AKSA

SUSTAINABILITY REPORT 2014

AKKÖK

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MESSAGE FROM THE CHAIRMAN

Dear Stakeholders,

The foundations for Aksa were laid within Akkök Holding in 1968 and today the company is the only local acrylic fibre producer in Turkey. As a leading company operating in the Turkish chemistry sector and with a domestic market share of 72%, we continue to generate values for the economic and social development of our country through our qualified human resources, superior technology and production capacity as well as close customer relations and a high level of social awareness. Focused on achieving sustainable success, we seek to ensure that future generations will enjoy a better standard of living in terms of economic, environmental and social elements.

Our efforts undertaken in 2014 regarding sustainability management proved to be fruitful. We passed TS ISO 31000 Risk Management Compliance Audit successfully and became the second company in Turkey and the only company in our sector to boast the Risk Management Compliance Document. Our Corporate Governance Management Rating issued after the Capital Markets Board (CMB) Governance Principles evaluation turned out to be 9.22 over 10. We therefore proved our corporate governance success as a company that managed to enjoy the highest rating in the very first time it was covered by the İstanbul Stock Exchange (BIST) corporate governance index.

The need for the business world to come up with smart and innovative solutions in the face of climate change, one of the most important global challenges, rises gradually. Aware of the responsibility we have in this respect, Aksa produces sustainable solutions for the future of the world and continuity of our business success. Advancing in line with our sustainability goals by reducing

our environmental footprint through a number of practices related to greenhouse gas emissions and waste generation, we devised projects that would support efficient use of resources in our production processes in 2014 too. By reaching an energy efficiency level of 3% per unit product when compared with the base year of 2011 as far as acrylic fibre production is concerned, we also managed to reduce our carbon emission values per unit product during the reporting period. While continuously developing our company standards and performance in terms of occupational health and safety besides quality and environmental issues further, we mainstreamed our sustainability strategy throughout our value chain and contributed further to the sustainable business success of our suppliers.

One of the most important aspects of our sustainability performance is our qualified human resources. Firmly believing in the fact that the employees that enjoy continuous self-development opportunities in a fair, safe and peaceful working environment will always play a great role in improving our performance further, we continued to lend our support for the development of the creativity and talents of our employees through many training programs we organized during the reporting period.

In an effort to identify areas for further improvement, we analysed our business processes through studies involving CORASCI (Assignment Responsibility Matrices) in the reporting period. Apart from implementing 360 Degrees Feedback, Evaluation Centre, and Leadership Potential Inventory practices, we shared the results from these practices with our employees through one on one interviews. In addition to that, we devised and conducted Career Development Model project to support continuous development of our current human resources and to ensure that the talents that fit the roles we need will be available in our organization. In line with our understanding of training leaders from within the company, we introduced Coaching and Mentorship programs covered by the Leader and Manager Training Program. What is more, we began to receive feedback regarding the efficiency of our training programs through the Training Module launched within the scope of our Integrated Human Resources software "Mosaic" while continuing to support the professional development of our employees.

In 2014 we continued our corporate citizenship studies, which we accept as an important part of our corporate culture. By means of the projects and events we organized in areas such as education, culture & arts and sports, we sought to enrich the community we exist in not only economically but also socially. In the period ahead too, we are committed to investing further in our human resources and social responsibility studies.

I have absolute faith in the fact that we will achieve even greater success with every passing year in line with our sustainable success vision. I would like to thank our colleagues that have contributed to the success we have enjoyed so far, to our business partners that have empowered us through the trust they have held in us, to our customers, and to all our stakeholders that have never refrained their support from us.

Saygılarımla,

Mehmet Ali Berkman
Chairman

MESSAGE FROM THE CEO

Distinguished Stakeholders,

Affiliated with Akök Holding, Aksa continued to implement the sustainability understanding developed through its 46 years of experience in the sector while remaining strictly committed to the Holding's corporate values and principles in 2014 actively besides generating value for all our stakeholders. Our company made us proud by enjoying many new achievements and proving its pioneering role in the sector over and over again.

During the reporting period we created a competitive superiority in the markets we operate in and increased our market share both in Turkey and abroad besides strengthening our position in the sector. Having managed to reflect our steady growth over our financial results in 2014, we enjoyed tremendous success by reaching 99% capacity in production. Not only did we enjoy 162.8 million TL in net profit with an increase of 16% in that period hence strentghening our financial structure further but we also distributed 79% of our profit from 2013 and thus ranked among the top companies on the dividend yield list of İstanbul Stock Exchange (BIST). Maintaining our leadership with a market share of 72% in Turkey and 17% on a global scale, we remained a favourite choice for investors. We continued our market domination through our innovative approach especially regarding Technical Fibres.

With a view to using water resources efficiently and developing an alternative raw water resource, we devised a project to obtain fresh water from seawater and held the groundbreaking ceremony for the project in 2014. Meanwhile, we are implementing a Joint Treatment Facility Project, which will set an example in terms of its design and will ensure the treatment of the entire domestic and industrial wastewater generated by Akkök group in Yalova during the production processes. Merging the treatment operations of Aksa Akrilik, Ak-Kim Kimya and DowAksa companies, the project is to ensure reuse of the treatment facility exit water by the production facilities thanks to the

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advanced treatment technologies utilized apart from converting 3.5 million m^3 of seawater into fresh water on an annual basis. Planned to be completed in 2015, the project is closely monitored by the Office of the Yalova Governor and Provincial Directorate for Environment and Urbanization. Once the project has been materialized, the recovered water will match the quality of dam water- in other words it will be raw water. Therefore, an alternative raw water resource will be created while eliminating the need for the water to be discharged into the sea.

In line with our strategy to turn the risks stemming from climate change into opportunities and to combat climate change, we conduct many studies to minimize our environmental impact. Reducing our greenhouse gas emissions through saving energy, our actions are based on the premise of ensuring efficiency in the use of natural resources. We reduce the waste generated at the source and improve our recycling rates constantly. During the reporting period, we saved 108.307 GJ on thermal energy and 10.000 GJ of electric energy. During the reporting period we also began our studies to comply with the requirements of the ISO 50001 Energy Management System standard, which we plan to obtain in 2015.

Within the scope of our principle to work in a customer-oriented fashion, we integrate the needs and requests of our customers with our business processes. The technical consultancy studies we launched in 2013 continued this year too.

As far as Aksa is concerned, providing a working environment that is fair, safe and offering opportunities for continuous learning and self-development remains a prioritized goal. In that respect we provided 54,555 man*hour training for our employees during the reporting period. Introduced as an indicator of the importance we attach to the democratic participation of our employees in the business processes, the "Suggestion System" practice received 296 suggestions from our employees during the reporting period. 216 of the suggestions received in 2013 and 2014 were implemented in 2014. In the next reporting period, we intend to provide a working environment for our employees where they can be more efficient and feel happier by implementing the improvement actions to be identified with our employees through the "Great Place to Work" employee survey apart from materializing practices that ensure the continuity and sustainability of our Occupational Safety Culture through feedback received from our employees.

By prioritizing local employment and local supplies not only do we contribute to the economic development of our operation geography but we also continue to lend our support for social development by means of our social responsibility projects, sponsorships and donations. In 2014 we organized numerous projects in education, health, culture, arts and sports besides cooperating with NGOs as well as supporting the social projects undertaken by Akkök Holding. This year we provided 1,094,563 TL in total for donations and social assistance.

I am delighted to share with you our 10th sustainability report that reflects the practices we undertook in line with our approach to be a transparent and accountable corporation besides our performance regarding sustainability. Just like the previous period, our report complies with the Global Reporting Initiative (GRI) standards while adding the issues accepted to be critical for our value chain by developing the prioritization studies emphasized by the GRI in line with the new G4 principles. Stressing that in the next reporting period we are committed to continuing and developing further our sustainability performance, I would like to thank our employees, our customers, suppliers, business partners and shareholders, who have all contributed to our success.

Cengiz Taş
CEO

ABOUT THE REPORT

In this report, we present our stakeholders with our sustainability performance as Aksa Akrilik Kimya Sanayii A.Ş. together with all our affiliates in Turkey, between the dates January 1st 2014 and December 31st 2014.

We continue annually publishing sustainability reports based on Global Reporting Initiative (GRI) reporting standard since 2005. With this 10th report we have prepared, we comprehensively and transparently elucidate the social, economic and environmental performance demonstrated by Aksa within the context of all its operational activities and present to the valuable views of all our stakeholders.

In 2013, we had prepared the content of our sustainability report based on GRI G3 Sustainability Reporting Principles, carrying our application level to the level B. This year, aiming at carrying our performance one step further, we have prepared our report in accordance with option Core. This report, which also expresses our commitment to the 10 principles determined by the United Nations Global Compact of which we are a signatory, is also featured as a Progress report.

We have included within the scope of reporting our applications and performance results in Turkey, where our production operations take place. Our report includes not only impacts generated by our production operations, but also our widespread impacts in various stages of our value chain within our sustainability priority issues, in accordance with GRI G4 Standard reporting principles. We also aim to extend the scope of our sustainability report in the forthcoming period; we commit to enhance our performance in the field of stakeholder communication in line with our principles of transparency, responsibility and accountability.

Aksa Akrilik Sustainability Report 2014 was printed in a limited number to minimize environmental effects, while the PDF version of the report is offered to the views of our stakeholders at www.aksa.com. You may reach us at surdurulebilirlik@aksa.com for your demands, suggestions, complaints and all kinds of feedback regarding our reporting performance.

ABOUT AKSA

Aksa Akrilik Kimya Sanayii A.Ş., which was established within the body of Akkök Group of Companies in 1968 to meet the acrylic fiber demand in Turkey, started production in 1971 with a capacity of 5,000 tons/year, in Yalova. Aksa, which has an established production capacity of 380,000 tons/year in a 502 thousand square meter field in Yalova, is today the only local producer in Turkey with a domestic market share of 72%, as well as the world's largest acrylic fiber producer with a global market share of 17%.

As of the year 2014, Aksa provides one sixth of the world acrylic fiber production and serves the textile and industrial textile industries of over 50 countries on five continents. Aksa, which operates in the core production items of acrylic-based tow, top and fiber, also generates electricity and steam. The company, which produces its own energy with an energy generation license with a capacity of 142.5 MW, has engaged the second phase of the power plant project that will generate 100 MW of electricity and 350 tons/hour of steam in 2013.

Aksa, which entered the carbon fiber market with technological infrastructure investments in 2009, has established DowAksa as a 50% joint venture with Dow Europe Holdings B.V., an affiliate of The Dow Chemical Company, in 2012. Today, DowAksa continues producing carbon fiber with an annual capacity of 3,500 tons/year.

Aksa has taken over Ak-Tops, which it owned 100%, together with all its operations and completed works for the merger in 2013, aiming at further consolidating its position in the industry as the world's largest acrylic fiber producer and in line with its strategies of modernization, productivity and operational excellence.

Aksa's product portfolio provides products and services to the sectors of tricot, hand-knitting, carpet, furniture, hosiery, blanket, synthetic fur, textile for outdoor use, and filtration.

Aksa participates in the Turquality Project, the world's first and only state subsidized branding program conducted by the Ministry of Economy with the vision of "creating 10 global brands in 10 years". Aksa completed its strategic road works in 2014, its business plan for the years 2014-2019 was approved by the Ministry of Economy.

Akkök in Brief

Founded in 1952 by the late Raif Dinçkök and ranking among the most well-established corporations in Turkey with its 62 years of accumulation, Akkök Holding operates in the chemical, energy and real estate sectors with its 17 commercial and industrial enterprises, one of which is overseas. Akkök Holding, which monitors closely the global markets in its sectors, aims to achieve global standards, extend its understanding of corporate management and sustainability perspective to all of its companies and stakeholders, and constantly further its position in the global conditions of competition.

Akkök Holding, which became a signatory of the United Nations Global Compact in 2007, has thereby further consolidated its commitment to the principles of transparency and accountability, which it adopts along with all the companies within its body. The group establishes all of its relationships with its social stakeholders, primarily its employees, customers, suppliers and shareholders, in light of these two basic principles. The companies affiliated with Akkök add value to the society, environment and economy in all their activities as corporate citizens, besides amply fulfilling their financial responsibilities. Akkök Group of Companies has realized a combined turnover of 3 billion US dollars with over 4,600 employees, in 2013. 407 million US dollars of this amount consists of exports to over 50 countries.

AKSA AT A GLANCE

72% Aksa produces 72% of the acrylic fiber consumed in Turkey at its facilities in Yalova.

17% Aksa has realized 17% of world acrylic fiber production on its own.

308,000

Aksa has an annual acrylic fiber production capacity of 308,000 tons.

A customer portfolio comprising **300** industrial enterprises in **50** countries across **5** continents.

SHAREHOLDING STRUCTURE

Capacity Utilization Rate (%)

AFFILIATES, SUBSIDIARIES AND JOINT VENTURES			
Title	**Country**	**Nature of Business**	**Participation (%)**
Akpa Tekstil İhracat Pazarlama A.Ş.	Turkey	Foreign Trade	13.47
Fitco B.V.	Holland	Foreign Investment	100.00
DowAksa Advanced Composites Holding B.V.	Holland	Foreign Investment	50.00
Aksa Egypt Acrylic Fiber Industry S.A.E.	Egypt	Textile	0,50

As of the reporting period, 39.59% of Aksa Akrilik Kimya Sanayii A.Ş. shares are owned by Akkök Holding A.Ş. and 18.72% by Emniyet Ticaret ve Sanayi A.Ş. The free float rate of the company is 41.69%. As of December 31st 2014, 37.11% of Aksa shares are in active circulation at BIST. In the reporting period, there was no significant change in our capital structure.

Aksa Model of Vision

NET SALES (MILLION TL)

EBITDA* (MILLION TL)

** Earnings Before Interest Taxes Depreciation and Amortization*

NET PROFIT (MILLION TL)

Our Mission

To direct the sector that we are leading, to create value for our stakeholders and to carry the value we create sustainably into the future.

Our Superordinate Goals

Investing in our technology to maximize operational excellence,

- Discovering new areas of utilization for Acrylic Fiber,
- Growing through new products or strategic collaborations,

in order to ensure sustainable profitability.

Our Core Values

• HSE Awareness • Compliance with Ethical Values • Openness to Cooperation • Customer Orientation

Our Basic Qualities

• Participatory management • Locking onto common targets • Continuous learning • Experience and knowledge accumulation • Motivated, engaged and solution-producing employees

GOVERNANCE AT AKSA

Our Corporate Assessment Score was Disclosed

Aksa Akrilik was the 50th company to be voluntarily ranked among over 400 companies registered on the Capital Market Board and listed on the stock exchange. Aksa Akrilik's Corporate Assessment Score, calculated as a result of the evaluation of the main headings of stakeholders, public disclosure and transparency, stakeholders and board of directors within the framework of Capital Market Board Corporate Management Principles, was 9.22. Subsequent to this study, Aksa was included in the "Corporate Management Index", consisting of companies which have a minimum Corporate Governance Principles compliance score of 7 out of 10, and a minimum score of 6.5 out of 10 in every main heading, which carries out price and performance measurements.

Our processes and practices, which we have formed as a result of modern management practices aiming at sustainable growth and development as well as our may years of experience, are our most important guides. We ensure our operational and managerial effectiveness through our communication channels that efficiently ensure the dissemination of our strategies from higher levels to lower levels, our auditing mechanisms and our employees at all levels who ensure the constant development of our organization.

We put our operational and administrative processes into practice through strategic planning practices we realize in light of our Corporate Governance principles. We make use of globally accepted management standards for all these processes and we strive to completely fulfill the requirements of these standards. In addition, we pay strict attention to the issue of compliance with rules and statutes determined by laws and regulations. Through all these practices, we continue our activities while always looking for ways for the impact that we generate as a company to be more positive economically, socially and environmentally. In this regard, we acquire our stakeholders' feedbacks on various platforms, examine them closely, and strive to reflect them on our processes.

Corporate Governance

Protecting and maintaining our characteristic of being a respectable, innovative, industrious, creative and participative organization before our stakeholders through our operations that we manage within the framework of fairness, transparency, accountability and responsibility, the four basic principles of Corporate Governance, are among our most basic objectives. For this reason, we give particular importance to our commitment to and compliance with Corporate Governance principles.

As a result of this understanding, we have joined the rating for Compliance with Corporate Management Principles voluntarily in 2014, and our score was declared to be 9.22 over 10.

Ethical Rules are a significant guide within the context of compliance with corporate governance principles. We prioritize business ethics principles in all our business processes. The guiding principles, aimed at developing a common way of behavior in our relations with all our stakeholders, are an integral part of our corporate identity. Akkök Group of Companies Business Ethics Principles, prepared in 2013, were adopted in 2014. Besides being an

Aksa ranked 35th in the Top 500 Industrial Enterprises of Turkey Survey

Aksa was ranked as the 35th largest industrial enterprise according to the results of the "Top 500 Industrial Enterprises of Turkey" 2014 survey conducted by Istanbul Chamber of Industry (ISO). Aksa, the world's largest and the only Turkish acrylic fiber producer, advanced three ranks in the ISO 500 list with its net sales from production in 2014, worth 2,066,006,094 TL.

We Became the First Company with TS ISO 31000 Risk Management Verification Certificate in Our Industry

Aksa has successfully passed the "TS ISO 31000 Risk Management Verification" audit during the reporting period, while having its Corporate Risk Management studies certified by the Turkish Standards Institute (TSE), thereby becoming the second institution holding this certificate in Turkey, and the first among industrial enterprises and at Istanbul Stock Exchange (BIST).

10 main risk areas were defined in our 2014 Risk Inventory as follows:

- **5** Operational
- **1** Compliance
- **3** Strategic
- **1** Financial

important constituent of our ethical approach, the principles indicate our basic and essential corporate values. Trainings at the level of manager and director were organized during the reporting period in order to ensure the dissemination of these principles and their adoption by all group companies.

You can visit http://www.aksa.com/tr/i-80 to access our Ethical Rules.

Akkök Ethics Line, constituted in order to facilitate the reporting of suggestions or violations regarding Business Ethics principles and managed by an independent third party, has actively started service. Stakeholders can report illegitimate and ethically inappropriate transactions to the Corporate Governance Committee and to the Ethics committee through the ethics line or by e-mail.

At Aksa, the duties of General Manager and Chairman of the Board of Directors are executed by different individuals and there are 4 Independent Members in the Board of Directors consisting of 12 individuals. Committees subordinate to the Board of Directors constitute the basic constituents of governance processes and they play a significant role in the fulfillment of the responsibilities of the Board of Directors. Corporate Governance Committee, Early Risk Identification Committee and Audit Committee operate supporting the Board of Directors.

The Audit Committee, consisting of independent members, is responsible for taking the proper steps in order for all internal and independent auditing processes to be conducted adequately and transparently. The committee also monitors the effective implementation of the internal control system managed within the body of the Holding.

The Corporate Governance Committee fulfills the tasks of determining whether corporate governance principles are applied, the justificatiov n for their abeyance and the conflicts of interest arising from any abeyance, advising the Board of Directors to improve corporate governance practices, and monitoring the works of the Investor Relations department, as well as the tasks of a Nomination Committee and Remuneration Committee.

Risk Management

At Aksa, risk management processes are actualized to minimize the impacts of the risks that might affect all stakeholders, primarily shareholders. The Early Risk Identification Committee, constituted in order identify in advance the strategic, financial, compliance, reputation and operational risks that might endanger the existence, development and continuity of the company, also provides advice and suggestions to the Board of Directors regarding the evaluation of risks, calculation of their impact and probabilities, their reporting, as well as the constitution of effective internal control systems and implementation of precautions in this direction.

The Corporate Risk Inventory formed by the

committee, which meets every two months, is one of the primary monitoring tools used in corporate risk management works. Risks included in the inventory, with a 'high' or 'very high' level risk score, are monitored at the level of the Board of Directors, detailed action plans are prepared for every risk, risk owners are assigned to every risk and it is thereby ensured that these action plans are effectively implemented.

MANAGEMENT SYSTEMS

As Aksa, we actualize globally accepted applications of basic management systems, such as quality, environment, occupational health and safety, energy management, while conducting our operations. In this regard, we ensure our compliance with systems such as TS ISO EN 9001 Quality Management System, TS EN ISO 14001 Environmental Management System, OHSAS 18001 Occupational Health and Safety Management System, TS ISO EN 14064-1 Greenhouse Gas Emissions Management System, TS ISO 31000 Risk Management System, TS ISO 27001 Information Security Management System, and Safety Management System which is conducted within the scope of the Regulation for Preventing and Reducing the Effects of Major Industrial Accidents. Apart from these practices, we continue our works for compliance with TS EN ISO 50001. Within the context of this harmonization, performance during the working year is monitored through internal and external audits, improvement and action plans for the forthcoming year are formed and implemented.

We work in accordance with standards, legal and other requirements, we contribute to the development of new regulations, standards and rules regarding our processes. We provide trainings appropriate for our policies and objectives extensively and continuously, in order to increase the competence, awareness and education levels of our employees about management systems.

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STRATEGIC PLANNING

Strategic Planning Workshop constitutes the foundation for Aksa's strategic planning processes. The workshop is organized every year on a regular basis under the leadership of the General Manager and with the participation of all directors and managers. As part of the workshop, changing political, economic, social, technological, industrial, logistic and environmental conditions in the world, in Turkey and in the sector are reviewed. In addition to these studies, feedbacks received from the market and customers are evaluated and domestic and foreign markets are analyzed. Following all these analyzes, the strategies and strategic targets of Aksa are reviewed and necessary updates are performed in needed strategy areas. Subsequent to the workshop organized during the reporting period, the primary strategic themes were identified as preserving our leading position in the domestic market, adding value to ourselves and our customer through value added products, improving and extending sources of income, customer affinity and institutionalism in management.

We Organized the First "Youthful View of Strategy Workshop"

"Youthful View of Strategy Workshop" was organized for the first time this year, with the participation of 23 young employees with at least a few years of experience in the company, aiming at adding a different perspective to the Strategic Planning Workshops.

Studies to constitute a strategy map as well as the action plans that will actualize these strategies were conducted at the workshop where the model of vision, which is the output of the Strategic Planning Workshop realized in 2014 with the senior management, was shared with participants.

SUSTAINABILITY MANAGEMENT

The global success we have achieved is made possible through our sustainability understanding which we base upon our strategy of operational excellence. As part of this understanding, creating long-termed positive values not only financially, but also socially and environmentally, is among our most important objectives. With this understanding, Aksa continues to be an important player in its industry and the global arena through its business manner and pioneering practices that go beyond legal harmonization.

In order to ensure the continuity of our sustainability performance and carry our performance further, we continuously audit all our operations and processes, we set targets regarding the data we acquire as a result of these audits. We share the realizations for the targets we set transparently with our stakeholders and we take action concerning feedbacks.

Our General Manager is responsible for financial and operational performance, as well as sustainability performance, before the Board of Directors. Performances for sustainability issues that are divided among departments directly dependent on the General Manager according to their expertise are conveyed from lower levels to the senior management through various reporting practices; feedbacks and updates regarding performance results for sustainability priorities are constituted following evaluation meetings participated by the senior management.

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Material Issues for Aksa

** Also material in the value chain.*

Alongside stakeholder feedbacks, our model of vision, our understanding of operational excellence and strategies play a significant role in the identification of our sustainability material issues. In 2014, we have revised our material issues we had presented at the identification workshop during the previous reporting period. Besides, we participated in practices realized as part of the sustainability studies of Akkök Group of Companies, with which we are affiliated, and we had the opportunity to evaluate our material issues on a different platform. In addition to these studies, we have also evaluated the issues communicated by our stakeholders through one-on-one interviews with our function representatives, directors and managers, as well as performance realizations and targets regarding these issues. We have gathered our priority issues, which was shaped in this context, under the main headings of Sustainable Operations, Employees, Environment and Contribution to Society and we included them within the scope of our sustainability report.

The global success we have achieved is made possible through our sustainability understanding which we base upon our strategy of operational excellence.

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OUR STAKEHOLDERS

The views, ideas and feedbacks of our stakeholders about our sustainability performance is of critical importance for its enhancement.

The views, ideas and feedbacks of our stakeholders about our sustainability performance is of critical importance for enhancing it. We make a special effort to acquire feedback about our operations from our stakeholders, whom we reach through different channels and at different practice frequencies, to evaluate these feedbacks efficiently and to reflect them on our operations. Constituting more effective and transparent communication and participation channels with our stakeholders that we define as all individuals, institutions and organizations affected by our operations and impacting our operations, is among our priorities. We review our target stakeholder groups in consequence of reputation surveys regularly conducted by Akkök Group of Companies through independent institutions, we determine areas of improvement regarding communication and form action plans. Within the context of these communication and action plans, we also acquire feedbacks about our sustainability performance. During the working year, we collect many feedbacks through different channels, primarily from professional associations about the developments in our industry, from our employees about our operations and working conditions, from local authorities and local communities about the social and environmental impacts of our operations, from our customers about product, product quality and joint projects, and we share our performance results with them transparently.

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Stakeholder Group	Communication Methods
Customers	Fiscal Reports, Sustainability Reports, Customer Satisfaction Surveys, Corporate Website, Activities
Employees	Sustainability Reports, Open Door Practices, E-mail, Employee Engagement Surveys, Trainings, CSR Projects, Aksa HR Portal, Organizations of AKEK and AKSET, Representative Committee, Suggestion System, OHS Committee, Corporate Publication (Aksa News)
Suppliers	Face-to-face Meetings, Auctions, Corporate Website, Audits
Investors	Fiscal Reports, Sustainability Reports, Investor Relations Line, Corporate Website
Public Institutions	Fiscal Reports, Official Correspondence, Audits, Sustainability Reports, Corporate Publication (Aksa Haber)
Local Authorities	Fiscal Reports, Official Correspondence, Sustainability Reports, Open Door Practices, Corporate Publication (Aksa Haber)
NGOs	Corporate Website, Joint CSR Projects, Sponsorships, Sustainability Reports, Corporate Publication (Aksa Haber)
Local Community	Open Door Practices, Sustainability Reports, Face-to-face Meetings, CSR Projects, Corporate Publication (Aksa Haber)
Industrial Associations	Sectoral Association Memberships at Different Levels, Industrial Meetings
Education and Research Institutions	SANTEZ, TEYDEB, Research Projects, Support for Master and Doctorate Sutides, Face-to-face Mettings, Visits
Akkök Group of Companies	General Assemblies, Portakal Portal, Periodical Reporting Practices, Corporate Publication (Aksa Haber)
Media	Corporate Website, Press Releases, Press Conferences, Sustainability Reports, Corporate Publication (Aksa Haber)
Competitors	Corporate Website, Sustainability Reports, Fiscal Reports, Sector Researches

Corporate Memberships

- Acrylic Based Composite, Advanced Material and Technology Producers' Association
- Undersecretariat of Maritime Affairs
- Turkish Marine Environment Protection Association (Turmepa)
- Foreign Economic Relations Board (DEİK)
- DEİK - American Council (Mehmet Ali Berkman)
- DEİK – European Council (Ahmet Dördüncü)
- İMEAK Chamber of Shipping
- İstanbul Chamber of Industry
- İstanbul Chamber of Commerce
- Turkish Textile and Apparel Exporters' Association (ITKIB)
- Ltd. Eskihisar Gebze Water Products Cooperative
- Turkish Quality Association Kalder
- Yalova Chamber of Commerce and Industry
- Turkish Chemical Industrialists Association
- Turkish Statistical Institute (TÜİK)
- Turkish Port Operators
- CIRFS - European Man-Made Fibers Association
- Turkish Textile Employers' Association
- Yalova Industrialists' Association
- TEİD - Etik ve İtibar Derneği

SUSTAINABLE OPERATIONS

Aksa, which aims to extend its sustainability understanding in all the stages of its value chain, conducts sustainable operations from product development to raw material procurement, to production processes to customer relations and continues to generate added value for its stakeholders. With the aim for its economic, social and environmental impacts to be positive through the understanding of Operational Excellence followed in all business processes, Aksa leads the sector of acrylic fiber with its efficiency oriented investments, projects and practices in these fields.

Production processes are managed with the objective of less cost and less environmental impact and better quality acryclic fiber, practices and projects that will enhance product and service quality are conducted with reference to international standards and methodologies. The probable impacts of new products to human health and environment are eliminated through studies conducted within the context of Process and Product Innovation, new areas of usage are created for acrylic fiber aiming for increasing the market share.

The continuity of the ecosystem created within the operational geography is ensured through local supply and supplier development oriented purchasing processes, while it is aimed for suppliers to continuously enhance their performances in the fields of environment, ethics and occupational health and safety. Customer feedbacks are acquired through active customer communication, thereby ensuring operational development. It is aimed for customer satisfaction to be continuously enhanced in all processes through Customer Oriented Approach.

QUALITY

At Aksa, in line with the mission of carrying the value created for the stakeholders to the future in a sustainable manner, the understanding of Total Quality Management is adopted, while projects and practices that will ensure product and service quality are implemented with reference to standards and methodologies accepted in the industry and worldwide. Processes that are managed with the target of less cost and less environmental impact as well as better quality acrylic fiber, focus on productivity projects and investments.

At Aksa, the sustainability of production processes and product and service quality are guaranteed through operational targets determined within the context of the "Operational Excellence Strategy". While Management Systems are implemented in all production and non-production processes with reference to international standards, various practices such as Monitoring and Measurement Activities, Process Control, Project Management, Process Performance Management and Six Sigma Project Management are also actualized in this context. The efficiency of the systems are ensured through internal and external audits that are conducted and the requirements for new practices are determined through survey studies conducted with internal stakeholders.

In 2014, Lean Six Sigma projects were identified in light of the opportunities determined in the previous period, process needs and customer feedbacks, 9 white belt projects were realized in this regard. Besides operational improvement, projects including the issues of water and energy efficiency and practices providing high returns in short periods were actualized. In line with the philosophy of lean, TPM works were continued in the elected pilot unit; this improvement activity focused on Autonomous Maintenance and Planned Maintenance works aimed for reducing the values of error rate, malfunction time, downtime, number of labor accidents.

Aksa Central Laboratory

Control activities at every stage of acrylic fiber production, from raw material input to the delivery of the products at the warehouse, are being managed through the Central Laboratory that was renewed with the latest technology as a result of the investments made in 2013 and serves in support of Aksa Directorate of Quality. Outputs of quality controls conducted at the laboratory and physical-chemical analysis data are conveyed to the departments in order to render quality processes effective and to direct production accurately as soon as possible. The laboratory also provides analysis services and expert support for the elimination of customer complaints, process and product development projects, and the needs of subsidiary operations and power plants.

Six Sigma method, which was first put into practice in 2013, was continued in the reporting period with 9th wave practices. As part of the "lean" philosophy included in the method with the 8th wave practices, all business processes were reviewed with an approach focusing on the issue of prodigality and long-termed improvement opportunities were put forth. Aksa, which espouses sustainability in improvement; takes the use of the Lean 6 Sigma methodology both in projects and in daily works as a principle.

Aksa takes parts in various international systems and initiatives that determine product quality and safety standards. In this regard, OEKO-TEX® Standard 100, an independent auditing and certification system encompassing all the production stages of textile products, is currently being implemented at Aksa.

Aksa is harmonizing with the Regulation Concerning the Registration, Evaluation, Authorization and Restriction of Chemicals (REACH). The regulation, published by the European Union in order to indicate the limits of safety for human health and the environment regarding chemicals in daily used products, includes a range of EU regulations and directives and collects them into one system.

ETAD develops collaborations with health and environment authorities for the sustainable growth of the dye and pigment industry, supports the principles of triple responsibility and works for raising awareness about health and environmental issues among its producer members as well as develop their cooperation. Aksa uses dyes that are compliant with the standards of ETAD, which is also the ecology and toxicology association for dye and pigments.

Similarly, in projects conducted outside the scope of Lean Six Sigma, issues such as quality, efficiency, improvement of production machines, energy savings, process improvement are addressed. Thanks to the projects, whereby processes are harmonized with technological advancements and production costs are reduced, the environmental impacts generated by Aksa operations are also minimized. The targets within the scope of the projects are integrated with the annual targets of project managers, team members and sponsors, thereby ensuring the dissemination of corporate strategies throughout all the levels of the organization.

As part of the business continuity works actualized during the reporting period, audits were conducted in the Raw Material, Production and Maintenance departments through an independent institution. In this regard, Business Continuity Working Organization Plan and Business Salvage Plans were prepared and the precautions that must be taken to eliminate risks that might suspend production in relation to the required durations were listed.

In accordance with the plan prepared for the communication between the systems in Aksa's Yalova and Istanbul campuses to be uninterrupted and for the host systems to back each other up, Yalova and Istanbul were organized as disaster recovery centers for each other. As a result of the tests that were conducted, it was ensured that in any event of malfunction that might occur on one of the campuses, work could be resumed from the back-up hosts on the other campus within 20 minutes without any information loss.

PRODUCT DEVELOPMENT

Works for product and process development within the body of Aksa rely on increasing the areas of usage for acrylic fiber and diversifying as to satisfy the expectations of our customers. In this regard, the quality of our products and quality-enhancing works are of particular significance. The compliance of materials and raw materials used in the product content with determined regulations regarding human and environmental health is of capital importance. In parallel to this understanding, Aksa take all these conditions into consideration while developing its products and prioritizes its quality of being a responsible producer.

Filament

The production of pigment colored acrylic filament yarn was realized with the authentic technological information acquired through R&D studies conducted at Aksa. The research studies show that acrylic filament yarn market volume will further increase in the forthcoming period. In this regard, 5.5 million dollars of investment was made last year for acrylic filament R&D works and production in view of the increasing market demand. Thanks to this product, excellent brightness of colors, self-cleaning ability, high quality appearance and high imperviousness are achieved in the fabric. Aksa is the only producer of this product developed with its own technology.

DowAksa

Aksa improved its technological infrastructure in 2009 and actualized the production of carbon fiber, considered to be one of the most significant raw materials of the 21st century. As of the year 2012, carbon fiber production takes place under the roof of DowAksa Advanced Composite Materials Industrial Limited Company, which was established within the framework of equal joint partnership by Aksa Akrilik and The Dow Chemical Company.

DowAksa concentrates primarily on issues such as infrastructural works, the development of structures in terms of robustness and durableness, the rendering of energy production at wind turbine more productive, the minimization of fuel consumption in automobiles. It aims to bring modern solution to significant problems in Turkey and in the world, with its technical expertise and advanced production facilities.

Turquality Strategic Roadmap

Aksa has completed its strategic roadmap studies for the Turquality Project, the state subsidized branding program conducted by the Ministry of Economy with the vision of "creating 10 world brands in 10 years", which it has joined in 2013. The strategic business plan for the years 2014-2019 was also approved by the Ministry of Economy in April 2014.

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What is Acrylic Fiber?

Acrylic fiber is the wooliest among synthetic fibers. There are two kinds of acrylic fibers, namely textile and technical. Textile fibers are used in clothing and home textile, and technical fibers are used in industrial machines and materials, as well as outdoors.

Characteristics of Acrylic Fiber

- Easily washable and shape retaining
- Resistant against moths, oil and chemicals
- Excellent dye affinity for bright colors
- High fastness against sunlight
- Wooly naturalness and warmth in appearance and feel

Latest Areas of Usage for Acrylic Fiber

Clothing: Slipovers, hosiery, plush, circular knitting, sportswear and children's wear

Home Textile: Carpets, blankets, rugs, furnishings and corduroy clothes

Outdoors: Car tops, boat covers, canvas, outdoor furniture

Industrial: Dust filter, strengthening fill material in building construction, car batteries

OPERATION CHART

SUPPLY

Land & Seaway Raw Material Supply

PRODUCTION

Chemical Fields
Textile Fields
Solvent Recovery

PRODUCTS

Tow
Tops
Bumps

PRODUCT DELIVERY

PRODUCT USAGE AREAS

Clothing
Home Textile
Outdoor Use
Industrial Uses

Providing Energy for Sister Companies and the Grid

SUPPLY CHAIN

Aksa adopts a responsible supply chain management in line with its principle of transparency and takes constant communication with its suppliers as a basis. Aksa, which looks for environmental, social and economic criteria in supplier selection and evaluation processes, conducts active communication works with its suppliers, organizes interviews and trainings.

Aksa assesses suppliers in issues such as environmental and OHS policies, ethical values, employee rights during supplier selection and performance evaluation processes. The policies and approaches of the suppliers are scrutinized, legal requirements and related certificates are examined. Suppliers are expected to have a working environment complying with OHS principles and to standardize working hours.

As part of purchasing processes the quality of the end product, company profitability and production planning are taken into consideration in product and service purchases. In relation to product safety, the product operating safety manual is shared with all customers and transporters and necessary information is provided.

At Aksa, there is an operational structure ensuring the regular auditing and tracking of subcontractor and sub-employer companies. The responsibility for this structure belongs to the Subcontractor Responsible depending under the Purchasing Department. Subcontractor Responsible works in coordination with the units and directorates of HR, Law, HSE and Administrative Affairs. Aksa has conducted audits in 6 companies during the reporting period and was evaluated according to the criteria of accident frequency and severity, OHS audits and OHS matrix penalty point. Following the evaluation results, it was ensured that necessary action plans were taken. It is planned to continue works for the supplier evaluation system during 2015.

Aksa prioritizes local suppliers in order to contribute to the prosperity level of the local community in the region of Yalova where it operates. In 2014, the rate of local suppliers was realized as 86% and the rate of expenditures on local suppliers to the total supply budget was realized as 38%.

Workplace and operating safety is ensured for subcontractor company personnel through the documents we procure from subcontractor companies regularly, every month. In this regard, it is ensured that employees receive their salaries regularly, their social security premiums are paid fully and in time, they are employed according to OHS rules, mobbing cases are prevented, and working hours are standardized.

Employees who have not turned 19 from among subcontractor or sub-employee personnel are not allowed in our factory site. In accordance with decisions taken in this issue and as Aksa Akrilik Kimya San. A.Ş. is classified as very dangerous, we do not permit the employment of personnel who have not turned 19. We also ask for the professional competence certificates of the personnel.

Aksa Purchasing Portal (iSupplier)

Aksa has actualized "Aksa Purchasing Portal (iSupplier)" in order to establish a more efficient communication with its suppliers. The proposal, order, invoice, delivery performance and payments of the suppliers can be tracked through the portal. Thanks to the portal the technical pictures received by the suppliers were carried over the system, the proposal and order durations and paper consumption were reduced. In this regard, a total of nine companies were provided with trainings about the program.

OUR CUSTOMERS

Aksa, which attaches great importance to customer satisfaction management in accordance with the understanding of the Customer Oriented Approach, develops new products and services in line with customer needs and expectations and aims to be the best in quality, service, manufacturability, price and procurement with its existing products.

The Customer Satisfaction Survey is the most important among practices aiming at ensuring customer satisfaction. The satisfaction levels of domestic and international customers are regularly measured by an independent survey institution every two years.

At Aksa, there is a Customer Services Unit to respond to the needs, demands and complaints of customers. This unit regularly organizes Customer Satisfaction Committee meetings, evaluates the demands and complaints of customers and prepares the necessary action plans. All samples sent by customers to Aksa for research purposes are analyzed and customers are provided with the required technical assistance. Aksa has paid complain/technical support visits to 178 customers in 2014. The technical support practice is not only in parallel to products but also in line with the processes of our customers. As a result of improvements made in the processes in this regard, we contribute to the improvement of environmental performance through savings in our customers' production processes.

Aksa technical teams regularly visit customers onsite, evaluate their needs and complaints one by one and provide written feedback to their customers. At the end of the process, a statistical analysis of the complaints is made and targets are determined in relevant departments for reducing complaints.

Aksa supports its customers in the fields of efficiency in production, product quality and sustainability in production in order to develop the processes of its customers and increase their efficiency. Between the years 2012 and 2014, Aksa has realized a total of 21 consultancy works.

Aksa develops new products and services in accordance with customer demands. Process alterations, packaging, labeling and warning label alterations are applied in line with the demands and suggestions of customers.

Aksa predicates its corporate culture on customer information confidentiality. All employees and personnel are informed on this issue through trainings. The installation processes of ISO 27001 Information Security Management System, which ensures the maximum security of company and stakeholder information, in Marketing, Sales and Customer Services processes was completed in 2014. The system is expected to be extended to all company units in 2015. In the reporting period, no complaints regarding the violation of customer information confidentiality were received.

Aksa Customer Learning Center (CLC)

Since 2008, Aksa Customer Learning Center enables customers to know Aksa, observe its processes and participate in R&D studies together with Aksa Technical Team. This practice aims for the active participation of customers in improvement processes and newly developed fields. Also, joint projects that we might conduct in cooperation with our customers are actualized within the context of the CLC practice. In 2014, a total of 103 visitors from 13 companies have participated in the practices of the Center.

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OUR EMPLOYEES

Seeking to recruit responsible, creative, participative, confident employees that like to develop themselves further, we act in line with our awareness that the only way to realize our corporate goals is through qualified and content employees. Through our human resources practices that go beyond legal requirements, we constantly improve our social performance and safeguard our corporate sustainability.

Implementing business processes that respect the rights for people and employees, we make sure that our corporate culture opposing discrimination is first reflected on our organization. In line with our organization culture that learns and produces, we attach special importance to the employee trainings and accompany their individual and professional development. We identify the leaders of the future among our employees through effective talent management practices and provide them with career options allowing them to take initiatives. Through internal communication practices we constantly strengthen employee engagement and take great lengths to enhance employee satisfaction and engagement. In an effort to provide healthy and safe working environment, we perform with a vision for constant improvement and act in the light of feedback received from our stakeholders.

In the reporting period the integration of the entire human resources processes following the merger with our group company Aktops was completed. While 38 specialists, engineers joined Aksa Family during the period besides 114 people from operations, the total number of our employees reached 1,248 by year-end.

HUMAN AND EMPLOYEE RIGHTS MANAGEMENT

Providing our employees with a working environment that complies with human dignity is among our leading corporate values. Implementing human resources processes that respect employee rights, prevent discrimination and comply with the global human rights principles throughout our entire organization, we seek ways to mainstream this approach on our value chain. Acting in the light of these values from recruitment to remuneration, from performance evaluation to career management practices, we develop our performance regarding human and employee rights constantly.

Based on fulfilling duties, our recruitment policies ensure that we stand on an equal distance to our potential employees without paying attention to age, disability, race/ethnicity, gender, religion/beliefs, culture and sexual orientation. When the work analyses conducted show that the operational positions require ability to work under tough physical conditions, we recruit mainly males for these positions due to their

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physical and mental endurance while our practices prioritize employing women for the administrative positions. Recruiting disabled people in positions fit for their physical conditions, we support the socio-economic development of our region through our local employment policy.

We expand our anti-discriminative policy on all our processes and implement a fair remuneration policy that pays no attention to gender or any other differences. While reflecting the realities of the national and international business world, we pursue a remuneration policy based on the job done with our Job Evaluation and Remuneration Model that is also centred on a strategy built on responsibility, seniority, employee performance besides fringe benefits. Moreover, we make communication mechanisms available for our employees and other stakeholders to use in the cases where the company's ethical rules, which also include articles against discrimination, are violated.

[4] As of late 2014 the number of our direct employees is 1,248 while the number of our indirect employees taking part in our operations under subcontractors is 690.

Employees by Gender

Our stakeholders are able to apply to the Ethics Representative of our Company, the Ethics Board, the manager they work under, HR Department or Akkök Ethics Line in case of violations. During the reporting period there were no reports of discrimination cases recorded within the scope of the Aksa operations.

During the reporting period there were no complaints delivered to us regarding workforce criteria.

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During the reporting period the rate of our female and male employees going back to work and continuing their jobs after using parental leave was 100%. All our 8 female employees that had gone on to use their maternity leaves went back to work and continued their jobs for at least 12 months. During the reporting period our 71 male employees used parental leave rights and went back to their jobs while as of the end of 2014 our 3 female employees were still on maternity leave.

TALENT MANAGEMENT

In line with our strategic business goals, we attach maximum importance to recruiting and keeping qualified workforce for our company and continuously improve our performance in talent management through active performance evaluation, employee development and career management practices. In addition to that, our Senior Management undertakes studies through Talent Management Committee and we review the current developments regarding the matter, devise action plans every month and monitor the issue throughout our organization in general.

Implementing our performance evaluation practices with an approach focused on the job results and competencies of our employees, we ensure that the expected job results are achieved through constant development. The process designed by our Human Resources department is implemented by the unit managers, who also report their feedback, ensures that the individual goals are evaluated in harmony with the unit, directorate and company goals. During the reporting period 360 degrees feedback and evaluation centre and Leadership Potential Inventory practices were conducted while we shared the results with our employees through face-to-face meetings. We established personal development plans for our employees while defining their strengths and personal development areas. We also drew up career maps on directorates' basis.

Using the results from the performance evaluation processes as the main reference point for all our career development practices, we support personal and professional development of our employees and help them show their potential. Firmly believing in the fact that "Talent Management" is one of the leading factors affecting employee engagement, we conduct practices through modern human resources methods and identify the competencies and development areas for our employees to provide them with career options allowing them to take initiatives.

In that respect in the 2013-2014 period we supported and managed constant development of our human resources and devised and began to implement the Career Development Model project to ensure that the talents that comply with

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the roles we will need will be available in the organization. By analysing our business processes through CORASCI (duty responsibility matrices) studies, we identified the areas for improvement and continued our studies to update the job definitions of our employees.

We believe in training leaders from within the company in line with our corporate goals and come up with solutions within and outside the company to accompany the career plans of our employees. During the reporting period we began to implement the Coaching and Mentorship programs within the scope of the Leader and Manager Development Program. In the same period we introduced the Master's Degree and Doctorate Degree Support Program with a view to lending our support for scientific studies, increasing our intellectual capital and training technical experts. In the same way in 2014 we launched "Advertisement System", an internal communication practice allowing the company employees to enjoy a career within the group.

Developing practices for the new workforce that our company will need in the future and that will adapt to the company, we undertake perception and image studies in the universities for that purpose. During the reporting period we launched Long-Term Internship program besides university visits. Within the scope of the practice that will continue in the periods ahead with the goal to create image envoys to increase our recognition, we recruited 9 students as interns for 3 months.

Through our training practices developed in the light of our strategic goals and corporate experience, we ensure that the confident and participatory workforce to work will adapt to the new technologies developed while we accompany the professional and personal development of our employees so that their knowledge and skills could develop further.

Developed in collaboration with our parent company Akkök Holding to manage training-development and performance management system processes, Integrated Human Resources software "Mosaic" has been made available for the use of our employees with the title specialist and higher while we have begun to use it actively through its new modules. Working by taking the requirements of every position in our organization as its basis, the Training Module supports professional development of our employees while providing us with the feedback about the efficiency of our training programs.

During the reporting period 81% of our white-collar employees passed their performance and career development evaluations, this rate turned out to be 91% for our blue-collar employees. In the same period performance feedback rate in female and male employee categories was 89%.

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The solutions we have developed within the and outside the company besides the trainings provided, we implement practices that will address the position, competency and development needs of our employees. Various technical trainings are organized for our employees to improve themselves, increase their technical know-how and specialize. In line with the requests of the related units, technical trainings are provided for the related staff to be familiarized with the changes introduced or might be introduced to the process, machinery, equipment or systems. Within the scope of the Aksa Competency Model, Personal Development Trainings are held to support the basic, job-specific and managerial competencies.

Organized in collaboration with the Sabancı University and Turquality for the Mid-Level Managers, Manager Development Programs support the leadership and technical competencies of our managers. Besides programs with a rich content including Market-Orientation, Leadership and Coaching for High Performing Teams, Finance for Managers, Business and Management Simulation programs, trainings such as Y Generation in Work Life, Competency-Based Interview Techniques, Guidance for Leaders have been given.

Established in 1982 to ensure professional development of the Operation-Level employees and support their process learning processes, Aksa School picks its trainers from among company employees. We develop the program constantly to ensure the sustainability of the active training practices.

Apart from these, trainings about the Management Systems implemented at Aksa and regulation trainings are organized.

In an effort to boost scientific studies and increase our intellectual capital and train technical experts, support is provided for Master's and Doctorate degrees.

During the reporting period we promoted 9 of our employees to managerial positions within the scope of organizational needs. Our 17 employees were promoted to higher Specialist roles while our 17 operators were promoted to higher operatorship roles due to Evaluation Centre practices.

Featuring a representative from all of our departments besides the participation of the members from the Representative Committee, Aksa Training Board (AKEK) lends its support to the Human Resources Department for evaluating the training needs and contribute to the behavioural and technical competency development of our employees. AKEK meets two times a year and reviews the training plan besides the realization data. This way each Department voices its opinion and the training practices are continuously developed.

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Employees by Education Levels

High School - Technical	34%
High School- Trade Vocational	13%
Primary School	11%
Master Degree	0.2%
Master's	3%
Associate Degree	24%

During the reporting period we provided 36,653 man*hour training for blue-collar employees and 17,902 man*hour training for white-collar employees while providing 6,505 and 48.050 man*hour training for our female and male workers respectively.

During the reporting period among the recruitments made, 105 new employees are in the newly graduate (0-3 years of experience) category.

INTERNAL COMMUNICATION AND EMPLOYEE ENGAGEMENT

Encouraging our internal stakeholders to participate in decision-taking mechanisms, we regard the views of our employees as the most fundamental input of our sustainability strategy. Through the communication mechanisms we have formed over the years and constantly improved in the light of the technological innovations and feedback from employees, we listen to the suggestions, requests and complaints regarding business processes and working environment; therefore always taking our employee engagement performance one step ahead.

Regularly holding Aksa Training Board (AKEK) and Aksa Social Activities Team (AKSET) meetings that enable employees to communicate with the Senior Management directly, we ask for our employees' views through structures such as the Representative Committee, Suggestion System and OHS Board regarding issues that concern them and that affect the sustainability of our business. Our Open Door Policy strengthens the contact of our employees with the senior management while various communication instruments are used in the practices

conducted to increase the communication of our employees among each other while also increasing their engagement.

Introduced in 1996 for the first time, the Suggestion System enables us to receive suggestions from our employees regarding many aspects especially including the operations they participate in while once the suggestions have been reviewed, those that are accepted are implemented. Focused mainly on occupational health and safety categories besides facilitating and expediting tasks, the suggestions from the employees are evaluated within the scope of a multi-stage system and we seek ways to improve our performance in that area constantly. During the reporting period the categories that were popular among the employees included quality improvement, cost reduction and energy saving.

Other internal communication practices we undertake include an intranet platform titled "Portakal" and available for AKKÖK group companies, Aksa HR Portal, communication boards, monthly e-bulletins, Representative Committee where our employees are able to vote, cocktails organized for our newly recruited employees to blend in and festival celebrations. Apart from these practices such as financial rewards, Manager of the Year, Most Active Health Safety Environment (HSE) Specialist, Exemplary Staff Member, Senior Plaque and Education Volunteers Award not only allow us to get to know and award our successful employees but also form another internal communication mechanism.

We undertake the practices that will increase the motivation and engagement of our employees through volunteering activities led by our workers again. Composed of 30 Aksa employees, AKSET (AKSA Social Activities Team) organizes activities such as parties, concerts, trips, courses and seminars in line with the requests received. The activities organized by AKSET during the reporting period included courses such as diving, tennis, photography, model airplane building as well as trips, theatre plays, concerts, Welcome Summer Party, Goodbye Summer Party, Akkök Group of Companies New Year's Eve Party and picnics.

Our internal communication organ, "Aksa Haber", is published quarterly and covers the projects we have implemented besides our corporate goals and news about our employees. The magazine is now available for digital access in addition to the printed issues. Thanks to an innovation introduced during the reporting period we publication, the publication is not only regularly delivered to Aksa employees, Government agencies in Yalova and NGOs but is also available for viewing in the digital environment with an application downloaded from the AppStore.

Held every two years, Employee Engagement Survey seeks to measure engagement, satisfaction levels and motivation of our employees. We consider the survey also as an important internal communication mechanism. In the light of the survey results we held during the reporting year, we decided to implement the "Great Place to Work" working life study while setting our roadmap for 2015.

During the reporting period 297 suggestions were received from our employees within the scope of the Suggestion System while 197 of these suggestions were deemed feasible and 132 of them were implemented.

OCCUPATIONAL HEALTH AND SAFETY

We regard creating a healthy and safe working environment for our employees as our main responsibility and we therefore implement an active Occupational Health and Safety management analysing the risks from our operations periodically, taking preventive measures and forming action plans in case of emergencies. Constantly improving our performance in OHS, which remains one of our main sustainability priorities, we implement pioneering practices that cover our entire value chain.

Our operations are performed within the framework of the OHSAS 18001 Standard and Safety Management System in an integrated fashion with the Environmental and Quality Management. We include our OHS performance among the business plans and manage it through tangible goals set while also ensuring it with stakeholder engagement and audit practices. The trainings we provide for our employees and other stakeholders increase their awareness regarding the matter and we constantly update our roadmap by means of meetings held with the Health, Safety, Environment (HSE) Specialists and OHS Board. Through our emergency preparation studies we protect our employees and business continuity while monitoring processes and goals through internal as well as external audits.

Health, Safety and Environment (HSE) Specialists and OHS Board are the main structures that help monitor the OHS programs. HSE Specialists take on the operational responsibilities of the OHS operations in our plants. The practices conducted under the leadership of the OHS Specialist and Workplace Doctor divide the responsibilities among the employee categories and all Aksa employees receive suitable OHS trainings ensuring that they are able to fulfil their responsibilities.

Also featuring 5 employee representatives voted in person by our employees, the OHS Board is composed of 20 members in total and represents our entire blue-collar workforce. Leading our policies and practices regarding occupational health and safety, the OHS Board features Employer agent, OHS specialist, workplace doctor, HR Director, Civil Defence Specialist, Administrative Affairs Manager, Foreman and Head Workman as regular members.

Apart from the obligatory 16 hours of OHS Training program provided per person during the reporting period, training and practice programs in various areas were also held. While trainings emphasizing OHS Leadership were given for our managers, periodic trainings were provided for our employees in order to mainstream SEVESO Policy for Prevent-

*[7] Accident Frequency Rate = Number of Work Accidents / (Total Number of Days with Premium *8)*1,000,000*

*Accident Severity Rate = Total Number of Days Lost Due to Work Accidents /((Total Number of Days with Premium *8)*1,000,000*

*Total Number of Days Due to Work Accidents= (Temporary Incapacity Durations) + (Amount of Permanent Incapacity Levels*75) + (Number of Fatality Cases *7500)*

*Injury Rate= Number of Work Accidents *1,000,000 /Total Work Hours*

Our OHS Performance in Numbers[7]

	2010	2011	2012	2013	2014
Accident Frequency Rate	5.9	6.5	3.2	4.87	8.86
Accident Severity Rate	116.7	223.8	254.7	125.25	184.04
Injury Rate	43.6	42.66	26.44	19.49	30.33
Abscence Rate	905.8	1217.9	1,933.20	1,484	2,179.82
Number of Lost Days	1002.3	1,390.30	2,187.90	1,609	2,365.85

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AKSA attaches great importance to the issue of Preventing Industrial Accidents and Reducing Their Impact. In order to meet the related EU directive requirements, Aksa launched SEVESO Project. In that respect, the studies undertaken in a coordinated fashion analyse and update process dangers while the structure of the process and the risks are identified and significant observations are made.

OHS Trainings by Years (man*hour)

ing Major Accidents. All the employees were given trainings on the importance of proper nutrition and presentations were shared regarding influenza, harms of smoking and the ways to give up smoking while informative posters about the harms of smoking were put up on the walls of our plant.

We provide health services for our employees and their families not only through the health practices in our workplace but also through the fringe benefits we offer. We ensure that our employees are examined medically when they are recruited initially and are then periodically given medical examinations besides increasing the checks on their health and observe it in special cases such as chronic diseases, pregnancy and disability. What is more, our employees are provided with private health insurance covering their families and are trained against factors that could have a negative impact on their health.

We audit the contractors acting as our business partners for OHS issues. The general audits for the contractor employees are held every three months while the audits featuring documentation and Social Security Institution checks are given every two months. Organizing a meeting with the contractor and subcontractor companies every month, we accompany their performance development in that area.

During the reporting period there were no reports of any fatal accidents or occupational diseases in our company.

ENVIRONMENTAL MANAGEMENT

Goals for 2015:

- Obtaining ISO 50001 certification
- Participating in CDP Water Disclosure Program
- Materializing our Joint Treatment Facility project
- Materializing our Reverse Osmosis project

Aksa identifies the importance placed on reducing its environmental impact by setting the aspect of environment as an important part of the way the company does business. In that respect we implement practices focused on reducing our environmental impact, define future plans for that purpose, monitor the related processes and review our performance constantly over what has been achieved.

Working in harmony with the environment in an effort to ensure a sustainable operation, achieve operational excellence and enjoy high efficiency remain among our fundamental priorities. Therefore it is of utmost importance for Aksa to fully comply with the laws and norms set by the related regulations. In 2014 we spent approximately 6 million TL on environmental protection expenditure and investments.

Conducted under the responsibility of the Environmental Management Unit, environmental management practices are constantly monitored by the unit while the senior management supervises and supports the environmental management studies through the "Industrial Evaluation Meetings" so that the aforementioned practices could be managed in an even more efficient fashion. In addition to these practices, internal and external audits are held within the scope of the "Integrated Management System" besides Environmental Internal Audits with a view to constantly observing compliance with the environmental issues. Aksa also takes an active role in the AKÇEVRE Board formed with the participation of the Akkim, DowAksa companies, both sister companies affiliated with Akkök Holding.

In an effort to enhance our environmental performance further, we attach special importance on increasing knowledge and awareness of our employees. In that respect 1,045 hours of environmental training was provided for our employees during the reporting period. Not only our internal stakeholders but also external stakeholders stand on an important position for evaluating our environmental performance. Hence we come up with ways to collect the feedback from our stakeholders we meet through different platforms and devise methods to reflect all that feedback on our business processes.

Green IT Practices

Practices developed (such as gate exit forms, project approval forms, visitor approval forms) through the eBA (Electronic Document and Workflow Management System) we have begun to use, many actions that used to be performed over paper are now taken to digital environment, hence saving on paper and time. Moreover, replacing the computers used on the production machinery and presses with the new generation Thin Client computers using 1/10 energy has also saved further on energy. In the period ahead, the other old computers in use will also be replaced with the Thin Client computers.

ENERGY MANAGEMENT

Energy and energy management are especially important for Aksa to ensure operational continuity. Aksa is not only capable of generating the energy it needs through its 142.5 MWe capacity energy generation license but also provides energy whenever needed by its sister companies Akkim and DowAksa operating in the same region. Moreover, the surplus energy generated is sold to the electricity market.

In 2014 our power plants generated 4.5 million tons of steam and 736 million kWh of electricity. 11% of that amount is used for the own needs of the power plants while the remaining amount is used in the production processes and is also supplied for the sister companies and the grid. During the reporting period we have enjoyed successful results regarding energy efficiency and reduced the internal needs for energy at the power plant by 10% once we have replaced the drivers of the rotary equipment motors, which play an important role in the internal electricity consumption need of the coal power plant.

Held regularly to include all the departments in our plant, energy management meetings organized help us review the consumptions and take necessary actions besides monitoring the related performance. In addition to these practices, while the Energy Management Board studies the energy consumption, energy issues are monitored throughout the plant during the Quality Management Board meetings held every day.

During the reporting period thanks to the 17 different energy efficiency projects held throughout the plant, 108.307 GJ of thermal energy and 10.000 GJ of electric energy was saved. Meanwhile the completion of the projects developed has led to reducing both the internal need of the power plant besides ensuring operation of the power plants in the most efficient way.

Besides all these aforementioned studies, during the reporting period we continued our preparation studies for the ISO 50001 Energy Management Quality Standard certification, which we seek to obtain in 2015.

G4-EN6

Specific Thermal Energy Consumption (Index, Basis: 2011, 100 kWh/ton tow)

Specific Electric Energy Consumption (Index, Basis: 2011, 100 kWh/ton tow)

Amount of Waste Heat Generated (Index, Basis: 2011, 100 kWh/ton tow)

G4-EN3 G4-EN5 G4-EN6 G4-EN7

Boiler pipes used to be damaged due to intense ferrous oxide deposits on the boilers located in the Energy Production Facility. Disengagement of the boilers in an abrupt and unplanned fashion as a result of this problem would have a negative impact on the energy supply, causing production and quality losses in acrylic fibre production processes. The improvement studies we held in 2012 and 2013 prevented the boilers from going offline due to pipe damage in an unplanned fashion and saved an estimated 3.2 million USD for the plant on an annual basis.

Power Plant Optimization Project Featuring Advanced Process Control Methods (AES -Advanced Energy Solutions)

AES project has optimized Power Plant units through advanced process control methods. The project has stabilized energy production process and met the changes in the demand for steam through coal boiler in a safe fashion. In an effort to ensure system safety, a boiler running on low load has been disconnected and thus contributed to overall operational excellence.

The benefits of the project include:

› Safe and stable pressure control achieved over steam generation systems.

› Steam production temperature has gone up with the same amount of fuel used and the turbine electricity generation has gone up by 180 kWh/h

› A steam boiler running for system safety has been disconnected thanks to this project therefore saving 110 kWh/h on electric energy and preventing thermal losses.

› Flue Gas Cleaning systems have been introduced to advanced process control techniques so that the emission values are always kept below the legal limits through the enhanced automation system.

› Unproductivity caused by lower pressure has been minimized the electricity generation of the turbines has been increased by 400 kWh/h

› Overall efficiency of the power plant has been improved

EMISSIONS MANAGEMENT

Climate change remains an important problem for the entire world. Companies face processes affecting them directly as a reflection of this problem on the business world. At this point Aksa strives to continue its operations accompanied by the awareness of the responsibility that falls on us.

As a result of this approach regarding climate, Aksa manages emission management issues in a meticulous manner. We measure our greenhouse gas emissions in line with the international requirements and share our related performance data with our stakeholders in a transparent fashion. As one of the first companies to obtain the ISO 14064-1 certificate for quantification and reporting of the greenhouse gases, Aksa has its related data audited by independent audit organization periodically and has it all certified with comprehensive assurance. Moreover, within the scope of a project we implemented in collaboration with academia, we have begun to work on identifying our carbon footprint.

Other emissions including CO_2, SO_2, NOx and dust are generated due to the processes involving our natural gas and coal power plants. The related parameters are monitored by the Ministry of Environment and Urbanization online constantly through emission measuring systems. Thanks to the projects conducted during the year and the constant monitoring, our related emission values remain much below the values set by the regulations.

Other emission values released by our power plants and process flues into the atmosphere remained below the legal limits set and turned out to be on average as stated below:

	2014
Total NOx Emission	**153 mg/m³**
Total SOx Emission	32 mg/m³
Total UOB Emission	0.51 kg/sa
Other Emissions (PM)	1.17 kg/sa PM

Moreover the UOB emissions stemming from our processes are discharged in line with the limits while the emission reports ordered every two years are submitted to the Ministry of Environment and Urbanization.

G4-EN21

WATER MANAGEMENT

Water remains a natural resource used intensively during our operations and is of critical significance for the continuity of our operations. Reflections from the negative conditions created by climate change are often observed in water management processes. That is why water management and the related performance are monitored strictly.

2014 turned out to be a challenging year regarding water management both in Turkey and especially Yalova region where we operate. The drought experienced especially during the summer period called for taking special measures regarding water management in terms of operations. Hence as Aksa we were able to take important steps to reduce unconscious use and process optimization in water consumption and were successful in managing this challenging process in the most efficient way possible. During 2014 we saved on the amount of water used considerably by reducing the dam water usage by 43% and fire-protection water consumption by 50%. Alongside these practices we implemented maintenance studies focused on increasing the efficiency of our wells. Apart from these practices, we established reserve tanks in our plant. During the related period one of our important benefits has been introducing the set-up project in our paint shop, which saved us water amounting to one month usage of Yalova province where we operate in a period marked by water shortage.

During the reporting period our water consumption rose by 1.5% when compared with the previous year and turned out to be 3,907,162 m^3. The reason for this increase is the merger of Aktops and Aksa operations under Aksa in 2014 besides the production increase in tonnage.

As far as water management is concerned, wastewater management is an important issue apart from the studies for efficient water usage. The industrial and domestic wastewater generated as a result of our operations are treated in our treatment facilities in line with the requirements demanded by the regulations and are then discharged. The water is discharged into Marmara Sea in line with the regulations once the treated water has reached the limits set by all the regulations.

During the reporting period the groundbreaking ceremony for the Akkök Holding Wastewater Treatment Facility project was held. The Treatment Facility project plans to manage the treatment operations of the production facilities of the companies affiliated with Aksa Holding Yalova, namely Aksa Akrilik, Ak-Kim Kimya and DowAksa under a single roof. The facility is to treat all the domestic and industrial wastewater together and will boast the capacity to meet 15 thousand cubic meters/day wastewater flow rate.

In 2014 71,355 tons of water was saved through the projects completed in the Textile Areas Dyeing Units. This amounts to three days' water consumption in Yalova where 220,000 people live in total.

Reverse Osmosis Project

In line with our approach to use natural resources efficiently besides sustainable water resource usage and sustainable production, we devised our "Reverse Osmosis" project during the reporting period. Once the project has been implemented in 2015, we will be able to cover approximately 50% of our water usage this way.

Wastewater Discharge over Years (m^3)

2011	2012	2013	2014
2,445,500	2,463,750	2,950,507	2,833,690

G4-EN8 G4-EN9 G4-EN22 G4-EN27

WASTE MANAGEMENT

We show special emphasis on waste management in an effort to reduce our environmental impact stemming from our operations. In that respect the issues of reducing waste at the source and disposing it in line with the ways set by the regulations are monitored according to the goals identified by Aksa.

Aksa separates the waste as hazardous and non-hazardous in line with the regulations. Domestic waste from the offices and cafeteria are sent to the sanitary landfill of the municipality while recyclable waste such as packaging waste and paper is separated both in the offices and on site depending on their kinds and then sent to the recycling company.

Our wastes stemming from the process are sent to the disposal facility so that they could be incinerated to generate energy as they have high calorific values. Other wastes are delivered to the waste disposal companies authorized by the official bodies while the waste is delivered through licensed vehicles required by the waste properties.

In 2014 audits were made for the studies to use the ash wastes generated at the end of our processes as cement raw material. In 2015 we plan to obtain a CE certificate for that purpose so that all the fly ash could be a commercial product by Aksa and could be sold as raw material additive to cement and concrete power plants.

Waste Amounts by Disposal Method in 2014 (tons)

Total Hazardous Waste Amount	**3,199**	**1,446**
Recovery	8	120
Reuse	6	29
Incineration	3,185	1,297
Total Non-Hazardous Waste Amount	**40,397**	**47,388**
Recovery	270	789
Reuse	32,164	40,407
Delivered to Sanitary Landfill	1,799	1,255
Incineration	6,184	4,937

G4-EN23 G4-EN27

Total Waste by Disposal Method in 2014

Added as Cement Raw Material	83%
Incineration	12%
Recovery	1%
Recycling	2%
Delivered to Sanitary Landfill	2%

Thin Film Practice

Implemented on the solvent recovery unites, the Thin Film Evaporator (TFE) practice has changed the process for the drying of the waste generated. Thanks to this process, the waste generated by the solvent recovery units is reduced by 27% while the practice has reduced the amount of solvent lost with the waste by 77% and saved 97,944 kWh/year on electricity consumption.

505 Solvent Recovery Unit

505 Solvent Recovery Unit, which is more modern than our current recovery units and ensures further efficiency, was introduced as an investment during the reporting period of 2014. The unit became operational at the end of 2014 and resulted in increasing the solvent raw material recovery rate by 25% while ensuring 30% efficiency in energy consumption. Within the scope of the project there are seven storage tanks and seven processes colons besides parts assisting them such as heat exchangers, flashers and cooling equipment. The project seeks to recover 100 tons of raw materials an hour.

CONTRIBUTION TO SOCIETY

Having adopted the philosophy of being an open, transparent, accountable company, Aksa is focused on creating the highest added value possible for our stakeholders and especially for the local community through our social activities. In line with our active communication strategy, we are in constant contact with the local community in our region and adopt an approach producing solutions for the needs and problems faced by the community. We undertake our practices with the voluntary participation of Aksa employees and stakeholders while prioritizing projects that seek to create awareness in the society and are sensitive to both the people and environment.

Apart from lending our support for the social responsibility projects of Akkök Holding, with which we are affiliated, we devise a series of projects and practices focused on the local community and will set an example for our country. Developed for the active participation of our stakeholders and supported through direct and indirect communication channels, our social responsibility projects cover many areas especially education, culture and arts as projects providing social benefits in the regions we operate.

SUPPORT FOR EDUCATION

Firmly believing in the fact that education is one of the fundamental elements required for the sustainable economic and cultural development in a society, Aksa does its best to contribute to raising well-educated, cultured individuals that are sensitive to the environment and society. In that respect we develop active dialogue channels with educational organizations, implement activities that will enrich the educational lives of students and establish collaboration with the universities and research institutes, which we regard as our key stakeholders.

As an indicator of the great importance we attach to education, we established Aksa Technical and Industrial Occupational High School in 1992 in Taşköprü, Çiftlikköy borough of Yalova

G4-EC7 G4-EC8

with a view to educating well-educated and talented young people for the sector. As of 2014 the school has 28 teachers, 365 students in total and continues to educate students, who graduate as qualified technical workers capable of working in the industrial areas. Throughout Turkey among the occupational and technical educational organizations only Aksa Technical and Industrial Occupational High School boasts the "Process" department designed to meet the technical staff requirements of the plants located in the region. Educated in the Computer (Software), Electronics and Process departments, the students continue their applied education in the labs equipped with developed technologies. During the reporting period we continued our continuous maintenance, repair, graduation day organization and library support for Aksa Occupational High School besides organizing various events for it.

Undertaken in collaboration with Akkök Holding and Education Volunteers Foundation of Turkey, Yalova Lightning Bug Mobile Learning Unit to create an environment supporting the development of emotions and skills such as self-confidence, self-respect, self-expression, creativity and empathy and we continued our support for the unit in 2014. While meeting the requests for donations and assistance from the schools in the region, we opened the doors of our production facilities to students within the scope of the Open Door Visits.

Open Door Visits

Launched in 1999 in line with our principles of transparency and accountability, Open Door visits create the opportunity for exchanging information with our stakeholders. Thanks to these visits employees are able to communicate with their managers regarding any issues while customers, community, business partners and shareholders are able to communicate with Aksa officials easily and in an open fashion. Also continued during the reporting period, Open Door Visits enable NGOs, local community members, schools, families of the employees, customers, comparison teams, domestic and foreign visitors to visit Aksa production site and receive information. Following these visits, evaluation surveys are given to visitors and the results from them are integrated with the improvement studies of Aksa. 259 stakeholders in total visited Aksa production site in 2014.

I Read and Learn with Aksa

Aksa engineers specialized in their areas started "I Learn with Aksa Sharing Seminar" voluntarily and began to meet young people in Yalova. Held with the participation of voluntary engineers in Yalova Anatolian High School in 2014, the event gave the opportunity for approximately 200 young people to benefit from the experiences and knowledge of Aksa engineers.

G4-27 G4-EC7 G4-EC8

Cooperation with the Red Crescent

Attaching importance to ways of increasing social responsibility awareness among our stakeholders and especially among our employees, we come up with events for that purpose. In that respect we organize a "Blood Drive" two times a year in cooperation with Yalova Red Crescent Branch and encourage voluntary participation of our employees.

Toy Museum Mobile Exhibition

In 2014 İstanbul Toy Museum Mobile Exhibition visited Yalova thanks to contributions made by Aksa. Held in Raif Dinçkök Culture Centre for visitors to view for free, the exhibition featured the most favourite samples of the history of toays since 1900s. Approximately 8 thousand people visited İstanbul Toy Museum Mobile Exhibition in 10 days.

Festival Present for Children in Yalova

We celebrated 23rd April National Sovereignty and Children's Festival of the children in by taking them to see "Lambs on the Run" movie. During the event close to 1,000 children saw the film for free in Cinetime Özdilek and were welcomed by clowns there at the entrance while they are also offered treats during the screenings.

Support for Yalova Orthopedically Disabled Sports Club

Since 2012 Akkök Holding has acted as the main sponsor for Yalova Orthopedically Disabled Sports Club (YOSK), which competes in the Wheelchair Basketball Super League as a leading sports club. Within the scope of the practice we continued our support for YOSK during the reporting period. Successful performance shown by the club both in Turkey and Europe besides the sportspeople it has trained remains a source of pride for Yalova.

Akkök Children's Festival

Organized by Akkök Holding since 2011 to increase awareness of children regarding sustainability and recycling, Akkök Children's Festival was held in 2014 and we continued our support for it too. As Aksa we brought the fund and educational theatre play titled "Bubbly Funny Cabaret" stressing messages about sustainability for the children to enjoy.

Reforestation Activities

We believe in the importance of preserving forests and increasing their size so that the ecosystem could maintain its balance and risks regarding climate change could be averted. For that purpose we undertake reforestation studies with the voluntary participation of our stakeholders and regard this practice as an opportunity to develop our dialogue with our stakeholders further. Since 1968 we give away the plants and saplings grown in our own greenhouse to our voluntary stakeholders visiting our facilities. During the reporting period we planted 2,492 saplings in total.

Donations and Social Aid

We provide donations and social aid that develop the visions of individuals and society besides supporting the social and cultural development of the local community in our operation regions through them. Firmly believing in the fact that social development actors will only be well-educated generations, we try to increase our investments in this area annually. During the reporting period Aksa spent 1,094,563 TL in total under "Donations and Social Aid", most of which went to educational, cultural, art and sports activities.

G4-EC2 G4-EC7 G4-EC8 G4-EN13

PERFORMANCE INDICATORS

PRIMARY FINANCIAL INDICATORS

Consolidated Balance Sheet	31/12/2014 (Thousand USD)	31/12/2013 (Thousand USD)
ASSETS	**861,643**	**848,805**
Current Assets	421,320	401,625
Cash and Cash Equivalents	83,010	109,267
Trade Receivables	210,987	171,202
Stocks	101,931	86,770
Other Current Assets	**25,392**	**34,386**
Non-current Assets	440,323	447,180
Trade Receivables	30,376	-
Financial Investments	1,016	1,103
Investments Accounted for Using the Equity Method	104,613	114,842
Tangible Fixed Assets	292,611	317,908
Intangible Fixed Assets	3,198	4,653
Goodwill	2,583	2,806
Other Fixed Assets	5,926	5,867
LIABILITIES	**861,643**	**848,805**
Short-term Liabilities	324,184	288,879
Financial Liabilities	121,717	105,824
Trade Liabilities	186,056	159,821
Provision for Period Tax Liabilities	4,796	4,890
Other Short-term Liabilities	**11,615**	**18,343**
Long-term Liabilities	57,334	69,140
Financial Liabilities	43,977	58,387
Financial Derivative Instruments	-	-
Provision for Employee Benefits	9,309	7,186
Deferred Tax Liabilities	4,048	3,395
Other Long-term Liabilities	-	171
Shareholders' Equity	**480,125**	**490,787**

HUMAN RESOURCES INDICATORS

Employee Breakdown by Gender	2012	2013	2014
Male	619	798	1.125
Female	92	98	123
TOTAL	**711**	**896**	**1.248**

Employee Breakdown by Status	2012	2013	2014
Blue Collar	591	727	1.047
White Collar	120	169	201
TOTAL	**711**	**896**	**1.248**

Employee Breakdown by Age	2012	2013	2014
<30	257	277	443
30-50	476	584	766
50<	44	35	39
TOTAL	**777**	**896**	**1.248**

Employee Breakdown by Contract and Region	İstanbul	Yalova	Total
Board of Directors	11	1	12
Permanent Staff	34	1,182	1216
Permanent Pensioner	5	7	12
Employees On Contract	1	2	3
Pensioners On Contract	0	17	17

Employee Breakdown by Employment Type and Region	İstanbul	Yalova	Total
Full-time	50	1,208	1258
Part-time	1	1	2

Employee Breakdown by Educational Status	Total
Two-year Degree and Below	1028
Bachelor's Degree and Above	232

Senior Managers	2012	2013	2014
Male	19	20	18
Female	1	1	1

G4-10

Starting and Leaving Employees by Age Group and Gender

	Starting	Leaving
<30	217	41
30-50	237	57
50<	17	10
Male	181	62
Female	430	92
İstanbul	7	7
Yalova	463	100

Mid Level Managers

	2013	2014
Male	34	46
Female	7	9
30-50	27	45
50<	12	5
Two-year Degree and Below	1	0
Bachelor's Degree	32	45
Master's Degree	8	10

Employees Subjected to Performance by Employee Categories

	Mavi Yaka	Beyaz Yaka
Permanent Pensioner	0	0
Permanent Staff	951	162

OHS Performance

	2012	2013	2014
Accident Frequency Rate	3.2	4.87	8.86
Accident Severity Rate	254.7	125.25	184.04
Injury Rate	26.44	19.49	30.33
Absentee Rate	1933.2	1.484	2.179
Lost Days	**2187.90**	**1.609**	**2365.85**

G4-LA1 G4-LA12

ENVIRONMENTAL INDICATORS

Greenhouse Gas Emissions (tons Co_2e)

	2012	2013	2014
Direct Greenhouse Gas Emissions	806,943	857,737	1,136,312
Indirect Greenhouse Gas Emissions	27,455	20,507	22,700
TOTAL	**834,398**	**878,224**	**1,159,012**

Water Consumption (m^3)

	2012	2013	2014
Municipal and Well Water	2,983,616	3,847,412	3,907,162

Waste Water Discharge (m^3)

	2012	2013	2014
Waste Water Discharge (m^3)	2,463,750	2,950,507	2,833,690

Amounts of Waste by Disposal Method

	2013	2014
Total Hazardous Waste	3,199	1,446
Recycle	8	120
Reuse	6	29
Incineration	3,185	1,297
Total Non-hazardous Waste	40,397	47,388
Recycle	270	789
Reuse	32,164	40,407
Sanitary Landfill	1,799	1,255
Incineration	6,184	4,937

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GRI G4 CONTENT INDEX

Indicator	Description	Identified Omissions	External Assurance
	Profile Disclosures		
G4-1	Message from the CEO (p.4-5)	-	-
G4-2	Message from the CEO (p.4-5); Corporate Governance (p. 13-15)	-	-
G4-3	Contact (Back Cover)	-	-
G4-4	About Aksa (p.9); Corporate Website:http://www.aksa.com/en	-	-
G4-5	Contact	-	-
G4-6	About the Report (p.7); Affiliates, Subsidiaries and Joint Ventures (p.10); Aksa 2014 Annual Report (pp.9-11)	-	-
G4-7	Shareholding Structure (p.10)	-	-
G4-8	About Aksa (p.9)	-	-
G4-9	About Aksa (p.9); Aksa At A Glance (p.10); Primary Financial Indicators (p.56)	-	-
G4-10	Human Resources Indicators (p.57)	-	-
G4-11	Human and Employee Rights Management (pp.35-37)	-	-
G4-12	Sustainable Operations (pp.27-30); Supply Chain (p.32)	-	-
G4-13	Corporate Website:http://www.aksa.com/en/investor-relations/material-disclosures/material-disclosures/i-220	-	-
G4-14	Corporate Governance (p.13-15); Risk Management (pp.17-18); Strategic Planning (p.17)	-	-
G4-15	Corporate Memberships (p.25)	-	-
G4-16	Corporate Memberships (p.25)	-	-
G4-17	About the Report (p.7); About Aksa, (p.9); Aksa At a Glance (p.10); Primary Financial Indicators (p.56)	-	No
G4-18	About the Report (p.7); Sustainability Management (pp.19-21)	-	No
G4-19	Sustainability Management (p.20)	-	No
G4-20	About the Report (p.7); Sustainability Management (p.20)	-	No
G4-21	About the Report (p.7); Sustainability Management (p.20)	-	No
G4-22	GRI G4 Content Index (p.60) (In this report, there is no any restatements of information provided in previous reports.)	-	No
G4-23	About the Report (p.7); Sustainability Management (p.19-21)	-	No
G4-24	Our Stakeholders (p.24)	-	No
G4-25	Our Stakeholders (p.23)	-	No
G4-26	Our Stakeholders (p.23); Sustainability Management (pp.19-21)	-	No
G4-27	Our Stakeholders (p.23); Our Customers (p.33); Open Door Visits (p.54); Internal Communication and Employee Engagement (pp.40-41)	-	No
G4-28	About the Report (p.7)	-	-
G4-29	About the Report (p.7)	-	-

Indicator	Description	Identified Omissions	External Assurance
Profile Disclosures			
G4-30	About the Report (p.7)	-	-
G4-31	About the Report (p.7); Contact (Back Cover)	-	-
G4-32	About the Report (p.7); GRI G4 Content Index (p.62) (Aksa Sustainability Report 2014 was not subjected to external audit.)	-	-
G4-33	GRI G4 Content Index (p.61) (Aksa Sustainability Report 2014 was not subjected to external audit.)	-	-
G4-34	Corporate Governance (p.15); Aksa Annual Report 2014 (pp.68-69)	-	-
G4-56	Corporate Governance (p.13, 15)	-	-

Indicator	Description	Identified Omissions	External Assurance
Standard Disclosures			
Material Aspect: Economic Performance			
G4-DMA	Human and Employee Rights Management (pp.35-37)	-	-
G4-EC1	Primary Financial Indicators (p.58); Aksa 2014 Annual Report (pp.115-119)	-	-
G4-EC2	Message from the CEO (pp.4-5); Risk Management (pp.15-16); Reforestation Activities (p.55)	-	-
G4-EC3	Human and Employee Rights Management (pp. 35-37); Aksa 2014 Annual Report (pp.117-122)	-	-
G4-EC4	Aksa 2014 Annual Report (p.40, 100, 123)	-	-
Material Aspect: Market Presence			
G4-DMA	Not material.	-	-
G4-EC5	GRI G4 Content Index (p.61) (The ratio of standard entry level wage to local minimum wage is calculated with respect to employee status.); Human and Employee Rights Management (p.35-37)	-	-
Material Aspect: Indirect Economic Impacts			
G4-DMA	Contribution to Society (p.53); Support for Education (pp.53-55); Our Employees (p.35)	-	-
G4-EC7	Contribution to Society (pp.53-55)	-	-
G4-EC8	Donations and Social Aid (p.55); Supply Chain (p.32); Support for Education (p.53-54); Open Door Visits (p.54)	-	-
Material Aspects: Procurement Practices			
G4-DMA	Sustainable Operations (pp.27-30); Supply Chain (p.32)	-	-
G4-EC9	Supply Chain (p.32)	-	-
Material Aspect: Energy			
G4-DMA	Environmental Management (p.45); Energy Management (pp.46-47); Emissions Management (p.48)	-	-

Indicator	Description	Identified Omissions	External Assurance
	Standard Disclosures		
G4-EN3	Energy Management (p.47)	-	-
G4-EN5	Energy Management (p.47)	-	-
G4-EN6	Energy Management (pp.46-47)	-	-
G4-EN7	Energy Management (p.47)	-	-
Material Aspect: Water			
G4-DMA	Water Management (p.49)	-	-
G4-EN8	Water Management (p.49); Environmental Indicators (p.60)	-	-
G4-EN9	Water Management (p.49)	-	-
Material Aspect: Biodiversity			
G4-DMA	Not material.		
G4-EN13	Reforestation Activities (p.55)	-	-
Material Aspect: Emissions			
G4-DMA	Emissions Management (p.48)	-	-
G4-EN15	Environmental Indicators (p.59)	-	-
G4-EN16	Environmental Indicators (p.59)	-	-
G4-EN21	Emissions Management (p.48)	-	-
Material Aspect: Effluents and Waste			
G4-DMA	Water Management (p.49); Waste Management (pp.50-51)	-	-
G4-EN22	Water Management (p.49)	-	-
G4-EN23	Waste Management (p.50)	-	-
G4-EN24	GRI G4 Content Index (p.62) (During the reporting period there was not any significant spills.)		
G4-EN26	GRI G4 Content Index (p.62) (There is no body of water significantly affected by Aksa's water use.)	-	-
G4-EN27	Quality (pp.27-29); Product Development (pp.27-29), Water Management (p.49); Waste Management (p.50)	-	-
Material Aspect: Compliance			
G4-EN29	GRI G4 Content Index (p.62) (No significant environmental penalties were received during the reporting period for non-compliance with environmetal laws and regulations.)	-	-
Material Aspect: Supplier Environmental Assessment			
G4-DMA	Not material.	-	-
G4-EN32	Supply Chain (p.32)	-	-
Material Aspect: Employment			
G4-DMA	Our Employees (p.35); Human and Employee Rights Management (pp.35-36)	-	-
G4-LA1	Human Resources Indicators (p.58)	-	-
G4-LA2	Human and Employee Rights Management (pp.35-36)	-	-
G4-LA3	Human and Employee Rights Management (pp.35-36)	-	-
Material Aspect: Labour/Management Relations			
G4-DMA	Not material.	-	-
G4-LA4	GRI G4 Content Index (p.62) (For serious operational changes, Aksa complies with the minimum period of notice defined by the law.)	-	-
Material Aspect: Occupational Health and Safety			
G4-DMA	Occupational Health and Safety (pp. 42-43)	-	-

Indicator	Description	Identified Omissions	External Assurance
	Standard Disclosures		
G4-LA5	Occupational Health and Safety (p.42)	-	-
G4-LA6	Occupational Health and Safety (p.42)	-	-
Material Aspect: Training and Education			
G4-DMA	Talent Management (pp.37-40)	-	-
G4-LA9	Talent Management (p.40)	-	-
G4-LA10	Talent Management (pp.37-39)	-	-
G4-LA11	Talent Management (p.38)	-	-
Material Aspect: Diversity and Equal Opportunity			
G4-DMA	Our Employees (p.35); Human and Employee Rights Management (pp.37-38); Corporate Website: http://www.aksa.com/tr/i-80	-	-
G4-LA12	Human Resources Indicators (p.58)	-	-
Material Aspect: Equal Remuneration for Women and Men			
G4-DMA	Human and Employee Rights Management (pp.35-36)	-	-
G4-LA13	Human and Employee Rights Management (p.35)	-	-
Material Aspect: Non-discrimination			
G4-DMA	Corporate Governance (pp.13-15); Human and Employee Rights Management (pp.35-37); Corporate Website: http://www.aksa.com/tr/i-80	-	-
G4-HR3	GRI G4 Content Index (p.63) (No incidents of discrimination occured during the reporting period.)	-	-
Material Aspect: Child Labor			
G4-DMA	Human and Employee Rights Management (pp.35-36)	-	-
G4-HR5	Human and Employee Rights Management (p.35)	-	-
Material Aspect: Forced or Compulsory Labor			
G4-DMA	Human and Employee Rights Management (pp.35-36)	-	-
G4-HR6	Human and Employee Rights Management (p.35)	-	-
Material Aspect: Security Practices			
G4-DMA	Not material.	-	-
G4-HR7	GRI G4 Content Index (p.63) (In line with legal regulations, all security personnel receive trainings, which also include aspects of human rights.)	-	-
Material Aspect: Indigenous People			
G4-DMA	Not material.	-	-
G4-HR8	GRI G4 Content Index (p.63) (Aksa does not pursue operations with significant negative impacts on local communities.)	-	-
Material Aspect: Anti-corruption			
G4-DMA	Coporate Governance (pp.13-15); Aksa Annual Report 2014 (s.55); Corporate Website: http://www.aksa.com/tr/i-80	-	-
G4-SO5	GRI G4 Content Index (p.63) (During the reporting period there were not any incidents of corruption.)	-	-
Material Aspect: Public Policy			
G4-DMA	Not material.	-	-
G4-SO6	GRI G4 Content Index (p.63) (Aksa does not make directly or undirectly any financial and in-kind political contributions.)	-	-
Material Aspect: Anti-competitive Behaviour			

Indicator	Description	Identified Omissions	External Assurance
	Standard Disclosures		
G4-DMA	Corporate Governance (pp.13-15); Corporate Web Site: http://www.aksa.com/tr/i-80	-	-
G4-SO7	GRI G4 Content Index (p.64) (There is not any legal action taken against Aksa concerning any anti-competitive behaviour, anti-trust and monopoly practices and their outcomes.)	-	-
Material Aspect: Compliance			
G4-SO8	GRI G4 Content Index: (p.64) (During the reporting period there is not any significant fines and non-monetary sanctions for noncompliance with laws and regulations.)	-	-
Material Aspect: Customer Health and Safety			
G4-DMA	Quality (pp.27-29); Product Development (pp.27-29); Our Customers (p.33)	-	-
G4-PR2	GRI G4 Content Index (p.64) (During the reporting period, there is not incident of non-compliance with regulations and voluntary codes concerning the health and safety impacts of products and services during their life cycle.)	-	-
Material Aspect: Product and Service Labeling			
G4-DMA	Our Customers (p.33)	-	-
G4-PR4	GRI G4 Content Index (p.64) (During the reporting period there is not any incident of non-compliance with regulations and voluntary codes concerning product and service information and labeling.)		
G4-PR5	Our Customers (p.33)	-	-
Material Aspect: Marketing Communication			
G4-DMA	Not material.	-	-
G4-PR7	GRI G4 Content Index (p.64) (There is not any incident of non-compliance with regulations and voluntary codes concerning marketing communications.)	-	-
Material Aspect: Customer Privacy			
G4-DMA	Not material.	-	-
G4-PR8	GRI G4 Content Index (p.64) (During the reporting period, there is not any substantiated complaints regarding breaches of customer privacy and losses of customer data.)	-	-
Material Aspect: Compliance			
G4-PR9	GRI G4 Content Index (p.64) (There have been no significant fines for non-compliance with laws and regulations concerning the provision and use of products and services.)	-	-

UN GLOBAL COMPACT COMMUNICATION ON PROGRESS

Human Rights	
Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and	pp.37-39
Principle 2: make sure that they are not complicit in human rights abuses.	pp.37-39
Labour	
Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;	pp.37-38
Principle 4: the elimination of all forms of forced and compulsory labour;	p.34,37-38
Principle 5: the effective abolition of child labour; and	p.34,37-38
Principle 6: the elimination of discrimination in respect of employment and occupation.	pp.37-38
Environment	
Principle 7: Businesses should support a precautionary approach to environmental challenges;	p.47
Principle 8: undertake initiatives to promote greater environmental responsibility; and	p.47,57
Principle 9: encourage the development and diffusion of environmentally friendly technologies.	pp.47-53
Anti-Corruption	
Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.	pp.15-17

G4-HR3 G4-HR7 G4-HR8 G4-SO5 G4-SO6

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