

2015

SABANCI GROUP
SUSTAINABILITY
REPORT

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ABOUT THE REPORT

2015

SABANCI GROUP
SUSTAINABILITY REPORT



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As Sabancı Group we have a business model trusted by all of our stakeholders that produces social contributions as well as financial values. As we raise our societal contribution, we also work to develop financial value we create. We continue to create value for all our stakeholders with our corporate culture committed to social, environmental, legal and ethical values.

Benefiting from feedbacks received after publication of our first sustainability report, we share our second sustainability report covering our 2015 activities with our stakeholders.

As in previous year's report, we assessed our sustainability performance in light of our commitment to Declaration of UN Women's Empowerment Principles, Equality at Work Platform Policies and United Nations Global Compact Principles and we based on GRI Guidelines. We prepared our report with Core in accordance option of GRI G4.

Report covers Sabancı Holding's, Group companies' and Sabancı Foundation's Turkey operations and projects for the January 1-December 31 2015 time period.

LETTER FROM THE CHAIRMAN

Our employees are keystone for us to achieve our sustainability goals and create value for our stakeholders.

Güler Sabancı
Chairman



Dear Stakeholders,

Since 1967, we make an effort to deliver the value we created as the Group to wider stakeholder groups. To enhance this value and make it invariable are possible with sustainability and sustainability-oriented growth. Therefore, we consider sustainability in our activities to be one of the most important indicatives. We are working to carry our performance achieved through the awareness of our social, economic and environmental responsibilities further, and we are happy to share our 2015 sustainability performance with our stakeholders.

In accordance with our responsible management perspective that reinforces our sustainability approach, we signed UN Global Compact in 2007. We have been taking part in UNGC Turkey Local Network Advisory Group and we are part of the International Board of Directors of UNGC since 2012. So, we did not only put our care for human rights, working conditions, environmental responsibility and anti-corruption into practice, but also kept our leading role by representing our country in international platforms.

Equality in work life is a very important topic for us. As Sabancı Holding, we became the first Turkish company who signed the UN Women's Empowerment Principles in 2011. Moreover, our Group has also been a member of Equality at Work Platform founded under the auspices of the Ministry of Family and Social Policies

under World Economic Forum (WEF) in order to fight inequality in gender.

Our employees are keystone for us to achieve our sustainability goals and create value for our stakeholders. Thus, creating a work environment for the safety and happiness of our employees, and conducting applications for them to develop their skills and talents are among our basic duties.

The result of signing under applications that will develop our responsible way of doing business is to constantly minimize our environmental impact. We act with an awareness of the responsibility of the business world as much as the world in the struggle against climate change. Carbon Disclosure Project (CDP) contributes actively to the operation in Turkey; both the Holding and Group companies participate in this project

We spread our value through our awareness of social responsibility, one of the invariable aspects of our management approach. In the field of social responsibility, we continue our contribution to social development with many projects in education, health, culture-arts and sports through Sabancı Foundation, Sakıp Sabancı Museum, Sabancı University and Group companies.

I would like to thank primarily to our employees and all our stakeholders who contribute to this value that we created as Sabancı Group.

LETTER FROM THE CHIEF EXECUTIVE OFFICER

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Dear Stakeholders,

At Sabancı Holding, our strategic approach is based on managing our current work perfectly and planning our future for long-term competitive advantages. For all of our business operations, sustainability is an invariable part of our work processes. With the awareness of social responsibility, we consider modesty, respect to human and environment, closeness to public, participation in decision-making processes and collective thinking as the keystones of our management approach. We have continued our activities based on corporal management principles in accordance with the United Nations Global Compact that we are signatory since 2007.

As Sabancı Holding, we are rightly proud to have reached our goals in 2015. The Group's combined net sales are 9%, 48 million TL more than last year. While Sabancı Holding obtained 5.345 million TL consolidated activity profit; net profit has been 2.236 million TL. As the Group, we made 3.7 million TL combined investments in 2015.

In 2015, Akbank put its cash and non-cash leases above 185 billion TL and integrated digitalization and mobilization effectively and efficiently on its business conduct. Now, 92% of banking transactions are done

outside the branches. Mechanic automation renewal in branches, which began in 2010, in the scope of Energy and Emission management, continued in 2015 and 75 branches were transformed. This application is directly practiced in new branches.

Among 66 billion USD of investments in Turkey's electricity market over the last decade, 11 billion USD are done by Enerjisa. Enerjisa which provides a great acceleration in domestic energy resource investments has a share of more than 50% renewable energy resources in its installed capacity, and carbon reduction values created in renewable energy centrals are presented to the voluntary carbon market.

Our goal in cement market is to keep growing with profit and increase the value of our cement affiliates in our total portfolio. Our cement affiliates Akçansa and Çimsa continued to be the leaders in the Turkish market thanks to their successful performance in 2015. Our companies actively work on the topics of decreasing fossil fuel usage by increasing alternative fuel usage, rehabilitating mining sites and pits where the production has ended, carbon-dioxide emission control in the fight with climate change, dedusting factories and effective water usage.

At Sabancı Holding, our strategic approach is based on managing our current work perfectly and planning our future for long-term competitive advantages. For all of our business operations, sustainability is an invariable part of our work processes.

Zafer KURTUL
Board Member and CEO



One of our retail companies, Carrefoursa continued to improve its logistics and IT infrastructure in 2015. Having merged with 202 new markets, local chains are incorporated to Carrefoursa and 61 new stores are added to the portfolio. In addition, we added 196 stores to our portfolio by acquiring 85% share capital of Kiler. Teknosa focused on customer financing and post-sales services. A multi-channel business model is being developed to give 25% shares to online sales.

Avivasa reached 19,2% market share in the individual pension sector and profited its shareholders 20% after one year of initial public offering.

In 2015, our Industrial Group increased its total combined net profit 15% from the previous year. As Kordsa Global continued to lead the sector in technological advancements from the Ar-Ge center in Izmit, it accelerated in growth. With Bridgestone, Lassa, Dayton, Firestone, Bandag and Energizer brands, Turkey's tire market leader Brisa works successfully in order to present special solutions to its customers, easy accessibility and benefit sustainability with the innovation culture of the Company. With energy efficiency projects in 2015, Brisa decreased its energy consumption 4,1%

per ton after 2014. Therefore, Brisa's savings from energy efficiency has shown 13 times increase compared to 2008.

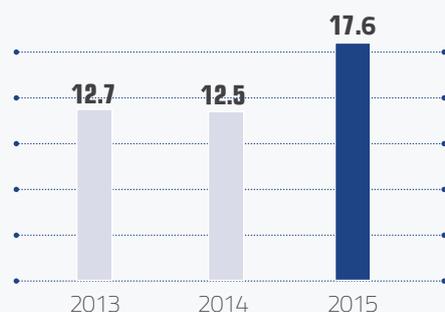
Temsa Otobüs, increased its operational profit by 39% with a record number of production and export, and launched 8 products in 2015. Temsa Otobüs continues to work with a team of 180 people in its Ar-Ge center, towards being the most innovative and entrepreneurial company.

Our success as a Group is possible with our employees. Our employees are the basis of the sustainability of our business. In order to carry our success to future, we will keep investing in applications that will increase improvement and competency of our employees.

As the Group, we are sharing the care we have for sustainability and our results through this transparent report for our shareholders. Our purpose is to expand our understanding of sustainability into our value chain and increase the number of stakeholder groups that our success influences. In this context, I would like to thank to those who enrich us with their valuable contributions, primarily our employees, customers, business partners and stakeholders.

ABOUT SABANCI HOLDING

CONSOLIDATED REVENUE (BILLION USD)



CONSOLIDATED OPERATING PROFIT (BILLION USD)



Established in 1967, today Hacı Ömer Sabancı Holding A.Ş. (Sabancı Holding) is the main company, which represents the affiliates of Sabancı Group, one of Turkey's largest groups. Holding is acting with the mission to manage a competitive "strategic portfolio" with sustainable growth potential to create value for all of its stakeholders. Responsible for the coordination of finance, strategy, business development and human resource functions of Group companies, Holding aims to create synergy among the affiliates and to create more value for the Group and its large stakeholder network.

Sabancı Group companies are operating market leaders in the rapidly growing sectors of Turkey, which include financial services, energy, cement, retail and industrials. The companies operate in 16 countries and market their products in regions across Europe, the Middle East, Asia, North Africa, North and South America.

Realizing sustainable growth in its core businesses thanks to its reputation, brand image and know-how of the Turkish market, Sabancı Group is a significant player that has been contributing to the development of Turkey's economy. Group acts with strong

international partnerships in many of the sectors it operates. Group's international business partners include prominent companies of their respective sectors such as Ageas, Aviva, Bridgestone, Carrefour, E.ON, Heidelberg Cement, Marubeni and Philip Morris.

Company	Customer Base	Distribution Channel
AKBANK	Over 13 million customers	Nearly 1,000 branches
AVIVASA	More than 2 million private pension and life insurance clients	1,000 financial advisors and branch insurance managers
ENERJISA	9 million customers and 20 million end-users in electricity distribution	14 provinces
TEKNOSA	101 million visitors annually	291 stores in 81 provinces
CARRE-FOURSA	100 million customers annually	333 hyper and supermarkets
BRISA	3 million customers	1,037 branded sales points



BANKING

AKBANK

Loans

TL 153 BILLION (2014: 136 Billion TL)

Capital Adequacy Ratio

14,50%

Return on Equity

12,10%

INSURANCE

AKSİGORTA - AVIVASA

Combined Net Sales

TL 1,9 BILLION (2014: TL 2,0 Billion TL)

Combined EBITDA

TL 81 MILLION (2014: TL 47 Million TL)

Consolidated Net Profit

TL 27 MILLION (2014: TL 41 Million TL)

ENERGY

ENERJİSA

Combined Net Sales

TL 11,8 BILLION (2014: TL 11,0 Billion)

Combined EBITDA

TL 1,8 BILLION (2014: TL 834 Million)

Consolidated Net Profit

TL 142 MILLION (2014: TL -83 Million)

CEMENT

ÇİMSA - AKÇANSA

Combined Net Sales

TL 2,6 BILLION (2014: TL 2,5 Billion TL)

Combined EBITDA

TL 776 MILLION (2014: TL 686 Million TL)

Consolidated Net Profit

TL 226 MILLION (2014: TL 187 Million TL)

RETAIL

TEKNOSA - CARREFOURSA

Combined Net Sales

TL 7,1 BILLION (2014: TL 6,1 Billion)

Combined EBITDA

TL 33 MILLION (2014: TL 232 Million)

Sales Area

813.573 m2 (2014: 543.942 m2)

INDUSTRY

BRİSA - KORDSA GLOBAL- TEMSA - YÜNSA

Combined Net Sales

TL 5,1 BILLION (2014: TL 4,8 Billion)

Combined EBITDA

TL 1,0 BILLION (2014: TL 812 Million)

Consolidated Net Profit

TL 520 MILLION (2014: TL 428 Million)

ABOUT SABANCI HOLDING

2015

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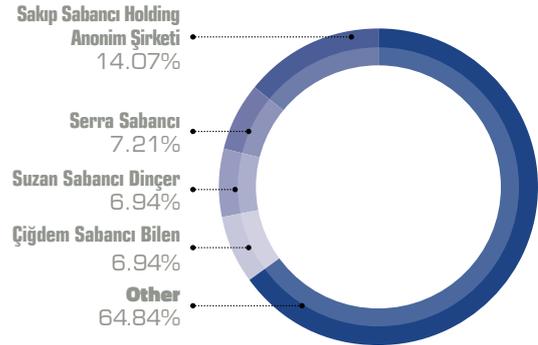
The parent company of Sabancı Group companies, Sabancı Holding is a listed organization, which operates in 16 countries with various international business partners.

This fact necessitates the formation of a modern, effective and exemplary governance model for Sabancı Holding.



SHAREHOLDER STRUCTURE

The Sabancı Family is Sabancı Holding's major shareholder with 57.7% of the share capital. Sabancı Holding shares are traded on the Borsa Istanbul (BIST) with a free float of 40.1%, the largest float percentage among holding companies. Holding's depository receipts are quoted on the SEAQ International and PORTA. Sabancı Holding has controlling interests in 11 companies that are also listed on the BIST.



FREE FLOAT RATES





CORPORATE GOVERNANCE APPROACH AND STRUCTURE OF THE BOARD OF DIRECTORS

With the legacy it bears, Sabancı Holding has been carrying out its activities as one of the most rooted companies in Turkey. The core functions of the Holding, are to coordinate finance, strategy, business development and human resource functions among the Group, to determine Group's vision and strategies and to create synergy within the Group to increase the value created for the stakeholders.

The parent company of Sabancı Group companies, Sabancı Holding is a listed organization, which operates in 16 countries with various international business partners. This fact necessitates the formation of a modern, effective and exemplary governance model for Sabancı Holding. In this regard, Holding and Group companies follow management models based on modern corporate governance principles; adopt a transparent, responsible, innovative, active, participatory and strategic governance approach as a principle.

Corporate Governance Principles, which is published by Capital Markets Board (CMB), forms the basis of Sabancı Holding and Group companies' corporate governance approach, which relies on transparency, accountability, equality and responsibility principles. Sabancı Holding complies with all compulsory principles determined by the Corporate Governance Statement.

Board of Directors is responsible for the determination of corporate objectives, ensuring compliance with corporate governance principles, determination and management of strategic orientations, risk management and ensuring the operability of control systems.

Sabancı Holding's Board of Directors, which consists of 9 members elected by the General Assembly for definite periods, is the top-level strategic decision-making organ of the company. 6 of 9 Board members are non-executive members pursuant to the principles set forth by the CMB while three of them are independent members. One of the 3 Executive Board Members is the CEO of Sabancı Holding. The functions of CEO and Chairman are fulfilled by different people. The female representation in the Board of Directors is around 45%.

At Sabancı Holding, Corporate Governance Committee, Committee for Early Detection of Risks and Auditing Committee have been formed so as to ensure that the Board of Directors fulfill its mission and responsibilities in a healthy way. Corporate Governance Committee also functions as Appointment and Remuneration Committee.

You can reach information regarding the structure and operating rules of Board of Directors and its subcommittees from www.sabanci.com and Sabancı Holding Annual Report 2015.





RISK MANAGEMENT

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Sabancı Group companies manage potential defections from the strategic and financial targets in accordance with the stance of the Group on taking risks by using corporate risk management principles in order to keep the value created for its stakeholders at the highest level and ensure the sustainability of the Group. A Committee for Early Detection of Risks is established within the Board of Directors in order to detect strategic, operational, financial, compliance and other risks, which would jeopardize company's existence, development and continuity; to take the necessary measures in this regard; and to manage these risks. The Committee is responsible for determining corporate risk policies, controlling the efficiency of risk management systems, determining and monitoring the relevant risk levels and reporting to the Board of Directors. While there are similar organizational units in the Group companies as well, risk management systems vary in parallel with the sectoral requirements.

Risk management in Akbank, finance company of the Group, is carried out in accordance with BRSA legislation under the responsibility and supervision of the Bank's Board of Directors. The Board fulfills its supervision responsibility via committees such as Auditing Committee, Top Level Risk Committee

and Credit Committee. Risk-taking levels of the Bank are determined in accordance with the risk limits approved by the Board of Directors. Top management of the bank is responsible towards the Board of Directors for carrying out daily operations in accordance with the pre-defined risk management processes and risk limits. Board of Internal Auditors, Internal Control and Compliance and Risk Management Department, which are directly bound to Board of Directors, carry out activities in coordination with the executive units. Risk models and parameters, which are widely accepted in national and international practices, are used for detecting, measuring and monitoring the risks. Studies are carried out for the continuous improvement of risk management practices and methods. Analysis are performed on various scenarios and emergency plans are developed in line with the risks the Bank may be exposed to under extraordinary circumstances. Various risk reducing technics are employed in order to limit the risks the Bank may face and to ensure protection against risks.

In Sabancı Group companies, which operate in sectors other than finance, risk management is managed by the senior executives of the Companies who are responsible for



risk management processes and activities and Companies' top management, under the supervision of the related Boards of Directors and Committees for Early Detection of Risks. Companies identify the risks they may encounter and prioritize them based on the possibility of occurrence and magnitude of the losses they may create. Prioritized risks are monitored by the company management, risk committees and Companies' Board of Directors with periodical reports. Risk management processes, which include the measures to be taken, are compared, while their implementation and results are monitored. Management of the financial, strategic, operational and compliance risks of the Group companies are also monitored and steered at the Holding level; by the relevant Group Presidents, Finance Group Presidency and Compliance Risk Management unit.

In Sabancı Group, risks are grouped under 7 categories: compliance risks, financial risks, strategic risks, operational risks, trademark and reputation management risks, reporting risks and external risks. The main objective of Sabancı Group's risk management systems is to manage the risk factors that may have negative impact on sustainability of the company. In this regard, sustainability topics such as environment and biodiversity, ener-

gy, green gas emissions and climate change, occupational health and safety, human rights, business ethics and anti-corruption and supply chain are also managed as part of the risk management systems.

You can reach information regarding Sabancı Holding's risk management system from www.sabanci.com and Sabancı Holding Annual Report 2015.



The Committee is responsible for determining corporate risk policies, controlling the efficiency of risk management systems, determining and monitoring the relevant risk levels and reporting to the Board of Directors.





BUSINESS ETHICS

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Sabancı Group companies carry out their operations in accordance with the business ethics and codes of conduct outlined in Sabancı Ethics (SA-Ethics) document. While SA-Ethics are binding for all operations, Board members, executives and employees of Sabancı Holding and Group companies, all suppliers, subcontractors, distributors, business partners and similar stakeholders are expected to act in compliance with these principles.

Sabancı Holding's Board of Directors assumes the primary responsibility on adoption, implementation and compliance to the SA-Ethics throughout the Group. Sabancı Holding Ethics Committee functions in order to help the Board of Directors fulfill this responsibility. Ethics Committee consists of the director of auditing department, director of the legal affairs and director of the labor relations.

Sanctions that might be faced in cases of non-compliance with statutes at large, other legal regulations, ethic rules and defined rules such as company policies and regulations are managed within the scope of compliance risks. Guidance studies are carried out by Holding Compliance Management Directorate in order to support Group companies manage their compliance risks effectively.

All Group executives and employees in the Group are informed about SA-Ethics in order to adopt and spread the ethical rules. Group Companies organize briefings and trainings in order to raise awareness and competence on these rules. In this regard, each new employee is provided with ethics training and their signed statements are taken as a promise for compliance to SA-Ethics. Employees' knowledge of the issue is updated with trainings that are repeated annually. In 2015, 354 employees in Sabancı Holding were provided with 98.33 person*hour business ethics trainings.

ANTI-BRIBERY AND ANTI-CORRUPTION

Anti-Bribery and Anti-Corruption is one of the prominent, significant ethics-related problems. Sabancı Group does not tolerate any corruption and bribery and takes measures to prevent such behaviors. Group's approach to anti-bribery and anti-corruption is clearly defined in its Anti-Bribery and Anti-Corruption Policy. Sabancı Holding Board of Directors and Boards of Group companies commit to support the implementation of the Anti-Bribery and Anti-Corruption Policy.

Anti-Corruption and Anti-Bribery Policy is binding for employees and executives as well as all related stakeholders including suppliers, business partners, consultants, lawyers and auditors of the Group. In the contract made with business partners, conditions regarding the compliance with our ethical rules and policies are given place. Ethical trainings provided to employees include topics present in the Anti-Corruption and Anti-Bribery Policy.

The aforementioned document involves behaviors that might be deemed as bribery and corruption, preventive measures and rules to be followed. Prohibitions against taking parts in any bribery and corruption act, facilitating payments that might be deemed as bribery and corruption, commissions, royalty payments, cash payments, grants and social aids, preventions against working with firms and individuals, who are known to be committed bribery and corruption acts and limitations to gift exchanges and accommodation activities are within the scope of this policy.

Blacklisted individuals and companies are followed in coordination with public authorities. Hence, suppliers, contractors and customers who are known or doubted to be involved in bribery are detected.

Compliance to SA-Ethics and Anti-Corruption and Anti-Bribery Policy is a duty of Group all executives and employees. They



are expected to inform Ethics Committee in cases of non-compliance. Ethics Committee is responsible to addressing and resolving all reported matters in strict compliance to the confidentiality principle. In case of detected non-compliances, various sanctions, from warning to the termination of the employment contract are imposed based on the importance level of the non-compliance.

Persons who encourage or guide the relevant Group member towards displaying behaviors noncompliant to the ethics, or persons who approve or overlook such behaviors are also imposed the necessary sanctions. No employees are held responsible for the losses arising as a result of compliance to the ethics, i.e. rejecting to pay bribe.

A notice and help line has been established for Group managers and employees to report non-compliances of related stakeholders in an easy and confidential way. Additionally, they can also report and request information over the internet. Related communication channels are specified in SA-Ethics document and internet site. Individuals noticing the Ethics Committee are under the protection of the Ethics Committee and they cannot be subjected to pressure, constraining or penal sanctions with regards to their actions. Possible appointments and reassignments of the notice owners can only be pursued with the approval of the Ethics Committee.





INTERNAL AUDITING

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Another essential principle of creating a sustainable business model is to establish an effective internal auditing mechanism. At Sabancı Holding and Group companies, internal auditing organizations which are designed in accordance with the international principles and standards guarantee the effectiveness and efficiency of the activities. Auditing Committee is the top-level organ that is responsible for internal auditing within the Group. Auditing Committee is responsible for controlling the effectiveness of the internal auditing systems and processes, identification of the organizations that will carry out independent auditing activities and the evaluation and reporting the audit results to the Board of Directors. Auditing units are responsible for the actual implementation of the Internal Auditing activities.

Internal auditing units of the Holding and Group companies periodically audit operations, systems, processes and outcomes based on certain criteria. These units evaluate the effectiveness and integrity of internal controls designed for processes and controls if financial records and reporting processes produce accurate information. Auditing units are responsible for providing auditing committees formed within the body of Boards, other governance committees and company top management with objective and independent information.

At Sabancı Group, periodical and on demand audits are conducted with regards to compliance with ethical rules, anti-corruption and anti-bribery principles, environment and human policies as well as corporate policies, working principles and legal obligations. Within the scope of the audits conducted during the reporting period, no incidents of non-compliance were detected in anti-discrimination, human rights, union rights and working norms areas. There were no incidents of infringements within the scope of bribery and corruption audits. In 2015, no complaints or applications were filed to Sabancı Holding.

During the reporting period, no official complaints or legal sanctions were received in connection with compliance to the legal requirements in fields such as noncompliance to competition rules, disclosure and labeling obligations related with the products and services, safe and healthy use of the products and services, customer information confidentiality and supply conditions applicable to products and services.

While the Group companies carry out similar auditing studies within their bodies, they also conduct audits for their suppliers and business partners. This way, a sustainable and responsible business model is encouraged throughout the supply chain.



SUSTAINABILITY MANAGEMENT

The primary objective of Sabancı Holding's transparent, accountable and responsible management approach is to ensure sustainability. The management organization starting from the Holding's Board of Directors Sabancı Holding stretching to Group companies' executive units is responsible for the realization of this objective. Sabancı Holding's Board of Directors is responsible for determining the main strategic approaches for sustainability and objectives as well as the execution of the activities in accordance with these objectives. The strategic decisions taken by the Board of Directors for the Group in general are transmitted to Company groups through Group units and Sector Group managements. Boards of Directors and senior managements of Group companies render these approaches and targets into company policies, strategies, action plans and targets in accordance with the requirements of the market and competition environment of their industry. The studies undertaken by company managers based on the time and performance objectives are followed. The internal audit function evaluates the performances with regards to objectives and the performance results are reported to company and Group top management and Boards respectively. Within the body of the Holding, general policies are formed regarding sustainability

themes such as environment and climate change, human rights, business ethics, corporate management and corporate social responsibility. Group companies translate these policies to company policies according to their sectoral requirements. All Group employees are obliged to act in compliance with these policies while performing their duties.

Sabancı Group adopts it as a principle to determine time-bound, specific, performance based, rational objectives in social, environmental, economic and ethical areas and to evaluate its performance, within the scope of sustainability management. Strategic approaches defined by the Board of Directors of the Holding are resected on the targets of Holding managers and strategic planning of Group Companies, and become performance targets of the company. Results are evaluated with performance evaluation systems and have impact on the remuneration of employees and managers from each level. . Performance evaluation of managers and employees is conducted by Human Resources units in Group companies. The performance evaluation and pricing for senior managers and members of the Board is under the responsibility of Corporate Management Committees of the Holding and Group companies.

During the reporting period, we have determined our material sustainability aspects as a



result of the materiality study we. As we determine the material aspects, we have taken into consideration the material aspects of the sectors we operate in. With the study we have undertaken with our internal stakeholders, we have determined our material aspects, in a way that would also respect upon the views of our larger stakeholder net. In this regard, we have determined energy and emission management, waste and water management, employee training and development, contribution to social development, occupational health and safety*, diversity and equality at work* and efficient use of natural resources as our material aspects. All issues determined are material within the group.

STAKEHOLDER ENGAGEMENT

Sabancı Group adopts a management approach that encourages participation and common sense. In this regard, it takes it as a principle to direct its strategies in the rightest direction by forming dialogs with its stakeholders. Comprised of many company subsidiaries, Sabancı Group has a large stakeholder portfolio due to its structure. In this regard, Sabancı Group companies consider employees, shareholders, suppliers, dealers and business partners, labor and management unions, professional associations, public institutions, national and international regulatory boards, local authorities, non-governmental organizations, universities, and press as the main stakeholders, and establishes a healthy, constructive communication based on mutual respect. Opinions and demands of stakeholders obtained through this effective communication environment are evaluated in decision-making mechanisms; and the

UN Global Compact

Sabancı Group adopts a responsible management approach in its social, environmental, economic and ethical impact areas. It has reinforced its commitment to this approach by signing UN Global Compact in 2007. Sabancı Group companies has been making the 10 principles human rights, labor, environment and anti-corruption areas a part of their processes and business culture. Additionally, principles such as protection of human rights, prohibition of child labor and forced or compulsory labor, protection of freedom of association are followed. The referenced international agreements UN Universal Declaration of Human Rights and ILO Conventions are complied with.

Sabancı Group plays a pioneer role in national and international activities of UN Global Compact. Among the local network founders of Global Compact Turkey, Güler Sabancı, Chairman of the Board of Directors of Sabancı Holding, has been a member of UNGC Board of Directors since 2012.

* Material also for supply chain.



Sabancı Group adopts a management approach that encourages participation and common sense. In this regard, it takes it as a principle to direct its strategies in the rightest direction by forming dialogs with its stakeholders.



stakeholders are informed about the decisions, the activities and results via various channels.

Tools used in regular communication with stakeholders and the frequencies of practice diversify according to the subject matters and the stakeholder groups. Most frequently used tools include meetings and gatherings, researches, annual reports, sustainability reports and periodic publications, press bulletins, and special case statements.

While the type and frequency of communication studies vary with regards to the qualities of the stakeholder groups, annual report, sustainability report, periodic publications press bulletins and special case statements are among the most frequently used tools.

Sabancı Group realizes joint projects and collaborations with various stakeholder groups. In choosing the stakeholder group to work with, the main elements

that are taken into consideration are integrity, identical ethical principles and the existence of a common goal.

Sabancı Holding and Group companies Akçansa, Brisa, Çimsa, Enerjisa and Kordsa supports the activities of and takes charge in the management of Business Council for Sustainable Development.

Sabancı Group establishes a communication with public agencies and institutes based on mutual information exchange and transparency principle. In this regard, information exchange about company operations, and opinion sharing about strengthening international competition and development in the operating sectors are held. Sabancı Group does not lobby for the benefit of the company, is not a party to any political opinions and institutions; and does not provide any direct and indirect monetary or real support to political parties and groups, politicians, and nominees.

Memberships to Associations

Association	Responsibility
Turkish Industry & Business Association (TÜSİAD)	Membership
Foreign Economic Relations Board (DEİK)	Membership
Turkish Exporters Assembly (TİM)	Membership
Turkish Quality Association (KALDER)	Membership
World Economic Forum (WEF)	Membership
UN Global Compact	Güler Sabancı – Member of Board of Directors
UN Women's Empowerment Principles (WEP)	Membership to Women Working Group
Ethics & Reputation Society (TEİD)	Membership
Corporate Governance Association of Turkey (TKYD)	Membership
Business Council for Sustainable Development (SKD)	Membership



SUPPLY CHAIN MANAGEMENT

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Sabancı Group manages a large value chain comprised of thousands of suppliers. Group companies create a great value for the country's economy with their local supply spending. During the reporting period, 10.1 billion TL supply spending was made, 8.5 billion TL, 84% of the total amount was spent on local suppliers.¹

In choosing suppliers, Group companies follow their own purchasing policies; evaluates the suppliers with regards to criteria such as technical and organizational capacity sufficiency, quality and cost effectiveness, environmental performance, competitiveness and development performance. These expectations are included in purchasing contracts. Suppliers are also subjected to audits, and are supported in developing their systems and practices in these fields. In addition, Group companies contribute to the development of supplier employees with various practices and training programs.

Group companies strive for spreading the sustainability understanding throughout the supply chain. Suppliers that adopt Sabancı Group's norms in human rights, business ethics, occupational health and safety and protection of employee rights are preferred. Within this scope, in the supply chain, child labor, forced labor and discrimination are

not tolerated and suppliers are expected to support employees' freedom of association and right to collective bargaining agreement. Suppliers are expected to comply with SA-Ethics rules. In cases of non-compliance with the rules, Group companies follow sanctions that might include the termination of business relations, in line with their purchasing policies.

During the reporting period, 10.1 billion TL supply spending was made, 8.5 billion TL, 84% of the total amount was spent on local suppliers.



¹Consolidated data consists of data obtained from Akçansa, Aksigorta, AvivaSA, Brisa, Enerjisa, Teknosa, Temsa, Yünsa, Çimsa, Foundation and Sabancı University.

ENVIRONMENTAL APPROACH



2015

SABANCI GROUP
SUSTAINABILITY REPORT

Sustainability of our operations is directly linked to the reduction of environmental impacts arising from our organizations. Aware of this responsibility, we realize sustainable solutions, observe our environmental impacts in all our processes and make efforts to reduce our environmental impact.

Our environmental performance is managed with internationally recognized managements systems. Group companies' performance is followed by related units, objectives that aim continues improvement are determined and actions plans are formed. Sabancı Environmental Committee, which is formed so as to include all Group companies, undertakes a significant management model role for the Group companies. Within the scope of committee's activities, sustainable environmental management, compliance with EU's environmental regulations and climate change topics are actively studied. The Committee, which reports to Holding's top management, closely follows the environmental topics at national and international levels and exchange ideas with public authorities, sectoral representative organizations and NGOs.

Through Sabancı Environment Portal, environmental performance can be monitored at the levels of CEO, SBU and GM within the Business, Company, Sector and Group. Sabancı Environment Portal is prepared using in-Group

resources in a reviewable, updatable, continuously improvable and developable manner with a technological infrastructure suitable for a transparent and systematic comparison that responds to the requirements of sustainability. In addition to the advanced infrastructure we employ, nationally and internationally recognized standards are actively used. Carrying out the necessities of the standards and complying with them is a process actively managed. Facilities belonging to our companies which conduct production operations (Akçansa, Brisa, Çimsa, Kordsa Global, Temsa, Yünsa) have ISO 14001 certification.

Our foremost guiding light in reducing our environmental impact is our Corporate Environmental Policy. In line with our policy, we form and implement environmental standards beyond legal obligations. While we try to carry our performance further with a proactive approach, we target an advanced performance with knowledge and experience sharing among our facilities. While we reach our objectives, we give importance to the spreading of the common consciousness among our Group. We closely observe the environmental footprint of our operations via competitive technologies. During the reporting period, there has been no sanctions for non-compliance with environmental laws and regulations.



Our Corporate Environmental Policy

- We establish and implement our environmental standards at a level above and beyond the legal obligations.
- We aim at perfection through intercompany information and experience sharing.
- We adopt the proactive approach in all our operations for an uninterrupted improvement of our environmental performance.
- We identify and manage environmental risks.
- We try to apply the best available production techniques.
- While monitoring environmental developments and converting them into business opportunities, we contribute to sustainability.
- We support environmental awareness and information sharing for purposes of social development.

Intergroup Environmental Policy Requirements

We observe the environmental law and other statutory obligations

- While implementing the environmental applications at a level above and beyond the legal obligations, we ensure the control of compliance.

We identify our environmental impacts

- We identify all our environmental impacts, develop a systematic approach of targeting, programming and monitoring, review the impacts and take improving actions.

We manage the intergroup resource utilization

- We determine the organizational roles, responsibilities and authorities in infrastructure, technology, Şnance and human resources, and ensure that our employees develop environmental awareness.

We ensure a systematic approach in our applications and create intercompany synergies

- We establish our operational standards with a proactive approach and ensure that they are followed by everyone including our employees, suppliers and contractors.
- In the course of our operations, we identify any risks endangering the environment using a proactive approach and try to take the measures to minimize them in a timely and thorough manner.

We continually try to improve and review our environmental performance

- We set and implement targets for energy and waste management and for natural resource consumption.
- While aiming at continuous improvement through clean products and clean production technologies, we also take on the environmental responsibility of our products and services.
- While reporting our operations unequivocally, we facilitate access to information.

In this regard, in 2015, we have provided 15,103 person*hour environmental trainings to employees in our Group companies, which are within the scope of the report.

During the reporting period, we have provided 3,132 person*hour environmental trainings to our suppliers and subcontractors.



To improve our environmental performance is possible by spreading our environmental approach to larger stakeholder groups. For this reason, we carry out studies that would raise environmental awareness and reinforce our environmental approach. In this regard, in 2015, we have provided 15,103 person*hour environmental trainings to employees in our Group companies, which are within the scope of the report.²

In order to reduce our environmental impact throughout our value chain, we share our approach with our suppliers. While the supplier's audits conducted by Group companies look out for environmental topics, we spread our environmental approach throughout our value chain via trainings we provide to our suppliers and subcontractors. During the reporting period, we have provided 3,132 person*hour environmental trainings to our suppliers and subcontractors.³

In 2015, our Group companies within the scope of the reporting have realized
34,014,571 TL
environmental protection expenditures and investments.⁴

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² Consolidated data consists of data obtained from Aksigorta, Akçansa, Brisa, Enerjisa, Kordsa Global, Sabancı University, Teknosa, Temsa and Yünsa.

³ Consolidated data consists of data obtained from Akçansa, Brisa, Kordsa Global and Sabancı University.

⁴ Consolidated data consists of data obtained from Aksigorta, Akçansa, Brisa, Çimsa, Enerjisa, Kordsa Global, Sabancı University, Temsa and Yünsa.



ENERGY AND EMISSION MANAGEMENT

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In Sabancı Group, reducing the environmental impacts arising from our operations is among our material responsibilities. In this regard, we realize practices that would improve our performance. We determine our risks arising from our world's common problem, climate change; we develop proactive solutions for these risks; and realize improvement and development studies in line with our objectives.

As Sabancı Holding, we participate in Carbon Disclosure Project (CDP), which is run by Sabancı University Corporate Governance Forum and sponsored by Akbank and Ernst & Young. Among our Group companies Akbank, Akçansa, Brisa, Çimsa and Yünsa participates in CDP Turkey. In this way, we transparently disclose our performance regarding climate change and protection of natural resources and use opportunities to further improve our performance.

In 2015, total energy consumption of our companies within the scope of reporting was realized as 61,290,205 GJ⁵, while 146,279 GJ⁶ of this amount was supplied from renewable resources.

During the reporting period, total emissions (tons) of our companies within the scope of reporting was as following:

Total Amount of Scope 1 Emissions ⁷	11,960,925
Total Amount of Scope 2 Emissions ⁸	665,098

⁵ Consolidated data consists of data obtained from Akbank, Aksigorta, Avivasa, Brisa, Carrefoursa, Çimsa, Enerjisa, Kordsa Global, Sabancı University, Teknosa, Temsa and Yünsa.

⁶ Consolidated data consists of data obtained from Brisa, Enerjisa and Sabancı University.

⁷ Consolidated data consists of data obtained from Akbank, Akçansa, Avivasa, Brisa, Çimsa and Yünsa.

⁸ Consolidated data consists of data obtained from Akbank, Akçansa, Brisa, Çimsa and Yünsa.



SABANCI CENTER

We began facility efficiency studies in Sabancı Group Headquarters in 1994. With the improvement studies we have realized, we reduced our electricity consumption by 31.7% against the base year 1994, saving 148,292 GJ in total. In natural gas consumption, saving ratio was realized as 49% against the base year 1996, total savings amounting to 15,271.1 GJ.

In 22 years, total amount of saving is 18,455 ton equivalent CO₂ equals to 664,452 and 9,005 ton equivalent CO₂ equals to 327,114 trees in return. And also water consumption has decreased 44% from 100,600 m³/year to 56,306 m³/year, which equals to 434,668 m³'s of water.

As a result of the studies initiated in 1999, now 85 frequency converters are being used in the building. Within the scope of improvement studies for energy saving at the automation systems of the building, the number of spots that are controlled was increased to 12,200 from 6,400. Exemplary studies were carried out in the infrastructure of heating, cooling and air conditioning systems. The studies carried out since 1994, were presented to the views of our stakeholders in various conferences and business publications.



In Akbank, the renewal of mechanic automation belonging to the heating, ventilating and air conditioning (HVAC) systems at branches has begun in 2010. The studies, which aim to renew the automations in such a manner that they function in accordance with the internal air quality, have continued in 2015; studies were held in 75 branches. In the newly established branches, the practice was directly implemented. With GreenBT program, infrastructures were put into use at 100 branches in 2015, which optimize energy consumption of idle computers. At these branches, computers that sit idle out of working hours can be turned off remotely, reducing energy costs. As of 2015, Akbank started preparatory studies to build a new data center. The new data center, which will feature "free cooling" technology that utilizes the cooler outdoor air, is expected to increase energy efficiency significantly.

In Aksigorta, LED lighting products and central automation systems are being used for energy efficiency. With the Green Office Project initiated during the reporting period, 5% energy saving is targeted.

Akçansa has gravitated to low carbon economy with efficient resource management, technology renewal, emission control and climate friendly technology use, product design and production technologies. In 2015, the



company has invested 15 million TL in efficiency projects, reaching an energy saving of 118,599 GJ and preventing 18,145 ton CO2 emissions.

With the energy efficiency projects realized in 2015, Brisa has reduced its energy consumption by 4.1% against 2014. As a result, the total amount of energy saving Brisa has achieved through energy efficiency projects increased by 13 times as opposed to year 2008. During the reporting period, an energy saving amounting to 1.64% of production-purpose energy consumption was achieved through practices such as lighting automation, increasing efficiency in compressed air generation, hydraulic system and new generation isolations.

Enerjisa has redesigned process şov in its Bandırma I Hydro investment and placed a hydro turbine on water line that returns to the sea. With the produced energy, energy consumption need inside the power station was reduced. While the capacity based on renewable energy resources among Enerjisa's installed power in the facility is more than 50%, carbon reduction values created in renewable energy power station is presented to carbon markets.

In 2015, Kordsa Global has realized an energy efficiency project at Global Site Game Plan.

The project was implemented in 5 facilities at Kordsa Global Turkey, Kordsa Global Brazil, Kordsa Global Thailand, Kordsa Global Indonesia and Kordsa Global America. At the 5 facilities; pole twist machines were modified into ABC systems. The annual energy saving at Kordsa Global facilities were realized as 17,331,800 kWh/year. This saving amounts to 11,543 CO2 reduced emissions.

At Teknosa, within the scope of electric energy saving in air-conditioning systems project that was initiated in 2013, 5 to 7% savings were achieved in the electricity consumption of air-conditioning devices at the 135 stores where the practice was implemented. In the 3rd quarter of 2015, an automation project was realized at 2 stores. While energy saving was aimed with continuous control over lighting, air-conditioning and socket groups, 15% electric energy saving was detected in test processes.

Automation studies are continuing to spread the practice to all stores. Fluorescent lighting armatures in the stores are being replaced with electric energy saving led tube lighting systems and 50% electric energy saving is reached.

In Sabancı University, 180 GJ energy saving was achieved by changing lighting armatures.



WATER AND WASTE MANAGEMENT

Efficient use of natural resources is becoming more significant every day. For this matter, we are acting with awareness of our responsibility as a Group. We attach importance to the efficient use of natural resources at our processes and fully comply with the responsibilities addressed by laws and regulations.

Wastewater arising from our processes is discharged under legal limits. Our withdrawal or discharge processes significantly affect no water sources. In necessary situations, environmental impact assessment studies are undertaken and actions are taken accordingly. In 2015, total water use of our companies within the scope of reporting was 8,492,102 m³.⁹ 207.456 m³ water, corresponding to 2.44% of this amount, are recovered or reused.¹⁰

During the reporting period, exemplary Group company practices regarding the efficient use of natural resources were as follows:

With the aim of achieving water savings, depressurizing systems and aerators that mix water with air are used in the taps Akbank

branches, the Akbank Head Office (HO) and the Akbank Banking Center (ABC). In addition, in the HO and ABC, photocell taps are used in WCs where water is used in great amounts, in order to achieve water savings.

At Aksigorta, with the use of water saving photocell taps and aerators as well as small volume reservoirs, water savings were achieved. In addition, with Green Office Project, awareness studies are realized.

At Akçansa, water savings were achieved through the building of collecting ponds for surface water, usage of collected water for de-dusting studies and evaluation of sample return water in waste heat energy production facility as of 2014.

Brisa aims to reduce its water consumption by 61% in 2020 as against 2008. In this regard, the company realizes efficiency projects within the scope of its environmental management practices. In order to verify its performance, Brisa has started ISO 14064 Water Footprint Verification studies and has completed certification studies in 2014 and 2015 via an accredited organization.

⁹ Consolidated data consists of data obtained from Akbank, Aksigorta, Avivasa, Brisa, Çimsa, Enerjisa, Kordsa Global, Sabancı University, Temsa and Yünsa.

¹⁰ Consolidated data consists of data obtained from Enerjisa and Kordsa Global.

ENVIRONMENTAL APPROACH

2015

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At Carrefoursa, with use of photocell taps and repair of broken taps during the reporting period, water saving was achieved.

At Çimsa, surface water in packaging units and vehicle wash water are settled in settling basins and reused in coal stock fields for de-dusting purposes. As of 2015, domestic wastewater generated in Eskişehir factory is treated in biological wastewater treatment facility, and reused as cooling water in processes.

In Enerjisa, rain water is collected to be used in pure water production at WTU. Water saving is achieved as condensate coming from factories is directly channeled to boilers without passing through WTU.

In Sabancı University, aerators are placed on taps throughout the campus, and an energy saving of 10,000 m³/year was achieved.

The common objective of Group companies in waste management is to ensure continuous improvement by reducing wastes at their source and reusing, regaining and recycling wastes.

In 2015, in companies within the scope of reporting the total amount of hazardous waste was realized as 1.306,56¹¹ tons while total amount of non-hazardous waste was realized as 18.522,4¹² tons.

Prominent waste management practices conducted by Group companies during the reporting period are as follows:

In 2015, 1,365 empty toner cartridges collected at the Head Office and Akbank Banking Center were sent to the recycling company. Electronic devices that are no longer appropriate for use according to Akbank's standards are sold to companies in Turkey, as scrap or second-hand products for recovery of the metals and electronic parts. In addition, some of these devices are donated as per the requests made to the Bank.

In Aksigorta, waste paper stations and waste battery boxes are present. Collected materials are being sent to appropriate recycling centers.

In accordance with Packaging and Packaging Waste Control Regulations, Brisa is recollecting a certain amount of packaging materials it launches to market via ÇEVKO (Environmental Protection and Packaging Waste Recovery and Recycling Foundation). In 2015, 1,000 kg packaging waste was recycled. Again, in 2015, Brisa collected 153,253 tons of tire and ensured their recycling.

¹¹ Consolidated data consists of data obtained from Akçansa, Brisa, Çimsa, Enerjisa, Kordsa Global, Sabancı University, Temsa and Yünsa.

¹² Consolidated data consists of data obtained from Akçansa, Brisa, Çimsa, Enerjisa, Kordsa Global, Sabancı University, Temsa and Yünsa.



In the reporting period, Brisa continued “Let Cranes Fly Forever” project, which has been conducted in collaboration with WWF-Turkey (World Wildlife Foundation) since 2013 to sustain the crane population in Anatolia. Works within the scope of the project are carried out in the Çukurova Delta where 95% of some 10,000 cranes spending the winter in our country take shelter.



BIODIVERSITY

As Sabancı Group companies, when we carry out operations, we avoid processes that might have negative impacts over biological diversity. Within this scope, when we actualize investments, we act in accordance with Environmental Impact Assessment Directives. We ensure that possible risks are audited and evaluated by accredited organizations. We evaluate possible impacts over biological diversity and act accordingly. Within the scope of afforestation studies, which we realize in order to protect natural life, our companies within the scope of the report has planted 10,072 plants and saplings in 2015.

In line with the importance it attaches to biodiversity, Akçansa has rehabilitated 17.42 hectares area between 2011 and 2015. Quarry Life Award, which is an international competition that aims for promotion and education regarding biodiversity at quarries, is carried out in Turkey by Akçansa. Mines constitute one of the least affected landscapes and habitats by human activities. These unique habitats hosts extraordinary local flora and fauna. Heidelberg Cement aims to raise the knowledge regarding mines' biological value and contribute to its development.

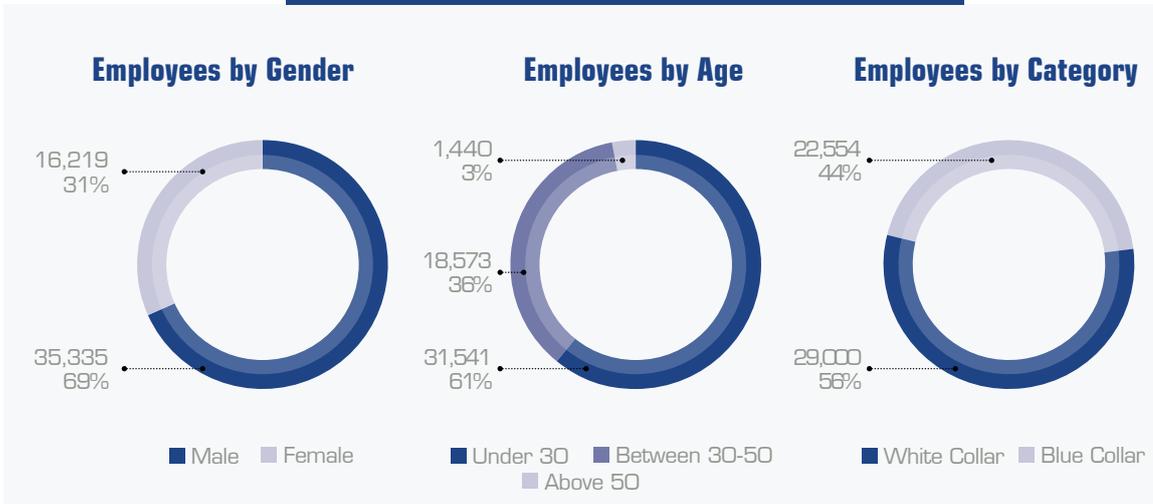
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key (World Wildlife Foundation) since 2013 to sustain the crane population in Anatolia. Works within the scope of the project are carried out in the Çukurova Delta where 95% of some 10,000 cranes spending the winter in our country take shelter. During the reporting period, a wildlife observation camp was organized for teachers with the collaboration of the Ministry of Forestry and Water Affairs at Adana Akyatan Wildlife Development Field in order contribute to nature conservation awareness through the agency of teachers in Çukurova Delta, besides observation studies conducted by WWF-Turkey.

At Çimsa, areas where materials are taken during ore production are rehabilitated as activities continue, and their suitability for reutilization is ensured. Additionally, each year, rehabilitation projects are prepared for areas with forest clearance; information regarding mining activities and studies to be undertaken in rehabilitation projects are communicated to related directorates of forestry. During the reporting period, with the study held in collaboration with Cultural Heritage Protection Board, a protection cordon was formed between the limestone Şeld in Sağıklı province, Mersin and the neighboring ancient Roman Road; withdrawing mining activities outside the impact area.

WORK LIFE

NUMBER OF EMPLOYEES AT THE SABANCI GROUP¹³



BUSINESS CONDUCT AND FAIR BUSINESS PRACTICES

Our employees have a great role in the sustainable development of Sabancı Group, we consider them as the basis of our corporate success. We work to provide a skill and development-oriented, safe and healthy work environment which is equal and fair, without any discrimination and full of diversity for our employees. We ensure that people with different beliefs and views who share common goals in a positive work environment work together in harmony.

We adopt a human resources management that guarantees our employees to fully benefit from personal rights, protects their privacy and prioritizes the balance between private lives and work lives, and we form principles, policies and systems for this objective. We regularly evaluate our human resources policies.

As Sabancı Holding, we aim to be a privileged group for trustworthy, sensitive, ethical, open to change and long-term thinking, market-oriented, innovative and collaborative individuals to work with.

Sabancı Group acts conscious of the fact that its firm sense of business conduct constitutes the basis for their corporate reputation. Sabancı Group conducts all its relations with stakeholders within the frame of written code of ethics.

Sabancı Holding's Ethics Committee operated by the Chairman is the top authority responsible for investigating and solving the complaints and notifications of any violation of the code of ethics. In Sabancı Group, where different companies of various activities and sizes come together, all companies accept the Code of Business Conduct-SA ETİK as their main reference text for their human resources practices. SA-ETİK is prepared in accordance to the Universal Declaration of Human Rights, Fundamental Employment Principles of the International Labor Organization, and United Nations Global Compact. Holding and Group policies aim 100% accordance to the SA-ETİK, therefore these are the basic principles in all their activities. Disciplinary actions and precautions in case of breaches of the Code of Business Conduct are defined openly within SA-ETİK.

Sabancı Holding as a signatory of the UN Global Compact and a supporter of the Fundamental Employment Rights of the International Labor Organization, adopts necessary

¹³ Consists of data obtained from Group companies within the scope of reporting.



policies and actions against discrimination at work. It cannot make use of child labor and forced labor, respects the rights of their employees to become a member of any union and puts efforts to make these principles applicable to their value chain. In Sabancı Group 17.555¹⁴ employees in total are under collective labor agreement.

Human Resources Departments of Sabancı Holding and Group companies are responsible for briefing employees about the code of ethics, delivering trainings periodically to ensure clarity of the rules, and continuously communicating these to the employees. Ensuring that those newly employed at the Holding and the Company will read the code of ethics, sign the Statement of Employment, and renew their statements by signing the Code of Business Conduct Compliance Form at the beginning of every year are among the responsibilities of Human Resources.

Sabancı Holding clearly defines the roles and responsibilities of employees under the SA-ETİK. The directors of Sabancı Group have extra responsibilities in addition to their responsibilities as defined for the employees under the SA-ETİK. The directors of Sabancı Group are responsible to ensure that a corporate culture and working environment which support the code of ethics are created

and maintained; to train their employees on the code of ethics; to submit questions, complaints and notifications to the Ethics Committee; to ensure that business processes are organized so that it will minimize the risks related to the code of ethics, and to apply the necessary methods and approaches that ensure compliance with the code of ethics.

Sabancı Holding works to create and maintain a fair work environment in Sabancı Group. In this objective, there is the "Policy of Creating and Maintaining a Fair Working Environment" which embodies fundamental principles of the Holding on fair working practices. Under this policy, Sabancı Holding is in compliance with all the relevant applicable laws and regulations on employment and work life. In processes of human resources, it does not act in any way that would discriminate race, gender, language, belief, religion, political thought, age, physical disability, and similar other status. It ensures that all practices of human resources such as remuneration, reward, promotion and social rights etc. are fair.

İş Etiği Kurallarına ve SA-ETİK hakkında detaylı bilgiye <https://www.sabanci.com/tr/sabanci-toplulugu/is-etigi-kurallari/is-etigi-kurallari/i-16> adresinden ulaşabilirsiniz.



¹⁴ Consolidated data consists of data obtained from Akbank, Akçansa, Brisa, Enerjisa, Kordsa Global, Temsa, Yünsa, Çimsa.



DIVERSITY AND EQUAL OPPORTUNITIES

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Sabancı Holding aims to create diversity and equal opportunities at work. Group companies embrace diversity and differences in processes of recruitment, selection and placement, performance evaluation and promotion.

Today, Sabancı Group employs 757 physically disabled employees in total of 123 women and 634 men.¹⁵

Female employee ratio in management level is one of the primary indicators followed by Sabancı Group. Since 2015, 31% of all employees and 23% of the administrative team are women in Sabancı Group. Women labor force rates in Sabancı Group are two times more than Turkey's average.

Promotion mechanism is actively used in order for female employees to participate in management positions. The total number of employees promoted in reporting period is 5,073 composed of 2,654 female and 2,419 male employees. In other words 52.3% of promoted employees are female while 47.7% of them are male employees. In total, 8% of our total employees are promoted while this ratio increases to 8.9% without our subcontractor employees.

In order for women to participate in work life and to increase gender equality, Sabancı

Holding supports domestic and international organizations, and applies pioneer practices in this field. In this respect, since 2011 the Holding is one of the signatories of United Nations Declaration of Women's Empowerment Principles which consist of principles to guide and strengthen women's position in labor force and society. As the first Turkish company who signed this declaration, Sabancı Holding stated that it adopts and supports women-men equality at work, and leads many companies on this topic.

At the same time, Sabancı Holding is a member of "Equality Platform at Work" under the supervision of the Ministry of Family and Social Policies that is created under the umbrella of World Economic Forum (WEF) to minimize the gender gap within the economic field in Turkey. For this objective, Sabancı Holding undersigned the "Declaration of Equality at Work" on behalf of the business world. This platform aims for women to be more involved in labor force, be part of decision mechanisms, benefit from opportunities and resources, increase women within the labor force in Turkish business world in the next three years and decrease the gender gap up to 10%. With this declaration, Sabancı Group is committed to voluntarily complying with the principles which will eliminate

¹⁵ Consolidated data consists of data obtained from Akçansa, Aksigorta, Avivasa, Brisa, Enerjisa, Kordsa Global, Teknosa, Temsa, Yünsa, Çimsa, Sabancı Foundation, University and Holding.



The total number of employees promoted in reporting period is **5,073**
 composed of **2,654** female and **2,419** male employees.
 In other words **52.3%** of promoted employees are female while
47.7% of them are male employees.

gender-based discrimination, transparently reporting the progress made to achieve this goal, and leading Turkey to spread these principles across the country.

Women's Empowerment Principles:

- To create senior level corporate leadership for the gender equality,
- To treat women and men fairly at work – respecting and supporting the human rights and non-discrimination principle,
- To ensure the health, safety, and well-being of all female and male employees,
- To encourage the training, professional training and career development of women,
- To adopt such practices as initiative development, supply chain and marketing that empower women,
- To enhance equality through social initiatives and defense,
- To measure and to publicly report the developments to ensure gender equality.

Declaration of Equality at Work

- We respect human rights.
- We treat all our employees based on the fundamental principle of equality.
- We ensure the health, safety, and well-being of both our female and male employees without discriminating between genders.
- We especially encourage the female labor force participation.
- We define the equal opportunity criteria for women and men under all our human resources policies.
- We act under the policy of equal pay for equal work, and follow it.
- We install the necessary mechanisms for making equal use of career opportunities.
- We create and follow up the training policies, and especially pay attention to female participation.
- We create such working environments and practices that maintain the balance between work lives and family lives.
- We disclose the developments related to our plans and achievements on equal opportunity through internal and external communication.
- We ensure that the declaration spreads into all our spheres of influence (our business partners, our suppliers).
- We deploy a leadership team at our company for the follow-up of considerations involved in the declaration.



EMPLOYEE DEVELOPMENT

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Sabancı Group aims to improve personal development and organizational success by investing in the skills of employees. The Group make a special effort for creating an environment of development and presenting opportunities to constantly improve employees and increase their existing potential, regularly following employee performance and making communications, creating a qualified, successful, global labor force and leader pool by establishing a culture where managers are responsible for employee development. Group companies organize several employee development programs. On the other hand, they give feedback to employees by effective performance evaluation practices. In this objective, during the reporting period, 63% of Holding and Group employees are subjected to a performance evaluation process.¹⁶

Young Talents of Sabancı Program, carried out since 2006, to track and steer career development of young employees with high potential. The program aims to raise managers that will enable Sabancı Group to reach its targets in line with its new vision and strategies. In 2015, 43 talented young employees were graduated from the program with the experience to run company via simulation and networking opportunities.

Mentorship Program is carried out for 7 years to support new leader development processes. In the reporting period, 61 mentors and 61 mentees were participated to the program. Within the scope of program, 15 Sabancı Group managers come together with Sabancı University students.

Future Forums Initiative aims to support Sabancı Group's sustainable growth target and builds a management understanding that puts sector and customer oriented point of view into the focus of every business activity. Fundamental trainings are structured in order to address different target groups such as senior managers, mid-level managers, and marketing specialists. In 2015, 17 employees from 5 Group companies were attended to the program.

SA LAB Program was initiated this year for mid-level managers. The program aims to increase awareness about the returns of "value oriented management", to make participants to understand roles and responsibilities in implementing value creating strategies, to increase their sensitivity about the importance of people management and leadership in corporate performance development, to make them focus "Business Intelligence" enables them to see the whole picture and their contribution to it, to enable them to hold mirror both to themselves and their compa-

¹⁶ Consolidated data consists of data obtained from Aksigorta, Brisa, Enerjisa, Kordsa Global, Teknosa, Temsa, Yünsa, Çimsa and Sabancı University.



EMPLOYEE DEVELOPMENT AT SABANCI GROUP COMPANIES

ny with manager laboratory application. 16 managers from 10 Group companies were attended to the first program.

SALT Program has been carried out more than 10 years to develop leaders of Sabancı Group at Vice President and Director levels. In 2015, 12 managers were attended to the program.

SA-EXE Program is carried out at Vice President and Director levels. 14 managers were participated to the program, supported by simulations, that invests the future managers

E-Executive MBA Program supports to train managers with vision and multi-faceted overview of company management.

Corporate Governance Program is carried out towards upper level management. 85 managers from Group companies were participated to the program.

Value-oriented Manager Program aims to provide accumulation of knowledge for activities such as the efficient management of main activities in the value chain, firm management, strategies, structure of organization, human resources management, research and development, and purchases.

Akbank, through briefings published by the Career Maps application in the corporal portal, they inform employees on the topics of career and work families. Human Resources Team, which is assigned to support employees, can find their member's contact information and consult for their career development.

Akçansa, aims the constant improvement of managers on their way to leadership with annual Leadership Meetings, Leadership Style Survey, Organizational Climate Survey and Leadership Development Programs. They are supported by the development of managers, development programs for various needs (evaluation practices such as coaching, mentorships, "Kariyer Çınarı", "Positive Leadership=Positive Climate" leadership development programs, development and evaluation center, 360 degrees).

Aksigorta, there are development, diverse development, leadership and talent management programs under the roof of Aksigorta Academy. Leadership Academy covers the educational activities of mid and high-level manager development and their development activities. Talent Management Academy fea-



tures development and monitoring programs for the improvement of labor and administrative competence of employees. Development Academy offers personal development trainings, technical trainings, product trainings, conference and seminars for employees in all levels.

AvivaSA, with “Living Talent” system, aims to create an environment where employees feel valued, satisfied with the work they do and gain competitive skills. Living Talent consists of two processes: goal assignment and performance management evaluation, development planning and career management.

AvivaSA made a satisfaction survey on forming the talent management process in 2014 and got 40 new suggestions from focus study groups. In 2015, these suggestions were executed, 360 degrees competence evaluation process was redesigned based on the new model, and 80 managers joined the evaluation.

With the First Step to Managing Program, AvivaSA aims to train managers from the Corporation. In this 1 year program, there are in-class trainings as well as on-the-job trainings, e-learning and video content. DREAM, TRUST, Sales Ideas Training are organized for sales teams to improve their

sales competence. Employees who join the training are informed about sales processes, sales methods, customer and bank relations management.

Brisa, Leadership Workshop and Leadership Development Program are carried out to improve leadership competency of mid level managers, supervisors and foremen. In 2015, 41 managers joined Leadership Workshop and 39 managers benefited from Leadership Development Program.

Enerjisa, carries out the Sales School in order to increase customer and sales focus –which is one of the most important goals of the sales department- and improve their knowledge on technical subjects. In this program which supports both personal and technical development of employees, there are in-class trainings, e-learning, case and group studies, games and simulation practices.

With Young Energy Program, Enerjisa aims that employees use their potentials in the most efficient way. In this program where Enerjisa’s values, strategic goals and leadership models are the basis, practices such as personality inventories, 360 degree evaluations, conversations with executives and mentorship are organized.

Envision Platform designed for high level



Temsa, supports personal and occupational development of employees within its training and development programs under the roof of Temsa Academy.



executive teams aims to create an organizational climate where a common leadership language is used. In the Platform, leaders are guided to improve necessary competencies for leading their groups in the most influential and efficient way.

Kordsa Global, runs three programs; “Foundations of Leadership” for executive level employees, “Next Generation” for experts, “Global Mentorship” for experts and newly assigned managers. While managers enhance their organization creating skills, employees’ relation management skills are also improved, and personal and occupational development of both managers and employees are supported.

Teknosa, offers long-term or part-time working opportunities for new graduates and current university students who continue their education in Teknosa Master Team (TMT) Development Program, and ensures employment within Young Talent Program for candidates who complete the program successfully.

With “Positive Change: Strapping Leader” program for manager and chief employees, Teknosa aims to provide better communication skills and give fundamental skills and competence to make effective coaching dia-

logues, adopt effective coaching and create opportunities to utilize coaching tools and practices.

“ULEAD” program is a practice which Teknosa applies to improve leadership competency of assistant managers, managers and directors. In this program, the main purpose for participants is to show the right leadership approaches, effectively manage the transformation, and gain management skills while they benefit from the knowledge of practical and theoretical performance.

Temsa, supports personal and occupational development of employees within its training and development programs under the roof of Temsa Academy. Temsa manages its training activities with 4 groups: in-Temsa trainings, Human Resources development plan trainings, technical trainings, Sabancı Holding trainings.



DEVELOPING AND IMPROVING THE ORGANIZATION

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As well as investing in the skills of its employees, Sabancı Holding follows their performance carefully. In Sabancı Group, we use transparent and fair evaluation processes where talent and success is appreciated and rewarded.

Sabancı Human Resources aim to continuously review the organization, human resources, systems and processes, to monitor the performance of highly talented employees and to direct their skills toward the future, to perform the assignment, transfer, and rotation practices in the Group for the development of employees and the organization.

Evaluation of the innovative ideas of employees have great importance to improve and strengthen the organization. A suggestion system collecting information about the innovative ideas of employees and supporting employee participation provides great benefit for reaching sustainability goals in Group companies and increasing the competition. In 2015, 16.193 suggestions were gathered from the companies in reporting and 6.027 of them are executed.¹⁷

Akçansa performance management system consists of a process where the company

goals are minimized and integrated to the goals of individuals and teams, and their competencies are managed to this objective for the whole year. Akçansa performance management process starts at the beginning of the year by determining personal and corporal goals through the participation of employees and managers, and the tracking system continues until the end of the year.

Brisa designs the performance management system by taking every employee into consideration. In this objective, potential, back-up and restoration maps are established and organization scenarios are planned. With the Development Center, in the process of promotion, Brisa ensures that each employee is evaluated towards strong development fields and gets feedback. In 2015, 37 employees joined Development Center and got feedback.

Teknosa has competencies for work families and levels that are predetermined for each duty. Work and competency goals are followed constantly throughout the year and used for determining the necessary trainings in accordance with performance management outputs, pricing and career planning.

¹⁷ Consolidated data consists of data obtained from Akçansa, Avivasa, Brisa, Enerjisa, Kordsa Global, Temsa, Yünsa and Çimsa.

Sabancı Golden Collar Awards

Sabancı Group organizes Sabancı Golden Collar Awards since 2009 in order to encourage the sharing of good practices and to reward of employees. 13 companies in Value Creating Category, 18 projects in Innovation and Corporal Entrepreneurship, 11 companies in Equality at Work, 8 companies with 11 projects in Market Focus, 13 companies in Investment in Humans Category, 10 companies with 19 projects in Digitalization, 13 projects in Efficiency Category and 4 projects in Sinergy Category joined the program during the reporting period.



EMPLOYEE WELL-BEING

In Sabancı Holding practices to increase loyalty and motivation of employees are applied with the belief that the employees who are satisfied with their work life will be more successful and creative in their jobs. In this end, developing and expanding an open, participatory, and transparent culture which values diversity and creativity is taken into consideration as well as the feedbacks and expectations of employees. Regular satisfaction surveys continuously measure the satisfaction levels of the employees.

Akçansa, rewards employees and teams who carry out high performance. Awards and recognition practices such as “A Night From Akçansa”, “Special Performance Prizes”, “Executive Committee Special Accolades”, “Year OHS Leaders Award”, “Team Awards”, “Year’s Suggestion Stars Awards” and “Seniority Accolades” are given.

Enerjisa, guides executives for increasing employee loyalty through Anahtar search engine application where suggestions, articles, videos and human resources practices take place.

Work Life-Private Life Balance

One of the main necessities for employee efficiency and creating a satisfactory work

place is to balance work life and private life. Sabancı Group companies develop practices where employees can have more time for their private life and they organize off-hour activities.

One of the most important topics to balance work life and private life is maternity leave for employees. In the reporting period, the rate of employees who completed their maternity leave and came back to work in Sabancı Holding, Akçansa, Aksigorta, Temsa and Çimsa is 100; this rate is 97% in Akbank; 86% in Avivasa, Enerjisa, Yünsa and Sabancı University.

Akçansa, organizes sportive, cultural and social activities such as Akçansa Club World, Sabancı Olympics, Dragon Boat, Work Safely+Live Healthy Eurasia Marathon following the suggestions and expectations of employees. In Akçansa Club World, employees launched the “One Spark Club” for social support in 2015 in addition to Underwater Club, Photography Club, Bicycle Club, Travel Club activities. On the other hand, “Family Workshops” where employees can join with their children are organized.

Aksigorta, supports female managers with



“Leader Women at Work” training and coaching processes to protect their work life and private life balance. There is a breast-feeding room specially prepared for nursing mothers. With basketball, table tennis, bowling, football, theatre, photography, diving, social activity clubs, sportive, social and cultural development of employees are supported.

AvivaSA, has 10 social activity clubs to enrich the social life of employees. These clubs continue their diving, dance, sailing, travel and gurme, photography, music, theatre, nature, pet club activities; and trainings in these clubs are paid by AvivaSA.

Also corporal competitions such as karting, swimming receive great participation from companies; bowling, football and basketball tournaments are organized within companies.

In order to strengthen the relations among employees and increase their communication AvivaSA designed a mobile communication application and presented it to all employees. Thanks to this application, employees can share photos, make comments and stay informed about their colleagues’ posts.

Brisa, presents sports activities in their factory facilities, they offer tennis courts, football fields, table tennis, fitness, swimming pool to support the sportive lives of employees.

Çimsa, offers side benefits of exchange in “Çimsa Store”. Therefore employees can form their side benefits however they want. Çimsa puts an effort to keep the work life and private life balance by organizing seminars with experts where employees can join with their families, picnics in summer, New Year dinners, communion meetings in factories and other social activities.

Kordsa Global, has women’s club, social responsibility club, sports, travelling and social activity clubs for employees so they can fulfill their hobbies with joy and ease.

Teknosa, supports employees’ social and sportive life with Football & Paintball Tournament, Teknosa Volunteer Activities, Tekno Life Pilates and Yoga Club, Bicycle Club.

Temsa, organizes football, basketball, tennis, table tennis, volleyball tournaments with the participation of Temsa employees in their sports facilities in factory fields.



Sabancı University, offers membership opportunities for psychological consultancy services and sports fields to employees as much as their students. Also, every seminar in the university is open to the participation of employees and their families. In the reporting period, “Conscious Parenthood” seminars were organized for employees.

Yünsa offers flexible employment and home-office models to provide a balance between the work and private lives of the employees. Employees who work in factories can utilize the hair-dresser service for free and get help for their personal care, so one of their spending is decreased. With the gym in their social facilities and pilates course in the company Yünsa supports a healthy and quality lifestyle for its employees.

OCCUPATIONAL HEALTH AND SAFETY

Sabancı Group believes that every employee has a right to work in a healthy and safe environment where the conditions are honorable. Providing safety to employees and protecting them are work priorities. In order to contribute to the most important factor -“the protection of their health”- for employees so they can live a quality and successful life, the Holding and companies launch healthy life programs.

All the Group Companies aim at zero industrial accidents and occupational diseases through their Occupational Health and Safety Policies. At Sabancı Group, OHS Management is undertaken with the goal of zero occupational accident and disease and within the scope of the law no. 6331 Occupational Health and Safety Law, prepared upon the directives of World Health Organization and International Labor Organization. Furthermore, OHSAS 18001 standards are applied in the fields of risk assessment, machine safety, work permits system and subcontractor management. Turkish Standards Institution’s (TSE) standards are used in the hygiene measurements and the equipment controls as part OHS. OHS compliance is also audited as part of ISO quality controls that Group companies receive depending on their field of operation. Also,

The total number of the members of Health and Safety Committees are **57** and **26** of which are worker representatives.

During the reporting period **40.768** Group employees had **164.744** man-hour, **18.855** supplier employees got **20.505** men-hour OHS training.



occupational health safety obligations under legal regulations and contracts are practiced fully.

Besides Sabancı Group employees, there are OHS trainings to increase occupational health and safety awareness of contractors. In this objective, during the reporting period 40.768 Group employees had 164.744 man-hour, 18.855 supplier employees got 20.505 men-hour OHS training.¹⁸

In Sabancı Group, within legal regulations there are Occupational Health and Safety Rules in accordance with the number of employees. OHS rules work independently and report to Sabancı Holding regularly. Since the reporting period, 26 OHS Committees function in the Group and there are 106 employee representatives. Total members of OHS Committees are 190.¹⁹

Latest technologies and practices are followed and integrated to work processes with

the zero occupational accident goal. Occupational accident, disease and near-miss statistics are recorded and reported to the Holding by companies.

Accident Rates

Sabancı Holding	3.5
Akçansa	6.5
Brisa	0.8
Enerjisa	10.5
Temsa	1.88
Yünsa	21.36

22 companies -18 Group companies and 4 subcontractors - operate within the scope of Hacı Ömer Sabancı Holding central administration building Occupational Health and Safety organization. In 9 of those companies Occupational Health and Safety Committees are available.

¹⁸ Consolidated employee data consists of data obtained from Akçansa, Avivasa, Enerjisa, Kordsa Global, Teknosa, Temsa, Yünsa, Çimsa, the Foundation, University and Holding; supplier data consists of data obtained from Akçansa, Brisa, Kordsa Global, Teknosa, Temsa, Yünsa, the Foundation, University and Holding.

¹⁹ Consolidated data consists of data obtained from Akçansa, Aksigorta, Avivasa, Brisa, Kordsa Global, Temsa, Yünsa, the Foundation and Holding.



Hacı Ömer Sabancı Holding A.Ş. Council functions as supreme board. Supreme board meets monthly while other councils meet on a quarterly basis.

The total number of the members of Health and Safety Committees are 57 and 26 of which are worker representatives. 841 employees were trained within the scope of this organization.

Within the scope of emergency preparedness scenario, 2 earthquake and 24 fire evacuation drills are carried out each year. Thus, both system controls and employee preparedness are performed. In this context, Search and Rescue, Fire Fighting and First Aid trainings provided to 294 employees.

Within the scope of employee health protection pre-job health examinations and periodic inspections are made. Flu vaccination is applied based on employee demand. Employees are informed about diseases and prevention methods via Saport "Health Corner".

Akbank, pays great attention to comply with legal regulations concerning the occupational health and safety, an Occupational Health and Safety Committee has been constituted at the Head Office and Banking Center. The Representative of the Employer, the Occupational Health Specialist, the Company Physician, the HR/Social Affairs Representative, and the Employee Representative attend to the committee meetings held quarterly.

Akçansa, The R5 Application is about that all the employees conduct and record their own risk assessments before each event within their business process, with the motto "5 Minutes for Risks". The objective is to encourage the effective individual participation in OHS practices, and to ensure that employees define the occupational hazards from the perspective of Occupational Safety, and assess the risks and take actions.

Brisa, offers trainings on six main topics in Manufacturing Education Center which is established to increase awareness of occupational health and safety for employees. In the reporting period, in the scope of "Occupational Safety Simulation" trainings, 744 employees and blue-collar employees were trained.

Additionally, within the scope of the program, gender equality training will be provided to Sabancı Group employees.



EMPLOYEE HEALTH PRACTICES AT THE SABANCI GROUP COMPANIES

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Akbank, informs employees on epidemics or important diseases on "Health Corner" in Ak-sandık website. Also, e-mail announcements are done when there is an emergency.

Akçansa, with My Neighborhood Project, organizes private training sessions on women's health, child raising, parenthood. Akçansa employees are regularly examined by the company doctor. Also, from time to time meetings about ergonomi, quitting smoking are held in the company.

Aksigorta, in 2015, continues its 2-phase occupational health and safety trainings which began in 2014 and in this objective they offer in-class trainings as well as online trainings for employees.

AvivaSA, informs employees about health protection and health risks within the scope of occupational health and safety trainings. Employees, who demand, can benefit from su vaccine.

Çimsa, organizes health awareness trainings for employees and their families. Employees go through medical examinations in every 6 months.

Enerjisa, gives trainings on topics of occupational health, occupational diseases, first

aid, office ergonomi, chronic pain, diabet and nutrition, animal bites, work place temperature, tick-crimean- congo fever disease, smoking and health, obesity, exercise.

Temsa, examines employees in routine periods. In order to give awareness about health, Temsa organizes hygiene, intervention in emergency, occupational diseases and protection methods, fighting with psycho-social factors, first aid certificate trainings. Through the portal, employees gain awareness on current and important diseases and educational practices are organized.



Sabancı Volunteers Program

Sabancı Holding aims to act with an awareness of social responsibility in all its operations with its values including modesty, respect for people and closeness to public; we consider this responsibility an essential and indispensable part of our management mentality. We expect all Group companies to cover social development as a prioritized part of their agendas, and consider contributing to democracy, human rights and sustainable development in our wide operational geography as one of our main purposes.

Our activities are not only about engaging social, environmental and economic elements responsibly, but we also design and realize projects and practices within our principle "Sharing what we earn from these lands with these lands." Through Sabancı Foundation, Sakıp Sabancı Museum, Sabancı University and Group companies, we contribute to social development with various projects on topics of education, culture-art, health and sports. In every project and practice within our corporal social responsibility and policies, we predicate on stakeholder volunteering, we ensure the sustainability of our practices by encouraging our stakeholders and our employees to voluntarily join our projects.

Sabancı Volunteers Program which is a social responsibility program that consists of all Sabancı Group, aims to initiate our employees to lead programs from project development to encouraging them for volunteering. Volunteer teams in the Group formed, information for regional meetings organized and projects where our employees are the leaders launched. In the first phase, program details will be given to team leaders throughout regional meetings in 40 cities of Turkey. In the meetings, trainings for risky stages of business such as project selection-development, funding, reporting given, then projects designed by team leaders and their teams supported. The theme of the first three years of the program is "woman", in the coming periods, "youth" and "physically disabled" -which are other main study fields of Sabancı Foundation- will be added to existing projects. Additionally, within the scope of the program, gender equality training will be provided to Sabancı Group employees.





SABANCI FOUNDATION

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Established in 1974 to institutionalize charities of Sabancı Family and to regulate implementations, Sabancı Foundation is the leading institution in the field of strategic charity. The foundation -where the resources are created by charities from Sabancı Family and Sabancı Group companies and the income generated by the foundation's assets- aims to support the positive economic impact area of Sabancı Group by its social and cultural development practices.

As one of the biggest family foundation in Turkey, Sabancı Foundation acts with the principle to "ensure the potential development of society and make a difference in people's lives by creating authentic, innovative and permanent values to pass the awareness of social responsibility on to next generations." In this objective, the foundation organizes activities on lasting works, education, scholarships, awards, culture and art; in recent years with programs developed on "women", "youth" and "disabled", it accompanies the sustainable development of the operational geography.

Since its establishment, the Foundation put its signature on 120 lasting works for the public in 78 provinces throughout Turkey. In the reporting period, the Foundation supported the maintenance of 28 of these

lasting works and completed a project to turn Mimar Sinan Fine Arts University Top-hane-i Amire Culture and Art Center to be accessible by disabled individuals. The Foundation also continued its nonstop support for education over 41 years of activity, also during the reported period. Since its establishment, Sabancı Foundation provided scholarships to over 42 thousand students and during the reporting period it provided scholarship for almost 1.500 students, 400 of who were new ones.

Sabancı Foundation acts in order to spread culture-art activities, encourage the production of contemporary artworks and protect traditional values; the Foundation also continued its activities during the reporting period. Approximately 490 thousand people have visited Mardin City Museum and Dilek Sabancı Gallery since the day they were established in 2009 by Sabancı Foundation and by the time of the reporting period. The Foundation continued to lend its support for the State Theatres – Sabancı International Adana Theatre Festival, which reached close to an audience of 1 million people in 17 years. Since 2006 Mehtap Ar Children's Theatre has staged nearly 3,500 plays in 81 provinces and 231 boroughs reaching close to 1 million children in total. In 2014



Sabancı Foundation was rewarded to the “Grand Prize” within Changers Program in Golden Compass Prizes organized by Public Relations Association of Turkey.

With the activities organized for the Foundation’s 40th year, Sabancı Foundation was rewarded the “Grand Prize” in the “Anniversary” category of PR News that awards best communication campaigns of the world.



Sabancı Foundation also supported International Ankara Music Festival, Metropolis Ancient City Archaeological Excavations and Turkish Youth Philharmonic Orchestra (TUGFO) led by conductor Cem Mansur.

Sabancı Group companies support policies and studies which make sports a part of life and promote awareness about sports in society while encouraging sports and sportspeople through the awards they give. Now as a tradition, the Foundation rewards Turkish athletes who win Gold medal in Olympic Games, Paralympics and Special Olympics Summer Games. In the reporting period, the Foundation supported the Integration Project of the Dilek Sabancı Special Athletes Association of Turkey (TÖSSED) Fund which aims to bring disabled individuals and unimpeded individuals through sports activities.

Grants to encourage those who have the power to change tomorrows and make a difference in people’s lives, Sabancı Foundation organizes local management partnerships with NGOs and seminars. These activities were also continued during the reporting period. The first phase of the first of these programs, United Nations Partner Programs were held by Sabancı Foundation in 6 cities between 2006 and 2010;

121 LASTING WORKS

1 UNIVERSITY

37 EDUCATIONAL INSTITUTIONS

20 DORMITORIES

16 TEACHERS' HOUSES

16 CULTURAL CENTERS

17 SOCIAL FACILITIES

5 HEALTH FACILITIES

5 SPORTS FACILITIES

4 LIBRARIES

GRANT PROGRAMS IN **72** CITIES



Sabancı University

Sabancı Foundation founded Sabancı University in 1999 and today it is a world university with an interdisciplinary educational structure, quality oriented management system and liberal institutional culture. In the authentic educational system of its academic success, “Common Foundations Development Program” is the base instead of the commonly known “academic department” system. In the first year the students take the same courses together and develop their knowledge infrastructures, capacities for thinking in a critical and interdisciplinary fashion. After that, every student is free to pick the introductory courses for the programs they wish to continue and pick their preferred diploma program from among 13 programs available.

In the reporting period, Sabancı University protected its place in the first 500 prestigious institutions like Times Higher Education and QS. Also Times Higher Education (THE) chose Sabancı University as the 13th and the first Turkish university in the list of Best 100 Universities under 50 as they evaluated the rising young universities. At the same period, the university reached first rank by receiving the highest point among all universities in “Entrepreneurship and Innovation Index” which is produced by the Ministry of Science, Industry and Technology in order to determine rankings of scientific and technological research competency, intellectual property pool, cooperation and interaction, entrepreneurship and innovation culture, economic contribution and commercial aspects.



the second phase “United Nations Joint Program for the Development of Women’s Human Rights” was held between 2012 and 2015 in 11 pilot cities. In the scope of this program, there are three programs that complete each other with the titles “Gender Responsive Budgeting Initiative”, “Sabancı Foundation Grant Program” and “Purple Certificate Program”. In these 9 years of these two programs, the Foundation touched the lives of 350 thousand people.

As part of the Gender Responsive Budgeting initiative, 329 municipal staff and civil society representatives from 11 provinces received training while within the scope of the Sabancı Foundation Grant Program, 20 projects from 9 provinces received grants. As for the Purple Certificate Program, 676 high school teachers from 11 provinces received gender equality trainings and 139 of them received Purple Certificates at the end of the program.

Sabancı Social Development Grant Program which aims to support civil society organizations in promoting social development to achieve equality and the active participation of women, youth and persons with disabilities also continued their works during the reporting period. The program which started in 2008 received 1.674 applications



Hosting a rich collection, SSM embodies a multi-faceted museum approach through its international temporary exhibitions, conservation units, exemplary training programs, screenings, concerts, conferences and seminars.



SABANCI UNIVERSITY SAKIP SABANCI MUSEUM (SSM)

and among them 54 projects were selected with 9,5 million TL and applied in 72 cities. 46 completed projects have touched to the lives of more than 90 thousand people.

Changemakers Program, is designed to highlight the stories and efforts of those who make significant contributions to social development in Turkey and inspire them. Within the scope of the program which began in 2009, selected videos of voluntary participants are published in the website of Changemakers and social media accounts, thus social awareness is supported by encouraging sensitive and active citizenship. Since the beginning of the program, 1.500 applications are received, 135 selected Changemaker videos have been watched more than 3,6 million times.

Mansion with Horse which was bought by Hacı Ömer Sabancı in 1951 and have been Sakıp Sabancı's permanent residence, was allocated to Sabancı University for the purpose of being a museum. Opened in 2002, the museum's exhibition areas were enlarged in 2005 to comply with the international technical standards. Hosting a rich collection, SSM embodies a multi-faceted museum approach through its international temporary exhibitions, conservation units, exemplary training programs, screenings, concerts, conferences and seminars.

Sponsored by respected institutions and holdings, SSM continued its international exhibition projects in the reporting period to bring thousands of artlovers to meet artists and approaches together. Sabancı Holding as the main sponsor and Pilar, Joan Miró Foundation and Museum in Barcelona, Miró Family Collection Successió Miró in Mallorca and Jean Miró Foundation as the collaborators, "Joan Miró. Women, Birds, Stars" exhibition was hosted in SSM until March 8, 2015. Certain works and personal effects loaned by the private collection of Miró Family were exhibited in the SSM for the very first time in the world.

Again in 2015 April-July, SSM hosted an exhibition called "Buluşma....Reunion" which

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consisted of various disciplinary artworks from painting to photography, documentary to installation by 20 artists from Sabancı University Visual Arts and Visual Communication Design Program. In the last exhibition of the year, SSM hosted the works of Otto Piene, Heinz Mack and Günther Uecker, the three founding artists of the biggest art network of 20th century, ZERO. In this exhibition organized with the collaboration of Akbank Sanat, works of some of the most important artists of 20th century, Yves Klein, Piero Manzoni and Lucio Fontana were also hosted.

Training programs for children and adults in SSM continued in the reporting period. Within the SSM Children Education Programs taking place for the whole year including vacation periods, special group workshop for children were organized as well as exhibitions of museum collections and others. Turkcell Platinum Families with Strollers -which began within the reporting period- aims to give a special art experience to mothers and their babies. In the scope of Adult Education Programs organized with the distinguished academicians of Istanbul University, Istanbul Bilgi University, Marmara University and Mimar Sinan Fine Arts University, garden lectures are held on the

topics of Philosophy, Art History, Architecture and Mythology. In another traditional practice, free yoga lessons from experts continued to take place in SSM gardens.

In the reporting period, SSM garden continued to host important artists and their bands in IKSV – Istanbul Music and Jazz Festivals. “The Seed”, which is an international culture-art and meeting facility center within the museum, also continued to host classical music virtuoso’s with Istanbul Recitals.



TeknoSA, aims to encourage technology literacy by giving free computer courses to women within Technology for Women project since 2007.



SOCIAL RESPONSIBILITY PRACTICES IN GROUP COMPANIES

As well as social responsibility projects and practices by the leadership of Sabancı Foundation, Sabancı Group companies design and realize projects and practices in accordance to the expectations of their stakeholders with whom they share sectoral and geographic conditions. Group companies contribute to social development with their social responsibility principles and policies as well as studies on various fields such as culture, art, education, sports and environment. Featured projects of the reporting period are listed above:

Akbank, launched “Children as Heroes of Economy” project in 2012 to increase financial literacy and encourage saving up. In the scope of this project, in-class and out-of-class activities and other communication practices reach children who are at an age of gaining permanent habits, and aim to contribute to their lives to be conscious consumers and have awareness on saving. The company organized The Power of Thinking project with the slogan of “Teacher Support for Critical Youth”. In this project where teachers are taught critical thinking and teaching skills and methods, 4 thousand 250 teachers in 8 provinces in 1 year and 141.270 students have been reached.

Akçansa, aims to create consciousness and

awareness among youth for a better future and for this objective, they provide several social responsibility projects. With Concrete Ideas Project Competition, the company collected young people’s projects to increase awareness on cement and realize applicable, creative, market-oriented and interdisciplinary ideas. Since the beginning, the project managed to meet more than 2 thousand young people in 6 years. The company offers education to 4th grade children in “Children Transforming the Future” project on sustainability topics such as waste separation, recycling and energy generating from waste. This project reached nearly 3.000 students in 15 schools during the reporting period.

Another social responsibility project from Akçansa that was developed during the reporting period is My Neighborhood; this project offers education for parents and children in İstanbul Büyükçekmece with the specially designed Akçansa Education Truck. Expert psychologists educate parents on raising children and first aid and healthy life trainings specifically for children. Other than these projects, the company organizes Biodiversity Projects Competition since 2014 where university students and research assistants can produce creative, different and innovative projects to gain back the natural lands and

SOCIAL DEVELOPMENT



wildlife after mining activities, thus increasing and developing biological diversity.

Aksigorta, continued social responsibility projects in the reporting period together with HAÇIKO association for the protection of street animals and to increase animal love in society, prevent animal rights violations and raise awareness in public.

AvivaSA, also continued their donations to NGOs who work in accordance to corporal social responsibility.

The company makes a donation to Educational Volunteers of Turkey on each person filling out the employee satisfaction survey for employees who lost a first-degree relative or had a serious operation/disease. For every new employee, the company makes a donation to TEMA and for every employee who has a newborn, it makes a donation to the Foundation for the Support of Women's Work.

Brisa, aims to enhance awareness in society for driving more safely as part of the "Set out on the Road Safe" project which began in 2011. In the reporting period, 44 boroughs in 32 provinces were visited and 5.501 long-distance drivers were examined for blood pressure, blood sugar and body mass index, and the briefing continued. Another long-term project run by this company, Strong Agricul-

ture-Strong Future aims to inform farmers on sustainable agriculture practices and driving safely in traffic. In the reporting period, the project visited 9.500 farmers in 155 villages of 22 provinces and served with 5.425 hours of information and consultancy on efficiency in agriculture and agricultural economy. Another practice for traffic safety, Safe Driving for Female Drivers in Brisa, offers training to ensure women keep their vehicles safe in emergency situations and adopt traffic conditions in the best way possible. In 2015, 63 female employees benefited from training for safe driving techniques in 2 sessions.

Çimsa, maintains nursery schools and renews school materials for children in Niğde where its factory is located. With Children of Summer project 7-12 year old children meet in the summer camp since 2012. In the reporting period, more than 150 children of employees and surrounding villages joined the summer camp in the factory. Volunteering Çimsa employees and Spastic Children Foundation of Turkey supported the September project which is organized to make a difference in the lives of children and adults who live with Cerebral Palsy.

Enerjisa, aims to enhance life quality by bringing high value renovation and innovations in the fields of environment & society, education and energy in its own activity areas. In this



objective, the company organizes practices such as school restorations, trainings for energy efficiency and technician schools.

Kordsa Global Volunteers support social responsibility projects within Sabancı Volunteers and helps schools and villages in its global operation geography. Every year, the company restore a school in Turkey.

TeknoSA, aims to encourage technology literacy by giving free computer courses to women within Technology for Women project since 2007. This project aims to provide knowledge to women for using technology efficiently and to contribute their personal development, cultural and social lives. Technology for History -another social responsibility project of the company- provides the latest technologies to Rare Works Library; scans nearly 100 thousand rare books, photos, essays, maps, music sheets, newspapers, magazines, calligraphy and plates, and archives them digitally. As a result of this documentation, all works are digitally available to the world in their full-sizes.

Temsa, organizes Joint Dreams project with the financial support and participation of voluntary employees to develop educational institutions in rural sites in Adana and around.

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G4-33	GRI G4 Content Index Table p. 52 (Report has not been subjected to external assurance)	-
Governance		
G4-34	Governance p.9	-
Ethics and Integrity		
G4-56	Business Ethics p.12	-

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DMA and INDICATORS	PAGE	OMISSIONS
Material Aspect: Economic Performance		
G4-DMA	About Sabancı Holding p.6; 2015 Annual Report p.5,9	-
G4-EC1	About Sabancı Holding p.6; 2015 Annual Report p.5,9	-
G4-EC2	Risk Management pp.10-11	-
G4-EC3	2015 Annual Report p.9	-
G4-EC4	2015 Annual Report p.9	-
Material Aspect: Market Presence		
G4-DMA	Diversity and Equal Opportunities p.30	-
G4-EC5	GRI Content Index p.52 (Minimum wage does not differ with regards to gender)	-
Material Aspect: Indirect Economic Impacts		
G4-DMA	Social Development p.43	-
G4-EC7	Social Development p.43	-
G4-EC8	Social Development p.43	-
Material Aspect: Procurement Practices		
G4-DMA	Supply Chain Management p.18	-
G4-EC9	Supply Chain Management p.18	-
Material Aspect: Energy		
G4-DMA	Energy and Emission Management pp.22-24	-
G4-EN3	Energy and Emission Management p.22	-
G4-EN6	Energy and Emission Management pp.22-24	-
Material Aspect: Water		
G4-DMA	Water and Waste Management p.25	-
G4-EN8	Water and Waste Management pp.25-26	-
G4-EN9	Water and Waste Management pp.25-26	-
G4-EN10	Water and Waste Management pp.25-26	-
Material Aspect: Biodiversity		
G4-DMA	Biodiversity p.27	-
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G4-EN13	Biodiversity p.27	-
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G4-EN19	Energy and Emission Management pp.23-24	-	
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G4-DMA	Water and Waste Management p.25	-	
G4-EN22	Water and Waste Management p.25	-	
G4-EN23	Water and Waste Management p.26	-	
Material Aspect: Compliance			
G4-DMA	Environmental Approach p.19	-	
G4-EN29	Environmental Approach p.19	-	
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G4-DMA	Environmental Approach p.19	-	
G4-EN31	Environmental Approach p.21	-	
Material Aspect: Supplier Environmental Assessment			
G4-DMA	Supply Chain Management p.18	-	
G4-EN32	Supply Chain Management p.18	-	
Material Aspect: Employment			
G4-DMA	Work Life p.28	-	
G4-LA1	Work Life p.28		
G4-LA2	Employee Well-Being p.37; Work/Life Balance pp.37-38		
G4-LA3	Work/Life Balance pp.37-38		
Material Aspect: Labor/Management Relations			
G4-DMA	Developing and Empowering the Organization p.36		
G4-LA4	GRI Content Index p.52 (In cases of contract end, we apply the judgements of labour legislation and collective labour agreement.)	-	
Material Aspect: Occupational Health and Safety			
G4-DMA	Occupational Health and Safety pp.39-41	-	
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G4-DMA	Employee Development pp.32-35	-	
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G4-LA11	Employee Development p.32	-	
Material Aspect: Diverstiy and Equal Opportunity			
G4-DMA	Diversity and Equal Opportunities p.30		
G4-LA12	Diversity and Equal Opportunities p.30	-	
Material Aspect: Equal Remuneration for Women and Men			
G4-DMA	Business Conduct and Fair Business Practices p.30		
G4-LA13	GRI Content Index p.52 (There is no gender discrimination in remuneration of employees)	-	
Material Aspect:Labor Practices Grievance Mechanisms			
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G4-DMA	Sustainability Management p.15; Internal Audit p.14	-	
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