assan Hanil Kocaeli 2nd Plant and Paint Shop came into operation (2014).
- Assan Hanil Bursa Plant came into operation (2015).
- With Heritage Group, a USA based company, İnteraktif Çevre Consultancy was incorporated (2015).
- Manavgat Hydroelectric Power Plant was incorporated into the Group (2015).
- With the single greatest flexible packaging investment in Türkiye and adopting Industry 4.0 technology, İspak began its operations in its new plant in Izmit (2017).
- Assan Hanil began operations in two new production plants located in Aksaray and Kocaeli (2019).
- Assan Panel began commercial sales by putting Assan Trading, a company based in Jordan, into operation (2020).
- Assan Panel began operations in Azerbaijan Plant, established in partnership with Sumqayıt Texnologiyalar Parkı (2021).
- Assan Panel began operations with the establishment of sales offices in the UK and Hungary (2023).
- K-RIDES was founded (2024).



GRI 3-3, 203-1

Having initiated production activities by commissioning a sheet processing unit in Kartal in 1972, Kibar Group today carries on business operations in metal, automotive, packaging, building materials, food, energy, and service sectors. Today, following a half-century steady growth, the Group stands among the leading organizations contributing to the development of the Turkish economy with 6 different business sectors across 7 different countries with over 15 companies, more than 20 production plants, and a workforce of 5,000 employees.

Among others, the Group's international business partnerships include Hyundai, THY, Posco, TIL, Seoyon E-Hwa, and Heritage, leading global brands in their industries.

With its various companies carrying out business activities in different sectors, Kibar Holding is listed in Türkiye's Top 500 Industrial Enterprises list published every year.

Since its foundation, Kibar Group has continued its investments incessantly, continues to grow steadily, and makes significant contributions to the national economy and social welfare. In addition, it acts with awareness of its ecological, economic, and social responsibilities.

Assan Hanil New Plant Investment

Assan Hanil began construction of a new production plant in Kocaeli in 2022 to increase capacity and produce new GMT (composite and recycled) parts. The production plant, which was put into operation in 2023, carries out automated, high technology, and high quality production operations and carry on its operations based on a sustainable production approach. The plant is equipped with the state-of-the-art lighting systems, efficient HVAC/cooling units, and green filtration systems.

A New Mobility Company: K-RIDES

After years of manufacturing parts in the automotive and aviation industries, Kibar Group has diversified its investments into mobility. In partnership with Royal Enfield, a leading motorcycle manufacturing company with the longest uninterrupted mass production history globally, Kibar Group founded a new company (K-RIDES) and opened its first store in 2024.

Green Loan Support from IFC

In 2023, Assan Alüminyum received a green loan support of \$90 million from the International Finance Corporation (IFC) for investing in a sustainable future. Investments funded by the help of this loan support will contribute to the growth of the company in line with international sustainability principles and the reduction of carbon footprint.

Green Loan financing proceeds, which aim to increase contributions to sustainability and facilitate access to green financing instruments, will be used for investments in renewable energy generation and storage capacity.

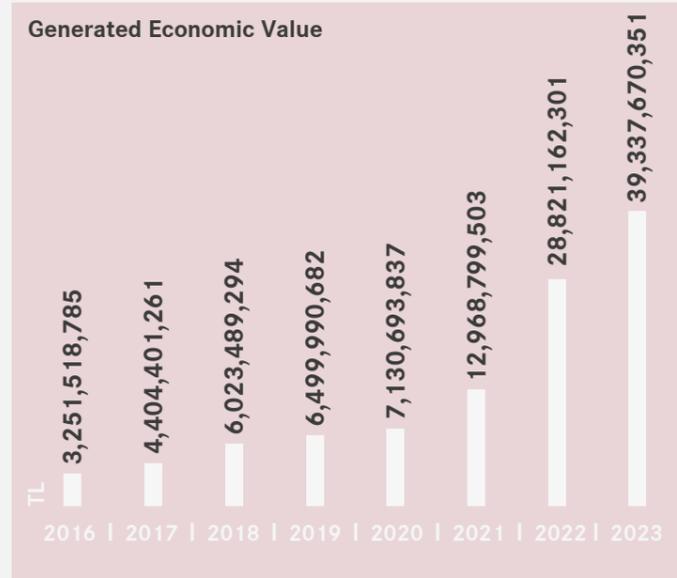
With this loan, Assan Alüminyum became the first company to receive 100% climate-labeled green loan support in its business sector.





ECONOMIC VALUE

Sales revenues of Kibar Group companies within the reporting scope increased by 12.1 times in 2023 compared to 2016 (reference year) and by 36.5% compared to the previous year.



Sales revenues of Kibar Group companies within the reporting scope increased by 12.1 times compared to 2016 (reference year).

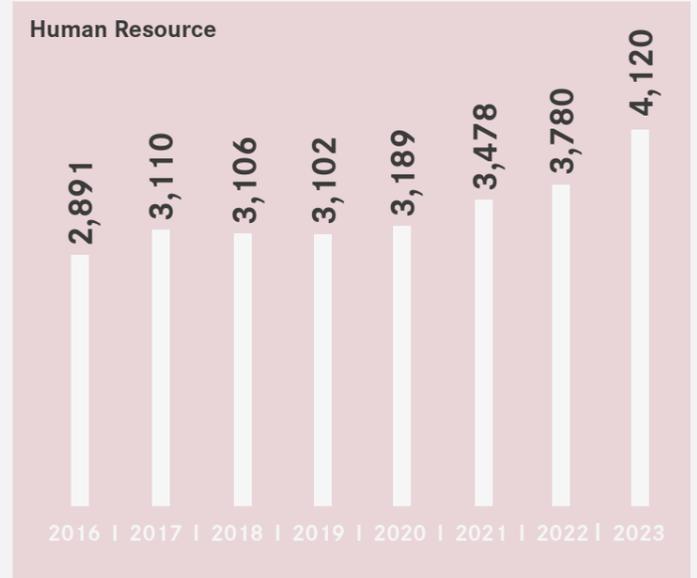
12.1 times increased

Sales revenues of Kibar Group companies within the reporting scope increased by 36.5% compared to the previous year.

increased by 36.5%

HUMAN RESOURCE

The number of employees of Kibar Group companies within the reporting scope increased by 42.5% in 2023 compared to 2016 (reference year) and by 9% compared to the previous year.



The number of employees of Kibar Group companies within the reporting scope increased by 42.5% compared to 2016 (reference year).

increased by 42.5%

The number of employees of Kibar Group companies within the reporting scope increased by 9% in 2023 compared to the previous year.

increased by 9%

GRI 2-6

EXPORTS

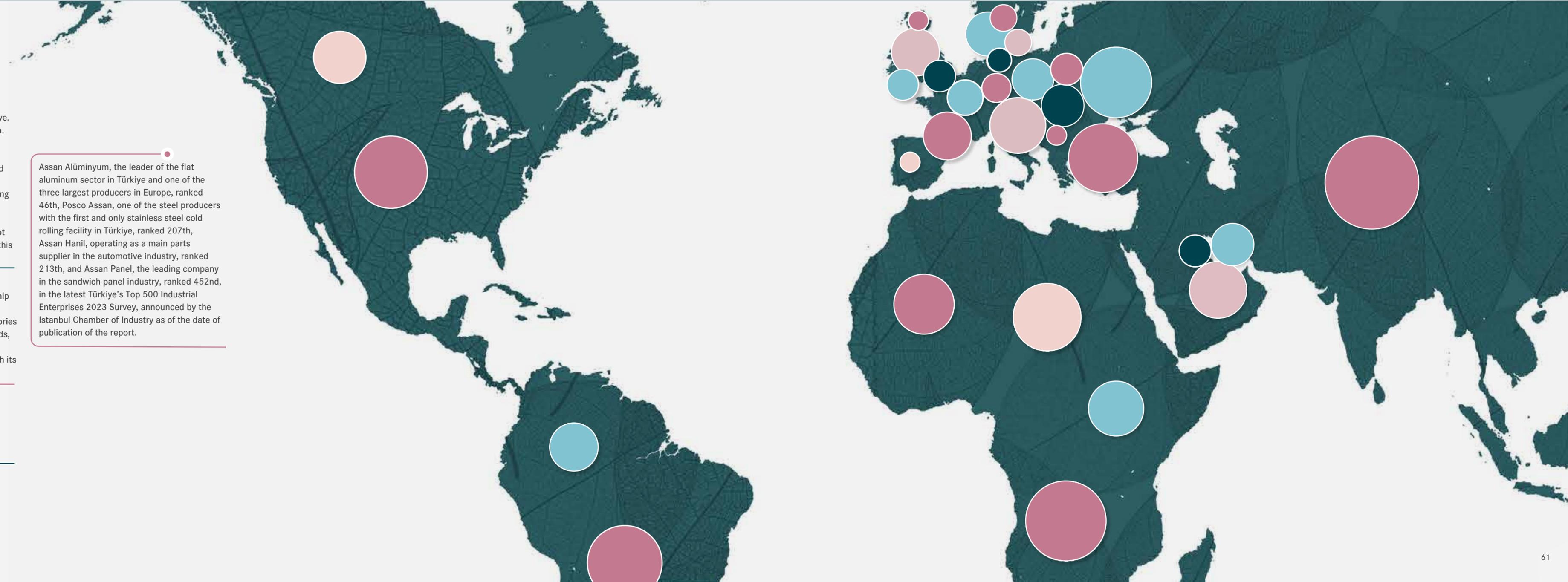
With exports to over 100 countries, Kibar Group is one of the top exporters in Türkiye. In 2023, the exports reached \$3.07 billion.

Kibar Dış Ticaret ranked 5th in Türkiye and 1st in “Ferrous and Non-Ferrous Metals” category with its export performance during 2022 in the “Top 1,000 Exporters” list, which is published by Turkish Exporters’ Assembly every year. The 2022 list has not been published as of the date of issue of this report.

Kibar Dış Ticaret received the championship (1st place) awards in “Flat Aluminum Products” and “Export Champions” categories in the 2023 Metallic Stars of Export Awards, organized by Istanbul Ferrous and Non-Ferrous Metals Exporters’ Association with its exports of Assan Alüminyum products.

Kibar Dış Ticaret ranked 3rd at the “Automotive Export Champions” awards organized by Uludağ Automotive Industry Exporters’ Association.

Assan Alüminyum, the leader of the flat aluminum sector in Türkiye and one of the three largest producers in Europe, ranked 46th, Posco Assan, one of the steel producers with the first and only stainless steel cold rolling facility in Türkiye, ranked 207th, Assan Hanil, operating as a main parts supplier in the automotive industry, ranked 213th, and Assan Panel, the leading company in the sandwich panel industry, ranked 452nd, in the latest Türkiye’s Top 500 Industrial Enterprises 2023 Survey, announced by the Istanbul Chamber of Industry as of the date of publication of the report.





WE EMPOWER

people

We work together and we empower each other.
“WE” share the future, success, and life.

WE EMPOWER people

Since its foundation, Kibar Group's "BİZ" (Turkish equivalent of "we" or "us") journey continues under the themes of "Future", "Success," and "Life". At Kibar Group, which believes in the importance of creating a collaborative and sharing work culture, employees are provided with a workplace environment based on trust, integrity, diligence, innovation, and flexibility, promoting a culture of solidarity and collaboration among co-workers.



EQUAL OPPORTUNITIES AND DIVERSITY

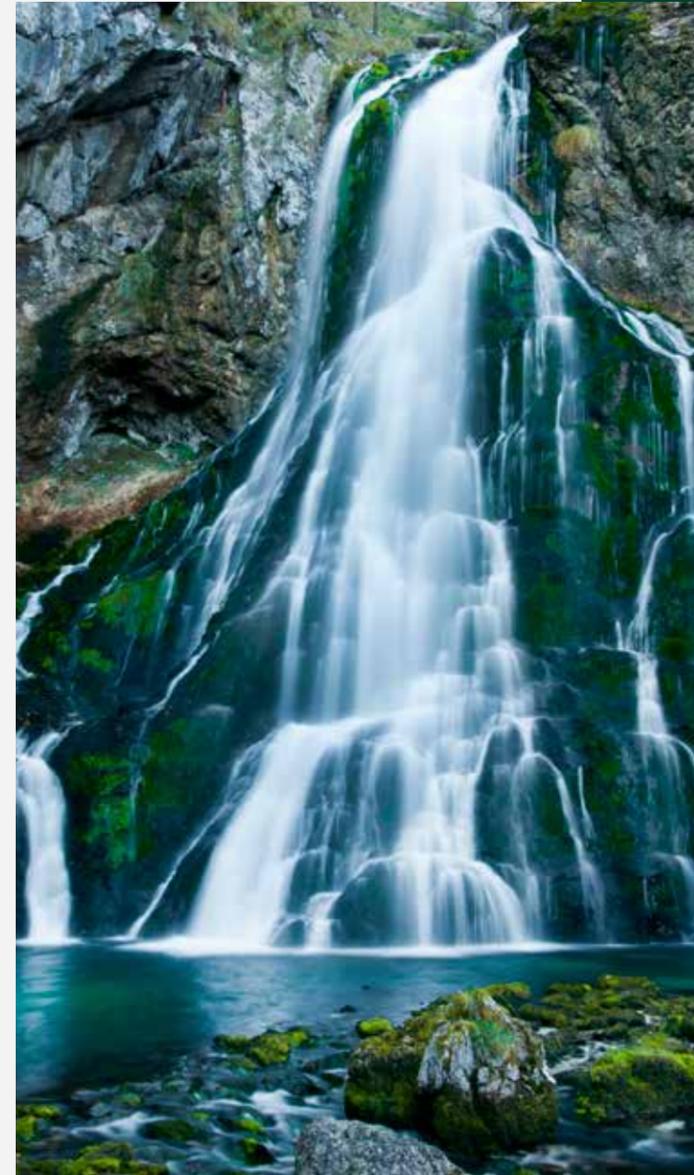
Considering it one of its main responsibilities, Kibar Group is committed to providing its employees with a workplace environment respecting people, being fair, inclusive, promoting diversity, and valuing continuous development to allow its employees to fulfill their potential. In implementing practices to provide these conditions, the Group follows international conventions, decisions, and standards such as International Labor Organization (ILO) Conventions and UN Universal Declaration of Human Rights in addition to applicable provisions of Turkish Labor Law as well as developing various systems to protect employees' rights.

Kibar Group prohibits all forms of unfair treatment based on race, language, religion, gender, ethnic identity, disability, pregnancy, religious and political views, marital status, or any other discrimination due to any similar reasons. The Group stands against all forms of violence and discrimination and is committed to providing equal opportunities, rights, and resources to everyone.

GENDER EQUALITY

Kibar Group aims to preclude gender inequalities by addressing this issue as one of its sustainability priorities by implementing practices that promote women's participation in business life and empower them.

The number of women employees at Kibar Holding and Group companies within the reporting scope increased by 93.2% in 2023 compared to 2016 (reference year) and by 25.3% compared to the previous year.



The number of women employees increased by **93.2%** in 2023 compared to 2016 (reference year).

increased by **93.2%**

The number of women employees increased by **25.3%** in 2023 compared to the previous year.

increased by **25.3%**

The number of women office employees increased by 65.9% in 2023 compared to 2016 (reference year) and by 11.5% compared to the previous year. Thus, the rate of women office employees rose to 38.7%.

The number of women office employees increased by **65.9%** in 2023 compared to 2016 (reference year).

increased by **65.9%**

The number of women office employees increased by **11.5%** in 2023 compared to the previous year.

increased by **11.5%**

The rate of women senior executives increased by 27.4% in 2023 compared to 2016 (reference year) and by 10.1% compared to the previous year. Thus, the rate of women senior executives, which was 17.5% in 2016, reached 22.3% in 2023.

We Signed Women's Empowerment Principles

Kibar Holding is a signatory of the Women's Empowerment Principles (WEPs), one of the key initiatives aimed at empowering women. "Gender Equality and Equal Opportunities" have been positioned among the material topics contained in "Kibar Group's 2025 Sustainability Strategy". Tangible targets (Target G7-Target G8-Target G9) have been set to ensure women's full and active participation in the business world and decision-making processes. These targets are monitored by 6 performance indicators and reported to all stakeholders in a transparent manner.

Kibar Holding received the Equal Opportunities Model (FEM) Certificate

Kibar Holding received the Equal Opportunities Model (FEM) Certificate, a certification program developed under the leadership of the Women Entrepreneurs Association of Türkiye (KAGİDER) with technical support from the World Bank and in partnership with PricewaterhouseCoopers and EY. Having completed the external assurance process, Kibar Holding has certified its responsible standing and actions adopted for gender equality and empowerment of women's employment, affirming its actions to both national and international public opinion.

WE ARE EQUAL PROJECT

With a mindset that individuals and organizations should act within the framework of equality criteria both in language and in practice, Kibar Group implemented a project called “WE Are Equal” in 2021. Within the scope of this project under the banner of “Equal society, equal future”, practices are carried out to raise awareness of gender equality and ensure equality.

A committee was formed to institutionalize a mindset of gender equality and ensure its governance in an effective manner. The committee consists of 3 units and the committee was formed with an equal number of women and men as members.



WE Are Equal Group Committee

Within the scope of “WE Are Equal” project, “WE Are Equal” Group Committee was formed to provide corporate leadership on gender equality by implementing a governance model based on different locations, industries, and corporate culture.

The Committee consists of a total of ten members, five women and five men, who serve in various functions of the sustainability committee and the Holding. The Committee is chaired by the CEO of Kibar Holding and the Executive Vice President of Human Resources. “WE Are Equal Company Committees” and “Kibar Volunteers” constitute the main elements of the Committee.

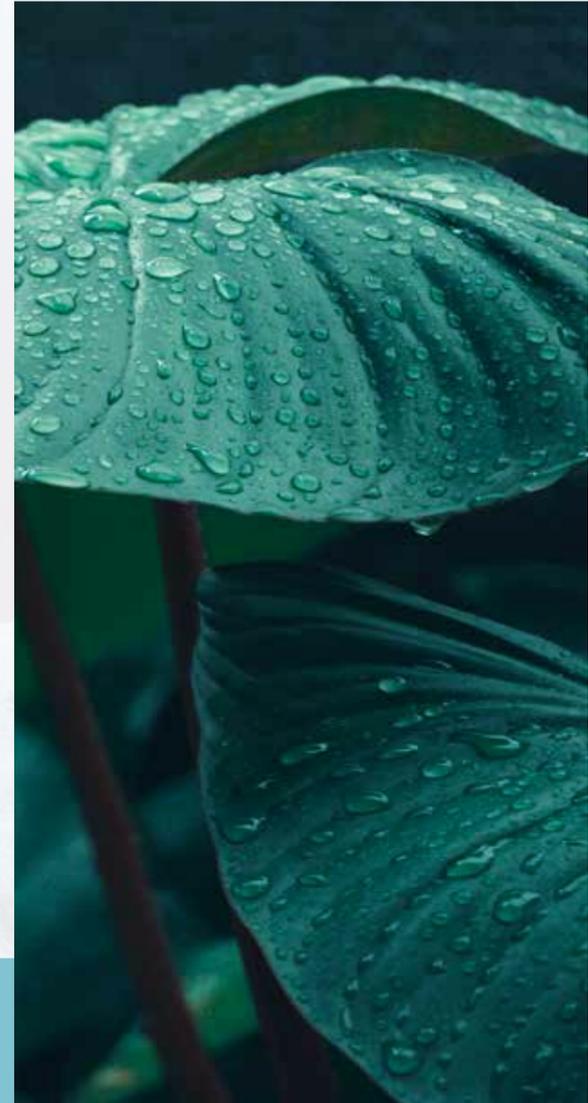
WE Are Equal Company Committees

Company committees consist of four women and four men as members, including general managers. WE Are Equal Company Leaders, who are elected by each company committee, are responsible for implementing and disseminating the decisions taken by WE Are Equal Committee. In addition, the leaders also present the action plans of their respective companies for which such leaders are responsible during the committee meetings held every 3 months. These committee meetings attended by all company leaders encourage a culture of learning from each other.

Kibar Volunteers

Kibar Volunteers, consisting of Kibar Holding and Group company employees and taking part in projects that create social benefit, implement projects that will make a difference in the field of gender equality through activities such as career days at schools.

WE Are Equal Committee



WE Are Equal Project Milestones

2020-2021:

- The topic of gender equality was covered on webinars open to all employees.
- The Gender Equality training, which was organized by the Mother Child Education Foundation (AÇEV), was made available to all employees through “WE Have Power” Development Platform and added to the orientation process as compulsory training.
- Gender Equality Guide was published.

2022:

- Information Guide on Domestic Violence and Violence at the Workplace as well as the Corporate Responsibility Policy Against Violence were published.
- In order to ensure equality in language and communication, Equality in Communication Guide was published.
- Paternity leave period was increased to 14 days.
- Mentorship practices intended for employees as prospective parents and those who will soon begin their military service were introduced.
- Psychological support for 12 sessions began to be provided free of charge through AVITA Employee Support Program to employees, who have recently become parents or returned from military service.

2023:

- Kibar Holding received the Equal Opportunities Model (FEM) certificate.
- Targets for increasing women’s employment were included in the target cards of Company General Managers, Human Resources managers as well as recruitment teams.
- Awareness posts against violence were shared three times a week through the Kibar Holding mobile application to ensure equality in language and communication.
- Employees of the Human Resources departments of the Holding and Group companies were provided with a training on Zero Tolerance Against Violence.
- Diversity and Inclusion Workshop was organized.

EMPLOYEE ENGAGEMENT AND SATISFACTION

Kibar Holding envisions an inclusive business life as a key to both ensuring employee satisfaction and corporate success. In line with this vision, it encourages employees to participate in decision-making processes by taking into consideration the expectations and suggestions of employees.

Employee Opinion Questionnaires coordinated by an independent institution have been used to collect employee expectations and suggestions since 2014. Necessary corrective actions are taken for improvement in line with the feedback following the review of survey results.

The “Kibar Group Employee Suggestion System” is also among the platforms to promote an inclusive culture in addition to surveys conducted to gather employee opinions.

In 2023, the employees submitted 3,202 suggestions through different channels and 1,624 of these suggestions have been implemented.

WE ARE WORK, WE ARE LIFE

“WE Are Work, WE Are Life” project was implemented to improve efficiency and employee satisfaction by permanently adopting the remote working models, which were first introduced during the pandemic. The next generation working models consist of 3 different types as “Remote+,” “Hybrid,” and “Workplace & Office+”.

BİZPLUS APPRECIATION, RECOGNITION AND REWARD PROGRAM

Within the scope of “BİZPlus,” an online appreciation, recognition, and reward platform launched in 2020 to promote visibility, recognition, and rewarding the success of employees, managers are able to reward their team members under 18 different categories.

Developments within the Group are shared with employees through various communication platforms in order to strengthen communication among them. The most important communication channels include the annual management meetings, in-house network Porttakal, “Kibarca” magazine, and the in-house mobile app called “Mobiliz”. In addition, various events bringing employees together are also organized.



TALENTS OF THE FUTURE

Kibar Group views its employees as the key value to carry the Group into future. Accordingly, the Group prepares its employees for the future through talent acquisition programs, talent management, continuous development opportunities, and efficient performance management.

Talent Acquisition

At Kibar Group, all employee candidates are given equal opportunities during recruitment processes and the entire procedure is carried out in an objective and fair manner. Candidate selection process is performed meticulously in order to fill in the available job positions with the right talents. Various tools such as personality inventory, competency-based interviews, and assessment center, etc. are used during the recruitment process and various career portals and databases are used to improve diversity.

K-Team Young Talent Internship Program

Within the scope of the K-Team Young Talent Internship Program, which was introduced in 2014 with the motto, “The real career begins with a real internship,” for the purpose of acquisition of young talents and preparing them for the business life, 268 young talents have had the opportunity for internship at Group companies and 104 participants have been recruited by the end of 2023.

K-Start Young Talent On-Site Internship Program

The K-Start project was implemented in order to disseminate the achievements of the K-Team Young Talent Internship Program to on-site employees. With this project, it is aimed that the students in Vocational High Schools do long-term internships and that young talents are brought into the Group. Within this scope, collaborations were made with Kocaeli University, Yeditepe University, and Okan University.

Geleceğimiz İçten Platform

In order to ensure visibility of the internal job positions opened and prioritizing the current employees in career development, “Geleceğimiz İçten” (Our Future Is Within) platform was established. Job positions opened at Group companies are posted on this platform to inform employees about new career opportunities. This also allows for familiarity and career mobility among the Group companies.

BİZden Biri Platform

BİZden Biri is a platform where employees recommend people outside the Kibar Group who they think would be suitable for this position, for positions opened throughout the Group. If the candidates recommended by BİZden Biri are hired by participating in the relevant processes, the employee who recommended the candidate is rewarded. With this study, it is aimed to evaluate the candidates that the employees refer to and to increase recognition outside the Group.

Talent Management

In the context of talent management, employees demonstrating outstanding performance and high potential are identified and career development planning is carried out in line with the requirements and objectives of the employees and the organization. With the advantage of being a multi-company Group, employees evaluated based on talent sets are encouraged for intercompany rotation and reassignment.

Within the scope of employee development activities, competencies as well as professional knowledge and skills of the employees are reinforced. Within this scope, various methods such as development center practices, internal training to support employees learning from each other, development programs to promote competency and technical development, and distance learning tools are used. Employees have the opportunity to discover their strengths and areas for improvement while the development programs are designed with their needs in mind. These activities also contribute to improving interactions among employees and strengthening communication across different companies and functions.



GRI 3-3, 404-2

GRI 3-3, 404-2



Within the scope of the project

WE HAVE THE POWER

Managerial Development Program

WE HAVE THE POWER

Specialist Development Program

WE HAVE THE POWER

Leadership Development Program

WE HAVE THE POWER

Development Ambassadors
(internal instructors and mentors)

WE HAVE THE POWER

Achieving Together
HR Development Program

WE HAVE THE POWER

Game Changers

WE HAVE THE POWER

Development Center
2.0 - Purchasing Faculty
2.0 - Digitalization Faculty continue
their activities.

Güç BİZde Development Platform

Through “Güç BİZde Development Platform,” launched in 2020, in order to support employees’ development journeys, employees have the opportunity to follow up their individual development and access various resources regardless of time and location. The platform also:

- allows all training processes to be managed through a single platform;
- promotes continuous learning;
- offers a customized learning experience;
- allows developmental needs to be defined more precisely;
- provides support for learning analytics by allowing detailed reporting of training records;
- ensures more efficient management of training activities thanks to learning analytics and reports;
- provides efficiency, automation, and digitalization in training operations;
- contributes to maintaining organizational memory;
- facilitates adaptation of employees recently recruited to the working culture of the Group.



Executive Development Program

The “Managerial Development Program” continues in order to contribute to the development of Supervisors and Mid-Level Managers and create a common leadership model and culture. The subjects to be included in the program, which includes all employees at executive and manager levels, are created in line with the expectations of the employees as a result of the focus group activities. Executives and managers who have recently been recruited or promoted are supported by the module called “WE in Management,” while other executives and managers, regardless of whether they have team(s) reporting to them, are supported by a special program consisting of content specific to their own hierarchical levels. 370 participants enrolled in the program, which consisted of 4 modules in 2023, and received 21 hours of training. The satisfaction score for the program was 4.5/5.

Specialist Development Program

Within the scope of the “Specialist Development Program,” which was implemented to support competency development for staff working as Assistant Specialists, Specialists, and Senior Specialists, analyses have been carried out to determine employees’ competency development needs, and catalogs in the required areas have been issued. In this context, training activities are carried out under predetermined catalog titles of “We are Innovative,” “We Take Decisions,” “We Achieve Results,” “We Collaborate,” “We Act according to Plan,” and “We are Customer-Oriented”.

Participants make their decisions through WE Have Power Development Platform and take

part in the training process in line with their development targets contained in BİZSmart Performance System. 695 participants enrolled in the program in 2023 and received 14 hours of face-to-face (F2F) training. The satisfaction score for the program was measured as 4.63/5.

Leadership Development Program

Within the scope of the program, which was implemented to redesign the leadership culture and create a favorable climate intended for employees at the director level and higher, participants are provided with development opportunities. Based on the outcomes of the program, “About Life” module, which includes various workshops, training activities, and development support for social life, is designed. The recommendation score for the Leadership Development Program was 8.57/10 in 2023.

Development Ambassadors

The “Development Program for Development Ambassadors” has been implemented in order to develop internal instructors/mentors, maintain the sharing culture and contribute to the personal development of employees. Internal instructor candidates are provided with “Instructor Training” in order to contribute to the development of their ability to utilize their skills by making use of modern and up-to-date design methods while designing their internal training curricula, as well as allowing them to deliver an effective training experience to participants.

The internal mentorship program consists of meetings between volunteer mentors and their assigned mentees to promote a culture of mutual learning. The internal mentorship program consists of mentorship and reverse

mentorship programs. In 2023, 43 participants, who took part in the program on a voluntary basis, received 12 hours of training. The satisfaction score for the program was 4.8/5.

United Achievers

In the quarterly meetings held with the participation of Human Resources teams from Kibar Group companies, issues such as employee well-being, process/system improvements, and development are discussed.

Game Changers Program

This program was designed for employees included in the talent pool under 2 individual groups as specialists and executives/managers. Employees take part in an ongoing training program and mentorship process throughout the year by undergoing various inventories and assessments after voluntary enrollment for employees in the specialist group and after being nominated by senior management recommendation for employees in the executives/managers group as applicable. 18 specialists and 21 executives/managers took part in the program in 2023, receiving 42 hours of training. In addition to training activities, online follow-up workshops were also organized. The satisfaction score for the program was 4.63/5.

WE Have Power 2.0 - Purchasing Faculty

The faculty with a multi-level modular structure was specifically designed for the Purchasing team in cooperation with Boğaziçi University, Lifelong Learning Center (BULLC) in order to support technical and competency-based development of the team. It consists of

3 modules as Purchasing Development, Purchasing Rediscovery, and Purchasing Management Guidance. In 2023, participants received 174 hours of training and the satisfaction score of the program was 4.5/5.

WE Have Power 2.0 – Digitalization Faculty

It includes a modular program designed specifically for the development of IT employees, K-TEAMS as well as other key users. In 2023, Key User training consisting of 4 modules was completed as part of the training activities to raise awareness on digitalization and 32 employees received 48 hours of training within this scope. The recommendation rate of the program was 73%.

Assan Alüminyum Employee Development Practices

The “Coach-Like Leadership Training” and the “Value-Driven Leadership Training” activities have been carried out at Assan Alüminyum since 2021 to help managers/executives acquire basic coaching skills such as active listening and questioning, recognition, feedback, and determination of strengths and areas for development, in addition to training programs provided through WE Have Power Development Platform. In addition, a “Shift Supervisor Development Program” was also implemented in order to increase the competencies and awareness of shift supervisors, who are the immediate supervisor of on-site personnel in such areas as leading the team, team development, and providing feedback. In 2023, employees received a total of 51,808 hours of training.

GRI 3-3, 404-3, 2-19, 2-20

Assan Hanil My Development Journey Program

The activities for My Development Journey, which was introduced in 2021 for the purpose of enabling employees working at Assan Hanil to become competent, collaborative, highly motivated and engaged “leaders” on the site and find areas of development for themselves in this way, still continue to this day. In order to meet the training needs of the company through internal training, 239 participants received a total of 653 hours of training across 27 topics delivered by 17 internal instructors in 2023.

PERFORMANCE MANAGEMENT

The performance process at Kibar Group is carried out using the Objectives and Key Results (OKR) methodology, which relies on effective, agile, and active communication, thanks to instant feedback, evaluations, and one-on-one meetings held throughout the year rather than being restricted to certain periods. Activities are continuously carried out to strengthen this cultural transformation and to consolidate and spread the high performance culture together with performance ambassadors and OKR coaches throughout the Group.

Office employees undergo yearly performance assessments in line with the annual achievements of their respective business and development targets. In 2023, 677 office employees, including 244 women, underwent performance assessments.

Extending the Scope of Feedback Culture (to be differentiated under the Performance Management) In order to raise awareness among the expert teams in extending the scope of the feedback culture in line with the new performance system, the Feedback Culture e-training activities are provided through WE Have Power Development Platform.

TOTAL REWARD SYSTEM

At Kibar Group, a “total reward system” is used in compliance with relevant Group and company strategies, rewarding contribution to business outcomes and company performance, and integrated with all Human Resources processes. The total reward system also includes social facilities offered and employee benefits provided in addition to the base salary paid to the employees.

With BiZFlex Flexible Social Benefits Program, employees are able to do shopping throughout the year using gift vouchers that they select from various categories of brand alternatives according to their preferences.

WAGES POLICY

Wages and employee benefits policies have been designed based on an objective, fair, and dynamic structure, which is competitive compared to target market structure and takes into account internal dynamics. Various criteria such as job families, roles and responsibilities, knowledge, skills, and competency levels are taken into consideration in the remuneration process and the principle of “equal pay for equal work” is applicable.

Fair and competitive wages are ensured by internationally recognized job evaluation methodologies and salary benchmarking activities.

SOCIAL LIFE

Kibar Group is committed to providing its employees with a happy and inclusive workplace environment to promote the development of employee loyalty and engagement as part of its responsibilities as an employer.

EMPLOYEE SUPPORT PROGRAM

Avita, Kibar Group’s employee support program, provides 24/7 free consultancy support to Kibar Group employees and their families. Within the scope of the program, consultancy services in various subjects including psychology, medical, legal, healthy diet, ergonomics, technology, veterinary, social life, and general information services, etc. are provided.

Specialized staff provide support for the questions and problems of Kibar Group employees and their families. Whenever required, by reference of the clinical psychologists at the call center, face-to-face psychological support is also provided up to six free sessions. Data privacy principles are strictly followed in the program, which can be accessed through various channels such as phone, website, and mobile app.

KIBAR GROUP SPORTS FESTS

Introduced in 2016 to encourage employees to participate in sports activities, improve communication among them, and foster a “BiZ” culture, “Kibar Group Sports Fest” is one of the practices to enrich the social lives of employees.

In addition to individual and group competitions in various sports branches such as basketball, football, volleyball, running, and table tennis, online events known as “Kibar e-Sports Fests” are also organized. In 2023, 854 employees participated in the event, which was organized across 7 different sports branches.

In addition to sports fests, various other activities such as Kibar Volunteers Organizations, Occupational Health & Safety Week Contests are organized as well as a Painting Contest intended for the children of the employees is held on the National Sovereignty and Children’s Day on April 23.



Asim Kibar Mavi Damla Awards

The event called Asim Kibar Mavi Damla Awards has been organized every year since 2017 in order to help discover and reward creative and innovative ideas of employees as well as to promote success stories. Introduced with the motto, “Each successful project starts with a drop of idea and creates a ripple effect,” this event contributes to the recognition and rewarding of competency-based success.

Asim Kibar Mavi Damla Awards procedure is subject to periodic review each year, necessary improvements are made and concluded by transparent evaluation.

With Asim Kibar Mavi Damla Awards project, aiming for carrying the development culture into future, 9 awards were given to 24 projects with 112 participants in 2017, 14 awards were given to 39 projects with 212 participants in 2018, 12 awards were given to 44 projects with 238 participants in 2019, 12 awards were given to 39 projects with 242 participants in 2020, 12 awards were given to 39 projects with 262 participants in 2021, 12 awards were given to 29 projects with 204 participants in 2022, and 12 awards were given to 30 projects with 190 participants in 2023.

GRI 3-3, 403-1, 403-2, 403-3, 403-4, 403-5, 403-6, 403-7

GRI 3-3, 403-1, 403-2, 403-3, 403-4, 403-5, 403-6, 403-7

OCCUPATIONAL HEALTH AND SAFETY

Occupational Health and Safety (OHS) is among the priority topics of Kibar Holding. Occupational Health & Safety procedures are managed under the leadership of General Managers and the appointed representatives of the employer in compliance with applicable international standards. OHS committees chaired by the General Managers have been formed.

A risk-based approach is adopted for occupational health and safety processes. Risk assessments are carried out by using the Fine-Kinney method in compliance with applicable Occupational Health & Safety Risk Assessment Regulations and ISO 45001 standards and they are reviewed periodically.

Threats inherent in all activities are identified and the risk level of the relevant threats are determined. Accordingly, necessary action plans are created and the information on the risks identified is communicated to employees to raise awareness about such risks.

On-site health risks are evaluated, measurements are carried out in the working environment, and necessary measures to be implemented are determined. All plants are subject to regular hygiene and sanitation tests. Necessary measures are taken on behalf of employees with a chronic disease, pregnant, and breastfeeding employees.

Single point lesson on-site training is provided to employees. Activities are carried out for a safer and healthier workplace environment with Life Safety Coaching practices.

In 2023, a hazards and suggestions notification system was implemented in order to further strengthen the occupational health & safety culture with employee feedback. During the Occupational Health & Safety week (May 4-May 10), an OHS Knowledge Contest was organized.

OCCUPATIONAL SAFETY, HEALTH & ENVIRONMENTAL WORKSHOP

OHS & Environmental workshops are organized every year on a regular basis within the scope of Occupational Health and Safety. During the workshops, annual OHS & Environmental performance indicators are evaluated, good practices are shared, areas for improvement are identified, projects are determined, awareness activities are designed, and audit standards are developed.

OCCUPATIONAL SAFETY, HEALTH & ENVIRONMENTAL AUDITS

Planned internal audits are carried out minimum twice a year in order to review, check, develop, and keep up to date the operation and efficiency of occupational safety, health & environmental system. In the audits, the compliance of the Group companies to the applicable legal regulations and requirements for which the Group companies made commitments for compliance as well as Kibar Holding's compliance to OHS & Environmental principles are checked.



During the audits, which are conducted by the auditors consisting of OHS & Environmental professionals, areas for development as well as strengths of the companies are identified, corrective actions for solutions are defined.

The internal audit reports, containing suggestions and proposals for corrective action submitted by the internal auditors after each audit process, are reviewed during Management Review meetings.

EMPLOYEE HEALTH

Private health insurance and the Avita application, a mobile medical laboratory, a full-time physician and health personnel available 24 hours a day, 365 days a year, a vehicle for patient transfer 24 hours a day, and regular health checks for all employees are among the practices aimed at improving employee health.

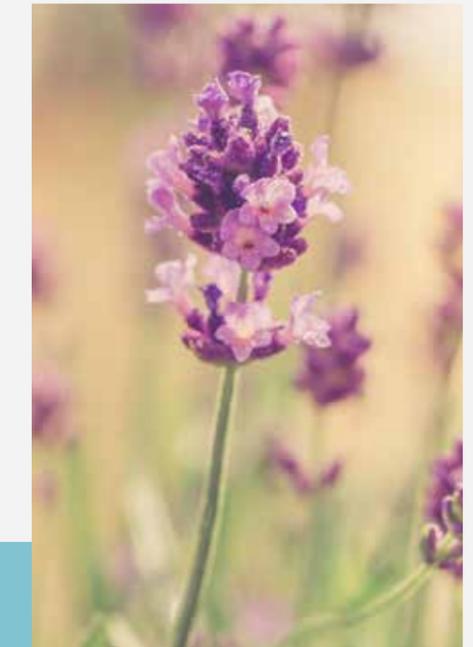
One of the components of occupational health & safety at Kibar Group is office ergonomics. Necessary improvements are implemented and ergonomic working equipment is provided in order to provide office employees with a more comfortable and healthy work environment.

OCCUPATIONAL HEALTH AND SAFETY TRAINING

Occupational health and safety training activities aim to increase the OHS knowledge and awareness of employees. In 2023, employees received 60,335 hours of OHS training. In order

to extend the scope of Occupational Health & Safety culture to the entire value chain, OHS training activities are also organized for contractor employees. In 2023, contractor employees received a total of 1,947 hours of training.

All occupational incidents/accidents that occur despite all necessary measures taken are subject to detailed investigations by occupational safety specialists and the relevant function representatives. Following investigations and assessments, necessary corrective and preventive actions (CAPAs) are implemented. There were no fatal accidents and occupational diseases in 2023.



Life Safety Captainship

Life Safety Captainship is an oversight mechanism implemented at Assan Alüminyum and Assan Panel to ensure the participation of on-site employees in on-site surveillance related to occupational safety, health & environment. Within the scope of the practice, it is aimed to increase individual awareness by enabling field employees to look at their work and work areas as an outside eye, to create a team spirit by observing other colleagues, and to take action by making the noted behaviors known to unit managers.

Life Safety Culture Project

With the “Life Safety” culture change program, which was introduced at Assan Alüminyum in 2015, leadership is promoted, the scope of the current practices is intended to be extended, and activities related to social life are aimed to be increased through digital applications. As a result of the project, an improvement in the Accident Severity Rate by 45% was achieved compared to 2015.

“Life Safety Coaching” practices, which were introduced to adopt the management principles as a role model on the site, have continued.



BUSINESS ETHICS

The business ethics approach of Kibar Group lays the foundations of a business model that goes beyond legal requirements. The principles of integrity and honesty guide the Group in all its activities and a high level of business ethics is upheld above all.

Employees are responsible for strict compliance with Kibar Group’s values and principles, which are based on internationally recognized universal declarations. Kibar Group’s “Code of Conduct,” which includes these values and principles, is published on the corporate website.

CODE OF CONDUCT

The code of business conduct at Kibar Group as well as basic rights and responsibilities of employees are defined within the framework of the “Code of Conduct”. The Code of Conduct is composed of 7 main subjects as integrity, confidentiality, justice, quality and continuous development, conflict of interest, our responsibilities, and receiving/giving gifts.

The Code of Conduct document contains case studies and the right conduct and behavioral patterns expected to be followed in various circumstances that may arise in the ordinary course of business life. Code of Conduct consultants have been assigned to provide support for all kinds of needs and questions of employees about the implementation of the Code of Conduct.

The Ethical Committee, established within Kibar Group, is responsible for ensuring compliance with the Code of Conduct as well as investigating and resolving any complaints and reports about violations. Directly reporting to Kibar Holding Chairperson of the Executive Board, the Ethical Committee is composed of Internal Audit VP, Human Resources VP, and Legal Counselor.

A dedicated Ethics Hotline was created to be called with strict confidentiality, either within the Group or from outside, in order to notify the Ethical Committee in case of any violation against the Code of Conduct. Employees can directly contact the Ethical Committee. All notifications received by the Ethical Committee by phone, via e-mail and/or by mail are processed in strict confidence, the relevant units are assigned for necessary actions to be taken, and it is ensured that all activities related to the case are carefully performed in due diligence and care. The Ethical Committee takes all necessary measures to prevent any form of negative consequences such as retaliation, pressure, and intimidation that may be directed against individuals who have reported any ethical violation.

Kibar Holding’s Code of Conduct is available on <https://www.kibar.com/en/holding/codes-of-conduct>.

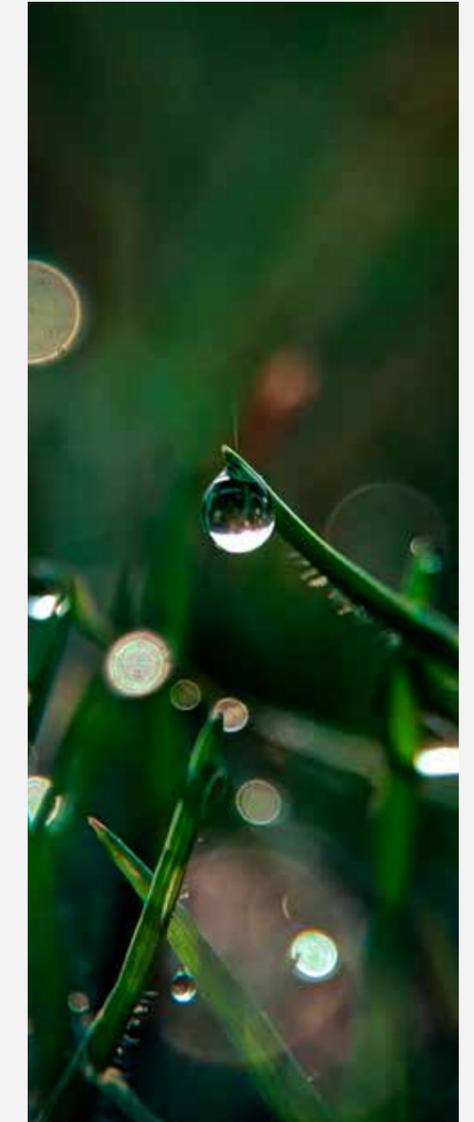
FIGHTING AGAINST CORRUPTION

Kibar Group has implemented a zero-tolerance policy against bribery and corruption and takes all necessary measures to prevent such ill-advised practices. The Group’s anti-bribery and anti-corruption approach is defined in Kibar Holding’s Code of Conduct.

All executives/managers and employees are responsible for compliance with the Code of Conduct. The anti-bribery and anti-corruption approach is also applicable to all relevant stakeholders, especially suppliers and business partners, in addition to employees. Employees are strictly liable to report any violations of the code of conduct or any suspicions of bribery and corruption as soon as they become aware of such violations or suspicions. All notifications received are processed in strict confidence. Internal control related to corruption risks is carried out by process controls by the Internal Audit Department and within the scope of review and investigation activities.

Kibar Group employees are not held liable for any direct or indirect damages incurred by the company due to their actions in compliance with the ethical principles of the Code of Conduct.

In 2023, there were no reports of violations against ethical values, or universal human rights, nor were there any reported corruption cases with alleged involvement of Kibar Holding Companies. During that period, there were no lawsuits or legal proceedings brought against Kibar Group in such matters.



WE INNOVATE

for the future

We consider product quality and customer satisfaction at the highest level, and we see technological development and innovation as the cornerstones of sustainable growth.



WE INNOVATE for the future

As a well-established industrial organization, Kibar Group owes its corporate success to its ability to always prioritize quality in its products and services while meeting the needs of its customers and its ability to anticipate future needs. Current products, systems, and processes are continuously reviewed and updated using the state-of-the-art technologies. The importance attached to innovation and digitalization plays a significant role in increasing productivity, accessing new markets, and minimizing the negative impacts of products, services, and processes on the environment.



QUALITY OF PRODUCTS AND SERVICES

At Kibar Group, product safety, quality, and customer satisfaction are business priorities managed in line with internationally recognized standards. Group companies adhere to numerous quality and safety standards aiming for meeting customer expectations in addition to complying with the applicable standards in individual industries in which each Group company operates.

Customer satisfaction is subject to follow-up through independent surveys conducted annually and necessary actions are taken based on the survey results. These results serve as a key parameter for improving the quality of products and services.

At Assan Alüminyum, customer relationships are managed carefully and customers are provided with industry-based technical training every year. Product package label as well as test certificates and product specifications issued based on individual customer requirements are also provided with the delivered products. Social media posts and e-bulletins are published to share the latest updates in the company with customers in a transparent manner. Customer communication activities include routine assessment meetings with domestic resellers and business partnership meetings intended for all customers.

Company	Management System and Quality Certificate	
Assan Alüminyum	ASI: Aluminium Stewardship Initiative Performance Standard ISO 22301: Business Continuity Management System ISO 50001: Energy Management System ISO-IEC 27001: Information Security Management System ISO 9001: Quality Management System IATF 16949: Quality Management System ISO 14001: Environmental Management System ISO 31000: Corporate Risk Management System ISO 22000 Food Safety Management System	CE: EU Certificate of Conformity NSF: International Health Organization Certificate of Conformity Kosher: Kosher Food Conformity Certificate ISPM 15: Wood Packaging Materials Certificate of Conformity ISO 45001: Occupational Health and Safety Management System TSE COVID-19 Safe Production Certificate Zero Waste Certificate
Assan Hanil	ISO-IEC 27001: Information Security Management System ISO 9001: Quality Management System IATF 16949: Quality Management System	ISO 14001: Environmental Management System TS 45001 (OHSAS): Occupational Health and Safety Management System Zero Waste Certificate (for 3 facilities)
Assan Panel	ISO 9001: Quality Management System ISO 14001: Environmental Management System ISO-IEC 27001: Information Security Management System ISO 31000: Corporate Risk Management System ISO 45001: Occupational Health and Safety Management System TSE EN 14509: Certificate of compliance to panel standard (For panels with mineral wool used as filling material, PUR-PIR panels, and opti-panels with PUR used as filling material)	TS EN 508-1: Roofing Sheets, Trapezoidal Section Corrugated Sheet Certificate FM Approval: Fire safety certificate Greenguard GOLD: Certificate of compliance with standards ensuring that the product is not harmful to human health due to chemical emissions TSE COVID-19 Safe Production Certificate
İspak	ISO 22000: Food Safety Management System BRC: International Food Safety Standard ISO-IEC 27001: Information Security Management System ISO 9001: Quality Management System ISO 14001: Environmental Management System ISO 45001: Occupational Health and Safety Management System	TSE COVID-19 Safe Production Management System Kosher: Kosher Food Conformity Certificate Halal Food Product Safety Certification Certificate for Awarding and Use of the 'OK Compost Industrial' Conformity Mark Certificate



Electronic Data Interchange (EDI) Project at Assan Alüminyum

With the Electronic Data Interchange (EDI) project implemented at Assan Alüminyum, data exchange integration with customers is ensured. Processes which used to be carried out manually are now collected and analyzed digitally. This allows an increase in both efficiency and productivity as well as eliminating human errors in communication. With the increased data volume and improved quality, decision-making processes and customer satisfaction are intended to be improved even further.

In 2023, integration with 11 customers was ensured. 5 out of 8 steps included in the order management process were automated into a single step, reducing processing time to 1 minute. In weekly order revisions received from customers, nearly 4,000 sheets of A4 paper use will be eliminated for three customers on a yearly basis.

The barcode system employed at Assan Hanil ensures product traceability. During serial production in line with technical drawings and customer specifications, frequential tests are performed in line with laboratory, input quality, and process quality procedures. In projects carried out jointly with customers, activities for reducing the weight of the final product are carried out with alternative materials for some products. Feedback from suppliers and customers is managed through the 8D process. Customer feedback is evaluated by a team consisting of relevant units under the leadership of the quality unit and the temporary measures taken regarding the problems are notified to the customer within 24 hours and permanent measures are notified within 48 hours. Actions describing the problem and how it was resolved are reported in 8D format and documented in ASHA QDMS system.

Assan Panel guarantees the quality of its products by certifications. Assan Panel, which also holds UL Greenguard and Greenguard Gold certificates with its eco-friendly products, has achieved the best fire resistance result of REI 180 with its 100 mm mineral wool-filled sandwich panel. While contributing to the construction of sustainable buildings with its own product range, Assan Panel carries out all production processes by using eco-friendly methods and green technologies. The company offers various services and solutions to different industries with a wide range of eco-friendly products that are not harmful to human health.

At İspak, a quality certificate containing all technical specifications and measurement results of the product is provided to the customer together with the product. The quality certificate contains information on all tests performed for the specific product, the applicable standards for such tests as well as the relevant test results. End-to-end traceability is ensured during the entire production procedure through the Quality Control Department. Test methods in compliance with international standards such as those of International Organization for Standardization (ISO) and American Society for Testing and Materials (ASTM) are applicable. Whenever required, support services are provided by accredited external laboratories. Audits are conducted regularly by certified internal auditors.



R&D AND INNOVATION

Kibar Group quickly adapts to changing conditions by continuous review of its operations in line with its sustainable growth target. At its core, the Group's R&D and innovation strategies consist of improving productivity, reduction of resource utilization and waste generation, increasing product quality and diversity, designing new business models and technologies to create value for stakeholders, and development of eco-friendly products with a high added value.

Within the framework of sustainable growth, the number of clean and eco-friendly innovative products and projects has increased. By combining advanced technologies and digital capabilities with business models, differentiated products and services are provided to customers. Within the scope of innovation activities, collaborative works with various institutions, including universities in particular, are carried out.

The companies within the reporting scope obtained 6 patents and 8 utility model rights in 2023 through R&D activities. In addition, 13 patent applications were submitted. Over TRY 200 million was spent on R&D in the last 2 years with TRY 83 million allocated to R&D activities during the reporting period.

ASSAN ALÜMİNYUM R&D AND INNOVATION PROJECTS

Assan Alüminyum carries out its research and development activities at the R&D Center registered by the Republic of Türkiye Ministry of Science, Industry and Technology. R&D activities focus on the development of high performance, industry, and customer-specific products. Within the scope of R&D activities, consulting services are provided by academics from Marmara University and Izmir Institute of Technology.

Activities for the Development of Recyclable Alloy

At Assan Alüminyum, activities to develop a new recyclable alloy are currently being carried out in order to expand the range of scrap and secondary aluminum portfolio used by Assan Alüminyum. Within this scope, a new project was implemented in 2023. With this project, the goal is to achieve a utilization rate between 50% and 85% of secondary aluminum and aluminum scrap in the new alloy.

Project for Improving Corrosion Resistance of Recyclable Aluminum Alloys

In 2023, a new project was introduced to improve the corrosion resistance and product life of new alloys, which also increase the utilization rates of aluminum scrap and secondary aluminum.

Aluminum Alloy Production by Twin Roll Continuous Casting Method

At Assan Alüminyum, development efforts were made in partnership with Marmara University for microstructure optimization using controlled solidification for the production of 3104 aluminum alloy, which is used in the production of beverage cans, by twin roll continuous casting method.

Alloy and Process Development Project for Foil Products

In 2023, a new project was launched for the purpose of manufacturing foils with a low anisotropic factor and a low earing value. Priority was given to ensuring that the new alloy would allow using aluminum scrap and secondary aluminum with a high utilization rate.

Project for the Development of a New Alloy Produced from Secondary and Scrap Aluminum

Within the scope of the project introduced in 2023, a new alloy compatible with aluminum scrap and secondary aluminum compositions was developed. The new alloy was manufactured at the Tuzla and Dilovası plants and began to be shipped to customers. A significant volume of 1050 aluminum alloy, which has a high carbon footprint and is predominantly manufactured from energy-intensive primary aluminum, is planned to be replaced by the new alloy while maintaining similar product specifications.

Data Analytics Project

Launched by Assan Alüminyum in 2021, the project aims at allowing data analytics to be carried out in a fast and user-friendly manner, creating automatic alerts by algorithms to be entered into the software as well as detection of any quality problems at the early stages and improve productivity. Within the scope of the project, investment in a data lake technology that can collect data is being planned. More than ten advanced analytics/artificial intelligence applications have been worked on using this platform.

ASSAN HANIL R&D AND INNOVATION PROJECTS

At its R&D center, Assan Hanil continues its sustainability-oriented research and development activities that can respond quickly to the changing trends of the automotive industry and the expectations of its manufacturers. Working on innovative projects for weight reduction, cost optimization and quality improvement, Assan Hanil has a total of 67 Intellectual Property Rights, including 39 patents, 12 utility models and 16 industrial designs as well as 6 trademark registrations. In 2023, 10 patent applications were submitted.

Hyundai FCEV Truck Seats Project

R&D and design processes for Hyundai XCIENT Fuel Cell seats, the world's first hydrogen fuel cell electric mass production truck in its class, were completed in 2021 and mass production started. Seat development activities continue for the next generation version of the truck, whose mass production activities will begin in 2025. Assan Hanil manufactures the air-suspension driver and passenger seats at its facilities in Kocaeli and exports them to Korea.

Weight Reduction Applications

With the introduction of the project for the design and production of certain components made of composite materials instead of metals for vehicles, GMT (Glass fiber mat reinforced thermoplastic) material has been used for the first time in Türkiye. This allows a reduction in the overall vehicle weight without sacrificing strength, product quality, and expected specifications and greatly contributes to sustainability by reducing the energy consumption especially in electric vehicles.

Development of Next Generation Lightweight and Smart Composite Materials and Production Processes

The activities for the project approved under the consulting service agreement signed with Uludağ University in 2022, continued in 2023.

Next Generation Polymer Development

A consulting service agreement was signed with Sabancı University within the scope of weight reduction and sustainability activities. Next generation polymer development activities will be carried out within the framework of this agreement.

Product Development with Glass Mat Reinforced Thermoplastic

Glass Mat Reinforced Thermoplastic (GMT) can be used as a replacement product for metal in the automotive industry. Production line investment was made in order to manufacture GMT-based parts at Assan Hanil. With this investment, sheets of different dimensions and product formulations are intended to undergo processing in an industrial furnace along the line, followed by extrusion from the relevant press equipment for production. Using composite material to replace metal provides various advantages, including a weight reduction of 15% to 20%, reduced CO₂ emissions, which have great importance in the automotive industry, and an increased driving range in electric vehicles (EVs).

**Composite Bumper Beam**

As a result of R&D activities focusing on weight reduction in vehicles at Assan Hanil, the series production of the first composite bumper beam in the Turkish automotive industry began in 2023. The product will be used in Hyundai i10, i20, and Bayon model series. Developed by Turkish engineers, the component focusing on weight reduction, which also offers a critical contribution to sustainability with its fuel efficiency, will drive domestic production efforts in the automotive industry of Türkiye.



ASSAN PANEL R&D AND INNOVATION PROJECTS

Assan Panel continues its R&D activities in its own laboratory in “Euronorm” standards, which has the hardware and software to perform all kinds of physical and mechanical tests of sandwich panels.

AssanChem Polyurethane Production Plant within Assan Panel carries out activities for the development of polyurethane panel core filling raw materials as well as the design and production of sandwich panels and polycarbonate panels in the panel R&D and the quality departments. All sub-processes from two-dimensional design, solid model drawing and prototype preparation with three-dimensional printing, design of the production process, trial productions, performance tests, and transition to production are managed within the scope of the main R&D process.

High-performance,, roof-mounted or wall-mounted polycarbonate skylight solutions, which are provided by the new polycarbonate production line established at the Azerbaijan plant, offer high thermal and structural performance with their excellent long-term optical transmission performance in addition to outstanding resistance to wear caused by UV lights.

Use of Insulating Material with Improved Thermal Conductivity Coefficient

Within the scope of applications using an insulating material with an improved thermal conductivity coefficient (i.e., SmartCore), some improvements were made in terms of outstanding thermal efficiency, high fire performance, shipping advantages, and creating eco-friendly products through revisions in blowing agents and additives.

İspak R&D and Innovation Projects

Having realized the largest single investment in flexible packaging in Türkiye in 2019, İspak Ambalaj aims to expand its portfolio in food packaging and industrial products with its new plant designed in line with Industry 4.0 concepts. As in previous years, 50% of the R&D new product development budget was allocated to green products at İspak in 2023.

Recyclable Tea Packaging

With the project that was introduced for the purpose of development of new products capable of supplying paper recycling as a final product as well as reducing plastic use, composite packaging materials for tea were transformed into recyclable packaging and the designed products were manufactured.

Compostable Coffee Packaging

Activities for designing compostable coffee packaging were carried out using a product structure formulated with bio-based raw materials. Trials and testing procedures conducted within this scope yielded successful results. With compostable coffee packaging, a positive contribution is made to the needs of the industry and customers.



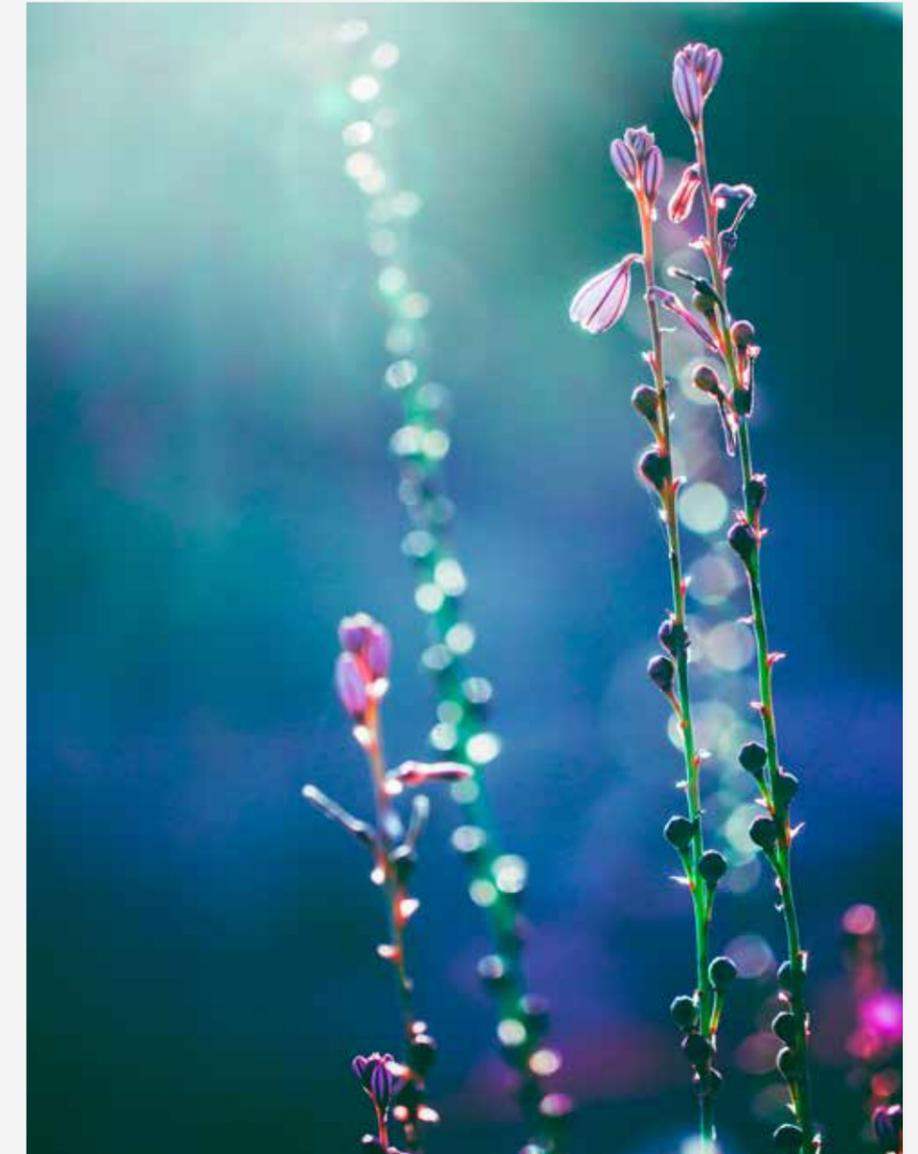
Project for Domestic Production of Seal Caps for Induction Sealing

Necessary activities began for the domestic production of extrudable polymer-based seals used for sealing bottles of products such as ketchup, mayonnaise, granulated coffee beans or spices, mineral oil, etc., for the purposes of sealing and keeping products fresh. The project aims to develop and redesign the current composite structure of the seal caps in a way to make them suitable for recycling or composting by using sustainable raw materials.

Asım Kibar Mavi Damla Awards

Mavi Damla Awards, held annually at Kibar Group, ensure that innovative ideas of employees are discovered, put into practice, rewarded, and success stories are promoted.

In 2023, 30 project applications were submitted with 190 participants in the aforesaid organization and 12 projects were awarded in 4 different categories.



DIGITALIZATION

Digitalization is a corporate priority at Kibar Group, making innovative investments that require intensive R&D activities and continuously developing its products in line with customer needs. Digital transformation activities continue at a fast pace in all Kibar Group companies.

Within the scope of digitalization projects, activities on operational efficiency, technological infrastructure, cyber security, and system continuity in addition to Industry 4.0 and innovative technologies continue. Technological developments are closely followed and the digitalization roadmap is regularly updated based on the reviews of business processes that are carried out on a yearly basis. Within this scope, the activities planned for 2023 were completed.

Activities are carried out in a manner to cover the prioritized production processes with the analytics system setup within Assan Bilişim. Activities carried out for the MS Azure platform, which was selected for creating "Big Data" throughout the Group companies and carrying out activities related to analytics, are still in progress. Through applied AI academy training activities, key users are provided with both theoretical and practical support for various technologies such as data and artificial intelligence (AI) capabilities, cloud systems, and machine learning. In 2023, the Human Resources Systems integration infrastructure was reviewed and upgraded while a chatbot application was deployed.

A new project was implemented to improve data quality within the framework of Human Resources Analytics. Soon, a control panel application will be deployed with capabilities allowing instantaneous data quality controls in a digital environment to ensure the sustainability of data quality.

Robotic Process Automation (RPA) Projects

As a result of workshops organized in 2023 for Robotic Process Automation (RPA) activities, processes that can be included within the scope of RPA were determined. In 2024, RPA applications are also planned to be deployed in Human Resources processes.



INFORMATION SECURITY

Recent developments in digitalization require much higher standards for information security. Kibar Group strives to ensure the highest level of information security by closely following new technologies.

ISO 27001 certification, which provides a framework for the protection of information assets and offers a management system for identifying and managing risks related to information security, is available for all Kibar Group companies within the reporting scope. In addition, information management systems based on this management system are used, and thus the security of corporate data and information of all stakeholders are ensured.

Information technologies (IT) infrastructure requirements are governed by a central discipline from end to end, i.e., from the data center to the end-user device. Cyber security covers not only malicious attacks but also continuous and secure access to data. In this respect, a number of activities are carried out within the scope of projects developed in various areas in order to fend off external attacks, prevent intellectual property leaks, and ensure continuous and problem-free access to information. These activities cover various areas, including cyber security, system continuity, infrastructure, and operational development.

With adaptation to next generation technologies, automation and cloud-based

solutions are considered as a critical area of development that creates value in business processes. Trend Micro's endpoint detection security solution, Vectra AI hybrid attack detection in networks and a Roksit product, which offers a DNS Layer Security Platform focusing on providing active protection for all devices connected to the network against any kind of malicious attacks, including phishing, ransomware, and zero-day attacks, are used. Tuzla Center Network redundancy, Data Center redundancy, Internet and MPLS redundancy as well as DRC (Disaster Recovery Center) development activities were completed. Periodic cyber security exercises are used to detect level of security and any form of vulnerabilities. Within the scope of cyber security, social engineering activities are carried out (on phishing) as well as providing training to raise awareness. In addition, automation was ensured for early detection of threats and taking necessary action by integrating cyber security Security Operations Center (SOC) with the systems of Security Orchestration, Automation and Response (SOAR). Organizational and supplier traceability was improved by the Cyber Intelligence tool. The inventory of potential cyber security threats is regularly developed and updated.

By adding additional nodes to the previously implemented Service Tree structure, all information technologies have been linked together in an end-to-end hierarchical structure. Thus, capabilities for early detection of any potential failure/downtime

at the initial warning stage have been improved. As a result of the interconnection of all components, capabilities have been developed so that situations that are likely to cause service interruptions can be caught as early as the initial warning stage and response level in proactive operation mode has been improved by minimizing downtime.

Activities aimed at incorporating the processes determined within the scope of the automation project, technological infrastructure, and help desk as well as the services listed in the service tree into automation with RPA are still in progress. With these activities, it is possible to free the applicable processes from human intervention and transform them into a 24/7 automatically managed process.

Within the scope of activities for compliance with the Law on the Protection of Personal Data, due diligence and care are exercised for operations related to classification of data, data security, and anonymization upon request as applicable.



WE CARE

for next generations

With the awareness that natural resources are not infinite and unlimited, we act with future generations in mind.

WE CARE for next generations

Increased global population and limited resources remind us the importance of efficient use of energy and natural resources once more. With the awareness of its corporate responsibility, Kibar Group manages its operations based on the sustainable development approach to allow for handing over resources to the next generations. This approach aims to create a human-oriented, economically, environmentally, and socially sustainable system.

Target for Net-Zero Emissions by 2050

Combating climate change is among the 13 sustainability priorities of Kibar Group. Kibar Group's Sustainability Targets of 2025 include ensuring sustainable management and efficient use of natural resources, meeting the requirements of energy consumption using safe, sustainable and cost-efficient methods as well as reducing energy and greenhouse gas (GHG) emission density.

The Group actively works towards its target for net-zero emissions by 2050. With this goal in mind, the Group limits the negative impacts of its operations on the environment, improves energy efficiency, reduces energy intensity, generates electricity from renewable energy sources, manages the use of natural resources in line with its sustainability approach, and implements biodiversity conservation projects. Through its R&D activities, the Group transforms potential threats caused by environmental issues into an opportunity by developing eco-friendly technologies and products.



FIGHTING CLIMATE CHANGE

According to the data published by the Intergovernmental Panel on Climate Change (IPCC), a temperature increase by 1.5°C compared to the pre-industrial era is estimated to be reached by 2050 in case of continued increase in greenhouse gas emissions due to human activities. However, recent research showed that devastating effects of climate change can be avoided by limiting the global warming to 1.5°C by 2100. Paris Agreement aims at continued global efforts to keep average global temperature increase resulting from human activities under 1.5°C.

The European Green Deal, which was published by a declaration that adopting United Nations 2030 Agenda and Sustainable Development Goals was an integral part of its strategy, has adopted a zero carbon economic growth model based on circular economy. It was created to achieve net-zero carbon emission target throughout Europe by 2050.

Countries are required to contribute to global climate actions to achieve the targets as set out by Paris Agreement and the European Green Deal. On the other hand, combating climate change is also one of the top priorities of the business world as well as countries.

In order to prevent or minimize the damage that may be caused by the negative effects of climate change, Kibar Group works to

identify these effects and take advantage of the opportunities that may develop. While increasing the capacity to adapt and resist climate change, it reduces greenhouse gas emissions within the scope of mitigation efforts and contributes to the development of forests, which are the most effective carbon sinks.

Investments for renewable energy sources and energy efficiency continue in order to reduce carbon emissions. Reforestation activities continue to create more forests, which are the most effective carbon sink in reducing greenhouse gas emissions. Waste generation is reduced while recycling and reuse capabilities are improved. Therefore, sending wastes to landfills is avoided so as to prevent such wastes from causing environmental impact and greenhouse gas emissions, particularly methane.

Acting with the awareness of its commitment to combating climate change, Kibar Group sets its climate targets based on a scientific approach, develops innovative solutions to achieve these targets, uses its best efforts to ensure continuous improvement and compliance for the future, and discloses its performance in a transparent manner.

GRI 3-3, 302-4, 302-5, 3-3, 305-4, 305-5

ENERGY AND EMISSION MANAGEMENT

In sustainable energy management, which is a key element of climate action and sustainable development, supply reliability, resource diversity, demand side management (DSM), global energy and carbon markets, power generation from renewable energy sources, efficient use of energy, technology, R&D, and innovation are particularly crucial. In this context, Kibar Group;

- meets energy consumption through safe, sustainable, and economic means;
- increases electricity generation from renewable energy sources;
- reduces energy consumption, greenhouse gas (GHG) emissions, and water intensity;
- makes investments in green products and technologies;
- accelerates digital transformation;
- improves resilience and compliance for climate-related threats; and
- carries out informative and awareness activities for mitigating the negative impacts of climate change.

In this way, it reduces the share of energy costs included in total costs within the scope of economic sustainability and contributes to efforts to fight against climate change within the framework of environmental sustainability.

Renewable Energy Production

With the Manavgat Hydroelectric Power Plant, a renewable energy investment made by Kibar Group, electric power by 108,015,000 kWh was generated from renewable energy sources in 2023.

Assan Alüminyum Achieved Net-Zero for Scope 2 Emissions

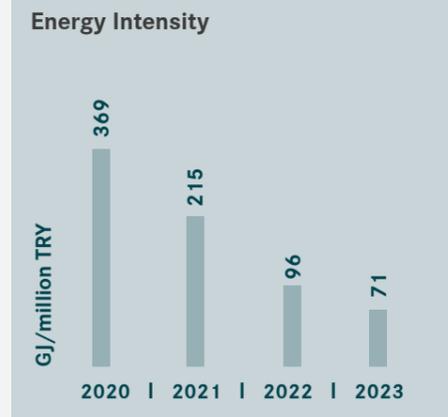
Assan Alüminyum, one of Kibar Group’s energy-intensive companies, has achieved net-zero for Scope 2 emissions, representing the greenhouse gas emissions resulting from the consumption of electricity purchased in 2021, 2022, and 2023. In 2023, around 60% of the electricity consumed was supplied by the Manavgat Hydroelectric Power Plant. The remaining energy amount was certified by the International Renewable Energy Certificate (I-REC), proving that the energy consumed is produced from renewable energy sources.

By implementing projects and investments providing energy efficiency in order to make the most efficient use of energy resources in all areas of activity, Kibar Group carries on its efforts to fight against climate change. More than 100 energy efficiency projects have been implemented for the last 8 years and significant energy savings have been achieved. During 2023, energy efficiency efforts within Kibar Group continued and significant contributions were made.

As a result of energy efficiency projects, the energy intensity of Kibar Group companies has decreased. Energy intensity, which represents the amount of energy consumed to produce a unit of output on the basis of the companies within the reporting scope, decreased by 26% in 2023 compared to the previous year.

Energy Efficiency Projects at Assan Alüminyum

At Assan Alüminyum, around 2 million kWh/year electricity saving was achieved in 2023 as a result of energy efficiency improvements made in pumps, fans, heating and cooling systems, compressed-air systems, processes, and lighting as well as implementation of waste heat recovery projects. 165,000 m³/year natural gas saving was achieved through natural gas energy efficiency projects implemented for boiler rooms and paint shop facilities.

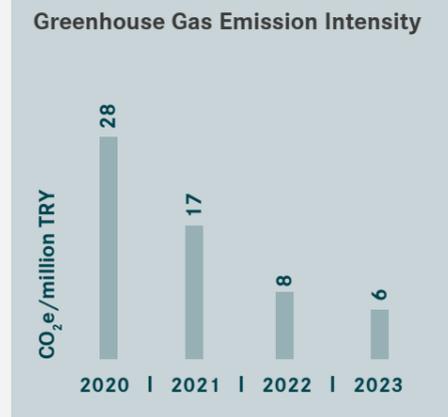


The companies subject to the reporting scope reduced their emission intensity, which represents the greenhouse gas emissions released into the atmosphere to produce one unit of revenue, by 25% in 2023 compared to the previous year.

Carbon Disclosure Project (CDP) Reporting

In 2023, Assan Alüminyum and İspak began reporting to the Carbon Disclosure Project (CDP) platform.

Assan Alüminyum became the first Turkish company in the aluminum industry to participate in the CDP platform.



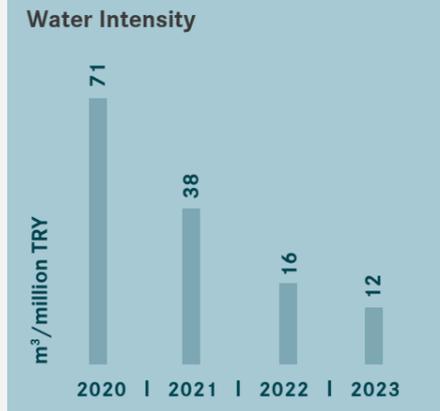
Kibar Holding Manavgat Hidroelektrik Santrali

WATER MANAGEMENT

The sustainability of water resources forms a basis for various subjects, including, among others, the sustainability of water and food supply among the vital necessities, energy security, economic growth, taking action against climate change, and preventing loss of biodiversity. Therefore, the efficient use of water is of great importance and this requires the proper management of water resources.

Kibar Group carries on necessary activities for sustainable water use and continuous improvement of water management.

As a result of activities intended for efficient use of water resources, water intensity was reduced at Kibar Group. The companies within the reporting scope reduced water intensity, which represents the amount of water consumed to produce a unit of output, by 25% in 2023 compared to the previous year.



Wastewater Recovery Plant Investment

The Wastewater Recovery Plant, which was integrated into the Wastewater Treatment Plant established in 2014 in Asim Kibar Organized Industrial Zone, which is located in Kocaeli and for which Kibar Holding pioneered its foundation as one of the contributors, turns wastewater into high quality utility water by advanced wastewater treatment processes and provides water supply to be used in process lines of Group companies based on their needs. In 2023, the amount of recovered water produced at the Wastewater Recovery Plant and used in the process lines and irrigation systems of companies amounted to 508,000 m³. The amount of water recovered from May 2018, when the Waste Water Recovery Plant began operations, until the end of 2023 was approximately 3 million m³.

SUPPORTING FOREST PROTECTION AND DEVELOPMENT

Asim Kibar Sevgi Forest

Maintenance and protection of Asim Kibar Sevgi Forest, which was created by Kibar Holding on a surface area of 10,000 m² in Istanbul in 1995, are sponsored by the Group. In 2023, 5,300 trees were planted by the companies within the reporting scope and the number of trees planted in the last 3 years has reached over 25,190.

Assan Alüminyum Memorial Forest

Assan Alüminyum supports various reforestation campaigns, donates young trees on behalf of all participants to neutralize the carbon footprint created during customer activities, and plants saplings by the volume corresponding to the volume of wooden pallets used in packaging of the products in line with its goal to leave a more inhabitable planet for future generations and “We produce without consuming the future” mindset. Within this scope, Assan Alüminyum Memorial Forest, consisting of 5,300 young trees, was created through the Aegean Forest Foundation.

Assan Hanil 25th Year Forest

By donating 5,000 young trees to the Aegean Forest Foundation, Assan Hanil has introduced the project, “Assan Hanil 25th Year Forest” in Taşköprü, Kocaeli.



BIODIVERSITY CONSERVATION PROJECTS

With the “Biodiversity Conservation Project,” which was implemented in collaboration with Kocaeli University, Assan Alüminyum aims at contributing to the environmental sustainability.

At the initial phase of the project, the plant called “Amsonia orientalis - the European bluestar,” which cannot be found naturally in any region of the world other than certain regions in Türkiye and Greece and is listed by the European Council among the “species that must be conserved in flora” was restored in its natural flora.

Amsonia orientalis

This project constitutes a significant collaboration for the sustainability of biodiversity by protecting endangered plant species through industrial-university cooperation.



Amsonia orientalis

Pancratium maritimum

In 2022, during the second phase of the project, the plant species, “Pancratium maritimum - sand lily,” which grows throughout the coastal sands of Türkiye and was added to the Red List of Threatened Species by the International Union for Conservation of Nature (IUCN), was saved from becoming extinct.



Panocratium maritimum

Verbascum bugulifolium

In 2023, during the third phase of the project, activities intended for the in-vitro reproduction of the plant species, “Verbascum bugulifolium - Riva mullein,” and restoring in the natural flora. These activities have ensured the reproduction of the endangered plant species in nature by using biotechnological methods.



Verbascum bugulifolium



MANAGEMENT OF CLIMATE RISKS AND OPPORTUNITIES

According to the 2024 Global Risks Report published by the World Economic Forum, 2 out of 10 potential risks that may arise during the next 2 years and 5 out of 10 potential risks for the next 10 years are related to climate change. Extreme weather conditions, critical change to the global system, loss of biodiversity and ecosystem collapse, natural resources crisis, and pollution are included among the most critical global risks.

Climate change causes droughts, desertification, temperature fluctuations, floods, more frequent strong storms and hurricanes, glacier melting, elevation of sea/ocean levels, heating, increase in the acidity levels of oceans, changes in precipitation regimes, increase in forest fires, depletion of the ozone layer as well as air pollution. As a result, the circle of life of the species changes, aquatic resources are damaged, and the exposure of the whole ecosystem to degradation increases.

Direct or indirect outcomes of climate change affect human health, characteristics of societies, ecosystems, business models, and economy on a global scale. For this reason, combating climate change is crucial not only for environmental sustainability but also in the context of social and economic sustainability.

Kibar Group identifies the risks and opportunities resulting from climate change based on an integrated approach. It evaluates

such risks and opportunities as part of its risk management and integrates its findings into investment and product development processes.

MANAGEMENT OF CLIMATE RISKS

Kibar Group refers to the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD) for identification of the risks associated with climate change. In addition, the risks related to sustainability are managed within the framework of the Aluminium Stewardship Initiative (ASI) standards, which are the sustainability certification standards in the aluminum industry.

The scenarios designed by the IPCC and the International Energy Agency are used for the prediction of the potential impacts resulting from climate change.

In addition to the potential impacts arising out of climate change that could create risks and opportunities for Kibar Group in the management of climate-related risks and opportunities, the environmental impacts of Kibar Group's operations are also evaluated together. The Group's activities related to combating climate change are described in the report under the titles of "Climate Action," "Energy and Emission Management," "Water Management," "Supporting Forest Protection and Development," "Biodiversity Conservation Projects," and "Circular Economy".

Climate-related risks include risks related to the physical impacts of climate change (i.e., physical risks) and risks related to transition

to a carbon neutral economy (i.e., transition risks). Kibar Group continues to identify and manage physical and transition risks in order to understand the potential outcomes of the events resulting from climate change in a more comprehensive manner and mitigate their negative impacts.

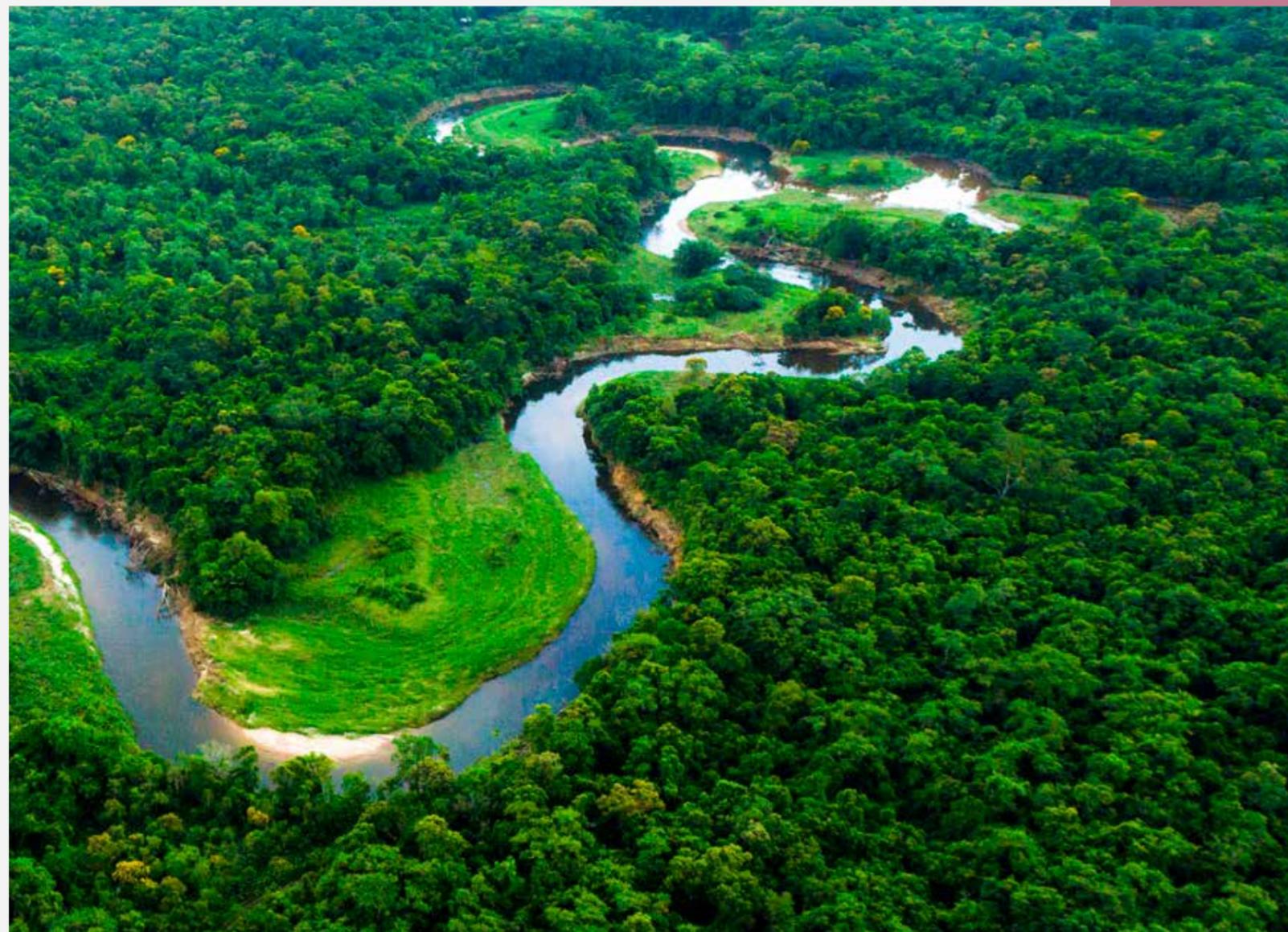
Physical Risks

Physical risks arise from climate-related acute and/or chronic changes to the weather conditions which could have a potential impact on the company's operations and assets as well as potentially affecting its suppliers and customers. Acute risks are related to events such as floods, heat waves, lightning, forest fires, and storms which could potentially lead to rapid damage to the company. On the other hand, chronic risks are related to long-term changes to weather conditions such as above-average temperatures causing rising sea levels and loss of biodiversity.

Acute and chronic risks particularly include risks such as damage to the company assets due to their exposure to climate-related events, interruptions in production, disruptions in securing the supply of raw materials, and decreased demand due to an increase in production/service costs and changing consumer behaviors.

Transition Risks

Transition risks arise from various challenges encountered by the Group companies due to policy, legal, regulatory, technological, and market changes in connection with transition to a carbon neutral economy.



Transition risks include, without limitation, topics such as modifications in current production technologies and requirement for additional investments due to changes to legal regulations and customer demands, technological developments falling behind to achieve low or zero emission target; increase in input material costs and decrease in demand due to regulatory and market changes, difficulty in accessing sustainable financing opportunities, penal sanctions imposed due to failure to comply with applicable legal regulations, and suppliers' inability to quickly adapt to recently introduced economic transformation model.

Kibar Holding and the Group companies take various measures to effectively manage physical and transition risks, create action plans for disaster recovery and emergency preparedness, develop a net-zero roadmap, and carry out various activities to ensure sustainable supply security.

Collaborations with sector organizations are actively made in order to minimize any potential negative effects of regulations associated with greenhouse gas emissions.

MANAGEMENT OF CLIMATE OPPORTUNITIES

Kibar Group considers the regulations adopted by the EU in line with its target to become carbon neutral by the year 2050 as a significant opportunity for sustainability and sustainable development since the Europe is one of the key business partners of the Group.

Effective use of resources and ensuring high efficiency due to transition to a carbon neutral circular economy will reduce the negative impacts of organizations. In addition, effectiveness and efficiency will bring about sustainable profitability as well as contributing to increasing the performance of the organizations.

Various actions supporting sustainability and green transformation are taken by adopting an integrated approach in combating climate change. These measures intend to both reduce the environmental impacts and contribute to climate action by transforming business models and products.

The Group's R&D and innovation activities are mainly based on the development of products and processes to support the efforts made regarding preparation for and compliance with green transformation. All steps taken to combat climate change are innovative, based on circular economy, and aim at increasing the use of clean energy. Group companies create their own roadmaps based on their sectoral requirements in line with this strategic framework.

In order to minimize the effects of climate change on the supply chain, localization criteria are prioritized in supplier selection procedures and various activities are carried out to further localize the global supplier network.

The risks and opportunities related to the effects of climate change are incorporated into activities for strategical development and planning.

GRI 306-1, 306-2

GRI 3-3, 306-1, 306-2

CIRCULAR ECONOMY

Waste Management

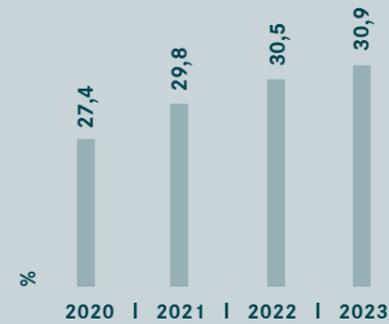
The development journey, which began with the Industrial Revolution and has continued up to Industry 4.0, has led to a growth in the global economy; however, it has put a tremendous strain on the ecological system of the planet. One of the key steps in slowing down human destruction of the nature is adopting the circular economy approach, which allows reusing resources.

Kibar Group has adopted a production model based on circular economy and innovation in line with its sustainable industry goal. Waste reduction, recycling, and disposal by eco-friendly methods are included in the priorities of Kibar Group in this area.

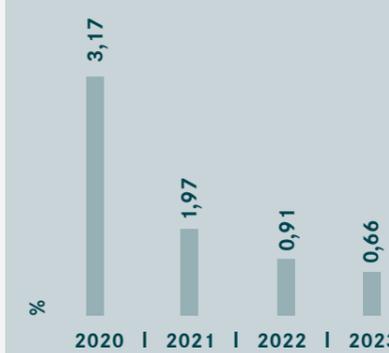
Within this scope, Kibar Group companies aim to ensure utilization of all wastes by continuous review of its production processes.

Thanks to these activities serving for the efficient use of resources and providing environmental benefit, Kibar Group achieved recycling/recovery of 30.9% of raw materials used in 2023.

Recycled/Recovered Raw Materials Ratio



Waste Intensity



The waste recovery rate of the companies within the reporting scope was 99.1% in 2023

The rate of raw materials reused by recycling/recovery at the companies within the reporting scope increased by 12.8% within the last 4 years.

increased by 12.8

As a result of activities intended for waste reduction and waste recovery, waste intensity was reduced at Kibar Group.

The companies within the reporting scope reduced waste intensity, which represents the amount of waste generated to produce a unit of output, by 27.5% in 2023 compared to the previous year.



Assan Alüminyum carries out its circular economy activities within the framework of international standards such as the European Aluminium’s “Circular Economy 2030 Action Plan” and ASI standards. In order for an efficient waste management and reducing external dependence, secondary aluminum (produced from scrap) use and aluminum scrap use are increased. Secondary aluminum is processed at the integrated recycling plant established at Assan Alüminyum to be included in production.

Life Cycle Assessment (LCA)

All foil, sheet, and pre-painted product groups of Assan Alüminyum have product life cycle assessment (LCA) and Environmental Product Declaration (EPD) certification. The environmental impacts of the products, from raw materials to recycling/disposal steps, are calculated in accordance with ISO 14040/44 standards.

Products are classified based on the results of product life cycle assessments introduced at İspak in 2023. Following the assessment of the products based on their recycling characteristics, they are classified as “recyclable”, “compostable,” and “non-recyclable” as applicable.

ECO-FRIENDLY PRODUCTS

An infinitely recyclable material: Aluminum

Aluminum, which is the primary raw material for the products manufactured by Assan Alüminyum, is inherently suitable for circular economy. Aluminum is a lighter and eco-friendly material compared to its alternatives. Thanks to its contribution to reduction of vehicle weight in automotive industry, it helps reduce CO₂ emissions. This material is also preferred in construction, packaging, and durable consumer goods industries due to its high resistance to corrosion, lightweight structure, and capable of being easily processable. Aluminum can be recycled by 100% at the end of its economic life. This allows for energy saving up to 95% based on the primary use of aluminum.



A New Alloy Produced from Secondary and Scrap Aluminum

During the reporting period, Assan Alüminyum introduced a project to develop a new alloy for the purpose of reducing the carbon footprint in order to ensure the additional utilization of scrap and secondary aluminum materials, which are abundantly available in the market but are nevertheless incompatible with the chemical composition of the currently available alloys.

As a result of the activities carried out, a new alloy compatible with aluminum scrap and secondary aluminum compositions intended to be used was developed. 1050 alloy, which has a high carbon footprint and is predominantly manufactured from energy-intensive primary aluminum, is replaced by the new alloy significantly maintaining its product specifications. With the recently developed alloy, new materials have been added to the scrap and secondary aluminum inventory consumable by Assan Alüminyum. Therefore, alloys with a lower carbon footprint will be used instead of a significant portion of the currently available alloys contained in the product range with a high carbon footprint so as to support sustainability targets.

Assan Hanil contributes to the reduction of CO₂ emissions of vehicles by carrying out R&D activities focusing on weight reduction in vehicles. It makes efforts to minimize the negative impacts of products on climate change throughout their lifecycle with the materials used as raw materials. Some of the ongoing projects during the reporting

period include activities aimed at developing bioplastic raw materials, developing lightweight parts that allow the use of recyclable raw materials, and developing raw materials that eliminate the requirement for painting process.

Since sandwich panels are products allowing thermal insulation and energy efficiency, the range of products offered by Assan Panel provides opportunities to combat climate change. Assan Panel also manufactures other green products such as solar cap panels with special clamp systems that allow direct installation of PV modules that produce electricity from solar energy and natural lighting solutions, that maximize the use of daylight in buildings. With these products focusing on energy efficiency at their core, it contributes to the construction of sustainable buildings and a low-carbon economy.

Next Generation Green Packaging from İspak

Within the scope its activities intended for packaging production from sustainable resources and circular economy, İspak focuses on recyclable packaging production. İspak has been working on various specifications for both recyclable and biodegradable packaging forms. In addition to the use of alternative raw materials, products with reduced weight, and activities for developing innovative products, focusing on packaging production that adopts various approaches in waste management aims at improving energy efficiency at product level.

İspak prevents solvents in its production line from being released into the atmosphere with its on-site Solvent Recovery Plant. Chemicals that are not suitable for recycling are replaced by recyclable alternatives. İspak allocates 50% of its R&D budget to the development of green products.

Kibar Holding's Commitment to Reduce Plastic Use

Kibar Holding is the signatory and among the early adopters of the Business World Plastic Initiative, founded by the United Nations Global Compact Türkiye, Turkish Industry and Business Association, and Sustainable Development Foundation with an aim to raise awareness for plastic pollution since its foundation. Priority areas have been identified and innovative solutions have been developed in production plants for the purpose of using recyclable plastic raw materials, designing easily recyclable products containing plastics as well as reduction of plastic wastage ratios. In 2023, the use of single-use plastics used in the office spaces was completely eliminated.

İnteraktif Çevre Danışmanlık

Founded under Kibar Group and carrying on operations since 2015, İnteraktif Çevre Danışmanlık provides the Group companies and other clients with total waste management, environmental consulting, zero waste consulting, and sustainable tourism certification consulting services. Having adopted an approach based on a global-scale circular economy and focusing on R&D activities on waste, the company contributes to performance improvement throughout the Group in resource utilization and waste minimization.



WE ENCOURAGE

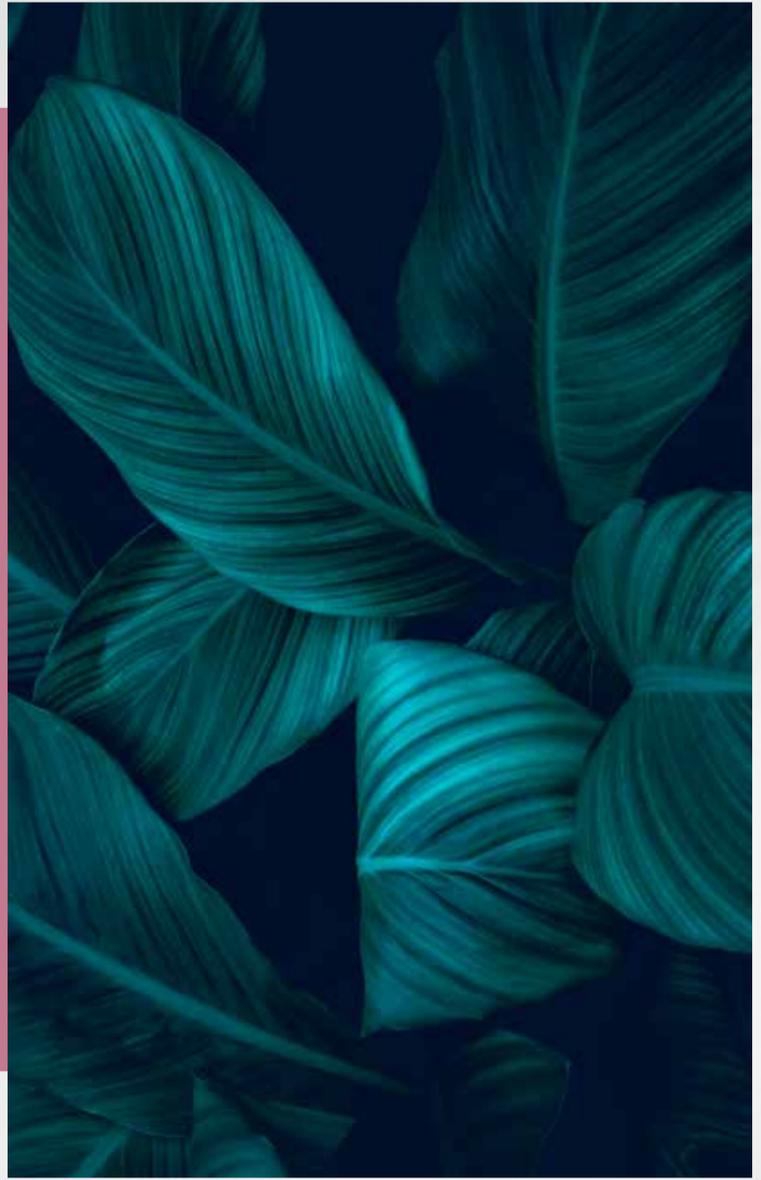
our stakeholders

Our growth in line with sustainability principles is empowered by our stakeholders.

WE ENCOURAGE our stakeholders

GRI 2-6, 2-16, 2-29

Since its foundation, Kibar Group has integrated performance of business operations in line with universal principles into its corporate culture. With its growth achieved in line with its “sustainability” goal encompassing economic, social, and environmental aspects, Kibar Group believes that one of its fundamental commitments is to unlock the potential of its stakeholders in achieving sustainable development goals. In particular, activities carried out in the context of supply chain management are an integral part of its corporate sustainability practices.



STAKEHOLDER RELATIONS

Kibar Group’s sustainability approach is based on an approach which also covers the practices undertaken by all stakeholders in addition to its own practices. For this purpose, the Group maintains its relationships with stakeholders, including suppliers, manufacturers, distributors, retailers, and customers throughout its entire value chain from the procurement of raw materials, production and distribution to the end customer, by monitoring their performance related to economic, environmental, and social aspects.

Kibar Group considers providing all stakeholders with accurate and timely information as a corporate responsibility. It maintains stakeholder communication through various platforms designated for specific stakeholder groups in an efficient and impactful manner.

STAKEHOLDER GROUPS

COMMUNICATION PLATFORMS	Employees	Group Companies	Customers	Dealers/Dealerships	Stakeholders & Investors	Public Institutions	Academic Institutions
	Activity Report (annual)	Activity Report (annual)	UNGC Report (annual)	UNGC Report (annual)	Activity Report (annual)	UNGC Report (annual)	UNGC Report (annual)
	UNGC Report (annual)	UNGC Report (annual)	Goodwill Surveys (annual)	Goodwill Surveys (annual)	UNGC Report (annual)	Goodwill Surveys (annual)	Goodwill Surveys (annual)
	Employee Satisfaction Surveys (annual)	Employee Satisfaction Surveys (annual)	Code of Conduct (continuous)	Code of Conduct (continuous)	Goodwill Surveys (annual)	Code of Conduct (continuous)	Web (continuous)
	Goodwill/Reputation Surveys (annual)	Goodwill/Reputation Surveys (annual)	Web (continuous)	Periodical Publications (continuous)	Code of Conduct (continuous)	Web (continuous)	Collaborations with Universities (periodical)
	Suggestion Systems (instant)	Suggestion Systems (instant)	Focus Group Activities (instant)	Web (continuous)	Web (continuous)	Audits (instant and annual)	Industry-Specific Reviews (instant)
	Code of Conduct (continuous)	Code of Conduct (continuous)	Product-Brand Market Surveys (annual)	Dealers Meetings and Surveys (annual)	General Assembly Meetings (annual)		
	Employee Training Activities (continuous)	Employee Training Activities (continuous)	Customer-Consumer Support (continuous)		Briefing and Clarifications for Special Circumstances (instant)		
	Occupational Health & Safety Rules and Principles (continuous)	Occupational Health & Safety Rules and Principles (continuous)	Customer Satisfaction Measurement (annual)		Roadshow & Investor Presentations (instant)		
	Periodical Publications (continuous)	Periodical Publications (continuous)					
Web (continuous)	Web (continuous)						
Intranet (continuous)	Intranet (continuous)						
Mobiliz (continuous)	Mobiliz (continuous)						
Non-Governmental Organizations (NGOs) and Trade Unions			Mass Media		University Career Clubs / University students		
UNGC Report (annual)			UNGC Report (annual)		Surveys (instant)		
Web (ongoing)			Web (ongoing)		Joint Projects (instant)		
Memberships (continuous)			Press Conferences and Press Releases (instant)		K-Team Young Talent Internship Program (annual)		
Joint Projects (periodical)					K-Start There is a Future in the Field Young Talent Program (annual)		

GRI 3-3, 2-6, 204-1, 308-1, 308-2, 408-1, 409-1, 414-2

GRI 2-6, 204-1, 3-3, 308-1, 308-2, 414-1, 414-2

SUSTAINABILITY MANAGEMENT IN SUPPLY CHAIN

With a broad supplier network due to its size and scope of activities in various business sectors, Kibar Group strives to extend the scope of its corporate code of conduct and sustainability approach throughout its supply chain. In line with this purpose, all suppliers are expected to comply with the Procurement Code of Conduct, which was developed in accordance with the United Nations Global Compact and the Sustainable Development Goals and constitutes an integral part of Kibar Group Code of Conduct.

Kibar Group Procurement Code of Conduct covers the following topics: Principles of Business Ethics, Anti-Corruption & Anti-Bribery, Forced Labor, Child Labor, Harassment, Wages, Working Hours, Non-Discrimination, Occupational Health & Safety, Environment, Biodiversity, Integrity, Quality and Continuous Development and Information Security, which constitute applicable rules and principles required to be followed by suppliers. Suppliers are thus expected to adhere to the standards required by their respective sectors within the framework of these rules and principles.

KIBAR GROUP FRAMEWORK AGREEMENT

Kibar Group Framework Agreement is signed with suppliers prior to working to guarantee that such suppliers also adopt critical sustainability priorities.

Under the title of "Code of Conduct and Legal Obligations" in Kibar Group framework agreements, the following provisions are included:

Kibar Group's supplier:

- shall not force its employees to work involuntarily in any manner whatsoever;
- shall not employ child labor;
- shall not expose employees to physical punishments or physical, sexual, psychological, or verbal abuse;
- shall not offer bribes to any Kibar employee under any title or condition whatsoever;
- shall not keep employee wages at a lower level than the minimum wages, including salary and overtime pay, as provided under applicable laws and regulations;
- shall not discriminate its employees against race, ethnic origin, language, religion, sexual orientation, gender, political or philosophical views, etc. in its decisions related to employment, including, without limitation, recruitment, promotion, compensation, employee benefits, training, collective redundancy, and termination of employment;
- shall provide a healthy and safe working environment to its employees in order to prevent occupational accidents, incidents, and physical injuries;
- shall be in a position to prove its full compliance with all statutory regulations on environmental protection in all activities.

Supplier selections are made in accordance with the rules set out in the Group's procurement procedure and the approved supplier list. Within the common procurement structure, suppliers who conduct their



business operations with respect for human rights and based on a low-carbon circular economy are awarded long-term business contracts.

Supplier risk and performance assessments are carried out regularly every year based on predefined criteria. Suppliers are evaluated in performance assessment in the areas of "Environmental," "Social," "Governance," and "Change Management" and under the topics of Business, General, Operational, Information Security, Environment, Quality, Occupational Health & Safety. In this context, ISO 14001 Environmental Management System and ISO 45001 Occupational Health and Safety Management System certifications of suppliers are investigated during performance assessments and process audits are carried out under the topics outlined in the code of conduct and framework agreements. Following performance assessment, supplier performance cards that are issued in detail for all processes are provided to suppliers and necessary interviews and planning processes are carried out on areas for improvement.

During the reporting period, there were no negative supplier assessment regarding environmental criteria and no contract was terminated in this context.

Kibar Group Supplier Sustainability Program (K-STAR)

K-Star Supplier Sustainability Program was introduced with the aim of improving and speeding up the contribution of Kibar Group's more than 7,000 active suppliers in various industries and sizes to global sustainable

development in line with the Group's principle of encouraging its stakeholders.

Within the scope of the program, the following goals were set:

- Disseminate the sustainability approach in line with Kibar Group's commitments to its customers and communities;
- Review procurement policies and practices;
- Create a supplier portfolio that will ensure sustainable procurement practices by assessing, guiding, and monitoring the supplier ecosystem;
- Deploy supplier communication channels and systems to promote continuous development and improvement; and
- Further develop Kibar Group's sustainability performance based on feedback received from suppliers.

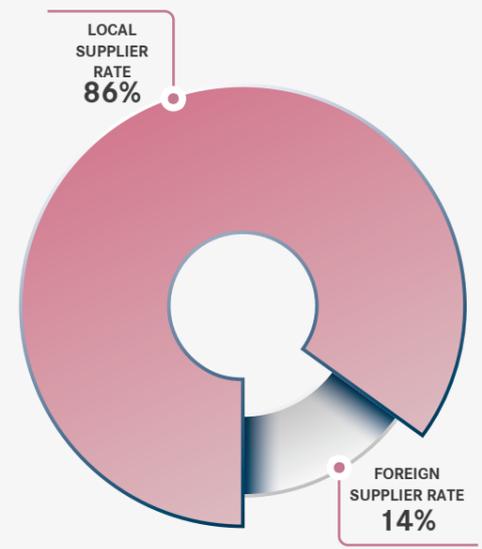
Suppliers are categorized into four segments: Segment A "Emission-Intensive," Segment B "Food, Beverages, Consumables & Technology," Segment C "Service," and Segment D "Mobility," respectively. For each segment, assessment criteria were defined and survey questions were created based on these criteria taking sectoral differences into account and referencing the Sustainability Accounting Standards Board (SASB) standards.

A total of 1,214 suppliers in 59 different sectors across 41 countries participated in this survey. Suppliers were evaluated based on their environmental, social, and governance performance and then categorized into 5 groups: Open for Improvement, Bronze, Silver, Gold, and Platinum.

Actions required to be taken by suppliers were defined based on performance results with 875 suppliers being assigned nearly 30,000 actions to implement. Information and reference documents to be required by suppliers were created and made available to them. Monitoring mechanisms were implemented to track progress in practices as well as provide necessary guidance.

Local Procurement

Kibar Group prefers local procurement practices to the greatest extent possible aiming to promote green transformation and ensure continuous procurement. In 2023, Kibar Group had 6,644 local suppliers and the Group's local procurement rate was 86%.



WE SHARE

for the communities

We continue to serve the society with our social responsibility approach.



WE SHARE for the communities

In line with the principle, “We will continue to dedicate our gains to society based on our social responsibility approach,” as defined by Asım Kibar, the Founder and Honorary President of Kibar Group, Kibar Group carries out corporate social responsibility projects that address various community needs to provide long-term and long-lasting impact.



SOCIAL BENEFIT INVESTMENTS

In order to institutionalize humanitarian activities within Kibar Group, the Group makes key investments in education, health, and social life through Kibar Training and Social Welfare Foundation, which was founded in 1999.

Our Social Benefit Investments in Education

Various activities are carried out with students in Asım Kibar Vocational and Technical Anatolian High School, which was built in Istanbul by Kibar Group and began educational activities in 2010, in order to help students adopt sustainability culture. Within this scope, educational activities on environmental consciousness, climate change, and recycling are organized. At the school, which was granted “Project School” status pursuant to a protocol signed between the Republic of Türkiye Ministry of Culture and Tourism and the Republic of Türkiye Ministry of National Education, students are provided with foreign language courses in English, German, and Russian in an intensive foreign language education program.

Semiha Kibar Preschool, which was built by Kibar Group in Sariseki district of Iskenderun, Hatay in 2014, is the first and only kindergarten in the district. In Semiha Kibar Preschool, which was built in order to provide children from 36 to 71 months old with access to quality pre-school education, over 800 children have received pre-school education so far.

Our Social Benefit Investments in Health
Semiha Kibar Organ Transplantation and Dialysis Hospital, which was built by Kibar Holding within the campus of Erciyes University in Kayseri, began to provide healthcare services in 1995. In the hospital with around 100 healthcare professionals provide services, 41 rooms and 90 inpatient beds are available. The hospital has all necessary patient follow-up and treatment capabilities for patients with renal disorders without need for referring such patients to another healthcare center. At Semiha Kibar Organ Transplantation and Dialysis Hospital, providing treatment to hundreds of patients every year, 3,000 patients have received organ transplants and 8,500 patients have received dialysis treatment to date.

Our Social Benefit Investments in Social Life

In Asım Kibar Cultural Center, which was built by Kibar Holding with a total surface area of 3,000 m² in Iskenderun, Hatay in 2013, meetings, concerts, training activities, and recreation activities are organized.

Semiha Kibar Practice Hotel, which was built by Kibar Holding in Istanbul and put into service in 2012, is the first of its kind in the region. It was built with an aim to provide hotel management and tourism students with practical training accompanied by specialized teachers. In the hotel, waste oils, paper, and recyclable plastic materials are collected for recycling and delivered to the relevant recycling and treatment facilities.

Semiha Kibar Recreation Center, which was built by Kibar Holding in Istanbul in 2011 and subsequently transferred to Tuzla Municipality, was built on a total surface area of 2,200 m² and has 2 conference halls with a capacity of 550 guests as well as a digital library. In 2023, over 200 conferences were organized at the center, attracting nearly 50,000 guests. 100,000 visitors used the library. Waste sorting activities are carried out for wastes generated in the Center and such wastes are recycled through the relevant waste collection and recycling facilities.

GRI 3-3

SOCIAL RESPONSIBILITY ACTIVITIES

Kibar Volunteers

Kibar Volunteers Project, which was introduced for execution of social responsibility activities to be carried out voluntarily by the employees of Kibar Holding and Group companies, allows employees to participate in volunteering activities in a comprehensive and flexible manner. With this project, it is intended to gather all volunteering activities under a single organization in order to contribute more to the benefit of the society.

Coordination of volunteering activities within the Group is carried out by "Volunteering Leaders," who are elected through voting by the volunteers. Volunteers are involved in the activities and events by submitting project proposals or participating in the current projects that are carried out in 6 different areas.

We volunteer
for adding
value to life



- Corporate Social Responsibility Project/ Support for Disadvantaged Schools: These activities are carried out by volunteers within the scope of corporate social responsibility projects implemented by Kibar Holding.
- Corporate Social Responsibility Projects of Group Companies: Volunteers can also participate in corporate social responsibility projects to be carried out by Group companies on a voluntary basis.
- Volunteering Projects: Project-based activities that are carried out by volunteers. Volunteers jointly decide on which areas to work on and create a project group to carry out activities.
- Volunteering for Non-Governmental Organizations: Volunteers can also carry out social responsibility activities by participating in volunteering programs of various non- governmental organizations. The non-governmental organizations that Kibar Volunteers will cooperate with are prioritized and determined according to the "Açık Açık" platform.
- Skill-Based Volunteering: These volunteering activities aim to offer the expertise of Kibar Volunteers in various specialized areas such as IT, accounting, education, and human resources within the scope of certain subject matters and projects as may be required by various institutions and organizations.
- Internal Volunteering: These are the volunteering activities that are carried out by Kibar Volunteers for providing expertise in various subject matters and projects as required by various institutions and organizations such as municipalities, public institutions, non- governmental organizations, and social initiatives.

In order to evaluate the requests and suggestions of Kibar Group employees in the field of volunteering as soon as possible, a 24/7 accessible volunteering portal was established. Within this scope, all processes are managed through the website, kibargonulluleri.com, which offers an integrated structure combined with the Human Resources, Procurement, and Financial processes within Kibar Group.

Through Kibar Volunteers project focusing on "children" and "education," over 8,500 children have been reached so far. In 2023, the scope of activities was extended by including the Dilovası region within the scope of volunteering activities following the Tuzla, İzmit, Susurluk, and Iskenderun, regions.

"Kibar Volunteers' Support for Disadvantaged Schools Project" won the Corporate Volunteering category at the Social Benefit Awards organized by Dünya Newspaper.



February 6 Earthquake Aid

Kibar Group has provided support to the earthquake region, using every means available in cooperation with public institutions and non-governmental organizations from the first day of the earthquakes.

A living space for 850 people consisting of 76 containers was created in the Iskenderun, district of Hatay province, where the Group company Assan Port is also based, and the basic needs of earthquake victims were fulfilled in that area.

Since the first day of the earthquakes, aid trucks containing urgent supplies have been dispatched immediately.

With the public relief campaign initiated within the Group, urgent supplies such as blankets, clothing, and hygiene products were dispatched to the earthquake victims in coordination with Kibar Volunteers.

In "Türkiye Tek Yürek" aid campaign, the Group donated TRY 50 million to the AFAD (Disaster and Emergency Management Presidency).

The Group also supported the need for blood donations through a campaign by The Turkish Red Crescent.

On March 8, International Women's Day, handcrafted presents made by over 300 women earthquake victims were delivered to the Group employees through the social initiative "Kadınların Elinden" to support women's economic development.

"Bir Kutu Mutluluk" (A Box of Happiness) project was introduced following children returning to school at the end of the administrative break due to the earthquakes in Iskenderun. The boxes, containing educational materials for children to enjoy during their leisure time and prepared by Kibar Volunteers, were delivered to 450 students at İskenderun Kılıç Ali Paşa Primary School and 50 students at Semiha Kibar Preschool.

"Together We Will Heal" Themed Painting Contest for April 23

The 7th April 23 Painting Contest, organized entirely by Kibar Volunteers with the participation of children of Kibar Group employees, was held this year with the theme "Together We Will Heal". The paintings created within the scope of the contest, which aimed to remind children living in various regions due to earthquake disasters that they are not alone, were exhibited digitally for the children who are earthquake victims.

Environmental Protection Week Activities

On June 5th World Environment Day, Kibar Volunteers gathered with students from İzmit Ali Kâhya Primary School to contribute to children’s environmental awareness about recycling, waste sorting, zero waste, and sustainability.

Hope Café Project

The “Hope Café” project of the Hope Foundation for Children with Cancer (KAÇUV) has been supported in coordination with Kibar Volunteers. Contributions to the project were made through shopping from the mobile café truck parked at 5 different locations within Kibar Group to provide aid to the families of children with cancer.

Istanbul Marathon

Kibar Volunteers runner team joined the 45th Istanbul Marathon to race for the benefit of UNICEF, Darüşşafaka, and Koruncuk Foundation. 135 Kibar Volunteers joining the race reached 1,157 donators with their messages. Donations collected were used to support the education of 123 children.

Contribution to Children’s Cultural Development

Every year, Kibar Volunteers organize an Istanbul tour as a graduation present for students graduating from İzmit Ali Kâhya Primary School in order to contribute to children’s social and cultural development. This year, the volunteers, together with the students, visited Miniatürk and Rahmi Koç Museum as well as acting as tour guides to provide the children with information about the works of art contained in these exhibits.

Collaboration with TOÇEV

As in the previous years, Assan Hanil contributed to the children’s education by making donations to TOÇEV on behalf of the participants of the Customer Satisfaction Survey in 2023.

Support for the Green Chess Tournament

Assan Alüminyum supported the Green Chess Tournament organized in coordination with Kocaeli Chamber of Industry to raise awareness of the importance of a clean and sustainable environment as part of the green sports idea within the framework of the European Green Deal.

Supporting Arts

Since 2017, Assan Alüminyum has supported the students studying at the fine arts department of universities by exhibiting their artwork in production plants and offices with the project called “Art in the Factory”. In addition, within the scope of the “Biodiversity Conservation Project,” implemented in cooperation with Kocaeli University, it became the main sponsor of the play titled “Kum Zambakları” (Sand Lilies), which was staged in Zorlu PSM Center and shares the same name as the endangered plant species that was restored in nature within the scope of the project.

Contribution to Gender Equality

Kibar Holding has contributed to increasing the number of active women in investment and entrepreneurship by investing in Arya Venture Capital Investment Fund (Arya GSYF), which continues its efforts to ensure that gender-balanced and tech-oriented initiatives

gain a greater role in the ecosystem, and became a part of the solution for women entrepreneurs’ access to financing. In addition, it was among the corporate partners of Arya Retreat 2023, a gathering event where women entrepreneurs meet international investors and professionals.

Assan Alüminyum has continued its activities to promote gender equality, supporting women’s economic development and empowerment in society. Within this scope;

- It contributed to the education of 500 disadvantaged girls by donating to UNICEF’s Empowering Girls as Future Leaders project, which was implemented in Türkiye to empower girls.

- In Manavgat, where the Group established a renewable energy power plant, it provided support for the construction of an industrial kitchen for the Manavgat Women Entrepreneurs of Taurus Mountains Cooperative (MTKK) to support women’s labor and entrepreneurship.

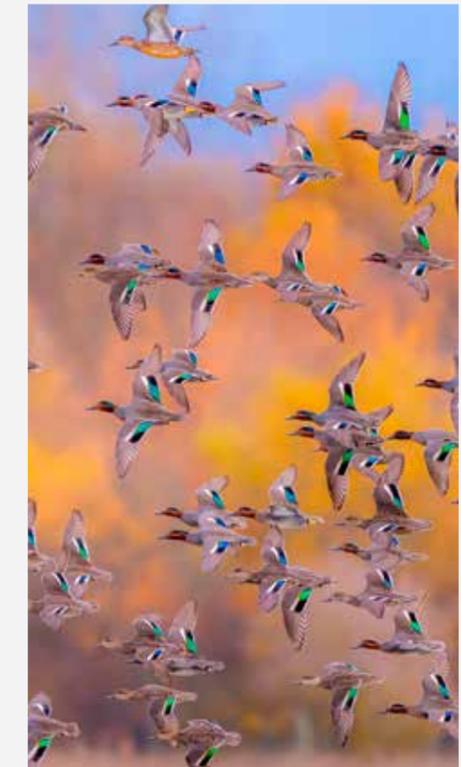
- It also participated in the project, “İyiliğe Bir İlmek,” which was introduced by Kadın Dostu Markalar Platform following the earthquakes on February 6, 2023 to support the employment of women affected by the earthquakes. Cloth bags created by women in the earthquake-affected regions were gifted to participants at the AluExpo trade fair.

- It was one of the sponsors of the theater play titled “=KADIN,” which was organized by the Women Entrepreneurs Association of Türkiye (KAGİDER).



Assan Alüminyum won the Bronze Award in the sub-category “Life Underwater and on Land” under the main category “Social Responsibility and Sustainability” at the Brandverse Awards.

Assan Alüminyum received the Public Relations Award in the “Culture & Arts” category at the Altın Pusula Awards, organized by the Turkish Public Relations Association (TÜHİD).



APPENDIX

For more detailed information on Kibar Holding Sustainability Report, you can contact Kibar Holding Corporate Communication Department. kurumsaliletisim@kibar.com

We thank you for your contributions at the pre-publication stage of our report.

Consultant : Kıymet-i Harbiye
Report Design : Çözüm

ANNEX 2-KİBAR HOLDİNG 2023 SUSTAINABILITY REPORT-REPORTING GUIDE

This reporting principles (the “Reporting Principles”) provides information on the data preparation and reporting methodologies of indicators within the scope of the limited assurance in the Kibar Holding A.Ş.’s (the “Group” or “Kibar Holding”) Kibar Holding 2023 Sustainability Report (the “2023 Sustainability Report”).

These indicators include social indicators, environmental indicators 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 information in this Reporting Principles covers the period from January 1, 2023 to December 31, 2023 (fiscal year 2023) and the relevant operations in Türkiye under the responsibility of Kibar Holding and its subsidiaries listed below (“Companies”) as detailed in the “Key Definitions and Scope of Reporting” section and excludes information on subcontractors.

- Assan Alüminyum San.ve Tic. A.Ş. (“Assan Alüminyum”)
- Assan Panel San. ve Tic. A.Ş. (“Assan Panel”)
- Assan Hanil Otomotiv San. ve Tic. A.Ş. (“Assan Hanil”)
- İspak Esnek Ambalaj San. A.Ş. (“İspak”)

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	Human Resources	
	Total number of employees	It means the total number of employees working in Kibar Holding and Companies during the reporting period. Intern employees are not included in the total number of employees.
	Number of employees by gender	It means the number of employees classified as male and women in the total number of employees in Kibar Holding and Companies during the reporting period.
	Total number of office employees	It refers to the number of employees classified as male and women office workers in the total number of employees in Kibar Holding and Companies during the reporting period.
	Total number of field employees	It refers to the number of employees classified as male and women field workers within thse total number of employees in Kibar Holding and Companies in the reporting period.
	Number of Employees by Age Groups	It means the number of male and female employees classified as below 30, between 30-50 and above 50 aged within the total number of employees in Kibar Holding and Companies in the reporting period.
	Number of senior executives by gender	It means the number of employees in the titles of “CEO, CFO, Vice President, General Manager, Assistant General Manager, Director, Consultant and Manager”, which Kibar Holding defines as “senior level” in the reporting period, classified by women and male.
	Percentage of women executives (%)	It means the ratio of female executives among the total number of senior executives in Kibar Holding and Companies, defined as “senior”, with the titles of “CEO, CFO, Vice President, General Manager, Assistant General Manager, Director, Consultant and Manager” in the reporting period.
	Number of employees on maternity/paternity leave by gender	It means the number of women employees who took maternity leave within the scope of the Regulation on Part-Time Work to Be Done After Maternity Leave or Unpaid Leave and the number of male employees who took paternity leave within the scope of Labor Law No. 4857 in the reporting period.
	Number of employees returning from maternity/paternity leave by gender	It means the number of women employees who returned from maternity leave within the scope of the Regulation on Part-Time Work to Be Done After Maternity Leave or Unpaid Leave and the number of male employees who returned from paternity leave within the scope of Labor Law No. 4857 in the reporting period.

Type	Indicator	Scope
Social Indicators	Employee Turnover	
	Total Employee Turnover Rate (%)	It refers to the ratio of the number of employees who left their jobs declared by Kibar Holding and the Companies to the Social Security Institution with the Declaration of Leaving Work within the reporting period to the Total Number of Employees.
	Voluntary Employee Turnover Rate (%)	It refers to the ratio of the Number of Voluntary Leaving Employees who resigned during the reporting period, declared by Kibar Holding and the Companies to the Social Security Institution with the Notification of Leaving Employment within the reporting year, to the Total Number of Employees.
	Training	
	Number of participants in employee trainings by gender	It refers to the number of women and men participants who attended employee trainings, which were tracked and recorded on the training tracking platform of Kibar Holding Human Resources during the reporting period.
	Number of participants in employee trainings by gender (Total hours)	It refers to the total number of training hours attended by women and men employees who participated in employee trainings, which were tracked and recorded on the training tracking platform of Kibar Holding Human Resources during the reporting period.
	Employee Under Performance Review	
	Number of employees participating in performance evaluation by gender	It refers to the number of women and female employees who participated in the performance evaluation, which was monitored and recorded on the performance evaluation platform of Kibar Holding Human Resources during the reporting period.
	Occupational Health & Safety	
	Injury rate by gender (%) (direct employment)	It is calculated by multiplying the ratio of the total number of accidents realized in the reporting period to the total number of working hours by one million. Injury Rate, Accident Frequency Rate (LTI) and Accident Frequency Rate (KSO) refer to the same thing.
	Accident severity rate by gender (%) (direct employment)	Represents the total number of days lost due to occupational accidents occurring in a certain period of working time during the reporting period.
	Occupational disease rate by gender (%) (direct employment)	It means the ratio found by multiplying the ratio of the number of men and women who are directly employed in the reporting period to the total working time, who fall under the definition of “occupational disease” within the scope of the Occupational Health and Safety Law No. 6331, by the value of thousand.
	Occupational disease rate by gender (%) (contractor's employees)	It means the ratio found by multiplying the ratio of the number of men and women who are contractors employees in the reporting period to the total working time, who fall under the definition of “occupational disease” within the scope of the Occupational Health and Safety Law No. 6331, by the value of thousand.
	Work-related deaths by gender (direct employment)	It refers to the number of employees who are directly employed in the reporting period, who fall under the definition of “death work accident” within the scope of the Occupational Health and Safety Law No. 6331.
	Work-related deaths by gender (contractor's employees)	It refers to the number of employees who are employed by contractors in the reporting period, who fall under the definition of “death work accident” within the scope of the Occupational Health and Safety Law No. 6331.
	Total number of contractor's employees participating in OHS trainings	It refers to the total number of employees of the contractors, who participated in the OHS Trainings, which were followed and recorded on the training tracking platform of Kibar Holding Human Resources during the reporting period.
	Total hours of OHS training given to employees	It refers to the total hours of training given to the total number of directly employed employees who participated in OHS Trainings, followed and recorded on the training tracking platform of Kibar Holding Human Resources during the reporting period.
	Total hours of OHS training given to contractor's employees	It refers to the total hours of training given to the total employees of the contractors, who participated in the OHS Trainings, followed and recorded on the training tracking platform of Kibar Holding Human Resources during the reporting period.
	Number of OHS committees established	It refers to the number of Occupational Health and Safety Committees formed by Kibar Holding and Companies in the reporting period, in accordance with the Regulation on Occupational Health and Safety Committees No. 28532, to work on issues related to occupational health and safety at work.
	Total number of members in OHS committees established	It refers to the total number of members of the Occupational Health and Safety Committee, which was formed by Kibar Holding and Companies to work on occupational health and safety issues in the workplace in accordance with the Regulation on Occupational Health and Safety Boards No. 28532.
Number of representatives serving in OHS committees established	It refers to the number of employee representatives in the Occupational Health and Safety Committee, which was formed by Kibar Holding and Companies to work on occupational health and safety issues in the workplace in accordance with the Regulation on Occupational Health and Safety Boards No. 28532.	
Suppliers		
Number of local suppliers	It refers to the total number of local suppliers that Kibar Holding and Companies work with, which can be mapped with Kibar Holding's financial reporting systems during the reporting period.	
Number of foreign suppliers	It refers to the total number of foreign suppliers that Kibar Holding and Companies work with, which can be mapped with Kibar Holding's financial reporting systems during the reporting period.	
Local supplier ratio (%)	It refers to the ratio of the number of local suppliers that Kibar Holding and Companies work with within the total number of suppliers, which can be mapped with Kibar Holding's financial reporting systems during the reporting period.	
Foreign supplier ratio (%)	It refers to the ratio of the number of foreign suppliers that Kibar Holding and Companies work with within the total number of suppliers, which can be mapped with Kibar Holding's financial reporting systems during the reporting period.	

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Type	Indicator	Scope
Environmental Indicators	Energy Consumption	
	Direct Energy Consumptions	
	Natural Gas (GJ)	It means the total amount of natural gas purchased during the reporting period and used in heating, kitchen and other operations requiring natural gas in the relevant locations. It is reported in gigajoule (GJ).
	Diesel (GJ)	It means the total amount of diesel fuel purchased during the reporting period and used at the relevant locations for generator fuel, forklift fuel and vehicles belonging to the Companies. It is reported in gigajoule (GJ).
	Gasoline (GJ)	It means the total amount of gasoline type fuel purchased during the reporting period and used in the vehicles belonging to the Companies at the relevant locations. It is reported in gigajoule (GJ).
	Total direct energy consumption (GJ)	It means the total amount of natural gas, diesel and gasoline purchased for the locations included in the scope during the reporting period and used in the relevant locations. It is reported in gigajoule (GJ).
	Indirect Energy Consumption	
	Electricity (GJ)	It means the total amount of electricity purchased during the reporting period and used in air conditioning, lighting, electrical appliances and other operations requiring electricity. It is reported in gigajoule (GJ).
	Total indirect energy consumption (GJ)	It means the electricity consumption in GJ purchased and used for the locations included in the scope during the reporting period.
	Total Energy Consumption	
	Total energy consumption (GJ)	It means the sum of the Total Direct Energy Consumption and the Total Indirect Energy Consumption consumed by the Companies during the reporting period.
	Energy density (GJ/million TRY)	It means the sum of the amount of direct and indirect energy consumption consumed by companies to produce a unit of output during the reporting period. It is reported as GJ/million TRY.
	Emissions	
	Scope 1 emissions (tonnes co2e)	It means greenhouse gas emissions due to fuel combustion (Total Direct Energy Consumption) and process (solvent consumption) at the relevant locations of the Companies during the reporting period. The company calculates its Scope-1 emissions in accordance with the standard "TS EN ISO 14064-1:2018 Greenhouse Gases-Part 1: Guidance and Specifications for the Establishment Level Calculation and Reporting of Greenhouse Gas Emissions and Removal".
	Scope 2 emissions (due to total energy consumption) (tonnes CO ₂ e)	It means greenhouse gas emission due to Total Indirect Energy Consumption at the relevant locations of the Companies during the reporting period. The company calculates its Scope-2 emissions according to the standard "TS EN ISO 14064-1:2018 Greenhouse Gases-Part 1: Guidance and Specifications for the Establishment Level Calculation and Reporting of Greenhouse Gas Emissions and Removal".
	Scope 2 emissions (balanced by renewable energy sources) (tonnes CO ₂ e)	It means the greenhouse gas emission due to the Indirect Energy Consumption remaining after the electricity obtained from renewable energy sources with the I-REC certificate produced and purchased at the relevant locations of the Companies in 2023. The company calculates its Scope-2 emissions according to the standard "TS EN ISO 14064-1:2018 Greenhouse Gases-Part 1: Guidance and Specifications for the Establishment Level Calculation and Reporting of Greenhouse Gas Emissions and Removal".
	Scope 3 emissions (tonnes CO ₂ e)	It means the greenhouse gas emissions arising from the air travel and personnel shuttle services of the Companies' employees for business purposes during the reporting period.
	Greenhouse gas emissions density (tonnes CO ₂ e/million TRY)	It means the amount of carbon dioxide equivalent greenhouse gasses emitted into the atmosphere by companies to produce a unit of output during the reporting period. It is reported as tons CO ₂ e/million TRY.
	Renewable Energy Production	
	Renewable energy production (GJ)	It refers to electricity generation from renewable energy sources generated by the companies during the reporting period. It is reported in gigajoule (GJ).
	Renewable Energy Consumption	
	Renewable energy consumption (GJ)	It refers to the amount of renewable energy electricity purchased by the companies during the reporting period. It is monitored with the International Renewable Energy Certificate (I-REC). It is reported in gigajoule (GJ).
	Protection of Carbon Sink Areas	
Number of Trees Planted	It refers to the number of saplings purchased by the Companies during the reporting period, tracked through invoices.	

Type	Indicator	Scope
Economic Indicators	Use of Natural Resources	
	Production output (tons)	It refers to the production amount in tons realized by Assan Alüminyum and İspak during the reporting period, which is monitored by the production tracking platform and TÜİK Reports. Production amount is monitored in terms of vehicle set at Assan Hanil and square meters at Assan Panel and could not be included in the cumulative data.
	Raw material consumed (tons)	It refers to the sum of raw material consumption that can be mapped with the financial reporting systems of the Companies, used in production and traceable in tons during the reporting period. Raw material consumption amounts of Assan Hanil and Assan Panel, which cannot be tracked in tons, are not included in the calculation.
	The quantity of recycled/recovered raw materials used as production input (tons)	It refers to the sum of recycled/recovered raw materials that can be mapped with the financial reporting systems of the Companies, used in production and can be tracked in tons during the reporting period. Recycled/recovered raw material consumption amounts of Assan Hanil and Assan Panel, which cannot be tracked in tons, are not included in the calculation.
	Rate of recycled/recovered raw materials used as production input (%)	It refers to the ratio of the total amount of raw materials consumed to the total amount of recycled/recovered raw materials used as inputs during the reporting period.
	Water Management	
	Well water consumption (m ³)	It refers to the total well water consumption used by the companies at the relevant locations during the reporting period. It is reported in m ³ .
	Municipal water consumption (m ³)	It refers to the total municipal consumption used by the Companies at the relevant locations during the reporting period. It is reported in m ³ .
	Total water consumption (m ³)	It refers to the total water consumption (municipal water and well water) used by the Companies at the relevant locations during the reporting period.
	Water density (m ³ /million TRY)	It refers to the amount of water consumed by the Companies to produce a unit of revenue during the reporting period. It is reported as m ³ /million TRY.
	Waste Management	
	Total amount of hazardous wastes (tonnes)	It refers to the amount of hazardous waste generated by the companies, which is tracked by the MOTAT (Mobile Waste Tracking System) available on the Ministry of Environment portal (Integrated Environmental Information System) during the reporting period.
	Hazardous wastes – Energy recovery (tonnes)	It refers to the amount of hazardous waste generated by the companies and sent to energy recovery, followed by the MOTAT (Mobile Waste Tracking System) available on the Ministry of Environment portal (Integrated Environmental Information System) during the reporting period.
	Hazardous wastes – Recovery (tonnes)	It refers to the amount of hazardous waste generated by the companies and sent for recycling, followed by the MOTAT (Mobile Waste Tracking System) available on the Ministry of Environment portal (Integrated Environmental Information System) during the reporting period.
	Hazardous wastes – Waste collection site (tonnes)	It refers to the amount of hazardous waste generated by the companies and sent to the landfill, followed by the MOTAT (Mobile Waste Tracking System) available on the Ministry of Environment portal (Integrated Environmental Information System) during the reporting period.
	Hazardous wastes – Waste incineration (tonnes)	It refers to the amount of hazardous waste generated by the companies and sent to waste incineration, followed by the MOTAT (Mobile Waste Tracking System) available on the Ministry of Environment portal (Integrated Environmental Information System) during the reporting period.
	Hazardous wastes – Other (tonnes)	In the reporting period, it refers to the amount of hazardous waste that is tracked by the MOTAT (Mobile Waste Tracking System) available on the Ministry of Environment portal (Integrated Environmental Information System), and that processes other than energy recovery, recycling, landfill and waste incineration are generated by the companies.
	Total amount of non-hazardous wastes (tonnes)	It refers to the amount of non-hazardous waste generated by the companies, which is tracked from the invoices received from the Ministry of Environment portal (Integrated Environmental Information System) and licensed waste processing facilities during the reporting period.
	Non-hazardous wastes – Energy recovery (tonnes)	It refers to the amount of non-hazardous waste generated by the companies and sent to energy recovery, followed by the MOTAT (Mobile Waste Tracking System) available on the Ministry of Environment portal (Integrated Environmental Information System) during the reporting period.
	Non-hazardous wastes – Recovery (tonnes)	It refers to the amount of non-hazardous waste generated by the companies and sent for recycling, followed by the MOTAT (Mobile Waste Tracking System) available on the Ministry of Environment portal (Integrated Environmental Information System) during the reporting period.
	Non-hazardous wastes – Waste collection site (tonnes)	It refers to the amount of non-hazardous waste generated by the companies and sent to the landfill, followed by the MOTAT (Mobile Waste Tracking System) available on the Ministry of Environment portal (Integrated Environmental Information System) during the reporting period.
	Non-hazardous wastes – Waste incineration (tonnes)	It refers to the amount of non-hazardous waste generated by the companies and sent to waste incineration, followed by the MOTAT (Mobile Waste Tracking System) available on the Ministry of Environment portal (Integrated Environmental Information System) during the reporting period.
	Non-hazardous wastes – Other (tonnes)	In the reporting period, it refers to the amount of non-hazardous waste that is tracked by the MOTAT (Mobile Waste Tracking System) available on the Ministry of Environment portal (Integrated Environmental Information System), and that processes other than energy recovery, recycling, landfill and waste incineration are generated by the companies.
Total waste (tonnes)	It refers to the total amount of hazardous waste and non-hazardous waste generated by the companies during the reporting period.	
Amount of recycled/recovered waste (tonnes)	It refers to the amount of hazardous and non-hazardous waste that is recycled/recovered in the places where the operations of the Companies take place during the reporting period.	
Ratio of recycled/recovered waste (%)	It refers to the ratio of the total amount of hazardous and non-hazardous waste recycled/recovered in the locations where the operations of the Companies were realized during the reporting period to the total amount of waste. It is reported as %.	
Waste density (m ³ /million TRY)	It refers to the amount of waste generated by the Companies to produce one unit of revenue during the reporting period. Reported in m ³ /million TRY.	
Net sales revenue (TRY)	It refers to the Company's net sales revenues, which can be mapped with financial reporting systems during the reporting period.	

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Data Preparation

Social Indicators

Distribution of Female Executives

In the reporting period, the ratio of the number of female employees with the titles of “CEO, CFO, Vice President, General Manager, Assistant General Manager, Director, Consultant and Manager”, which Kibar Holding defines as “senior level”, to the total number of employees with these titles is calculated according to the formula below:

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

Occupational Health and Safety Data

- The number of accidents and fatalities are tracked by Company breakdown and direct employment & contractor classification through tables listing Social Security Institution notifications.
- No occupational disease was encountered during the relevant period.
- There were no fatal accidents 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 Time Accidents (1 Day and Over 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 lack of 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 issued periodically by the employer every month, where the wages paid by Kibar Holding to employees are recorded together with all taxes and deductions. 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) hours are not included in the total working hours.

The total number of accidents with lost working days includes accidents with 3 or more lost working days with reference to the International Labor Organization (ILO).

Supplier Data

Kibar Holding’s Local Supplier & Foreign Supplier Ratio is calculated according to the formulas below:

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

Environmental Indicators

Water Consumption

The water consumption of Assan Aluminum Tuzla Plant also includes the water consumption of Assan Hanil Tuzla and İspak Tuzla plants. Water is distributed to all facilities by the auxiliary enterprises of Assan Aluminum Tuzla Facility and includes mains water, well water, utility water, cooling water and hot water consumption.

Water Density

Water density corresponds to the total amount of water consumed as a result of earning one million TRY and is calculated according to the formula below.

- Water Density (m³/million TRY) = Water Consumption (m³) / Sales Revenue (million TRY)

Waste Density

Waste density corresponds to the amount of hazardous and non-hazardous waste produced to generate an income of one million TRY and is calculated according to the formula below.

- Waste Density (ton/million TRY) = Waste Amount (ton) / Sales Revenue (million TRY)

Recycled/Recovered Waste Ratio

Recycled/Recovered Waste Ratio corresponds to the amount of recycled/recovered hazardous and non-hazardous waste within the total amount of waste and is calculated according to the formula below.

- Recycled/Recovered Waste Ratio (%) = Amount of Recycled/Recovered Waste (tonnes) / Total Waste Amount (tonnes)

Direct Energy Consumption by Fuel Type

Natural Gas

The natural gas supply unit is invoiced in “m³” and the natural gas activity data is converted into gigajoule (GJ) units. The following formulas are used for conversion. The monthly average “Density” value in “kg/m³” and “Net Calorific Value (NKV)-Lower calorific value” data is obtained in “TJ/Gg” or “kcal/m³” were taken from the natural gas distribution companies that supply natural gas and the general directorates of the relevant organized industrial zone.

[Activity Data (m³)*Density (kg/m³)*0,000001 (Gg/kg)*NKV(TJ/Gg)* 1,000 (GJ/TJ)]

[Activity Data (m³)*NKD (kcal/m³)* 4 184 (joules/kcal)*0.00000001 (GJ/joules)]

Motorine

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(ton)*0.001(Gg/ton)*NKD(TJ/Gg)* 1,000 (GJ/TJ)]

The following formula is used in the conversion of diesel fuel activity data in “liters” into gigajoules (GJ). Annual average “density” value in “kg/liter” is taken from the company that supplies diesel oil. The NKD value is taken from the “2006 IPCC Guidelines for National Greenhouse Gas Inventories/Volume 2 Energy/Chapter 1 Introduction”.

[Activity Data (liter)*Density(kg/liter)*0.000001 (Gg/kg)*NKD(TJ/Gg)* 1,000 (GJ/TJ)]

Gasoline

Gasoline supply unit is invoiced in “liter” and the following formula is used in converting gasoline activity data to gigajoule (GJ). The annual average “density” value in “kg/liter” is taken from the company that supplies gasoline. The NKD value is taken from the “2006 IPCC Guidelines for National Greenhouse Gas Inventories/Volume 2 Energy/Chapter 1 Introduction”.

[Activity Data (liter)*Density (kg/liter)*0.000001 (Gg/kg)*NKD(TJ/Gg)* 1,000 (GJ/TJ)]

Indirect Energy Consumption

The amount of electrical energy is reported as “kWh” and the conversion factor of “1 kWh electricity=0.0036 GJ” of the International Energy Agency is used in its conversion to “GJ” unit.

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Energy Density

Energy density corresponds to the direct and indirect energy consumption consumed to generate one million TRY of income and is calculated according to the formula below:

- Energy Density (GJ/million TRY) = Direct and Indirect Energy Consumption (GJ) / Sales Revenue (million TRY)

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

Scope-1 Emissions

• Among the energy consumption sources for Assan Alüminyum, Assan Panel, Assan Hanil and İspak, natural gas, diesel, gasoline are the primary fuel sources and the scope 1 emission inventory consists of these sources. The data is obtained by the breakdown of the meter, invoice, receipt and vehicle identification system of the service providers.

• Diesel for stationary combustion is consumed by the generator, fire pumps and consumption data is obtained from service providers' invoices. Gasoline and diesel consumption of company vehicles is obtained from the invoices of the vehicle identification service provider.

• The following formula is used to calculate emissions (Scope 1) from direct fuel combustion.

[Fuel Emission (tonCO2e) = Activity Data (FV) * Emission Factor (tonCO2e/FV) * Oxidation Factor (YF)]

• Scope 1 emissions are calculated with reference to the "2006 IPCC Guidelines for National Greenhouse Gas Inventories/ Volume 2 Energy/ Chapter 2 Stationary Combustion".

• In all calculations (natural gas, diesel, gasoline) within Scope 1 Emissions, the oxidation factor has been used with reference to the "Communiqué on Monitoring and Reporting of Greenhouse Gas Emissions".

Scope-2 Emissions

• Electricity consumption data for Assan Alüminyum, Assan Panel, Assan Hanil and İspak is reported as the total electricity consumption of company locations. The data is obtained through monthly breakdown follow-ups of the companies and invoice statements taken from location-based electricity distribution companies.

• Scope-2 emissions have been calculated based on the Monthly Electricity Production-Consumption Reports of 2023 published by Turkish Electricity Transmission A.Ş. (TEİAŞ, <https://www.teias.gov.tr/tr-TR/aylik-elektrik-uretim-tuketim-raporlari>) and IPCC Climate Change 2014 Mitigation of Climate Change-Chapter 7 Energy Systems.

Scope-3 Emissions

Scope-3 emissions cover the data of the flights and personnel services made by company employees for Assan Alüminyum, Assan Panel, Assan Hanil and İspak. The data is obtained by companies, detailed flight logs and itineraries of personnel services. Scope 3 emissions are calculated with reference to UK DEFRA 2021 Emission Factors.

Greenhouse Gas Emission Density

Greenhouse gas emission density corresponds to the equivalent of tons of carbon dioxide emitted into the atmosphere as a result of earning one million TRY and is calculated according to the formula below:

- Greenhouse Gas Emission Density (tons CO2e/million TRY) = Total Greenhouse Gas Emissions (tons CO2e) / Sales Revenue (million TRY)

Re-Statement of Op

Measuring and reporting validated data inevitably involves a degree of estimation. A re-statement of opinion may be considered where there is a change of more than 5% in the data at company level.

ANNEX 3-PERFORMANCE INDICATORS

Employees Demographics*							
Employees	2020	2021	2022	2023			
Total number of employees	3,189	3,478	3,780	4,120	✓		
Total number of women office employees	262	283	314	350	✓		
Total number of male office employees	493	494	515	554	✓		
Total number of women field employees	71	104	116	189	✓		
Total number of male field employees	2,363	2,597	2,835	3,027	✓		
Total number of women employees	333	387	430	539	✓		
Total number of male employees	2,856	3,091	3,350	3,581	✓		
Number of Employees by Age Groups							
Number of employees under 30 years old	523	572	835	1,072	✓		
Number of employees between 30-50 years	2,515	2,641	2,692	2,867	✓		
Number of employees 50 years and over	151	265	253	181	✓		
Total Number of Senior Executives**							
Number of women executives	32	39	39	39	✓		
Number of male executives	108	116	118	136	✓		
Percentage of women executives	22.9%	25.2%	24.8%	22.3%	✓		
Maternity Leave							
Number of women employees on maternity leave	12	11	16	18	✓		
Number of male employees on paternity leave	206	187	198	197	✓		
Number of women employees returning from maternity leave	13	11	16	16	✓		
Number of male employees returning from paternity leave	206	187	195	188	✓		

*It includes Kibar Holding and Group companies within the reporting scope.

**Applicable for managers and higher job positions.

- ✓ Confirmed by the 2021 Limited Assurance Report.
- ✓ Confirmed by the 2022 Limited Assurance Report.
- ✓ Confirmed by the 2023 Limited Assurance Report.

Employee Turnover							
Employee Turnover Rate	2020	2021	2022	2023			
Total number of employees turnover rate				18.5%	✓		
Voluntary employee turnover rate				9.3%	✓		
Employee Development							
Training Activities - Employee Training - Number of Participants (person)							
Women	788	2,370	2,753	6,935	✓		
Men	2,741	21,051	21,482	39,365	✓		
Total	3,529	23,421	24,235	46,300	✓		
Employee Training - Total Hours (hours)							
Women	1,730	5,690	9,553	17,797	✓		
Men	6,789	37,930	97,377	105,760	✓		
Total	8,519	43,620	106,931	123,557	✓		
Employee Under Performance Review							
Number of Employees Participating in Performance Evaluation							
Women	184	190	210	244	✓		
Men	1,967	398	399	433	✓		
Total	2,151	588	609	677	✓		
Employee Suggestion Systems							
Number of suggestions submitted	5,624	3,179	2,734	3,202			
Number of suggestions implemented	967	314	1,146	1,624			

PERFORMANCE INDICATORS

Occupational Health & Safety								
Injury Rate	2020	2021	2022	2023				
Direct Employment								
Women	4.15	2,19	10.66	3.66				
Men	15.29	19.00	9.60	14.36				
Total				13.29				
Accident Severity Rate								
Direct Employment								
Women	0.01	0.02	0.07	0.04				
Men	0.25	0.33	0.20	0.34				
Total				0.31				
Occupational Disease Rate (ODR)								
Direct Employment								
Women	0	0	0	0				
Men	0	0	0	0				
Total				0				
Contractor's Employees								
Women	0	0	0	0				
Men	0	0	0	0				
Total				0				
Work-Related Deaths								
Direct Employment								
Women	0	0	0	0				
Men	0	0	0	0				
Total				0				
Contractor's Employees								
Women	0	0	0	0				
Men	0	0	0	0				
Total				0				

- Confirmed by the 2021 Limited Assurance Report.
- Confirmed by the 2022 Limited Assurance Report.
- Confirmed by the 2023 Limited Assurance Report.

Occupational Health & Safety (OHS) Training					
	2020	2021	2022	2023	
Total number of employees participating in OHS training	2,306	10,376	19,189	15,997	
Total number of contractor's employees participating in OHS training	1,625	1,657	6,185	2,316	
Total hours of OHS training given to employees					
Total	40,525	48,614	49,291	63,317	
Total hours of OHS training given to contractor's employees					
Total	1,858	2,462	4,635	2,152	

Occupational Health & Safety Management					
	2020	2021	2022	2023	
Number of OHS committees established	21	5	5	5	
Total number of members in OHS committees established	88	99	99	80	
Number of representatives serving in OHS committees established	22	26	26	34	

Suppliers					
	2020	2021	2022	2023	
Number of Local Suppliers	4,634	5,316	4,643	6,644	
Number of Foreign Suppliers	725	881	897	1,121	
Local Supplier Ratio (%)	86%	86%	84%	86%	
Foreign Supplier Ratio (%)	14%	14%	16%	14%	

Environmental Performance Indicators						
Use of Natural Resources	2020	2021	2022	2023		
Production output (tons)*	265,461	307,304	293,799	297,975		
Raw materials consumed (tons)**	456,341	448,711	432,846	451,958		
The quantity of recycled/recovered raw materials used as production input (tons)**	124,852	133,511	132,174	139,861		
Rate of Recycled/recovered raw materials used as production input**	27.4%	29.8%	30.5%	30.9%		
Water Management						
Well water consumption (m³)	359,812	326,973	323,861	295,719		
Municipal water consumption (m³)	149,515	161,987	147,104	168,243		
Total water consumption (m³)	509,327	488,960	470,965	463,962		
Water density (m³/million TRY)	71	38	16	12		
Waste Management						
Total amount of hazardous wastes (tons)	11,701	13,261	13,792	13,149		
Energy recovery	239	751	597	555		
Recovery	11,420	12,510	13,193	12,594		
Waste collection site	43	0	1	0		
Waste incineration	0	0	0	0		
Other	0.05	0.07	0.07	0.07		
Total amount of non-hazardous wastes (tons)	10,930	12,301	12,493	12,663		
Energy recovery	1,025	864	1,150	1,310		
Recovery	9,668	11,246	11,161	11,148		
Waste collection site	237	191	183	204		
Waste incineration	0	0	0	0		
Other	0	0	0	1		
Total waste (tons)	22,631	25,562	26,285	25,812		
Waste density (tons/million TRY)	3.17	1.97	0.91	0.66		
Recycle/Recover						
Amount of recycled/recovered waste (tons)	22,352	25,370	26,101	25,588		
Ratio of recycled/recovered waste (%)	98.8%	99.3%	99.3%	99.1%		

*Production quantity is tracked in terms of vehicle sets at Assan Hanil and square meters at Assan Panel and therefore could not be included in the cumulative data.
 **Production of raw material consumption and recycled/recovered raw materials used as input of Assan Hanil and Assan Panel, which cannot be tracked in tons, are not included in the calculation.

- Confirmed by the 2021 Limited Assurance Report.
- Confirmed by the 2022 Limited Assurance Report.
- Confirmed by the 2023 Limited Assurance Report.

PERFORMANCE INDICATORS

Combating Climate Change								
Direct Energy Consumption (GJ)	2020		2021		2022		2023	
Natural Gas	1,872,465	✓	1,951,795	✓	1,917,234	✓	1,906,477	✓
Diesel	10,352	✓	9,384	✓	13,794	✓	13,895	✓
Gasoline	7,458	✓	7,854	✓	10,618	✓	12,034	✓
Total Direct Energy Consumption	1,890,275	✓	1,969,033	✓	1,941,645	✓	1,932,405	✓
Indirect Energy Consumption (GJ)								
Electricity	741,061	✓	818,325	✓	837,507	✓	868,037	✓
Total Direct Energy Consumption	741,061	✓	818,325	✓	837,507	✓	868,037	✓
Total Energy Consumption (GJ)								
Total Energy Consumption (GJ)	2,631,335	✓	2,787,357	✓	2,779,153	✓	2,800,442	✓
Energy Density (GJ/million TRY)	369	✓	215	✓	96	✓	71	✓
Renewable Energy Production (GJ)								
Renewable Energy Production (GJ)	466,920	✓	317,876	✓	525,607	✓	388,854	✓
Renewable Energy Consumption (GJ)								
Renewable Energy Consumption (GJ)			116,302	✓	132,851	✓	662,854	✓
Emissions								
Scope 1 emissions (tons CO2e)***	106,331	✓	110,738	✓	109,317	✓	110,930	✓
Scope 2 emissions (from total electricity production) (tons CO2e)	93,456	✓	107,769	✓	106,782	✓	111,398	✓
Scope 2 emissions (balanced through renewable energy resources) (tons CO2e)			50,590	✓	22,829	✓	26,332	✓
Scope 3 emissions (tons CO2e)	1,688	✓	1,936	✓	2,074	✓	2,390	✓
Greenhouse gas emissions density (tons CO2e/million TRY)****	28	✓	17	✓	8	✓	6	✓
Protection of Carbon Sink Areas								
Number of Trees Planted	1,640		8,030		11,860		5,300	✓
Economic/Financial Performance Indicators								
	2020		2021		2022		2023	
Net sales revenues (TRY)	7,130,693,837	✓	12,968,799,503	✓	28,821,162,301	✓	39,337,670,351	✓

*** In 2023, process-related emissions are also included in Scope 1 emissions.

**** In the calculation of greenhouse gas emission intensity; Scope-2 emissions due to total electricity consumption are taken into account, not offset Scope-2 emissions.

- ✓ Confirmed by the 2021 Limited Assurance Report.
- ✓ Confirmed by the 2022 Limited Assurance Report.
- ✓ Confirmed by the 2023 Limited Assurance Report.

ANNEX 4-GRI CONTENT INDEX



2024

GRI CONTENT INDEX					
Statement of use	Kibar Holding has reported in accordance with the GRI Standards for the period January 1, 2023-December 31, 2023.				
GRI 1 used	GRI 1: Foundation 2021				
Applicable GRI Sector Standard(s)					
GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION AND PAGE NUMBERS	OMISSION		
			Requirement(S) Omitted	Reason	Explanation
General Disclosures					
Corporate Profile					
GRI 2: General Disclosures 2021	2-1 Organizational details	About Kibar Holding, pages 12-13; Kibar Group, pages 14-19	-		
	2-2 Entities included in the organization's sustainability reporting	Introduction and About This Report, page 7	-		
	2-3 Reporting period, frequency and contact point	Introduction and About This Report, page 7; Contact - Back Cover	-		
	2-4 Restatement of information	Performance Indicators, pages 131-134; Kibar Group 2025 Sustainability Strategy, pages 34-43	-		
	2-5 External Audit	Limited Assurance Certificate, pages 146-149	-		
	2-6 Activities, value chain and other business relationships	Kibar Group, pages 14-19; Exports, page 60; Stakeholder Relations, pages 108-109; Sustainability Management in Supply Chain, pages 110-111	-		
	2-7 Employees	About Kibar Holding, pages 12-13; Human Resource, page 59; Performance Indicators, page 131	-		
	2-8 Workers who are not employees	GRI Content Index: The number of contractor employees working in various services such as security, cleaning and transportation is 420.	-		
	2-9 Governance structure and composition	Corporate Governance, page 20	-		
	2-10 Nomination and selection of the highest governance body	Corporate Governance, page 20	-		
	2-11 Chair of the highest governance body	Corporate Governance, page 20	-		
	2-12 Role of the highest governance body in overseeing the management of impacts	Corporate Governance, page 20; Sustainability Management, pages 26-27	-		
	2-13 Delegation of responsibility for managing impacts	Corporate Governance, page 20; Sustainability Management, pages 26-27	-		
	2-14 Role of the highest governance body in sustainability reporting	Sustainability Management, pages 26-27	-		
	2-15 Conflicts of interest	Code of Ethics, page 77; https://www.kibar.com/en/holding/codes-of-conduct	-		
	2-16 Communication of critical concerns	Stakeholder Relations, pages 108-109	-		
	2-17 Collective knowledge of the highest governance body	Sustainability Management, pages 26-27; https://www.kibar.com/en/holding/board-of-directors	-		

For the Content Index - Essentials Service, GRI Services reviewed that the GRI content index is clearly presented, in a manner consistent with the Standards, and that the references for disclosures 2-1 to 2-5, 3-1 and 3-2 are aligned with the appropriate sections in the body of the report.

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION AND PAGE NUMBERS	OMISSION		
			Requirement(S) Omitted	Reason	Explanation
General Disclosures					
GRI 2: General Disclosures 2021	2-18 Evaluation of the performance of the highest governance body	GRI Content Index: Kibar Holding Board of Directors and Executive Board focuses on the economic, social and managerial performances of companies throughout the year with a sustainability perspective, through the targets of general managers. With this continuous focus, Kibar Holding Board of Directors and Executive Board creates a participatory governance environment by exhibiting much more agile and active approaches.	-		
	2-19 Remuneration policies	Wage Policy, page 72	-		
	2-20 Process to determine remuneration	Wage Policy, page 72	-		
	2-21 Annual total compensation ratio	GRI Content Index: Kibar Holding does not disclose remuneration information as it is not a publicly traded company.	-		
	2-22 Statement on sustainable development strategy	Kibar Group 2025 Sustainability Strategy, pages 34-43	-		
	2-23 Policy commitments	Sustainability at Kibar Group, pages 24-25; Sustainability Approach, pages 32-33	-		
	2-24 Embedding policy commitments	Sustainability at Kibar Group, pages 24-25; Sustainability Management, pages 26-27	-		
	2-25 Processes to remediate negative impacts	Kibar Group 2025 Sustainability Strategy, pages 34-43	-		
	2-26 Mechanisms for seeking advice and raising concerns	Determining Sustainability Priorities, pages 30-31	-		
	2-27 Compliance with laws and regulations	GRI Content Index: During the reporting period, no penalty for non-compliance with laws and regulations was imposed.	-		
	2-28 Memberships associations	Supported Sustainability Initiatives, pages 46-47; Memberships and Partnerships, pages 122-123	-		
	2-29 Approach to stakeholder engagement	Stakeholder Relations, pages 108-109; Determining Sustainability Priorities, pages 30-31	-		
	2-30 Collective bargaining agreements	GRI Content Index: There is no collective labor agreement at Kibar Holding.	-		

PRIORITIES					
GRI STANDARD/OTHER SOURCE	DISCLOSURE	LOCATION AND PAGE NUMBERS	OMISSION		
			Requirement(S) Omitted	Reason	Explanation
Material Topics					
GRI 3: Material topics 2021	3-1 Process to determine material topics	Determining Sustainability Priorities, pages 30-31	-		
	3-2 List of material topics	Sustainability Priorities, page 31	-		
Business Continuity					
GRI 3: Material topics 2021	3-3 Management of material topics	We GROW with sustainability principles, pages 54-56	-		
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	About Kibar Holding, pages 12-13; Economic Value, page 59; Performance Indicators, page 134	-		
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	Sustainability in the Supply Chain, pages 110-111	-		
Sustainable Supply Chain					
GRI 3: Material topics 2021	3-3 Management of material topics	Sustainability in the Supply Chain, pages 110-111	-		
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	Sustainability in the Supply Chain, pages 110-111	-		
	308-2 Negative environmental impacts in the supply chain and actions taken	Sustainability in the Supply Chain, pages 110-111	-		
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	Sustainability in the Supply Chain, page 110	-		
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Sustainability in the Supply Chain, page 110	-		
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	Sustainability in the Supply Chain, page 110	-		
	414-2 Negative social impacts in the supply chain and actions taken	Sustainability in the Supply Chain, pages 110-111	-		
Business Ethics					
GRI 3: Material topics 2021	3-3 Management of material topics	Business Ethics, page 77; Anti-Corruption, page 77	-		
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	Internal Audit and Control, page 23	-		
	205-2 Communication and training about anti-corruption policies and procedures	Anti-Corruption, page 77	-		
	205-3 Confirmed incidents of corruption and actions taken	GRI Content Index: There were no significant cases of corruption during the reporting period.	-		
GRI 206: Anti-Competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	GRI Content Index: During the reporting period, there were no lawsuits filed due to anticompetitive behavior.	-		
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	GRI Content Index: All security personnel have completed the necessary legal trainings.	-		

PRIORITIES					
GRI STANDARD/OTHER SOURCE	DISCLOSURE	LOCATION AND PAGE NUMBERS	OMISSION		
			Requirement(S) Omitted	Reason	Explanation
Circular Economy					
GRI 3: Material topics 2021	3-3 Management of material topics	Energy and Emission Management, pages 94; Water Management, page 97; Waste Management, page 103	-		
GRI 301: Materials 2016	301-1 Materials used by weight or volume	Performance Indicators, page 133	-		
	301-2 Recycled input materials used	Performance Indicators, page 133	-		
	301-3 Reclaimed products and their packaging materials	GRI Content Index: Due to regulatory changes, not all companies were measured and cumulative value could not be calculated.	-		
GRI 302: Energy 2016	302-1 Energy Consumption within the Organization	Performance Indicators, page 135	-		
	302-2 Energy Consumption Outside of the Organization	Performance Indicators, page 135	-		
	302-3 Energy Intensity	Performance Indicators, page 135	-		
	302-4 Reduction of energy consumption	Energy and Emission Management, page 94	-		
	302-5 Reductions in energy requirements of products and services	Energy and Emission Management, page 94	-		
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	Water Management, page 97	-		
	303-2 Management of water discharge-related impacts	Water Management, page 97	-		
	303-3 Water withdrawal	Performance Indicators, page 133	-		
	303-4 Water discharge	GRI Content Index: This data cannot be shared as it is not kept by the same method in all companies within the scope of reporting.	-		
	303-5 Water consumption	Performans Göstergeleri, page 133	-		
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Waste Management, pages 102-103	-		
	306-2 Management of significant waste-related impacts	Waste Management, pages 102-103, İnteraktif Çevre Danışmanlık, page 105	-		
	306-3 Waste generated	Performance Indicators, page 133	-		
	306-4 Waste diverted from disposal	Performance Indicators, page 133	-		
Climate Change					
GRI 3: Material topics 2021	3-3 Management of material topics	WE CARE for next generations, page 92; Combating Climate Change , page 83; Energy and Emission Management, page 94	-		
GRI 201: Economic Performance 2016	201-2 Financial implications and other risks and opportunities due to climate change	Management of Climate Risks and Opportunities, pages 100-101; Risk Management, page 21	-		
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Performance Indicators, page 134	-		
	305-2 Energy indirect (Scope 2) GHG emissions	Performance Indicators, page 134	-		
	305-3 Other indirect (Scope 3) GHG emissions	Performance Indicators, page 134	-		
	305- 4 GHG emissions intensity	Performance Indicators, page 134; Energy and Emission Management, page 94	-		
	305-5 Reduction of GHG emissions	Energy and Emission Management, page 94	-		
	305-6 Emissions of ozone-depleting substances (ODS)	GRI Content Index: Companies within the scope of this report do not have critical ODS emissions	-		
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions*	*175 tons in 2020, 203 tons in 2021, 633 tons in 2022 and 605,5 tons in 2023.	*	*	*
Employee Engagement and Satisfaction					
GRI 3: Material topics 2021	3-3 Management of material topics	Diversity and Inclusion, page 64	-		
GRI 402: Labor/Management Relations 2016	402-1 Minimum notice periods regarding operational changes	GRI Content Index: Legal notice periods are taken into account in case of significant job changes.	-		

* The data in question belongs to Assan Alüminyum. Other companies do not have NOx, SOx emissions at critical values.

PRIORITIES					
GRI STANDARD/OTHER SOURCE	DISCLOSURE	LOCATION AND PAGE NUMBERS	OMISSION		
			Requirement(S) Omitted	Reason	Explanation
Occupational Health and Safety					
GRI 3: Material topics 2021	3-3 Management of material topics	Occupational Health and Safety, pages 74-76	-		
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Occupational Health and Safety, pages 74-75	-		
	403-2 Hazard identification, risk assessment, and incident investigation	Occupational Health and Safety, pages 74-75; Performance Indicators, page 132	-		
	403-3 Occupational health services	Occupational Health and Safety, pages 74-76	-		
	403-4 Worker participation, consultation, and communication on occupational health and safety	Occupational Health and Safety, pages 74-76; Performance Indicators, page 132	-		
	403-5 Worker training on occupational health and safety	Occupational Health and Safety, pages 74-76; Performance Indicators, page 132	-		
	403-6 Promotion of worker health	Occupational Health and Safety, pages 74-76	-		
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Occupational Health and Safety, pages 74-76	-		
	403-8 Workers covered by an occupational health and safety management system	GRI Content Index: Employees of Kibar Holding and Group companies are included in the scope of the OHS management system.	-		
	403-9 Work-related injuries	Performance Indicators, page 132	-		
	403-10 Work-related injuries	GRI Content Index: There were no fatal work accidents during the reporting period.	-		
Employee Development and Talent Management					
GRI 3: Material topics 2021	3-3 Management of material topics	Talents of the Future, pages 69-71	-		
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Performance Indicators, page 131	-		
	404-2 Programs for upgrading employee skills and transition assistance programs	Talent Management, pages 69-71	-		
	404-3 Percentage of employees receiving regular performance and career development reviews	Performance Management, page 72; Performance Indicators, page 131	-		
Gender and Opportunity Equality					
GRI 3: Material topics 2021	3-3 Management of material topics	Diversity and Inclusion, page 64	-		
GRI 201: Economic Performance 2016	201-3 Defined benefit plan obligations and other retirement plans	GRI Content Index: Since Kibar Holding is not a listed company, remuneration information is not disclosed.	-		
GRI 202: Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	GRI Content Index: The remuneration policy at Kibar Holding and Group companies is determined and implemented objectively, without gender discrimination, based on the potential and performance of the individual.	-		
	202-2 Proportion of senior management hired from the local community	GRI Content Index: All managers of the holding are citizens of the Republic of Turkey.	-		
GRI 401: Employment 2016	401-3 Parental leave	Performance Indicators, page 131	-		
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employee	Performance Indicators, page 131	-		
	405-2 Ratio of basic salary and remuneration of women to men	GRI Content Index: There are no gender-based salary differences in Kibar Holding and its subsidiaries. The principle of equal pay for equal work is applied.	-		
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	GRI Content Index: There were no incidents of discrimination during the reporting period.	-		

PRIORITIES					
GRI STANDARD/OTHER SOURCE	DISCLOSURE	LOCATION AND PAGE NUMBERS	OMISSION		
			Requirement(S) Omitted	Reason	Explanation
Customer Satisfaction					
GRI 3: Material topics 2021	3-3 Management of material topics	Product and Service Quality, page 81; Information Security, page 89	-		
GRI 416: Customer Health and Safety 2016	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	GRI Content Index: There was no such non-compliance during the reporting period.	-		
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	Product and Service Quality, pages 81-82	-		
	417-2 Incidents of non-compliance concerning product and service information and labeling	GRI Content Index: There were no such violations during the reporting period.	-		
	417-3 Incidents of non-compliance concerning marketing communications	GRI Content Index: There was no such discrepancy during the reporting period	-		
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	GRI Content Index: There were no incidents of breach of confidentiality of customer information during the reporting period.	-		
R&D, Innovation and Digitalization					
GRI 3: Material topics 2021	3-3 Management of material topics	R&D and Innovation, pages 83-88	-		
Social Responsibility					
GRI 3: Material topics 2021	3-3 Management of material topics	WE SHARE for the communities, pages 114-116	-		
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	WE GROW with sustainability principles, page 56; Social Benefit Investments, page 115	-		
	203-2 Significant indirect economic impacts	Economic Value, page 53; Social Benefit Investments, page 115	-		
Corporate Governance Practices					
GRI 3: Material topics 2021	3-3 Management of material topics	Determining Sustainability Priorities, page 30; Sustainability Priorities, page 31; Sustainability Approach, pages 32-33	-		
Data Security					
GRI 3: Material topics 2021	3-3 Management of material topics	Sustainability Priorities, page 31	-		

ANNEX 5- WOMEN'S EMPOWERMENT PRINCIPLES (WEPS) PROGRESS REPORTING

Principle	Sources
Principle 1: Corporate Leadership Promoting Gender Equality	Message From The Ceo, pages 10-11; Gender Equality, pages 64-65; Kibar Group 2025 Sustainability Strategy, pages 36-37; Performance Indicators, page 131; GRI Content Index, page 139
Principle 2: Equal Opportunities, Inclusion, and Non-Discrimination	Sustainability Priorities, pages 30-31; Gender Equality, pages 64-65; Kibar Group 2025 Sustainability Strategy, pages 36-37; Performance Indicators, page 131; GRI Content Index, page 139
Principle 3: Health & Safety, and Freedom Against Violence	Sustainability at Kibar Group, pages 24-25; Kibar Group 2025 Sustainability Strategy, pages 36-37; Occupational Health and Safety, pages 74-76; Performance Indicators, page 132
Principle 4: Education and Learning	Güç BİZde Development Platform, pages 70-71; Kibar Group 2025 Sustainability Strategy, pages 36-37; Performance Indicators, page 131
Principle 5: Business Development, Supply Chain and Marketing Practices	Sustainability at Kibar Group, pages 24-25; Sustainability Management in Supply Chain
Principle 6: Corporate Leadership and Inclusion	Gender Equality, Kibar Group 2025 Sustainability Strategy, pages 36-37; Supported Sustainability Initiatives, pages 110-111
Principle 7: Measurement and Transparent Reporting for Gender Equality	Kibar Group 2025 Sustainability Strategy, pages 36-37; Performance Indicators, page 132; GRI Content Index, page 139

ANNEX 6- WORLD ECONOMIC FORUM STAKEHOLDER CAPITALISM METRICS

Principles of Governance		
Theme	Core Metrics and Disclosures	Sources
Governing Purpose	The company's stated purpose, as the expression of the means by which a business proposes solutions to economic, environmental and social issues. Corporate purpose should create value for all stakeholders, including shareholders.	Governance at Kibar Group, pages 20-21; https://www.kibar.com/en/holding/our-values
Quality of Governing Body	Composition of the highest governance body and its committees by: competencies relating to economic, environmental and social topics; executive or non-executive; independence; tenure on the governance body; number of each individual's other significant positions and commitments, and the nature of the commitments; gender; membership of under-represented social groups; stakeholder representation.	Corporate Governance, page 20; Corporate Governance, pages 26-27
Stakeholder Engagement	A list of the topics that are material to key stakeholders and the company, how the topics were identified and how the stakeholders were engaged.	Determining Sustainability Priorities, pages 30-31; Stakeholder Relations, pages 108-109
Ethical Behaviour	1. Total percentage of governance body members, employees and business partners who have received training on the organization's anti-corruption policies and procedures, broken down by region. 2. a) Total number and nature of incidents of corruption confirmed during the current year, but related to previous years b) Total number and nature of incidents of corruption confirmed during the current year, related to this year. 3. Discussion of initiatives and stakeholder engagement to improve the broader operating environment and culture, in order to combat corruption. A description of internal and external mechanisms for: 1. Seeking advice about ethical and lawful behaviour and organizational integrity; and 2. Reporting concerns about unethical or unlawful behaviour and lack of organizational integrity.	Sustainability at Kibar Group, pages 24-25; Kibar Group 2025 Sustainability Strategy, pages 36-37; Fighting Against Corruption, page 77; Business Ethics, page 77 Business Ethics, pages 77; Code of conduct, page 77 https://www.kibar.com/en/holding/codes-of-conduct
Risk and Opportunity Oversight	Company risk factor and opportunity disclosures that clearly identify the principal material risks and opportunities facing the company specifically (as opposed to generic sector risks), the company appetite in respect of these risks, how these risks and opportunities have moved over time and the response to those changes. These opportunities and risks should integrate material economic, environmental and social issues, including climate change and data stewardship.	Risk Management, page 21; Management of Climate Risks and Opportunities, pages 100-101
Milestones for Strategic Areas	Strategic ESG milestones achieved in previous years and those planned to be achieved in the following periods as well as contribution of these targets to the long-term value creation model	Kibar Group 2025 Sustainability Strategy, pages 34-43; Important activities carried out in sustainability, pages 44-45
Planet		
Climate change		
Greenhouse Gas Emissions	For all relevant greenhouse gases (e.g. carbon dioxide, methane, nitrous oxide, F-gases etc.), report in metric tonnes of carbon dioxide equivalent (tCO ₂ e) GHG Protocol Scope 1 and Scope 2 emissions. Estimate and report material upstream and downstream (GHG Protocol Scope 3) emissions where appropriate.	Energy and Emission Management, page 94; Reporting Guide, page 126 and page 130; Performance Indicators, page 134 Reporting Guide, page 126 and page 130; Performance Indicators, page 134; Kibar Group Supplier Sustainability Program (K-STAR), page 111
TCFD Implementation	Fully implement the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). If necessary, disclose a timeline of at most three years for full implementation. Disclose whether you have set, or have committed to set, GHG emissions targets that are in line with the goals of the Paris Agreement - to limit global warming to well below 2 °C above pre-industrial levels and pursue efforts to limit warming to 1.5 °C - and to achieve net-zero emissions before 2050.	Kibar Group 2025 Sustainability Strategy, pages 40-41; Target for Net-Zero Emissions by 2050, page 92; Combating Climate Change, page 93; Energy and Emission Management, page 94; Management of Climate Risks and Opportunities, pages 100-101
Nature loss		
Land Use and Ecological Sensitivity	Report the number and area of sites owned, leased or managed in or adjacent to protected areas and/or key biodiversity areas.	No operation is conducted in protected environments.
Water Resources		
Water Consumption and Withdrawal in Water-Stressed Areas	Report for operations where material: megalitres of water withdrawn, megalitres of water consumed and the percentage of each in regions with high or extremely high baseline water stress, according to WRI Aqueduct water risk atlas tool. Estimate and report the same information for the full value chain (upstream and downstream) where appropriate.	Water Management, page 88

People		
Theme	Core Metrics and Disclosures	Sources
Dignity and Equality		
Diversity and Inclusion	Percentage of employees per employee category, by age group, gender and other indicators of diversity.	Performance Indicators, page 131; Gender Equality, pages 64-67
Pay Equality	Ratio of the basic salary and remuneration for each employee category by significant locations of operation for priority areas of equality: women to men, minor to major ethnic groups, and other relevant equality areas.	Wage Policy, page 72
Risk for Incident of Child, Forced or Compulsory Labour	An explanation of the operations and suppliers considered to have significant risk for incidents of child labour, forced or compulsory labour. Such risks could emerge in relation to: a) type of operation (such as manufacturing plant) and type of supplier b) countries or geographic areas with operations and suppliers considered at risk.	Business Ethics, page 77; Sustainability Management in Supply Chain, pages 110-111
Health and well-being		
Health and Safety	The number and rate of fatalities as a result of work-related injury; high-consequence work-related injuries; recordable work-related injuries; main types of work related injury; and the number of hours worked. An explanation of how the organization facilitates workers' access to non-occupational medical and healthcare services, and the scope of access provided for employees and workers.	Occupational Health and Safety, pages 74-76; Performance Indicators, page 132
Skills for the future		
Training Provided	1. Average hours of training per person that the organization's employees have undertaken during the reporting period, by gender and employee category (total number of hours of training provided to employees divided by the number of employees). 2. Average training and development expenditure per full time employee (total cost of training provided to employees divided by the number of employees).	Talents of the Future, pages 69-71; Performance Indicators, page 131
Prosperity		
Employment and wealth generation		
Absolute Number and Rate of Employment	1. Total number and rate of new employee hires during the reporting period, by age group, gender, other indicators of diversity and region. 2. Total number and rate of employee turnover during the reporting period, by age group, gender, other indicators of diversity and region.	Performance Indicators, page 131
Economic Contribution	Direct economic value generated and distributed, on an accruals basis, covering the basic components for the organization's global operations.	Economic Value, page 59; Performance Indicators, page 134
Innovation of better products and services		
Total R&D Expenses	Total costs related to research and development.	Kibar Group 2025 Sustainability Strategy/2023 Progress, page 39

ANNEX 7-THE TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD)

AREA	RECOMMENDATIONS	SOURCES	
Governance	a	Describe the board's oversight of climate-related risks and opportunities.	Risk Management, page 21; Sustainability Management, pages 26-27
	b	Describe management's role in assessing and managing climate-related risks and opportunities.	Risk Management, page 21; Sustainability Management, pages 26-27; Management of Climate Risks and Opportunities, pages 100-101
Strategy	a	Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	Combating Climate Change, page 93; Management of Climate Risks and Opportunities, pages 100-101
	b	Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	Combating Climate Change, page 93; Management of Climate Risks and Opportunities, pages 100-101
	c	Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2 °C or lower scenario.	Combating Climate Change, page 93; Management of Climate Risks and Opportunities, pages 100-101
Risk Management	a	Describe the organization's processes for identifying and assessing climate-related risks.	Combating Climate Change, page 93; Management of Climate Risks and Opportunities, pages 100-101
	b	Describe the organization's processes for managing climate-related risks.	Risk Management, page 21; Management of Climate Risks and Opportunities, pages 100-101
	c	Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	Risk Management, page 21; Management of Climate Risks and Opportunities, pages 100-101
Metrics and Targets	a	Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	Energy and Emission Management, page 94; Environmental Performance Indicators, page 134
	b	Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	Energy and Emission Management, page 94; Environmental Performance Indicators, page 134
	c	Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	Kibar Group 2025 Sustainability Strategy/2023 Progress, pages 40-41; Energy and Emission Management, page 94; Environmental Performance Indicators, page 120

ANNEX 8 - DECLARATION OF ASSURANCE



Independent Practitioner's Limited Assurance Report to the Board of Directors of Kibar Holding A.Ş.

We have been engaged by the Board of Directors of Kibar Holding A.Ş. ("Kibar Holding") and subsidiaries (collectively referred to as the "Group") to perform a limited assurance engagement in respect of the Selected Sustainability Information (the "Selected Information") listed below and stated in the Kibar Holding 2023 Sustainability Report (the "Sustainability Report") for the year ended 31 December 2023.

Selected Information

The scope of the Selected Information for the year ended 31 December 2023, which is subject to our limited assurance work, set out in the pages 131,132,133 and 134 of the Sustainability Report identified with the sign "🟢" is summarized below:

Social Indicators

Human Resources

- Total number of employees
- Number of employees by gender
- Total number of office employees
- Total number of field employees
- Number of employees by age groups
- Number of senior executives by gender
- Percentage of women executives (%)
- Number of employees on maternity/paternity leave by gender
- Number of employees returning from maternity/paternity leave by gender

Employee Turnover

- Employee Turnover
- Total Employee Turnover Rate (%)
- Voluntary Employee Turnover Rate (%)

Training

- Number of participants in employee trainings by gender
- Number of participants in employee trainings by gender Total hours

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Employee Under Performance Review

- Number of employees participating in performance evaluation by gender

Occupational Health & Safety

- Injury rate by gender (%) (direct employment)
- Accident severity rate by gender (%) (direct employment)
- Occupational disease rate by gender (%) (direct employment)
- Occupational disease rate by gender (%) (contractor's employees)
- Work-related deaths by gender (direct employment)
- Work-related deaths by gender (contractor's employees)
- Total number of employees participating in OHS trainings
- Total number of contractor's employees participating in OHS trainings
- Total hours of OHS training given to employees
- Total hours of OHS training given to contractor's employees
- Number of OHS committees established
- Total number of members in OHS committees established
- Number of representatives serving in OHS committees established

Suppliers

- Number of local suppliers
- Number of foreign suppliers
- Local supplier ratio (%)
- Foreign supplier ratio (%)

Environmental Indicators

Energy Consumption

Direct Energy Consumptions

- Natural Gas (GJ)
- Diesel (GJ)
- Gasoline (GJ)
- Total direct energy consumption (GJ)



Indirect Energy Consumption

- Electricity (GJ)
- Total indirect energy consumption (GJ)

Total Energy Consumption

- Total energy consumption (GJ)
- Energy density (GJ/million TRY)

Emissions

- Scope 1 emissions (tons CO₂e)
- Scope 2 emissions (from total energy consumption) (tons CO₂e)
- Scope 2 emissions (balanced through renewable energy sources) (tons CO₂e)
- Scope 3 emissions (tons CO₂e)
- Greenhouse gas emissions density (tons CO₂e/million TRY)

Renewable Energy Production

- Renewable energy production (GJ)

Renewable Energy Consumption

- Renewable energy consumption (GJ)

Protection of Carbon Sink Areas

- Number of Trees Planted

Use of Natural Resources

- Production amount (tons)
- Raw material consumed (tons)
- The quantity of recycled/recovered raw materials used as production input (tons)
- Proportion of recycled/recovered raw materials used as inputs (%)



Water Management

- Well water consumption (m³)
- Municipal water consumption (m³)
- Total water consumption (m³)
- Water density (m³/million TRY)

Waste Management

- Total amount of hazardous wastes (tonnes)
- Hazardous wastes Energy recovery (tonnes)
- Hazardous wastes Recovery (tonnes)
- Hazardous wastes Waste collection site (tonnes)
- Hazardous wastes Waste incineration (tonnes)
- Hazardous wastes Other (tonnes)
- Total amount of non-hazardous wastes (tonnes)
- Non-hazardous wastes Energy recovery (tonnes)
- Non-hazardous wastes Recovery (tonnes)
- Non-hazardous wastes Waste collection site (tonnes)
- Non-hazardous wastes Waste incineration (tonnes)
- Non-hazardous wastes Other (tonnes)
- Total waste (tonnes)
- Amount of recycled/recovered waste (tonnes)
- Ratio of recycled/recovered waste (%)
- Waste density (m³/million TRY)

Economic Indicators

- Net sales revenue (TRY)

Our assurance was with respect to the year ended 31 December 2023 information only and we have not performed any procedures with respect to earlier periods or any information other than Selected Information marked with "🟢" in the Sustainability Report and, any other elements included in the Sustainability Report and, therefore, do not express any conclusion thereon.

ANNEX 8 - DECLARATION OF ASSURANCE



Criteria

The criteria used by the Group to prepare the Selected Information is set out in section Appendix 1: “Kibar Holding 2023 Sustainability Report –Reporting Principles” (the “Reporting Principles”) on pages 124,125,126,127,128,129 and 130 of the Sustainability Report.

The Group’s Responsibility

The Group is responsible for the content of the Sustainability Report and the preparation of the Selected Information in accordance with the Reporting Principles. 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 Principles.

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

Our Independence and Quality Management

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 Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.



Our Responsibility

Our responsibility is to express a limited assurance conclusion, based on the procedures we have performed 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 Principles. 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” (“ISAE 3000”), and, in respect of greenhouse gas emissions, International Standard on Assurance Engagements 3410 “Assurance Engagements on Greenhouse Gas Statements” (“ISAE 3410”) 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 analyzing the key processes and controls for managing and reporting the Selected Information;
- evaluated the source data used to prepare the Selected Information and checked the mathematical accuracy of certain calculations;
- performed limited testing on a sample basis for the compilation and preparation of the Selected Information prepared by the Group 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 Group’s Selected Information for the year ended 31 December 2023, is not properly prepared, in all material respects, in accordance with the Reporting Principles.

Restriction of use

This report, including the conclusion, has been prepared for the Board of Directors of the Group as a body, to assist the Board of Directors in reporting Grup’s performance and activities related to the Selected Information. We permit the disclosure of this report within the Sustainability Report for the year ended 31 December 2023, to enable the Board of 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 Board of Directors of Kibar Holding as a body and Kibar Holding 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.

Eftim Koçaridis, SMMM
Independent Auditor

Istanbul, 24 July 2024

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