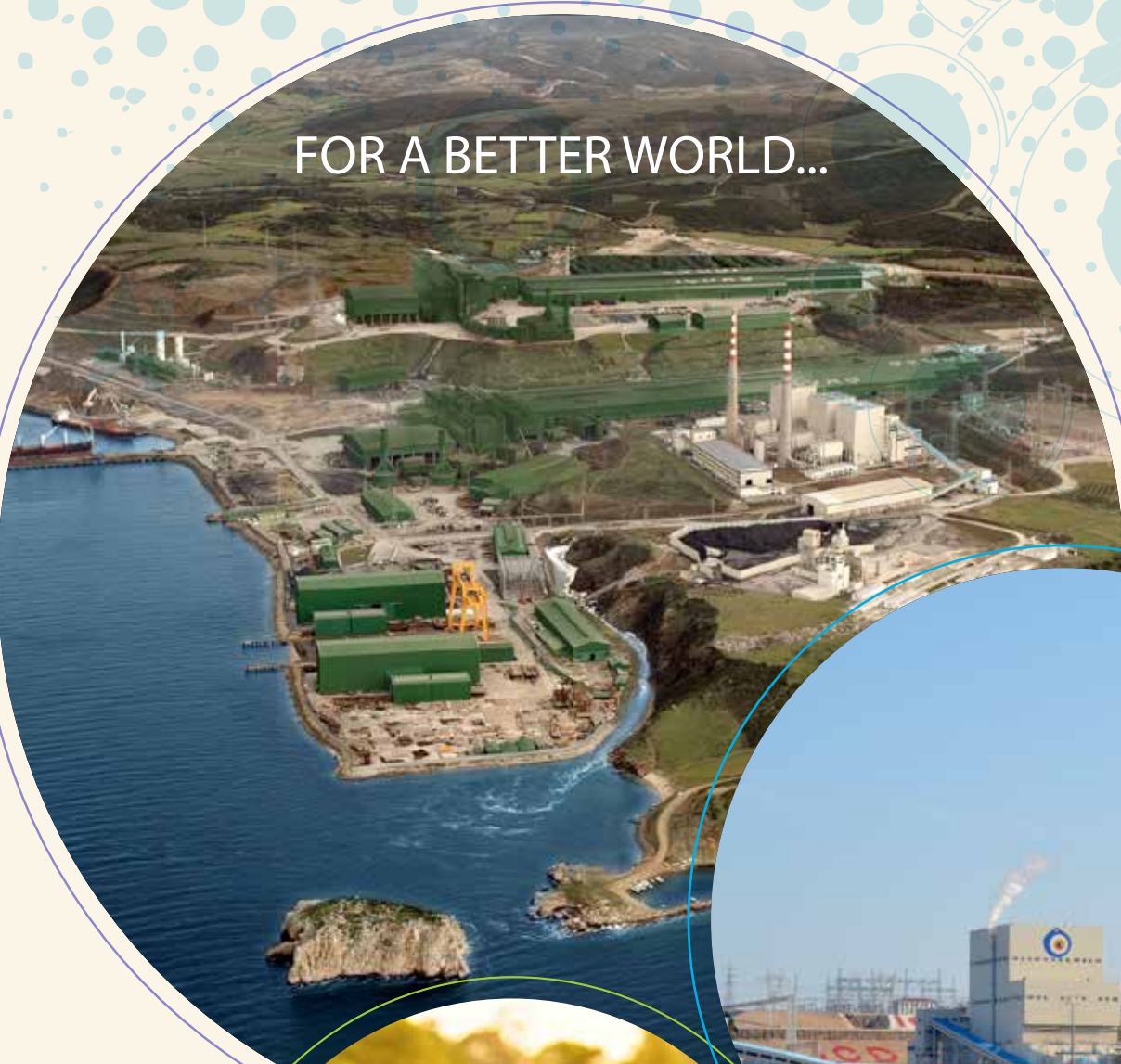


FOR A BETTER WORLD...



2014 SUSTAINABILITY REPORT

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With this third sustainability report of İÇDAŞ, we share with our stakeholders, the developments and the results of our implementations, which shape our economic, social and environmental performance in 2014. Hence, we give our stakeholders the opportunity to evaluate our efforts in managing, measuring, monitoring and improving our impacts resulting from our operations.

ABOUT OUR REPORT

Scope and Limitations

In determining our material sustainability issues with our managers, we took into consideration steel production and energy generation, the major business segments of İÇDAŞ. Unless otherwise stated, the information in this report belongs to the period between January 1, 2014 and December 31, 2014 and includes the operations of all the premises of İÇDAŞ. (G4-17)

Principles

We prepared our report based on globally accepted GRI Global Reporting Initiative sustainability reporting guidelines and in accordance with GRI G4 Guidelines – Core option.

Besides GRI's materiality, stakeholder engagement, sustainability context and completeness principles, we took into consideration the sustainability performance standards of World Steel Association and International Finance Corporation, IFC, in determining our strategic sustainability issues.

www.globalreporting.org

By signing UN Global Compact in 2012, we added a global dimension to our commitments on corporate responsibilities and we introduced our best practices in complying these principles throughout this report.

www.globalcompact.org

Our Next Report

We plan to publish our next report covering our 2015 sustainability performance, in the first half of 2016.

MESSAGE TO STAKEHOLDERS



Dear Stakeholders,

With this third sustainability report of İÇDAŞ, that present our economic, social and environmental performance in 2014, we continue to share the practices and targets of how we manage and improve our sustainability impacts.

We operate in steel and energy industries, which are critical to Turkey's sustainable development and economic structure. İÇDAŞ, with its environment friendly and innovative technologies, is a major steel, energy and ship producer as an employer, contractor and investor. Our country was the world's 7th largest steel exporter in 2014 with 18.45 million tons. We procured 18% of Turkey's steel production in our Değirmencik Integrated Plant at Biga, Çanakkale. İÇDAŞ energy generation has reached nearly 8% of Turkey's private sector energy generation with 8,97 billion kwh in 2014.

We are aware of the economic impacts of our industries on our country and the community as well as our social and environmental impacts resulting from our operations. Since our establishment, we have been managing all economic investments along with our social and environmental responsibilities in a holistic manner and to sustain this understanding we have built the necessary systems and infrastructure. While building this infrastructure, we considered the 10 basic principles of UN Global Compact that were

designated for business world with the intention to protect human rights, improve working conditions, protect environment and fight anti-corruption. We signed UN Global Compact (UNGC) in 2012.

This sustainability report provides a resource from which you can gather pertinent data related to our practices in managing sustainability impacts and evaluate its results. When determining our sustainability aspects, we considered vital topics such as biodiversity, diminishing natural resources and security of energy supply. We reviewed our sustainability aspects again this year in meetings we held with the participation of our managers and staff.

We Contribute to Economy

Our expansion investments along with our local and national economic contributions were the outstanding topics anew when we analysed our economic impacts this year. Any business investments we encounter have indirect impacts on national economy and community. Our strong financial structure backs our environmental and social investments.

We completed the 2nd unit of 618 megawatts Bekirli Supercritical Energy Plant in 2014. We continue to support The Turkish Star project of renovating 100 coasters in Turkish Maritime Coaster Fleet, which started in 2012.

We launched Türk Yıldızı (Turkish Star) – 2, 5000 DWT general cargo ship this year and started building general cargo ship. In addition to cement and clinker facilities construction, we began the EIA process of High Temperature Furnace Facility with 2.25-million tons / year capacity.

Our total direct investment amount in Çanakkale region is 5.3 billion US dollars so far including 394 million in 2014. We employ 83% of our employees in Değirmencik Integrated Facilities and 75% in Bekirli Power Plant from the locals.

We Value Our Employees and Society

Primary social impacts of our operations consist of health and security, and engagement with employees and local people. Our mission is creating teamwork, righteous attitude, open communication, personal safety and development opportunities by providing a safe and effective work environment. We conduct all our operations with zero accident goal. Since our establishment we, as İÇDAŞ, have been working on raising quality of life, improving social life by providing education opportunities and meet societal needs.

We continue our education (UMEM - Specialized Vocational Training Centres Project, schools, grants) and sports (İÇDAŞ Sports Club) investments that embrace regional youth and investments pertinent to preservation of cultural heritage that addresses everyone (Troya, Kemer Parion and Apollon Smintheion Excavations Sponsorships) with a holistic approach.

We Respect the Environment

We are actively involved in industries that have high impacts on environment. Emission management for climate protection, waste management to prevent environmental pollution and water management that we initiated for the preservation of natural resources constitute a significant part in our business.

In 2014, our total investment in environment protection projects is more than 114 million TRY. 97% of this amount consists of operational cost of environmental investments. The remaining

3.3 million TRY is used for emission management and 118 thousand TRY is used for biodiversity management. We took an important step in conserving the biodiversity of our hinterlands with the Artificial Reef and Supporting Biodiversity Project. In 2014, we reduced direct CO₂ emissions of steel facilities by 14% and power plant by 9% by means of efficiency practices we applied.

Our primary goal in waste management is to recycle waste. We comply with the regulations and collect all waste separately, including the ones from ships that call at our port, and we either send them to accredited recycling facilities or dispose of them. In 2014, we disposed 77% of our waste by recycling, reusing and recovering methods. Our goal is to reduce regularly stored waste amount to zero by 2020.

At İÇDAŞ Değirmencik Integrated Facility, we have been managing water aspect under the scope of 'Sustainable Water Management Project'. We supply all our water requirement completely from the sea. In 2014, we reused 375.8 millions m³ water. As İÇDAŞ, our perpetual goal is to increase the value we create for our stakeholders while ensuring sustainable growth. Sharing your ideas, suggestions and questions about this report with us will help us create more value for you all.

Regards,

Bülend Engin
CEO

CORPORATE PROFILE

As İÇDAŞ, which is the leading private sector steel producer in terms of capacity and one of the largest exporters in Turkey, we have been producing steel since 1970.



Our group companies operate in Energy, Shipyards, Logistics (Sea, Road) Transportation (Airway), Harbour Operations, Construction, Insurance, Mining, and Agriculture and Livestock sectors.

The Değirmencik Integrated Plant in Biga, Çanakkale houses three steel mills with five and a half million tons/year production capacity, three rolling plants with three million tons/year capacity, three units 405 megawatts thermal plant, shipyard, two docks, a wharf and Turkey's largest private harbour with 30 thousand tons of loading and 60 thousand tons of unloading capacity and their auxiliary facilities.

We activated the first unit of 1,236 megawatts Çanakkale-Bekirli thermal plants in 2011 and the second one in 2014.

OUR PRODUCTS

The billet, reinforcing steel and wire rod that we produce in our steel plants and the electricity we generate in our power plants conform the international standards. Steel products are used in construction, automotive, rubber, machine manufacturing, etc. Electricity generated at the thermal plants is conveyed to entities by means of government transmission network. We usually incorporate the ships produced in our shipyard to our own İÇDAŞ fleet.



Billet is the starting point of such rolling products as reinforcing steel, plain bar, commercial bar and profile and wire rod. It is semi-finished product that is long and continuous casting and has square cross-section with 100 mm-200 mm diameter / length.



Reinforcing steel is a steel bar with ribs, commonly used in reinforcing concrete buildings. It was produced as an alternative to plain bar and substituted it in time.

Wire rod is a semi-finished metal bar wrapped in bobbins, hot rolled from billet and which usually has a round cross-section and is cold drawn into wire. It is used to produce welding electrode, steel mesh, wire, bolt, spring etc.



Electricity generated at our Thermal Power Plants is distributed to end users via Turkish Electricity Distribution Company (TEDAŞ) transmission network. End users include; hotels, industrial companies, shopping malls, business centres, restaurants, schools, associations, residential and government facilities and clients from industries such as fuel oil, IT, steel, finance and investment, construction, cement, food, electronics, logistics, mining, automotive, health, agriculture, textile, transportation.

In our shipyard, we manufactured 12 ships including chemical tankers and dry cargo ships and one tugboat. We completed Türk Yıldızı (Turkish Star)-2 cargo ship in May 2014 and began building Türk Yıldızı (Turkish Star)-3 cargo ship in August 2014.



FACTS and FIGURES of 2014

ECONOMICAL

Corporate Profile

8.10 Billion TRY

Consolidated Net Sales



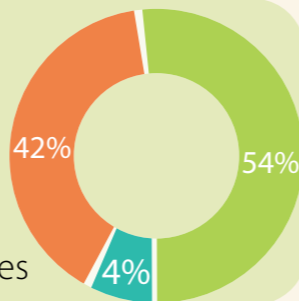
Sustainability Profile

Steel **53.80%**

Energy **41.74%**

Other **4.46%**

Distribution of Net Sales



839 Million USD

15th Highest Export Volume in Turkey

47

Number of Export Countries



1,641 MW

Total Installed Capacity - Thermal Power Plants

Değirmencik (405 MW)

Bekirli (1,236 MW)



8.97 Billion kWh

Electricity Generation
(7.8% of Turkey's total electricity generated by private sector in 2014)



SOCIAL

Corporate Profile

4,802

Number of Group Employees



Sustainability Profile

82%

Local Employment Rate



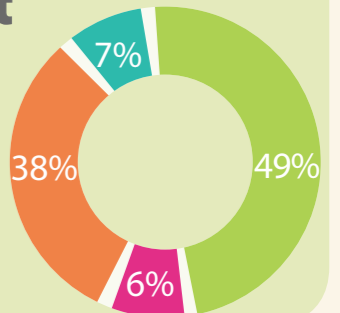
10.3 Million TRY

Social Investments



Our Community Investment

Social and Environmental Infra-structure
Sports
Education
Cultural



ENVIRONMENTAL

Corporate Profile

114.8 Million TRY

Environmental Investments and Operational Expenses



Sustainability Profile

14.04% (Steel Plants)

9.28% (Energy Plant)

Direct CO₂ Emission Reduction Rate

3.42 Million Tons

Crude Steel Production
(11% of Turkey's crude steel production)

15,000 Tons

Daily Recycling Capacity of Scrap Steel



(The ratios about Turkey are based on TEİAŞ and TÇÜD data)

GROUP COMPANIES AND BUSINESS AREAS

İÇDAŞ Çelik Enerji Tersane ve Ulaşım San. A.Ş.	Steel and Electricity Production
İÇDAŞ Elektrik Enerjisi Üretim ve Yatırım A.Ş.	Electricity Generation
İÇDAŞ Elektrik Enerjisi Toptan Satış İthalat ve İhracat A.Ş.	Electricity Sales
DEMİR SANAYİ Demir Çelik Ticaret ve Sanayi A.Ş.	Rolling
ERAS Taşımacılık Taahhüt İnşaat ve Ticaret A.Ş.	Road Transportation
BİGAİR Havacılık ve Taşımacılık Sanayi ve Ticaret A.Ş.	Airway
İÇDAŞ Dış Ticaret A.Ş.	Agriculture and Livestock
İÇDAŞ Sigorta Aracılık Hizmetleri A.Ş.	Insurance
İÇYAPI İnşaat Taahhüt ve Ticaret A.Ş.	Construction

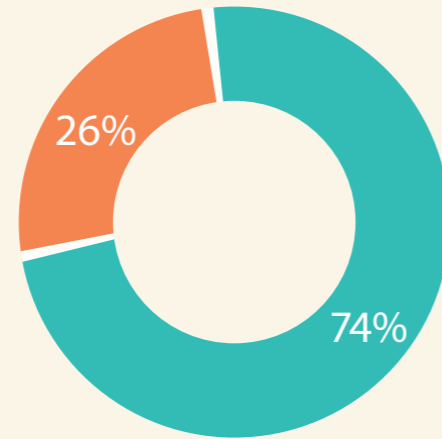
CUSTOMER PROFILE

STEEL CUSTOMERS

- Traders
- End-Users

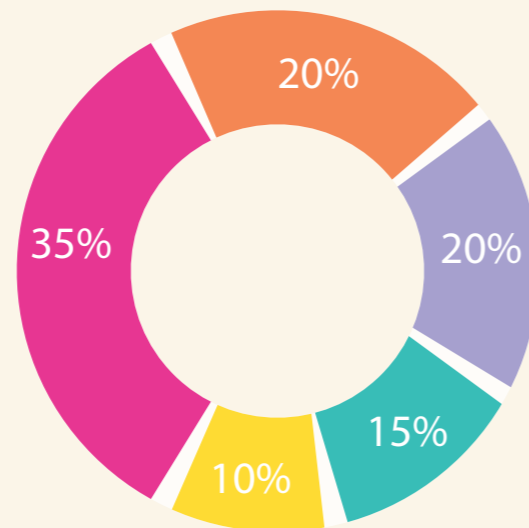
End Users: Construction companies, steel mesh, wire and nail, bolts and electrodes producers

Traders: Distributors, Intermediary companies



STEEL EXPORT MARKETS

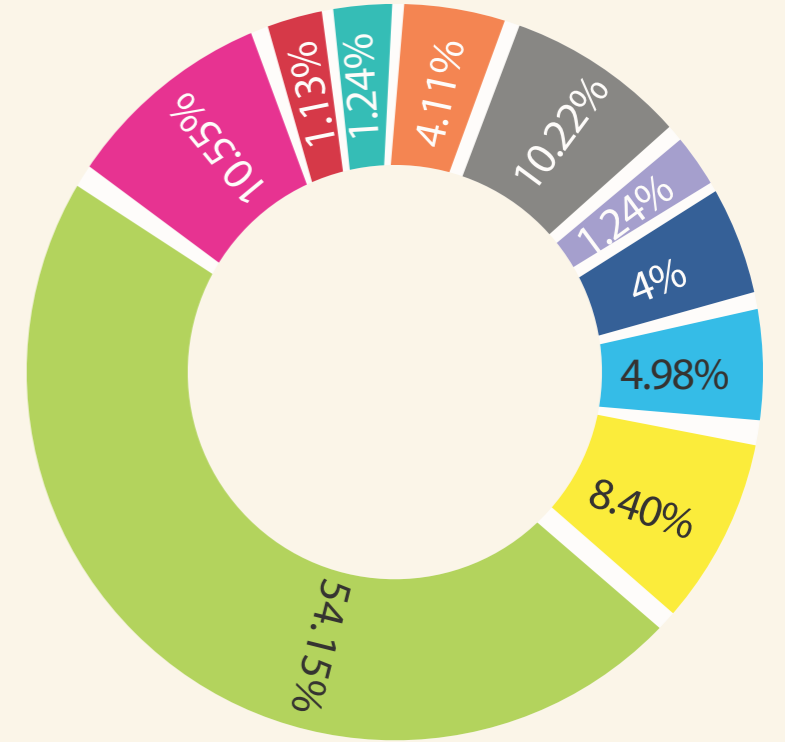
- N. America
- Asia
- S. America
- Africa
- Europe



ENERGY CUSTOMERS

Distribution of 2,750 Electricity Subscribers

- Banking and Finance 54.15%
- Hotels 4.00%
- Industry 10.55%
- Food 4.11%
- Health 1.24%
- Shopping Malls 1.24%
- Textile 8.40%
- Fuel 1.13%
- Logistics 4.98%
- Other 10.22%



SIGNIFICANT DEVELOPMENTS DURING THE REPORTING PERIOD

- ➔ Completed the 2nd unit of Bekirli 618 MW Supercritical Energy Plant.
- ➔ Completed Türk Yıldızı (Turkish Star) – 2, the 5000 DWT general cargo ship.
- ➔ Started cement and clinker plant construction.
- ➔ Began the Environmental Impact Assessment (EIA) process of High Temperature Furnace Facility with 2.25-million tons / year capacity.
- ➔ Started the construction of Türk Yıldızı (Turkish Star) - 3, the 5000 DWT general cargo ship.
- ➔ Çanakkale Onsekiz Mart University prepared a report within the scope of our Artificial Reef and Supporting Biodiversity Project on our request.

STRATEGY AND MANAGEMENT

We run our business with the vision of providing products and services with universal quality and standards while leading with social and environmental responsibility. Our goal is to stay and rise in rank among the first 10 companies in Istanbul Chamber of Industry ranking list and continue to preserve and improve our responsible industrial success.



CORPORATE
GOVERNANCE

'İÇDAŞ manages all its business processes in line with corporate governance principles, being transparent, equitable, accountable and responsible.'

63% of our employees who participated in sustainability survey...

İÇDAŞ is a family owned business where Board of Directors are equally responsible for company's economical, environmental, social practices. All members including the founders are experienced industrial leaders of Turkish business community. Their self-evaluation performance criterion is the extent of growth and accomplishment of sustainability targets of İÇDAŞ.

All members of the board have different executive roles in different group companies. There are no members other than family members in the board of directors of all group companies. No committees are present under the board of directors.

Because of their executive roles, board members are always in touch with each other and can manage sustainability risks and opportunities daily. The Board of Directors constantly monitors company rank in Turkey's first 500 industrial companies list and TÇÜD industrial data and reports and thus, makes decisions immediately.

Our companies use SAP system for internal audit and risk management including sustainability risks. The Board of Directors has already identified the current and potential risks and determined the policies regarding these risks. The policy determined to manage sustainability risks can be found in İÇDAŞ Management Policy Book.

Our Discipline Procedure includes employee health, occupational safety, information security and norms that apply when there is a failure to obey the company rules. Either the Discipline Committee handles related complaint in case it falls in Committee jurisdiction, or is handled by directors and department managers.

The most significant communication channel from which the Board of Directors receives the ideas and suggestions of employees is İÇÖS Suggestion System. 813 suggestions have been made by the end of 2014, most of which were related to increasing time and labour efficiency.





SUSTAINABILITY MANAGEMENT

As İÇDAŞ management, our objective is to increase sustainable steel and energy production by applying up to date, scientific, efficient and effective business schemes of our innovative management culture as well as favouring material topics such as environmental management, occupational safety and quality. Our sustainability strategy is based on providing clean and healthy environment for all of our employees and the local community in all of our fields of activity and locations.

By signing UN Global Compact in 2012, we elevated the values and principles we embraced since our establishment to a global level of corporate responsibility. We hereby declare to be a good “corporate citizen” abiding the principles highlighted in this compact such as human rights, providing healthy workplace, respect to environment, working for anti- corruption, quality production and social responsibility. Creating value for our stakeholders in all of

our operations is the basis of our sustainability scope. The principles we determined to explain our sustainability understanding clearly to our stakeholders represent our commitments in managing our sustainability impacts throughout our operations.

SUSTAINABILITY PRINCIPLES

- ➔ In order to protect environment and prevent pollution, developing and executing projects through determining and using the most suitable technologies in accordance with the conditions of our country.
- ➔ In determining waste management policy, increasing our environment performance and taking necessary precautions to dispose of polluters created by our activities without causing damage to the environment.
- ➔ Reducing CO₂ emissions caused by activities, products and services,
- ➔ Creating sustainable performance indicators and continuous growth and development with targets and management system,
- ➔ In light of environment standards and ecologic criterion, conducting any kind of measurement, analysis and controls, fulfilling all the requirements under national acts, regulations and international treaties.
- ➔ Collectively evaluating our economic and ecologic decisions to achieve sustainable and well-balanced improvement in our position in the sector.
- ➔ In light of the principle of sustainable development and in the process of our production, using natural resources by taking into account the balance between their existence and usage limits.
- ➔ On the issue of environment, developing management policies considering the demands of non-governmental organizations, entities as well as that of public,
- ➔ Preventing environmental accidents and work accidents,
- ➔ Offering education programs to our employees with the aim of raising environment awareness and ensuring environment applications to run effectively.

We commit and declare to the public that we will work in line with our sustainability policy we described above for sustainable development and for a habitable world.

INTEGRATED MANAGEMENT SYSTEMS

Our premises are run by integrated management systems, which support our sustainability performance.

Management System Standard Certifications	Facilities Covered	Date
ISO 17025 Laboratory Quality	Environment Control Laboratory, Fatigue Test Laboratory	2012
ISO 14064-1:2009 GHG Emissions	Steel Facilities, Energy Plants, Shipyard, Lime Facility, Harbour	2012
ISO 50001:2011 Energy	Steel Facilities, Energy Plants, Shipyard, Lime Facility, Harbour	2011
ISO 14001:2004 Environment	Steel Facilities, Energy Plants, Shipyard, Lime Facility, Harbour	2005
ISO 18001:2007 Occupational Health and Safety	Steel Facilities, Energy Plants, Shipyard, Lime Facility, Harbour	2005
ISO 9001:2008 Quality	Steel Facilities, Energy Plants, Shipyard, Lime Facility, Harbour	1994
CARES BS 8902:2009 Sustainability	Steel Facilities	2011
CARES BS EN 9001:2008 Quality	Steel Facilities	1998
ISO 14001:2004 Environment	Electricity Generation and Sales	2013
ISO 18001:2007 Occupational Health and Safety	Electricity Generation and Sales	2013
ISO 9001 2008 Quality	Electricity Generation and Sales	2013
ISO 27001 Information Security	İÇDAŞ Çelik Enerji Tersane ve Ulaşım Sanayi A.Ş. (except production units)	2014
Shipyard Facility Security Certificate	Shipyard	2014
CE Certification	Facilities Covered	Date
Fly Ash Production – TS EN 450-1:2006	İÇDAŞ Elektrik Enerjisi Üretim ve Yatırım A.Ş.	2012
Aggregates Production – EN 12620:2003 and EN 13242:2002	Havdan Aggregate Facility	2012
Production of Steel Slag Aggregates – EN 13242:2004	Steel Slag (Artificial Aggregate) Facilities	2012
Quality Assurance Declaration of Conformity Ready Mix Concrete Production - TS EN 206-1:2002/A2:2006	Bekirli Ready Mix Concrete Facility	2013
G Certificate of Conformity Ready Mix Concrete Production - TS EN 206-1:2002/ A2:2006	Bekirli Ready Mix Concrete Facility	2013

The positive impacts of İÇDAŞ on Turkish economy are known and appreciated by all of its stakeholders.'

79% of employees who participated in sustainability survey...

STAKEHOLDER
ENGAGEMENT

Our stakeholders are those individuals and companies who has impact on our business through their decisions and actions as well as who are and will be affected by our operations now and in the future. Stakeholder groups' views about our company may vary due to their different points of interest. As İÇDAŞ, we try to communicate with our stakeholders to inform all of them about our operations and get their opinions using various communication platforms.

The sustainability survey that we conducted in the reporting period by the participation of 1,310 employees (27%) from all our premises was an essential tool for our employees to evaluate our sustainability performance.

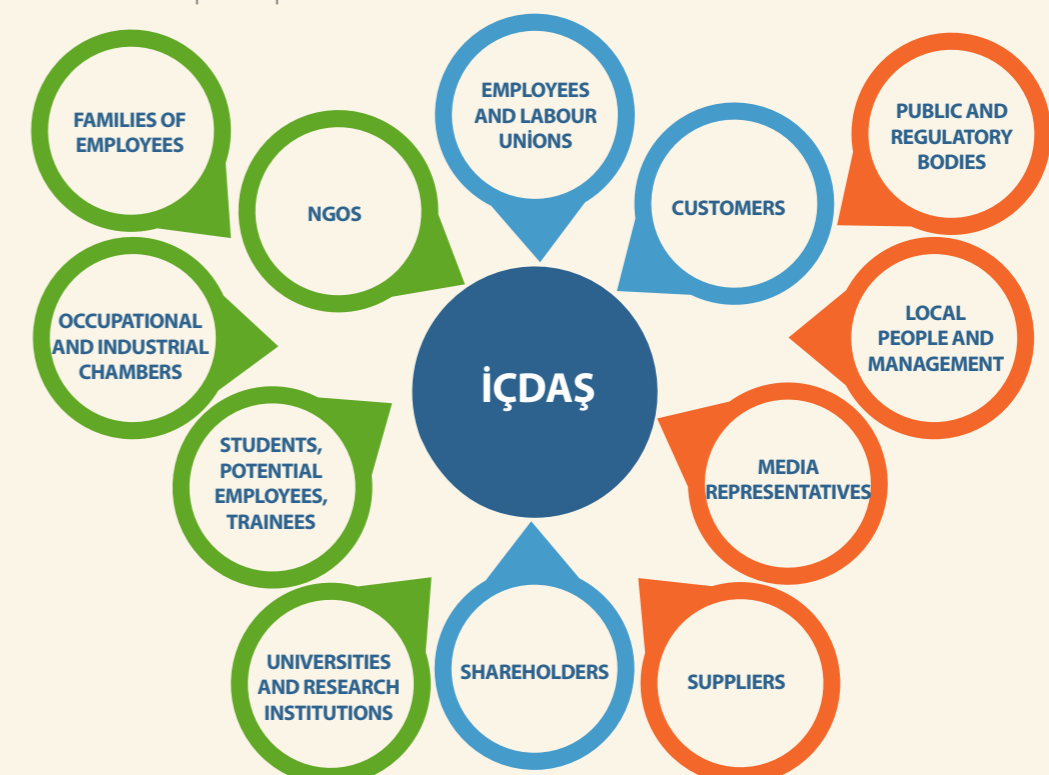
We reviewed our strategic priorities and our key stakeholders with which our company has intense economical, social and environmental communication, by the **sustainability identification survey** conducted with the participation of

executive level and the following **strategy workshop**. (G4-18, G4-25)

Key Stakeholders

We have platforms present for communicating with every stakeholder at least once a year. The sustainability survey results show that 56% of our employees believe İÇDAŞ has sufficient communication platforms where İÇDAŞ can hear suggestions and expectations of employees. This result is 53% when we ask employees about the sufficiency of other external stakeholder communication platforms.

We plan to create new internal and external dialogue channels, improve existing ones and listen to our stakeholders regularly about the sustainability practices İÇDAŞ carries on in the next reporting period. We believe the feedback we will receive will help us determine goals in our sustainability scheme.



COMMUNICATION PLATFORMS

Stakeholders	Communication Platforms	Communication Frequency
Employees and Labour Unions	İÇÖS Suggestion System	Continuous
	Intranet OHS Meeting	Monthly
	News Walls	Continuous
Shareholders	Board Meeting	Weekly
	Call Centre and Customer Portal	Continuous
Customers	Seminars-Congresses-Exhibitions	A few times a year
	Visits	Continuous
	Product Flyers	A few times a year
	Factory Tour and Information Meeting	Once a year
Media Representatives	Face to Face Meetings	Weekly
	Phone, E-mail, Social media	A few times a week
Suppliers	Ethical Supply Chain Policy	Once a year around
Public and Regulatory Bodies	Face to Face Meetings	All year around
Local People and Management	Face to Face Meetings	A few times a week
Occupational and Industrial Chambers	Memberships	Monthly
	Presentations on OHS and Environment	A few times a year
NGOs	Memberships	Monthly
Families of Employees	Cultural Trips	A few times a year
	Picnics and Social Activities	A few times a year
	Factory Tour and Presentations	A few times a year
Universities and Research Institutions	Occupational Tutoring	Continuous
	Factory Tour and Presentations	A few times a week
Students / Potential Employees / Trainees	Presentations on OHS and Environment	A few times a week

(G4-24, G4-26)

STRATEGIC ASPECTS FROM STAKEHOLDER VIEWPOINT

Aspects	Employees and Labour Unions	Shareholders	Customers	Suppliers	Media	Local People and Management	Public and Regulatory Bodies
Economic Performance	★★★★★	★★★★★	★★★	★★★★	★★	★★★★	★★★★
Employment	★★★★★	★★★★	★★★	★★	★★	★★	★
OHS	★★★★★	★★★★★	★★★	★★	★★★★	★★★★	★★★★
Education and Training	★★★★★	★★★★	★★★	★★	★★	★★	★
Local Communities	★★★	★★★	★	★★★★	★★★★	★★★★★	★★★★
Emissions	★★	★★★★	★★	★★	★★★★	★★★★★	★★★★
Biodiversity	★★	★★★	★★	★	★★★★	★★★★	★★★★
Energy	★★★	★★★★★	★★★★	★	★★	★	★★★★
Water	★★	★★★★	★★	★	★★★★	★★★★	★★
Effluents and Waste	★★	★★★★	★★	★	★★★★	★★★★★	★★★★

(G4-18, G-27)



COLLABORATIONS WITH OUR STAKEHOLDERS AND ACTIVITIES IN DEVELOPING PUBLIC POLICY

We share information and expertise about environmental issues of the industry at environment meetings organized by Turkish Steel Producers Association (TÇÜD). Through these meetings, we take actions collectively on common issues. We cooperate with public institutions and prepare regulations together via TÇÜD in which our Chairman of the Board of Directors is a member at its Advisory Board. This way, we contributed to the preparation of many regulations.



İÇDAŞ takes part in activities for compliance with EU regulations, which are organized by Ministry of Environment and Urbanization.

İÇDAŞ is a member of TÜBİTAK MAM (Marmara Research Centre) Industrial Services Partnership Program (EHİP) for the last eight years. We follow the developments in such fields as IT, environment and industry via EHİP.

İÇDAŞ is one of the 5 equal co-partners of Marzinc Marmara Geri Kazanım San. ve Tic. A.Ş. that owns the recovery plant where zinc rich dust is processed. Our co-partners are members of steel industry in Marmara Region.

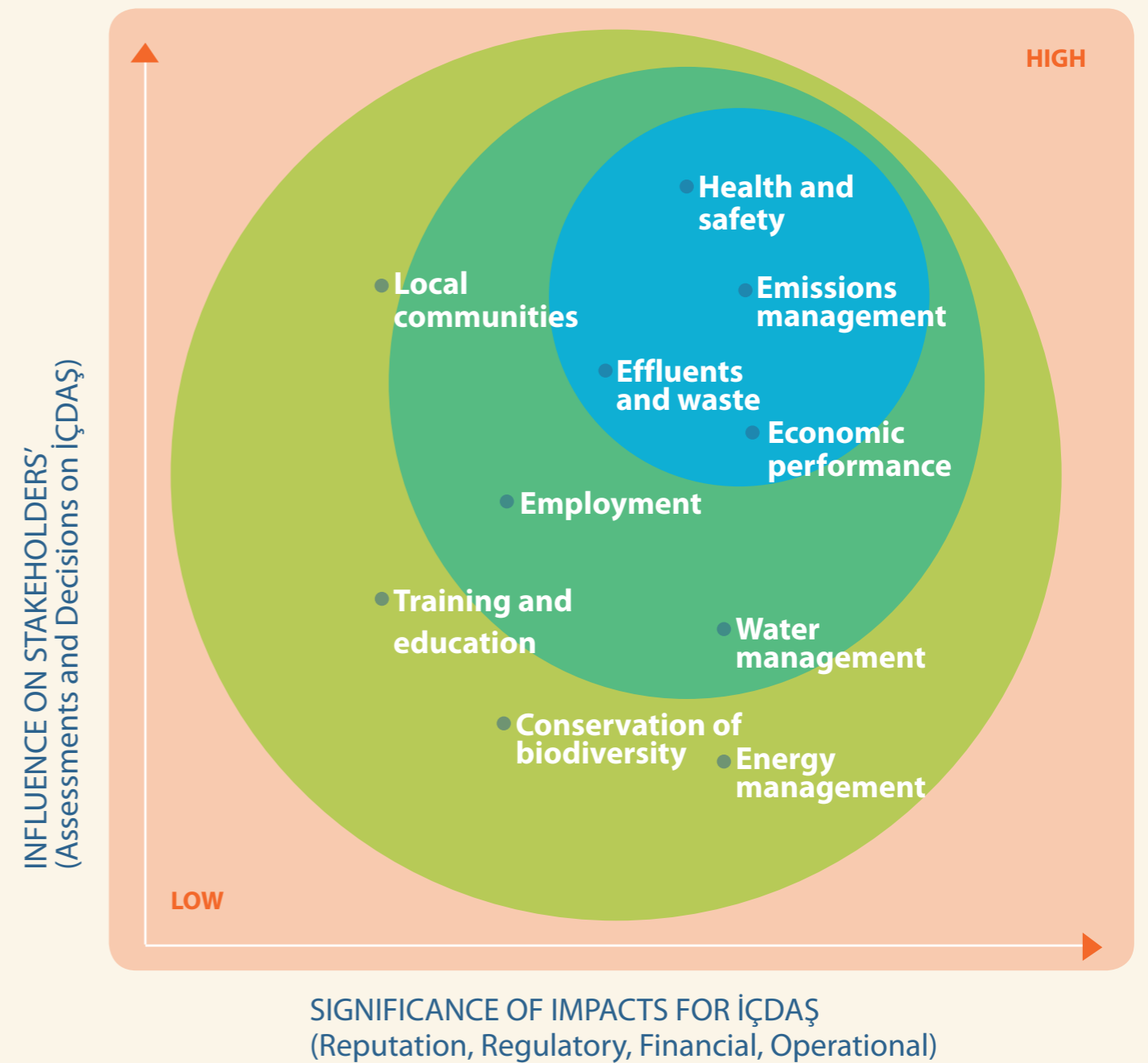
STRATEGIC SUSTAINABILITY ASPECTS

Consolidated results of the executive level strategy survey, the materiality workshop with our managers and the employee sustainability survey helped us to better understand and evaluate the perception of our employees about our company's sustainability impacts.

As a result of intensive evaluations with our managers during the materiality workshop, we analysed our material issues under economic, social and environmental aspects, prioritized them and prepared İÇDAŞ Materiality Matrix. (G4-18)



İÇDAŞ MATERIALITY MATRIX



On the right hand top part of the matrix, we placed the issues with high importance for both our company and our key stakeholders, and which directly and significantly affect our company's reputational, regulatory, financial and / or operational performance. These issues constitute the main topics of this report where we shared our company's performance with relevant data and in detail. The main objective of forming such a matrix

is to clearly identify the strategic issues with regards to their importance and priority for our company as well as our stakeholders, make our plans and set targets concerning these issues accordingly. In the near future, we aim to engage and exchange ideas with wider groups of stakeholders, review our focus issues and develop new targets. (G4-18, G4-19)

BOUNDARIES OF STRATEGIC ASPECTS

	Aspect Boundary		Limitations	
MATERIAL ASPECTS	Internal	External	Internal	External
Economic performance	İÇDAŞ	N/A	None	N/A
Employment	İÇDAŞ	N/A	None	N/A
Health and safety	İÇDAŞ	Subcontractor	None	Only legal responsibilities are fulfilled
Training and education	İÇDAŞ	Subcontractor	None	Only legal responsibilities are fulfilled
Local communities	İÇDAŞ	N/A	None	N/A
Emissions	İÇDAŞ	Supplier	None	Emission controls of subcontractor vehicles entering facilities are done
Biodiversity	İÇDAŞ	Neighbour terrains to İÇDAŞ borders	None	N/A
Energy	İÇDAŞ	N/A	None	N/A
Water	İÇDAŞ	N/A	None	N/A
Effluents and waste	İÇDAŞ	Subcontractor	None	Subcontractors are bound by our waste water and waste management norms for their activities within İÇDAŞ premises

(G4-20, G4-21)

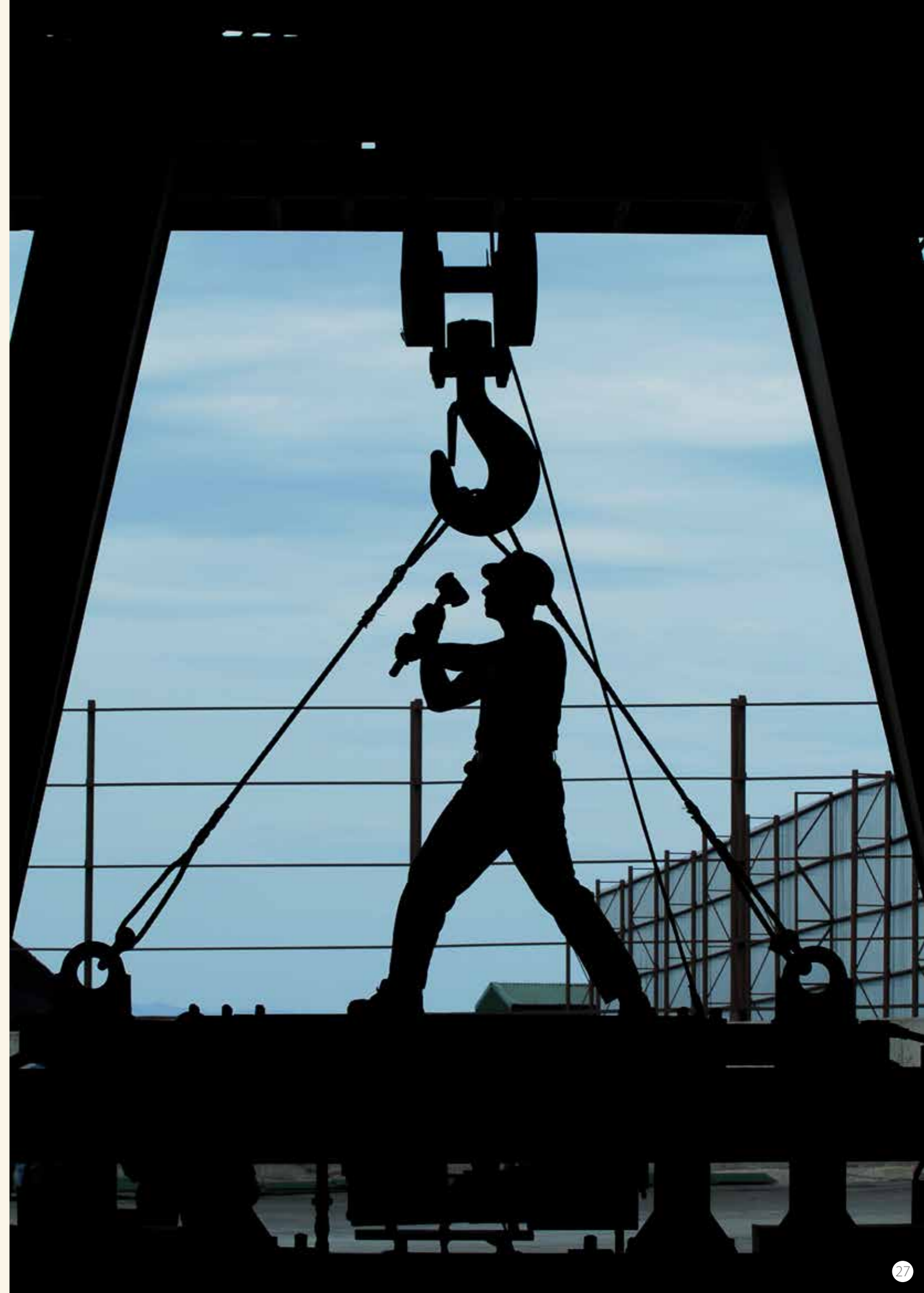
N/A: Not Available

STRATEGIC SUSTAINABILITY TARGETS

Aspects	Targets	Deadline Target	Completion Status	Completed Targets / Progress
Economic Performance				
Contributions to National and Local Economy	Analyse the economical convenience of local ores and use them in steel production	2019	In progress	Work on utilization of local ores continues
	Continue with the Türk Yıldızı (Turkish Star) Project to produce coasters	Continuous	Continuous	Launched Türk Yıldızı (Turkish Star)-2 in May and started building Türk Yıldızı (Turkish Star)-3 in August 2014
	Increase employment by our local investments	Continuous	Continuous	In 2014, shipyard staff number increased by 50 due to ship constructions.
	Railway Transportation – To continue carriage investments	2020	In progress	No carriages added to 176 carriages present.
	Marine Transportation - To invest in train ferry production	2015	In progress	Launched Türk Yıldızı (Turkish Star)-2 in May and started building Türk Yıldızı (Turkish Star)-3 in August 2014
	Cement and clinker facilities	2016	In progress	Began construction in November 2014.

Aspects	Targets	Deadline Target	Completion Status	Completed Targets / Progress
Social Performance				
Employment	Increase employee satisfaction	Continuous	Continuous	Monitor by satisfaction survey. We continue investments to improve physical conditions.
	Increase the efficiency of İÇÖS Suggestion System	Continuous	Continuous	813 suggestions are collected, by the end of 2014 and 287 of these are realized.
Health and Safety	Accomplish zero accident target	Continuous	Continuous	Continuous target. Training continues constantly.
	Provide 100% of employees with OHS training	Continuous	Continuous	All staff recruited in 2014 got OHS training
	Provide 100% of subcontractors with OHS training	Continuous	Continuous	All subcontractors started in 2014 got OHS training
Training and Education	Provide 91,750 man-hours training to employees	2014	Completed	Provided 98,466 man-hours training.
Local Community Engagement	Continue our community investments on education, sports and culture	Continuous	Continuous	Continue cultural investments and activities at İÇDAŞ Sports Club.
	Increase our local employment rate through UMEM Project	Continuous	Continuous	228 students are recruited in the scope of UMEM project so far. 18 of them were hired in 2014.
	Increase the number of our facility visitors to 15,000 since 2001	2020	In progress	931 people visited our facilities in 2014. 92% were students, 8% were NGO representatives.
	Continue lectures at Biga Vocational School	Continuous	Continuous	In 2014, 8 engineers from Steel mill tutored 21 hours/week while 3 engineers from Environment,
	Introduce 200 young people with swimming, 300 with sailing and 300 with windsurfing each year	Continuous	Continuous	OHS and Quality Departments tutored 6 hours/week.
	Open new disciplines at the sports club and ensure 200 participants for each discipline	2014	Completed	Exceeded the targets in 2014 Basketball, archery and chess disciplines are opened. Exceeded targets.
	Continue main sponsorship of Parion Excavations	2018	In progress	Excavations continue
	Continue sponsorship of Apollon Smintheion Excavations	2021	In progress	Excavations continue
	Initiate Troy Excavation sponsorship	2020	In progress	Signed a sponsorship agreement for 5 years. The excavation could not start in 2014 due to sick leave of the excavation lead.

Aspects	Targets	Deadline Target	Completion Status	Completed Targets / Progress
Environmental Performance				
Emissions Management	Decrease the use of road transport and prefer rail and marine transportation instead	Continuous	Continuous	In 2014, logistics activities were done mostly by railway and marine way.
	Plant a total of one million trees	2023	In progress	In 2014, we planted 13,776 saplings. 9,000 of them were nut pine, 3,500 were creeping plants and the rest 1,276 were fruit and other trees.
	Increase the share of renewable energy in energy generation to 3.6%	2016	In progress	Started construction of 60 MW WPP Project.
	Monitor and broadcast the air quality around our facilities	Continuous	Continuous	Ministry monitors data online. At 05.02.2014, ozone measurement device is added.
	Build the infrastructure of the real time emission monitoring system for the stack emissions of steel and energy facilities in line with SEÖS Statement in order to make the data accessible to legal authority	2014	Completed	Applied to ministry for informing readiness to transmit data. Made official application to Environment and Urbanization Ministry for Değirmencik and Bekirli facilities on 31.12.2014 to connect the data collection system.
	To complete Biga Wind Power Plant (WPP) Project	2016	In progress	Started construction in 2014. We plan to launch first turbines in 2015 and complete them in the first half of 2016.
Conservation of Biodiversity	Continue TÜBİTAK MAM Environmental Monitoring Project	2016	In progress	Work continues. Semi-annual interim reports are prepared. We plan to issue the following report in January 2015.
	Ensure annual reports on biodiversity around the Biga region are prepared	Continuous	Continuous	Issued 2014 report.
Energy Management	Produce electricity from waste heat at the steel facilities	2015	Terminated	Terminated the project due to very high investment cost and risk of failure since there are only a few examples in the world.
	Save electricity by 30% through Dedusting Booster Fan Inverter implementation at Steel Mill 3	2016	In progress	We purchased the inverter at the end of 2014. We plan to operate it in 2016.
	Save natural gas by 15–30% through Rolling Mill 3-4 hot charging improvement	2015	In progress	Quality issues reduced by process improvements, thus, hot charging increased and we saved 772,478-m ³ natural gas
	Save natural gas by 20% through Ladle Heating Boiler Revision in steel process	2015	In progress	Operational conditions are improved in 2014 to save 6,833-m ³ natural gas monthly.
Water Management	Continue seawater treatment to preserve scarce freshwater sources Reduce the regularly stored waste amount to zero	Continuous	Continuous	In 2014, we continued to supply all water need of Değirmencik and Bekirli facilities from the sea.
Waste Management	Reduce the regularly stored waste amount to zero	2020	In progress	Began R&D studies to use thermal plant coal ash in gas cement production. The studies are held with the cooperation of 18 Mart University.





ECONOMIC PERFORMANCE

At İÇDAŞ, our corporate culture is based on fulfilling our environmental commitments while expanding in economic terms. We believe the three pivots; financial performance, social responsibility and environmental management, are the most crucial factors that lead to sustainable development.



60 MW

Karabiga Wind Power Plant (WPP)

(Construction began in 2014.

We plan it to be fully operational in 2016.)



176 Carriages

Isparta, Ankara, Konya, Gölcük, Sakarya, Bursa
Our Steel Centres On The Turkish
Railway Track

*(The 2nd Largest Private
Fleet Owner in Turkey.)*



Today, economic competition is based on various factors such as continuity of production, utilization of clean, eco friendly technologies and low input costs. Parallel to developments around the world, İÇDAŞ aims to expand by investing to sustain its market position with high quality products, compete and protect ecological balance in order to integrate with the modern world.



**SUSTAINABLE
DEVELOPMENT
AND
CONTRIBUTIONS
TO ECONOMY**

‘İÇDAŞ creates considerable amount of economic value for its stakeholders (employees, suppliers, local people, government institutions).’

79% of employees who participated in sustainability survey...

Our financial sustainability is crucial from all aspects for our stakeholders that include our shareholders, employees, suppliers and our local neighbours. The foundation of our environmental and social investments is based on our strong financial structure. We target those projects that provide employment opportunities, contribute to production and create value to nature, our culture and human life.

Today, İÇDAŞ is a leading steel, energy and ship producing company of over 8 billion TRY turnover, which uses diversified green technologies as an employer, contractor, investor and innovative technological solutions provider. While İÇDAŞ brings in Turkey considerable amount of foreign exchange through exports each year, it employs 5 thousand people directly and another 5 thousand indirectly to form a family of 10 thousand people economically.

Steel Production

We are the largest private sector steel investor in terms of capacity. Turkey is the 8th steel producer in the world. 11% of Turkey’s steel production takes place in İÇDAŞ facilities. In 2014, we became the 15th exporter in Turkey with 836.8 million US dollars export volume. According to Turkish Exporters Assembly (TİM) data, we took the second place in steel industry with 6.3% share.



Power Generation

In 2014, İÇDAŞ generated 7.8% of energy produced by private sector in Turkey. 5.88 billion kwh of it was generated in Bekirli, and 3.10 billion kwh in Değirmencik.



Railway Transportation

İÇDAŞ is a private sector company whose railway fleet is the second largest one in Turkey, with its 176 railway carriages. Our transportation capacity on current railway infrastructure is 350 thousand tons a year. We switched our product and raw material transport activities to railway transportation in order to reduce our costs and to protect environment by means of relatively less emission than road carriage. To accommodate this target and utilize railway efficiently, we established steel centres at 5 locations in Turkey.



Shipyard Activities and Marine Transportation

We create a considerable amount of economic value with our activities in our harbour that has a high docking and load-unload capacity. Train ferry construction is another part of our investment plan. Our ultimate objective with this investment is to reach Bandırma Shipyard directly, shipping from factory to railway and therefore to prevent handling manipulation. Furthermore, direct export from Tekirdağ to Europe will be possible this way.



İÇDAŞ, THE FIRST SUPPORTER OF TÜRK YILDIZI (TURKISH STAR) PROJECT, CONTINUES ITS INVESTMENTS...

The Project is launched in 2012 with the objective of renovating 100 coasters of the Turkish Maritime Trade Coaster Fleet, which is used for freight transport around and nearby Mediterranean and Black Sea coasts. İÇDAŞ decided to contribute to the project with 5 coasters believing that this Project would improve Turkey's global competitiveness. The production of the first two coasters with 15 million

USD in cost is completed at Çanakkale Biga premises. Total budget of the project is 37.5 million USD. Coasters are designed for river transportation as well as marine. It is favourable due to its environmentalist specifications such as fuel efficiency. İÇDAŞ's coasters, which are designed by Turkish engineers, will carry dry cargo, private cargo and containers.



INVESTMENTS COMPLETED AND STARTED IN 2014

Project	Location	Budget	Completion Status/Target
1,236 MW Supercritical Power Plant	Bekirli - Çanakkale	1 billion USD	In December 2011, the first unit and in July 2014, the second unit are completed
Wind Power Plant (WPP)	Biga - Çanakkale	100 million USD	Construction and installation work in progress
Cement and Clinker Facilities	Biga-Bekirli ve Biga-Karahamzalar	250 million USD	Began construction in November 2014
Railway Transportation – Carriage Investment	Yurt içi	11 million Euro	In progress
Integrated Steel Production Facility	Değirmencik - Biga	1 billion USD	2018 – In progress
Türk Yıldızı (Turkish Star)-2, 5000 DWT General Cargo Ship	Değirmencik - Biga	7.5 million USD	2014 - May
Türk Yıldızı (Turkish Star)-3, 5000 DWT General Cargo Ship (construction began)	Değirmencik - Biga	7.5 million USD	2015 - August
Değirmencik-2 Regular Ash Storage Field	Değirmencik - Biga	6.5 million USD	2016 – Construction in progress
Bekirli-2 Regular Ash Storage Field	Bekirli - Biga	6.5 million USD	2016 – Construction in progress
İÇDAŞ Congress Hall	ÇOMÜ-Çanakkale	35 million TRY	Completed in the first quarter of 2014

Target of Producing Steel from Local Ores

We have been working on more efficient production processes that will be alternatives to scrap because of the shrinkage and pollution in the world and Turkish steel sector. We analyse the economical convenience of local ores to make production with national resources in order to increase the quality of goods and reduce the production cost. As an environmental investment, we continue our operations on generating electricity from waste heat that comes from high energy consuming processes of electric arc furnace and rolling mill reheating furnace.

Local Economic Contributions

Total direct investment amount of İÇDAŞ in Çanakkale region is 5.3 billion US dollars so far. 394 million of it was done in 2014. The indirect impacts of these investments on the local community and economy are higher and for longer terms. Giving priority to local recruitment reinforces this impact.

Details of our social and environmental investments, education, sports and cultural support projects and indirect economic impacts are explained in 'Social Performance' section of this report.



ENERGY INVESTMENTS

'İÇDAŞ should invest in renewable energy sources for electricity generation.'

87% of employees who participated in sustainability survey...

Energy sector is a high potential and attractive investment sector in our country since Turkey's dependence on foreign resources is approximately 70%. Energy import volume is the largest amount in Turkey's foreign trade deficit that cost 84.5 billion USD in 2014. Securing energy demand is critical for Turkey's sustainability, as it is for the rest of the world. Population rise, expansion in industrialization and acceleration in urbanization increase energy demand every day. Base load power stations are needed for uninterrupted power supply since their secure electricity generation is higher compared to other types of power stations.

All these developments and uninterrupted, high quality energy need to continue our seamless operations increases our sensitivity for secure energy supply and to reduce Turkey's dependence on foreign supply. We continue to invest in coal-based, environment friendly thermal power plants to reduce the dependency on natural gas.

İÇDAŞ Biga WPP (Wind Power Plant) Project

On May 12, 2012 we gained the right to build a 60 MW wind power plant (WPP) at Biga, Çanakkale by winning the tender of Turkish Electricity Transmission Company (TEİAŞ). We started construction in 2014 after Çanakkale Nature and Forest Directorate decided that Environment Impact Assessment report (EIA) was not necessary for this Project. We are building it according to all national environmental and other regulations.

We plan to operate the first turbines in 2015. We used 7 million of 52 million Euro budget in 2014. We intended to contribute to local economy by providing new job opportunities during the construction and operation processes of the project. İÇDAŞ Biga WPP project is licensed to generate 210 million kWh annually. 120 thousand tons of carbon emission reduction will be achieved with this production amount. Through İÇDAŞ Biga WPP project, we aim to preserve the ecological balance

as well as diversify our energy production portfolio and start carbon trade.

We plan to develop and register İÇDAŞ Biga WPP project as a Verified Emission Reduction Project in accordance with Gold Standard VER (GS VER) norms and standards. The main factor that differentiates Gold Standard from other VER standards is developing the project in accordance with sustainable development and environmental principles. Consulting and engaging stakeholders on sustainable development and environmental impacts of the project will provide this conformity.

We intend the Biga WPP to be certified Gold Standard and take part in the Voluntary Carbon Market, hence facilitating our country to move into Low Carbon Economy.

What is Voluntary Carbon Market?

Voluntary Carbon Markets are non-compliance markets independent from governmental regulations where members of business world, local administrations, NGOs and even individuals can offset carbon emissions. Increasing public awareness on climate change and its impacts, and related carbon offset as a reliable prevention strategy played important roles in rapid development of these markets recently. The emission credit traded in this market is called Voluntary Emission Reduction Units (VER). Institutions who want to offset the amount of greenhouse gas created by their operations, calculate their emission amounts (i.e. measure carbon footprint). Then they buy carbon credits that they produced by means of social responsibility projects to reduce or offset their emissions.



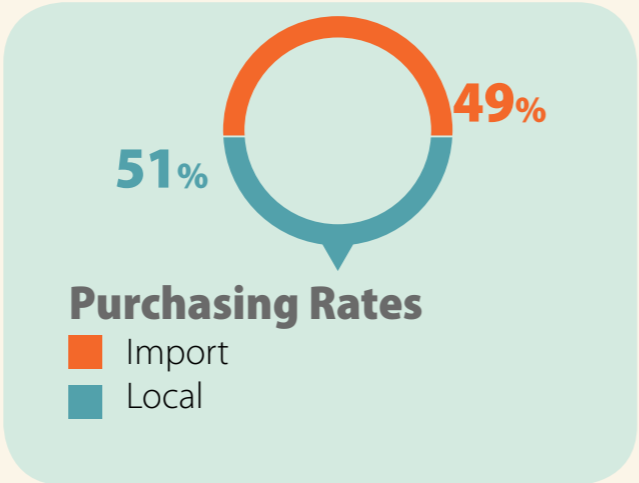


LOCAL SUPPLY PRACTICES

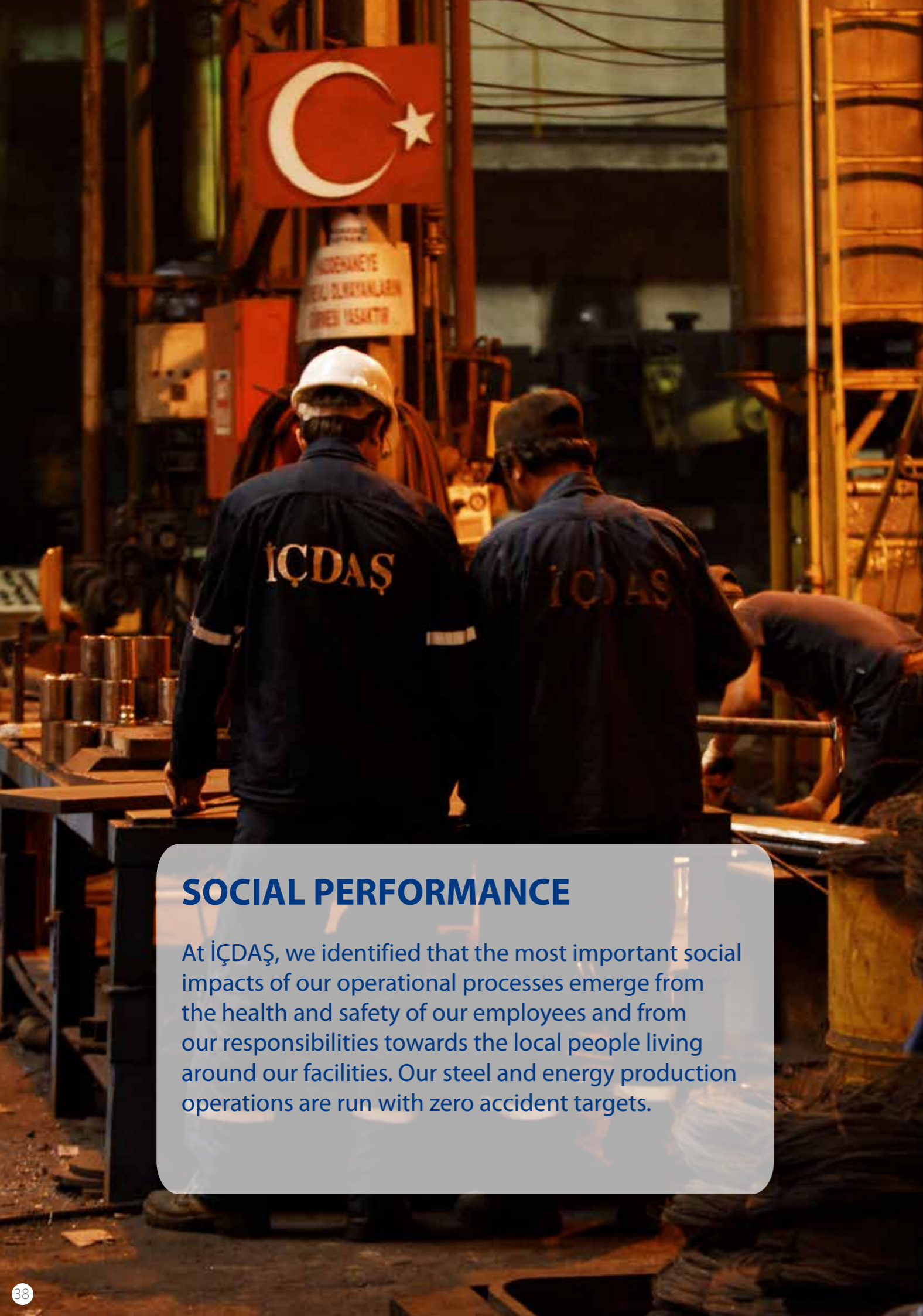
We supply our company needs, especially raw materials from all over the world and Turkey. When it comes to procurement, for İÇDAŞ, 'local' means 'within Turkey'. We defined our local supply policy and selection criteria in our supplier list designation and procurement procedure.

We first check if we can supply the procurement demand from Biga, Çanakkale or elsewhere in Turkey. We procure domestically if the quality-price ratio is acceptable in our terms. Scrap and coal are usually imported where fuel, machinery

and equipment are usually procured domestically. Domestic suppliers make up 96% of all our suppliers in numbers where 49% of our expenditure is allocated to imports because of the higher cost of goods purchased. On the other hand, we have improved our local procurement rate from 16% to 51% since 2012 by means of developing our procurement practices.



İÇDAŞ Supply Chain Structure	Local	Import
Total number of suppliers	2,591	113
Approximate number of suppliers in the supply chain	12,000	170
Locations of suppliers by region or country	Marmara: 2,108 Aegean: 140 Internal Anatolia: 274 Eastern Anatolia: 5 Black Sea Region: 24 Southeast Anatolia: 14 Mediterranean: 26	Russia, Ukraine, EU, USA, China, Colombia, RSA, India, Israel, Japan, Lebanon, Mexico
Types of suppliers	Main producers, licence owners, auditors, consultants, intermediaries, wholesalers, subcontractors, carriers	Scrap, coal, HBI, pig, iron billet, replacement part suppliers and supervisory companies
Estimated value of payment done to suppliers	3,397,600,000,000 TRY	1,374,508,992.62 USD (3,204,117,913 TRY)

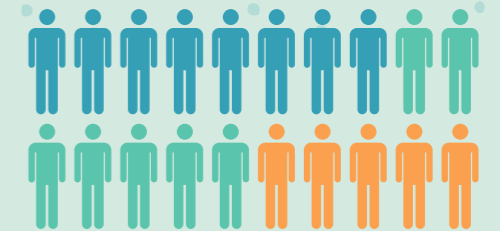


SOCIAL PERFORMANCE

At İÇDAŞ, we identified that the most important social impacts of our operational processes emerge from the health and safety of our employees and from our responsibilities towards the local people living around our facilities. Our steel and energy production operations are run with zero accident targets.



71,194 Hours
Total Training Hours



44.41%
Ratio of Workers Represented by
a Labour Union

İÇDAŞ employees and the local public, both with their families, are the primary social stakeholders of İÇDAŞ. We manage employee relations through our HR Policy. We take into consideration the priorities of local residents, our 'neighbours', when planning our social and environmental investments.



OCCUPATIONAL HEALTH AND SAFETY

'İÇDAŞ takes necessary measures sufficient to oversee and secure health and safety of its employees.'

69% of employees who participated in sustainability survey...

Steel industry is a part of primary metal industry and is considered a "heavy" industry. Constantly moving very heavy and enormous materials and machines from one place to another; being around and dealing with molten metal at 1,800 degrees centigrade, toxic and corrosive materials, scent, smoke and noise are the most essential risks against health and safety.

Employee health and safety are our top strategic priorities. As İÇDAŞ, we care about the health and safety of our employees in accordance with our internal Occupational Health and Safety (OHS) Policy and OHS Management System implementations.

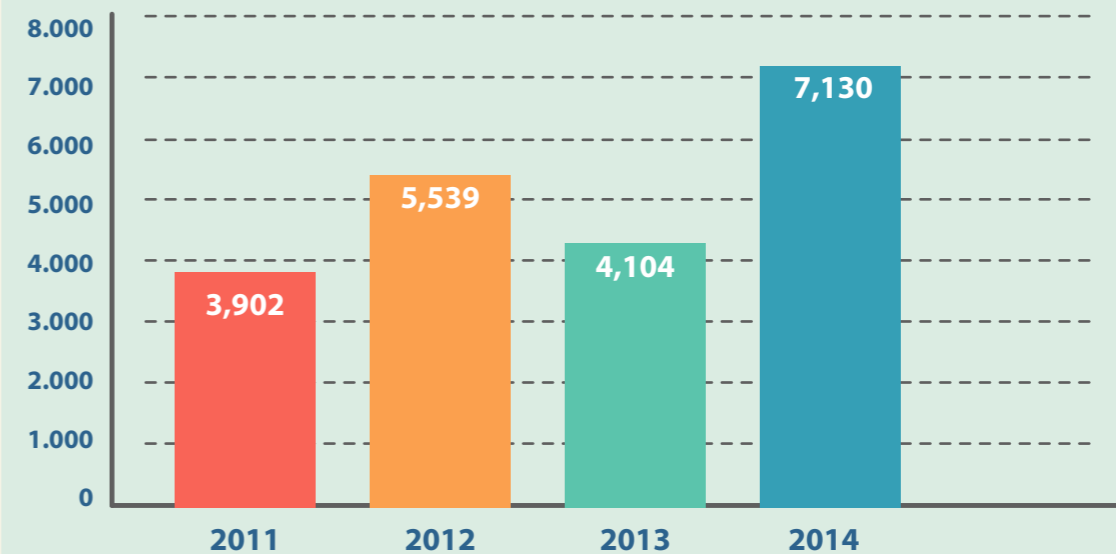
We apply OHSAS 18001 – OHS Management System as part of our risk management strategies in order to comply with OHS regulation changed during the EU adaptation process. This system enables İÇDAŞ to make sound and consistent risk evaluation, reduce

risk of accidents and increase overall performance.

In 2014, we provided our employee with 57 thousand 429 hours of OHS training. 19 thousand 264 hours of it was done during the orientation trainings. In order for our employees to embrace our work on health and safety, we run all related activities under Zero Accident Project with the motto; "Let's go home healthy".

The details of our OHS Policy can be found in İÇDAŞ Management Policy Book. The data about our OHS performance can be found on page 83, in 'Social Performance Indicators' table.

OHS Trainings (Manxhours)



In 2014, we gave training to 7,130 people. 4,722 people got OHS and 2,408 got orientation training. Total number of people is greater than the staff number because some employees attended more than one training in 2014.

OHS TRAININGS	2013		2014	
	Number of Employees	Man x hours	Number of Employees	Man x hours
Basic OHS Norms and Preventions	426	3,062		
Basic Working at Heights Training	140	918.5		
Behaviour Development and Communication	2,134	17,072		
Occupational Safety Theatre Performance	1,019	2,038		
Basic Fire Training	219	876		
Advanced Fire Training	131	2,096		
Operatorship	48	3,456	190	13,680
Management Techniques and Occupational Safety Communication	366	2,928		
Tool Box talks (20 Different Topics)	1,010	388	1,275	425
Working Under High Voltage (EKAT)			144	17,280
Protecting from Radiation			85	680
27001 Information Safety Awareness			926	1,852
Human Rights			58	116
Emergency			2,256	18,048
First Aid			120	960
Creating OHS Culture			609	4,872
Management and Leadership			127	1,016
Eco Driving of Scania Vehicles			121	484
TOTAL	5,493	32,835	5,911	59,413

ZERO ACCIDENT PROJECT

We planned our OHS operations around systematic and scientific methods in order to comply with the clause in İÇDAŞ OHS Policy: ‘We will create and implement projects that will increase our OHS performance.’ We named the Project ‘Zero Accident Project’ in order to implement and expand it in the field, and to make it become a part of our culture.

‘Zero accident’ seems like a very challenging target for a company working 24/7 in a heavy and dangerous working environment. Nonetheless, we started the Project believing that we could achieve it. In order to reinforce the Project to be more active, effective and sustainable, we received assistance from MEV – MESS Training Foundation (MESS: Turkish Employers’ Association Of Metal Industries). We allocated 550 thousand TRY budget to the project that lasted for 3 years from 2011 through 2013.

Our aim is to engage all employees in the Project to take part actively and prevent any danger and unsafe actions that cause accidents by acting as

“WE” and to achieve zero accident targets. A team of independent work safety experts, delegates from the Turkish Metal Union and a MEV consultant prepared a procedure to be applied during the Project implementation that explains the method and responsibilities. Project development continued with an information meeting, logo design, target setting and trainings.

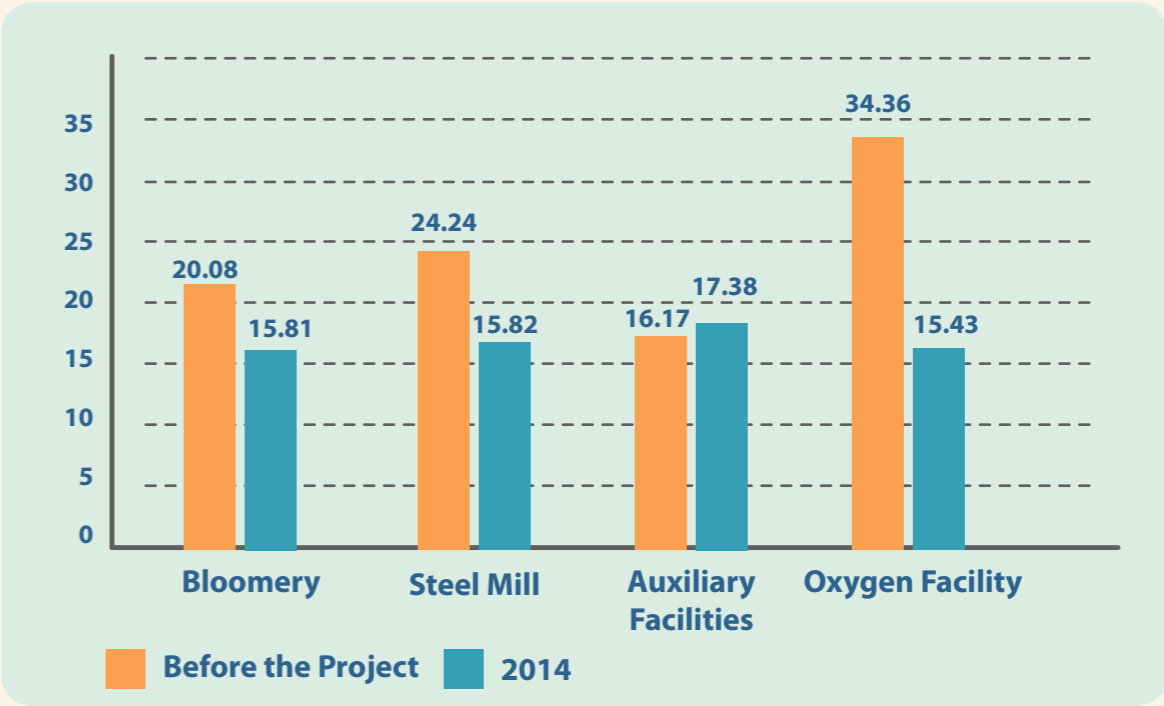
In order to clearly inform all stakeholders about the developments in the Project, we designated staff canteen OHS dashboards, OHS Bulletin and OHS Intranet as communication channels. Project continued with identification of personal protective supplies, correct-incorrect practices, meetings, workshops and work safety parades. As part of Zero Accident Project, a rewarding system is created and implemented for those departments with no accidents over a 30-day period.

Success Factors

The dangers spotted by the employees on the job as well as the solutions and the alternative applications they produced against the risks play the leading role in the success of this Project. Thanks to the employees who embraced the Project, it expanded from the steel plants over the other subsidiaries of the company. In contrast to the usual practices in the steel production, we used different application methods to go out of the box. This allowed us to develop methods and techniques, which contain less risks, demand less effort in shorter time.

5S studies along with the Project enabled the creation of a better work environment, reduction of accidents, total efficiency increase, reduction of time loss in material search, the change the way employees think and increase in the communication among the employees. Considering all these criteria, we accomplished high reduction in rates of frequency and the size of the accident since 2007.

Accident Frequency Rates



RADIATION SAFETY MANAGEMENT

İÇDAŞ is a leading company in its industry due to the investments and measurement systems it undertakes in radiation safety. Our plants receive scrap steel from all over the world on a regular basis. We have a particular systematic control system to recycle scrap steel without incurring risks against the environment and work safety.

We eliminate the reception of scrap from countries with high contamination risk of explosive materials, chemicals or radioactive waste. We also check and control each stage of the operation from the procurement to the reception and processing.

We procure imported steel only from the licensed steel processing plants. İÇDAŞ Scrap Experts visit and approve the suppliers on a regular basis to control whether the plant is technically qualified for processing scrap. The scrap is embarked after radiation and chemical controls done and supervised by international supervisory bodies.

We have 8 Permanent Radiation Measurement Devices: 4 at the harbour entrance and 4 at the land

entrance. After the check at the entrance the scrap steel is taken into the scrap store where the experts recheck it.

In order to prevent problems that occur by human or equipment errors, scrap steel is checked once again against radiation after the melting process. Dedusting systems include radiation measurement device to detect radiation at this stage. These devices that are present at 3 of the dedusting systems constantly monitor melting process. The probability of failure to detect radiation up to this point is very low after all these control stages. Nonetheless, all steel products are checked once again before leaving the plant. All products are scanned by highly accurate Permanent Radiation Measurement Devices before leaving the plant.

EMPLOYEE ENGAGEMENT

‘The amount of training and programs (technical and soft skill trainings, career development programs, rotation, etc.) İÇDAŞ provides to employees are sufficient.’

63% of employees who participated in sustainability survey...

İÇDAŞ Board of Directors defines its employees as its most valuable asset. Our employees are our primary stakeholders in terms of sustainability as they are for all other İÇDAŞ aspects. We defined part of our mission about the employees as; ‘creating team work, righteous attitude, open communication, personal safety and development opportunities by providing a safe and effective work environment’. We are determined to maintain this culture.

The know-how, competence, experience and diligence of employees are the leading factors that enable İÇDAŞ to become a major international

player concerning the production, capacity and technology it owns today. We aim to improve our operations together with our happy and engaged employees by providing them with personal development opportunities and health and security at workplace.

The percentage of union labour is high due to the facts of the industry being large scale and labour intensive. Another method to include employees in the decision-making processes is the meetings held with labour and union representatives.

İÇDAŞ SUGGESTION SYSTEM (İÇÖS)

In 2008, İÇDAŞ Board of Directors initiated İÇÖS to make use of employee suggestions and ideas and to develop the employee – management communication. We announced the purpose, scope, activities of the system and the benefits it will introduce both to the employees and the company.

Employees write down efficiency, OHS, environment, quality, etc. improvement suggestions on İÇÖS forms. They then put them in the İÇÖS suggestion boxes at the staff canteens. These suggestions are collected regularly and discussed at the İÇÖS work unit meetings. Those

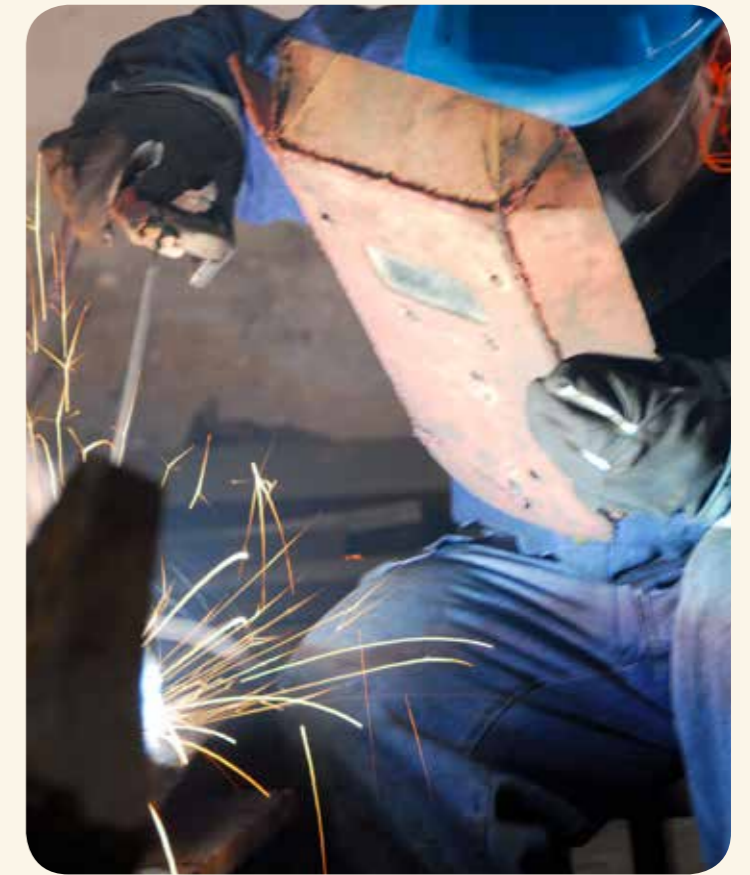
suggestions applicable for implementation are submitted to İÇÖS executive committee. The committee approves suitable suggestions and starts the preparations for deployment. A 20 people committee of a work unit and an executive council executes İÇÖS. 813 suggestions are received since the beginning of the system until the end of 2014 and 287 of these are realized.

We decided to apply Auxiliary Dish EBT Slide Arm revision upon a suggestion from Steel mill 2. The revision enabled EBT maintenance to finish in shorter time and we saved time and labour.

LOCAL EMPLOYMENT

We prefer to recruit local people for our Değirmencik Integrated Plant. This approach facilitates the orientation process among employees and increases the quality of life around the neighbourhood. Today, direct employment from the locals is three thousand people at İÇDAŞ facilities. This number expands to six thousand when we consider all the services purchased in the region.

By the end of 2014, ratio of executive managers to all managers from locals was 36%. We employ 83% of our staff in Değirmencik Integrated Facility and 75% in Bekirli Power Plant from locals.



TRAINING AND EDUCATION

In the reporting period, we provided İÇDAŞ staff with 71 thousand 194 hours training on 115 different topics including health, security and personal development. In 2014, the number of staff who got training increased by 56% whereas those who got OHS training increased by 74%. Average training hours by employee type and other training information is presented in ‘Social Performance Indicators’ section of our report.

Distribution of Trainings According to Topics	Number of Trainings
Environmental Trainings	6
Integrated Management Systems Training	3
Quality Trainings	23
Occupational Safety Trainings	43
Personal Development Trainings	2
Career Development Trainings	38



EQUAL OPPORTUNITY AND HUMAN RIGHTS

We try to create equal opportunities for everyone, male or female, starting from the first day. We exercise equal job –equal pay principle as stated in our İÇDAŞ HR Policy. Salaries are increased each year according to employee performance.

Female workforce consists 3% of our total group workforce. Due to the nature of the steel and energy industries female workforce ratio is very low likewise the rest of the world and Turkey.

We don't exercise operations such as employing child labour or forced labour. Our HR Policy in İÇDAŞ

Management Policy Book describes our principles on human rights and working conditions for both İÇDAŞ and our suppliers. In 2014, our 58 employees took 116 hours of human rights training. The rate of employees covered by a collective bargaining agreement is 44.4%. This rate has increased in the last two years by 2.5%.

WORK ENVIRONMENT AND FRINGE BENEFITS

Fringe benefits to full time employees are; fuel, marriage, maternity, death, child, military service, education, lunch, transportation, shoes, natural disaster, food and cleaning supplies aids, bonus, holiday and annual paid leave.

Services and fringe benefits applied to all employees are; paid sick leave and private medical support clear of charges, zero interest loan once a year, right to receive advance credit, shuttle service for workers, medical centre, company dwelling and insurance against accidents. All children can attend sailing club activities free of charge.



LOCAL COMMUNITY ENGAGEMENT

'By the local community, İÇDAŞ is perceived as a company that respects the rights of local community, cares about local health and safety and produces positive outcomes by its activities.'

76% of employees who participated in sustainability survey...

As İÇDAŞ, we always intend to protect the rights, benefits and values of local community since the first day of our investments. We support this intention by recruiting most of our executives among the local residents. In all our investments

and corporate responsibility work, we try to reach the locals first and respect the culture, tradition and history of our neighbourhood.

FACILITY VISITS

We began organizing facility visits in 2010 during the months from March to October when we noticed that public did not have enough information about our production and environmental activities and that there were many requests from the public to make site visits and explore our plants. Visits are organized with the help of İÇDAŞ Media and Public Relations Management since the beginning.

Our aim is to inform all external stakeholders about İÇDAŞ environment and water management system, social responsibility activities, work environment and innovative production technology via direct observation method. We also intend to create a positive perception among the various social strata of local public and to maintain and increase the solidarity between İÇDAŞ and the local community.

With this in mind, we hosted 4,501 guests so far. Among these guests were students from primary schools to universities in Çanakkale region, members of craftsmen chambers, NGO and association members, local and central government representatives, and senators and media representatives. 92% of 931 guests we hosted in 2014 were students and 8% were NGOs.

We provide information about site visits to media in order to expand this practice to the society. Our aim is to reach 15 thousand visitors in 10 years and create a recognized corporate perception through direct observation in the 10% of local community. We plan to continue this activity with four-six visitor groups monthly for every eight months for the coming seven years.

Malaysia Marine and Water Affairs Minister's Visit

Director General of Fisheries Development Authority of Malaysia, Mohad Khazin Bin Hamzah and Aziz Bin Sabdin who is the deputy minister responsible from Penank region visited İÇDAŞ Bekirli Power Plant and Değirmencik Steel Facilities together with a 28 people delegation of Malaysian aqua cultural producers. They made observations and were informed on İÇDAŞ Bass and Bream Fish Farm and turbot breeding which is the first in Turkey. Aziz Bin Sabdin said; "Malaysia is a country of islands and sea. In order for us to develop in aquaculture and industry it was important for us to see İÇDAŞ facilities. I am impressed by the eco friendly technologies and fish farm of the facilities. Plus, I saw seawater treatment process in person. What I've seen here

is crucial for Malaysia. I'm leaving İÇDAŞ Facilities with an industry vision that will set an example for Malaysia."



FACILITY VISITS
Results and Gains

Economical: The activity ensured potential local employees to make wise occupational decisions, which also meet our need for skilled labour. In the long term, this activity will help us recruit sufficient number of skilled labour in the region.

Environmental: The most important gain of this activity is its contribution to the public perception of our plants' sensitivities towards the environmental values. Every visitor who has witnessed this sensitivity has been an ambassador of our corporation.

Social: The activity helped to form strong relations between the external stakeholders and the plant managers. It also enabled our internal stakeholders to take part in activities organized by the external stakeholders. We even began to receive requests from stakeholders outside our region.

Corporate: Having received an intensive appreciation from the external stakeholders, the activity has had a positive impact on our employees' engagement and work esteem. İÇDAŞ, thanks to its sharing approach, established a great sense of security in its stakeholders while , its corporate performance and the value of awards it has won in many fields have become much better understandable and appreciable by public.



'İÇDAŞ's social development investments towards the local people around its premises are sufficient.'

77% of employees who participated in sustainability survey...

Since the day it was established, İÇDAŞ have been working on raising the quality of living by providing educational opportunities, improving social life and meeting societal needs. We make our social investments in education, sports and culture with the motto, 'Healthy-Educated-Social Youth = Strong Society' considering that youth is the most essential part of the society.

Aiming a society that is educated, healthy, energetic, highly sociable, prosperous and confident due to its thousands of years of cultural heritage, İÇDAŞ continues its sports and conservation of cultural

heritage investments with a holistic approach that embraces the local and regional youth.

We have completed 42 million TRY of investments from 2004 to 2013. Our social investment accounted for 10.3 million TRY in 2014. Our social and environmental infrastructure supports consist of monetary and material donations for building road, mosque, park, transmission lines, etc.

Our Social Support in Local
Community and Economy (2014)

Social and Environmental Infra-structure	3,950,540 TRY
Sports	661,931 TRY
Education	5,045,185 TRY
Cultural	685,879 TRY



İÇDAŞ CONGRESS HALL

The Congress Hall construction at Çanakkale Onsekiz Mart University started in 2013 and completed in 2014 with 35 million TRY financial support of İÇDAŞ.

İÇDAŞ Congress Hall which is located on Turkey's largest theology faculty campus and is Çanakkale's first and the only congress hall has 1,500 seating capacity, 200 square meters stage area, four seminar rooms, 345 square meters exhibition hall, two cultural and artistic performance rooms, a VIP room and a chorus practice room.

We expect 40 thousand university students, Çanakkale people and the university to make

use of the congress hall in local, national and international activities and develop the city in congress tourism.

Our other investments that started in 2014 are given in the following table.



Name	Start and Target Date	İÇDAŞ Contribution
Lapseki Industrial Vocational High School	2014 January & 2014 December	2,200,000 TRY
Biga Industrial Vocational High School	2014 November & 2015 August	4,600,000 TRY

SUPPORTING EDUCATION

The idea behind our educational investments is the deficiency of regional qualified workforce. 49% of our investments fall under educational category, which includes school and dormitory construction and infrastructural support, student grants, adult

education courses and quasi projects. We provided 438 students with 866 thousand TRY grants in 2014. Hence, we have provided 2.4 million TRY grants in total to 1,420 students in four years.

Number of Students and Amounts of Grants

Year	2011	2012	2013	2014
Vocational High Schools	25	20	23	26
University	238	258	281	344
Other	14	48	75	68
Total number of students	277	326	379	438
Total Amount of Grants	426,895 TRY	464,775 TRY	655,570 TRY	865,980 TRY

SUPPORTING SPORTS

We intend to encourage the regional youth, which includes our employees and their children as well, to develop as healthy, confident, sportive, competitive individuals with team spirit. With this notion, we support all kinds of sports and sporting clubs in our region, as well as establishing İÇDAŞ Sports Club.

SUPPORTING CULTURAL DEVELOPMENT

In order to reveal Turkey's universal values and to introduce our historic and cultural wealth to the world, we support Parion, Troy and Smintheion excavations, which help develop the History of Anatolian Culture.

UMEM - SPECIALIZED VOCATIONAL TRAINING CENTRES PROJECT

The Union of Chambers and Commodity Exchanges of Turkey –TOBB started the Project UMEM in 2010, after revealing the fact that the most essential issue of private sector was finding skilled labour. The UMEM Project is a mutual public project conducted by TOBB and Ministry of Labour and Social Security.

The purpose of the program is to support unskilled labour to have a career and a job as well as resolving the issue of skilled labour shortage in the private sector. The target of Ministry and İŞKUR is to get 90% of 1 million unemployed to have a job in 5 years time.

The UMEM programs opened in İÇDAŞ Biga Vocational and Technical High School were performed under the names; 'Steel Mill Worker, Welding, Rigging, Turnery and Steel Producer'. 4 new programs in 2014 opened on top of 10 that were opened in 2012-2013. So far 238 people are certified. 74 people are certified in 2014. İÇDAŞ will continue its support in the project as long as it lives.

Results and Gains



Economic: 228 certified students started their career in Steel Mill, Rolling Mill, Power Plant, Harbour and Auxiliary Facilities at İÇDAŞ.



Social: This is a Project to resolve the most essential social issue: unemployment. Those who are recruited not only got jobs but also gained professional careers.



Corporate: Our support in the program evoked respect in the society. İÇDAŞ added another dimension to social responsibility approach by making unskilled labour in the region to gain professional careers as well as getting jobs.



THE PROJECT OF TUTORING AT ÇANAKKALE ONSEKİZ MART UNIVERSITY - ÇOMÜ AND BIGA VOCATIONAL HIGH SCHOOL BY İÇDAŞ EMPLOYEES

We had problems recruiting the regional vocational high school graduates since these schools were established overlooking the emerging industries and investments at the region. Private sector also had problems recruiting people with the right skills.

At the end of 2011-2012 term, İÇDAŞ Head Office and Çanakkale 18 Mart University Management agreed to open 'Electricity Generation, Transmission and Distribution' and 'Metallurgy' classes within Biga Vocational School. Immediately after, Biga Vocational school presented 'Program Opening Rationale' to university board and then to Higher Education Council (YÖK).

Programs approved by YÖK started classes with 30 people quota in 2012-2013 term. 25 students enrolled in Metallurgy and 27 in Electricity Generation, Transmission and Distribution programs. In 2013 – 2014 term, both programs filled their quotas.

So the relations between Biga Vocational School and İÇDAŞ developed even closer. A council formed by İÇDAŞ and Biga Vocational School staff to make current lessons more practical conforming real world practices. These lessons began in 2013-2014 term. The occupational lessons in the second year are taught by a special group of successful engineers who work at İÇDAŞ. Sometimes lessons take place in İÇDAŞ facilities.

The engineers Serdar Erdemiş, Burçak Yılmaz, Tamer Özan, Murat Yılmaz, Cem Toksöz, R. Çağrı Ünzal, Murat Çürüksulu, Serdar Sanık, Hafize Akar and Burçin Wallington led by Program Consultant and Lecturer İsmail Hacıkur, prepared the programs in a way to ensure that the students get higher returns in their careers. The team aimed to design the careers of students by the lecture notes and practical content they prepared.

As İÇDAŞ, being the only large-scale heavy industry enterprise in and around Çanakkale, we prepare lesson contents according to iron & steel and power industry processes. We also provide comprehensive education in working under heavy industry conditions, quality control, occupational safety and environment.

In 2014, our engineers continued teaching quality, occupational safety and environment lessons as well as occupational lessons. 14 of our staff tutored 459 students on 21 different lessons in 2013-2014 and 215 students in 2014-2015 terms



İÇDAŞ Trainer Employees

	NAME	TITLE	DEPARTMENT
1	Serdar Erdemiş	Steel Mill 2 Chief	Metallurgy Engineering
2	M.Cem Toksöz	Steel Mill 1 Chief of Operation	Metallurgy Engineering
3	Murat Yılmaz	Steel Mill 3 Continuous Rolling Chief	Metallurgy Engineering
4	Burçin Wallington	Occupational Safety Expert	Metallurgy Engineering
5	Serdar Sanık	Environmental Engineer	Environmental Engineering
6	Burçak Yılmaz	Steel Mill 1 Assistant Chief of Operations	Equipment Engineering
7	Hafize Akar	Quality System Security Contact	Metallurgy Engineering
8	Tamer Özan	Steel Mill 3 - Refractor Chief	Metallurgy Engineering
9	Çağrı Ünzal	Continuous Rolling Chief	Metallurgy Engineering
10	Mücahit Duran	Steel Mill 2 Mechanical Maintenance Chief	Mechanical Engineering
11	Olçun Öksüz	Raw material, supply and Process development assistant manager	Industrial Engineering
12	Hilal Kocaeren	Occupational Safety Expert	Physics
13	İbrahim Tanışman	Steel Mill 2 Chief of Electricity	Electronics Engineering
14	Arzu Ballı	Environmental Engineer	Environmental Engineering

Results and Gains



Economical: As the practice is initiated recently, it is not possible to analyse its economical results at this point. Nonetheless, because the program is designed to include many implementations and practical information, we believe the students will adapt their jobs promptly and have higher work efficiency levels.



Environmental: We think that plants run by skilled expert employees will be more effective in protecting the environmental values.



Social: We expect that the practice will help students to have an education experience where they can confidently look ahead.



Corporate: We believe that this practice will contribute to create a more competitive and effective corporate structure throughout the organization by recruiting expert skilled personnel.



İÇDAŞ SPORTS CLUB

Although Çanakkale has the second longest coastline in Turkey with 671 km, it did not have an infrastructure that enabled water and sea sports. Swimming, sailing and other water sports require expensive merchandise to comply with universal standards. Therefore for masses to do water sports free of charge, we established The Sailing School at Karabiga in 2004 for a start. In 2008, we initiated sponsorship support in swimming and opened Çanakkale Sailing School in 2010. We consolidated all sportive activities under the umbrella of İÇDAŞ

Sports Club in 2011.

In 2013, we added the windsurfing activity to our educational activities that composed of sail and swimming. Chess and basketball activities are added to water sports in 2014.

According to TÜİK 2014 yearend data, 55 thousand of Çanakkale population is between 5 and 14 years, eligible to get sports training and who can raise quality of life with sports. We set the priority



target of the project as supporting the youth of the region to help them raise as healthy, competitive, sportive people with high self esteem and team spirit. By this means, we intend to reinforce our corporate image, increase our brand awareness and contribute to the development of tourism and economy of the region.

İÇDAŞ Sports Club that has a world-class infrastructure has 221 licenced athletes. There are 126 swimming, 34 sailing, 22 chess and 32 basketball athletes. We train more than 400 students at our Club.

We received help from Turkish Sailing Association, Turkish Swimming Association, Çanakkale Youth and Sports Provincial Directorate, Çanakkale

2014 Activities

We organized the first TYF-İÇDAŞ Turkey Open Water Swimming Competition in Çanakkale on the May 25, 2014. The aim of the event that we sponsored was to select National Team Prospects together with the Swimming Federation.

Sailing Provincial Representative Office, Çanakkale Swimming Provincial Representative Office, Çanakkale Governor's Office, Biga District Manager's Office, Çanakkale Municipality and Karabiga Municipality on designating areas for sports activities, regional and international race organizations and logistics matters. Also, each year, we search all primary schools to earn swimming discipline talented high potential children in the city with the help of Youth and Sports Provincial Directorate and the National Education Directorate.

During June 01-06, 2014, we organized TYF-İÇDAŞ Ministry of Youth and Sports Cup Sailing Contest with the Turkish Sailing Federation (TYF) in Çanakkale. 120 athletes from around Turkey competed in the cup.

İÇDAŞ SPORTS CLUB

Results and Gains

Economical: As Çanakkale's name rose to prominence in sailing, swimming and windsurfing, it started becoming a city of choice in sports tourism. Today, talented young swimmers settle in Çanakkale in order to continue their studies within İÇDAŞ Sports Club. The success achieved under such disciplines and the rapid developments in the sports infrastructure of the city, resulted in many national and international tournaments to be organized at the region.

Social: Thousands of young people are introduced to sailing and swimming at İÇDAŞ Sports Club. We trained 2,180 students in total. 7 of our students were selected for the national team and represented our country in the international events. 2 other students were selected as National Team prospects. While all the coastal cities in our region host sailing tournaments, competitions and shows, our sports people started to participate in domestic and international competitions and come home with significant successes. Accomplishments increased the self-esteem of the children and gave way to bigger successes.

Corporate: İÇDAŞ Sports Club is the first institution that comes to mind about sailing and swimming in our region. We are proud of all our sports people because of their sportive lives, team spirit and successful results in competitions.

Sportive: Our Club athletes won more than 200 regional and national medals. Only in the last two years, our students received 11 national championships, 10 national first runner up, 29 national second runner up degrees and 56 regional championships, 47 regional first runner up and 52 regional second runner up degrees in the large-scale tournaments.

We finished the 2013-2014 Çanakkale Regional Chess as the champion with 5 wins and one tie in 6 plays.

Our young swimmers representing Çanakkale İÇDAŞ Sports Club received three championships and one first runner up degree in the competitions organized by Turkey Swimming Federation for identifying National Team prospects in January 4, 2014.

4. Biga Flag Officer Osman Bey Traditional Archery Festival

As İÇDAŞ, we support sports disciplines and events in our region other than those included in our club. We sponsored the traditional Shooting and Archery Festival that took place on August 15-17, 2014 in Biga Çınarköprü Village in the name of Biga Flag Officer Osman Bey. The festival took place in the fields where Battle of Granicus (334 BC) was done. The event included horseman shows, archery shows, enactment of the Battle and various offerings.

More than 500 native and foreign athletes participated in the organization while thousands of Biga and region people enjoyed the event. During the festival, historical Nusret Torpedo Ship and Biga's famous products and handicrafts are also exhibited.



THE MAIN SPONSORSHIP OF KEMER PARION ANTIQUE CITY EXCAVATIONS KEMER VILLAGE / BİGA / ÇANAKKALE

Following the decision to invest in the region, we started renovating Kemer Village Primary School responding to the request from Village Administration. When we started laying the foundation, we came up with Parion South Necropolis archaeological finds. We decided to continue school construction in another location and started supporting Çanakkale Museum in excavations.

We intend to continue the Parion excavations that started in 2008 as the main sponsor for 10 years. A crew of 75 people led by Professor PhD Cevat Başaran from Erzurum Atatürk University Archaeology Department conducts the excavations. The operations are supported and controlled by Ministry of Culture and Tourism.

Sponsorship contribution includes technical material, service procurement, logistics,

accommodation, seminar and conference attendance, publications and events that add up to 400 thousand TRY on yearly average. We plan to allocate 5 million TRY in 10 years to Parion to make it a preferred ruins site by tourists and also display the archaeological finds in Parion-İÇDAŞ Museum that will be built by İÇDAŞ in Kemer Village.



APOLLON SMINTHEION EXCAVATIONS MAIN SPONSORSHIP GÜLPINAR AREA / AYVACIK / ÇANAKKALE

The Apollon Smintheion excavation started in 1980. A crew of 30 people led by Professor PhD. Coşkun Özgünel conducts it and the operations are supported and controlled by Ministry of Culture and Tourism. We have been the main sponsors to the excavations since 2011 and the total amount of sponsorship adds up to 885 thousand 879 TRY in the last four years. We allocated 13 thousand TRY in 2014.

We intend to continue Apollon Smintheion Excavations for 10 years; exhibit the archaeological finds on display in a museum with better facilities; setup the ruins so that they will be regarded as a 'must see' tourism destination; and restore Apollon Temple and give it to the world culture. We plan to realize these targets with a 4 million TRY overall sponsorship budget in 10 years period.



TROY EXCAVATIONS MAIN SPONSORSHIP TEVFİKİYE VILLAGE / ÇANAKKALE

Troy is the world-renowned asset of Çanakkale region. Apollon Smintheion is a sacred part in Troy and the archaeological finds play a significant role in supporting Troy's historic presence.

Troy, the subject of Homer's Iliada legend, is our region's most famous tourism brand in the world. The excavations have been going on for the last 35 years with difficulties. As İÇDAŞ, we decided to sponsor the excavations for 5 years with 1 million TRY budget in 2014 to end the on-going problems. Our aim is to finish Troy Museum and present this unique cultural heritage to the world in a way it deserves.

We also want to contribute to Çanakkale tourism economy by increasing the number of visitors to Troy, and to earn new finds to Turkey's cultural heritage.

We plan to start the excavations with a 40 people team. Total number of stakeholders who will positively be impacted by this project is nearly 300 thousand people including Çanakkale Onsekiz Mart University Archaeology Department, Ministry of Culture and Tourism, visitors and Çanakkale tourism industry representatives.



Results and Targeted Gains



Economic: Public is highly interested in the archaeological finds from the excavations. Kemer Village attracts around a thousand and Smintheion attracts around 30 thousand visitors each year and thus, economically contributes to the region.

We plan the excavation site to service an increasing number of visitors by doing the maintenance work continuously and earning historical finds in Troy excavations to world cultural heritage. In the short term, we plan to increase the number of visitors by 200 thousand people a year following the opening of Troy Museum. Hence, we will contribute to site revenues and tourism and accommodation revenues of Çanakkale tourism sector.



Environmental: We intend to exhibit a model as an industrial enterprise that cares for environmental values and our cultural heritage. Such practices will help Turkish industrial brands to gain reputation in international platforms.



Corporate: Support İÇDAŞ gives to archaeological excavations solidifies its corporate image by earning public the cultural assets, scientifically illuminating the regional history, supporting and showing respect to environmental values.

We will continue our support in the Parion, Troy and Apollon Smintheion excavations in line with the sponsorship contract in the future excavation seasons.



Social: In Parion excavations, archaeology department students from all universities in Turkey work voluntarily. They add colour to the social life of the region by organizing events both at Kemer Village, Gülpınar Area and at the excavation houses.

Each year, all archaeological findings from Parion excavations are introduced at the Archaeology Meetings organized by Çanakkale Çabisak. Neighbourhood schools, NGOs and public officials visit Parion and Apollon Smintheion excavation sites, where they are given information about the work directly by the Excavation Office. Hence, we help develop the social consciousness about our cultural values by these activities.

While Parion Antique City and Apollon Smintheion excavations add on to our knowledge about the antique era life by their scientific input, they will support the regional and national economy as a domestic and international tourist destination. The number of internal and external stakeholders will increase every year to reach 500 thousand with the positive impacts of promotional activities.

Troy excavations will take place with the participation of many archaeology students and lecturers from various universities around the world. Hence, our archaeologists will contribute to Turkey's reputation in archaeological world and development of archaeology science in Turkey by both historical finds and whitepapers they write. We plan to share developments of the excavation process to promote our city through various seminars, conferences, and exhibitions.

JUNIOR ARCHAEOLOGISTS PROJECT

As İÇDAŞ, we do not only support archaeological excavations but also raise awareness amongst young generations about our cultural heritage. With this notion in mind, we initiated the 'junior archaeologists' project for children in Çanakkale. Children of ages from 7 to 17 joined the excavations in Parion and Apollon Smintheion historical sites and made practices. While acquiring information about the historical sites, junior archaeologists searched for historical findings in the 'simulation excavation site' prepared for them.

100 children joined the first project implementation in 2014. The event took two days. We prepared an excavation site for the children at Parion Antique City theatre, which is Turkey's largest, and one of the few excavation sites in the world. Junior Archaeologists tried to find objects that were placed under the ground by our team.

On the second day of the event, children visited Apollon Smintheion Temple in Gülpınar Village,

Ayvacı; which is the most prominent local deity and sacred site of Northeast Anatolia of Hellenistic Period (330-30 BC). They received information from excavation head Professor Coşkun Özgünel and engaged in excavations.

Children noticed how hard it was to excavate historical objects and how patient one must be while they tried to excavate like experts with small spuds, trowels and brushes. They collected ceramic pieces and copper objects they excavated in chests for fragile carrying. Then, after washing, they observed writings, symbols and marks on the objects. They had lots of pictures taken in front of historic panels prepared for excavation site.



ENVIRONMENTAL PERFORMANCE

We manage all our operations and investments within the framework of our environmental policy and principles, and with the objective of sustainable growth through energy efficiency, preventing environmental pollution, reducing waste, controlling emissions and responsible consumption of natural resources.



77%
Recycled Waste Rate



375.8 Million m³
Reused Water Amount/Year

Since the beginning of our establishment, we have been making our investments to protect human and environmental health in all our production processes, from selecting raw materials to the shipment of our products to the clients, both in our steel facilities and power plants.



**ISO 14th Environment and Energy Awards Large Scale Enterprise
Environment Friendly Practice Social Responsibility Jury Award**

ENVIRONMENTAL MANAGEMENT

Değirmencik is the largest steel facility with arc furnace in our country. We have been recycling thousands of tons of scrap steel by melting it using the most up-to-date technologies and turning it into steel products every day. We control scraps in detail in each stage, from selecting raw and auxiliary materials to receiving it in the facility and processing it. (Information about Radiation Safety Management is in the chapter of 'Occupational Health and Safety' in our report.)

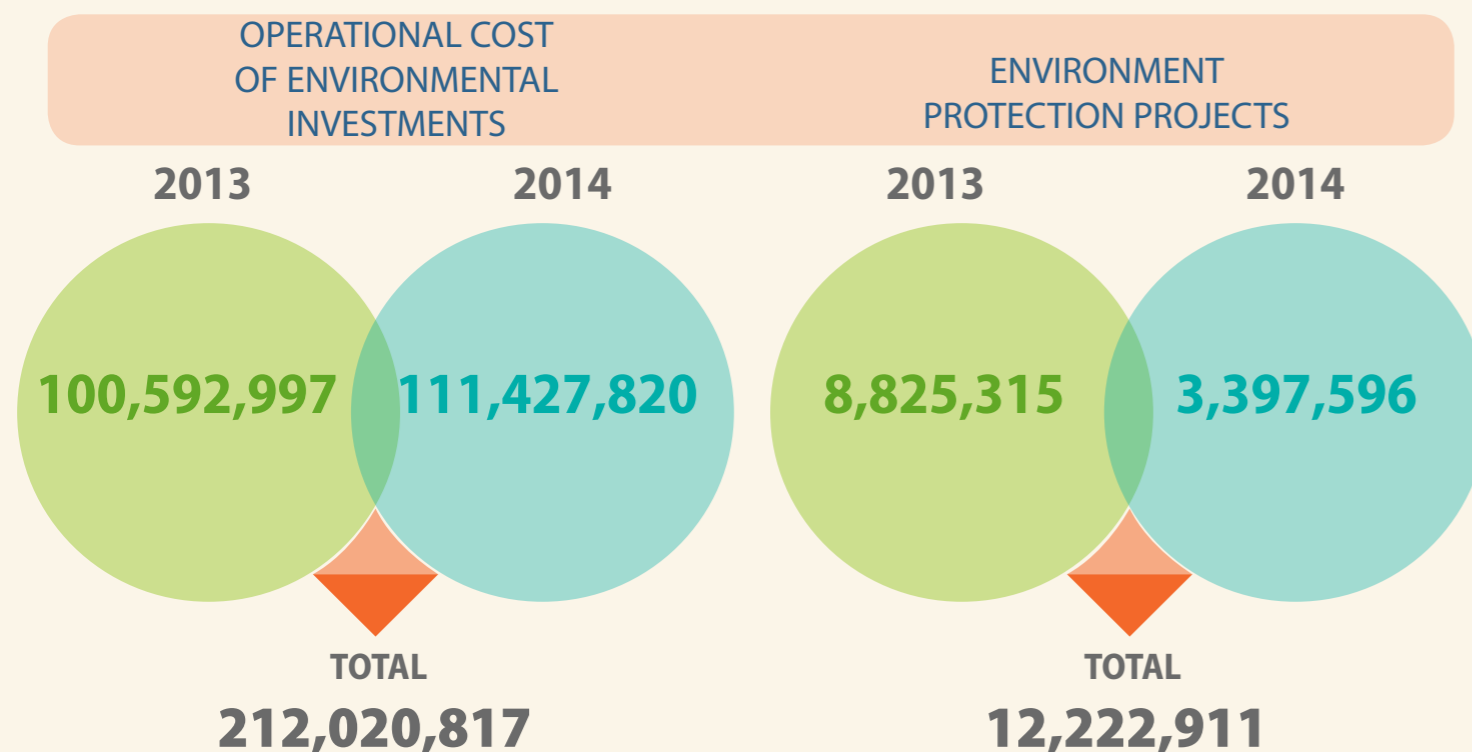
We transport our raw materials by marine transport and railway with the purpose of keeping carbon emissions lower per unit produced. Turkish Locomotive Industries (TÜLOMSAŞ), an affiliate of Turkish State Railways (TCDD), produced 176 carriages for İÇDAŞ as the first initiative in Turkey.

These carriages are used by İÇDAŞ to carry steel scraps collected from many locations in Anatolia through railways.

Our manufacturing technology and all our investments are in compliance with European Union's publication of Best Available Techniques Reference Documents. We use the cleanest and the most environment friendly manufacturing techniques in the world and constantly improve them. We comply with ISO 50001 Energy Management System principles in practices we undertake for energy saving and efficient use of natural sources. We manage our impacts in steel facilities, power plants, lime facility, shipyard and harbour by means of ISO 14001 Environment Management System.

In 2014, our total investment in environment protection projects is more than 114 million TRY. 97% of this amount consists of operational cost of environmental investments. The remaining 3,280,000 TRY is used for emission management and 118 thousand TRY is used for biodiversity management.

ENVIRONMENTAL INVESTMENTS (TRY)



WASTE MANAGEMENT

'İÇDAŞ's waste management implementations and environmental pollution prevention practices are sufficient'
69% of employees who participated in sustainability survey...

We regularly analyse waste in our facilities; monitor metal ratios on slag and stack dust and keep records. Every year, we make improvements after comparing our per-unit waste produced with the norms of the EU Best Available Techniques Reference Document.

The most important topic in waste management is the process waste. The process wastes in our plant are; steel mill slag, dust, rolling mill scales and thermal plant ashes. Waste cooking oil, scrap tires, packaging waste and organic waste are other types of waste from our facility.

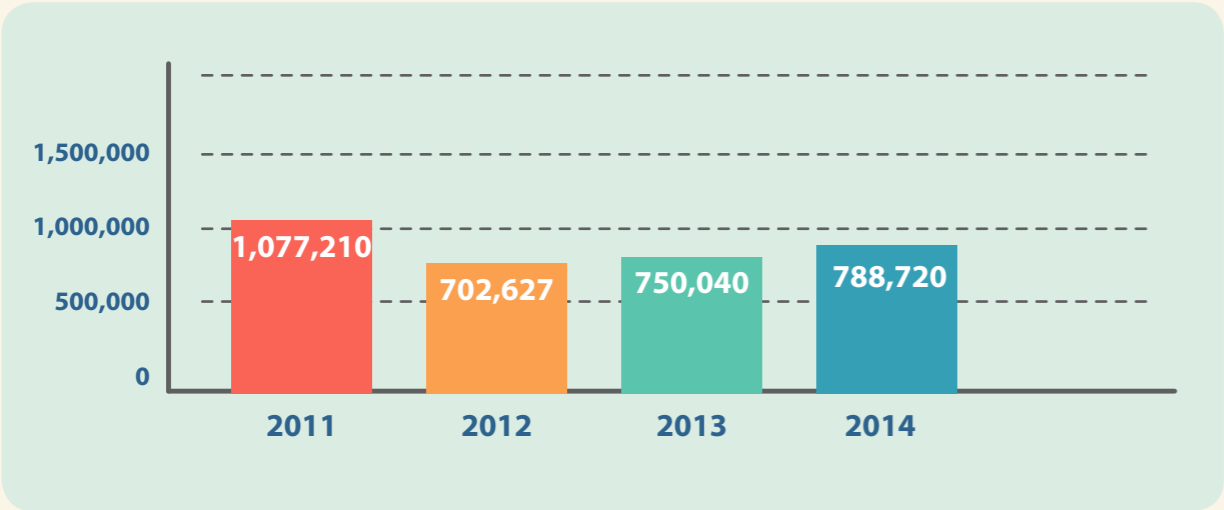
Our primary goal in waste management is to recycle waste. We comply with the regulations and collect all waste separately, including the ones

from ships that call at our port, and we either send them to accredited recycling facilities or dispose of them. In 2014, we disposed 58,4% of our waste by recycling, 6,4% by reusing and 12,2% by recovering methods.

İÇDAŞ arc furnace slag is processed into artificial aggregates that comply with the EU Certificate of Conformity (CE Certificate) after being processed in our artificial aggregate facility. İÇDAŞ is the first and only steel plant that produces artificial aggregates from arc slag complying with EU standards in Turkey.

Our Değirmencik Plant is the largest recycling facility in Turkey in terms of capacity since we recycle over 15 thousand tons of scrap steel a day.

Total Waste (Tons)



CAPACITY EXPANSION OF PORT WASTE RECEPTION FACILITY AND IMPROVEMENT OF SHIP WASTE RECEPTION EQUIPMENT

We decided to expand the capacity of port waste reception facility and improve ship waste reception equipment at Değirmencik Integrated Plant due to the increased number of ships docking at our port and the need to modernize equipment for security reasons.

We initiated the Project in May 2014, with a 75 thousand TRY budget that continued until the end of the year. We set our target to continue uninterrupted service at waste reception facility, to shorten the time needed for waste transfer and use safe equipment to eliminate environmental accidents resulting from equipment usage.



Results and Gains



Economic: Staff labour force per unit increased due to 50% acceleration of waste transfer.



Environmental: Nekton organisms are preserved since no environmental accidents occurred. Monitoring continues but its impact on risk evaluation is diminished.



Social: No equipment based environmental accidents occurred due to modernized equipment.



Corporate: More quality service is provided in less time; thus, our price/performance ratio improved.



WATER MANAGEMENT

‘İÇDAŞ’s practices on sustainability of water resources management are present and sufficient.’

72% of our employees who participated in sustainability survey...

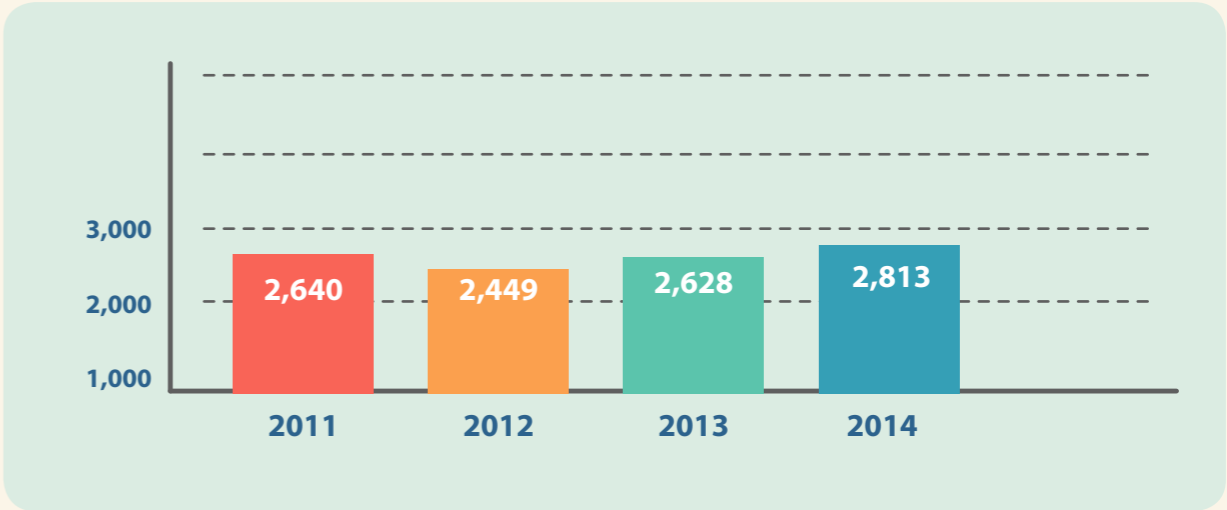
We have been managing water aspect on our İÇDAŞ Değirmencik Integrated Plant under ‘Sustainable Water Management Project’ with a holistic approach since 2007.

In 2012, Ministry of Development, United Nations Development Program (UNDP) and Turkish Business Council of Sustainable Development (TBCSD) have chosen our ‘Sustainable Water Management Project’ is one of ‘Turkey’s 24 Best Practices in Sustainable

Development and Green Economy’. We enjoyed the pride of representing our country at Rio+20 Conference in Brazil.

No fresh water source is affected by our consumption, since we withdraw the water we need for all our processes and for utility purposes from the sea. We meet 99% of our fresh water requirement from seawater in steel facilities and 98% in power plants.

Water Consumption (1,000 m³ / year)





SUSTAINABLE WATER MANAGEMENT PROJECT

One of the most important natural resources used in our plant is 'water'. While water is used for cooling steel and maintaining the required quality standards in steel manufacturing, it is an indispensable element for cooling machinery and equipment in the facility. In energy generation, water is again one of the most fundamental sources. Energy emerged from combustion turns boiler water into superheated steam and the electrical power is generated after the steam moves the turbine and then the generator through the turbine.

Daily fresh water need of the Değirmencik Integrated Plant is 8,000 m³ at full capacity. This volume of water usage in our production processes increases the environmental significance of water

from the aspects of both conservation of water resources and energy management. Therefore, we have initiated the İÇDAŞ 'Sustainable Water Management Project' in 2007. We monitored many technical and financial parameters at the stages of effective realization and results evaluation.

Within the scope of this project, we aimed to stop using groundwater, which is a limited fresh water source and start using seawater, which is an unlimited water source to meet all needs at the plant. Additionally, we aimed to generate electricity from the cooling water discharged into the sea and establish a fish farm in the discharged water.

Sea Water Treatment Facility

First of the three parts in this project is to treat seawater to obtain fresh water via reverse osmosis method. With this facility, we aim to treat enough water to meet the daily need of 7,000-m³ fresh water of the increased production amount (from a daily need of 3,500-m³ in 2006) and to stop groundwater usage, by shutting down 32 wells.

Total investment cost of the facility is 3 million 650 thousand USD approximately. We decided to

go ahead with this investment although the unit cost of treated water is more than that of wells. We generate 12,000-m³ fresh-water per day at the facility.

Besides providing conservation of ground waters with this facility, we ensured the more effective usage of the same sources on agricultural fields. And as an indirect positive impact, the risk of saltwater intrusion of fresh water is reduced.

Fish Farming in Cooling Water Discharge

The second part of the project is fish farming facility. Our goal is to raise 100 thousand bream and sea bass a year via fish farming in cooling water discharge. Besides pioneering fish farming in cooling water discharge in Turkey, we also obtain the entire water requirement of the facility from cooling water, which is 180 m³/hour. Another important purpose of the project is to show how the impact of cooling water to the ecosystem is

sustainable. What makes fish farming in cooling water advantageous is that the temperature of the cooling water can be regulated manually for raising different seasonal fish with no additional investment required for providing water.

Initial investment cost of the facility is 150 thousand USD. Since 2008, we have raised 235,730 sea bass and 142,971 bream at the facility.



Power Generation from Cooling Water Discharge

Third part of the project is, Sea Water Hydroelectric Power Plant project. (The details of this project are in the 'Energy Management' section of this report at page 74.

WASTE WATER MANAGEMENT AND WATER QUALITY MONITORING

The water used in steel manufacturing is recovered and reused after treatment. And the steam used in energy generation is recovered by condensing. Cooling water is the only wastewater that is produced through our processes. A chemical pollution is not expected since the cooling water from the sea cools the process water without contacting it and then it is discharged back into the sea.

We have 14 domestic wastewater discharge units in different locations and 1 car wash wastewater discharge unit in Değirmencik Facilities and 4 domestic, 2 physical and one chemical treatment facilities in Bekirli Plant. We have Environmental Permit and License on Waste Water Discharge for all discharge units. Domestic wastewater dirt is removed by municipality sewage truck. Wastewater originated from car wash is discharged into a unit after a process in a physical treatment facility.

'Real-time Remote Monitoring System' is installed at both of the 2 discharge points Değirmencik and one in Bekirli Facilities since cooling water

discharge temperature has to be continuously monitored. Dissolved oxygen, pH, conductivity and flow rates are also monitored besides temperature, and results are sent to Ministry of Environment and Urbanization every five minutes.

We have a wastewater laboratory in our premises that is certified by The Ministry of Environment and Urbanization and accredited by Türkak. İÇDAŞ Environmental Control Laboratory has the world-class technology and equipment to make analysis on all parameters it is licensed to.



İÇDAŞ Continuous Waste Water Monitoring System Revision

Environment and Urbanization Ministry issued a new Water Pollution Control Regulation. We allocated 110 thousand TRY budget in 2014 for the revision of the three Continuous Waste Water

Monitoring Systems in our Değirmencik and Bekirli Facilities to comply with the limits described in the regulation.

Results and Gains

Economic: We don't impose any impacts on local fishermen and the ecosystem because biodiversity at the sea is not affected since cooling water is discharged in accordance with the standards.

Corporate: We established one of the first Continuous Waste Water Monitoring Stations in Turkey. Our corporate consciousness is our environmental sensitivity. That is why we allocate vast budgets for environmental impacts and investments and take necessary actions accordingly.

Environmental: Continuous Waste Water Monitoring Station Project is one of our environmental investments. Cooling water obtained from the sea is discharged in compliance with standards. Therefore no negative impact on the ecosystem incurs. Using sustainable seawater is a more eco friendly act than using fresh water that is a scarce resource.

Social: Environment and ecosystem are topics that affect everyone. This system eliminates any possible negative impacts.



EMISSION MANAGEMENT

'The energy efficiency investments that İÇDAŞ has made with environmental consciousness, its emission reduction projects and the relevant protective measurements are satisfying.'

65% of our employees who participated in sustainability survey...

One of the most important environmental parameters in our energy and steel manufacturing premises is the emission. The Emission Management is a part of the environmental management at İÇDAŞ. It complies with the local regulations and the EU criteria. All emission points in our premises comply with the national limits and the Best Available Techniques internationally.

Besides the stack emission measurements, we

regularly measure and report dust emissions in eight stations established along the borders of the premises on a regular basis since 2006, exceeding the 'minimum two points in every two years' requirement by regulations.

The dust and smoke filtering system and bag filters used in the steel manufacturing and lime facility have 99.99% efficiency for the dust particles over one micrometre.

CARBON EMISSIONS MONITORING

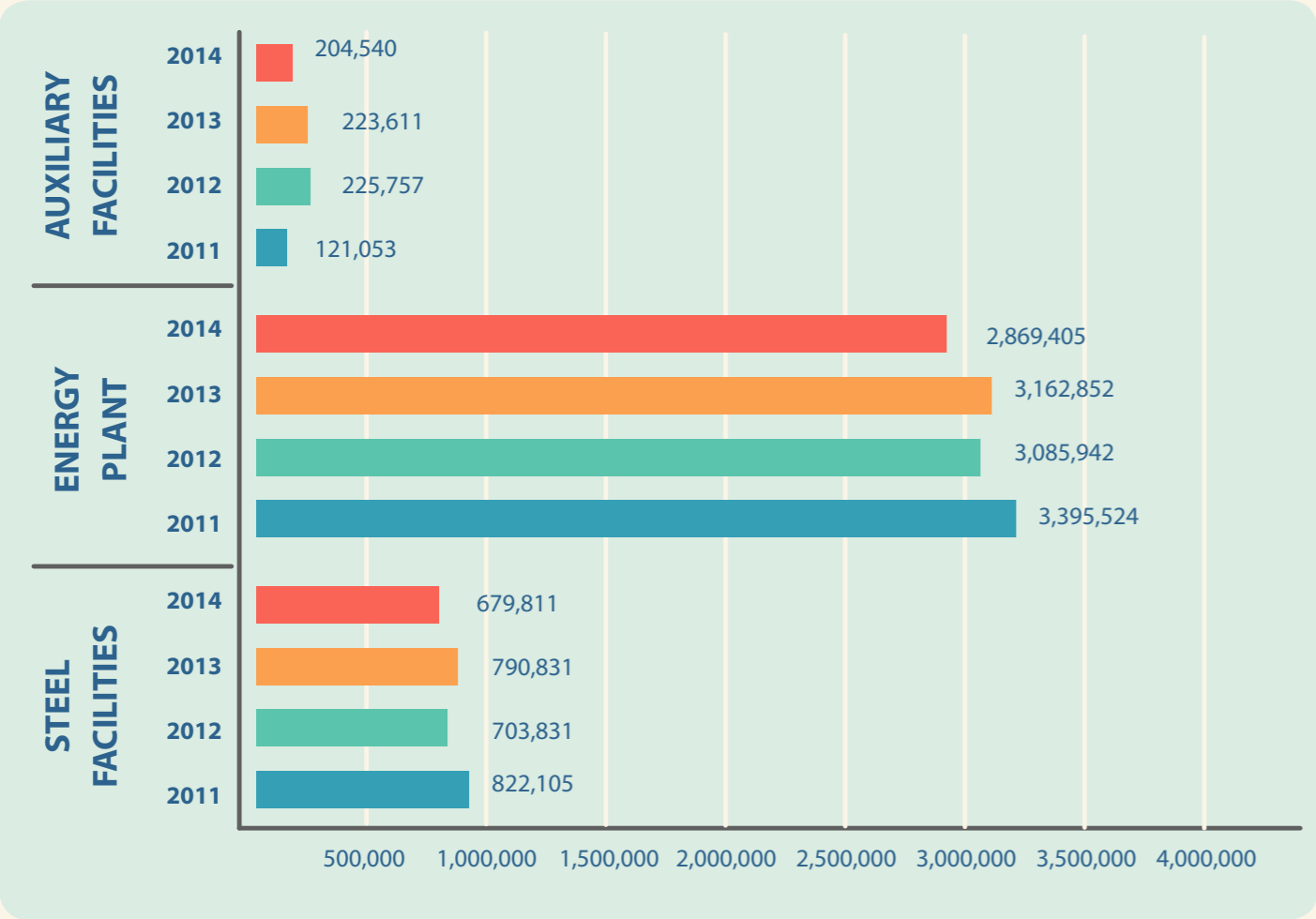
In 2010, our steel plant has been the first of its kind to calculate its carbon footprint from steel manufacturing. We have been awarded with the Sustainable Steel Certificate from the British CARES institution in 2011 for our practices in sustainability and calculation of carbon footprint.

With the objective of issuing our own greenhouse gas inventory, our 13 employees have received training from Bureau Veritas in May 2012 on ISO14064-1 on Specification With Guidance at the Organizational Level for Quantification and Reporting of Greenhouse Gas Emissions and Removals topic. Bureau Veritas inspected 2011 Greenhouse Gas amount in October 2012, and its approval was certified in December 2012. We have been calculating, reporting and managing greenhouse gas emission according

to ISO14064-1 framework since 2012 via our infrastructure of carbon management.

Regulations for Monitoring Greenhouse Gases, which is the basis for forming climate protection policies and tackling with the implementation problems of the climate change became effective in April 2012 in Turkey. This regulation legislates the rules and methods about reporting, monitoring greenhouse emissions derived from activities such as generating power and steam, manufacturing cement, steel, aluminium, ceramics which constitute an important part of the national greenhouse gas emissions, their verification and reporting to the Ministry of Environment and Urbanization. The basis we have established and the measurements carried out so far makes it easier for us to fulfil our legal responsibilities.

Direct Emissions (CO₂ e Tons)



As a result of our efficiency practices, we reduced direct CO₂ emissions by 14% in steel facilities and 9% in energy plant in 2014. Our direct CO₂ emission at auxiliary facilities is reduced by 8.5%.

MONITORING AIR QUALITY BY CONTINUOUS EMISSION MEASUREMENT SYSTEM

We completed the system we established in Değirmencik and Bekirli Facilities in accordance with Continuous Emission Management Systems Announcement in January 2014 with 121 thousand 445 TRY budget. The system infrastructure was built back in 2007 so that funnel emissions could be monitored by the Ministry of Environment and Urbanization. Emission is measured continuously using emission measurement devices on the funnels at the steel and thermal plants and

broadcasted real time through the corporate web site (www.icdas.com.tr) including a camera view of the funnel. We submit the emission measurement results to the Environment and Urbanization Provincial Directorate as daily average values, at the end of each month. We continue managing the system that we initiated voluntarily, as a legal liability.



'The energy efficiency investments and studies İÇDAŞ undertakes to produce with environmental sensitivity and consciousness are satisfying.'
73 % of our employees who participated in sustainability survey...

Steel sector, which has an intensive energy demand, consumes 6% of the total energy consumption of Turkey and its share among all industrial energy consumption is around 15%. These percentages reveal the environmental essence of energy generation and consumption efficiency is very high. Energy efficiency is in compliance with the security measures of energy generation and consumption. Also, a decrease in the emissions as a result of energy efficiency will have a direct positive impact on climate protection.

Electric power use in steel production takes up 65% of total power consumption of İÇDAŞ as well as all the other facilities with arc furnaces. Turkey significantly relies on fossil fuels in electricity generation.

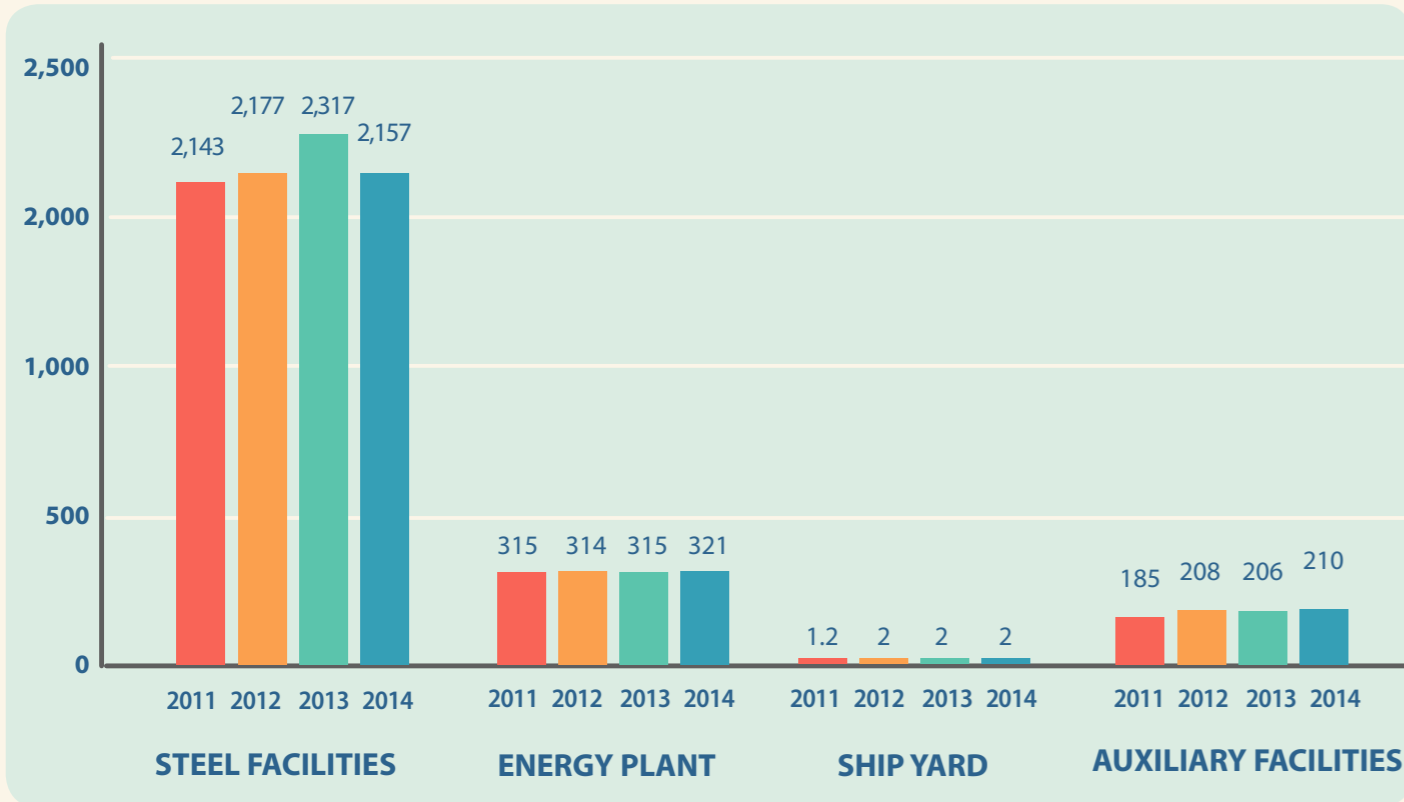
We, at İÇDAŞ, have been applying our action plans towards the preservation of energy and natural resources within the ISO 50001 Energy Management System framework, and improvement

measures to yield maximum performance as well as reducing the electricity and natural gas consumption within the facility, while monitoring our overall performance.

We have been working with internationally known specialist companies on projects about the recovery of waste heat in steel mills and rolling mills. We prefer energy efficient products for our plant's illumination.

Our works on energy efficiency gained us the philosophy of producing the same quality product/ service with a less energy consumption and CO₂ emission creation, and as a result of these, at a lesser cost. We also help reduce our country's dependency on the imported energy by the saving we make. We have the opportunity to be more competitive by pursuing technological developments, continuously searching for the best practice opportunities and reducing our costs.

Electricity Consumption (GW)



GENERATION OF ELECTRICITY FROM COOLING WATER DISCHARGE

We started to work on building hydroelectricity turbines over the discharge line of the steel plant 2 and the thermal plant's cooling waters in 2008. We launched the facility in 2009 to generate electricity from seawater. In 2011, we invested 15 million US Dollars in four hydro energy power plants (HEPP) with six thousand KW-installed capacities.

We use non-contact seawater cooling systems for the cooling water used in our products and machinery at our steel plant and for cooling thermal plant steam. We discharge seawater used in cooling process back in the sea. We spent a total of 110 million kWh of electricity in 2014 for pumping the water up to the Thermal Power Plant at 30 meters from sea level, and the Steel Plant at 50 meters from sea level.

Thanks to HEPP, we save economically, socially and environmentally as a result of recovering 25% of this energy. The total energy generated from the four HEPPs built on the way of Discharged Cooling Water is 27.5 million kWh in 2014. And the economic savings of this production to İÇDAŞ is more than 5.5 million TRY.

Considering that the average power consumption per person is 2,490 kWh/year in Turkey, we generate more energy than what 11 thousand people would consume. And instead of drawing this amount from the national power system, we produce it ourselves accommodating conditions of efficiency and without creating emissions while use it in our processes.

HOT CHARGING PRACTICE

In order to increase energy efficiency and reduce carbon emissions while decreasing energy costs, we started hot charging project in Steel Mill 3 and Rolling Mill 5 in 2013 November, which we completed in March 2014.

We made 4,612,337 TRY profit by the project that we initiated with the aim of increasing hot billet charging rate from 54% to 81%. We were also able to reduce the amount of natural gas consumed and minimizing accident risk because of less transportation by scheuerle and forklift movement.



CONSERVATION OF BIODIVERSITY

‘İÇDAŞ’s activities on conservation of natural life and biodiversity around its premises are substantial and sufficient.’

69% of employees who participated in sustainability survey...

We consider sustainable development and conservation of biodiversity as two inseparable topics. Biodiversity for us is an important indicator through which we can monitor the results of our environmental production techniques we employ in our industrial operations, and the measures we take in environmental protection. Since the conservation of biodiversity means the protection of the ecosystem balance, it also provides a protection for the needs of the future generations, and carries a benefit for the society. The monitoring and the conservation of biodiversity have importance contribution to environmental and social benefit, two of the three main staples of sustainable growth.

Our systematic field operations on monitoring biodiversity started with our biologist tracking and photographing the flora and fauna in and around our facilities. First, we started documenting the species in the forest area around our plant and in the fresh water ecosystems. We have been continuing tracking studies in the terrestrial, aquatic and marine ecosystems surrounding our plants

since 2013. This work continues with regular weekly field visits, since our plants are located in an area that neighbours both marine-coast and forest ecosystems.

In the works carried out in marine ecosystems, we received assistance from Çanakkale Onsekiz Mart University's Faculty of Marine Sciences and Technology. When the species were observed on phylum basis in 19 research dives, we identified 69 different types of species, which comprised of 35 species of fish, 5 species of arthropods, 2 species of annelids, 5 species of echinoderms, 4 species of cnidarians, 13 species of molluscs, and 5 species of macro algae.

In the works carried out in land, we benefited from the Ecosystem Monitoring Reports we had commissioned under our RES project. The spring months' Ecosystem Evaluation Report was prepared by the Department of Biology in Hacettepe University, while the autumn months' Ornithological Report was prepared by the Department of Biology in Akdeniz University.

The other data in the report were collected through the systematic field monitoring we had carried out on location.

We have designated a natural park for farm animals within the garden of our integrated plant in Değirmencik. The animals are farmed according to ecological conditions, and are able to roam freely in an area of 33 thousand me, comprising 10 thousand me of forest and 20 thousand m² of open land and 3 thousand m² of watercourse. We have the species of chicken, rabbit, turkey, goose, sheep, peafowl, quail, swan, pigeon and dove within this area.

According to the evaluation made based on the European Red List prepared by IUCN (International Union for Conservation of Nature), one species belonging to a mammal genus spotted in the wild is classified as "NT" (Near Threatened). According to IUCN, one species spotted (Egyptian Vulture - Neophron percnopterus) is classified as EN (Endangered), and another species spotted (Greater Spotted Eagle - Aquila Clanga) is classified as VU (Vulnerable).

The total number of zoological species that are either native or use it as a migration route is 271. The number of botanical species listed is 136. The vertebrates appear to be of 213 different species, while the non-vertebrates are spotted to be 61 species. Out of seed plants, 130 are gymnosperms and 6 are angiosperms.

ARTIFICIAL REEF AND SUPPORTING BIODIVERSITY PROJECT

With its 671 km long coastline, the Çanakkale Province commands 8% of Turkey's entire coastline. It has two islands with 137 km coastline combined that are very rich in terms of fishing zones; the 62 km long Strait of Dardanelles, which is a major fish migration route, and a section of Gulf of Saros which has an extreme importance in terms of fishing resources. Having one of the major gateways to the international waters to the Aegean Sea makes Çanakkale Province one of the most important fishing centres in Turkey.

There are over a thousand strings fishing boats and around ten seine fishing boats actively operating in the region. Also, around a hundred trawling boats along with seine fishing and string fishing boats in similar numbers each come to Çanakkale waters from Marmara and Black Sea in summer months for deep net fishing.

Of the work carried out in terrestrial ecosystem, The Ornithological and Wild Life Monitoring Studies are run in association with Akdeniz University, which documents the native and migrant species. In this process where the migration routes are defined, we prepare quarterly reports. While many numbers of species including birds of prey, Great White Pelican, White Stork, Red Rumped and Barn Swallow, there are no endemic species observed. They are generally migrant species. Species such as Seagull, Sparrow and Great Cormorant are among the native species of the region.

It is known that Loggerhead Sea Turtles, also known as Caretta Caretta, live in our region. We have spotted one in our port in February 2014, and reported it to the Sea Turtles Application and Research Centre in Çanakkale Onsekiz Mart University, and it was taken under protection by Prof Dr Şükran Yalçın Özdilek. Also the fishermen from the Karabiga area reported the sight of Mediterranean seals and the existence of their caves in their area.

We plan to issue reports of our works on an annual basis. We will study the reports comparatively and release outcome reports. We hope these results will lead to new projects that are crucially important for our future. Through field studies, we will identify and document any endemic or endangered species that may exist in our region, and we will develop protection projects for these species if any.



Taking off with the idea that the artificial reef units that could be formed in these regions would be highly beneficial to the professional and hobbyist fishermen, we signed a protocol with Onsekiz Mart University in June 2013 and kickstarted the project, for which we allocated 750 thousand TRY , and set the deadline as July 2015.

The Aim of the Project is;

- Supporting the regional fishing industry, including professional, hobbyist, small scale and industrial fishing,
- Contributing to the protection and improvement of marine biodiversity,
- Supporting the increase of their population by providing suitable environments for the marine species in the region,
- Establishing feeding and protection zones for certain species,
- Preventing illegal fishing activities.

Under this protocol, the Faculty of Marine Sciences and Technology carried out dives in and around our harbour and prepared a preliminary documentation of the existing biodiversity. Following this, as part of another project called "Fishing in Çanakkale Will Breathe by Expanding Biodiversity" as prepared by the villages in the area, dives were carried out in 17 different areas in Çanakkale waters, and suitable spots for artificial reef zones were determined.

One location by the village of Değirmencik, and two locations by the village of Bekirli were found to be suitable for artificial reef installation. Following the feasibility report released in March 2014, we decided to go ahead with the Artificial Reef Project. After finalizing the legal permit processes, we planned for the descent of 2 thousand reef clusters into the sea, and pressed the button in October 2014.



TÜBİTAK MAM BİGA PENINSULA ENVIRONMENTAL MONITORING PROJECT

Upon a suggestion from our Project Environment Managerial Unit, we have targeted to monitor the ecosystem in the area a year in advance before the facility was operational, in order to monitor the effectiveness of our precautions to preserve the environment around our Thermal Plant, the construction of which commenced in 2009, and to present it as a scientific data to our stakeholders.

The project, which had a kick start on July 1, 2010, is one of the biggest environmental monitoring projects in our country in terms of its scope and contents. The scope of the project, which is to continue five more years after the plant is operational, covers all our facilities within 40,000-km² areas and extends its borders from Marmara Sea to the Edremit Bay. We chose to have TÜBİTAK (The Scientific and Technological Research Centre of Turkey) MAM (Marmara Research Centre) run the project for we concluded that the extents of the project was vast, and a government backed body would be objective and reliable in managing it. We finance the project that has 750 thousand TRY investment cost.

Having had TÜBİTAK MAM's numerous specialists on board, we have extended the scope of the project beyond the initial emissions' monitoring, and we also started to monitor quality of air, land, surface fresh water, sea water, underground and rain water, plants, emission and water discharges and noise for enabling a comprehensive ecosystem monitoring.

There are monitoring stations in the area from Marmara Sea coast of Biga peninsula to the slopes of the Kaz Mountain. All samples are collected regularly within 3 or 4 days every month by TÜBİTAK MAM staff by visiting stations. Results of the analysis are reported by TÜBİTAK MAM in 6-month periods and presented to us. We present a copy of these reports to the Ministry of Environment and Urbanization as well.

Tübitak MAM prepared interim reports 8 and 9 in 2014. Duration of the project is 78 months with 892 thousand 715 TRY budget. A total of 9 interim reports presented in the last 4 years and 630 thousand 437 TRY invested in the project so far.



Results and Gains

Economical: Although the project does not contribute directly to our company financially, we believe we will enjoy important environmental and corporate advantages resulting from the project in the long term.

Environmental: We will ensure the protection of the ecosystem with this project. By the completion of 19,885 analyses on air, land and water quality at Biga Peninsula, very important data will be collected. This is going to be an extensive study on how environmental parameters in the area's ecology will be emitted with their reasons. The study concerns other parts of the ecosystem in the area such as plants, animals and biotic system besides the local people.

Social: The project has the characteristics to be implemented on other industrial facilities by adapting it to the local conditions of the facility. The project helped both TÜBİTAK MAM staff and our technical staff to gain new experiences and know-how.

Corporate: Monitoring ecosystem by an independent public institution creates trust among stakeholders while displaying our self-esteem.

AGRICULTURE AND LIVESTOCK FARMING ACTIVITIES

When talking about Biga where our Değirmencik plant is located, agriculture, livestock farming and industry come to minds. Because of the industrial investment flow into the area increased very fast, the local farmers who dealt with agriculture and livestock had a sceptical view towards the industry. Major motivator behind İÇDAŞ's step into agriculture and livestock farming practices was to show the local people that an industrial development that was implemented correctly would not affect the agriculture and livestock farming negatively.

We manage our activities by our Supervisor of Agriculture and Livestock and his team of engineers, technicians, veterinarians and beekeeper expert staff under various titles as Stock farming (2007) Fish Farming (2008), Apiary (2010), Sheep/Goat Breeding (2011) and Agricultural Practices (2007). We usually consume 80% of our products within the plant.

Although they fall out of our main business area, we continue our agricultural and livestock practices for their positive economical, social and environmental impacts with increasing investment amounts each year. Livestock farmers, farmers, agricultural hardware and chemical fertilizer vendors, seed vendors and agriculture laboratories are our principal stakeholders who benefit from our activities.

The most difficult part of developing our activities in these fields was to recruit qualified staff. We overcame this issue with internal trainings. We managed to gain the trust of local people with our open-house policy and welcoming them in our facility.

STOCK FARMING, BEEKEEPING AND SHEEP / GOAT BREEDING

Location: Değirmencik – Bekirli Villages / District of Biga
Bred animals: Fish, bee, cow, sheep, chicken, goose, turkey, duck
Procured products: Fish, comp honey, spring honey, extracted honey, pollen, frame meat, eggs

External partners whom we either get support from or give support to in order to benefit from the national subsidies and to share technical information:

- ➔ Food, Agriculture and Livestock Directorate of Biga District
- ➔ Biga Red Meat Association
- ➔ Çanakkale Beekeepers’ Association



Animal Husbandry Investments (1,000 TRY)

Field	2011	2012	2013	2014
Stock Farming	450	750	776	1,850
Beekeeping	35	40	55	60
Sheep/Goat Breeding	20	40	85	20

We increased the stock farming capacity from 240 to 480 stocks by investing 177 thousand 612 TRY in order to meet the demand. In beekeeping, we increased the number of beehives from 300 to 450. Additionally, we purchased 150 thousand TRY clove and hay and 250 thousand TRY animal feed.

AGRICULTURAL PRACTICES

ULocation: Değirmencik Biga
Procured products: Pepper, tomato, apple, plum, bean, cauliflower, melon, watermelon, cabbage, lettuce, parsley, eggplant, molasses, cucumber, grapes, jam, tomato paste

External partners whom we either get support from or give support to in order to benefit from the national subsidies and to share technical information:

- ➔ Food, Agriculture and Livestock Directory of Biga District
- ➔ Local and national fertilizer companies

Agricultural Investments (1,000 TRY)

Practice Field	2011	2012	2013	2014
Agriculture	150	250	300	100



Results and Gains

Economical: We increased the financial funds into the area by supplying raw material from the local breeders. We introduced exemplary gardens in the area.

Environmental: We have enriched the biodiversity in the area.

Social: We created employment for local people and earned an exemplary facility in the region.

Corporate: We have strengthened our company’s reputation in public and government eyes.



ECONOMIC PERFORMANCE INDICATORS

Economic Value Created and Distributed	Unit	İÇDAŞ Çelik Enerji	İÇDAŞ Elektrik Üretim	GRI
Economic Value Created (Revenues)	1,000 TRY	6,735,151,157	1,275,435,773	EC1
Economic Value Distributed to Shareholders				
Operational Cost	1,000 TRY	5,627,887,662	833,733,103	EC1
Benefits to Employees	1,000 TRY	213,074,578	51,889,171	
Benefits to Government	1,000 TRY	799,494,925	248,196,224	
Benefits to Capital Providers	1,000 TRY	0	0	
Benefits to Community	1,000 TRY	4,913,535	26,029,920	
Non-distributed economic value (Profit)	1,000 TRY	89,780,457	115,587,355	

SOCIAL PERFORMANCE INDICATORS

Region: Turkey		Female		Male		GRI
Accidents	Unit	2013	2014	2013	2014	
Accident Frequency	Rate	23.90	7.79	17.08	16.96	LA6
Occupational Disease	Rate	0	0	0	0	
Fatality	Number/year	0	0	0	1	
Lost Days	Unit	2013	2014	2013	2014	GRI
Due to work accidents	Rate	4.77	1.56	3.39	3.14	LA6
Due to illness (absence)	Rate	2.12	2.05	75.29	74.73	

Only accident numbers are monitored about the subcontractors. Other data is not available.
**Accident Frequency: Number of accidents in one million hours worked AF=Total number of accidents / (Total number of employees x 300 days x 7.5 hrs.) - (Total number of days of absence x 7.5 hrs.) x 1,000,000
1 Fatal accident=7,500 lost days

Accident Types	Muscle overextension Prick Burr splash Collide with a moving object Fall from a height Hit a non-moving object or person. Be exposed to hazardous and poisonous substances	Overheat contact Cut by an object Chemical splash in the eye Be compressed between two objects Hit by a falling object Traffic accidents
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WORKFORCE						
By Employment Type and Gender	Unit	2011	2012	2013	2014	GRI
White collar - Female	Number	84	88	97	91	G4-10
White collar - Male	Number	393	452	513	526	
Blue collar - Female	Number	35	63	75	35	
Blue collar - Male	Number	3,615	4,043	4,159	4,150	
TOTAL	Number	4,127	4,646	4,844	4,802	
By Contract Type and Gender	Unit	2011	2012	2013	2014	GRI
TFull-time - Female	Number	119	151	172	126	G4-10
Full-time - Male	Number	4,007	4,494	4,671	4,675	
Part-time - Female	Number	0	0	0	0	
Part-time - Male	Number	1	1	1	1	
By Location and Gender	Unit	2011	2012	2013	2014	GRI
Istanbul Office - Female	Number	71	75	79	69	G4-10
Istanbul Office - Male	Number	314	320	338	332	
Değirmecik - Female	Number	19	28	44	30	
Değirmecik - Male	Number	2,863	3,167	3,380	3,525	
Bekirli Plant - Female	Number	29	48	49	27	
Bekirli Plant - Male	Number	751	919	840	698	
Rest of Turkey - Female	Number	0	0	0	0	
Rest of Turkey - Male	Number	80	89	114	121	
Employees by Gender	Unit	2011	2012	2013	2014	GRI
Male	Number	4,008	4,495	4,672	4,676	LA12
	Ratio	% 97.12	% 96.70	% 96.45	% 97.38	
Female	Number	119	151	172	126	
	Ratio	% 2.88	% 3.30	% 3.55	% 2.62	
Yaşa Göre	Unit	2011	2012	2013	2014	GRI
Employees Under 30	Female	51	56	558	46	LA12
	Ratio	1.24%	% 1.21	1.20%	0.96%	
	Male	1,580	1,602	1,414	1,384	
	Ratio	0.38%	% 34,48	29.19%	28.82%	
Employees From 30 to 50	Female	59	88	104	69	
	Ratio	1.43%	1.89%	2.15%	1.44%	
	Male	2,311	2,760	3,101	3,134	
	Ratio	56%	59.4%	64.02%	65.26%	
Employees Over 50	Female	9	7	10	11	
	Ratio	1%	1%	0.21%	0.23%	
	Male	117	133	157	158	
	Ratio	2.83%	2.86%	3.24%	3.29%	

WORKFORCE						
Other Groups	Unit	2011	2012	2013	2014	GRI
Foreign Employees	Female	12	30	30	8	LA12
	Ratio	0.29%	0.65%	0.62%	0.17%	
	Male	90	219	206	84	
	Ratio	2.18%	4.41%	4.25%	1.75%	
Disabled Employees	Female	4	8	7	4	
	Ratio	0.1%	0.17%	0.14%	0.08%	
	Male	104	117	119	125	
	Ratio	2.52%	2.52%	2.46%	2.60%	
Employees by Category	Unit	2011	2012	2013	2014	GRI
Senior Management	Female	0	0	0	0	LA12
	Ratio	0.00%	0.00%	0.00%	0.00%	
	Male	11	9	9	8	
	Ratio	0.27%	0.19%	0.19%	0.17%	
Middle Management	Female	7	7	7	5	
	Ratio	0.17%	0.15%	0.14%	0.10%	
	Male	51	48	51	51	
	Ratio	1.24%	1.03%	1.05%	1.06%	
Chiefs	Female	7	8	9	10	
	Ratio	0.17%	0.17%	0.19%	0.21%	
	Male	133	123	138	138	
	Ratio	3.22%	2.65%	2.85%	2.87%	
Managers/Engineer	Female	15	17	25	21	
	Ratio	0.36%	0.37%	0.52%	0.44%	
	Male	219	249	264	263	
	Ratio	5.31%	5.36%	5.46%	5.48%	
Other Personnel	Female	90	119	131	90	
	Ratio	2.18%	2.56%	2.71%	1.87%	
	Male	3,588	4,059	4,204	4,216	
	Ratio	86.94%	87.37%	86.90%	87.80%	
Board Structure	Unit	2011	2012	2013	2014	GRI
Female Members	Ratio	0.00%	0.00%	0.00%	0.00%	LA12
Under 30	Ratio	0.00%	0.00%	0.00%	0.00%	
Ages 30 - 50	Ratio	33.33%	33.33%	33.33%	0.00%	
Over 50	Ratio	66.67%	66.67%	66.67%	100.00%	
Foreign	Ratio	0.00%	0.00%	0.00%	0.00%	
Disabled	Ratio	0.00%	0.00%	0.00%	0.00%	

TRAINING INVESTMENTS

All Trainings

By Employment Category	Unit	2011	2012	2013	2014	GRI
Top Managers	Hrs./person	8.40	6.70	4.60	1.00	LA9
Middle Managers	Hrs./person	12.80	29.80	10.20	6.86	
Chiefs	Hrs./person	38.90	36.70	9.70	5.88	
Managers / Engineers	Hrs./person	46.60	34.30	19.00	11.88	
Other Personnel	Hrs./person	20.90	11.40	8.40	15.46	

By Gender	Unit	2011	2012	2013	2014	
Men	Hrs./person	23.4	13.9	9.7	15.1	LA9
Women	Hrs./person	36.5	15.0	11.0	4.6	

By Type	Unit	2013	2014	GRI
Career Development	Hours	5,985.0	25,217.0	LA9
Personal Development	Hours	24,792.0	1,944.0	
OHS	Hours	32,834.5	38,164.8	
Other Training	Hours	11,767.0	5,868.2	
Total Training Hours	Hours	75,378.5	71,194.0	

TRAINING INVESTMENTS		OHS Trainings				Other Trainings				
By Employment Category	Unit	2011	2012	2013	2014	2011	2012	2013	2014	GRI
Top Managers	Hrs./person	0.7	N/A	1.0	N/A	7.7	6.7	3.6	1.0	LA9
Middle Managers	Hrs./person	2.0	7.3	1.9	4.6	10.8	22.5	8.3	2.3	
Chiefs	Hrs./person	10.2	17.3	1.8	5.2	28.7	19.4	7.9	0.7	
Managers/ Engineers	Hrs./person	23.7	16.4	9.5	8.5	22.9	17.9	9.5	3.4	
Other Personnel	Hrs./person	12.2	7.4	2.3	11.1	8.7	4	6.1	4.36	
By Gender	Unit	2011	2012	2013	2014	2011	2012	2013	2014	GRI
Men	Hrs./person	13.3	8.6	2.7	14.4	10.1	5.3	7	0.72	LA9
Women	Hrs./person	18.2	6.5	3.1	3.3	18.3	8.5	7.9	1.3	

N/A: Not Available

ENERGY CONSUMPTION

Intermediate Energy Purchased and Consumed from Non- Renewable Energy Sources	Year	Electricity (kWh)	Electricity (GJ)	GRI
Steel Facilities	2011	2,143,439,394.7	7,716,381.8	EN3
	2012	2,176,757,065.2	7,836,325.4	
	2013	2,316,760,582.6	8,340,271.4	
	2014	2,156,661,165.6	7,763,918.1	
Energy Plant	2011	315,244,466.0	1,134,880.1	
	2012	313,784,489.0	1,129,624.2	
	2013	314,889,499.0	1,133,593.1	
	2014	320,517,321.0	115,853.1	
Shipyard	2011	1,243,204.2	4,475.5	
	2012	2,075,630.0	7,472.3	
	2013	1,864,743.7	6,713.0	
	2014	1,635,093.1	5,886.3	
Auxiliary Facilities	2011	185,123,411.1	666,444.3	
	2012	207,669,715.0	747,611.0	
	2013	206,265,103.7	742,548.4	
	2014	209,881,621.3	755,567.8	

Energy Produced From Renewable Energy Sources and Consumed within the Facility	Year	Hydro Energy (kWh)	Hydro Energy (GJ)	GRI
Steel Facilities (HEPP4)	2011	4,766,000.0	17,157.6	EN3
	2012	6,125,000.0	22,050.0	
	2013	7,945,000.0	28,601.8	
	2014	7,934,000.0	28,562.4	
Energy Plant (HEPP1-2-3)	2011	15,300,800.0	55,082.9	
	2012	19,366,000.0	69,717.6	
	2013	21,201,000.0	76,323.0	
	2014	19,648,000.0	70,732.8	

Direct Non-Renewable Energy Sources	Year	Coal (GJ)	Natural Gas (GJ)	GRI
Steel Facilities	2011	3,303,058.0	3,403,887.0	EN3
	2012	2,213,921.0	3,422,325.0	
	2013	2,993,739.0	3,401,405.0	
	2014	2,290,834.0	3,314,688.0	
Energy Plant	2011	34,112,750.0	17,169.0	
	2012	30,667,457.0	10,708.0	
	2013	30,915,214.0	7,599.0	
	2014	28,121,666.0	13,398.0	
Shipyard and Auxiliary Facilities	2011	696,268.0	110,278.0	
	2012	631,904.0	110,560.0	
	2013	598,256.0	100,763.0	
	2014	604,964.0	103,784.0	

‘Coal’ data given under ‘Shipyard and Auxiliary Facilities’ covers ‘Lime Facility’; ‘Natural Gas’ data covers all facilities.

Other Non-Renewable GHG Emission Sources Consumed	Year	Diesel (GJ)	Gasoline (GJ)	Climate Gases and Welding Emissions (KG)	GRI
All Facilities	2011	382,575.0	469.0	4,348.4	EN3
	2012	454,031.0	535.0	6,574.4	
	2013	427,368.0	463.0	28,558.0	
	2014	456,163.0	471.0	21,279.7	

Greenhouse Gas Emissions (CO2 e Tons)	Year	Direct CO2 Emissions	Indirect CO2 Emissions	GRI
Steel Facilities	2011	822,105.0	1,028,851.0	EN15 - EN16
	2012	703,831.0	1,044,173.2	
	2013	790,831.0	1,110,650.9	
	2014	679,811.2	1,035,197.0	
Energy Plant	2011	3,395,524.0	0.0	
	2012	3,085,942.0	0.0	
	2013	3,162,852.0	0.0	
	2014	2,869,405.1	0.0	
Shipyard	2011	0.0	597.0	
	2012	0.0	978.6	
	2013	0.0	895.1	
	2014	0.0	769.2	
Auxiliary Facilities	2011	121,053.0	88,859.0	
	2012	225,757.0	100,369.4	
	2013	223,611.0	100,401.4	
	2014	204,539.8	98,016.1	

WATER and WASTEWATER MANAGEMENT

Total Volume and Percentage of Recycled and Reused Water	Year	Recycled and Reused (m³/year)	GRI
Steel Facilities	2014	355,251,280.0	EN10
Auxiliary Facilities (Oxygen Facilities)	2014	20,592,000.0	

Reused water is the closed system water in facilities that is used after recycling.

Total Water Withdrawal by Source	Year	Water (Source: Sea)	Cooling Water	GRI
Steel Facilities	2011	1,994,780.0	163,399,500.0	EN8
	2012	1,821,476.0	233,802,000.0	
	2013	1,692,197.0	220,625,000.0	
	2014	2,036,897.0	221,790,720.0	
Energy Plant	2011	363,945.0	188,862,424.0	
	2012	411,461.0	210,893,657.0	
	2013	586,288.0	222,110,730.4	
	2014	376,687.0	218,600,476.3	
Shipyard and Auxiliary Facilities	2011	281,735.0	none	
	2012	215,727.0	none	
	2013	349,778.0	none	
	2014	399,187.0	none	

Water (source: sea) is used to supplement evaporation loss at the closed system water.

Total Waste Water Discharge (m³/year)	Year	Waste Water Discharge	Cooling Water Discharge	GRI
Steel Facilities	2011	191,625.0	163,399,500.00	EN22
	2012	191,625.0	233,802,000.0	
	2013	191,625.0	220,625,000.0	
	2014	191,625.0	221,790,720.0	
Energy Plant	2011	54,750.0	188,862,424.0	
	2012	54,750.0	210,893,657.0	
	2013	54,750.0	222,110,730.4	
	2014	54,750.0	218,600,476.3	
Shipyard	2011	18,250.0	none	
	2012	18,250.0	none	
	2013	18,250.0	none	
	2014	18,250.0	none	
Auxiliary Facilities	2011	142,350.0	none	
	2012	142,350.0	none	
	2013	142,350.0	none	
	2014	142,350.0	none	

Wastewater is discharged from four separate locations through a canal to the sea after physical treatment.

The amount of water discharge is calculated according to the capacities of the treatment facilities.

Since the number of treatment facilities is the same, the differences of wastewater amounts between years are insignificant.

WASTE MANAGEMENT

All Facilities

By Type	Unit	2011	2012	2013	2014	GRI
Hazardous Waste	Tons	11,509.6	5,466.4	32,320.5	54,302.0	EN23
Non-hazardous Waste	Tons	1,065,700.1	697,160.9	717,719.3	734,418.2	
Total Waste	Tons	1,077,209.7	702,627.2	750,039.8	788,720.2	
By Disposal Method	Unit	2011	2012	2013	2014	GRI
Reuse (10% of Slag)	Tons	75,009.4	45,777.0	45,989.4	50,529.0	EN23
Recycling (Slag, Oxide Layer, Packaging Waste)	Tons	731,411.8	467,460.5	413,904.6	460,531.0	
Recovery (Dust, Waste Cooking Oil, Ash, Scrap Tires)	Tons	16,377.8	13,012.5	126,063.3	96,382.4	
Regular Storage (Coal Bottom Ash and Boiler Slag, Domestic Waste)	Tons	254,410.7	176,377.5	164,082.5	181,277.8	
Total Waste Disposed	Tons	1,077,209.7	702,627.5	750,039.8	788,720.2	
Waste Received From Ships	Unit	2011	2012	2013	2014	GRI
Hazardous waste (Bilge Water, Sludge, Waste Oil)	m ³ /year	449.2	522.6	201.5	348.9	EN23
Non-hazardous waste (Domestic and Liquid waste)	m ³ /year	205.0	259.1	746.6	681.2	

Unless otherwise stated, in all tables the auxiliary facilities include workshops, harbour, slag, coal, reverse osmosis and oxygen facilities.

CORPORATE MEMBERSHIPS

Associations, Chambers and Unions	İÇDAŞ Representative	Duty
BİSİAD - Biga Industrial Businessmen Association	Suat Karataş	Member
BİSİAD - Biga Industrial Businessmen Association	Şerif Mutlu	Member
BSTP - Biga Civil Society Platform	Şerif Mutlu	Member
BSTP - Biga Civil Society Platform	H. Agah Ayhan	Member
ÇİB - Turkish Steel Exporters' Association	Adnan Aslan	Board Member
ÇTSO - Çanakkale Chamber of Industry and Commerce	Bülend Engin	President
ÇTSO - Çanakkale Chamber of Industry and Commerce	Suat Karataş	Member
EÜD - Electricity Producers Association	Bülend Engin	Board Member
EUROFER - The European Steel Association	Corporate	Member
GİSBİR - Turkish Shipbuilders' Association	Corporate	Member
İMMİB - Istanbul Minerals and Metals Exporters' Association	Corporate	Member
İSO - Istanbul Chamber of Industry	Ayhan Aslan	Committee Member
İTO - Istanbul Chamber of Commerce	Corporate	Member
MESS - Turkish Employers' Association of Metal Industries	Corporate	Member
TÇÜD - Turkish Steel Producers Association	Bayram Yusuf Aslan	President
TMD - Turkish Miners Association	Naci Aslan	Representative
ÇANAKKALESPOR Football Club Association	Suat Karataş, Tuncay Tavus, Ömer Özçelik	Board Member
MUSİAD - Independent Industrialists' and Businessmen's Association	Şerif Mutlu, Ömer Faruk Özdemir, İsmail Yaman, Mustafa Balcı, Murat Öztürk, Eyüp Tan	Board and Audit Council Member
TURMEPA - Turkish Marine Environment Protection Association	Özge Özensoy	Corporate Membership
CARES Sustainability Committee	Mustafa Balcı	Member

PUBLICATIONS

Name	Place	By	Date
Air Quality Management in Arc Furnace Steel Plants	EFRS 5th Iron and Steel Symposium	İÇDAŞ Department of Environment	22nd-23rd May 2014
İÇDAŞ A.Ş. Water Management System	11th Technology Awards and Congress	İÇDAŞ Department of Environment	21st May 2014
İÇDAŞ Occupational Safety Booklets	İÇDAŞ Facilities	İÇDAŞ OHS Department	18th March 2014

AWARDS

Name of Award	Given By
2014 ICCI Energy Oscar Award (Thermal Plant Coal Category), Değirmencik Energy Plant	ICCI
2014 Şahabettin Bilgisu Environment Award, Large Scale Enterprise	KSO - Kocaeli Chamber of Industry
2014 Large Scale Enterprise Environment Friendly Practices Social Responsibility Jury Award	İSO - İstanbul Chamber of Industry

IFC SUSTAINABILITY STANDARDS CONFORMITY INDEX

IFC Environmental and Social Sustainability Performance Standards

Performance standards prepared by International Finance Corporation (IFC) to guide enterprises in managing all environmental-social impacts using Environment and Social Management System throughout the life of the project from planning to operation.

IFC Standards Conformity Index of our strategic aspects that we explained in our report in detail is depicted in the following table.

IFC	Performance Standards	Place In Our Report	Page
		Environmental Performance	
PS 1	Assessment and Management of Environmental and Social Risks and Impacts	Emission Management	71-72
PS 3	Resource Efficiency and Pollution Prevention	Energy Management	73-74
		Waste Management	65-66
PS 6	Biodiversity Conservation and Sustainable Management of Living Natural Resources	Water Management	67-70
		Biodiversity Management	75-81
Social Performance			
PS 2	Labour and Working Conditions	Occupational Health and Safety	83-85
PS 4	Community Health, Safety, and Security	Emission Management	71-72
PS 5	Land Acquisition and Involuntary Resettlement	Local Community Engagement	47-61
PS 7	Indigenous Peoples		
PS 8	Cultural Heritage		

UN GLOBAL COMPACT PRINCIPLES

İÇDAŞ is a member of Global Compact. UN Global Compact is an innovative social responsibility approach that suggests universal principles to competitive business world for establishing a mutual sustainability culture. Its vision is ‘Sustainable and Comprehensive Global Economy’. Participating in Global Compact is completely voluntary.

Those enterprises that participate in the compact increase their profits in the midterm while in the short term; they enjoy the prestige and pride of having fulfilled their social responsibilities consciously.

Human Rights

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights.

Principle 2: Businesses should make sure that they are not complicit in human rights abuses.

Labour

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.

Principle 4: Businesses should uphold the elimination of all forms of forced and compulsory labour.

Principle 5: Businesses should uphold the effective abolition of child labour.

Principle 6: Businesses should uphold the elimination of discrimination in respect of employment and occupation.

Environment

Principle 7: Businesses should support a precautionary approach to environmental challenges.

Principle 8: Businesses should undertake initiatives to promote greater environmental responsibility.

Principle 9: Businesses should encourage the development and diffusion of environmentally friendly technologies.

Anti-Corruption

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

GRI G4 CONTENT INDEX



GENERAL STANDARD DISCLOSURES

STRATEGY AND ANALYSIS

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ORGANIZATIONAL PROFILE

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G4-6	İÇDAŞ only operates in Turkey.
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IDENTIFIED MATERIAL ASPECTS AND BOUNDARIES

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G4-18	Pages 19 - 20, 22 - 23
G4-19	Pages 23
G4-20	Page 24
G4-21	Page 24
G4-22	Our sustainability strategy, basis of identifying material aspects and key stakeholders have been restated.
G4-23	Scope and boundaries have not changed since the previous report.

STAKEHOLDER ENGAGEMENT

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G4-28	Page 3
G4-29	2013
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G4-31	Back cover
G4-32	Page 3
G4-33	Not externally assured.

GOVERNANCE

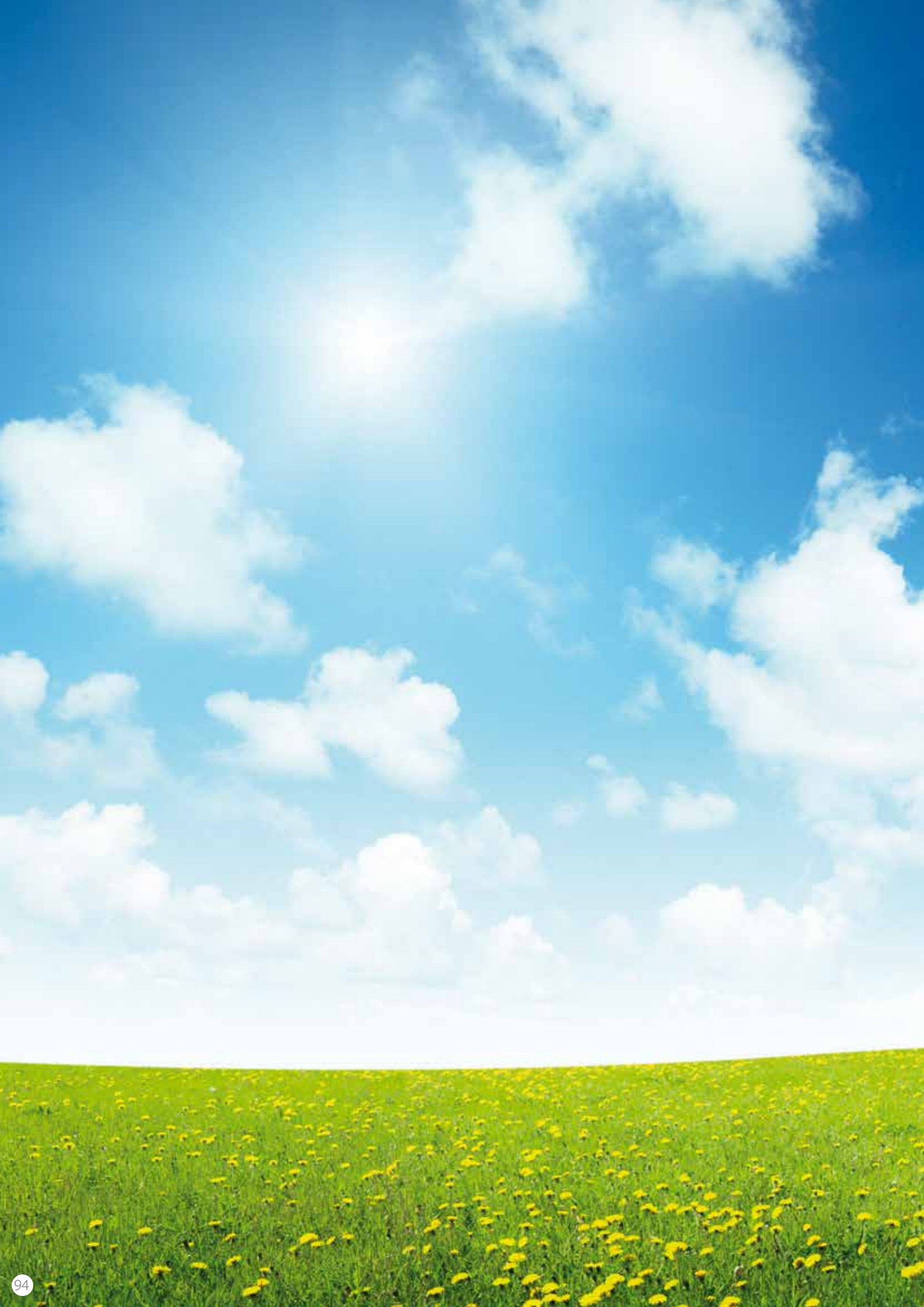
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ETHICS AND INTEGRITY

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SPECIFIC STANDARD DISCLOSURES

Material Aspects	DMA and Indicators	Exclusion
Economic performance	Pages 32 - 34, 83	None
Employment	Pages 43 - 44, 84 - 85	None
Occupational Health and Safety	Pages 40 - 43, 83	None
Training and Education	Pages 45, 86	None
Local community	Pages 49, 57	None
Emissions	Pages 71- 72, 88	None
Biodiversity	Pages 75 - 78	None
Energy	Pages 73 -74, 87 - 88	None
Water	Pages 67 - 69, 89	None
Effluents and Waste	Pages 65 - 67, 89 - 90	None



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