



SUSTAINABILITY
REPORT
2013

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We constantly prioritize sustainability-oriented issues aiming for a more viable world along with environment, responsibilities and occupational health and safety.

The most significant subjects in our road map are consisting of utilization of the natural resources efficiently in our business processes, recycling the wastes as energy and raw materials and investing in the renewable energy resources.

Achievements and Highlights



Kayseri Plant has been awarded with **Cement Sector Work Health and Safety Performance Award 2012**

The 'Cement Sector Occupational Health and Safety Awards' have been granted to cement plants among the top three ones in the ranking demonstrating an outstanding performance regarding the occupational health and safety since 2007 upon the evaluations of ÇEİS İSG Board and the approvals of the Union Board of Directors. Kayseri Plant was granted with the award upon the evaluation conducted for the year of 2012.



Cement Industry Employers Trade Union 2013 Cement Sector Occupational Health and Safety Performance Award, by 3 RM x plants of Çimsa in **Blues Helmet Occupational Health Safety Competition**

Çimsa has participated with its 4 ready-mixed concrete plant in 2013 Blue Helmet Occupational Health Safety Competition in where the outstanding plants in terms of occupational health and safety are awarded, Çimsa Tece Ready-Mixed Concrete Plant scored 100 full points out of 100 and ranked as the 1st, Aksaray Ready-Mixed Concrete Plant scored 99 points and ranked as the 2nd and Pamukova and Misis Ready-Mixed Concrete Plant scored 98 points and ranked as the 3rd.



Capital Magazine **'Favourites'**

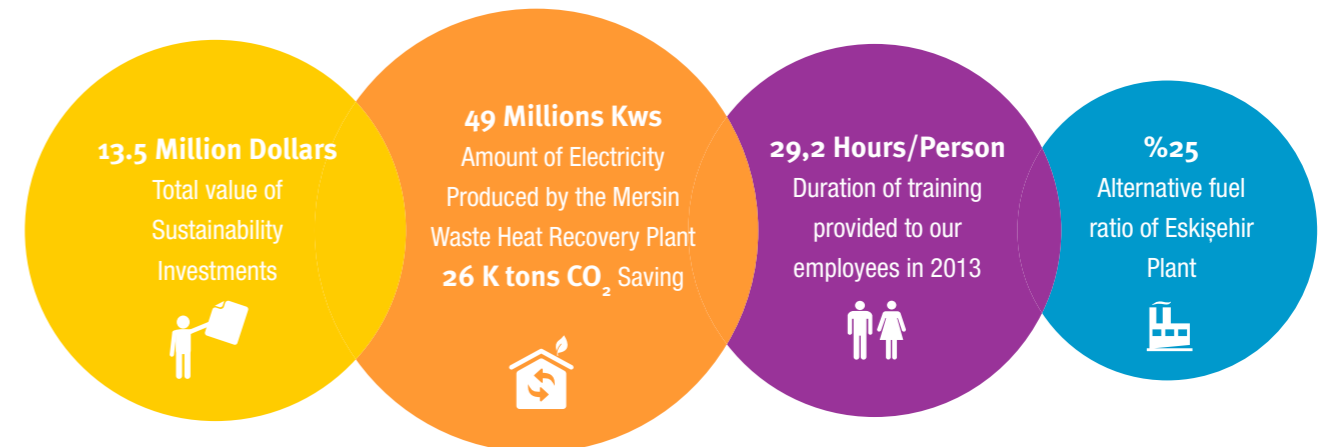
Çimsa, has been selected as the 2nd most favourite company in the sector in Capital Magazine 'Favourites' survey.



Sustainability Performance Highlights

Çimsa, one of the leading manufacturers of cement and building materials in Turkey, has become the first Turkish Company participating in Cement Sustainability Initiative (CSI) which acts under the auspices of the World Business Council for Sustainable Development (WBCSD).

Çimsa, as one of the leading industrial companies of Turkey, which realizes all of its business and operations with the goal of a sustainable future has taken an important step in terms of sustainable development by becoming a member to Cement Sustainability Initiative (CSI) which carries out comprehensive studies about sustainable development in the sector. Being a part of CSI which operates within the awareness that understanding and managing the sustainability matters correctly are prerequisites for the prosperity and growth of the sector, directly corresponds to the sustainability objectives of Çimsa.





Dear Stakeholders,

Global climate change and related developments as one of the most significant problems constituting risk against the World is gradually taking its required position in the global agenda. In line with the conscious and awareness on this issue, development programs for protecting the environment in all over the world are recently being prepared. The principles of the social development are re-determined. Calls for taking action are conveyed in order to realize environmental friendly programs and the required financing sources are investigated.

Having the awareness of these changing conditions, Çimsa as the pioneer of the cement and construction materials sector, acted with a sustainability approach in all its activities up to now. We have associated the sustainability objectives with organizational responsibility and conducted studies for inclusion of the related performance indicators into follow-up systems and for integration of sustainability with all the functions at every stage of the company. Therefore, this understanding places “human being” in the focus of the sustainability approach of Çimsa. We realize the action plans for sustainability by considering our customers, suppliers, shareholders, local people and briefly all our stakeholders and by including them into the subject.

In an environment, where the natural resources are restricted more day by day, a sustainable economy development cannot be attained without protecting the environmental resources. Çimsa gives a specific importance to decrease the costs and to increase efficiency through this understanding.

Accordingly the primary subjects of our road map are consisting of employees' health and safety of the employees, efficient use of the natural resources in our work processes, recycling the wastes as energy and raw materials and investing in renewable energy sources. In line with these objectives, I believe that we will obtain successful results every year.

As an international player, while Çimsa tries to be compliant with the global actors in this context by closely following up such studies, once more creates a difference in our country and in our sector by means of its sustainability based studies.

I would like to thank to all our colleagues; business partners, suppliers, vendors, neighbors and all our stakeholders who always accompany us in this process, sincerely adopt the operations we conduct on sustainability and help us to reach our objectives.

Sincerely,

Hakan Gürdal
Chairman



Dear Stakeholders,

Çimsa, which has been active in the cement and building materials sector for more than 40 years, realizes a profitable growth and aims to be an international cement and construction materials company pioneering the sector for a viable future. We scrupulously lay emphasis on an extremely critical point while endeavouring to achieve our objectives: The impact of the climate changes on our world, sector and our company...

We, as Çimsa, are aware that our risks are not only based on investments and operations. The sustainability-based subjects have currently become more significant. Therefore, we give a particular emphasis on occupational health and safety, water, energy costs, emissions and the compliance of our supply chain with such matters within the scope of the risk management.

The sustainability subjects have become crucial and obtained a special spot in our investment program. In 2013, investments worth of 13,5 million USD have been realized in our company regarding the sustainability and environmental subjects and this figure corresponds to 36% of our total investments. This ratio is a significant indicator showing the attention towards sustainable development and environment paid by Çimsa.

Çimsa, aiming for a 'more viable world' right along with the maintaining the profitability, is aware that sustainability-oriented subjects, environment, occupational health and safety should always be prioritized. This conception enables us to have a pioneering position in the sector and Çimsa serves as a model for the industrial enterprises in Turkey through its endeavours.

Another significant development for us in 2013 is that our endeavours have been moved on international platforms. Çimsa has achieved the accomplishment of being the first Turkish corporation to be accepted as the member of Cement Sustainability Initiative (CSI) which is a special initiative acting under World Business Council for Sustainable Development (WBCSD) and also representing approximately one-third of the world cement manufacturing. Also in last year Çimsa has signed United Nations Global Compact and became a part of the mutual culture in the business world.

We are proud to present to our esteemed stakeholders this report prepared in accordance with the G4 basic standards with compilation of developments and investments focused on the sustainability. Çimsa is aiming to accelerate its sustainability-driven endeavours every year. Thus, our entire determined objectives contain approaches based on sustainability and are devoted to make Çimsa a sustainable corporation.

I hereby have the opportunity to present my gratitude on behalf of the entire Çimsa Family to my predecessor, Mehmet Hacıkamiloğlu as former General Manager of Çimsa and to Mehmet Göçmen who is appointed as the Sabancı Holding Energy Group President after resigning from his duties of Sabancı Holding Cement Group Presidentship and Çimsa Board of Directors Chairmanship in September 2014, who had both precious contributions to the overall success of Çimsa and the leadership of Çimsa in its sustainability journey.

I would like to thank you all for supporting us towards the creation of a better future.

Sincerely,

Nevra Özhatay
General Manager



III. Company Profile

a. About Çimsa

Total clinker capacity

5.5 million ton

Cement Plants and Grinding Stations

Mersin, Kayseri, Niğde, Ankara, Eskişehir, Afyon

26

Ready Mixed Concrete Plants

Number of Employees

960

Number of countries exporting to

60+

Number of International Terminals

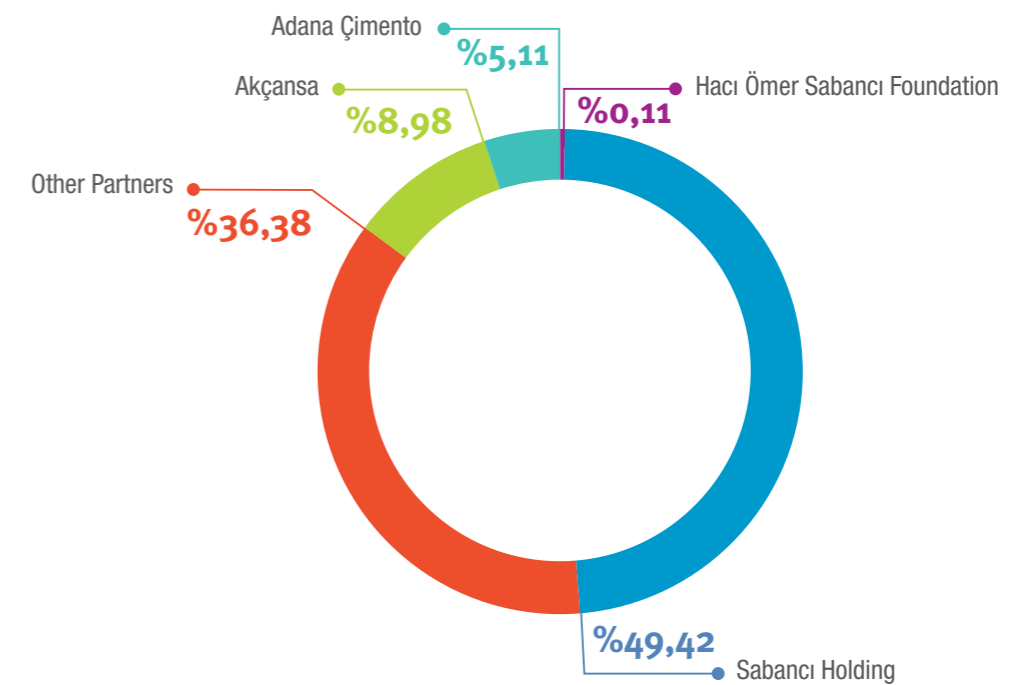
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2013	MillionTL	(%)
Economic Value Generated (Net Sales)	875,4	
Economic Value Distributed to the Stakeholders	MillionTL	(%)
Operational Costs*	571,5	65,5
Benefits Paid to Government	101,9	11,7
Benefits Paid to Investors and Stakeholders	98,1	11,2
Benefits Paid to Lender&Creditors	25,1	2,9
Benefits Paid to Employees	65,4	7,5
Benefits to Society	10,3	1,2
TOTAL	872,2	100
Economic Value Retained (-)	28,2	
*Operational Costs: Cost of the Sold Good		

*(excluding the Amortization and Personnel Costs)

Shareholder Structure of Çimsa



III. Company Profile

b. Our Mission

Who are we?

Çimsa is an international cement and building materials company continuously growing by creating a difference in the industry with an experience of more than 40 years, broad product range, innovative employees and a **human and environment conscious** approach. We meet the product and service needs of our customers in full and in a timely manner with our **market oriented approach** and wide distribution network. As a **reliable business partner** of our stakeholders, we provide the required materials for the living areas and infrastructures reaching to next generations.

What happens in our surrounding and our values

Continuous changes in competition conditions and customer expectations create new opportunities. We evaluate these for building living areas and required infrastructure needed by the **next generations** and we **assume responsibility** for the future as we do today. We are aiming to advance our leading position in the industry further by **creating a difference** with our flexible business model and our employees having common values.

Our common values are; desire to succeed, teamwork and cooperation, customer orientation and contributing to the development of the society and to the environment.

Road Map

Our target for the next 3 years **is to grow profitably and to become an international cement and building materials company leading the industry for a livable future. In order to have a sustainable growth, we are aiming to create value for all of our stakeholders as a company producing solutions swiftly with the products and services we develop together with our business partners for the differentiating needs of our customers and employees under ever changing conditions of the world.**

Using the resources efficiently, recycling the wastes as energy and raw material and investing to renewable energy resources is an important item in our road map and highlights our responsibility for a sustainable future.

We sincerely **believe** in all these and we **promise** to endeavor for realizing them.



III. Company Profile

c. Our Products and Services

Çimsa, provides special products and services for the needs of its customers through its innovative approach and technological infra-structure based on its experience for more than 40 years.

Cement

Grey cement

Çimsa, manufactures grey portland cements complying with TS EN 197-1 standard, bearing the resistance level 32.5 & 42.5, having early and normal resistance with or without additives. All the manufactured cement is in possession of the CE certificate; and are sold as casting, big bag, sling bag and packed. We provide services with all our plants and stations such as Portland Cement, Portland Composite Cement, Pozzolan Cement, Sulphate Resistant Portland Cement, Çimsa Super Bims Cement, Blast Furnace Slag Cement.

White Cement and Specialty Products

Çimsa provides special solutions to the special products of the customers as included in the special products portfolio developed in accordance with the requirements of the customers such as Ekobeyaz which has the highest whiteness level in Turkey as the Super White Cement of Çimsa which is manufactured in accordance with EN 197-1 standard by Çimsa for the first time in Turkey, providing aesthetics and high together with minimum 85% whiteness, together with ISIDAÇ 40 which is the calcium aluminate cement manufactured in accordance with TS EN 14647 standard only by Çimsa in Turkey.



Ready Mixed Concrete

Çimsa continues to provide special and innovative products, which fulfil various requirements of the customers by closely following technologic and scientific developments in ready mixed concrete sector.

Çimsa, as a company, which gives importance to customer satisfaction, continuous improvement and quality, produces all cement types within the C8/10-C100/115 range determined by EN standards As developed specially besides standard concrete types,

- **Viskobeton (Self-Compacting Concrete)** which consolidates itself without dispersion despite its viscosity and without requiring compacting via vibrator, passes through tight equipment and enables a voidless and smooth surface,

- **Drabeton (Steel-fibre Reinforced Concrete)** which is a concrete demonstrating a high resistance against tractive and tensile forces without requiring any additional reinforcements due to the steel fibres it contains,

- **Dekobeton (Decorative Concrete)** obtained by means of aging and wearing off the concrete in order to obtain the type of surface appearance requested by the customer directly from the concrete,

- **İzosap (Light weight Ready Screed)** which is a product whose drifted air amount is high but intensity is low by means of the special chemical additives it contains,

- The products and the services of the customers are satisfied in full and on time with **Uyubet (Sleeping Cement)**, a special product manufactured especially for the critical construction elements, for the long distance cements, hot weather conditions, the significant constructions in where the hydration control of the cement is requested (mass concrete), for the slow pouring of the concrete as a requirement for the construction, for the manufacturing in which the surface finishing takes a long time and which does not compromise on the quality and the cement standards.

Çimsa manufactures special products such as viskobeton, dekobeton and drabeton with standard ready mixed concrete up to C8-C50 in accordance with TSE EN 206-1 standards and continues its activities in 26 plants in total.

Manufacturing processes and standards related with products, details of cements, ready mixed concrete, product types and other information related with the sector are accessible through www.cimsa.com.tr.

IV. Our Business Principles

a. Corporate Governance

Our understanding of Corporate Governance with sustainability in Çimsa is to be transparent and accountable in our decision-making processes. As a publicly held company, we act in compliance with the Corporate Governance Principles of the Capital Market Board.

Our success in these efforts has demonstrated itself with a significant effect in the survey conducted to our customers. Our customers have defined the most significant factors for cooperation with Çimsa as its organizational structure and business ethics approach.

Our Compliance Report with Corporate Governance Principles is available on Page 43 of the Annual Report 2013 and/or on <http://www.cimsa.com.tr/tr/kurumsal-yonetim/i-135>.

b. Business Ethics

Çimsa is a company that shapes its business practices through its business ethics and is bound to these principles with all its employees.

Regulations related to business ethics have been prepared under Sabancı Ethic (Sa-Etik) rules and constitute the base for our business principles. Business ethic rules Çimsa employees must comply; take place in part III of Human Resources Directive; under the honesty, confidentiality, conflicts of interest and responsibility main topics and are announced to all the employees through the intranet. All the white collar workers go through an informative training within the first month they are employed on the rules of corporate ethics. All the white collar workers take the SA-Etik training every year and also read the SA-Etik commitment document and sign it. This process is managed by the Corporate Development and Human Resources function. Sabancı Holding Ethic rules can be reached through the www.sabanci.com.tr

The Audit Committee

Çimsa displays maximum sensitivity on the compliance with laws and regulations, thus preventing any sort of corruption or non-competition behavior; Çimsa manages and monitors all related issues at the top management level. Çimsa's audit system covers all the departments (including international terminals) except the production units in the cement plants. In addition, audits on administrative and commercial matters on ready-mixed concrete operations are done regularly. These functions are audited once every two years by the Audit Department reporting to Audit Committee appointed by Çimsa Board of Directors as stipulated in the company's Internal Audit Regulations as a whole. The Internal Audit department executes several tasks and responsibilities under direct authorization by the Board of Directors.

Main responsibilities are protecting Çimsa's corporate rights, risk management, internal audits and to improving the efficiency of the company's corporate management:

- By controlling implementation of the company regulations, procedures, circulars and unit specific instructions and making proposals on matters that need to be improved,
- Monitoring execution of activities and transactions of all the units according to legal legislations, regulations, procedures, circulars and instructions,
- Keeping the Audit Committee continuously informed of auditing activities and sufficiency of internal control systems; implementing all requests and proposals, providing consultancy and support services by conducting advisory studies for the Board of Directors and to the senior management for objectives that will create added value such as increasing of stock values, improvement of corporate processes and activities, increasing of service quality and customer satisfaction.

V. Our Sustainability Strategy

a. Cement Sector And Sustainability

Cement sector contains three different business lines such as mining, raw material production for building materials and ready mixed concrete products due to the nature of its business processes.

The sector, which uses intensive work force, natural raw materials and materials, and the sector in where energy input constitutes one third of the manufacturing costs, also contains important risks in terms of sustainability because of the importance given to organizational management, ethics, transparency and its effect on stakeholders and the society. Despite such risks, the sector provides solutions to infrastructures which will accommodate the world population, which accommodate increasing world population and contribute significantly to local economy. Therefore the sector takes actions in order to adopt nature and society friendly business models. Sustainability implementations in cement sector bring important opportunities together for development of the sector.

b. Çimsa And Sustainability

The main objective of Çimsa is to take firm steps forward towards a sustainable future. To relate sustainability ambitions with corporate responsibilities and to include related performance indicators to tracking systems are integral parts of the sustainability management systems. As an important player of the sector, Çimsa integrates sustainability management to all functions of the company.

Taking the value chain of the company into consideration, the company has been attentive to perform continuous improvement activities and

studies towards the social and environmental impacts emerging or to be emerged from the current and future activities.

Human factor takes part at the highest priority of Çimsa's sustainability activities. Considering the fact that humans should be on the foundation of corporate success and with the awareness of the performance of the entire activities by the humans and for the humans, the employees have priority in the corporate sustainability studies and activities. While considering that the stakeholders constitute the most significant subjects in the business processes and value chain of Çimsa, dialogue with the stakeholders through the most efficient mechanisms is embraced by Çimsa as its corporate communication strategy.

Through the sustainability approach, a balance is sought between economical, environmental and social impact. This understanding is reflected on the organizational structure, business processes, and products and services of the company.

Besides the direct value added for the national economy, indirect contribution is made in the foreign-dependent Turkish economy in terms of energy resources realized through activities such as energy efficiency policy and energy generation from wastes.



V. Our Sustainability Strategy

Sustainability Subjects In Our Value Chain

Raw Material	Production	Sales	Customers
Occupational Health and Safety	Occupational Health and Safety	Occupational Health and Safety	Innovation
Dust Emissions	Dust Emissions	Dust Emissions	Dialogue with Customers and End-users
Biodiversity / Mining Quarries	Green House and Other Gas Emissions	Dialogue with the Local Community	Supply Chain Management
Noise, Quakes and Vibration	Alternative Fuel and Raw Material Usage	Supply Chain Management	
Dialogue with the Local Community	Energy Efficiency		
Supply Chain Management	Usage of Natural Resources		
	Usage of Water/Waste Water		
	Dialogue with the Local Community		

c. Materiality Matrix For Sustainability Issues

Çimsa studies its sustainability issues under the responsibility of the Sustainability Committee meetings regularly during the year. In the Sustainability Committee, the studies were reviewed in two stages in 2013.

- 1) *The management group including of Vice General Managers and Managers*
- 2) *Operational Members*

As of 2013, sustainability function has been created and a Vice General Manager has been appointed as being responsible from Sustainability Management. Thus, the Committee leadership besides General Manager began to be managed directly by the responsible Vice General Manager. Çimsa has become the first company, which officially carries the sustainability management to the responsibilities of the top management level in the sector.

V. Our Sustainability Strategy



c. Materiality Matrix For Sustainability Issues

A part of the subjects on which we focused in the previous years has now been integrated with our operation. Based on the Sabancı Holding culture, the corporate management and ethic principles, which constitute the foundation of our business principles, are not new for us at the moment. However in order to remind once more that these phenomenon should constitute the foundation of our studies related with sustainability, we have included them into our agenda. The report that you are reading at the moment is prepared in the light of ethical business, transparency, accountability principles and benefits of the stakeholders. Our operations that we have conducted until now and we will conduct in the future is based on these principles.

Çimsa carries and will carry the awareness and responsibility of the requirement of creating a value to the stakeholders as well as to the employees and to the economy as a publicly held corporation. Our notes for creating awareness for sustainability among our shareholders and the public opinion are included in our Annual Report. (Annual Report 2013 Page 36) Although with the fact that profitability is important for us, the requirements of a sustainable profitability have become more important. This requirement is based on the sharing of the created economy with the stakeholders.

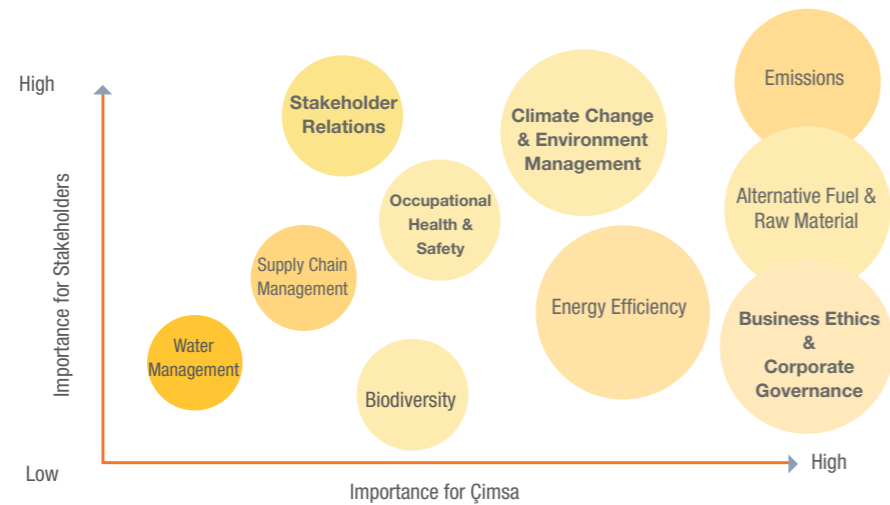
In the previous years, objectives such as integration of the employees for the sustainability approach included in the plans and enlargement of the dialogue environment with the stakeholders has become the most important issue among our agenda in 2013. Stakeholder relations will increasingly continue in 2014 as a factor for integration of our sustainability approach to achieve our ambitions.

In 2013, our sustainability issues focus on 4 main subjects.

- Climate Change and Environment**
 - Reduction of emissions (CO₂ release, reduction of dust and gas emissions)
 - Increase of usage of alternative fuel and raw material
 - Energy efficiency
- Occupational Health and Safety**
- Dialogue with our stakeholders**
 - Economic value created for stakeholders
- Business Ethics and Corporate Governance**

V. Our Sustainability Strategy

Materiality Matrix 2013



The subjects included in the materiality matrix show the areas where our company has the highest level of economic, environmental and social impacts. They are priority subjects for our stakeholders and our company. The related subjects are also important for CSI, UN Global Compact and some finance organizations.

Our report shares our primary sustainability subjects and limits thereof, positive and negative impacts of our activities and the amelioration studies conducted for decreasing the negative impacts using clear and transparent information. Since Çimsa is an organization reporting in A+ level in 2012, our report prepared for 2013 contains more criteria than the primary sustainability issues, which are required G4 GRI.

Based on the developments in global sustainability studies, Çimsa has initiated the preliminary preparations and operations for sustainability implementations in supply chain recently. Different from the previous years, in this report we provide our stakeholders with the limited information regarding our supplier companies for the first time.

In order to carry out the sustainability issues of strategic importance; Çimsa obtained opinions from multiple stakeholder platforms such as Employees,

Community, Suppliers, Public Institutions, Local People, NGOs (Non-Governmental Organizations), Professional Organizations, Financial Institutions, stakeholders, academic organizations, industry institutions etc. and improves the subject to be focused on via evaluation of the top management. Çimsa realized the first stakeholder meeting of the sector in 2013 and reflected the outcomes of the meeting on the “materiality matrix of the sustainability issues”

d. Sustainability Management

Çimsa Sustainability Committee was founded in 2011 under the leadership of the General Manager. The Committee is comprised of production, finance, human resources, sustainability, strategy and communication functions.

The aim of the Committee is to associate the sustainability issues with the feedbacks received from the stakeholders in order to create organizational goals, to determine the subjects and prioritization orders in “materiality matrix of the sustainability issues”, thus incorporating it into the follow-up systems via related performance indicators and integrating it with the sustainability management system.

V. Our Sustainability Strategy

Çimsa Sustainability Issues and Borders

G4 Category	Sustainability Issue for Çimsa	GRI G4 Sustainability Issue	Internal	External	Relation with External Stakeholders
Environment	Reduction of CO ₂ , Dust and Gas Emissions	Emissions	X	X	Restricting the release of CO ₂ and other gases into the atmosphere will decrease environmental pollution and also will contribute to the climate change studies and emission is related with many stakeholders of Çimsa. The value attached to the sustainability of the environment, human life and the planet and keeping the dust and gas emissions under the limit values of the legislation helps us to be a respectful company which values sustainability and to meet the expectations of the investors.
Environment	Energy Efficiency	Energy	X	X	Energy efficiency is one of the methods for tackling with climate change. As Turkey depends on the other countries in energy resources, if we use the energy efficiently we can represent the positive change also in terms of country economy as a sector. As a representative of the sector where primary energy resources are used intensively, we aim to make positive contribution to the climate change efforts.
Environment	Increasing use of Alternative Fuels and Raw Material	Raw material	X	X	Usage of alternative fuels and raw materials contributes to decrease the activities resulting from mining and from primary fossil fuel consumption. As a result of usage of the hazardous and non hazardous waste as an alternative fuels will prevent environmental pollution and also will be a solution of industrial waste problem. Furthermore operations for being a solution partner for combusting the domestic RDF and domestic treatment sludge to be produced from the solid wastes obtained from Metropolis Municipalities in the cement rotary kilns are in process. All these operations will create a positive impact on the environment and human health and will create positive results for the planet and the society.
Workforce Practices and Proper Work	Occupational Health and Safety	Occupational Health and Safety	X		
Society	Stakeholder Relations	Local Groups	X	X	Continuous, mutual and good relations with all our internal and external stakeholders are important for continuity of our operations in a healthy manner.
Society	Business Ethics and Corporate Management	Anti-corruption, public policy, anti-competition action, harmonization	X	X	Continuity of our operations in every meaning is a subject of sustainability in terms of Sabancı Holding business ethics and corporate governance rules. It is our fundamental principle for implementation of the sustainability and is related with many of our stakeholders because of its effect on the business relations.
Economic	Economic Value Created for Stakeholders	Financial Performance, Market Position, Indirect Economic Impact	X	X	Çimsa provides many positive outputs via financial value created for its stakeholders. Suppliers, state, investors and shareholders, employees, financial institutions and the public are the primary stakeholders who receive financial value.



Our Economic Performance

Çimsa has a management approach blending the financial and operational success through environmental and social awareness.

VI. Our Economic Performance

a. Management Approach

Economic performance means more than profitability for Çimsa

Considering the value chain, Çimsa always understands and develops the social, economic and environmental effects of its past, present and future operations. Çimsa is aware of the fact that integrating the sustainability understanding with the company strategy and studies in all functions increases the financial, competitive and innovative power and helps to achieve its ambitions.

This approach which addresses the requirement of sharing the value created by the companies with the society, aims to cooperate with stakeholders. Therefore, recently Çimsa has adopted the participative stakeholder policy.

Despite the fact that the sector is mainly focused on the economic objectives until the near future, recent changes and expectations in the world have shifted the focus to the efficiency of the used sources. This change is reflected individually on the management strategies of the sector and the companies and is developing. Beginning from the strategies in management level, Çimsa pioneers change and development and determines the company strategies and the investment fields with a more integral point of view.

Capacity, productivity, employment, created value for the society, the value of the company and the stakeholder expectations are the parts of the financial objectives.

The cement consumption in the world has reached to the level of 4 billion tonnes together with the increase in demands especially in the developing countries in 2013.

The construction sector in Turkey has preserved its position in 2012 as compared to the previous year but in 2013 a growth rate higher than the economic growth recorded by Turkey and it recorded 7% of

growth in 2013 as compared to the previous year. Turkey is the leader in Europe in cement production and ranked 5th after China, India, USA and Iran in the world.

Cement production in Turkey was realized in the level of 76 million tones in 2013 and the cement consumption was realized in the level of 63.5 million tonnes*. The surplus of capacity more than internal capacity has been exported. However the civil war particularly in Syria in 2013 and the social and politic conflicts in Middle East and North Africa Region caused decrease in cement and clinker exportation of Turkey. The total cement and clinker exportation in 2013 was realized as approximately 12.5 million tonnes with a decrease in the level of 10% as compared to 2012.

The market developments, which are directly related with sales and activities, constitute importance for short term and long-term decisions of Çimsa.

Urbanisation is an increasing trend in the world as well as our country. Today, half of the global population lives in big cities. Due to the increase in world population and urbanization rate, it is assumed that the population in the urban areas will increase significantly by 2050. This situation will lead to an increase in the building materials for livable cities.

*Turkish Cement Manufacturers' Association (TCMA)



VI. Our Economic Performance

The expectations regarding future in the long term refer to an important financial gain opportunity for Çimsa and its stakeholders. The investments to be made in order to meet the capacity of the future will enable new employment areas and will contribute to the financial improvement of the employees. As the serious increase of resources starts to become an issue it brings important sustainability challenging issues.

Çimsa is aware of the fact that there will not be a sustainable economic development without preserving the natural resources where the resources begin to extinct more and to become expensive day by day. Especially if we think that energy costs constitute one third of the cement production cost, decreasing the costs and productivity have become fundamental elements. In order to use the resources efficiently, to decrease energy costs and to decrease the rate of carbon dioxide released to the atmosphere; use of waste fuels, use of alternative materials, prevention of waste water discharges and soil pollution and preservation of the biodiversity are among the important issues focused on in the world and in Turkey. However especially the subject related with pollution of the environment and resource productivity has an importance for all the stakeholders and the society.

In cement sector, it is essential that the companies have the awareness of their social and environmental responsibilities. Çimsa, as a player in the international markets adopts the policy for following the operations of the global actors. The operations based on sustainability, which has significant effects on the value and the reputation of the company, and therefore on the profitability are also the factors for creating value to our stakeholders as a public company. In this meaning, Çimsa is aware of its responsibilities and operates in a pioneer approach and acts as a leading organization in the sector in Turkey.

Management of Çimsa also aims to play an effective role on the subject of dissemination of the sustainable development. By inclusion of the sustainability understanding into management strategies and by leadership of our General Manager for the internal implementations, the implementation is under the responsibility of every manager and therefore every employee in the company. Çimsa has become a member of Cement Sustainability Initiative (CSI) acting under the structure of World Business Council for Sustainable Development (WBCSD) in 2013 in order to perform active operations in management level.

For Çimsa, every commitment made in the issues of sustainability directly supports the operations and company performance. Sustainability objectives and gains of Çimsa are explained separately with this report.



VI. Our Economic Performance

b. Risk Management



We follow-up the risks of the company by making evaluations in a wide range from operations risks to environmental effects, from competition to financial risks, from work consistency to crisis management by means of risk evaluation methods created in line with the aims and vision of Çimsa. By means of the risk evaluation studies, which are repeated periodically every year, we keep the risk levels updated and enable the risk map to remain alive.

We define our organizational risk management as “a systematic process, which is created in order to define potential events to affect the company, to manage the company in accordance with organizational risk profile and to provide a reasonable assurance in accordance with the organizational risk taking profile of the company; and which is effected by the administration board, top management and all other employees of the company and used for defining the strategies and for implementing in the entire organization.” We pay attention for defining all sorts of situations and events, which will prevent our company from achieving its operational, strategic and financial goals without letting them result in danger and to take action in order to decrease the impact of the possible damages.

Just like every year, in 2013, the developments experienced in the sector and in the geographical regions reached by Çimsa are closely followed and the risk level of our company has been updated in the direction of the obtained information. The effects of the climate changes on the company and on the financial results are handled in accordance with this and the required precautions are taken.

As Çimsa we are aware that our risks are not merely based on investment and business operation and the areas based on sustainability can be more important today. Therefore in risk management adaptation of occupational health and safety, water, energy costs, emissions, supply chain have begun to be particularly underlined and studies are widened for the required precautions. The subjects of sustainability have begun to be the subjects in our risk management.

VI. Our Economic Performance

c. Sustainability Investments

In 2013, Çimsa has made sustainability and environmental investments in the level of 13.5 million dollars and has continued to grow by integrating sustainability principles into its business model. Besides maintaining profitability while growing, we always give priority to the sustainability, environment and occupational health safety. Therefore we continue to be a pioneer in the sector and setting an example.

In 2013, Çimsa has made an investment of 37 million dollars in total and 13.5 million dollars of such capital expenditures were realized for our environment and sustainability objectives. These investments are the indicators of our sensitivity to environmental and social sustainability.

The major environment and sustainability investments classified as the installation of energy transportation line and systems; waste burning systems; obtaining energy from waste heat, road constructions and dust removal. The details of aforesaid investments may be summarized as follows:

An expenditure of 6.9 million dollars was spent in 2013 for the new energy transmission line and switch system, which began to be founded in 2012 in Eskişehir Plant. With new system it is aimed to prevent electric fluctuations and failures by preventing losses based on shutdowns and to decrease energy consumption costs.

By means of the Waste Burning and Feeding System for which 2 million dollars was invested in 2013, the waste burning amount is increased and the fuel costs are decreased and the fossil fuel usage was decreased by increasing the alternative fuel rate; therefore contribution is made on protection of the environment

For the Hot Disc Automatic waste feeding system project which was completed in 2011, 0.3 millions dollars of additional investment was made within the scope of modification in 2013. In this way, removal of the shutdown based on hot-disc and decrease of fossil fuel use by increasing the alternative waste fuel rate is enabled.

In the entry building and roads of the Eskişehir Plant, a total of 0.7 million dollars of investment has been made for dedusting in conveyance lines and wagon filling areas. Besides, through an expenditure of 0.1 million dollars in the plant, a surrounding wall and leak proof flooring have been built on the coal storage area in order to protect the environment.

0.5 million dollars was spent in 2013 for the investment regarding dedusting of the clinker transmission lines for which a total of 1 million dollars of expenditure has been spent since 2012 in Kayseri Plant. After completion of the project in 2014, dispersion of the dust arising because of the puzzolan being dried in clinker cooler to the environment will be prevented. Puzzolan drying system includes dispatch of dried puzzolan to the silo or mills via 2 bag filters, 2 elevators, 1 tracked band, 1000 tons of concrete silo and 1 rubber conveyor band.

By means of the project of obtaining energy from waste heat, construction of which began in 2013 and was completed in 2014 in Mersin Plant, after a change in design, electric generation is provided also during production of white clinker from waste gas. By means of an investment of 0.4 million dollars, the temperature of the gas sent to electro filter was decreased 150-200 C and approximately 500 KW electric is obtained during manufacturing.

In 2013 our investments intended for dedusting has continued through investments such as closed stock hole, dust curtain construction, landscaping, road construction continued in 2013 in our cement and ready mixed concrete plants.

VI. Our Economic Performance

d. The Economic Value Created And Distributed

Since the cement sector mostly addresses to the domestic market and particularly to the surrounding markets, dynamism of the local economy is significant for us.

Working with the local suppliers and contributing to the growth of the regional economy are our priorities.

In order to be a permanent and sustainable cement company, it is important for us to be a part of the economic development in the market that we are in and to be a solution partner of the rapidly growing and developing cities which contributes to the infrastructure and meets the arising requirements in time and in the best way.

Our contribution to the economy is realized by our payments to the firms of different sectors, which provide goods and services, as well as our payments to the stakeholders, investors and financial organizations and salary payments to our employees. Besides this direct economic contribution, we make indirect contributions to the Turkish economy, which is dependent on other countries for energy resources, by means of our activities such as energy efficiency policy and generation of energy out of waste and the part as much as the productivity is returned to the country economy as revenue.

Another contribution provided by Çimsa to the economy of the country is removal of the additional cost requirement in respect of elimination of the wastes to be disposed.

Çimsa always finding a place for itself in the top ranking of the companies, which pay the highest taxes and was ranked the 54th for Corporation Tax via a tax payment of 44.3 million TL in 2013.

In 2013 we achieved a growth not only by manufacturing but also by sharing our production. We contributed to the construction of public buildings such as municipality buildings, police stations, prisons, kindergartens in Mersin, Niğde, Sakarya and Eskişehir and environmental planning thereof via our cement and ready mixed concrete. In our social responsibility project in the scope of the amelioration realized in the village schools every year in Niğde especially since the last 4 years we have contributed to a village kindergarten in 2013 from its roof to its kitchen, from its toilet to its doors and windows and from outer facade colouring to stationary and shoe procurement for the children.

Our contributions to our suppliers

Çimsa aims to pursue its contribution to the Turkish economy by supporting local businesses Çimsa provides most of its purchases from local suppliers except some investment items and kraft paper for paper bag production, petroleum coke and coal in which domestic supplies are limited.

Çimsa has operations in many regions of Turkey, for this reason the definition of "local" means almost entire country.

Çimsa pays great attention to improve its suppliers development and business conduct. For doing this, we began to work with local suppliers for our plants and ready mixed concrete plants (cleaning, safety, technical and other support services) which has more corporate structure. In doing that Çimsa maintained subcontractors' employees will have full legal rights and benefits.

VI. Our Economic Performance

In order to increase local supply opportunities and to enable a more transparent and effective procurement, e-commerce platforms are developed with our solution partners. By doing this all suppliers can join to the system which is more transparent and has fast feedback.

With Category Management organization, supplier market will be managed closely and using effective demand management tools Çimsa has maintained significant resource savings Also in all categories using Kraljic matrix analyzing methods, sub-expendi

ture groups came into focus and evaluated according to strategic importance, complexity and risks. All Purchasing policies put in charge regarding risks reduction, and opportunities.

Çimsa accepted as a partner by local suppliers due to its business culture and high business ethic standards. Çimsa contributes to local businesses with its long term and well established commercial relations. Therefore, our local suppliers can make efficient or effective decisions and manage their business to have business results.

Economy Value Distributed to the Stakeholders (2013)	Million TL	(%)
Suppliers	571,48	65,52%
Government	101,93	11,69%
Investors and Shareholders	98,07	11,24%
Financial Institutions	25,07	2,87%
Employees	65,41	7,50%
Public	10,27	1,18%
Total	872,2	100,0%



Stakeholders Meeting - September 2013 - Ankara

VI. Our Economic Performance

Çimsa has created job opportunities in its hinterland which is reaching 580 employees under sub-contractors payroll. This number increased 8 points among the total employees as compared to 2012 and added economic contributions to the operational regions and in general to the country.

Çimsa locations	Number of employees working in Çimsa and registered in the population registry of the same city	Total number of employees	Ratio (%)
Ankara	14	27	51,85
Eskişehir	127	183	69,40
İstanbul	5	42	11,90
Kayseri	78	107	72,90
Mersin	268	370	72,43
Niğde	88	107	82,24
Toplam	580	836	69,38

Support from State Incentives

Çimsa as one of the value creating cement companies of Turkey demonstrates its contribution aligned to the economy of the country also by means of the exports although not being covered by the report. The amount of the tax discounts benefited within the scope of the current export initiatives have been realized as 0.9 million TL within 2013. Furthermore we have also benefited from the export loans from Turkish Eximbank with appropriate terms,

which are included in the advantages provided to the firms engaged in exportation activities. The details regarding the loans are disclosed to the public together with the financial results of the company.

All the activities in 2013 such as quality certification application filed for incentives by preparing a related project and all our foreign publicity and individual fair participations were finalized with positive outcomes and we reimbursed 79.220 TL of our expenditures.





Environmental Sustainability

Çimsa is a corporation with the awareness of the sustainability agenda of cement sector.

VII. Environmental Sustainability

a. Climate Change And Environment



Çimsa is aware of the sustainability agenda of the sector. In this subject the internal studies began in 2007 and every year since 2010 the environmental performance has been improving. The investments under the scope of these studies and details thereof (See: Economic Performance, Environmental investments) are presented to the public every year in accordance with the transparency and business ethic rules. The environmental studies of the sector are collected under different areas which interacts with the economic and social impacts. In short, an environmental impact can cause emergence of positive or negative results on the subjects with social contents as much as it is on the economic revenues of the companies.

Çimsa handles all the possible areas one by one and since the environmental subjects require intensive operation and investment, they are included in

the prioritized subjects. In this section of the report, the sustainability issues selected by considering the comments and suggestions received from our stakeholders within the "Materiality Matrix" are included. While we decrease our negative impact on the environment to minimum, the areas that we can create maximum benefit have become our priority subjects.

In this context, the main subjects are as follows and since all our environmental studies support tackling the climate change, they are included under this topic. (See: Materiality Matrix of Sustainability Issues)

VII. Environmental Sustainability

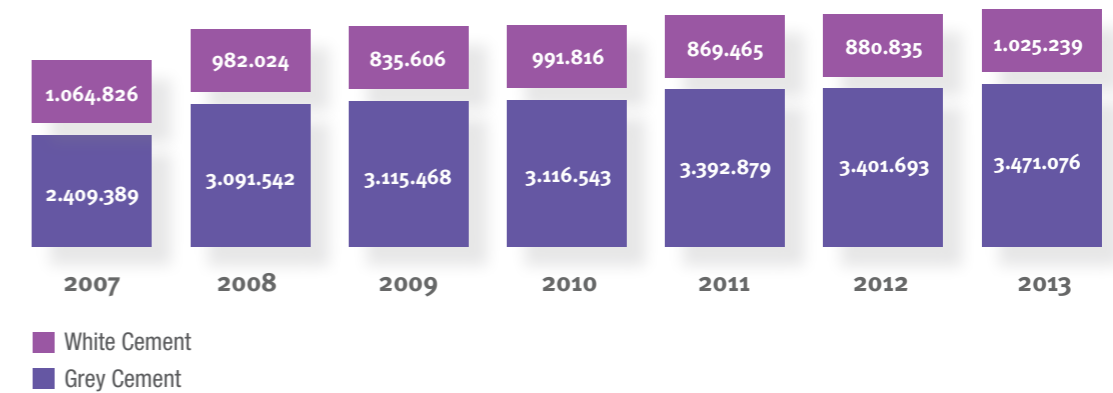
Because of the intensive energy used during the manufacturing process of cement, cement sector is a carbon intensive sector. The expectation of decreasing carbon dioxide amount as the fundamental subject of the operations for combating with global climate change, brings a serious responsibility to the sector. The main target of the climate negotiations with the aim of reaching an agreement globally in 2015 will be comprised of decrease of carbon. Therefore, the industry is engaged in serious studies on subjects such as emissions, alternative fuel and the usage of sustainable resources within the framework of energy efficiency, which has become particularly important. As Çimsa, we also put into practice step by step operations to be conducted in the field of fight with the climate. In order to accelerate the adaptation of the Turkish Cement Sector into emission and carbon subjects, we conduct work groups in Turkish Cement Manufacturers' Association (TCMA).

As Çimsa, we have focused on the subject of usage of alternative fuels, increasing alternative raw materials and reinforcements, providing thermal and electric energy efficiency, which contributes significantly in decrease of carbon dioxide released by the sector and also enables sustainable resources use.

By means of the importance given to the preservation of the climate in Çimsa, we voluntarily calculate and monitor the carbon dioxide emissions resulting from cement manufacturing activities in our plants in accordance with the methodology developed by Cement Sustainability Initiative (CSI).

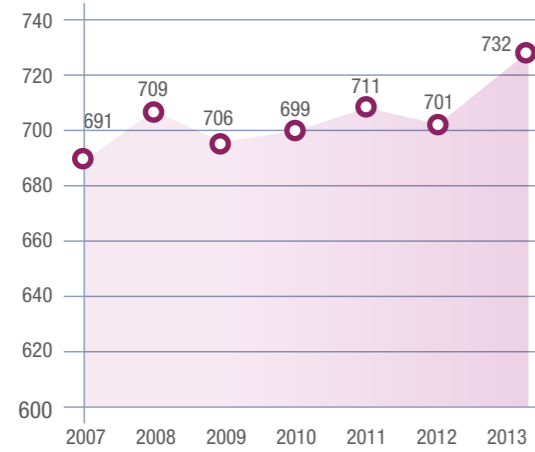
In cement sector, the indirect decrease in the greenhouse gas emissions by using alternative fuel instead of primary (fossil) fuels can be evaluated within the scope of the obtained emission rights in a certain level. National carbon dioxide emission legislation studies are still conducted in Turkey. Until these studies are finalized, the indirect carbon saving credit to be inferred from alternative fuel use is not included in the scope of the obtained emission right. Therefore (specific) net and gross carbon dioxide emission values per tone of clinker and cementitious product are identical.

Total Direct Gross CO₂ Emissions (ton CO₂ /year)



Total Direct Gross CO₂ Emissions from Calcium Aluminotes Cement Production is 17.026 ton CO₂ /year

VII. Environmental Sustainability



* Amounts are valid for grey cement.

Our clinker production, which was increased in 2013 as compared to 2012, resulted in an increase in our total direct gross carbon dioxide emissions.

The most significant lever effecting decrease of the Specific CO₂ Emissions is increasing the additives usage (per tone of cementitious product). Customer demands play an important role in sales of additive cement sales. Increase of the market demands in this direction will also increase additive cement productions and create decrease in carbon dioxide emissions per specific cementitious product.

The second lever affecting the decrease of Specific CO₂ Emission is to increase the usage of alternative fuels. Since problems have been experienced in terms of alternative fuel supply and continuity in locations of Turkey especially outside the Marmara Region, we had to use less alternative fuel in 2013. In regions where our cement plants are located, burning the domestic alternative fuel and domestic treatment sludge to be produced from the solid wastes obtained from Metropolis Municipalities in the cement kilns will provide increase and sustainability of our alternative fuel amounts.

I) Alternative Fuel and Raw Material

Since cement sector is a sector in where the energy and raw material utilization is intensive, using natural resources in the most productive way is very important in terms of using sustainable resources.

Therefore Çimsa always gives importance to substitution of the non-renewable fossil fuels and natural raw materials with alternatives. In this way while preserving the natural resources, we find a solution for disposal of the wastes, which result in pollution of the environment and a social problem accordingly.

In order to include alternative fuels and raw materials safely into the system and to maintain process productivity, the waste preliminary operations and waste feeding investments are accelerated and every year we increase the rate of alternative fuel use. In these studies we give importance to the requirements of the stakeholders and conduct studies for increasing dialogue with them. With the awareness of the responsibility for the environment and the community, at first we search solutions for disposal of the industrial and municipality solid wastes of the regions where our plants are located.

In our Eskişehir cement plant, in 2013, we burned 25% alternative fuel in the 2nd rotary kiln, we decreased use of primary fuels and gave importance to sustainable source management, as a production of solution against industrial waste problem, which is currently a social problem.

VII. Environmental Sustainability

We have established Waste Management System in order to monitor compliance with the legislations related with the emissions from the rotary kilns that can be produced as a result of use of alternative fuel and alternative raw material, to provide efficiency of manufacturing process and to provide clinker quality and occupational health and safety standards. Waste management system is updated in certain periods and the performance of the system is reviewed by monitoring by means of Technical Committee monthly meetings held with the participation of all cement plant managers.

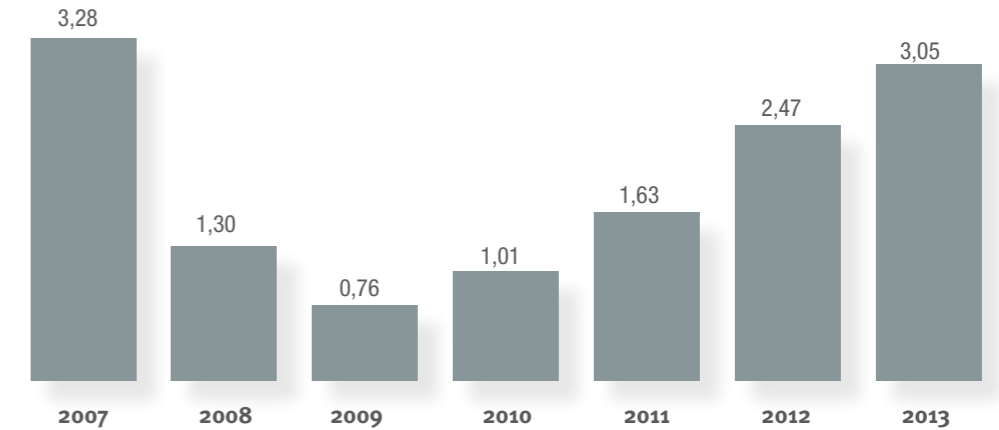
Within the framework of waste management system, we update the waste receiving criteria by means of waste acceptance procedure created in order to use the alternative fuels and alternative raw materials

efficiently and safely. Therefore the physical and chemical analysis results of the samples obtained from the wastes received from each waste producer are compared with Çimsa admittance criteria and the proper ones are accepted to our licenced cement plants.

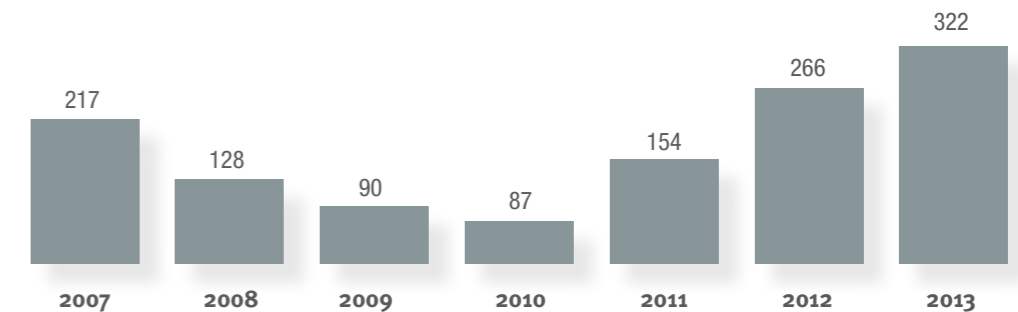
We aim to increase our alternative additives amount by using cementitious products in our ready mixed concrete plants.

Our alternative raw material usage rates for Çimsa cement operations are calculated in accordance with the methodology of Cement Sustainability Initiative (CSI).

Alternative Raw Material Usage Rate in Grey Cement Production (%)

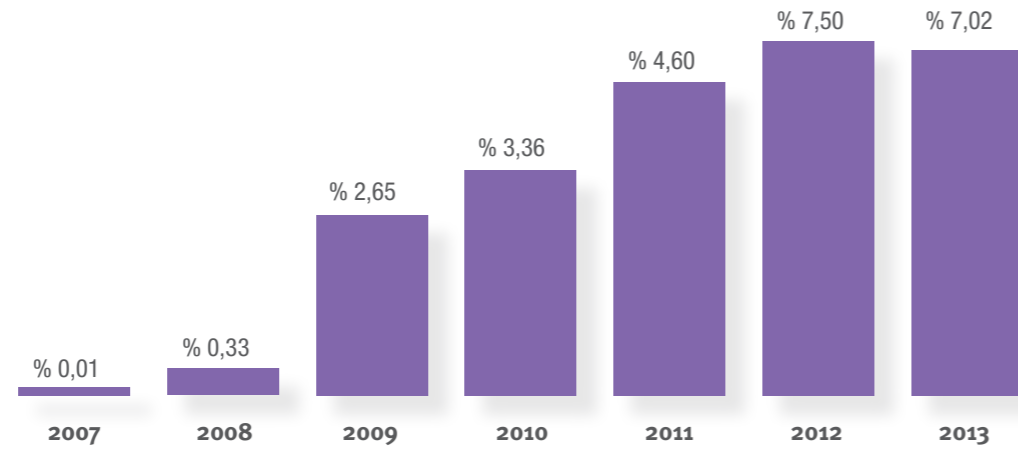


Total Amount Usage of Alternative Raw Materials (Ktons)

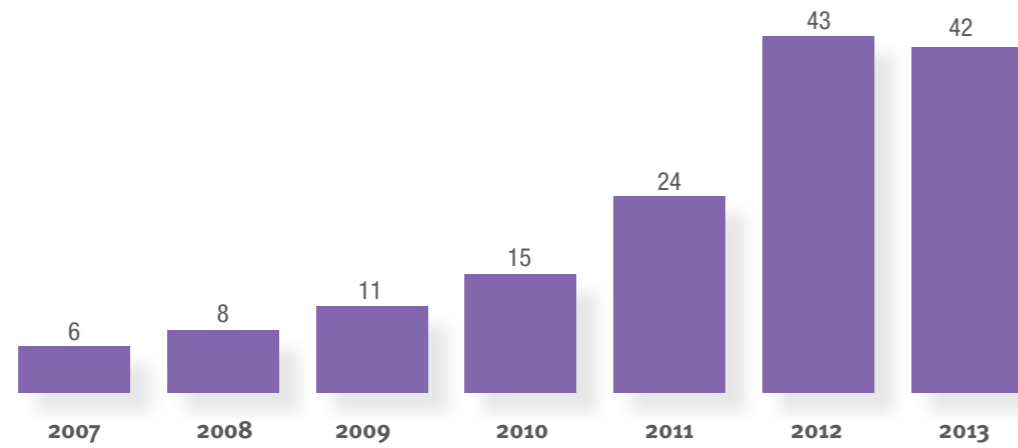


VII. Environmental Sustainability

Rate of Usage of Alternative Fuel (%)



Total Amount of Usage of Alternative Fuel (Ktons)



VII. Environmental Sustainability

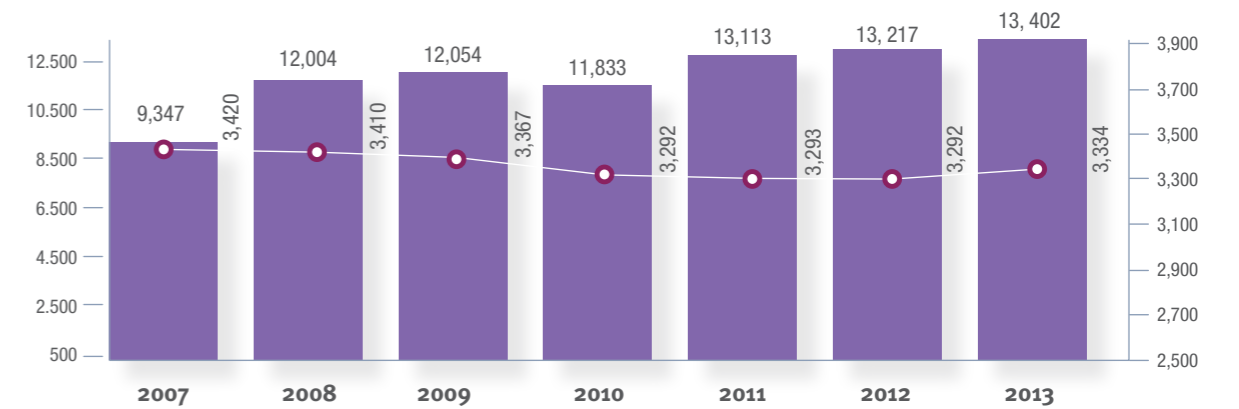
II) Energy Efficiency

Intensive energy is used during the manufacturing phase of the cement. The global warming resulted in the usage of energy sources and increase of the costs have led us to use less energy based on fossil fuels and to use more alternative energy sources instead. Another way of tackling with climate change is energy efficiency. Therefore it has become very important in cement production to decrease energy consumption by using equipment which is more efficient and consumes less energy, optimization operations for crushing, burning and grinding processes and energy recovery investments.

Çimsa aims to minimize carbon dioxide emissions based on use of energy through its less energy consuming modern manufacturing processes. By means of the Waste Heat Recovery Project established in Mersin 1st and 2nd production plants of Çimsa, it is aimed to produce 50% of the electricity consumed in these two lines and to decrease energy consumption accordingly.

In 2013 by using alternative fuels, 93% of the thermal energy (calorific basis) consumed during manufacturing of Çimsa's grey cement is recycled from primary fuels. The major sources are coal, petroleum coke, natural gas, lignite and fuel oil as primary (fossil) fuels.

Çimsa Cement Plants Total Thermal Energy Consumption

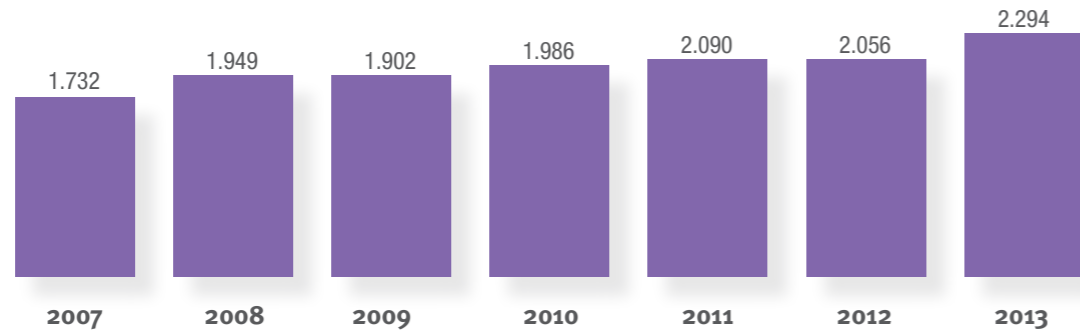


Total Energy Usage (Tj)

- Total Thermal Energy
- Specific Thermal Energy

VII. Environmental Sustainability

Çimsa Cement Plants and Grinding Plant Total Electrical Energy Consumption (Tj)



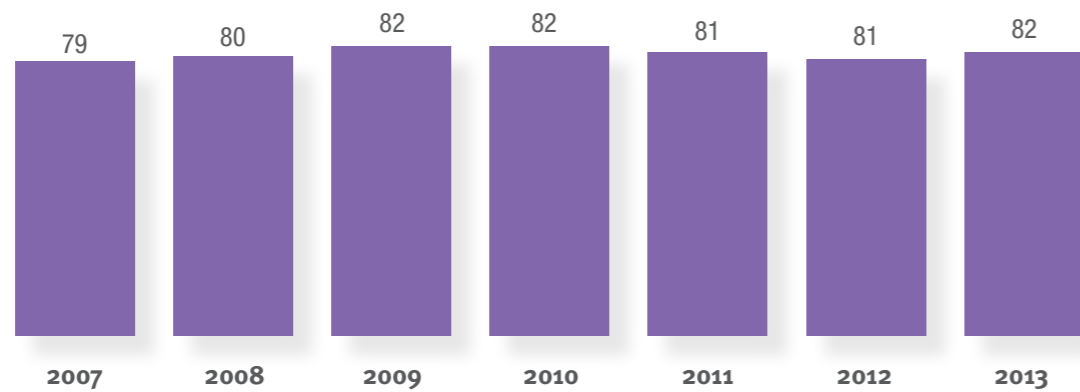
Cement Factories and Grinding Stations (Tj)

*: (1 cal = 4.18 Joules)

We are aiming to perform a reduction in the energy consumption to be consumed for the cement manufacturing by decreasing the utilization of clinker by substituting the alternative raw materials which

require high energy for manufacturing such as clinker, fly ash, slag with the cementitious materials. Our clinker/ cement ratio on yearly basis is presented on the table below.

Clinker / Cement Ratio (%)



*White cement is not included.

VII. Environmental Sustainability

III) Emissions

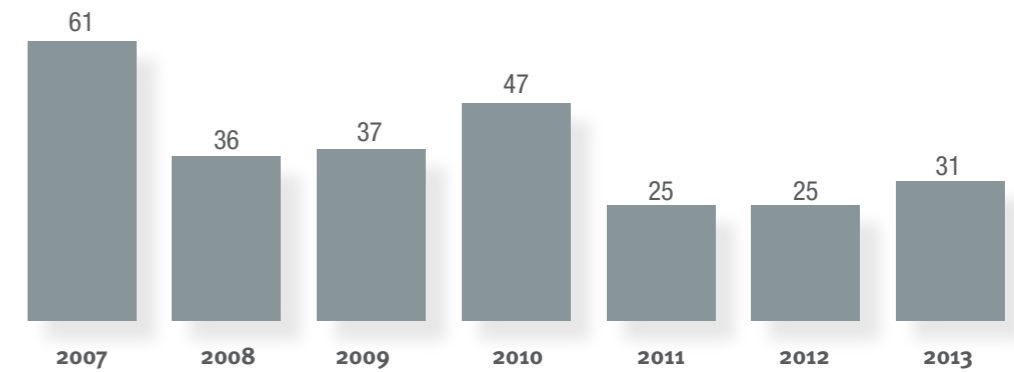
Dust and gas emissions of Çimsa are measured periodically in accordance with the applicable laws and regulations by a company accredited by the Ministry of Environment and Urbanization and the results of such measurements are reported accordingly.

We monitor the dust and gas emission both as specific (g/ton clinker) and as total mass value (t/year).

Dust Emissions

Our objective for 2013 was to enable our dust emission concentrations to remain under the threshold values of regulation. Just like in the previous years, this year we remained under the regulation limit values and our objectives are attained by means of the dust emission concentrations of 14 mg/Nm3 as the average of all Çimsa cement plants.

Çimsa Cement Plants Specific Dust Emissions (g dust/ton clinker)



In our ready mixed concrete manufacturing plants, dust emissions are measured and monitored periodically in accordance with the Regulation for Controlling Industrial Air Pollution by the firm accredited by the Ministry of Environment and Urbanization. We monitor the measurement results obtained from these emission reports. In 2013 the dust emission average of our ready mixed concrete plants is 1.3 mg/Nm3. The dust emission measurement results obtained from our entire ready mixed concrete plants are below the limit value determined by the Regulation for Controlling Industrial Air Pollution.

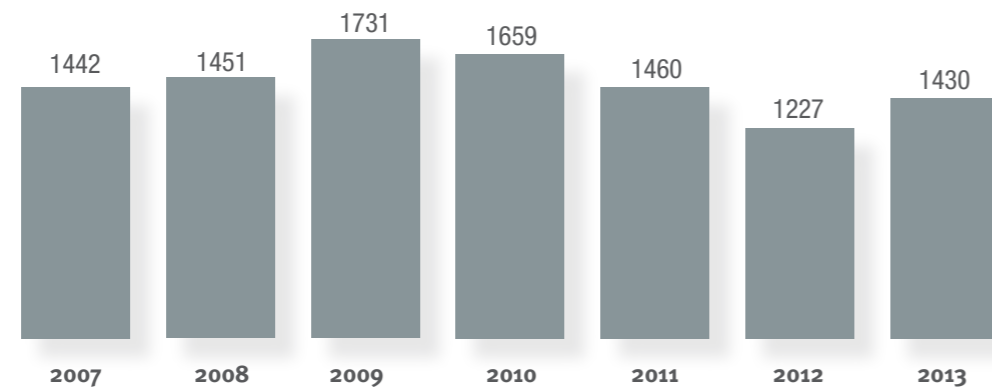
VII. Environmental Sustainability

NOx Emissions

In 2013 NOx emission in rotary kiln chimneys of the cement group was realized as 1430 gram/tons clinker. NOx emissions for the average of cement plants in 2013 is also below 1300 mg/Nm³ as

the limit value of the regulation and this year our average NOx emission is measured as 732 mg/Nm³ which means that our NOx objective is accomplished.

Total NOx Emissions (g NOx / t clinker)



Other Emissions

In accordance with the regulations regarding the chimneys of rotary kilns of the cement plants, the Volatile Organic Compounds are measured once in every three months, HCl, HF and Heavy Metals are measured per six months and Dioxin/Furanes are measured on an annual basis and the related emission reports are submitted to the Ministry of Environment and Urbanization the Ministry periodically.

The results of the measurements held in 2013 on the chimneys of rotary kilns of the cement plants for the Volatile Organic Compounds, HCl, HF, Heavy Metal and Dioxin/Furane are considerably below the limit values of the Regulation for Burning Wastes.

Heavy Metal, HCl, HF, Volatile Compounds and Dioxin/Furan specific measurement results in Çimsa Cement Plants in Total

	2007	2008	2009	2010	2011	2012	2013
Heavy Metals*	0,006	0,001	0,002	0,02	0,02	0,016	0,018
Volatile Organic Compounds	44	91	62	47	31	28,5	31,7
HCl	5	5	4,71	1,78	0,50	0,53	0,94
HF	0,5	0,7	0,87	0,98	0,49	0,54	0,47
Dioxin/furan Specific (µg/ton clinker)	0,015	0,027	0,065	0,031	0,017	0,028	0,018

*Cd + Tl + Hg

VII. Environmental Sustainability

b. Wastes Resulting From Our Plants



We implement the Waste Management System for the hazardous and non-hazardous wastes created in Çimsa. The non-hazardous wastes can be grouped as domestic and packaging wastes. We have a waste storage area responsible person for conduction of the waste operations of every plant in one and without problem. Every waste in the plants is defined and the frequency and amounts of such wastes are determined. It is determined which legislation is binding upon said wastes, how should they be collected, carried, temporarily stored and their maximum storage time.

Different storage containers for packaging wastes and domestic wastes are available in the stations and precautions are taken against scattering of such wastes through environmental factors such as rain and wind.

The storage area of the hazardous wastes is within the station area which has sealed concrete flooring, an upper cover and protected from spills and leakage. In the sections of this area, the names and codes of the stored wastes are written.

Research is conducted for disposal/recycling of hazardous wastes and contracts are signed according to the types and codes of the waste, then they are sent to the Disposal Stations together with the National Waste Transportation Forms and they are combusted in our cement plants, which are in possession of licences for waste burning to enable

energy recycling.. The records of all the operations are retained regularly in our stations.

For the purposes of preservation of the natural sources, manufacturing in line with sustainable environment and sustainable development principles and in order to decrease the amounts of wastes to be stored it is very important that the generation of packaging wastes is avoided, priority should be given to re-use, it is recycled, recovered and used as an energy source.

Regardless of the type of the materials, the packaging wastes are separately collected in every station in order to decrease environmental pollution, resulting in delivery of less waste to regular storage stations and they are recycled by sending to the waste collection stations of the municipality to contribute to the economy.

Çimsa covers the entire expenses and expenditures required for the separate collection, classification, recycling and recovery of the packaging wastes on site that are generated as a result of the utilization of our packaged products released to the market. As a result of this, recycling and recovering of the packaging wastes that are introduced to the market by an authorized contracted entity are ensured in accordance with the provisions mentioned in the related regulation.

VII. Environmental Sustainability

c. Biodiversity



As Çimsa, in order to prevent negative impacts of our mining activities and to minimize them to prevent damage to the environment, we make Environmental Impact Assessment (ÇED) before initiating our activities and prepare plans for rehabilitation of the areas after completing our activities.

Our entire manufacturing processes are performed in accordance with the related regulations of the Mining Law and the Environment Law. Our mining activities are monitored by the Directorate of Raw Materials and the raw material function of each cement plant.

VII. Environmental Sustainability

We pay great attention to the raw material extraction activities in the delicate and protected areas in order to protect wild life. Our Eskişehir Cement Plant mine is within the “Protect Short Distance” and our Mersin Cement Plant’s Sucular mine is within the “Protection Region in Medium Distance to the Lake Area”.

We make plans for “Retrieval to the Nature” by obtaining approval from public organizations for completion of the mining activities which have environmental, social and economic impacts in an environment friendly way and retrieval of the used up fields to the nature.

ÇED reports are prepared for the areas for reports are required and in these reports the ecosystems are examined in order to comprehend the impacts of mining on these areas.

Every year we reserve provisional compensation for mine rehabilitations and keep them updated on an annual basis. In order to make our mining activities sustainable and to immediately rehabilitate the areas from where ore is obtained we have initiated sample implementations for reforestation of such areas for the sake of social responsibility without waiting for the expiration of the activities within licenses. As a result of these studies, we have completed the rehabilitation of our fields of 12 hectares in 2013.

The licensed excavation area of our active mines is 285 hectares and the area being affected by our operations is 33 hectares. Based on the land proprietary, these areas are distributed as follows: 130 hectares of land for company, 95 hectares of forestry land, 15 hectares of government (treasury) lands and 45 hectares of pasture grounds.





Contribution to the Society

Çimsa has been developing projects contributing to the local community of its locations in where it operates and creates values.

VIII. Contribution To The Society

a. Investments On Employees

Our employees play a key role in the organizational corporate sustainability studies of Çimsa. Our actions related with human resources are shaped in order to enable our employees to act in accordance with the sustainability principles.

Çimsa's corporate development and human resources vision; to create a high performance culture, mission; to provide organizational transformation and development.

Accordingly, we regulate our actions related with human resources under the framework of three basic objectives:

- To establish the organization and human resources infrastructure supporting company strategies;
- To measure and continuously develop the organizational climate,
- To increase the leadership characteristics at every position level and to increase the knowledge and skill levels of the employees.

While realizing the fundamental objectives, all the implementations related with our employees are conducted in accordance with the related legal regulations. Within this framework, all implementations regulated with written legislations and procedures are shared periodically with our employees via the internet and at meetings. In the organizational climate workshops and year-end sharing meetings held since 2007, the expectations and ideas of our entire employees are received and evaluated accordingly. Also in 2010-2013 periods, within the scope of the organizational requirements and employee expectations all Human Resources regulations and procedures (Salary and Fringe Benefit Procedure, Recruitment and Placement Procedure, Training Procedure, Performance Management Procedure, Appreciation-Recognition and Awarding Procedure, Corporate GSM Lines Procedure, Sub-Contractor Management Procedure) are reviewed and the required amendments thereof are performed.

Regulation of the fundamental human rights processes such as selection and job placement, performance management, training and skill management, wage and benefits management and organizational back-up which supports the basic vision and strategy of the company, also supports the following objectives:

- Sharings to affect organizational climate positively and effective internal communication studies,
- Integration of the senior management with Çimsa and studies for development thereof,
- Employment and improvement of the qualified employees to contribute to the success of Çimsa in parallel with the growth objectives;
- Competitive total award management;
- Management of effective risk and industrial relations,
- Branding studies towards becoming the privileged "preferred company" to work in.

VIII. Contribution To The Society

Employment

All the implementations regarding employment are conducted under organizational and objective standards and defined by in-house procedures and regulations. Çimsa has provided 65.4 Millions TL of economic value for 960 employees as of 2013. Many additional benefits are provided in order to improve life standards of the employees and their families. In Çimsa the legal requirements the maternity leave of the female employees are implemented properly.

It's essential that implementations of Çimsa for increasing employment in the centers, regions and cities, together with assignment of employees with similar tasks under equal conditions and also its providing equal rights and opportunities for the female and male employees are fundamental principles of company.

Applications complying with the process are implemented. Within this context, one employee has benefited from paid maternity leave in 2013 and her position is preserved to enable her to return to her job without any loss of rights upon completion of the legal leave period.

2013	Cement Plants in Turkey*	Çimsa Cement Plants
Total Number of Employees	10.000	960
Contractor's Personnel **	5.000	298**

*The values in cement plants are approximate as of 31.12.2013. Covers the employees of the sub-contractors working in the auxiliary tasks rendering service as sub-contractors (other than ready mixed concrete).

**The number of the subcontractor employees in Çimsa workplaces merely covers the contractor personnel rendering service in auxiliary tasks in plants.

ÇİMSA IN GENERAL*		
Blue collar	White collar	Total
542	418	960
ANKARA PLANT		
Mavi Yaka	Beyaz Yaka	Toplam
18	10	28
KAYSERİ PLANT		
Blue collar	White collar	Total
77	32	109
MERSİN PLANT		
Blue collar	White collar	Total
235	130	365
ESKİŞEHİR PLANT		
Blue collar	White collar	Total
130	57	187
NİĞDE PLANT		
Blue collar	White collar	Total
82	27	109
READY MIXED CONCRETE		
Blue collar	White collar	Total
0	104	104
AGGREGATES		
Blue collar	White collar	Total
0	9	9
TERMINALS		
Blue collar	White collar	Total
0	8	8
HEADQUARTER (İSTANBUL)		
Blue collar	White collar	Total
0	41	41

Employees with blue collars mean unionized personnel. Employees with white collars mean non-unionized personnel.

VIII. Contribution To The Society

Employment

In Çimsa notification time periods for our white collar employees are determined under the scope of Article 17 of the Labor Law No.4857 based on their employment period. For our blue collar employees notification time periods are determined in accordance with the related article of the Group Collective Bargaining Agreement in force based on their employment period. The organizational alterations are notified to the related personnel at least 1 week prior to the amendments.

In 2013 under the scope of our investments on our employees and our fundamental Human Resources objectives, we have managed a first in the sector.

By means of the project for employment of the new graduates, 16 new graduates are employed in Çimsa as candidates. After an intensive application and selection and assessment process, 16 newly graduated personnel including 9 female and 7 male are recruited in different premises of Çimsa. As a part of the process of recruitment of the new graduates, the personnel in that group is also provided with an intensive orientation training and mentorship/coaching support as well as a total 1.792 hours of class training comprised of Manufacturing, Sales, Marketing, Finance and Personnel improvement modules. It has been observed that the project has positive contributions to Çimsa at the point of employee brand and the performances of 16 new Çimsa personnel in the period of 2 to 6 months have been realized in high levels.

Personnel Turnover Rate (Consolidated Recruitment + Termination)			
	Blue collar	White collar	Total
2013	7,3%	14,1%	10,3%

Frindge Benefits Provided to Employees

All the applicable subjects related with benefits are regulated in detail in the procedure of wage and benefits which was published in 1 November 2011 and reviewed annually and it is shared with our employees.

The entire personnel employed in full-time with payrolls in Çimsa works under indefinite duration employment contract (45 hours a week). As benefits; based on the volume of the task for some Officers and for all Specialized Engineers and senior positions, individual retirement implementation (BES) with a company contribution in the amount of 3% of the gross fee and

private health insurance and private life insurance as of employment is provided. Approximately 60% of our employees with white collars have organizational GSM lines and/or devices based on their position and task definitions. All personnel in plants (white-blue collar) is provided with meals and transportation services. Meal cards are allocated for the employees working in premises outside the plant. Personnel transportation service is also implemented in the premises of the General Directorate. Social and real benefits inferred from the Group Collective Occupational Contract in force for our employees with blue collars are further provided.

VIII. Contribution To The Society

Through BES (individual annuity system) which is a system based on optional volunteering we aim to strengthen the loyalty of our employees by offering a rich and long term benefit package. In BES, provided that a contribution in the amount of 3% of the gross monthly salary of the employee is taken; Çimsa also makes a company contribution in the amount of 3% and payment of contributions above 3% is optional for the employees. No access fees are collected from the employees for individual retirement system. In order to benefit from the system, the total term of employment for the employee in Sabancı Holding group should be at least 6 (six) months. In case the employees leave the system, deductions and payments are performed based on BES legislation and the related regulations. In 2013 the number of the employees to benefit from BES (as potential and merited) with 3% company contribution is 289; the number of the employees who actually benefit from BES is 158 under the scope of the related procedure. Therefore the rate of actual potential benefiting has been realized in the level of 54.67%.

With the project "Çimsa for Privileged" we have realized an important study for improving the purchasing power of Çimsa employees and to increase the company loyalty. In this scope, Çimsa employees can benefit from discounts up to 30% from contracted organizations included in a wide range from foods to stationary and from garments to health services by showing their Çimsa identity cards.



VIII. Contribution To The Society

Individual Performance Management System

In line with our vision of a high performance culture, our individual performance management system aims to measure both behaviors and business outputs. These are established at the start of each year based on the current company strategies, individual business targets and so as to support individual competency targets. Each program is planned via input from both managers and employees. Performance level, reviewed during mid term evaluation stage is evaluated at the year end during the performance evaluation meetings by the manager and the employee. We utilize the results from this individual performance management system in order to reward, to improve our training and to conduct career planning. As part of Çimsa's Performance Management System Project that started in 2012, all processes related to performance management are conducted and implemented via the intranet.

Our approach through Human Rights and Equal Employment Opportunity

Our approach for human rights and providing equal opportunity in all business branches and locations where Çimsa is operating in; we pay great importance to human rights under the framework of social security law for investment agreement and supplier selections.

In 2013, we took important steps about "Equality at Work" and we included provisions in support of the principle of Equality at Work in all the company procedures and legislations and continuous improvements are achieved in the related implementations in the company.

In all business branches in where Çimsa is operational and for selection of the suppliers, we pay great importance to the human rights within the framework of the social security law. The subjects related with Human rights in Çimsa are evaluated generally within the framework of OHS (occupational health and safety) and social security principles. All the issues regarding discrimination and employee rights are monitored by the Unit of Organizational Development and Human

At the point of assessment of the competencies, Performance Management system contains a 180 degrees of assessment system.

Furthermore in accordance with the scope of the collective bargaining agreement, the performance evaluation process held once in a year for all the personnel with blue collars (under the scope-unionized) is also created. For all the employees in the 2nd and 6th months of their employment term a performance assessment is performed as of the beginning of the employment. In terms of carrier development, under the scope of the organizational success plan conducted annually, we are planning improvement for detailed back-up and critical positions for our expert - engineer and senior level employees (the proportion within the group of white collars is 43.6%).

Rights, SA-Ethical Rule Consultancy and Disciplinary Committee.

By means of participation of Çimsa into the collective labour agreement of the blue collar employees in all the cement plants and grinding stations, positive approach is adopted for union rights and freedoms. Based on the requirement for acting in accordance with the related laws and provisions thereof, in operational changes, for our white collar employees notification time periods stipulated in the Labour Act based on their employment period and for our employees with blue collars notification time periods stipulated in the Collective Labour Agreement in force based on their employment period are taken into consideration.

VIII. Contribution To The Society

The personnel of the subcontractor firm rendering service under the scope of service purchasing agreements to Çimsa employees and Çimsa must be insured with the social insurance under the scope of the Social Security Law no. 5510. Çimsa makes all social security premium contributions and payments of its employees properly and on time.

Within the scope of the legal requirements we periodically control the responsibilities of the service providing subcontractor firms under labour act and social security implementations. The service agreements and specifications concluded with the subcontractor firms include the related provisions, rules and sanctions to be fulfilled in details. The subcontractor firms are warned in case of any practice violating the rules since they are included in the scope of the audits conducted by the occupational health and safety officers in Çimsa premises. Persistence of the misimplementation may result in the annulment of the agreements and specifications. The detailed agreements and regular audits with subcontractor companies eliminate the risk of employing juvenile labour or forced employees.

The private security services in the premises of Çimsa are rendered from the subcontractor firm under the scope of the Law No. 5118. In the purchasing agreement concluded with the related security firm, there are provisions also for training the private security personnel for implementation of the human rights.

All companies providing services to Çimsa are subjected to periodical audits under the scope of the agreement provisions and are determined based on the essentials for selection of the firms stipulated in the procedures. While selecting our providers, in spite of not making an evaluation for compliance with human rights, by means of the detailed selection procedure we implement, we supervise all service or good providers to create employment in accordance with the occupational laws and to fulfill the regulations in accordance with the laws.

Workforce Data	
Total Number of Employees	2013
White Collar Employees	418
Blue Collar Employees	542
Employees of the Sub-contractors	298
Çimsa covenanted personnel	
Employees with Permanent Employment Contract	960
Employees with Temporary Employment Contract	0
Full time employees	960
Part Time Employees	0
Gender	
Male	911
Female	49
Age	
Between the ages of 20-29	182
Between the ages of 30-39	489
Between the ages of 40-49	260
Between the ages of 50-60	29
Employees of the Minority Group	-
Position	
Senior Management	15
Mid level executives	33
Junior executives	71
Specialist/Engineer	102
Other White Collar Personnel	196
Blue Collar Personnel	542

VIII. Contribution To The Society

HR Projects and Actions in 2013

In accordance with the vision of “being in possession of the best plants in cement manufacturing” together with the mission of “perfection of the Production and Maintenance activities” we enabled implementation of Plain 6 Sigma methodology serving for perfection of business processes in the company in general by means of 60 completed projects and 18 projects in progress in 2011-2013 period. In this process we improved 37 personnel up to Green Belt level.

By means of Learning Organization studies we carried out projects which created value in all our plants by 63 personnel in 6 different teams. By means of Learning

Organization studies the total number of members reached to 527 and the number of coaches reached to 126 within a 10-year period. Together with the teams in Mersin, Eskişehir, Kayseri, Niğde, Afyon and Ankara plants, the project teams of Learning Organization in 2013-2014 period acted in a large area including Energy Consumption, Dedusting, Water Consumption, Wet Additive Usage Rate, Industrial Waste Usage, Lifelong Learning and Volunteering activities.



Trainings and Development

We have realized team work towards the product-portfolio management, customer track system, research and development works and ready-mixed cement business model through studies related to the development and transformation. A regulation in factory basis was put into practice with the restructuring process performed in the manufacturing organization that predicated upon the fundamental objectives such as the separation of the planning and implementation roles, featuring team performance, rational approach based on statistical analysis, expansion of management area by degrading business outcome and responsibility to the team level and institutionalizing knowledge and experience. With parallel to this new structure, Intensive training programs towards technical, occupational and individual developments of the employees were implemented by conducting Team Leader development program. In this program, capabilities are aimed such as planning, delegation, motivation, feedback providing, coaching, relation management and communication skills of the personnel taking part in the new organization.

In 2013, the average annual training hour per head was obtained as 29,2. Again increase of e-training as of 2013, generalization of the personal improvement and leadership videos and experience sharing meetings were among the underlined activities.

In 2013, regulations regarding working and infrastructure conditions of the plants have been performed. Optimization of the company vehicles is performed and processes of Common Health and Safety Unit (OSGB) are created in accordance with the new legislation on occupational health and safety. Under the scope of the collective bargaining agreement, the TIS group and titles of the blue collar employees are regulated.

VIII. Contribution To The Society

Communication with the Employees

Linkedin and Facebook pages of the company are updated and articles for enhancing the organizational reputation of the company are posted. Communication for creating the employer brand is established with the candidates. For our white collar personnel Information Booklet for Business Family is created and informative meetings are held to cover all the white collar employees. For the fresh recruited personnel, a Çimsa brochure and e-orientation training are designed. School report gifts were distributed to the children of our employees in primary-secondary and high schools.

At the point of communication with employees, we have realized the implementation of Çimsa Employee Representative in order to hear the voice of the site, to solve the problems together with the employees and to reflect the beautiful events from the voice of the employees on the site. 31 Employee Representatives

determined from different locations upon the electoral process in which the employees participated, have commenced their activities as of 2013. We can develop fast and constructive solutions for the requests of the employees through regional meetings held once in every 3 months with the Employee Representatives. We have initiated SMS Informing program (Messenger Pigeon) is introduced in order to inform the employees regarding the important developments in the company and the premises in a fast and an effective manner.

By means of Periodical HR Networking bulletins and Family Magazine with increased number of pages, a closer relationship is established with the employees. Business Ethics training is also rendered for the blue collar employees and training based on role-playing is organized in the field of occupational safety. The new implementations related with variable salary, premium system and fringed benefits are revised in a performance encouraging manner.



VIII. Contribution To The Society

b. Occupational Health And Safety (OHS)

Çimsa embraces an insight in occupational health and safety (OHS) with parallel to the policies and implementations in the sector. Çimsa is continuously following the corporate and legal standards, determines the pro-active development areas and applies continuous tracking systematics in OHS processes.

Çimsa enables the OHS to be internalized and to become a company culture by means of informing the employees of the main employer and the sub-contractor, effective networking of the changes in legislation with the organization by communication; permanent availability of OHS metrics in company and employee objectives; considering audits, last minute notifications and non-compliance number values as key performance indicators and regular reporting.



OHS Performance in 2013		
Mersin Plant		
Fatality	Person	0
Accident frequency	%	3,33
Lost working days	Day	100
Absentee days excluding accidents	Day	0
Eskişehir Plant		
Fatality	Person	1
Accident frequency	%	6,17
Lost working days	Day	7500+69
Absentee days excluding accidents	Day	951
Kayseri Plant		
Fatality	Person	0
Accident frequency	%	8,8
Lost working days	Day	40
Absentee days excluding accidents	Day	538
Niğde Plant		
Fatality	Person	0
Accident frequency	%	8,21
Lost working days	Day	310
Absentee days excluding accidents	Day	226
Ankara Plant		
Fatality	Person	0
Accident frequency	%	20,81
Lost working days	Day	0
Absentee days excluding accidents	Day	45
Ready mixed concrete		
Fatality	Person	0
Accident involving death (Sub-contractor)	Person	0
Fatalities (3rd Party)	Person	2
Frequency of accidents	%	--
Lost working days	Day	73
Absentee days excluding accidents	Day	0

* One of subcontractor employee lost his lives because of work accident. Loss of labor is equal to 7500 days.

VIII. Contribution To The Society

1) Occupational Health and Safety (OHS) Management in Cement Operations

In order to define the conditions required to be fulfilled in order to increase the awareness of occupational safety, to control the occupational health and safety risks in our company and to improve the performance, we manage OHS operations within a management framework in accordance with TS-18001 specification. Under the scope of the new Occupational Health and Safety Law No.6331 and its regulation which came into force as of 30 June 2012, we perform proactive studies related with the new legal legislations and requirements thereof. In this context we have focused on fulfilling the legal requirements for organizations of OHS Board structure specific to Çimsa and under the scope of joint and several responsibility, Employee Representatives, support personnel and assignment of OHS Expert and Workplace physicians (via OHS Clerk program) and risk analysis, fire drill, emergency action plan.

Our entire plants have the system certificate for OHSAS 18001 Occupational Health and Safety. We support our OHS management system continuously via training, information, inspection and improvement studies. We are aware of the fact that one of the most important factors behind our success is the understanding of carrying our implementations related with occupational health and safety beyond just acting in accordance with the laws and regulations. The operational responsibility for OHS management is represented in the senior management level in Çimsa.

The plant managers share their reports prepared with their management teams with the senior management in the monthly technical coordination meetings and the required actions are taken immediately.



The opening topic of the executive committee meetings is constituted by occupational health and safety.

The most important policy implemented for achieving OHS performance objectives is to share our short and long term objectives with our employees. Acting in compliance with OHS instructions; notifying all risky situations and last minute cases are the primary tasks of our entire employees including the sub-contractor's personnel.

The most important tools for achieving our objectives are implementations such as systematic field supervision, last minute notifications and the related area supervision results of the other area responsibilities. Additionally by means of OHSAS 18001 system the annual internal audits, external audits of organizations such as TSE from which certificates are obtained and external audits of Sabancı Holding insurance are monitoring and scaling our OHS system.

It is our routine objective to take amelioration actions as immediate as possible related with detections obtained after monitoring. Our objective is to decrease the number of our total accidents by 50% and to reach to the objective of "0" accidents in the long term and to maintain this objective. Our sub-objectives are amelioration of layout and setting, increasing occupational safety awareness and decreasing the muscle-skeletal disorders resulting from working. We can summarize the fundamental OHS programs implemented in our premises as follows while achieving these main and sub-objectives:



VIII. Contribution To The Society

a) Area Responsibility

Area Responsibility is an implementation obtained under the scope of Occupational Perfection project of 9 months completed in 2003-2004 and initiated in Mersin Plant for the first time. By means of a circular published by the General Manager in April 2008, implementation has been initiated in all locations. This a system in which the engineers or experts teach the tasks-authorizations and responsibilities to the individuals elected by dividing the area without any empty spots and which is regularly updated. It is a mechanism established on controlling and taking necessary precautions for the surrounding risks in the fields of responsibility and for all kinds of operations to be conducted particularly by their teams.

b) OHS Database

The company OHS database was initiated to be created in electronic media in 2012 in order to enable all employees to benefit from all the related information and to closely monitor the OHS operations based on the objective of permanent improvement of OHS policy in our company. The database is designed to include entire OHS assets of our company.

c) Behavior Inspections

Inspection teams of 2-3 persons have been created for supervising the site operations within a certain plan by all management team in order to remind the employees to work in safety, cease work immediately in case of anomalous work or hazardous situations in working area and to take precautions accordingly. The number of the field supervisors and inspection teams is determined based on the size of every plant. The behavior inspections in Çimsa are initiated in parallel with the work schedules as of March 2008. Inspection system for inspections of behavior followed up by name as of May 2010 is put into practice in all plants.

d) OHS Scorecard Application

Occupational safety scorecard application is an application that we started to expand to all our plants with pilot studies in 2010. At the same time we are working on the development and implementation of operational control mechanisms such as Lock out Tag out (LOTO) for all of our facilities. The general assessment of Çimsa's OHS practices by one of our most significant stakeholders, the the Cement Industry Employers Association (ÇEIS), is as follows:

	GRI OHS PERFORMANCE					
	Mersin	Niğde	Kayseri	Eskişehir	Ankara	Ready-Mixed Concrete
Number of Work Accidents	7	4	4	5	1	44
Çimsa	3	2	4	4	1	7
Subcontractor	4	2	0	1	0	37
Occupational Illness	0	0	0	0	0	0
Çimsa	0	0	0	0	0	0
Subcontractor	0	0	0	0	0	0
Absentee Days	-	62	73	1.020	45	-
Çimsa	-	59	73	1.020	45	-
Subcontractor	0	0	0	-	0	-
Number of Accident Resulting in Death	0	0	0	1	0	0
Çimsa	0	0	0	0	0	0
Subcontractor	0	0	0	1	0	0

VIII. Contribution To The Society

“Çimsa, as a member of our union, holds a significant share of the national cement market with its four integrated cement plants and one grinding station. Çimsa's sensitivity to occupational health and safety in its own plants can be easily seen in its plants. The most important factor in development of Çimsa sensitivity in terms of occupational health and safety were the studies of their occupational health and safety management system started attheir Mersin Cement Plant a long time ago and now reflected to their other plants. The value of these studies was proven with performance awards received in 2007 (Niğde) and 2009 and 2011 (Kayseri).

In order to improve the occupational health and safety culture embraced by Çimsa, we suggest that the safe behavior habit as a significant element in occupational health and safety should be improved and the “Behavior Oriented Field Controls” should be implemented. Enabling improvement and permanence of this system which is already implemented in Çimsa is of great importance. Finally for developing the culture of occupational health and safety, fulfilling the interior and exterior examinations of OHSAS 18001 management system plays an important role.”

e) 2013 Implementations in our Plants and Work Places

We can summarize the implementations highlighted in 2013 based on our Plant Premises as follows;

Mersin Plant:

- Periodical medical examinations were provided for 309 personnel. (146 personnel did not have the desired normal values.) They were further examined and treated. No occupational illness was found.
- 1.001 contractor personnel were controlled for their employment procedure and 453 contractor personnel were controlled periodically.

- 343 personnel had routine chest radiography examination. 8 personnel were sent to the hospital for further examination. No occupational illness was found.
- 267 personnel had audiometric examination. (15 personnel has negative results.)
- Permanent employment: 35 contractor: 1.001 Beck test was applied.
- 1 personnel received training for quitting smoking.
- 2 personnel received training for cholesterol and triglycerides.
- 45 personnel received training for diets.
- 35 permanent personnel and 2 contractor personnel received tetanus shots.
- 59 permanent personnel and 1 contractor personnel received hepatitis vaccination.
- 223 personnel was inspected for hygiene. Based on the results of the inspection, the determined deficiencies were eliminated.
- 5 personnel received medical check up on returning to work.
- A health condition preventing employment of 1 personnel was detected and the employment initiation process was ceased.
- 18 personnel received training for fire notification and preparation.
- 28 personnel received training for EKED.
- There were 52 work accidents as first aid implementation within the year. 45 of these accidents were class 2 and 7 of them were class 3 occupational accidents. Among the personnel having a class 3 occupational accident 3 of them are permanent personnel and 4 of them are contractor personnel. A total of 100 days of work force was lost including 70 days from permanent personnel and 30 days from contractor's personnel.

VIII. Contribution To The Society

Eskişehir Plant:

Our projects, training and general implementations continued in Çimsa Eskişehir Plant which were initiated in 2012.

Kayseri Plant:

- Periodical medical examinations were provided for 109 personnel. 12 personnel had further examination and treatment. No occupational illness was found.
- Certified first aid training were completed for 13 personnel.
- 42 personnel received training for quitting smoking.
- 27 personnel received training for benefits of flu vaccine and 85 personnel had flu shots.
- 9 permanent personnel and 43 contractor personnel had tetanus shots.
- 22 personnel had training for Ergonomics and Protection from Muscle-Skeleton Diseases.
- 13 personnel received training for sanitation.
- Body mass indexes of 187 personnel were measured. 12 personnel received diet programs.
- 2 times blood donation campaigns were held with Turkish Red Crescent. 84 units of blood were donated.

Niğde Plant:

- 4 occupational accidents were experienced in 2013. For contractor employees 72 work days were lost because of occupational accidents, which was 6 for permanent employees.
- Apart from routine inspection plan, individual inspections are held and dangerous conditions and behaviors are taken under control. Besides by means of inspections for layout and setting held monthly, the accidents to occur from untidiness of the environment are prevented.
- 456 inspections were held within 2013.
- 18 blue collar employees received training for first aid.
- 20 subcontractor and permanent personnel had training for fire.
- The rate of fundamental OHS training for

2013 is 13.6 hours/number of employees.

- The rate of environmental training in 2013 is 4.7 hours/number of employees.
- The rate of instructional training in 2013 is 9.6 hours/number of employees.
- Periodical examinations and vaccinations were completed and no occupational diseases were found. Periodical health scanning: Under the scope of these scanning operations all Çimsa employees and subcontractor employees were scanned for routine chest radiography examination, Audio and SFT tests.
- An OHS report implementation is developed. The winners of the reports were awarded.
- In order to increase the awareness of occupational and safety, our employees exhibited a theater and the theater event is presented to our customers.
- 500% of increase was observed regarding the number of notification of the last minute events reported by our employees as compared to 2012. Furthermore closure rate of the notification of the last minute events is 81.19%.
- In order to inform our employees for the completion status of the notification of the last minute events, phone messages were sent using the mail pigeon.



VIII. Contribution To The Society

Ankara Plant:

- 19 personnel received Fundamental OHS training for 4 hours.
- 24 personnel received training for “Methods of Protection from Fire and Fire Extinguishing”.
- By participation of 28 personnel emergency intervention and first aid drills were performed.
- Periodical health examination was provided for 41 personnel. These examinations included routine chest radiography examination, SFT, audio test, eye examination, liver function test and blood glucose level measurement. No occupational illness was found.
- Our demijohn waters and utility waters were controlled in Refik Saydam Hifzissihha Center of the Ministry of Health. After the control the demijohn water was found to be unhealthy and therefore a healthier firm was chosen.
- 3 active lightning rods were controlled and no problems were detected.
- Operation of the natural gas detectors and tire outer depth controls were held twice a year, as once being in winter and once being in summer.

Under the scope of the local implementations, in practices such as “BEKIR has priority over work” in Kayseri plant, “The Safety Person of the Month” in Ankara plant, “You can get work safety as much as you take an example” and “business operation hosting principle” in Mersin plant, our employees continue to internalize the importance of OHS and to disseminate it into the company culture.

II) Occupational Health and Safety (OHS) Management in Ready Mixed Concrete

Green and Safe Plants Project

In our ready mixed concrete operations, we began our occupational health and safety operations by measuring the current accidents in 2008. Green and Safe Plant Project was realized in 2009 in order to increase awareness for Occupational Safety, Occupational Health and Environment and to create better working conditions. First a Green and Safe Plant Committee is created and the accidents were divided into three (in plant-in traffic-in site) and operations were initiated; one of them for solving problems regarding improper and unsafe environments and the other was for solving unsafe behavior. Under this framework, as a result of the risk analysis conducted during work processes, we decided to establish an audit mechanism. Among our facilities, in order to award the facilities which created the safest plant – traffic and site and were the most respectful for the environment, the project was introduced as a contest to our employees. As of 2010, inspection of our facilities by an inspection team of three persons for three times a year continued in 2013. In the contest 60% of the questions were related with occupational health and safety.



VIII. Contribution To The Society

ii) Occupational Health and Safety (OHS) Management in Ready Mixed Concrete

Project for Green and Safe Facilities

- Green and Safe Plant project continued,
- The risk analysis for all plants were renewed,
- Emergency action plan was created,
- OHS exposure measurements were completed,
- Medical service was initiated in all plants,
- OHS expert service was initiated in all plants,
- Medical rooms were established in all plants,
- OHS training was rendered for all employees,
- Occupational certificates were completed (mixer & pumping & loader & central & laboratory)
- First aid training was given,
- Ergonomics and sanitation trainings were given,
- KKD training was given and its use was taken under control,
- Periodical scanning for the measurements of

pressurized container-fuel tank-lightning arrester-earthing etc. was completed.

- Training for using fire tubes was given, fire drills were performed, fire tubes were controlled periodically,
- Health scanning was performed for all employees and new employees,
- Studies for elimination and / or minimization of the risks to cause accident in facility, traffic and site,
- We participated in THBB Blue Barette occupational safety competition held among Ready Mixed Concrete companies in Turkey. Our 4 participant plants (Tece 1st-Aksaray 2nd - Pamukova, Misis 3rd) demonstrated outstanding performances.
- Traffic training was received from traffic police

c. Social Contributions

Niğde Summer Camp

We reached to 82 children, twenty of which were from the students of Niğde-Kolsuz Village Primary School by means of the Summer Camp of 2013, the first of which was realized with the participation of the children of the employees of the Niğde Plant in 2012. In the camp participated by the children in the age group of 7-8, 9-10 and 11-12 , creative role playing events and sport activities were performed. The program prepared in accordance with the age level of the children aimed to support social, behavior and emotional development of the children by means of creative role playing events and to support physical development of the children by means of sports activities. The children was able to discover the new solutions for the daily life problems, conflicts or self expressions by trial. In the creative author event, the children used their imagination to create histories and converted them into booklets via their own designs.

Turkish Young Philharmonic Orchestra

As Çimsa we provided our support for the youngster to a different platform by being a sponsor to the Turkish Young Philharmonic Orchestra comprised of 100 successful young people which is established for creating the concept of "National Young Orchestra" in Turkey which is available in the countries with a certain level of music education and life style.



VIII. Contribution To The Society

New Nursery Class for Hüsniye Primary School

Çimsa, under the scope of the project of providing a kindergarten class for a village school, renovated the kindergarten class of the Hüsniye Primary School. The new kindergarten class was opened for education in 16 November 2013. As Çimsa under the scope of the project of providing a kindergarten class for a village school, we provided 5 kindergarten classes for 4 village schools since 2010 in Niğde.

Çimsa provided a kindergarten class for a village school under the scope of the social responsibility operations this year as well. With the contributions from Niğde Plant, Çimsa completely renovated the kindergarten class of the Hüsniye Village Primary School in the Ulukışla located in the county of Niğde.

Under the scope of the renovation project, the kindergarten class of the Hüsniye Village Primary School was modernized. Besides the restoration of the toilets, laminated flooring was placed in the classes The light armatures of the classes and corridors were renovated. The windows and the doors were replaced with PVC. The classrooms and the corridors were painted. The roof of the school building was renovated, together with the renovation operations in the school building with a total of 14 students; soft furnishing materials were purchased for the kindergarten class children. Shoe and stationary requirements of the children were met.

Cement Donation for NYSA Antique City

During NYSA Antique City excavation and restoration operations held in Aydın Sultanhisar in 2013, Çimsa donated 85 bags of cement for the project. As a result of the operations performed for preserving of our cultural heritage, Ankara University sent their gratitude by a letter.





Product Safety and Responsibility

Çimsa has been creating value for its customers by providing products and services required by its customers.

IX. Product Safety and Responsibility

Guaranteeing reliability of our products is one of our most important social commitments.

Our customers and the end users of the products are our stakeholders who are directly or indirectly exposed to health, safety and environmental impacts of our products. In addition to production processes, we manage all the responsibilities in packing and storage processes with quality management systems as well.

Our company's sustainability approach is to conduct production according to standards, with high reliability and targeting customer satisfaction and to convey the information related to health, safety and environmental impacts of our products to our customers and end users.

Our sustainability approach and quality policy define our product responsibility performance targets. To monitor new technologies, to ensure qualified input from trustworthy sources, to increase competence of our human resources with training, to ensure continuous development and improvement by following our quality management system conditions in line with our quality targets is our company policy.

In line with our quality objectives, our priorities are as follows:

- To follow up the new technologies,
- To provide input into continuous improvement by systematic measurement of the performance of our processes,
- To increase the competency of our human resources by training,
- To exhibit a strategic management approach which is focused on the requests and requirements of our customers and gives more importance to satisfaction than expectation,
- Periodic evaluation of the risks about information safety, OHS, environment management and occupational permanence in order to provide service sustainability,
- To provide input to the customer service management,
- To develop new products and services in order to enable our employees to support all work processed via creative ideas,
- Continuous improvement and enhancement of our quality management system.

Product Safety Management in Cement Production

Besides TSE standards and laws and regulations audited by the Ministry of Environment and Urbanization, the REACH code for protecting the environment and human health, ISO and OHSAS standards and CE&G compliance are standards we follow in respect to Çimsa quality policy.

Operational responsibility regarding these subjects has been shared at high level by being appointed by management representatives. Management representatives are persons responsible to the person auditing integrated management system.

The training and awareness studies related to these subjects cover quality circles, learning organization, 6 sigma team works and the auditors trained and/or will be trained to conduct internal audits done every six months. Our facilities are audited once a year or once every 6 months by establishments such as BSI, Prysma, KÇK and TSE.

Cement processes go through until it transforms to final product is under the responsibility of our customers. Quality is affected also by other inputs used together with cement. The fundamental difficulty here is, significant part of the customers doing applications not using qualified labor and this having negative impact in ensuring quality in the life span.

As Çimsa, although we are not directly a part of these processes, we plan to raise awareness of our customers with technical seminars on cement and cement products processes, site applications, laboratory support studies within the scope of customer focus and after sales technical service and support.

We monitor our long and short term performance at monthly Technical Committee meetings by using technical corporate score card, with measurements like rate of use of alternative fuel, number of warnings and alarms, durability standard deviation, amount of contribution, customer loyalty, etc.

IX. Product Safety and Responsibility

Product Safety Management In Ready Mixed Concrete Production

Policies we follow at our ready mixed concrete facilities to reach our product safety performance targets are;

- Conducting procurement, production and follow up according to standards and legislations,
- Frequently analyzing the data obtained from studies done with "best in class" and "best in best" principles and to follow up new technologies.

Operational responsibility regarding these subjects have been distributed at the senior management level between Quality management and Customer Support Management (compliance to regulations and our Quality Policy, Customer satisfaction, Product innovation), Regional Sales Management (Production and compliance to ISG policy, Customer Satisfaction), Ready Mixed Concrete Technical Support Management (Machinery and Equipment maintenance and control), OHS and Administrative Affairs Management (Auditing, Monitoring and Reportage).

G and KGS certificates have been granted to our 26 ready mixed concrete facilities by THBB. In these facilities of ours and in our laboratories unannounced audits are done three times a year and a general audit is done once a year.

Our 12 ready mixed concrete facilities have TSE certificate. One unannounced and one general audit within one year are done.

All our ready mixed concrete facilities consisting of Sakarya, Eskişehir, Kayseri, Niğde, Mersin and Adana Regional Managements have TS EN ISO 9001:2008 quality management system certificate, OHSAS 18001 (Occupational Health and Safety Assessment Series) closely related to business life, and ISO 14001 Environment certificates.

Our ambition is to produce the ready mixed concrete having high degree thermodynamic stability throughout its service line and that will get least effected by micro climate by meeting quality parameters like durability, workability and functionality in line with customer needs and expectations and this way to keep product reliability and customer loyalty. Situations like lack of knowledge during the product's end use process, requesting of concrete not suitable for the purpose and customer's equipment and personnel being insufficient during the placement of concrete are difficulties we face.

Our facilities possessing;

- TSE compliance to Turkish standards certificates,
- EC Certificates,
- Detailed information on Çimsa Cement products carrying CE mark and thus having the free circulation right within the European Union borders,
- TS EN ISO 9001:2008 quality management system certificate applied according to international standards for the produced cement and ready-mixed concrete products and information related to these facilities can be reached at web site.



Supply Chain Management

Çimsa shares its sustainability approach with its suppliers and develops mutual collaborations.

Supplier Management - Transportation

Cement sector has an intensive supplier use model within a long supply chain. Çimsa has started to take actions to reduce negative environmental impacts in its supply chain, while accelerating capacity increase programs, and including business rules in supplier's contracts. Transportation is prioritized area studied in this direction.

Çimsa requests conformity with all governmental laws and regulations including protection of environment, labor and human rights in its transportation contracts either of goods or personnel, and audits them. Our policy is to carry our targets beyond the governmental laws and regulations through the cooperation with our suppliers.

In 2013, Çimsa has provided trainings on the issues; driving safety, economical driving ,efficient vehicle maintenance , prevention of noise, spills and dust as well as other environmental issues, to drivers providing especially ready-mix concrete transportation service. Our objective is to extend these trainings within upcoming two years to all drivers performing transportation by reason of all Çimsa operations. Also, it is planned to integrate driver training programs which will be supported by targets in transport contractor management system and to improve supplier assessment procedures accordingly.



Optimization of Transportation Inbound and Outbound Transportations

With the support of SAP APO (Advance Planner and Optimizer) module which has implemented in the year 2011, Çimsa is optimizing clinker and cement deliveries from our plants in terms of quantity and transportation distances. With this purpose, in 2013, by the simulations of different scenarios in APO that customers demands would be fulfilled by different Çimsa production plants and by applying the most appropriate model, CO₂ emission resulted by transportation was reduced by approximately 350 tons.

In ready mixed concrete plants, Çimsa is planning and tracking vehicle outbound traffic by a special computer software. This system increases our performance to satisfy our customers demands on the right time, in the right quantities and qualities wit the right documents as well as supporting efficient usage of our resources. Vehicle routes are determined by considering driving safety and enviromental criteria. GPR systems installed on the vehicles provide tracking system whether drivers comply with plans, routes and speed limits .

In 2013, to decrease negative environmental impacts of Çimsa transportation activities, we made studies to shorten the transportation distances, minimize the unnecessary transportation and use eco-friendly vehicles and fuel. Some examples from these studies are summarized as follows:

● With the new road arrangement, the routes between two limestone and clay quarries and Eskişehir Plant were shortened 2.7 km less than original ones which were 10.6 km, as well as getting more away from neighbourhood village.

● Çimsa Ready Mixed Concrete Plants in Sakarya-Eskişehir region have started to supply additives from suppliers located in neighbour region Gebze/Tuzla instead of Çimsa Ready Mixed Concrete Chemicals Production Unit which is located in Mersin.

● Ready mixed concrete shipments which "distribution responsibility until customer site" are belongs to Çimsa are realized by mixer and pumps owned by Çimsa. Ratio of vehicle mixer and pump with Euro4 and Euro5 engines increased to 66% in the year 2013 while this ratio was 55% in 2012.

● On the other hand, cement shipments in which "distribution responsibility untill customer site" belonging to Çimsa are realized by 3rd party logictic suppliers vehicles. Ratio of vehicles with Euro4 and Euro5 engines increased to 50% in the year 2013 while this ratio was 40% in 2012.

● One of our objective is to increase the amount of bulk cement volume transported in each trip by encouraging our logistics suppliers using aluminium cement trailers. In 2013, 41 more aluminium trailers were added to the fleet of our logistic suppliers.

Transports Inside Çimsa Cement Plants

In 2013, we have continued our efforts and studies to reduce non-value added storing, handling and material movements in our plants by using systematic warehouse layout and material flow planning methods.

In Mersin, until 2013, petroleum coke had being transferred first from bonded warehouse to plant stock area and then feeded to bunkers of the mills via loaders and trucks. In 2013, the bunkers started to be feeded directly from bonded warehouse. Again in the same plant, packaging materials have started to be stocked in an area of 1800 m2 instead of 3500 m2 with new design, and transportation distances have been decreased by 30%.

Eskişehir Learning Organization Team has aimed at improving transportation activities inside the plant in the year 2013; and achieved 25% reduction of unnecessary stocking, handling and material movements.

Railway Transport

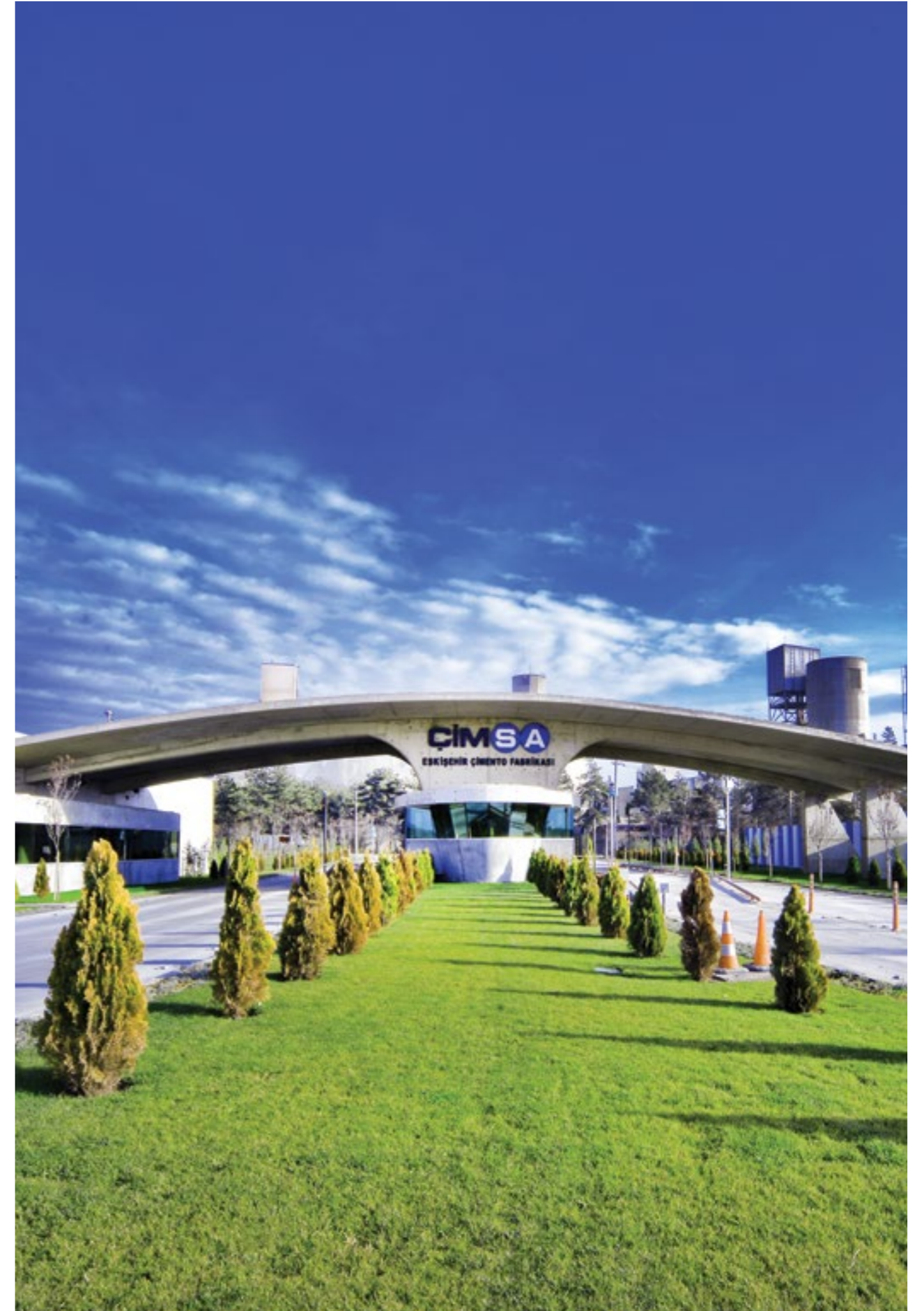
Our objective is to increase the ratio of railway transportation which causes less emissions than road transport. However, problems such as, insufficiencies of existing infrastructure, capacity and delivery durations of railway transport slow down our progress. So as to reduce these kinds of problems, meetings are still being held with representatives of the government which is in position of owner of all railways in Turkey.

Meanwhile, in 2013, to be able to increase the railway usage for transferring containers between Mersin Plant and Mersin Port, works were started for construction of a new storing, loading and unloading station and an additional railway next to our Mersin Plant and it is planned to use them actively with full capacity in 2014.

Preventions Against Spills and Dust Caused By Transportation

For the purpose of preventing spills and dust, dedicated pulverizers and methods are used during raw material crushing and screening processes and during petroleum coke unloading/loading processes at the port as well as during stocking of all bulk materials and just before transfer them. Additionally while transporting bulk material, a tarp is mandatory to be stretched over the truck.

In addition to these preventive actions, as a consequence of our stock reduction policy, raw material stock amount in our plants (Mersin, Eskişehir, Kayseri, Niğde, Ankara).





Dialogue With Our **Stakeholders**

Çimsa shares its sustainability vision with its all stakeholders and pays great attention to their feedbacks.

XI. Dialogue With Our Stakeholders

Çimsa believes that sustainable development can be achievable through working in harmony with all stakeholders. Therefore Çimsa considers the communication and cooperation with its stakeholders as an indispensable for the corporate culture and strategy.

While creating our sustainability based actions we make point of applying studies that might bring benefit to all our stakeholder and ensuring sustainability of these studies. With this approach, implementation decisions are made by questioning the conformity to sustainability criteria.

Çimsa is in constant communication with internal and external stakeholders. Çimsa has been a public company to develop the dialogue with stakeholders at each stage.

Çimsa made efforts to integrate its employees, customers and arranged a big stakeholder meeting to listen their top level executives. In this context a direct dialogue with, public institutions, industry organizations and NGOs, financial institutions, companies, communities, suppliers, dealers and academic institutions were carried out.

Although Çimsa has an open communication line with its all stakeholders, Çimsa meet its customers, employees, shareholders suppliers and industry organizations once a year, with public institutions and financial institutions throughout the year during the studies, academia and local people periodically and when necessary.

When considering the fact that stakeholders are important in Çimsa's business processes and value chain, communication with stakeholders through most efficient mechanism is adopted as a corporate communication strategy of the company. At this point, applications are realized in a systematic manner for organization of events, seminars and social activities where a meeting will be held with stakeholders; conducting measurings through several questionnaires specific to stakeholders and also performing field visits and enriching the sharing and communication. Çimsa has conducted a survey with its employees in 2013 just like previous years.



XI. Dialogue With Our Stakeholders

In addition to this research; comments, suggestions on company's perception and sustainability studies and opinions for collaboration opportunities were received through a questionnaire made with customers. These questionnaires allowed Çimsa's stakeholders to question their own knowledge and understanding with respect to sustainability.

In 2014 reporting period, we are planning to open new dialogue channels specific to external stakeholders and listen the demands and opinions of our stakeholders on a regular basis, which are directly related to our business within the frame of sustainability. Feedbacks we will be receiving within this scope shall play an important role in actions we will take in the following years.

General Stakeholder Meeting

In 2013 reporting period, it was aimed to open new dialogue channels special to external stakeholder and to listen regularly demands and opinions of stakeholder, which are directly related to our business within the frame of sustainability.



Feedbacks we received within this scope play an important role in sustainability actions we will take in following years. In September 2013, we held our first "Stakeholder Meeting" in Ankara, during which information was provided concerning our sustainability report and our sustainability focuses and targets were discussed. Our meeting which was the first in the sector was held with the participation of our customers, non-governmental organizations, public institutions and provincial environment directorates, universities and our employees.

Throughout the meeting, as well as many thanks to Çimsa for its studies carried out in terms of sustainability, a request for being leader of the sector with regard to sustainability was notified to Çimsa. In conclusion of the meeting, expectations of our stakeholders are as below.

- Effective resource usage,
- Alternative fuel (from waste-to-energy) usage as an energy
- Cooperation with trade unions with respect to occupational health and safety
- Review of effects on local community in factor areas
- Development of collaborations with stakeholders, especially with universities
- Development of eco-friendly innovative products and R&D studies.

While some of expectations specified during the meeting have been already reflected to our employees, they have been also a guideline for the year 2014 and our upcoming studies.

XI. Dialogue With Our Stakeholders

Dialogue with Our Employees

Our employees who are the backbone of Çimsa's corporate success have primary importance in corporate sustainability studies. Our actions regarding human resources are shaped in a manner that will ensure our employees to have knowledge about sustainability subjects and act in compliance with sustainability principles.

Human Resources Vision of Çimsa is to create a high performance culture, and its mission is to ensure organizational change and development. Accordingly, we regulate our actions related to human resources within the frame of three main targets:

1. To establish the organization and humans resources infrastructure for supporting company strategies;
2. To measure and continuously develop the organizational climate,
3. To increase the leadership characteristics at every level and to increase the information and skill levels of the employees.

Our internal stakeholder survey, also includes sustainability targets, has completed with our employees. Results of survey has proved once again that our employees are our most important stakeholder in the development of the company, regionally in particular. According to the results of the survey that took part with the participation of 45% of employees, our employees are content with our current corporate performance related to occupational health and safety, efficient use of sources and protection of environment. The target of taking the positive feedbacks we received much further is among our responsibilities. Our employees

communicated that they desired to participate in the process by attending and supporting training, etc. attempts to increase their knowledge and capacities about sustainability.

"Learning Organization" works that have started in the previous years for performing common team works improve and continue with voluntary teams. Starting from 2014, our actions will focus on the sustainability based areas.

Our Dialogue with Our Customers

As a company, we improve and offer our goods and services according to the expectations of our customers. According to the nature of the market and the sustainability knowledge, dialogue and sharing with the customers are the prioritized subjects of economic sustainability for Çimsa. Çimsa is aware of, and aims at, the fact that its sustainability targets will be shaped and realized by its customers at a gradually increasing rate in future. Currently we focus on how we can meet these expectations with sustainability based products and services while developing and offering our products to meet the customer demands. Therefore, we will ensure that our customers will contribute indirectly to the chain in terms of generating less emissions and using the sources more efficiently. We are able to understand opportunities to develop more sustainable-innovative- products as a result of feedbacks from our clients. For this reason, it is of a vital importance for us to understand our customer correctly.

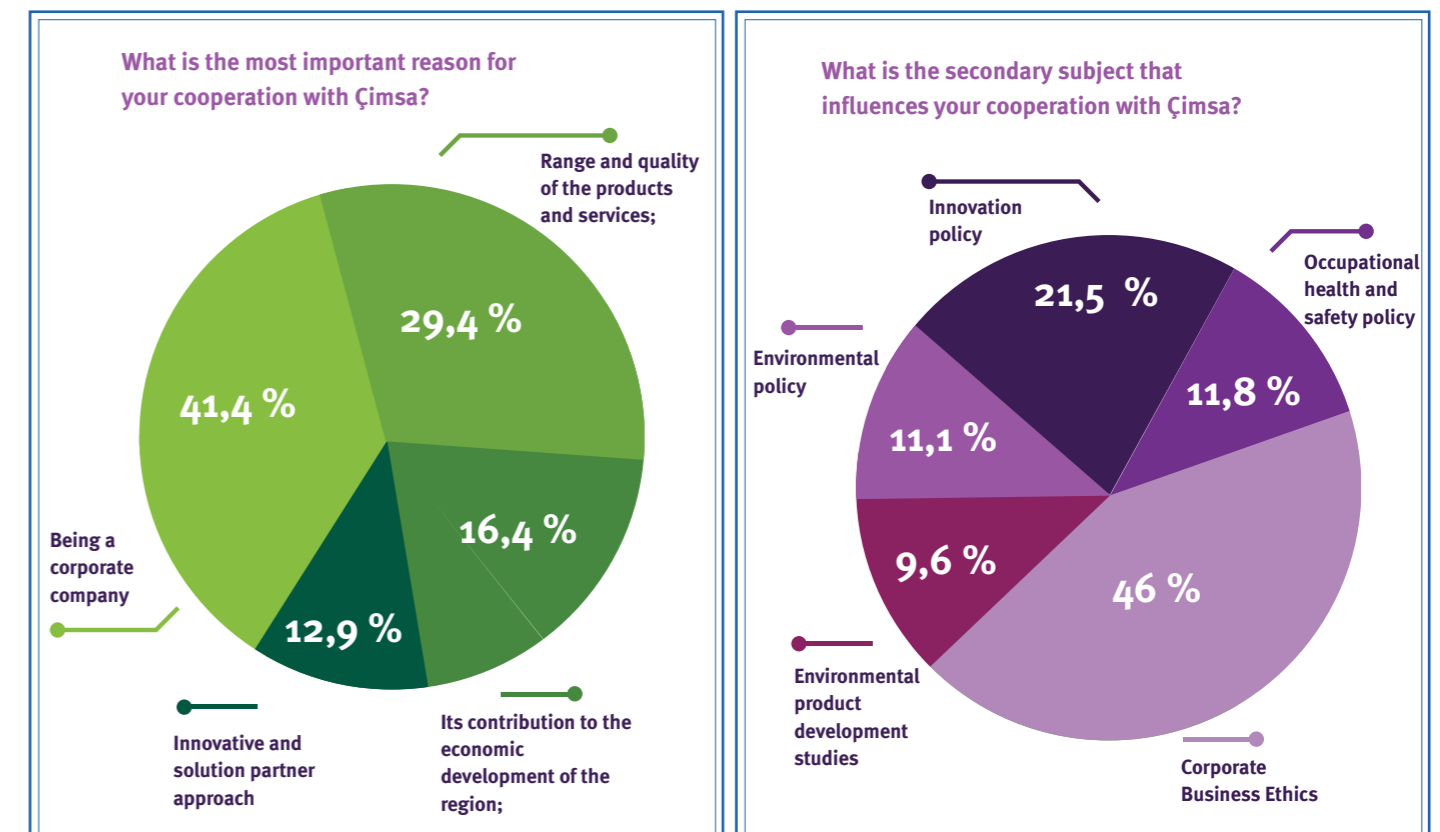
XI. Dialogue With Our Stakeholders

Sustainability Survey with Our Customers

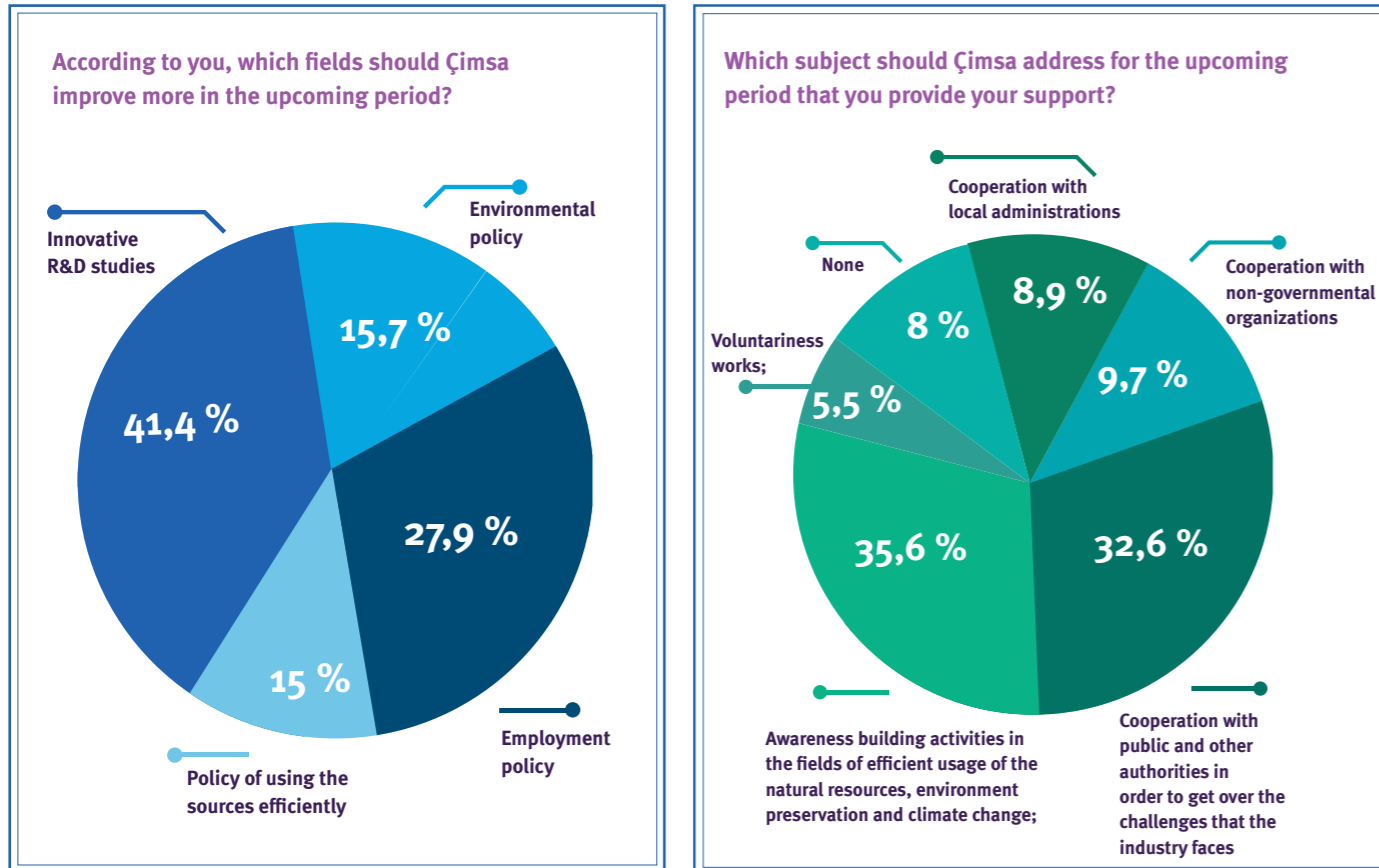
In addition to the regular one-to-one interviews with our customers in 2013, a survey was conducted with the participation of 70% of our customers. We received the feedbacks of our customers through the survey we held at the customer meetings.

Our corporate structure and business ethics approach, both of which are the prioritized criteria for Çimsa to be selected by its customers, are our prioritized sustainability subjects, with which we have made a difference in the industry.

Being defined as simply "Reliable" by our customers, our company aims to enhance this trust.



XI. Dialogue With Our Stakeholders



Within the frame of the feedbacks from customer survey, Çimsa believes that the following areas will be important for sustainability actions in later terms, and aims at performing these actions with the support from its customers.

- Leading the sector in order to overcome the challenges that the industry encounters,
- Engaging in awareness building activities regarding efficient usage of the natural resources

XI. Dialogue With Our Stakeholders

Customer Loyalty Survey

The survey was conducted face-to-face and by through an appointment from the customers in order to identify the loyalty levels of cement and ready mixed concrete customers for Çimsa, emotional and rational motivations of the customers and their perceptions about Çimsa brand as well as to increase customer loyalty and to detect the areas that need to be improved.

For Customer Loyalty Survey of 2013, total 269 customers were interviewed; 98 of them are Ready Mixed Concrete, 151 are grey cement, 18 are white cement and two are CAC customers.

Loyalty levels of both cement and concrete customers were found to be significantly high, compared to 2011. Index increased to 78 points within Çimsa in general, with cement index being 80 points and RMX index being 75 points. (This is the highest level that has been achieved since 2009. Value of the year 2011 is 71.)

Loyalty score of grey cement customers is 80 points. Loyalties of both user and distributor group were observed to be higher compared to 2011.

According to the resolution of Çimsa Marketing Committee, "customer loyalty" surveys will be conducted every two years.

Planting Tree Activity in Eskişehir Plant with our Customers

Planting tree and picnic activity organized by our facility directorate every year were done at our Eskişehir plant this year for the first time, our customers were also invited to the activity. Our customers, who participated in the activity aiming at raising awareness among our customers, named the sapling they planted after their companies. At the activity ended with the picnic and factory trip, all guests emphasized that the social responsibility projects needed more cooperation.

Dialogue with our Local Neighbors

Being reliable comes first among Çimsa's three values. We always maintain our communication channels open with local public and administrations at the regions in which we operate in order to maintain this trust. We review their requests and suggestions in no time and take necessary improvement actions.

Our cement factories, which had been established far from residential areas according to regulations and laws, got closer to the residential areas by time as cities developed and expanded to a large area. Our ready mixed concrete facilities are established and operated at industrial zones at a certain distance from residential areas according to regulations and laws. In spite of that, the limited number of complaints we have been receiving about our cement factories and ready mixed concrete facilities throughout the years are reviewed by factory and facility management and relevant people are informed accordingly. We have a written policy for managing the entrance, operation and leaving/closing processes of cement and ready mixed concrete operations.

During the reportage period, we not only sponsor many types of cultural and sportive activities supporting the public institutions and the community in all the regions we operate in, we also plant thousands of saplings for improving the surrounding.



XI. Dialogue With Our Stakeholders

Dialogue with the Industry Representatives

Our dialogues we started in previous years with the Cement Industry Employees Association (CEIS) and The Turkish Cement Manufacturers Association (TCMA) is continuing steadily. We strengthened our works on occupational health and safety after we reviewed it again with the views of CEIS. By ensuring active participation in studies within TCMA, we submitted our views and project proposals for development toward social and environment in the sector.

Concrete Seminar for Employees in the Building Audit Sector

As a leading cement and construction materials manufacturer of Turkey, we held a seminar on concrete in Kayseri and Mersin in order to inform building auditing professionals. At the seminar, ideas were exchanged about manufacturing concrete conforming to standards in parallel with the developments in cement and concrete technology and ensuring that the correct concrete applications were implemented at the constructions. During the seminar which was mostly attracted by building auditing professionals, it was remarked that recently cement and concrete quality had come to the forefront recently in terms of construction safety and that positive developments were observed after the introduction of new technologies in concrete manufactured in Turkey. The activity that delivered important messages to us, as Çimsa, in terms of our product quality and innovative products, also demonstrated our product quality once again.



Dialogue with Non-Governmental Organizations

Çimsa became a member of Cement Sustainability Initiative (CSI) in 2013. We had reviewed the improvement suggestions of CSI about the strategic issues we determined with our shareholders and strategic sustainability subjects that CSI detected for cement industry, such as Climate Preservation, Fuel and Raw Materials, Occupational Health and Safety, Emission Reduction and Energy Efficiency, matched with the prioritized subjects of Çimsa. A closer working environment at an environment in which we use performance indicators of CSI, which engages in special works for cement industry, not only accelerates our accomplishment of targets, but also provides important benefits in terms of orienting other organizations to the subject about this issue, as the first organization from Turkey.

In addition of following the works of Turkish Business Council for Sustainable Development (SKD), of which we are a member of, and of expressing opinion, we joined a cooperation by signing "Energy Efficiency at Buildings (EEB)" project, which was launched at the end of 2012.

Sponsorship of 'Quality at International Construction' International Summit

Çimsa was the sponsor of the 5th 'Quality at International Construction' Summit in which the subjects of Sustainable, Reliable, Contemporary Buildings and Urban Transformation, legal, social and functional aspects of urbanization, material development technologies at construction sector, inspection and funding of urbanization, sustainability in urbanization, safety and energy efficiency were discussed.

XI. Dialogue With Our Stakeholders

ESOGU Civil Engineering Days

While our works with universities increasingly continue, our communication is preponderating sponsorships style.

Çimsa was the sponsor of the Civil Engineering Days that were held for the fifth time this year between 19 - 21 April 2013 by Eskişehir Osmangazi University Civil Engineering Club again. The activity at which about 400 civil engineering students from all over Turkey as well as the leading people from academy and business world attended

as speakers, also hosted our R&D and Application Center Director and Corporate Development-Capability Director. At the Civil Engineers Day, information about the importance of cement and concrete, developing technologies and new generations of products were presented.





Reporting Approach

Çimsa constitutes its sustainability approach by taking its stakeholders and subjects vital to its corporate structure into consideration and proceeds with its endeavours.

XII. Reporting Approach

Our sustainability report that includes economic, environmental and social performance of ÇİMSA Sanayi ve Ticaret A.Ş. (Çimsa) for the year 2013 is presented based on openness, transparency and accountability criteria in the light of business principles stated in this report. As Çimsa, we pay maximum attention to make a favorable effect on future requirements and expectations of our stakeholders for sustainability purposes and take necessary actions accordingly, while executing our present business and operations. Therefore, this report is, in a way, one of the most important platforms that we can review the priorities of our stakeholders regarding sustainability and that we can share the suggestions and offers.

The Purpose and Scope of This Report

This report addresses economic, environmental and social impacts of Çimsa, which operates in cement and ready mixed concrete sectors, during its operations in Turkey as well as its relevant business-running principles. The report aims at informing the minimization of all possible negative results out of our current and future operations with the participation stakeholders. Therefore, our shareholders will be able to watch the steps of measuring, tracking and improving the sustainability performance of Çimsa during its triple reporting process.

We examined all cement factories and ready mixed plants of Çimsa for determination of strategic subjects and collection of data. We have decided to use GRI G4 reporting framework our 2013 report.

We have defined our 2013 sustainability issues with the continuity principle and based on our 2020 targets. We have also considered market developments and expectations, our studies with trade associations, our supply chain, developments on technology, legal regulations, as well as compliance expectations from WBCSD CSI and UNGC.

We have reviewed our sustainability context during our sustainability committee meetings and discussed if our identification, prioritization and validation has been completed properly. Understanding the

importance of the sustainability context for our stakeholder was key. To receive final approval from top management we have presented it to our general manager. As our business is in progress of being structured newly at Afyon Çimento Sanayi ve Ticaret A.Ş., which we acquired in June 2012, it was added only to "Corporate Profile" of this report. However, our Afyon facility is not included in sustainability data. In addition, the entire operations of Çimsa, except for logistics activities performed with its overseas terminals and suppliers, are included within the scope of this report.

GRI Global Reporting Initiative

We prepared Çimsa Sustainability Report based on GRI G4 standard principles in accordance "Core" level. These guidelines form a frame for companies to report their environmental, economic and social impacts together with their corporate governance principles. www.globalreporting.org

Our report also includes the principles of UN Global Compact (UNGC), which we signed in 2013, in a GRI report format. www.unglobalcompact.org

While creating the report, we paid attention especially the principles of CSI (CSI) under the principles of The World Business Council for Sustainable Development (WBCSD). www.wbcscement.org

Though we did not process our report through a specific auditing study, as we consider integrity and transparency of the report we have specified the individual inspections on GRI Content Index Table, if there is.

XII. Reporting Approach

The definition of the reports contents.

We have implemented guidelines of GRI for determining sustainability aspects(materiality matrix) such as, importance, stakeholder participation, sustainability contexts and integrity while we are preparing our report. The content of this report has been identified our stakeholder meeting, workshops and surveys, has been approved by our top management out of internal discussions.

During the works where stakeholders opinions and suggestions were addressed we addressed Çimsa's economical, environmental, social impacts and governance roles in terms of sustainability for the company as a whole. We present each heading in the rate of its importance and priority, supported by appropriate data from the reporting period.

Period and frequency of the report

This report covers Çimsa's 2013 operation period we intend to publish the subsequent volume of our report which will be regularly published every year, in 2015 covering the 2014 activity period. For the information in our report and further details, see www.cimsa.com.tr.

United Nations Global Compact



Çimsa works with an integrative approach to its sustainability activities and all the programs attended. Çimsa believes that 'United Nations Global Compact' signed in 2012 integrates its sustainability activities and enables these activities to be more significant. As an organization which has integrated the principles of running a business ethically to its business process for a long time, Sabancı Holding Corporate Governance Principles and SA-Ethics are an extension of UN Global Compact (UNGC), which has an inherent complementarity. Within this scope, our report is prepared also as UNGC reporting and our relevant statements can be tracked on the GRI Content Tables and within the reports, and our websites are also available.



2020 Sustainability Ambitions

Çimsa works to achieve 2020 ambitions to take important roles at global platforms.

XIII. 2020 Sustainability Ambitions

Environmental Sustainability Ambitions ²⁻³

Our Environmental Sustainability Objectives For Cement Plants						
Environment Management and Reporting						
Systematic collection and monitoring of the environmental data						
Increasing the Alternative Fuel Usage						
Target Definition	Key Performance Indicator	Unit	Actual 2012	Actual 2013	Target 2014	Target 2020
Reducing the use of fossil fuels	Rate of replacement (calorific based)	%	7.50	7	6.5	10.6
Restoring Lands to Their Natural Form and Decreasing Local Impacts						
Target Definition	Key Performance Indicator (Cumulative)	Unit	Actual 2012	Actual 2013	Target 2014	Target 2020
Rehabilitation of quarries	Rehabilitated area	ha	11.5	12	12	16
Climate Change and Protection						
Target Definition	Key Performance Indicator	Unit	Actual 2012	Actual 2013	Target 2014	Target 2020
CO ₂ emission	As Çimsa, we will comply with the international agreements that will be signed by Turkey and all decisions taken by TÇMB in relation to our CO2 emission reduction targets for the years following 2013.					

²Çimsa is not manufacturing Aggregate since 2013. For this reason, the related objectives were excluded from our report.

³Objectives for Ready Mixed Concrete were achieved.

XIII. 2020 Sustainability Ambitions

Environmental Sustainability Ambitions

Our Environmental Sustainability Objectives for Cement Plants						
Management and Reduction of Emissions						
Target Definition	Key Performance Indicator	Unit	Actual 2012	Actual 2013	Target 2014	Target 2020
Emissions can be kept under constant control, ensuring compliance with environmental regulations	Dust level	mg/Nm3	13	14	<50	Limit Values of Environmental Regulation for 2020
	NOx level	mg/Nm3	712	732	<1300	Limit Values of Environmental Regulation for 2020
	Volatile organic compounds	mg/Nm3	15	17	<150	Limit Values of Environmental Regulation for 2020
	Heavy Metals (Hg+C-d+Tl)	mg/Nm3	0.010	0.006	<0.05	Limit Values of Environmental Regulation for 2020
	Dioxin/Furane	µg/Nm3	0.011	0.007	<0.1	Limit Values of Environmental Regulation for 2020
	HCl	mg/Nm3	2.34	0.57	10	Limit Values of Environmental Regulation for 2020
Online monitoring of dust and NOx levels	HF	mg/Nm3	0.28	0.21	1	Limit Values of Environmental Regulation for 2020
	Ratio of the kiln stack-Dust and NOx values can be monitored online	%	43	43	43	100
	Conversion of electro filters with bag type filter	Conversion rate of rotary kiln electro filters into bag type filters	%	57	57	57
Products and Services						
Percentage of recycled paper/ cardboard packaging		Unit	Actual 2012	Actual 2013	Target 2014	Target 2020
		%	40	42	42	60

Social Sustainability Objectives

Social Sustainability Ambitions (2014+)			
Cement	Unit	2014+	
Fatalities	Person	0	
Fatalities (Sub-employer)	Person	0	
Fatalities (Third Party)	Person	0	
Accident Frequency	Rate	0	
Lost working day	Days	0	
Absence from Work Except for Accident	Days	0	
Ready Mixed Concrete	Unit	2014+	
Fatalities	Person	0	
Fatalities (Sub-employer)	Person	0	
Fatalities (Third Party)	Person	0	
Accident Frequency	Rate	0	
Lost Working Day	Days	0	
Absence from Work except for Accident	Days	0	



Performance Tables

Çimsa pays strict attention and cares for minimizing the environmental impacts of its operations through utilization of the natural resources more efficiently.

XIV. Performance Tables

Our Economic Performance Data

Created and Distributed Economic Value					
	Unit	2011	2012	2013	GRI
Economic Value Generated (Net Sales)	Million TL	765.75	805.58	875.40	EC-1
Economic Value Distributed to the Shareholders					
Operational Costs [Cost Goods Sold (other than amortization and personnel costs), General Administration Expenditures, Nonstrategic Investments, Copyrights, etc.]	Million TL	513.04	525.01	571.48	EC-1
Benefits Paid to Government (Taxes, etc.)	Million TL	61.60	70.74	101.93	EC-1
Benefits Paid to Investors and Stakeholders (Dividends, etc.)	Million TL	94.83	106.72	98.07	EC-1
Benefits Paid to Financial Institutions (Interests, etc.)	Million TL	15.91	34.3	25.07	EC-1
Benefits Paid to Employees (Salaries, etc.)	Million TL	55.97	57.17	65.41	EC-1
Benefits to the Society (Donations, etc.)	Million TL	1.45	0.2759	10.27	EC-1
TOTAL		742.80	794.22	872.24	
Economic Value Retained	Million TL	38.86	45.67	28.23	
Financial aids received from government					
Tax reductions (R&D reductions + export Lump Sum Expenses)	Million TL	0.93	0.82	0.87	EC-4
Other benefits paid to employees					
Contributions of Çimsa to Personal Pension System (BES) on behalf of employees	Million TL	0.30	0.34	0.34	EC-3
Total number of employees who joined to BES system	Person	154	165	158	EC-3

XIV. Performance Tables

Our Environmental Performance Data

Our Environmental Performance					
	Unit	2011	2012	2013	GRI
Gray cement manufacturing	tons	4.543.044	4.715.042	4.759.454	EN 1
White cement manufacturing	tons	965.926	902.293	984.975	EN 1
Calcium Aluminate Cement Manufacturing	tons			27.320	EN 1
Aggregate manufacturing amount	tons	3.300.000	2.436.000	3.337.000	EN 1
Ready mixed concrete manufacturing amount	m3	1.974.256	2.665.546	1.698.978	EN 1
MATERIALS					
Gray cement		2011	2012	2013	
Gray cement clinker natural raw material amount	tons	5.699.371	5.980.292	6.133.601	EN 1
Clinker produced	tons	3.984.355	3.946.950	4.001.839	EN 1
Alternative raw material	tons	114.452	180.581	211.583	EN 1
Conventional fossil fuels	tons	430.180	404.446	398.106	EN 1
Alternative fuels	tons	23.998	43.099	42.380	EN 1
White cement					
Clinker natural raw material amount	tons	914.664	1.064.718	955.098	EN 1
Clinker produced	tons	875.929	895.923	1.041.091	EN 1
Alternative raw material	tons	49.465	85.454	110.711	EN 1
	tons	122.027	115.402	142.399	EN 1
Aggregate					
Total natural raw materials (lime stone)	tons	2.795.000	2.700.000	3.900.000	EN 1
Ready Mixed Concrete					
Alternative raw material (volatile ash)	tons	52.530	61.815	46.200	EN 1
Alternative raw material (clinker)	tons			78.204	EN 1
RATIO OF RECYCLED MATERIALS USED AS INPUT					
Gray Cement					
Alternative raw material usage rate	percent	1.63	2.47	3.05	EN 2
Alternative fuel usage rate	percent	4.60	7.50	7.02	EN 2
White Cement					
Alternative raw material usage rate	percent	3.42	4.77	6.09	EN 2
Direct energy consumption					
Gray Cement					
Total thermal energy consumption	TJ	13.113	13.217	13.402	EN 3
Specific thermal energy consumption	MJ/clinker	3.293	3.292	3.334	EN 5
Clinker/cement ratio	percent	81.3	80.5	82.3	EN 3
White Cement					
Total thermal energy consumption	TJ	4.155	4.631	4.835	EN 3

XIV. Performance Tables

Our Environmental Performance Data

INDIRECT ENERGY CONSUMPTION	Unit	2011	2012	2013	GRI
Cement					
Electricity consumption	TJ/y	2.090	2.056	2.294	EN 3
Ready Mixed Concrete					
Electricity consumption	TJ/y	127	159	158.5	EN 3
Aggregate					
Electricity consumption	TJ/y	20.2	16.4	29.5	EN 3
BIODIVERSITY					
Rehabilitation of mines	ha	9.5	11.5	12	EN 13
EMISSIONS					
Greenhouse gas emissions					
Cement					
Total CO ₂ Emission (Scope 1)	million tons/year	4.3	4.3	4.5	EN 15
Gray Cement Specific CO ₂ Emission (Scope 1)	kg CO ₂ /ton cementitious	711	701	732	EN 18
Gray Cement Specific CO ₂ Emission (Scope 2)	kg CO ₂ /ton cementitious			52	EN 18
Total CO ₂ Emission (Scope 2)-gray	tons CO ₂ /y			245.182	EN 16
Total CO ₂ Emission (Scope 2)-white	tons CO ₂ /y			65.335	EN 16
CO ₂ Savings Amount (Waste heat-savings amount)	tons/year			23.919	EN 19
NOx, SOx, 1 dust and other air emissions					
Cement					
Total dust emission	tons/year	128	108	156	EN 21
Specific dust emission	g/t clinker	25	25	31	EN 21
Grinding and Packaging					
Total Dust emission	g/t cement	-	3.88	-	EN 21
Ready Mixed Concrete					
Emission of dust hung in the air	mg/N m ³	-	1.47	1.33	EN 21
Cement					
1 Total NOx emission	tons/year	7417	5368	7196	EN 21
Specific NOx emission	g/t clinker	1459	1227	1430	EN 21
Total Heavy metals	tons/year	0.1	0.07	0.08	EN 21
Specific Heavy metals	g/t clinker	0.02	0.02	0.02	EN 21
Total volatile organic compounds	tons/year	135	125	139	EN 21
Specific volatile organic compounds	g/t clinker	31	29	32	EN 21
Total Dioxin/furane	g/y	0.076	0.125	0.079	EN 21
Specific Dioxin/furane	ug/kg clinker	0.017	0.028	0.018	EN 21
Total HCl	tons/year	2	2	4	EN 21
Specific HCl	g/t clinker	1	1	1	EN 21
Total HF	tons/year	2	2	2	EN 21
Specific HF	g/t clinker	0.5	0.5	0.5	0.5

XIV. Performance Tables

Our Environmental Performance Data

WASTES	Unit	2011	2012	2013	GRI
Cement					
Hazardous waste	tons/year	91	186	153	EN 23
Non-hazardous waste					
	tons/year	323	1200	857	EN 23
Domestic waste	tons/year	226	238	226	EN 23
Ready Mixed Concrete					
Hazardous waste	tons/year			12.6	EN 23
Safe waste					
Domestic waste	tons/year			57.5	EN 23
PERCENTAGE OF CEMENT SOLD AS BAG AND BULK BY CATEGORY					
Grey Cement					
Bulk	percent	76.1	80.6	79.3	EN 28
Bag	percent	23.9	19.4	20.7	EN 28
White Cement					
Bulk	percent	48.7	43.7	38.2	EN 28
Bag	percent	51.3	56.3	61.8	EN 28
Recycled Bag Ratio	percent	40	40	42	EN 28
GENERAL ENVIRONMENT EXPENDITURES					
Cement					
Expenditure on Environment Protection Activities	million TL	61.2	22.14	19.61	EN 31
Ready Mixed Concrete					
Expenditure on Environment Protection Activities	million TL	0.64	5.33	4.30	EN 31
Aggregate					
Expenditure on Environment Protection Activities	million TL	0.29	1.01	0.97	EN 31

XIV. Performance Tables

Our Social Performance Data

Our Social Performance					
Occupational Health and Safety Trainings	Unit	2011	2012	2013	G4
Çimsa Employees					
Total OHS Training provided	Hours/Year	11859	12500	6395	LA9
Çimsa Subcontractors					
Total OHS Training provided	Hours/Year	7681	8250	2829	LA9
Business Ethics Trainings					
Çimsa Employees					
Managers received Ethics Training	Percent	100	100	100	S03
Employees received Ethics Training	Hours/Year	100	100	333	S03
Ethics Training per Employee		1	1	1	S03
General Trainings (Personal and Career Oriented)					
Çimsa Employees					
Training per Employee	Hours/Year	23,66	18,57	21,3	LA9
Employee Turnover Rates					
Consolidated (Recruitment + Quitting)					
Within scope	Percent	6.2	4.4	19.1	LA1
Out of scope	Percent	14.0	7.9	22.3	LA1
Total	Percent	9.5	5.9	20.9	LA1
Workforce data					
Total Numbers of Employees	Unit	2011	2012	2013	G4
White-Collar Employees	Person	423	445	418	G4-10
Blue-Collar Employees	Person	580	558	542	G4-10
Subcontractor's Employees	Person	389	348	1108	G4-10
Contracted Çimsa Employee					
Contracted employees of indefinite duration	Person	1000	1001	960	G4-10
Employees working with provisional contract	Person	3	2	0	G4-10
Full-time employees	Person	1003	1003	960	G4-10
Half-time employees	Person	0	0	0	G4-10
Gender					
Male	Person	959	956	911	G4-10
Female	Person	44	47	49	G4-10
Age					
Between ages of 20-29	Person	227	150	182	G4-10
Between ages of 30-39	Person	483	514	489	G4-10
Between ages of 40-49	Person	253	297	260	G4-10
Between ages of 50-60	Person	40	42	29	G4-10
Employees in Minority Group Position					
Top Management	Person	13	12	15	G4-10
Mid-Level Management	Person	38	34	34	G4-10
First-level executives	Person	87	39	71	G4-10
Expert/Engineer	Person	69	118	102	G4-10
Other white-collar employees	Person	216	242	196	G4-10
Blue-collar employees	Person	580	558	542	G4-10

XIV. Performance Tables

Our Social Performance Data

Our Social Performance							
Numbers of Employees Distribution (31.12.2013) (By Age groups)							
Regional Distribution	Age 20-25	Age 26-30	Age 31-35	Age 36-40	Age 41-45	Age 46-50	Age plus 50
General Directorate (Istanbul)	1	8	13	6	7	1	5
Mersin Plant	13	66	75	104	58	41	8
Eskişehir Plant	12	42	53	39	26	12	3
Kayseri Plant	5	21	36	23	15	8	1
Niğde Plant	4	22	24	29	19	9	2
Ankara Plant	0	1	14	7	4	0	2
Ready Mixed Concrete	4	26	42	16	10	5	1
Aggregate	0	3	2	2	1	1	0
Terminal	0	0	1	1	4	1	1
Total	39	186	260	227	144	78	23
Distribution of Personnel (31.12.2013) (By Gender and Position)							
Regional Distribution	Total	Top Management	Manager	(Supervisor/Expert)	Officer/Technician	Blue Collar	
General Directorate (Istanbul)	40	8	9	22	1	0	
Mersin Plant	365	2	8	70	50	235	
Eskişehir Plant	187	1	3	23	30	130	
Kayseri Plant	109	1	1	16	14	77	
Niğde Plant	109	1	1	16	9	82	
Ankara Plant	28	2	0	7	1	18	
Ready Mixed Concrete	104	0	5	12	87	0	
Aggregate	9	0	1	2	6	0	
Terminal	8	0	5	2	1	0	
Total	960	15	33	170	199	542	
Recruited Employees (01.01.2013-31.12.2013): 80 people							
Regional Distribution	Number	Number	Ratio				
General Directorate (Istanbul)	6	10	%8				
Mersin Plant	32	40	%33				
Eskişehir Plant	13	19	%16				
Kayseri Plant	10	14	%12				
Niğde Plant	11	13	%11				
Ankara Plant	1	0	%0				
Ready Mixed Concrete	7	24	%20				
Aggregate	0	0	%0				
Terminal	0	1	%1				
Data of Reporting Period							
		Person					
Number of employees who take maternity leave in reporting period:		1					
Number of employees who come back from maternity leave in reporting period:		0					
Number of employees who currently work in reporting period:							
Number of employees who continue and come back from maternity leave:		0					

XIV. Performance Tables

Our Social Performance Data

Recruited Employees (01.01.2013-31.12.2013): 80 people	Number	Number	Ratio
Number of Female Employees	12	9	7%
Number of Male Employees	68	112	93%
20 to 25 years of age	28	6	5%
26 to 30 years of age	36	23	19%
31 to 35 years of age	10	26	21%
36 to 40 years of age	3	17	14%
41 to 45 years of age	1	13	11%
45 to 50 years of age	0	27	22%
50(+) years of age	2	9	7%
Ratio to General Number of Employees	8.3%	12.6%	9,9%

XV. Corporate Memberships

NAME OF ASSOCIATION / FOUNDATION / UNION / INSTITUTION	REPRESENTING BODY	POSITION
Business Council for Sustainable Development Turkey	Mehmet HACIKAMILOĞLU	Member
WBCSD Cement Sustainability Initiative (CSI)	ÇİMSA (CORPORATE REPRESENTATION)	Member
Environment Friendly Green Buildings Association	Mehmet HACIKAMILOĞLU	Member
Turkish Industry & Business Association	ÇİMSA (CORPORATE REPRESENTATION)-Mehmet GÖÇMEN	Member
Turkish Marine Environment Protection Association	Mehmet HACIKAMILOĞLU	Member
Cembureau The European Cement Association	Mehmet GÖÇMEN	Member
Cembureau The European Cement Association	Mehmet HACIKAMILOĞLU	Member
Turkish Personnel Management Association	Bilgen ÇAĞLI	Member
Turkish Corporate Governance Association	Mehmet HACIKAMILOĞLU	Institution's Representative
Turkish Corporate Governance Association	Nevra ÖZHATAY	Member
Turkish Corporate Governance Association	Memduh GÜLLÜ	Member
Turkish Corporate Governance Association	Remzi KARATAL	Member
Turkish Corporate Governance Association	Ümit ÇETİN	Member
Private Sector Volunteers Foundation	Bilgen ÇAĞLI	Member
Private Sector Volunteers Foundation	Çiğdem GÜRBÜZ	Associate Member of Supervisory Board
Association of Turkish Building Material Producers	Mehmet HACIKAMILOĞLU	Member
Turkish Cement Manufacturers' Association	Mehmet HACIKAMILOĞLU	Vice President, Chairman of Permanent Committee of Ready Mixed Concrete
Turkish Cement Manufacturers' Association	Şahap SARIER	Technical Permanent Committee Member
Turkish Cement Manufacturers' Association (EÇKA)	İsmail BOZ	Member of Environment and Climate Change Committee, Member of Temporary Sub-Committee of Wastes and Petroleum Coke, Member of Temporary Sub-Committee of Online Communication, Member of the Board of Directors of Climate Commission
Turkish Cement Manufacturers' Association	Mustafa DEMİRCİ	Member of Permanent Committee of Ready Mixed Concrete-Sub-Committee of Concrete Road and Concrete Barriers
Turkish Cement Manufacturers' Association	Çağatay AVŞAR	Member of the OHS Board
Turkish Cement Manufacturers' Association	Mehmet ÖZYİĞİTOĞLU	Member of Permanent Committee of Ready Mixed Concrete-Sub-Committee of Environment and Occupational Safety
Turkish Cement Manufacturers' Association	Tolga KALE	Member of Permanent Committee of Ready Mixed Concrete-Sub-Committee of Environment and Occupational Safety
Turkish Cement Manufacturers' Association	Yeşim TEKNİKER	Member of Permanent Committee of Ready Mixed Concrete-Sub-Committee of Environment and Occupational Safety
Turkish Cement Manufacturers' Association	Hüsnü GÜL	Member of Technical Permanent Committee, Technical Specialization Committee - Standards
Cement Industry Employers Trade Union	ÇİMSA (CORPORATE REPRESENTATION)	Member
Cement Industry Employers Trade Union	Mehmet GÖÇMEN	Member of the Board of Directors
Cement Industry Employers Trade Union	Bilgen ÇAĞLI	Deputy Chairman of ÇAIK (Occupational Relations Board)
Cement Industry Employers Trade Union	Çağatay AVŞAR	Member of the OHS Board
Cement Industry Employers Trade Union	Caner TÜRKYENER	Member of ÇEİS Cement National Competencies Board (ÇYK)
Cement Industry Employers Trade Union	İlhami BARILDAR	ÇEİS Business Assessment Member
H.Ö.Sabancı Holding A.Ş.	İsmail BOZ	Member of Environment Committee
Turkish Ready Mixed Concrete Association	Önder KIRCA	Representative of Institution
Turkish Ready Mixed Concrete Association	Mustafa DEMİRCİ	Representative of Institution, Member of Technical Committee
Turkish Ready Mixed Concrete Association	Yeşim TEKNİKER	Member of Environment Committee
Turkish Ready Mixed Concrete Association	Tolga KALE	Member of Environment Committee
Turkish Ready Mixed Concrete Association	Merve ÖZKAN	Member of Advertising and Public Relations Committee
Turkish Foundation For Combating Erosion Reforestation And The Protection Of Natural Habitats	Alkan ŞENEL	Member
Chamber of Mechanical Engineers	Mustafa TURAN	Member
Chamber of Mechanical Engineers	Faruk ÖZERGİL	Member
Chamber of Environment Engineers	İlhami BARILDAR	Member
Chamber of Mineral Engineers	Enver AYAS	Member
Mediterranean Sea Exporters Trade Unions	ÇİMSA (CORPORATE REPRESENTATION)	Member
Middle Anatolia Exporter Trade Unions	Erbil KOÇAK	Member of the Board of Directors
Chambers of Commerce and Industry	ÇİMSA (CORPORATE REPRESENTATION)-HB Regional Managers	Corporate Membership of All Plants and HB Facilities
Mersin Industrialists and Businessmen Association	Levent ÖNCEL (CORPORATE REPRESENTATION)	Membership of Mersin Plant

XVI. GRI Content Tables



General Standard Disclosures			
GENERAL STANDARD DISCLOSURE	COMMENTS/PAGE NUMBER/LINK	EXTERNAL ASSURANCE	UN GLOBAL COMPACT
STRATEGY AND ANALYSIS			
G4-1	Senior Management Statement Page 4, 5	No	
COMPANY PROFILE			
G4-3	Çimsa Çimento Sanayi ve Ticaret A.Ş. S. 102, 104 and Annual Report 2013 P.41, 57	No	
G4-4	Products P. 9	No	
G4-5	Istanbul, Turkey P. 102	No	
G4-6	Company Profile P. 6-7, 102-103	No	
G4-7	Company Profile P. 6-7	No	
G4-8	Company Profile P. 6-7, 102, 103	No	
G4-9	Company Profile P. 6 - 7, Performance Tables 88 - 94	No	
G4-10	Social Performance Tables P.92-94. Excluding the exceptional situations all our employees are under the indefinite and full - time employment contract except the trainee position. Flexible employment practices can only be applicable to the personnel of the sub-employer companies. The total workforce distribution based on regions is directly proportional with the size of the enterprise and workplace and norm staff requirements. There is no significant changes in number of employees.	No	UNGC Principle 6
G4-11	The entire Blue-collar employees employed in Çimsa are within the scope of the Collective Bargaining Agreement. P.47, As of 31.12.2013, the number of personnel of Çimsa within the scope of the Group Collective Bargaining Agreement is 542 and the ratio to the total number of employees is 56,5%.	No	UNGC Principle 3
G4-12	Our sustainability subjects in the value chain P.12,	No	
G4-13	Çimsa's shares in Adriatico SRL has reached from 60% to 70%.	No	
G4-14	Corporate Governance and Business Ethics P.10, Risk Management P.20, Annual Report 2012 P.50	No	
G4-15	Senior Management Statement P.5, Achievements P.2, CSI membership P.3, UN Global Compact P.81	No	
G4-16	Corporate Memberships S.95	No	
IDENTIFIED MATERIAL ASPECTS AND BOUNDRIES			
G4-17	Corporate Profile P.6 -7; 2013 Annual Report P.22-23, — Cimsa Cementos Espana S.A.U. Spain Cimsa Cement Sales North GmbH Germany - 50% Joint Enterprise), CimsaRom Marketing Distributie S.R.L. Romania Cimsa-Rus Cement Trading Company Limited Russia Cimsa Adriatico SRL Italy-70% Joint Enterprise), Cimsa Cement Free Zone Ltd. (TRNC), Afyon Çimento San. T.A.Ş. (51% Joint Enterprise). Afyon Çimento San.T.A.Ş. does not appear within the scope of sustainability data report. Reporting approach P.80	No	
G4-18	Materiality Matrix for Sustainability Issues P 12-14, Reporting Approach P 80, 81	No	
G4-19	Materiality Matrix for Sustainability Issues P 13, 14	No	
G4-20	Materiality Matrix for Sustainability Issues P 15	No	
G4-21	Materiality Matrix for Sustainability Issues P 15	No	
G4-22	Reporting Approach P.80	No	
G4-23	Materiality Matrix for Sustainability Issues P. 14, Reporting Approach P.80	No	
STAKEHOLDER ENGAGEMENT			
G4-24	Dialogue with Stakeholders P.70, Reporting Approach P.81	No	
G4-25	Dialogue with Stakeholders P.70-71, Reporting Approach P.81	No	
G4-26	Dialogue with Stakeholders P.70-71	No	
G4-27	Dialogue with Stakeholders P.71-76	No	
REPORT PROFILE			
G4-28	2013	No	
G4-29	2012	No	
G4-30	Annual	No	
G4-31	Legal Disclaimer P.104	No	
G4-32	GRI Index Chart P.96-101, The report is not entirely assured. Reporting Approach P.80, 81	No	
G4-33	Our Business Principles P.10	No	
GOVERNANCE			
G4-34	Our Business Principles P.10, Sustainability Subjects of Top Priority P.12, 14, 2013 Annual Report P.43 and www.cimsa.com.tr/tr/kurumsal-yonetim/i-135	No	
ETHICS AND INTEGRITY			
G4-56	Our Business Principles P.10, 2013 Annual Report P.43, 47, SABANCI Ethic Rules www.sabanci.com.tr	No	

XVI. GRI Content Tables

Specific Standard Disclosures			
DMA AND INDICATORS	COMMENTS/PAGE NUMBER /LINK	EXTERNAL ASSURANCE	UN GLOBAL COMPACT
ECONOMIC			
ECONOMIC PERFORMANCE			
G4-DMA	Our Economic Performance P.18, 19	No	
G4-EC1	Company Profile P.6-7, Economical Values Created and Distributed P.24	No	
G4-EC2	Risk Management P.20, 21, Senior Management Statement P.4 -5, Sustainability Strategy P.11-15, 28-29	No	
G4-EC3	Economical Performance Data P.88, Contributions to Society S.45, Çimsa's contributions to the Individual Annuity Insurance (BES) on behalf of employees : 0,34 million TL Total number of employees participating in the BES system is 158	No	
G4-EC4	Our Economical Performance P.24, Economical Performance Data P.88	No	
MARKET PRESENCE			
G4-DMA	Senior Management Statement Page 4,5	No	
G4-EC5	The gross salaries of the entire permanent personnel (blue and white collar) in the Company and the personnel of the sub-employer providing services to the company do not fall below the minimum wage level determined legally. Taking living expense differences on a regional basis, the policy of the relative salary differences is embraced. Within this scope, the index for our personnel who are employed in the regions of Niğde-Mersin-Adana-Afyonkarahisar is predicated on as 100; and the index for the regions of Eskişehir-Sakarya-Ankara is applied as 105 and the index for Istanbul is 114.	No	
G4-EC6	Çimsa recruitment processes are performed in accordance with the Recruitment and Job Placement Regulation and conducted by processing the entire job applications through an objective assessment. More than one applicants are interviewed for the vacant positions and different supervisors interview the candidates during the selection process and express their opinions and views. The ratio of the local people within the Çimsa personnel is 62% overall in Çimsa as 59% for Ankara, 62% for Eskişehir, 18% for Istanbul, 70% for Kayseri, 65% for Mersin, 79% for Niğde. Contributions to Society P. 43	No	
INDIRECT ECONOMIC IMPACTS			
G4-DMA	Our Economical Performance P.21	No	
G4-EC7	Our Economical Performance P.21	No	
G4-EC8	Our Economical Performance P.22	No	
PROCUREMENT PRACTICES			
G4-DMA	Our Economical Performance P.22	No	
G4-EC9	Our Economical Performance P.22, 23	No	
ENVIRONMENT			
MATERIALS			
G4-DMA	Environmental Sustainability P.29, 30	No	
G4-EN1	Performance Table 2013	No	UNGC Principle 7, 8, 9
G4-EN2	Performance Table 2013	No	UNGC Principle 7, 8, 9
ENERGY			
G4-DMA	Environmental Sustainability P.33	No	
G4-EN3	Performance Table 2013	No	UNGC Principle 7, 8, 9
G4-EN5	Performance Table 2013	No	UNGC Principle 7, 8, 9
BIODIVERSITY			
G4-DMA	Environmental Sustainability P.39	No	
G4-EN13	Performance Table 2013	No	UNGC Principle 7, 8, 9
EMISSIONS			
G4-DMA	Environmental Sustainability P.29, 35	No	
G4-EN15	Performance Table 2013	No	UNGC Principle 7, 8, 9
G4-EN16	Performance Table 2013	No	UNGC Principle 7, 8, 9
G4-EN18	Performance Table 2013	No	UNGC Principle 7, 8, 9
G4-EN21	Performance Table 2013	No	UNGC Principle 7, 8, 9
EFFLUENTS AND WASTES			
G4-DMA	Environmental Sustainability P.37	No	
G4-EN23	Performance Table 2013	No	UNGC Principle 7, 8, 9

XVI. GRI Content Tables

Specific Standard Disclosures			
DMA AND INDICATORS	COMMENTS/PAGE NUMBER /LINK	EXTERNAL ASSURANCE	UN GLOBAL COMPACT
PRODUCT AND SERVICES			
G4-DMA	Environmental Sustainability P.37	No	
G4-EN28	Performance Table 2013	No	UNGC Principle 7, 8, 9
TRANSPORT			
G4-DMA	Supply Chain P. 64, 65	No	
G4-EN30	Supply Chain P. 64-66	No	UNGC Principle 7, 8, 9
OVERAL			
G4-DMA	Our Economical Performance P:21, Environmental Sustainability P:28 - 30	No	
G4-EN31	Performance Table 2013	No	UNGC Principle 7, 8, 9
SOCIAL			
LABOR PRACTICES AND DECENT WORK			
EMPLOYMENT			
G4-DMA	Contributions to Society P.42, 43	No	
G4-LA1	Social Performance Table P.92, 93	No	UNGC Principle 6
G4-LA2	Contributions to Society P.44	No	UNGC Principle 6
G4-LA3	Contributions to Society P.43	No	UNGC Principle 6
LABOR/MANAGEMENT RELATIONS			
G4-DMA	Workforce Management Practices: The organizational and operational amendments are networked by clarifying one month prior in order to perform the required preparations.	No	
G4-LA4	Contributions to Society P.44	No	UNGC Principle 3, 6
OCCUPATIONAL HEALTH AND SAFETY			
G4-DMA	Occupational Health and Safety: OHS actualization and objectives are periodically monitored, evaluated in the workplaces as the agenda in OHS Committees and OHS Performance reporting are performed. The trends and alterations are analysed and the causes are examined by root cause analysis.	No	
G4-LA5	The cumulative ratio of the workforce represented in the occupational health and safety committees throughout Çimsa when considering the total number of employees in those workplaces is 9%.	No	UNGC Principle 6
G4-LA8	The related detailed information can be found as mentioned in 3 Articles in the Collective Bargaining Agreement concluded between Cement Industry Employers Union (ÇEİS) and Turkish Cement Ceramics, Earth and Glass Industry Workers Union (Türkiye Cam-İş) valid between 01.01.2013-31.12.2015: 1- Protective Precautions 2- Notification of Diseases and Incidents 3-rules to be applied regarding occupational safety.	No	UNGC Principle 6
TRAINING AND EDUCATION			
G4-DMA	Training and Education: The intercorporate training and educational programs are determined with the defined procedures and policies and regulated and monitored within the scope of the annual budget in accordance with the requirements of the organization and employees.	No	
G4-LA9	Contributions to Society P.48, Performance Data 92. The average annual training in 2013 is realized as 29,2 hour/per person	No	UNGC Principle 6
G4-LA10	Contributions to Society P.48	No	UNGC Principle 6
G4-LA11	Contributions to Society P.46	No	UNGC Principle 6
DIVERSITY AND EQUAL OPPORTUNITY			
G4-DMA	Diversity and Equal Opportunities: Recognized opportunities in management and representation point, the flexibility and openness are provided before their participation in various committees.	No	
G4-LA12	Performance Table P.92	No	UNGC Principle 6
EQUAL REMUNERATION FOR WOMEN AND MEN			
G4-DMA	Equal Salary: Equal salary for equal work approach based on market values and internal equilibriums is embraced and practiced throughout the company.	No	
G4-LA13	The gross salaries of the male and female employees, who are performing the same/similar duties and work, are addressed with a total egalitarian and unbiased approach based on equivalence. The ratio of the average salary of the male employees on the same position performing same work and with similar experience and education levels, to the salary of the female employees is 1. This egalitarian approach is valid not only for salary but also for vested benefits (fringe benefits) and for total reward packages.	No	UNGC Principle 6
SUPPLIER ASSESMENT AND LABOR PRACTICES			
G4-DMA	Social Contributions P.46, 47	No	
G4-LA14	The most critical subject with respect to workforce practices for Çimsa is sub-employer companies. Within this context, the selection and assessment of sub-employer companies have the top priority. For the selection process of the sub-employer companies, evaluations related to the industrial relations within the scope of implementations and references for the previous SGK (Social Security institution) and the Labour Law. A total of three sub-employer companies have been warned due to their inability to fulfil their responsibilities regarding this area and no agreement renewals were performed with them for the new term.	No	UNGC Principle 6

XVI. GRI Content Tables

Specific Standard Disclosures			
DMA AND INDICATORS	COMMENTS/PAGE NUMBER /LINK	EXTERNAL ASSURANCE	UN GLOBAL COMPACT
G4-LA15	The most critical subject with respect to workforce practices for Çimsa is the active monitoring of the employees of the sub-employers receiving their legal rights fully and on time. Within this context, Çimsa investigates whether the supplier company fulfils its responsibilities towards its employees and public authorities or not prior to the monthly progress payments. Regular monitoring are performed towards occupational health and safety (OHS) matters and the responsibilities of the companies in terms of OHS are defined in details in the articles of the agreements. In case any breach of those aforementioned agreement articles is observed, then there are also agreement articles towards implementing administrative sanctions for those companies. The agreements of 3 sub-employer companies were not renewed due to non-conformance in the practices. Trainings with legal and social contents for increasing awareness towards the sub-employers are to be planned within the year of 2015.	No	UNGC Principle 6
SUB-CATEGORY :HUMAN RIGHTS			
INVESTMENT			
G4-DMA	Investments: The monitoring of the de facto applications of the personnel of the companies providing services and support regarding the human rights and the performance of audits on the protective provisions in the agreements shall be taken as a basis in the company policy investment processes.	No	
G4-HR1	The entire investment agreements of Çimsa are containing of special provisions and legal forces related to the Constitution in compliance with the related laws and regulations covering the age, social security, working hours and occupational health and safety matters.	No	UNGC Principle 1, 2
G4-HR2	An average of 1 hour of training during the daily training of the private security personnel employed within the staff of the sub-employer company covers human rights subjects.	No	UNGC Principle 1, 2
NON-DISCRIMINATION			
G4-DMA	Anti-Discrimination: Subjects such as equal opportunity, internal equilibrium among the employees are taken as a basis in the Company practices and the monitoring and follow-ups of the rights and freedom secured within the scope of the Constitution and Labour Act are performed with parallel to the company regulations and procedures.	No	
G4-HR3	Within the scope of the related Labour Act and the Code of Obligations; Not even a single discrimination case or any related complaint have been observed. The company, consisting of a wide and diverse employee profile, has been performing the employee management in an unbiased, fair and objective manner through the respect to diversities approach and the principle of diversities are prosperity.	No	UNGC Principle 1, 2, 3, 6
FREEDOM OF ASSOCIATIONAND COLLECTIVE BARGANING			
G4-DMA	Organizing and Collective Labour Agreement Freedom: Practices preventing and discouraging the freedom of organizing of the suppliers are our of question for Çimsa. Within the scope of the Union Law, fair treatment of the employees employed by the suppliers working with the Company constitutes a reason for their selection.	No	
G4-HR4	For the Blue collar (within scope) employee groups; Çimsa implements and practices and takes Collective Labour Agreement regulation as a reference that is currently implemented in its entire factories within the framework of labour peace principles within the scope of the Union and Collectiv Bargaining Agreement Act numbered 6356. By the affect of the existence of the employee and employer union in the sector, the relationship between the employee and the employer and union subjects are effectively executed with any disputes.	No	UNGC Principle 1, 2, 3
CHILD LABOUR			
G4-DMA	Child Labour: The suppliers employing child labour are not worked with as a principle and the required sanctions can be implemented for the suppliers acting in breach of the agreement provisions within the scope of the agreements concluded.	No	
G4-HR5	The entire employees within the status of permanent employees and/or sub-employers providing services to Çimsa are obliged to have the social security in accordance with the registered formal employment within the scope of abiding with the Social Security Act numbered 5510. The social security premium contributions and payments of the permanent employees are performed by Çimsa itself without causing any delays and interruptions. For the personnel of the sub-employer companies providing services to Çimsa, the sub-employers are responsible to make the payments of the social security premiums of their own employees due to their solidary responsibility within the scope of the 3rd Article of the Labour Act numbered 4857 and this is sought in the agreements concluded with the entire sub-employer companies as a prerequisite. This conditions is regulated in written in Çimsa Sub-Employer procedure.	No	UNGC Principle 1, 2, 5
FORCED OR COMPULSORY LABOR			
G4-DMA	Forced Labour or Obligatory Employment: The supplier should employ their employees through legitimate agreements and under legal conditions. The compliance through human rights and quality standards are the critical factors in the supplier selection process.	No	
G4-HR6	The entire personnel perform their duties and tasks under normal conditions within the scope of the Labour Act numbered 4857 upon reading and signing the employment agreement with their free will. Forced labour and/or obligatory employment is/are out of question in Çimsa. Audits, supervisions and contractual checks are performed for the suppliers and sub-employer companies providing services to Çimsa whether they practice forced labour within the premises of Çimsa and such illicit situations are not allowed.	No	UNGC Principle 1, 2, 4

XVI. GRI Content Tables

Specific Standard Disclosures			
DMA AND INDICATORS	COMMENTS/PAGE NUMBER /LINK	EXTERNAL ASSURANCE	UN GLOBAL COMPACT
SECURITY PRACTICES			
G4-DMA	Security Practices: This situation which is obligatory for the sub-employer companies providing services of Private security companies is aimed to be provided to other sub-employer company and supplier employees within certain period of time with an extended scope as general training. By this means, development of the general quality and training level are anticipated.	No	
G4-HR7	Çimsa has been receiving private security services in its premises from a sub-employer company within the scope of the law numbered 5118. The related sub-employer company is selected in compliance with the determined corporate and legal criteria. The entire personnel of this private security company receive human rights trainings and this condition takes place in cost sheet bearing the title of training expense/ cost in the service remuneration agreements. There are also provisions in this direction in the related purchasing/service agreements and specifications. The entire companies providing services to Çimsa are subject to audits and selected in consequence of a certain procedure. The controls are performed in these audits whether the entire personnel of the sub-employer companies have received the required trainings or not. An average of 1 hour of training during the daily training of the private security personnel employed within the staff of the sub-employer company covers human rights subjects.	No	UNGC Principle 1, 2
INDIGENOUS RIGHTS			
G4-DMA	Rights of the Local Community: The requests, recommendations, opinions and feedbacks of the local communities that are one of the most important stakeholders of Çimsa are taken into consideration and local delicacies are paid strict attention in the regulation of local policies.	No	
G4-HR8	No such incident exists.	No	UNGC Principle 1, 2
ASSESSMENT			
G4-DMA	Human Rights Practices Supplier Assessment: This situation which is obligatory for the sub-employer companies providing services of Private security companies is aimed to be provided to other sub-employer company and supplier employees within certain period of time with an extended scope as general training. By this means, development of the general quality and training level are anticipated.	No	
G4-HR9	The ratio of the activities controlled and audited periodically of the human rights practices within the scope of the services of sub-employers of Çimsa is 20%. Çimsa operations are entirely in fully compliance with the laws, regulations and legislations.	No	UNGC Principle 1, 2
HUMAN RIGHTS GRIEVANCE MECHANISM			
G4-DMA	Human Rights Complaint Mechanism: The required inspections and investigations are performed through such notifications via SA-Ethic practices and company web site.	No	
G4-HR12	When the entire practices of Çimsa until today are considered, Not even a single case of human rights violations and complaints have been received within the scope of the total compliance to the Constitution and the entire applicable laws.	No	UNGC Principle 1, 2
SOCIETY			
LOCAL COMMUNITIES			
G4-DMA	Local Community: Briefing and transmissions towards local community are performed systematically and returns are performed to the incoming feedbacks through appropriate channels.	No	
G4-S01	Stakeholder Relations P.75	No	UNGC Principle 1
G4-S02	Stakeholder Relations P.75	No	UNGC Principle 1
ANTI-CORRUPTION			
G4-DMA	Anti-Corruption: The required controls, monitoring and tracking and finding determinations are conducted through intercorporate auditing channels.	No	
G4-S03	Çimsa's audit system is re-evaluated and updated with a risk and process oriented approach and is altered to cover the entire process and locations. The corruption and fraud risks are the main criteria in the audit system. Seven private inspections were conducted in 2013. There is no business unit has been analysed in 2013 due to corruption risk.	No	UNGC Principle 10
G4-S04	Business ethics constitute the foundation of our business methods. The codes of conduct that the Çimsa employees are obliged to abide with take place under the main topics of honesty, confidentiality conflict of interest and responsibility in the 3rd Section of the Human Resources directive and announced to the entire employees via intranet. 100 % of the white collar personnel receive trainings regarding the corporate code of conduct in the first month of their employment upon recruitment. The entire employees who receive ethics training again each year fill and sign the ethics commitment document. Blue collar personnel are also taken under the scope of ethics.	No	UNGC Principle 10
G4-S05	Seven private inspections were carried out in 2013 and the required actions were performed in accordance with the Sabancı Holding Business Ethic rules and Çimsa Disciplinary Code and Procedure as a consequence of the aforementioned inspections. Legally appropriate actions were performed within the scope of the contradictions against procedure and/or malpractices detected in audits and inspections.	No	UNGC Principle 10

XVI. GRI Content Tables

Specific Standard Disclosures			
DMA AND INDICATORS	COMMENTS/PAGE NUMBER /LINK	EXTERNAL ASSURANCE	UN GLOBAL COMPACT
PUBLIC POLICY			
G4-DMA	Business Principles S.10	No	
G4-S06	Such moral/material contribution and/or support do not exist in the scope of the business ethics and corporate governance standards.	No	UNGC Principle 10
COMPLIANCE			
G4-DMA	Compliance: The legal risks and non-conformity notifications of the workplaces are monitored and followed-up and the required requirements are fulfilled on time by pro-active precautions.	No	
G4-S08	No such penalty in reporting period.	No	
SUB-CATEGORY :PRODUCT RESPONSIBILITY			
CUSTOMER HEALTH AND SAFETY			
G4-DMA	Not material	No	
G4-PR1	Product Safety and Product Liability. P.60 - 61	No	
G4-PR2	No such similar incident exists regarding the reporting period.	No	
PRODUCT AND SERVICES LABELING			
G4-DMA	Not material	No	
G4-PR3	Product Safety and Product Liability. P.60 - 61	No	
G4-PR4	No such similar incident exists regarding the reporting period.	No	
G4-PR5	Stakeholder Relations P.73- 75	No	
MARKETING COMMUNICATIONS			
G4-DMA	Not material	No	
G4-PR6	Product Safety and Product Liability. P.60 - 61	No	
G4-PR7	Product Safety and Product Liability. P.60 - 61	No	
CUSTOMER PRIVACY			
G4-DMA	Not material	No	
G4-PR8	Product Safety and Product Liability. P.60 - 61	No	
COMPLIANCE			
G4-DMA	Not material	No	
G4-PR9	No such similar incident exists regarding the reporting period.	No	

XVII. Contacts

HEADQUARTER

Çimsa Çimento Sanayi ve Ticaret A.Ş.
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S Blok, Altunizade - İstanbul
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00 90 216 651 05 00
00 90 216 651 03 85
F : 00 90 216 651 14 15

CEMENT PLANTS AND TERMINALS

Mersin Plant

Toroslar Mah. Tekke Cad.
Yenitaşkent - Mersin
T : 00 90 324 454 00 60
F : 00 90 324 454 00 75

Eskişehir Plant

İstanbul Karayolu 22. Km
Çukurhisar - Eskişehir
T : 00 90 222 411 32 00
F : 00 90 222 411 31 31

Kayseri Plant

Kayseri Bünyan Yolu 35.km
Bünyan - Kayseri
T : 00 90 352 712 16 07
F : 00 90 352 712 22 59

Niğde Plant

Hacı Sabancı Bulvarı, Niğde
T : 00 90 388 232 36 30
F : 00 90 388 232 36 34

Afyon Plant

Güvenevler Mahallesi Fatih Cad.
No :22 03040 Afyonkarahisar
T : 00 90 272 214 72 00
F : 00 90 272 214 72 09

Ankara Grinding Station

Karşıyaka Mah. Fırat Cad.
No: 3 Lalahan - Ankara
T : 00 90 312 865 23 96
F : 00 90 312 865 23 95

Çimsa Marmara Terminal

Sahil Caddesi Rota Limanı İçi Yarımca,
Körfez - Kocaeli
T : 00 90 262 528 42 33
F : 00 90 262 528 42 36

Çimsa Malatya Terminal

TCDD Yanı Çimento Dolun Tesisi,
Battalgazi - Malatya
T : 00 90 422 841 36 77
F : 00 90 422 841 32 30

READY MIXED CONCRETE PLANTS

ADANA REGION

Çimsa - Regional Management

Zeytinli Plant

Adana - Mersin Yolu Üzeri 17.
Km Kestel Mevkii Zeytinli,
Seyhan - Adana
T : 00 90 322 441 19 01
F : 00 90 322 441 19 02

Çimsa - İncirlik Plant

Güzelevler Mah. Girne Bulvarı Bossa
2. Fabrika Yanı, Yüreğir-Adana

Çimsa - Misis Plant

Hacı Sabancı Organize Sanayi Bölgesi
6. Cadde Misis, Yüreğir - Adana

Çimsa - Osmaniye Plant

Tüysüz Beldesi Yolçatı Mevkii
D - 400 Karayolu Üzeri,
Toprakkale - Osmaniye

Çimsa - Kahramanmaraş Plant

Kayseri Yolu Üzeri 2. km Galeriler
Sitesi Bitişliği, Kahramanmaraş

Çimsa - Kozan Plant

Kozan Organize Sanayi Bölgesi İçi
Kozan - Adana

MERSİN REGION

Yenihal Plant

Bahçelievler Mah. 1097 Sok.
No: 2 Yenihal Yolu Yalınayak
Kasabası - Mersin
T : 00 90 324 235 73 14
F : 00 90 324 235 73 17

Çimsa - Tarsus Plant

Çamlıyayla Yolu, Eshab - ı Kehf Yol
Kavşağı, Tarsus - Mersin

Çimsa - Tece Plant

Cumhuriyet Mah. Mersin - Silifke
Karayolu Üzeri, Tece Mevkii - Mersin

Çimsa - Silifke Plant

Kabasakallı Köyü Gökçeboyu
Mevki, Silifke - Mersin

XVII. Contacts

SAKARYA - ESKİŞEHİR REGION

Çimsa - Regional Management

İnegöl Hazır Beton Tesisi

Cerrah Kasabası Kalburt Mevkii
Dereboyu, İnegöl - Bursa
T : 00 90 224 714 22 00
F : 00 90 224 714 22 03

Çimsa - Adapazarı Plant

Orta Mah. Plevne Cad.
No: 31 Sakarya

Çimsa - Osmaneli Plant

Camikebir Mah. Çöreketepe
Mevkii Osmaneli - Bilecik

Çimsa - Bilecik Plant

1. Organize Sanayi Bölgesi
8. Cadde No: 3 Merkez - Bilecik

Çimsa - Eskişehir Plant

Muttalıp Yolu 500. metre, Eskişehir

Çimsa - Çukurhisar Plant

Bursa yolu 20. km Çukurhisar
Eskişehir

Çimsa - Kütahya Plant

Zafer Tepe Mahallesi Selçuklu
Caddesi No: 36 Kütahya

Çimsa - Denizli Üçler Plant

Hacı Eyüpü Mah. 3125 Sok
No:5 Üçler - Denizli

KAYSERİ - NIĞDE REGION

Çimsa - Regional Management

Başakpınar Plant

Malatya Yolu Üzeri 10.km Başakpınar
Gaziler Mevkii Talas - Kayseri
T : 00 90 352 224 67 40 (3 hat)
F : 00 90 352 224 67 44

Çimsa - Anbar Plant

Ankara Karayolu Üzeri, Anbar
Mevkii Bölge Trafik Arkası, Kayseri

Çimsa - Nevşehir Plant

Niğde Yolu Üzeri 7. km Göre - Nevşehir

Çimsa - Aksaray Plant

Organize Sanayi Bölgesi, Aksaray

Çimsa - Karaman Plant

Organize Sanayi Bölgesi, Karaman

Çimsa - Ereğli Plant

Konya Yolu Üzeri 3. km Ereğli - Konya

Çimsa - Tufanbeyli Plant

Tufanbeyli Termik Santral
Proje Sahası, Taşpınar Kapısı Girişi,
Tufanbeyli-Adana

INTERNATIONAL TERMINALS

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Sales North GmbH

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Almanya 26721

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Puerto De Alicante (Prolongación sur)

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Alicante - İspanya

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353900 Novorossiysk - Rusya
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2013 Çimsa Sustainability Report

Sustainability Report (Report), Çimsa Çimento San. ve Tic. A.Ş. Prepared by (Çimsa) under the scope of GRI (Global Reporting Initiative) reporting principles.

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Besides the information and analysis regarding the company, the report also reflects the opinions including the future expectations in line with the foreseeable events in the future for ÇİMSA Administration. Although we believe in the accuracy of the information and analysis rendered in the report and their compliance with the truth, based on the change of the factors lying behind the anticipations, the results to be obtained in the future may divert from what is foreseen today.

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