

2021 SUSTAINABILITY REPORT



Future-Ready Steel



CONTENTS

ABOUT THE REPORT

1

CEO'S MESSAGE

2

ÇOLAKOĞLU METALURJİ IN BRIEF

4

CORPORATE GOVERNANCE

11

WE ENSURE THE SUSTAINABILITY OF OUR BUSINESS

20

WE ACKNOWLEDGE AND FULFILL OUR CLIMATE AND ENVIRONMENT-RELATED RESPONSIBILITIES

28

WE VALUE OUR EMPLOYEES AND SOCIETY

34

PERFORMANCE TABLES

48

GRI CONTENT INDEX

56

102-1, 102-45, 102-46, 102-49, 102-50, 102-53, 102-54

ABOUT THIS REPORT

This is the first sustainability report published by Çolakoğlu Metalurji. This report sets out the strategies that Çolakoğlu Metalurji adheres to when managing the social, economic, and environmental impact of its operations, the company's sustainability priorities during the reporting period, the company's efforts on behalf of the realization of United Nations Sustainable Development Goals, and the company's performance results.

This report has been prepared in accordance with the GRI Standards "Core" option.

The priority issues on which the content of this report is based were determined as a result of processes carried out in accordance with reporting principles specified by GRI Standards.

The scope of this report is limited to activities and operations carried out within Çolakoğlu Metalurji from 1 January 2021 to 31 December 2021 (inclusive). Çolakoğlu Metalurji aims to report its sustainability performance on an annual basis.

Any views or suggestions you may have about our sustainability activities and/or our reporting of such activities may be sent to surdurulebilirlik@colakoglu.com.tr

CEO'S MESSAGE

Valued stakeholders,

Dealing with the requirements of the New Normal

The worldwide impact of the Covid-19 pandemic and ongoing global developments since then have not only revealed the extent of climate-related risks and their environmental impact but also once again and even more urgently have shown the importance of effective and collective efforts to deal with the climate crisis.

With sustainability and environmental, social, and corporate governance (ESG) issues having taken precedence among economic actors' primary responsibilities, both quantifying one's environmental and social-impact footprints and controlling potential adversities have become key goals.

Çolakoğlu Metalurji aims to make sustainability intrinsic to every aspect of all of its operations while also continuously improving the added value that it creates for and shares with its stakeholders. In that respect, we regard the publication of this first sustainability report, as a valuable corporate gain.

It is our belief that only by further developing its capacity to recognize and manage its potential medium and long-term risks will our company be able to purposefully advance towards becoming a leading stakeholder in efforts to deal with the climate crisis.

A member of a deep-rooted, respected, and forward-looking corporate group

As a member of a corporate group that has been in business for 77 years, Çolakoğlu Metalurji gives great importance to the management

of its environmental, social, and economic performance and impact. That importance is fundamental to our sustainability management attitude, which envisages managing our responsibilities towards our stakeholders through an approach that is both unremitting and dynamic.

One key priority for us is constantly developing and revising our strategies so as to keep them current; another is bringing our existing operations and processes into increasingly greater alignment with sustainability principles.

We are committed to maintaining and improving our reporting activities in light of globally-recognized criteria, frameworks, and indexes in order both to measure our environmental and social outputs and to present our performance for the consideration of our stakeholders. In line with this, our objective in the period ahead will be to diversify and increase the number of metrics by which our sustainability performance is assessed.

Such efforts not only will strengthen the added value that it generates but will also, by boosting its identity as a strong and competitive player, likewise contribute greatly to Çolakoğlu Metalurji's ability to carry the reputation that its brand enjoys forward into the future.

Future-Ready Steel

Having identified a Çolakoğlu Metalurji Sustainability Strategy summed up in the watchword "Future-Ready Steel", in 2021 we began efforts to implement that strategy in twelve focus areas and in light of our three core management principles. Responsibility for carrying out and overseeing these efforts was given to the Çolakoğlu Metalurji Sustainability Committee. Targets and performance

indicators were defined for each of the twelve focus areas; meanwhile, Çolakoğlu Metalurji's existing and potential contributions to the realization of United Nations Sustainable Development Goals were also identified. Targets, performance indicators, and existing and potential contributions were then associated with the company's operational cycles.

We have identified three core management principles that we regard as important focal points and guidelines capable of affecting the short, medium, and long-term success of our business operations. These three principles may be summed up as follows:

- **We ensure the sustainability of our business:** We develop and implement practices that achieve the highest level of customer satisfaction without compromising our approach to quality.

- **We accept our climate and environment-related responsibilities:** We prioritize increasing operational and process efficiency and continuously improving our performance in such matters as part of our own responsibility to combat climate change. We strive to increase and diversify our contributions to the realization of a circular economy. We seek to incorporate leading national and international standards and practices into our operations and processes with the aim of improving the environment in which we live. In order to accelerate the fulfillment of our climate and environment-related responsibilities, we have also joined Responsible Steel, the global steel industry's first multistakeholder international initiative. Believing in the "partnerships for the goals" principle of SDG 17, we are committed to expanding our efforts in this area through new initiatives.

- **We value our employees and society:** We introduce and improve practices that ensure the sustainability of working environments in which our human resources can develop themselves individually and perform their jobs safely and in which they are all treated fairly and equally and are entitled to the same opportunities. We are likewise committed to leveraging the added value that we create for our biggest stakeholder group—society at large—through projects that generate ever more value for both our nearest and our most distant stakeholders.

We look to the future with resolve.

Çolakoğlu Metalurji today is the heir of a trailblazing and exemplary approach to industrialization and free enterprise in Turkey dating back to the first half of the 1940s. The vigor of the company's roots has played a major role in its ability to take whatever steps were needed and to respond appropriately to national and international priorities as they evolved over the years.

In keeping with the worldwide and our own increasingly greater focus on sustainability in recent years, nature-friendly production has been gaining steadily more importance. Developing and sustaining innovative, eco-friendly solutions in the conduct of our operations has become a priority concern for us.

Besides being welcomed and appreciated by our stakeholders, such efforts also support our ability to contribute increasingly more to the sustainable growth of both Turkey's economy and its iron & steel industry.

Çolakoğlu Metalurji will continue to work with all its power to produce and to create value. On behalf of Çolakoğlu Metalurji I express my thanks to every stakeholder who patiently accompanies us and whose contributions support us as we advance along the long road that lies ahead.



Uğur Dalbeler
Chief Executive Officer

102-2, 102-4, 102-5, 102-6, 102-7

ÇOLAKOĞLU METALURJİ IN BRIEF

The roots of the Çolakoğlu Group's commercial operations reach back to 1945 and to an iron & steel shop belonging to the company's founder Mehmet Rüştü Çolakoğlu in İstanbul's Karaköy district.

Çolakoğlu Metalurji's first rolling mill commenced operation in Sütluçe, also in İstanbul, in the 1950s. The company's operations gained a new dimension in 1969 with its steelworks investment in Dilovası, a town on the Gulf of İzmit east of İstanbul.

Keeping pace with state-of-the-art steelmaking technologies, in 2007 Çolakoğlu Metalurji invested in an arc furnace that was the world's biggest at the time it was commissioned. With the commissioning of its hot-rolling mill in

2010, Çolakoğlu Metalurji became the first steelmaker in Turkey with the ability to produce steel from slabs sourced from its own electric-arc furnace.

Çolakoğlu Metalurji's flat steel products contribute significantly to manufacturing operations in sectors ranging from automotives and machinery to construction and agriculture. In the long products category, Çolakoğlu Metalurji-made rebar is the backbone of Turkey's construction industry.

One of the pioneers of Turkey's industrial development, Çolakoğlu Metalurji has annual production capacities of around 3.2 million tons of liquid steel and about 3 million tons of hot-rolled sheet steel; it can also produce 622,000 tons of rebar a year.

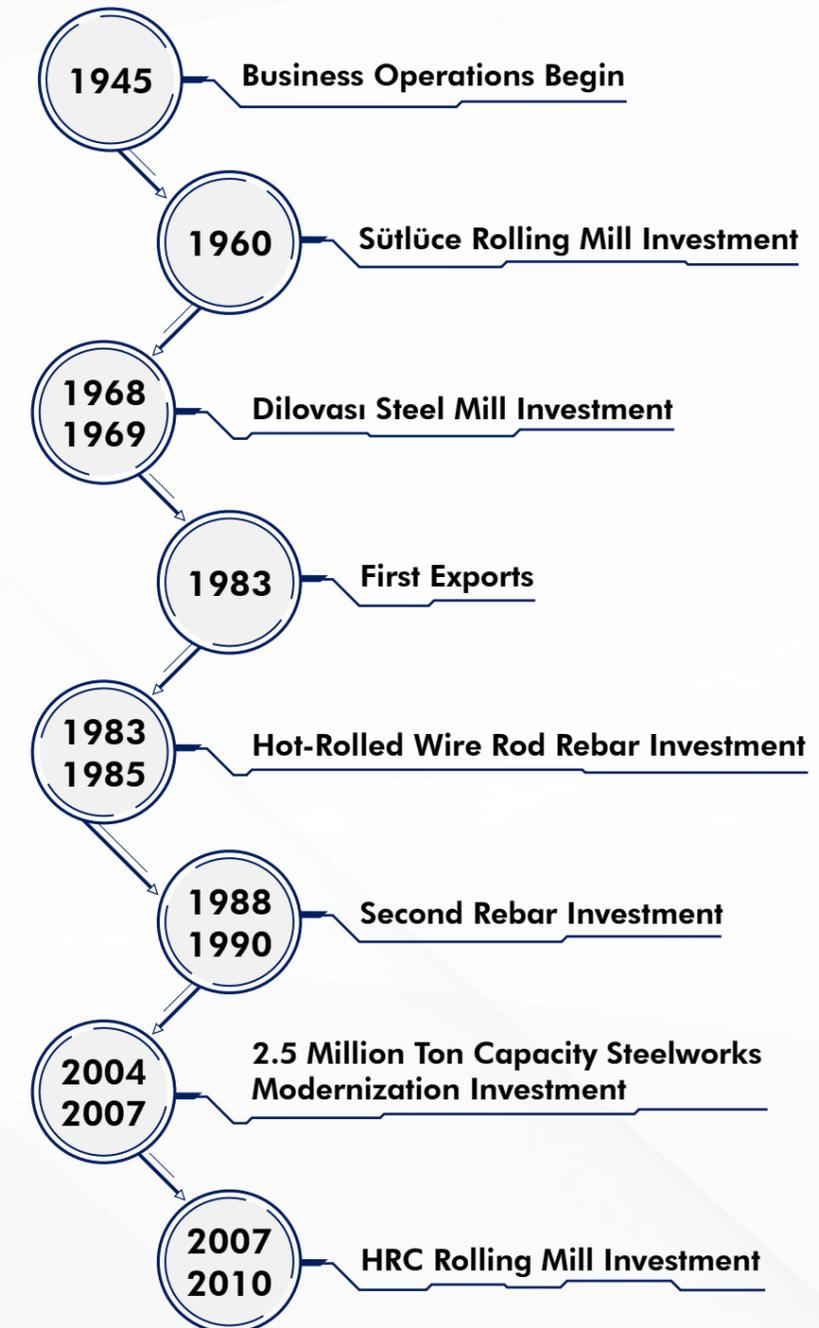
Çolakoğlu Metalurji's plant is equipped power plants whose combined 566 MW installed capacity supplies energy requirements of the company's production operations.

In 2021 the company initiated a project to increase its HRC capacity. Slated for completion and commissioning during the first quarter of 2023, this project will HRC capacity production boost Çolakoğlu Metalurji's annual HRC production capacity to 4.5 million tons.

Exporting its products to more than 150 countries, Çolakoğlu Metalurji makes a significant contribution to the Turkish economy.



MILESTONES



ÇOLAKOĞLU METALURJİ BY THE NUMBERS IN 2021



Export to more than
150 countries



2,785,757
tons hot-rolled
sheet steel



2,753,482
tons liquid steel



12th in the
Istanbul Chamber of
Industry's 2021 Top 500
Industrial Enterprises
survey



1,471
employees

CORPORATE MEMBERSHIPS

Associations

- × Association of Automotive Parts and Components Manufacturers **TAYSAD**
- × European Steel Association - **EUROFER** - Brussels
- × Turkish Steel Producers Association - **TÇÜD**
- × Foreign Trade Association of Turkey - **TURKTRADE**
- × People Management Association of Turkey - **PERYÖN**
- × Port Operators Association of Turkey - **TÜRKLİM**
- × Flat Steel Import and Industry Association - **YİSAD**
- × Eurometal- Luxemburg
- × Steel Exporters' Association - **ÇİB**
- × World Steel Association - **WSA** - Brussels
- × Boiler and Pressure Vessel Manufacturers Association - **KBSB**
- × International Rebar Exporters and Producers Association - **IREPAS**
- × Turkish Employers' Association of Metal Industries - **MESS**

Chamber of Commerce / Organized Industry

- × Gebze Chamber of Commerce - **GEBZETO**
- × Kocaeli Dilovasi Organized Industrial Zone - **KOSB**
- × Kocaeli Chamber of Commerce - **KSO**
- × Union of Chambers and Commodity Exchanges of Turkey - **TOBB**

Other

- × Foreign Economic Relations Board of Turkey - **DEİK**
- × Responsible Steel- Australia

AWARDS & RECOGNITIONS

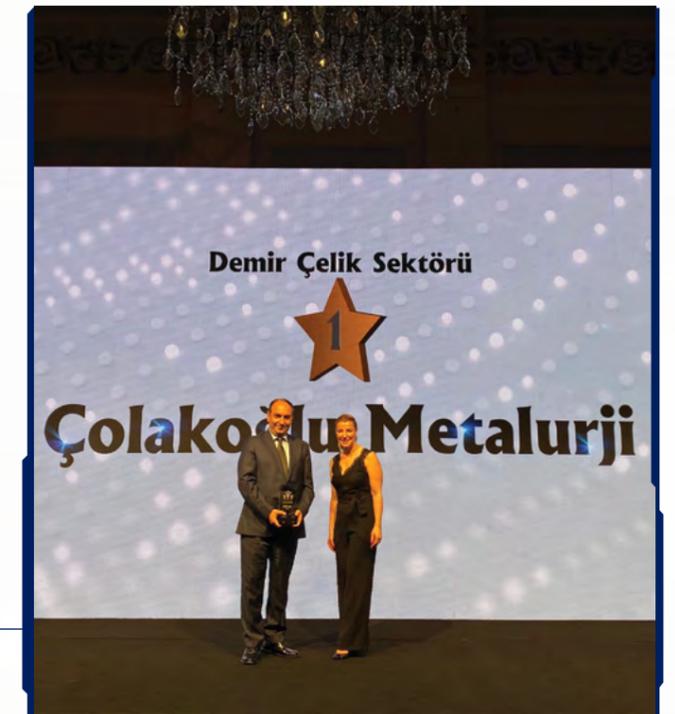
Ministry of Trade **“Professional Competency Award”** (2019)

First place in the **“Biggest Increase in Large-Scale Exports”** category and **third place** in the **“Hot Rolled Steel Products”** category of the 2020 round of the Steel Exporters’ Association’s **“Steel Export Leaders Awards”** (2021)

First place in the Iron & Steel Industry category of Capital magazine’s **“Business World’s Most Admired Companies”** list (2020-2021)

“Metal Industry Training Award” in Platin magazine’s **“Platin Global 100 Awards”** series (2021)

Ranked 12th in the İstanbul Chamber of Industry’s **2021 Top 500 Industrial Enterprises survey** (2021)



CORPORATE GOVERNANCE

**Future-Ready
Steel**



102-18, 102-19, 102-29, 102-31, 102-35, 102-36

Çolakoğlu Metalurji conducts its operations with an approach that values both employees and society. It contributes to Turkey's development by supplying products that conform to national and international standards.

Taking into account the needs and expectations of its stakeholders in all of its business processes, Çolakoğlu Metalurji regards full compliance with laws and regulations and with ethical principles as an unalterable goal.

Another cornerstone of the company's governance systems is to achieve full compliance with national and international norms through continuous improvement. In line with this, the company's corporate governance processes are overseen by directors who are individually responsible for particular operations and accountabilities. The goal of this structure is to ensure that company-set targets are ethically met without compromising business continuity.

All of Çolakoğlu Metalurji's activities and operations are carried out within the framework of published internal directives, regulations, and procedures.

Management Committee, whose members consist of the CEO and Directors who report to him, is responsible for ensuring that the company is managed in accordance with guidelines set out by the Board of Directors.

The Internal Control Department reports directly to the Board of Directors.

Corporate performance is overseen by the Board of Directors on the basis both of key performance indicators identified by the board and of budgetary compliance. The same approach is also taken when monitoring all employees' performance in the fulfilment of their individual performance targets.

Performance evaluations and associated processes are carried out within a framework of internationally accepted standards at Çolakoğlu Metalurji. Pay scales are likewise determined on the same basis. All salaries/wages and benefits are reviewed and compared with market conditions at regular intervals and are managed accordingly.

Çolakoğlu Metalurji's remuneration policy is informed by the results of comparisons made with the policies of other companies operating in its own sector as well as in other sectors. A fundamental concern of Çolakoğlu Metalurji's remuneration policy is that personnel should be paid a salary/wage that is fair, competitive, and livable.

Çolakoğlu Metalurji's remuneration policy applies equally to all employees without any distinctions whatsoever being made as to gender.



102-11, 102-15, 102-29, 102-30, 102-31

RISK MANAGEMENT

Çolakoğlu Metalurji's approach to risk management is fundamentally based on identifying the operational risks that each department incurs and taking measures accordingly.

In addition to operational and financial risks, due consideration is also given to environmental and social risks within the framework of procedures and practices and measures to address these issues are likewise taken accordingly.

In its management of environmental risks, Çolakoğlu Metalurji gives priority to combating climate change.

When approaching sustainability issues, the company focuses on the circular economy, green energy, European Green Deal principles, and environmental protection. To that end, the company's operational processes are reviewed in light of specific criteria and projects are identified accordingly.

Managing Supply-Chain Risks

Supply-chain management is a significant risk category for Çolakoğlu Metalurji. Risks are regularly analyzed according to the company's procurements groups; supply chain management strategies are developed accordingly.

The company safeguards its outsourced inputs security mainly by concluding long-term agreements and by entering into business partnerships with as many suppliers as is practicable.

Another important supply-chain risk-management issue for the company is its energy procurements. Çolakoğlu Metalurji gets much of the energy it needs for its own operations from its own power plants. The company is currently working on many energy-supply projects ranging from increasing energy-use efficiency through AI-based digital solutions to renewable energy-generation investments.

OHS Risks

Occupational health and safety (OHS) risks at Çolakoğlu Metalurji are assessed and managed as part of the company's Zero Accident Project within the framework of an established risk hierarchy

When managing its OHS risks, the company's priority is to eliminate hazards wherever they may occur. All such risk management processes are reviewed and updated twice a year during meetings attended by department heads, employees, and labor union representatives including Management Committee. During such meetings, issues are discussed under the headings of "Incidents", "Near Misses", and "Hazards" on the basis of individual departments.



102-16, 102-17

BUSINESS ETHICS AND ANTI-CORRUPTION

Çolakoğlu Metalurji regards carrying out its operations in compliance with Çolakoğlu Metalurji Ethical Guidelines and Working Principles as a significant element of the company's short, medium, and long-term sustainability.

All employees are responsible for complying fully with Çolakoğlu Metalurji Ethical Guidelines and Working Principles.

Click here for
Çolakoğlu
Metalurji's Ethical
Guidelines
& Working
Principles



Company employees may report any violations of or issues conflicting with the requirements of Çolakoğlu Metalurji Ethical Guidelines & Working Principles to etik@colakoglu.com.tr. Incoming complaints are monitored by the Internal Control Department, which reports directly to the Board of Directors. No complaints of this nature were received during the period covered by this report.

Çolakoğlu Metalurji employees are kept informed about the company's ethical guidelines and working principles through regularly-conducted training.

All potential external suppliers are audited for compliance with the company's bribery and corruption, transparency, honesty, and conflicts

of interest before entering into any business relationship with them. Existing suppliers are subject to the same audits. Supplier compliance is checked by the Internal Control Department at regular intervals. All documents received from suppliers as well as information on suppliers' websites are also checked to determine their truthfulness.

As required by its compliance policy, Çolakoğlu Metalurji enters into no business relationships with any individuals or organizations who are subject to international sanctions; it also ensures that all dealings are conducted in accordance with international prevention of money laundering and terror financing guidelines.



INTERNAL AUDIT AND CONTROL

The Çolakoğlu Metalurji Internal Audit Department reports directly to the Board of Directors. This department is responsible for monitoring practices to ensure that processes are handled in accordance with company policies and procedures. The department is also authorized to take disciplinary action.

Digital systems have been installed at the company to detect and prevent any instances of non-compliance.

No instances of non-compliance were identified by the Internal Audit Department during any of the audits that it conducted in 2021. Compliance at Çolakoğlu Metalurji is also regularly audited by external auditors.



102-19, 102-20, 102-32

102-44, 102-47

SUSTAINABILITY MANAGEMENT AT ÇOLAKOĞLU METALURJİ

Both in its sector and in its operational territory, Çolakoğlu Metalurji strives to be an exemplary and leading company which creates enduring value through its approaches to sustainability, which is consistent and dynamic in the fulfillment of its responsibilities towards all of its stakeholders, and which is committed to the principle economic sustainability through a management approach that is respectful of human rights.

All sustainability-management activities at the company are conducted under the responsibility of the Sustainability Committee with the involvement of the Human Resources & Corporate Communications Director.

The Sustainability Committee is responsible for establishing, planning, executing, and reporting strategies and projects whose aims are to ensure

the consistently structured fulfillment of sustainability goals throughout the company.

Believing that production sustainability is fundamental to its long-term success and that this must be achieved without compromising quality, Çolakoğlu Metalurji commits itself to:

- × Providing a safe workplace environment which is mindful of employee and human rights; which gives importance to development, is fair, egalitarian, and respectful of employees' opinions and their rights to unionize and enter into contracts; which opposes any and all manner of discrimination, forced or compulsory labor, child labor, or requirement to work under unsafe conditions; which acknowledges that human resources are the company's most precious asset; and which is as heedful of employees' physical and mental health as it is of their on the job safety;
- × Continue to contribute to protecting environmental wellbeing by making use of the best available production technologies that conform to industry and global standards;
- × Use resources in the most efficient way possible by its energy and water footprints while pursuing operational excellence;
- × Support the transition to a low-carbon economy through efforts to reduce both direct and indirect greenhouse gas emissions in the medium and long-terms within the framework of Turkey's declaration of national intent;
- × Ensure its positive contributions to the circular economy by maximizing input efficiencies and the use of recycled materials;
- × Conduct all of its operations and investments in accordance with all applicable laws, regulations, and administrative provisions;
- × Continuously improve its sustainability-management approaches and performance;
- × Ensure business continuity and create domestic economic added value by adhering to the principle of responsible resource utilization throughout its entire value-creation chain;
- × Ensure the continuity of participatory interaction with stakeholders by understanding stakeholder risks and opportunities as well as stakeholders' needs and expectations.

Sustainability-Goal Prioritization and Results

To determine what its sustainability-related goals should be, Çolakoğlu Metalurji first solicited the opinions of its stakeholders. This process entailed the conduct of comprehensive surveys among the company's internal and external stakeholders.

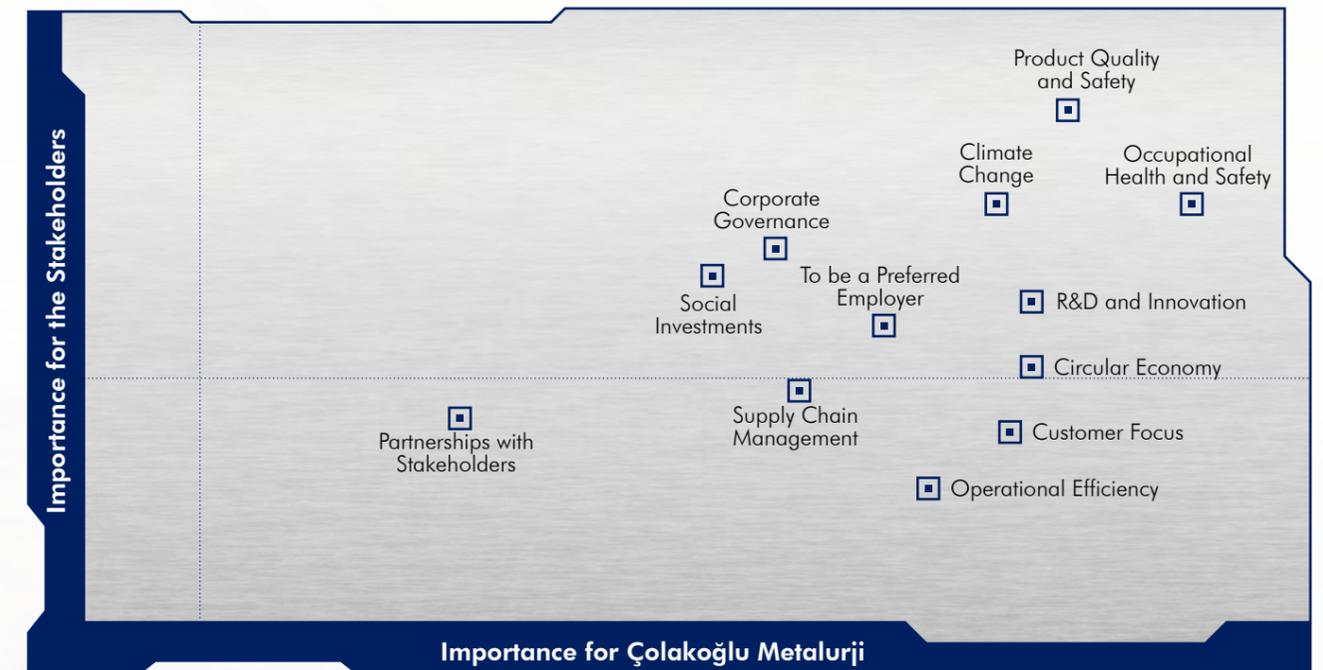
The findings of these surveys were then reviewed by the Çolakoğlu Metalurji Sustainability Committee acting in concert with other company

departments as circumstances warranted. During this review, attention was given to sectoral and non-sectoral megatrends. The sustainability priorities that emerged from this study are indicated in the accompanying matrix.

Çolakoğlu Metalurji 2021 Sustainability Prioritization Matrix

The priority issues that were identified through this study were compiled under twelve different headings,

each of which was assigned to a specific working group. These working groups then assessed the existing situation, compared and contrasted findings, and identified targets and key indicators for the particular areas on which they were focused. As a result of all these efforts, a Çolakoğlu Metalurji Sustainability Strategy dubbed "Future-Ready Steel" that incorporates twelve focal points under three main management principles was formulated.



102-21, 102-40, 102-41, 102-42, 102-43

102-21, 102-40, 102-41, 102-42

Future-Ready Steel

OUR MANAGEMENT PRINCIPLE

WE TAKE RESPONSIBILITY FOR CLIMATE AND ENVIRONMENT

WE CARE ABOUT OUR EMPLOYEES AND SOCIETY

WE ASSURE THE SUSTAINABILITY OF OUR BUSINESS

Stakeholder Communication

Stakeholder engagement plays a key role in improving products and services, in identifying risks and opportunities, and in fostering, perpetuating, and developing transparent and accountable

management processes. Recognizing that importance, Çolakoğlu Metalurji supports stakeholder engagement by encouraging participatory, transparent, and bilateral communication.

Any stakeholder who may have an interest in Çolakoğlu Metalurji's

activities and operations may use a communication form located at www.colakoglu.com.tr/iletisim to submit any suggestions, notifications, criticisms, wishes, or complaints they may have about the company's products and services.

Stakeholder	Communication Method
Employees	Intranet corporate portal
	Visual factory screens
	Softwares of occupational health and safety, management systems, maintenance, etc.
	"İş'te Fikir" (Idea at Work) software application
	Corporate Performance Management software application
	Environment and OHS near miss and hazard notification practices
	Face to face employee trainings
	Steel Academy Training Portal
	Year-end sharing meetings
	Recognition, appreciation and reward system meetings
	Management systems review meetings
	Performance evaluation meetings
	"Haydi" Social Activity Committee
	Nearby and hazard notification boxes
	OHS Badi Aktüel newspaper
	Social media
	Surveys
	Special days organizations
Internal announcements and meetings	

Stakeholder	Communication Method
Company Shareholders	Board of Management meetings
Public Institutions and Organizations	Face-to-face meetings, official correspondence
	Face-to-face interviews, meetings
Suppliers	Specifications, brochures
	Website
	Social media
	Supplier assessments
	Supplier field visits
	Pre and post-sales communication (visits, email, phone, etc.)
Customers	Fairs, symposiums
	Website
	Product brochures
	Customer surveys
	Advertising agencies
	TurkStat, TÇÜD, IMMIB, Exporters Assembly, Communication Committees, CIB
	Sponsorships
	Subscribed publications and institutions
Non-Governmental Organizations, Unions, Sectoral Organizations, Independent Audit Institutions	Face-to-face meetings, official correspondence
	Collaborations, working groups
	Memberships
	Social media, website
Visitors, Interns	Visual factory screens
	Brochures
	Trainings
	Face-to-face meetings
Neighboring Businesses and Local Communities	Face-to-face or verbal meetings
	Website
	Visual factory screens
	Correspondence
	Social media

**WE ASSURE
THE SUSTAINABILITY
OF OUR BUSINESS**

**Future-Ready
Steel**



Focus Areas



Supply Chain Management



Customer Focus



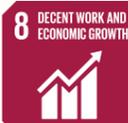
R&D and Innovation



Operational Efficiency

Çolakoğlu Metalurji seeks to:

- × Value its employees and society, be heedful of stakeholders' needs and expectations in all of its business processes, and maintain its standing as an industry leader through an approach to doing business that complies with current laws and regulations and is compatible with ethical principles;
- × Pursue and build upon operational excellence for the sake of a sustainable future;
- × Reduce Turkey's dependency on external sources by offering steel quality solutions capable of satisfying every expectation;
- × Safeguard its outsourced inputs security by concluding long-term agreements and by entering into business partnerships with as many suppliers as is practicable; help suppliers achieve their own compliance with UN Sustainable Development Goals in the conduct of their own operations;
- × Develop new products and services by anticipating its sector's and its customers' needs; be a business partner that helps customers reduce their own carbon emissions by providing them with customized solutions.



SUPPLY CHAIN MANAGEMENT

A significant number of Çolakoğlu Metalurji's sustainability-related issues arise from supply-chain operations associated with input procurements. For this reason, supply chain management sustainability is one of the company's priority focus areas.

When identifying its procurements policies and formulating action plans accordingly, Çolakoğlu Metalurji takes into account such issues as the strategic importance of expenditure groups and procurement-market complexities and risks.

Supply chain management is carried out under three separate headings: "Raw, semifinished, and operational material procurements", "Logistical and operational service procurements", and "Energy procurements".

Çolakoğlu Metalurji carries out its supply chain management operations in line with principles set forth in its "Ethical Guidelines And Working Principles For Our Suppliers" handbook. The contents of this handbook are an integral part of any contract that Çolakoğlu Metalurji enters into with firms supplying specified categories of procurements and are therefore contractually binding. The company also requires all suppliers included in its "Approved Suppliers" list to sign pledges that they will abide by the principles set forth in the "Ethical Guidelines And Working Principles For Our Suppliers" handbook.

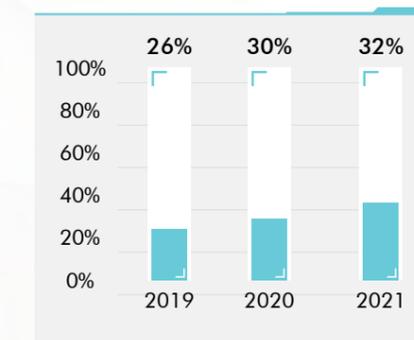
When selecting and evaluating suppliers, attention is given to those who comply with ISO management system standards.

Çolakoğlu Metalurji suppliers are expected to be in possession of valid ISO 9001 Quality Management System, ISO 14001 Environmental Management System, and ISO 45001 Occupational Health & Safety Management System certifications.

In 2021 a significant percentage of Çolakoğlu Metalurji's procurements were obtained from firms holding management certifications.

In order to protect its supply-side security, Çolakoğlu Metalurji focuses on diversifying its sources of inputs in terms both of firm and region. The company enters into long-term agreements with some suppliers with the aim of exploring raw material alternatives. By working with local suppliers, Çolakoğlu Metalurji not only protects its supply-side security but also supports the economic growth and development of the suppliers' localities. During 2021, Çolakoğlu Metalurji procured inputs from a total of 2,331 suppliers of which 2,095 were local. This corresponds to a local-supplier percentage of 90% by total number; as measured by total expenditures, 32% of the company's inputs were obtained from local suppliers.

Ratio of Local Supply Budget to Total Supply Budget



Ratio of Local Suppliers



102-9

Supplier Performance Evaluation System

Supplier auditing is a critically important element of Çolakoğlu Metalurji's Supplier Performance Evaluation System. Çolakoğlu Metalurji evaluates its suppliers on the basis of a broad range of quality, logistical capability, environmental & social impact, and other issues. The company reviews its supplier assessment and auditing criteria and procedures annually and it makes such changes in them as circumstances may warrant.

When conducting annual supplier performance evaluations, points are assigned according to weighted criteria in order to calculate each firm's "Current Success Score". Depending on that score, a supplier will be classified as "Approved/Preferred" or "Approved/Average". Suppliers of both classes qualify as a "Sustainable Supplier".

When selecting suppliers, Çolakoğlu Metalurji gives priority to those based in countries which have signed the

following ILO conventions: "Freedom of Association and Protection of the Right to Organise Convention", "Abolition of Forced Labour Convention", and "Worst Forms of Child Labour Convention".

Any firm which does not agree to Çolakoğlu Metalurji's ethical guidelines and working principles, or which demonstrably employs children or illegal workers or compels employees to work involuntarily, or which fails to take adequate measures to deal with environmental/OHS issues, or



which is associated with any form of corruption (including but not limited to extortion and bribery), is classified as an "Unsustainable Supplier" without need for any further assessment and action is initiated to sever business relations with that firm.

During the reporting period, Çolakoğlu Metalurji's suppliers were audited to determine their compliance with the company's ethical guidelines and working principles on such issues as child labor, discrimination etc.

During the reporting period, Çolakoğlu Metalurji became a member of Responsible Steel, the global steel industry's first multistakeholder standard and certification initiative. As a consequence of this membership, the company is mindful of the initiative's standards in the conduct of its operations.

Çolakoğlu Metalurji quality & management system certifications and declarations

ISO 9001 Quality Management System

ISO 27001 Information Security Management System

ISO 14001 Environmental Management System

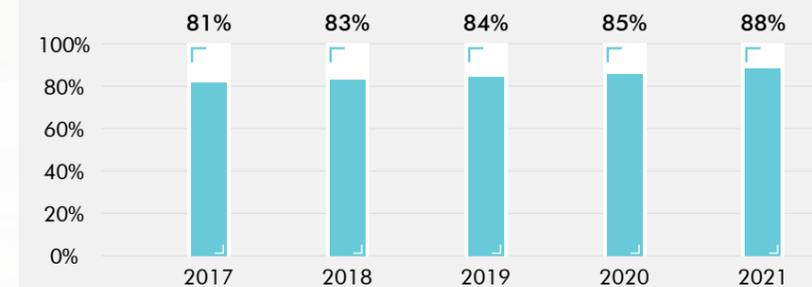
ISO 45001 Occupational Health and Safety Management System

IATF 16949 Automotive Industry Quality Management System

REACH Regulation on Registration, Evaluation, Authorisation and Restriction of Chemicals

ROHS - Restriction of Hazardous Substances Directive

Customer Satisfaction Rate (2017-2021)



During the reporting period, the company had a customer satisfaction rating of 88%.

Çolakoğlu Metalurji also periodically conducts after-sale surveys to solicit customers' opinions about its products and services. These surveys are the responsibility of the After-Sales Services Department. The findings from these surveys are reviewed by the Çolakoğlu Metalurji units concerned and the results of these reviews are sent to customers as feedback.

The Product Development & Marketing Department and Quality Engineering R&D units proactively work together when dealing with any customer before and after-sale complaints.

Çolakoğlu Metalurji takes a two-pronged approach when responding to customer feedback depending on whether it is a quality or process-related issue; however in all cases, it works in partnership with the customer to resolve the issue.

Voice of the Customer Platform

Çolakoğlu Metalurji knows that maintaining uninterrupted communication with customers is important from the standpoint not only of addressing customers' needs but also of the company's own growth and development. The company's Voice of the Customer (VoC) Platform is an application whose aims are to ensure that Çolakoğlu Metalurji communicates effectively with its customers while also understanding their needs and expectations correctly and in a timely manner.



CUSTOMER FOCUS

Seeking to be Turkey's leading steelmaker, Çolakoğlu Metalurji carries out its operations by:

- ✗ Developing new products and services in line with sectoral and customer needs
- ✗ Coming up with customer-specific solutions
- ✗ Offering customers products that will help them reduce their own CO₂ emissions.

As a consequence of its competitive and innovative service approach, Çolakoğlu Metalurji supplies not just domestic but also international markets with superior-quality goods that benefit from the high-strength steel rolling techniques which it has developed

The company manages all of its business processes within the framework of internationally accepted standards; up-to-date information about the company's products and system certifications is published on its corporate website.

One outcome of the company's product-development efforts is that Çolakoğlu Metalurji was the only Turkish steelmaker certified to supply AP / Grade Steel as per to the Trans-Anatolian Natural Gas Pipeline project specification.

All company processes from initial order to final delivery can be digitally tracked through the Çolakoğlu Metalurji Customer Order Tracking System accessible through the CM Online Portal.

Çolakoğlu Metalurji proactively monitors customers' expectations and wishes. It also periodically conducts customer satisfaction surveys to determine customer satisfaction levels and it uses the findings of these surveys both to take corrective action and to make further improvements.

R&D AND INNOVATION

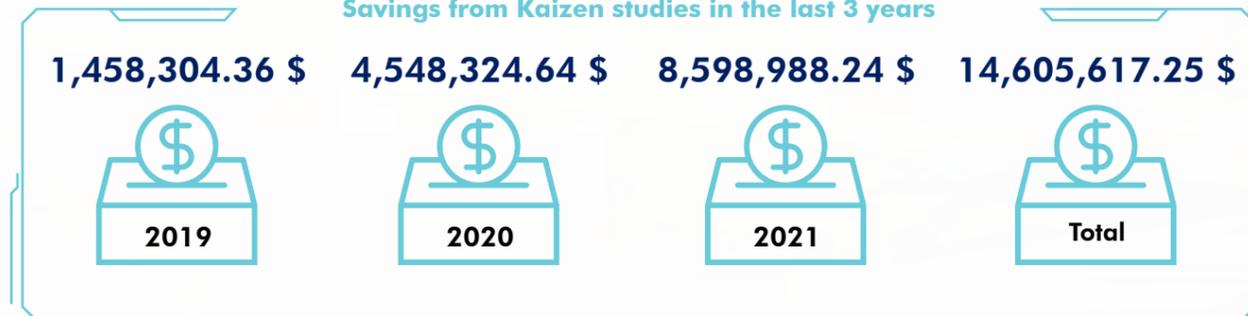
Çolakoğlu Metalurji seeks to enhance operational efficiencies in process management through a continuous-improvement approach. With this in mind and in line with its strategic objectives, the company develops and carries out projects that take into account not only customers' wishes but also new ideas put forth by all stakeholders.

Number of new quality and products developed in the last 3 years



Çolakoğlu Metalurji has achieved substantial economic savings as a result of the annual lean-management kaizen (continuous improvement) projects that have been carried out at the company every year since 2012. Apart from such continuous-improvement projects, various other projects that focus on energy-efficiency, emissions and waste-reduction, etc are also carried out.

Savings from Kaizen studies in the last 3 years



OPERATIONAL EFFICIENCY

Digital solutions have become tremendously important from the standpoint of maintaining one's competitive strength in today's iron & steel industry.

Çolakoğlu Metalurji strives to achieve excellence in operational efficiency by integrating infrastructure and process digitalization. The principle of "Digital Sustainability" informs all of the digitalization projects that are carried out at Çolakoğlu Metalurji.

In keeping with Çolakoğlu Metalurji's vision of being a leader among sustainable companies through a rapid, nimble, and digital and data-based approach to management, work is currently continuing on an S4U project that is being conducted with the deployment of SAP S/4HANA intelligent enterprise resource planning software.

Digitalization processes also make information security an issue of high-priority concern. Information security is achievable only if the confidentiality, integrity, and accessibility of information assets can be assured. Çolakoğlu Metalurji is currently taking measures to satisfy all the requirements for safeguarding information security.

Çolakoğlu Metalurji has been awarded ISO 27001 Information Security Management System certification. The company develops all information security strategies and policies in line with the ISO

27001 standard. Work is currently in progress to have the company's automation systems certified as being compliant with IEC 62443 Industrial Cybersecurity standards.

[Click here for Çolakoğlu Metalurji's Information Security Policy](#)



and/or accessibility of any company product or service from which its customers or other stakeholders may benefit is given attention and due measures are taken accordingly. The company also engages in various activities aimed at enhancing information security awareness among product and service end-users.

Çolakoğlu Metalurji protects the confidentiality, security, and accessibility of its customer-related security assets through the information security solutions that it develops and deploys. There were no instances of information security violations at the company during the reporting period.

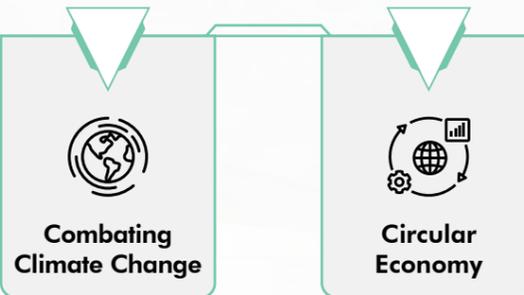


WE ACCEPT
OUR CLIMATE AND
ENVIRONMENT-RELATED
RESPONSIBILITIES



**Future-Ready
Steel**

Focus areas



Çolakoğlu Metalurji seeks to:

- × Quantify the environmental impact of its operations and take measures to reduce it
- × Fulfill its responsibilities for helping to combat climate change through actions that are SDG-compatible.



An Attitude That Exceeds Global and Industry Standards

Çolakoğlu Metalurji's efforts to help protect the environment are rooted in an attitude that the company should surpass global and industry standards.

Çolakoğlu Metalurji has been awarded ISO 14001 Environmental Management System certification. Supported by infrastructure assets that it is continuously improving, the company carries out all of its operations in accordance with the ISO 14001 standard as well as in compliance with national and international regulations pertaining to such matters.

During the reporting period, the company spent a total of TL **29,559,110** in environmental-protection investments and incurred environmental-management outlays amounting to TL **62,005,734**.

Personnel are provided with environment-related training with the aim of further enhancing the company's environmental-protection performance. During 2021, a total of 9,081 manhours of training on environmental issues was provided to Çolakoğlu Metalurji's own employees and to those of its subcontractors. The goal of such training is to increase personnel awareness and technical competencies when dealing with environment-related issues.

[Click here for Çolakoğlu Metalurji's Environment Policy](#)



COMBATING CLIMATE CHANGE

Combating climate change is a high-priority sustainability-related issue at Çolakoğlu Metalurji. The company's fundamental approach to dealing with this issue is one of carbon footprint-reduction.

Production-process improvements, digitalization, and renewable-energy investments at Çolakoğlu Metalurji have contributed meaningfully to the fulfillment of the company's CO₂ emissions/ton output goal. Kaizen projects aimed at improving processes and increasing operational efficiency in particular have made it possible for the company both to economize and to increase productivity in numerous ways over the last decade.

Energy and Emission Management

In the conduct of all operations at Çolakoğlu Metalurji, the company's basic strategy is to maximize energy-use efficiency so as to enhance its energy performance, to reduce its dependency on external resources, and to have recourse to renewable energy resources.

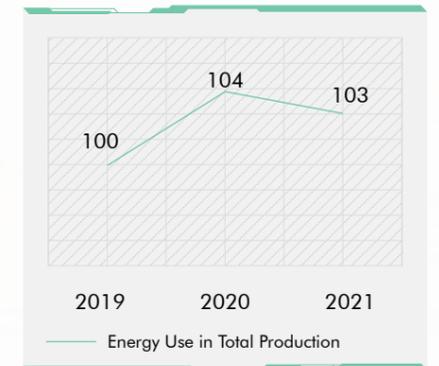
[Click here for Çolakoğlu Metalurji's Energy Policy](#)



Already generating much of the energy that it uses at its own power plants, the company is currently working on a large number of projects whose aims are to deploy AI-based digital solutions in order to reduce its overall energy consumption, to tap waste heat as an energy resource, and to invest in renewables generation.

Among the energy-efficiency projects undertaken at Çolakoğlu Metalurji, two in particular are seen as industry models: microprocessor-controlled motor drivers that conserve energy and an AI-based arc furnace energy-supply system.

As part of its sustainability strategy and in line with its efforts to improve



*Base year 2019: 100

*All energy sources are included in the data.

energy efficiency, Çolakoğlu Metalurji carries out emissions-reduction projects and seeks to reduce its CO₂ emissions/ton output performance.



Reducing transport & shipping-related emissions

During the reporting period, the company reduced its overall shipping operations through projects undertaken jointly by Çolakoğlu Metalurji units in auxiliary material, operating material, and packaging material procurements. These projects also benefitted from the support provided by reducing carbon emissions associated with transport & shipping-related operations:

- × Many hitherto imported materials are now being locally sourced and procured from domestic suppliers instead.
- × Huge volumes of grease are needed in the conduct of the

company's production processes. Equivalent lubricants capable of reducing the amount required were investigated and are now being deployed.

- × To benefit from economies of scale, auxiliary materials are now being procured in bulk and delivered directly to Çolakoğlu Metalurji's port facilities; the overall volume of cargo transported in a single shipment aboard a vessel has also been increased.
- × The quantities of auxiliary materials procured from geographically nearer suppliers have been increased.

Logistical operations highlights

- × Transporting goods by sea generates fewer emissions than does sending them overland. During 2021, 98.39% of Çolakoğlu Metalurji's international procurements were delivered by seagoing vessels with only 1.61% of them arriving aboard motor vehicles. Cargoes transported by dry-bulk vessels are offloaded at Çolakoğlu Metalurji's own port facilities; containerized cargoes are offloaded at the nearest port so as to minimize additional delivery requirements.
- × In international procurements, lot sizes are determined on the basis of available storage space and need; partial shipments are avoided as much as possible.
- × In domestic procurements, every effort is made to take full advantage of single-vehicle cargo weights taking vehicle maximum-load limits into account.

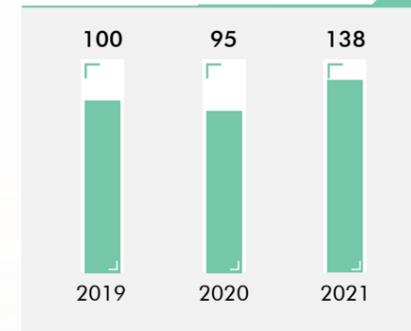
Water Management

With climate change, urbanization, and overconsumption all increasing the pressure on them, using water resources more efficiently has become an increasingly more critical issue.

Recognizing its vital importance to all life, Çolakoğlu Metalurji gives the utmost attention to using water resources efficiently and it develops and carries out projects to achieve this.

Nearly all of the water used in the company's production operations consists of reverse-osmosis desalinated seawater.

Amount of Surface and Rainwater Reused*



*Base year 2019: 100

CIRCULAR ECONOMY

Owing to its ability to be recycled over and over again, steel is an inherently eco-friendly material. Steel is indeed virtually the only material that is economically 100% recyclable.

Using mainly scrap metal as inputs at its steelworks, Çolakoğlu Metalurji is at the very heart of efforts to promote the circular economy.

The company also works closely with its domestic customers to reclaim and to recover as scrap any products sold to them which they have not used in their own operations.

Çolakoğlu Metalurji is developing a Product Life Cycle roadmap which it plans to start using in the period ahead as the basis for a system capable of fully quantifying the environmental impact of products and operations.

Waste generated in the course of the company's operations is disposed of in accordance with applicable regulatory requirements. The company has already begun to benefit from new waste-recycling practices that were introduced during the reporting period.

All business-related approvals at Çolakoğlu Metalurji are effected digitally through the company's enterprise resource planning platform; production plans are sent automatically to monitors in facilities where they are to be implemented; instructions concerning the use of raw

Recycled Material / Total Used Material Ratio in the Product

	2019	2020	2021
Construction Rod	88%	95%	90%
Steel Roll	78%	81%	81%

Evaluation Rate of By-Products

	2019	2020	2021
Total	64.93%	59.20%	73.13%

materials are drawn up in electronic format and are sent by email to those concerned. These and similar practices have resulted in substantial economies by reducing the volumes both of paper used and of waste-paper generated.

In 2019, Çolakoğlu Metalurji recovered/reused about 64.4% of the waste that was generated; in 2021 this percentage was around 72.68%. Over the same three-year period, the percentage of waste that had to be disposed of fell from 35.59% of the total to 27.32%.



**WE VALUE
OUR EMPLOYEES
AND SOCIETY**

**Future-Ready
Steel**



Focus areas

**Being a Preferred Employer****Occupational Health and Safety****Social Investments****Çolakoğlu Metalurji seeks to:**

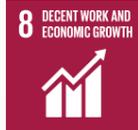
- × Refresh and expand its employees' competencies and skills out of its recognition that human resources are its most precious asset;
- × Provide workplace environments in which its human resources can work safely and which support and strengthen its employees' sense of personal ownership of their jobs;
- × Ensure the sustainability of a workplace environment which provides every employee equal opportunities for individual development and in which the company's corporate objectives are internalized at every level;
- × Be a company which respects human rights, which is admired and well-regarded by society, and which people want to work for;
- × Invest part of the added value that it creates for the national economy in projects which are capable of having an enduring impact and of benefitting the locality in which company operations take place as well as the country as a whole;
- × Plan and carry out social investments that are compatible both with its own corporate-sustainability objectives and with UN Sustainable Development Goals (SDG).



3 GOOD HEALTH AND WELL-BEING



4 QUALITY EDUCATION



8 DECENT WORK AND ECONOMIC GROWTH



12 RESPONSIBLE CONSUMPTION AND PRODUCTION

OUR CONSTANT GOAL: TO BE A PREFERRED EMPLOYER

Çolakoğlu Metalurji's human resources policy is rooted in the principles of creating a workplace environment in which employees may perform their jobs confidently and to strengthen their ownership of what they do by supporting their continuous development.

The goal of human resources management at Çolakoğlu Metalurji is to mobilize the knowledge, skills, and competencies of its employees in line with the company's strategic objectives, to develop systems that will achieve this, and to create a workplace environment that will enable employees to take actions that support business results and carry it to the future.

The conduct of all human resources processes at Çolakoğlu Metalurji is based on the company's published human resources policy.

[Click here for Çolakoğlu Metalurji's Human Resources Policy](#)

**Diversity and Inclusiveness**

It is Çolakoğlu Metalurji's avowed principle to create a workplace environment in which employees feel free to express their opinions and make suggestions, in which they are best able to transform their knowledge, skills, and potentials into performance, and which respects people, is fair, and supports diversity.

In the conduct of all of human resources processes from initial recruitment onward, Çolakoğlu Metalurji neither permits nor condones any form of discrimination based on ethnic origin, religion, language, age, gender, or physical disability or on anything else of a like nature. There were no instances

of such discrimination at the company during the reporting period.

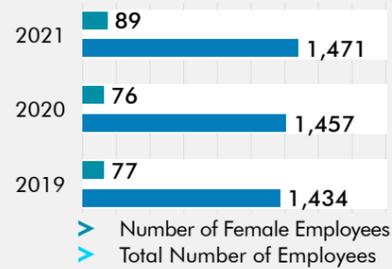
In line with its goal of promoting a culture of inclusiveness and equality of opportunity, Çolakoğlu Metalurji is also undertaking projects focused on women and on people with physical disabilities. These projects, which are intended to encourage women and the physically disabled to join the company's product operations workforce in line with the requirements of laws and regulations, to facilitate their integration into social life, and to also help raise their living standards, are being carried out throughout Kocaeli, with special attention being given to Dilovası township.

**Women Recruitment Project**

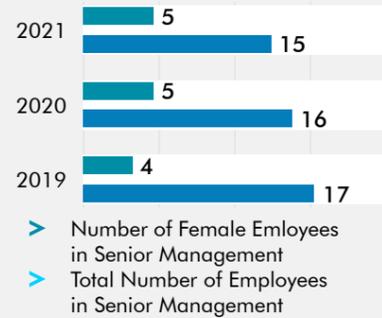
Çolakoğlu Metalurji has launched a "Our Business Is Steel: Our Strength Is Women" project whose aims are to encourage women to be more active participants in social life and to empower them economically by supporting and in increasing their employment in production. This project targets all women living in Kocaeli province but especially those in Dilovası township where the company's production operations are based.

During the reporting period, 6% of all the people on the company's payroll, 16.7% of the company's white-collar employees, and 33% of the company's senior executives were women.

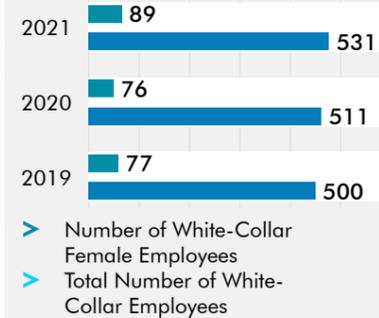
Female Employees by Year



Female Employees in Senior Management by Year



White-Collar Female Employees by Year



Çolakoğlu Metalurji's production operations are classified as being high-risk for all workers and they create an environment that is extremely dangerous for people with physical disabilities. In recognition of this, the company is focusing on identifying physically disabled candidates capable of working in the company's other operations and on organizing special training programs for them.

Çolakoğlu Metalurji also supports projects that aim to encourage the physically disabled to join the workforce and help secure their own

livelihood and to become part of the formal economy.

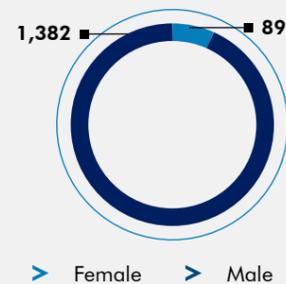
During the reporting period, forty of the people on Çolakoğlu Metalurji's payroll qualified as "physically disabled". This is the full number of positions mandated by law for such employees at the company.

Respect for employee rights and human rights is a fundamental element of Çolakoğlu Metalurji's corporate culture and is regarded as a high-priority issue. In the conduct of all human resources processes such as recruitment, hiring, promotion,

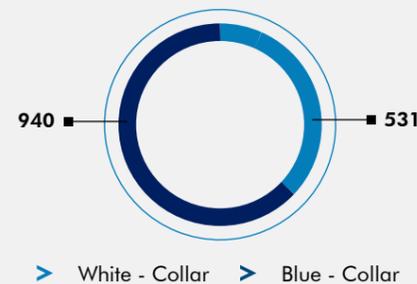
remuneration, and discharge, equality of treatment is the company's fundamental principle. Çolakoğlu Metalurji is adamantly opposed to any violation of unionization rights as well as to any form of forced, compulsory, or child labor; neither does it condone such practices under any circumstances.

All (100%) of Çolakoğlu Metalurji's blue-collar workers are labor union members.

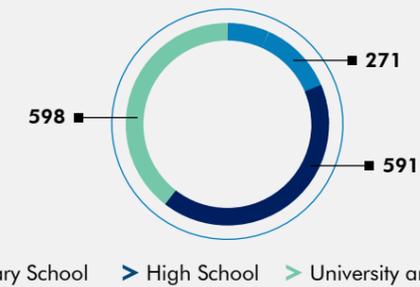
Total Number of Employees by Gender



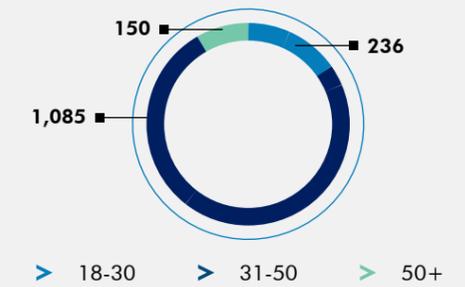
Total Number of Employees by Category



Total Number of Employees by Education Level



Total Number of Employees by Age Group



Talent Management & Career Planning

Çolakoğlu Metalurji strives to achieve and maintain a workforce whose members are open to innovation and change, who believe in continuous development, and who are capable of distinguishing themselves in the performance of their jobs. In line with this, the company provides all of its personnel with fair and equal development, promotion, and assignment opportunities.

The company likewise conducts talent management programs to support its employees and it also keeps a close watch on their career progression and performance. The job-performance impact of all the training which employees receive and of the experience which they acquire while on Çolakoğlu Metalurji's payroll are assessed during annually-conducted performance, potential, and talent reviews. Based on the results of these reviews, developmental action plans are formulated and communicated as may be necessary.

One part of the talent management cycle consists of evaluating employees' performance and potential through

assessment-center inventories in a process that also involves the participation of their supervisors. At the end of this process, potential/talent backup maps, progression and rotation plans, and training programs are formulated. All of the foregoing serves as input for employees' subsequent development, promotion, and assignment processes and their career paths are laid out accordingly.

Çolakoğlu Metalurji Reward System

The Çolakoğlu Metalurji Reward System is intended to provide mechanisms for increasing employee motivation and loyalty by rewarding original ideas and singular achievements as well as for providing expressions of general recognition and appreciation.



Expressions of company recognition and appreciation fall into one of two different categories.

One consists of recognition and appreciation-based awards. An example is the awards and recognitions handed out when an employee has completed another five years in the company's service. Other examples are the awards handed out at milestone events in an employee's life such as getting married, the birth of a child, and so on.

Awards in the other category are specialized expressions of recognition and appreciation handed out to employees who are members of groups that have taken part in planned maintenance, kaizen, 5S, and similar continuous-development activities. These awards are given

based on the contributions which employees are deemed to have made under such headings as "productivity", "creativity", and so on.

Contributions that Çolakoğlu Metalurji employees make in matters outside their ordinary responsibilities are treated as original ideas or as singular achievements and are rewarded accordingly. This reward system is designed so as to provide immediate feedback. Employees who make contributions of this sort are assessed and rewarded accordingly by their supervisors. In addition to all of the foregoing, the Çolakoğlu Metalurji Reward System also has a provision for rewarding employees who make the most suggestions, accumulate the highest points, or who come up with the best OHS ideas.

Employee Development

Striving to achieve and maintain a workforce whose members are open to innovation and change, who believe in continuous development, and who are capable of distinguishing themselves in the performance of their jobs, Çolakoğlu Metalurji provides employees with training and development resources capable of enhancing their competencies and their occupational knowledge and skills.

Company employees' training needs are identified on the basis of their individual professional/occupational and personal development parameters and are addressed in such a way as to be compatible with Çolakoğlu Metalurji's own corporate strategic objectives. A long-term view is taken

when planning training activities. Training programs are planned under the headings of "Mandatory training", "Academies", "Professional/occupational training", "Technical training", "Personal development training", and "Leadership academy".

Production-unit task flows are communicated to employees as on-the-job training sets.

Çolakoğlu Metalurji also has an in-house training system. The in-house trainers who take part in this system do so and provide training resources on a voluntary basis. The company also runs coaching and mentoring programs that all employees may take part in.

During 2020-2021 pandemic processes, employees took part in all training remotely with the exception of

training courses for which classroom attendance is mandated.

During the reporting period, Çolakoğlu Metalurji employees were provided with around 56,000 manhours of training. Average training time per employee was 38.66 hours.

Çolakoğlu Metalurji offers traineeship positions for students enrolled in technical and occupational lycees. Those who are deemed to have been successful during their internship may be offered a position at the company upon completion of their studies. During the reporting period, Çolakoğlu Metalurji worked in partnership with the İzmit Vocational and Technical Anadolu Lycee and the Ali Nuri Çolakoğlu Vocational and Technical Anadolu Lycee in the conduct of traineeship programs. The company

also collaborated with lycees under the Turkish Employers' Association of Metal Industries' "Full Support For Vocational Training In Turkey" (METAD) project.

University-Industry Partnerships & Collaborations

Çolakoğlu Metalurji takes part in the on-campus "career day" events hosted by Kocaeli University and by technical and other universities. The company also provides job positions for university students who must satisfy summer-internship requirements.

University students attending master's and doctor's degree programs are also encouraged to select thesis questions from among Çolakoğlu Metalurji's production-related subjects and to take part in company projects.

Çolakoğlu Metalurji Training Plan Heading Details



Mandatory Training

Mandatory training is provided, as a requirement of law, to personnel with responsibilities in the areas of occupational health and safety, environmental protection, information security, management standards, first aid, SAP, operating specific types of equipment, auditing, and legal matters. Specialized mandatory training is also provided to employees taking part in company projects for which it is required.



Academies

Academy-based training consists of professional/occupational training which every employee in a particular company unit needs to have. Training content is specific to the departments and positions concerned. Each department's management is responsible for reviewing its own academy training programs and for assigning employees to attend the programs each year.



Professional/Occupational Training

Professional/occupational training addresses issues not otherwise covered by Academy training programs. Each department's management is responsible for determining its own needs for such training and for assigning employees to take part in it accordingly.



Technical Training

Technical training consists of certification/refresher training that must be provided to personnel on account of their positions and/or duties.



Personal Development Training

Every year one of the company's corporate values is selected as the theme of that year's personal-development training and a target audience for the training is identified. Every Çolakoğlu Metalurji employee takes part in at least one personal-development training program depending on position-based competency-training matrices, on training & development plans, and on performance results.



Leadership Academy

Çolakoğlu Metalurji officers, managers, executives as well as the company's future managers and high-potential individuals are provided with specialized training according to their position in the leadership matrix.

In collaboration with İstanbul Technical University's MATİL Materials Testing and Innovation Laboratory, all Çolakoğlu Metalurji employees involved in production operations have an opportunity to take part in İTÜ's academic programs. Çolakoğlu Metalurji likewise works with other leading institutions of higher learning in Turkey such as Koç University and Sabancı University in the conduct of leadership and other competency-development programs.

Employee Loyalty

Employee satisfaction plays a key role in achieving and strengthening employee loyalty.

In order to increase employee motivation and satisfaction, Çolakoğlu Metalurji strives to maintain and to enhance a participatory and communicative workplace environment that also takes into account work-life balance issues.

Çolakoğlu Metalurji employees are granted casual leave with the aim of enabling them to balance their work and private lives. It is a fundamental rule at Çolakoğlu Metalurji that all work must be completed within designated working hours. Checks are carried out as needed to ensure that working hours are not exceeded.

It is a fundamental Çolakoğlu Metalurji policy to maintain mutually open communication between the company and its employees. In keeping with this, all company policies and practices are communicated to employees through

such channels as the corporate intranet, SMS, email, and in-house closed-circuit display panels and bulletin boards.

At the end of each year, participation-fostering company-wide meetings are held during which information about the past year's results and the upcoming year's goals is shared with employees.

Employees are able to communicate directly with the Çolakoğlu Metalurji Human Resources Department from the "Ask Human Resources" tab on the corporate intranet web page.

Çolakoğlu Metalurji supports employee participation in company decision-making processes and it encourages employees to submit ideas and suggestions. In line with this, the "İş'te Fikir" project was launched in order to receive the suggestions of the employees.

Çolakoğlu Metalurji organizes Family Day events that are attended by its employees and their families. These gatherings, which are a tradition at



Çolakoğlu Metalurji, are held to enrich social interaction among employees and to strengthen employee-employer communication. Two other Çolakoğlu Metalurji practices aimed at strengthening management-personnel solidarity are the company's traditional New Year's party and lottery drawing.

Volunteerism

In 2017 a "Haydi" ("Let's Do It") social activity committee was set up at Çolakoğlu Metalurji to encourage company employees to voluntarily take part in socially-beneficial activities in line with their own personal interests. Under this program, a large number of events are organized every year in such categories as day-trips, the arts, sports, hobbies, and socially-beneficial projects.

Çolakoğlu Metalurji employees are encouraged to take part in both intramural and extramural sports events and tournaments. Company personnel are also provided with support in such areas as psychological and legal counselling.

OCCUPATIONAL HEALTH AND SAFETY

ZERO-ACCIDENT & OHS CAMPAIGNS

It is Çolakoğlu Metalurji's principle to provide personnel with workplace conditions that are clean, are conducive to health, and ensure quality production.

The company focuses its attention on the workplace health and safety not just of its own employees but of all of its stakeholders. Believing that work-related accidents and illnesses are preventable, Çolakoğlu Metalurji therefore takes such measures as may be necessary to ensure that they are prevented.

According to Regulation On Preventing Major Industrial Accidents And Reducing Their Effects, which incorporates EU Seveso Directive principles into Turkey's legal framework, Çolakoğlu Metalurji is classified as a "Lower Tier Site".

In the conduct of its OHS operations, Çolakoğlu Metalurji conforms to the requirements of that regulation as well as to those of its ISO 45001 Occupational Health & Safety Management System certification and of its own Çolakoğlu Metalurji Occupational Health & Safety Policy.

[Click here for Çolakoğlu Metalurji's Occupational Health & Safety Policy](#)



OHS Committee

OHS-related issues at Çolakoğlu Metalurji are overseen by an OHS Committee which consists of twenty-four members and which convenes at least once a month. This committee oversees the activities of ten subcommittees, each of which is responsible for a particular department. There are also subcommittees that deal with the OHS issues of all subcontractors. The decisions which these subcommittees take are subject to the review and approval of the OHS Committee.

Çolakoğlu Metalurji's occupational health & safety operations are informed by its "Zero-Accident" vision.

Çolakoğlu Metalurji focuses on anticipating and identifying whatever work-related accident and disease risks there may be associated with its operations. It employs the Fine & Kinney Method to analyze such risks. Risks are identified and assessed on the basis of specific processes and operations.

During the current reporting period:

- × The digitalization of all OHS processes was completed. Such processes may now be monitored systematically online.
- × As mandated by Turkish laws and regulations and in keeping also with

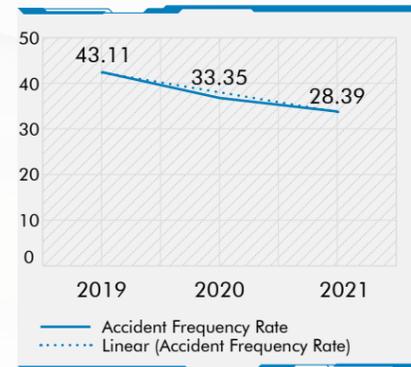
Seveso principles, danger zones that are exposed to explosion risks were identified and an Explosion Protection Document (EpD) was prepared for each. Ministry-conducted Seveso and EpD audits were successfully passed.

- × A company-wide Zero-Accident Awareness project (BADİ) was launched. Besides ensuring that company employees have a safer and healthier workplace environment, this project also aims to make OHS awareness a high-priority concern among personnel and to encourage them to make it a part of their own everyday lives and those of their loved ones outside the workplace as well.

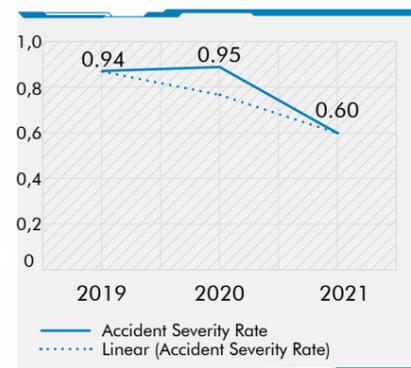
- × A total of 19,360 manhours of OHS training was provided to all Çolakoğlu Metalurji employees; subcontractor employees were given a total of 7,000 manhours of such training. Average OHS training time per person was 23 hours.

- × There were no fatal accidents at Çolakoğlu Metalurji in 2021. The company's accident-frequency rate (AFR), which was 33.35% in 2020, decreased to 28.39% in 2021; its lost time due to accidents fell from 0.95 days to 0.60 days over the same period.

Accident Frequency Rate



Lost Day Rate



OHS Inspections

On-location OHS inspections are conducted daily at Çolakoğlu Metalurji as part of overall production operations.

Any non-compliance issues that may be detected during these inspections are discussed immediately with those

Positive Safety Culture

Positive safety culture is a corporate culture in which OHS-related issues are prioritized. To foster OHS-safety awareness in the conduct of its operations, Çolakoğlu Metalurji has initiated a Positive Safety Culture Project in which all of its own employees and those of its subcontractors are involved.

Positive Safety Culture Project key points

- × Management visibly committed to safety
- × Equitable practices and competencies
- × Safety-oriented values, attitudes, and commitments
- × Clearly-defined obligations and responsibilities
- × Safety/production balance
- × Competent employees and training,
- × High motivation and job satisfaction,
- × Management/personnel mutual trust and equitable treatment
- × Quality, rules, and regulations
- × Regular equipment maintenance
- × Effective reporting and interpretation of accidents
- × Healthy information flow among different corporate levels and officials
- × Appropriate design
- × Sufficient resources and continuous improvement.

responsible for the unit and the action that needs to be taken is determined. Customized software is used both to systematically record the results of these inspections and to keep track of follow-up processes, including such matters as those responsible for taking corrective action and action suspense dates.

During the reporting period, on-location inspections were carried out in eleven different units, as a result of which 2,194 corrective actions were initiated on the basis of inspection findings. 97% of these corrective actions were completed as of their suspense date.

	2019	2020	2021
Total Number of Improvement Activities	1,327	2,029	2,194
Timely Completion Rate of Improvement Activities	98.2%	95.3%	97%

Any long-term action that necessitates an investment by the company is referred to the OHS Committee, which is responsible for considering the issue and deciding whether or not to proceed with the investment.

All Çolakoğlu Metalurji subcontractors, whether long-term or short-term, are subject to the same OHS Management System requirements as the company itself and their compliance with such requirements is monitored. No subcontractors or subcontractor personnel are admitted to company premises until and unless all the requirements of the Çolakoğlu Metalurji Subcontractor Management System have been satisfied.

Covid 19-Related Activities & Operations

Throughout the Covid-19 pandemic, Çolakoğlu Metalurji took all necessary measures and precautions both to protect the health of its own and its suppliers' personnel and to minimize contagion and transmission risks.

Çolakoğlu Metalurji's workplaces were audited by TÜV SÜD Türkiye for compliance with the "Covid-19 OHS Control & Precautions" rules published by the Turkish Employers' Association of Metal Industries. The company successfully passed these audits and its production operations were certified "Covid 19-Safe" by the Turkish Standards Institution. To the same end:

- Risks were analyzed and emergency action plans were drawn up based on different scenarios;

- Regular on-location inspections were carried out;

- Personal protective equipment and hygiene supplies were procured and made available for personnel to use;

- Employees were kept informed about pandemic-related issues and developments;

- Employees were subjected to PCR testing at regular intervals;

- Contact-tracing procedures were followed to identify employees who had been exposed to persons who tested positive;

- Work hours were changed to accommodate pandemic-related measures;

- Vaccines were administered on company premises.

During the pandemic, the company also took various precautions related to its suppliers. All traffic and personnel entering designated units were subject to systematically-tracked controls and documentation of movements.

Disaster & Emergency Preparedness and Management

Protecting employee health while also ensuring operational continuity by reducing potential risks is one of Çolakoğlu Metalurji's highest priorities.

Every effort is made to protect Çolakoğlu Metalurji plants from the impact of natural disasters and

emergencies. Applicable principles and actions are spelled out in the Çolakoğlu Metalurji Emergency Response Action Plan.

The Çolakoğlu Metalurji Emergency Response Action Plan also sets out all duties, authorities, and responsibilities associated with quickly and effectively intervening in the event of a disaster or emergency and with minimizing losses arising from them.

In the conduct of the company's disaster and emergency preparedness and management processes, risks are analyzed and assigned points after which various scenarios are prepared for those risks that are deemed to be the most severe. The same scenarios also inform the company's disaster and emergency training processes.

All employees as well as emergency response team (ERT) members are given training on such issues as division of labor, pre-response preparations, equipment use, and communication when dealing with disasters and emergencies. In order to refresh, update, and increase their awareness, knowledge, and skills about such matters, personnel are given both informational and practical training at regular intervals. Evacuation, fire, chemical-spill, and similar emergency-response drills are likewise regularly conducted with the aims of testing the effectiveness of emergency-response plans and procedures, of measuring ERT knowledge, proficiency, and coordination on location and identifying training needs if any, and of improving ERT coordination and communication with official agencies.

SOCIAL INVESTMENTS

SOCIALLY-AWARE PROJECTS THAT CREATE SHARABLE VALUE

Çolakoğlu Metalurji regards using part of the added value that it generates in order to undertake socially-beneficial projects that have a lasting impact as one of its high-priority goals.

In line with this, the company undertakes such projects in the areas of education, environmental protection, sport, and health not just in the vicinity of Dilovası where its production operations are based but also throughout Kocaeli province. These projects also help contribute to the realization of UN Sustainable Development Goals.

In 2021 Çolakoğlu Metalurji initiated a youth and sports club project whose aims are to support the social development of Dilovası's children and youths and to train athletes by contributing to the cultural and social development of young people through the role that sport is capable of playing in communal and social life.

The company also intends to undertake various other positive-impact communal, social, and cultural projects in areas ranging from increasing women's participation in the formal economy of Dilovası and its region to organizing kite-flying festivals for people living in the area.

Education: The Focal Point of All Socially-Beneficial Investments

Çolakoğlu Metalurji believes that Turkey's most precious asset is a well-trained workforce.

Because of the priority that it gives to this issue, the company sincerely and resolutely supports education-focused projects capable of improving living standards and of making the lives of future generations better and more comfortable.

Çolakoğlu Vocational & Technical Anadolu Lycee

The Gebze School of Practical Arts for Girls that was originally built by company founder Mehmet Rüştü Çolakoğlu continues to serve the community today as the Çolakoğlu Vocational and Technical Anadolu Lycee. As of 2021, a total of 1,093 students had attended one or more of this school's highschool (962), open highschool (62), and kindergarten (70) divisions.

Dilovası Mübaccel Çolakoğlu Middle School

The primary school established in the name of Mübaccel Çolakoğlu by

Çolakoğlu Metalurji is now a middle school. Located in İzmit's Dilovası township, this modern educational institution has an enrollment of 600 students.

METU Faculty of Architecture Research, Design, Planning, and Implementation Center (MATPUM)

Part of Middle East Technical University, the METU Research, Design, Planning, and Implementation Center's goal is to ensure that the architectural faculty's store of knowledge, experience, and culture is shared with other stakeholders and areas of application within a institutionalized framework and this sharing has a positive impact on education and research.

İTÜ Mehmet Rüştü Çolakoğlu Boy's Dormitory

Çolakoğlu Metalurji-supported İstanbul Technical University (İTÜ) Mehmet Rüştü Çolakoğlu Boy's Dormitory is a fully-equipped modern facility that provides housing accommodations for the university's male students.

Ali Nuri Çolakoğlu Vocational and Technical Anadolu Lycee

Classes at Ali Nuri Çolakoğlu Vocational and Technical Anadolu Lycee began with the 2016-2027 academic year. Located in Gebze within a 20,000 m² campus, the school is one of the most modern and best-equipped technical training lycees in the region. It has a 952 student enrollment capacity.

Gebze Şerife Bacı Kindergarten & Girls' Dormitory

Built by Çolakoğlu Metalurji, the Gebze Şerife Bacı Kindergarten & Girls' Dormitory occupies a 9,500 m² campus and is equipped with a host of amenities ranging from a cafeteria to a conference hall.

Full Support For Vocational Training In Turkey project

The "Full Support For Vocational Training In Turkey" (METAD) project, a joint undertaking of Çolakoğlu Metalurji, the Turkish Employers' Association of Metal Industries, and the Ministry of Education's General Directorate of Vocational and Technical Training, was launched in 2017. Based on the "Sector-School-Business Cooperation Model", the goals of this

project are to train qualified workers for the metalworking sector, to improve the quality of vocational and technical training, and to generally contribute to economic and social development. Under this project, Çolakoğlu Metalurji has so far opened a Metal and Cold-Forming Workshop (2018) and an Electrics/Electronics Workshop (2020) at the İzmit Vocational & Technical Anadolu Lycee. Çolakoğlu Metalurji continues to work with and to contribute to this project.

Social Responsibility Projects

In response to the forest fires that affected our country in 2021, Çolakoğlu Metalurji donated the equivalent of 4,000 reforestation saplings to the Turkish Foundation for Combating Soil Erosion (TEMA). The company also contributed to the fire and flood victims aid campaign organized by the Disaster and Emergency Management Presidency (AFAD).

Çolakoğlu Metalurji likewise supports the Turkish Red Crescent, the Kocaeli Governor's Office, the Kocaeli Provincial Development Services & Social Life Support Association, the Kocaeli Darica Farabi Teaching & Research Hospital, the Kocaeli Care & Rehabilitation Center, Dilovası

Municipality, Dilovası Township Public Health Department, and Dilovası State Hospital.

Volunteerism

Çolakoğlu Metalurji encourages its employees to voluntarily take part in socially-beneficial projects and it supports them in their efforts to do so.

Haydi Social Activity Committee

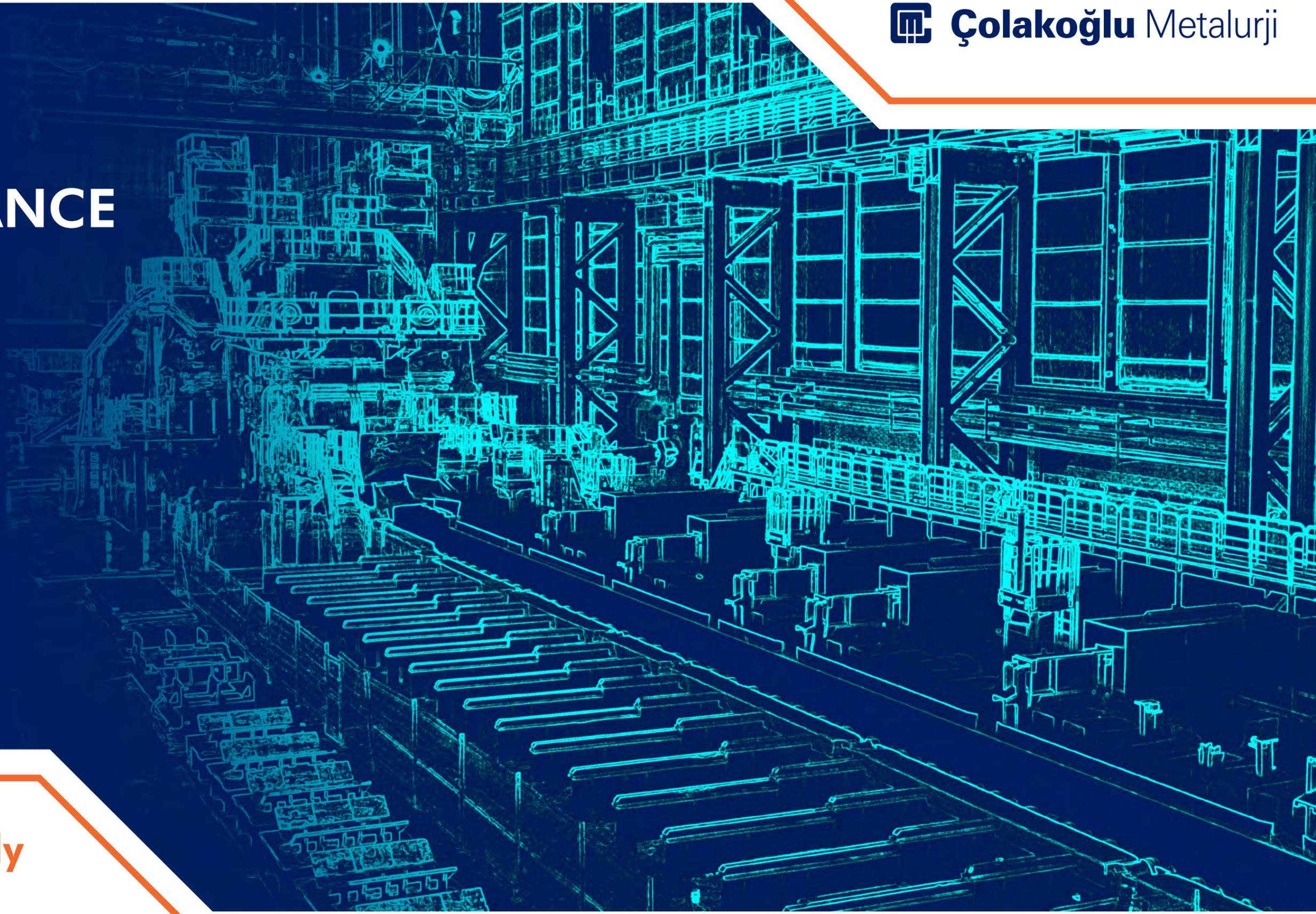
Formed in 2017, "Haydi" ("Let's Do It") is a Çolakoğlu Metalurji social activity committee whose members consist of company employees who voluntarily play active roles in socially-beneficial projects such as reforestation, supporting animal shelters, organizing book campaigns, and supporting schools.

"Let's Heal The Wounds Of The Fires Together" Campaign

This campaign was organized to help contribute to efforts to come to the aid of people who suffered from 2021's severe forest fires and also to take part in the rehabilitation of the ecosystems that the fires ravaged. Çolakoğlu Metalurji employees voluntarily collected aid materials and supplied them to those in need.

PERFORMANCE TABLES

**Future-Ready
Steel**



102-8

102-8, 102-41

SOCIAL PERFORMANCE INDICATORS

EMPLOYEE DEMOGRAPHICS

	2019	2020	2021
Total number of employees	1,434	1,457	1,471
Female	77	76	89
Male	1,357	1,381	1,382
Total number of employees by category			
White-collar female	77	76	89
White-collar male	423	435	442
Blue-collar female	0	0	0
Blue-collar male	934	946	940
Total number of employees by employment type			
Part-time female	0	0	0
Part-time male	0	0	0
Disabled employees	34	40	40
Total number of employees by education level			
Primary school	333	294	271
High school/ Vocational high school	556	580	591
Associates degree	220	229	228
Under-graduate	282	291	314
Post-graduate	41	53	51
PhD	2	5	5
Total number of employees by age			
18-30	231	229	236
30-50	1,063	1,084	1,085
50 +	140	144	150
Employees by nationality			
Local	1,434	1,457	1,471
Foreign	0	0	0
Senior management structure (total number)			
Senior executives	17	16	15
Senior female executives	4	5	5
Senior Turkish executives	17	16	15

	2019	2020	2021
Senior executives by nationality			
Local	17	16	15
Foreign	0	0	0
Mid-level management structure (total number)			
Mid-level executives	34	36	30
Mid-level female executives	7	6	5
Mid-level Turkish executives	17	30	35
Average years of seniority by category of employees			
Senior executives	11.81	17.24	18.86
Mid-level executives	6.56	8.69	9.66
Experts & Officers	8	8.89	8.58
Total number of employees by contract type			
Permanent	1,434	1,457	1,471
Temporary	0	0	0
Unionization rate of blue-collar employees	100%	100%	100%
Total number of newly hired employees			
Female	13	9	17
Male	93	99	153
18-30	38	50	95
30-50	52	50	72
50 +	16	8	3
Total number of leaving employees			
Female	4	7	8
Male	82	84	150
18-30	6	10	36
30-50	44	43	82
50 +	36	38	40
Total turnover rate	%1,00	%1,00	%1,00
Return and retention after maternity and paternity leave (total number)			
Female employees on maternity leave	6	5	2
Male employees on paternity leave	94	86	82
Female employees returning from maternity leave	6	5	2
Male employees returning from paternity leave	94	86	82

EMPLOYEE DEVELOPMENT

	2019	2020	2021
Employee trainings- number of participants (person)			
Blue-collar	6,961	4,358	9,806
White-collar	3,934	3,327	9,153
Female	662	482	1,662
Male	10,233	7,203	17,297
Employee trainings- total hours (person*hour)			
Blue-collar female	0	0	0
White-collar female	3,978	2,143	5,946
Blue-collar male	32,673	22,081	26,185
White-collar male	20,580	11,926	23,778
Average hours of training per employee	33	27	38,66
Percentage of employees receiving regular performance and career development reviews			
Blue-collar female	0	0	0
White-collar female	62	62	72
Blue-collar male	0	0	0
White-collar male	392	385	410

OHS

	2019	2020	2021
Total number of OHS Board members	21	21	24
Total number of OHS Board employee representatives	2	2	2
Total number of OHS Board meetings	12	12	12
Total number of OHS Committee members	35	71	92
Total number of OHS Committee meetings	48	96	120
Total hours of OHS training given to employees	10,780	21,808	19,360
Total hours of OHS training given to contractor employees	6,936	6,308	7,244
Total number of employees participating in OHS trainings	50	1,280	1,106
Total number of contractor employees participating in OHS trainings	519	487	548
OHS training hours per employee	16	20	23
Accident Frequency Rate	43.11	33.35	28.39
Lost Day Rate	0.94	0.95	0.60
Absenteeism Rate	5%	6.1%	6.2%
Accident Severity Rate			
Direct Employment	0.94	0.96	1.09
Contractor Employee	401.97	167.86	114.05

ENVIRONMENTAL PERFORMANCE INDICATORS

PRODUCTION

	2019	2020	2021
Total production amount (tons)			
Steel mill	2,675,957	2,713,717	2,753,482
SSH	3,036,927	2,922,717	2,785,757
Rod mill	465,804	758,605	679,200
Power Plant KWH	1,055,710,159	1,132,650,107	1,056,494,700
Total amount of raw material consumed (tons)			
Scrap steel	3,015,590	3,085,150	3,127,616
Other auxiliary materials	190,362	199,124	212,383
Solid fuels	505,564	522,822	506,907
Amount of by-products produced	430,635.35	406,359.64	356,927.04
Chemicals	1,521	1,526	2,571

ENERGY AND EMISSIONS

	2019*	2020	2021
Energy consumption within the organization	100	104	103
Direct energy consumption			
Natural Gas	100	106	105
Solid Fuels	100	104	100
LPG	100	85	108
Diesel	100	90	77
Indirect energy consumption			
Electricity	100	103	102
Scope 1 Emissions**			100
Scope 2 Emissions**			100
Scope 3 Emissions**			100

* Base Year 2019: 100

** ISO 14064 Greenhouse Gas verification studies are ongoing.

WASTE

	2019***	2020	2021
Total amount of hazardous waste	100	157	172
Recycled	100	105	113
Disposal	100	165	180
Total amount of non-hazardous waste	100	121	144
Recycled	100	140	3,442
Disposal	100	121	79
Total by-product****	100	94	83
Recycled	100	94	83
Recycled (%)	64%	57%	50%
Recycling rates of products	100%	100%	100%
Recycled material / Total used material ratio in the product			
Construction Rod	88%	95%	90%
Steel Roll	78%	81%	81%
Re-use rate of by-products	65%	59%	73%

*** Base Year 2019: 100

**** Some categories of waste generated by our production operations are usable as raw or auxiliary materials in other sectors. The amounts of total waste which may be legally dealt with and reported as by-products are shown in the "By-products" line of the "Production" chart.

WATER

	2019*****	2020	2021
Total Water Consumption	100	97	147
Salt water -reverse osmosis	100	97	148
Rain and surface water	100	94	137
Municipal water	100	53	104
Recycled/reused surface and rainwater	100	95	138
Construction Rod Water Density	100	94	86
Steel Roll Water Density	100	88	100

***** Base year 2019: 100

ENVIRONMENTAL TRAININGS

	2019	2020	2021
Environmental training given to employees (person*hour)	4,980	232	9,312
Environmental training given to contractor employees (person*hour)	535	-	489
Total number of employees receiving environmental training	1,245	58	1,186
Total number of contractor employees receiving environmental training	535	-	489

ENVIRONMENTAL BUDGET

	2019	2020	2021
Environmental expenditures (TL)			
Investment	5,889,778.13	5,644,617.69	29,559,110.33
Management	31,907,697.08	41,565,288.37	62,005,734.04

GRI CONTENT INDEX

**Future-Ready
Steel**

102-10



102-48, 102-51, 102-52, 102-56

Disclosures	Descriptions and Page Numbers
GRI 101: Foundation 2016	
GRI 102: General Disclosures 2016	
Corporate Profile	
102-1	About the Report p.1
102-2	Çolakoğlu Metalurji At a Glance p.4
102-3	Contact: Inside Back Cover
102-4	Çolakoğlu Metalurji At a Glance p.4
102-5	Çolakoğlu Metalurji At a Glance p.4
102-6	Çolakoğlu Metalurji At a Glance p.4
102-7	Çolakoğlu Metalurji At a Glance p.4
102-8	Social Performance Indicators p.50-51
102-9	Supply Chain Management p. 23-24
102-10	GRI Content Index: During the reporting period, there was no significant change in the operational or financial structure and supply chain of the Company.
102-11	Risk Management p.13
102-12	Corporate Memberships p.7
102-13	Corporate Memberships p.7
Strategy	
102-14	Message from General Manager p.2-3
102-15	Risk Management p.13
Ethics and Integrity	
102-16	Business Ethics and Anti-Corruption p.14
102-17	Business Ethics and Anti-Corruption p.14

For the Materiality Disclosures Service, GRI Services reviewed that the GRI content index is clearly presented and that the references for Disclosures 102-40 to 102-49 align with appropriate sections in the body of the report. "The service was performed on the Turkish version of the report.

Governance	
102-18	Corporate Management p.12
102-19	Corporate Management p.12 ;Sustainability Management p.16
102-20	Sustainability Management p.16
102-21	Stakeholder Communication p.18-19
102-29	Corporate Management p.12 ; Risk Management p.13
102-30	Risk Management p.13
102-31	Corporate Management p.12 ; Risk Management p.13
102-32	Sustainability Management p.16
102-35	Corporate Management p.13
102-36	Corporate Management p.13
Stakeholder Engagement	
102-40	Stakeholder Communication p.18-19
102-41	Social Performance Indicators p.51
102-42	Stakeholder Communication p.18-19
102-43	Stakeholder Communication p.18
102-44	Sustainability Management p.17
Reporting Practices	
102-45	About the Report p.1
102-46	About the Report p.1
102-47	Sustainability Management p.17
102-48	GRI Content Index: None
102-49	About the Report p.1
102-50	About the Report p.1
102-51	GRI Content Index: The report is Çolakoğlu Metalurji's first Sustainability Report.
102-52	GRI Content Index: Annual reporting
102-53	About the Report p.1
102-54	About the Report p.1
102-55	GRI Content Index: p.56
102-56	GRI Content Index: No external audit was received.

Material Issues		
Standard	Disclosure	Descriptions and Page Numbers
Corporate Management		
GRI 103: Management Approach 2016	103-1 Explanation for reporting the management approach	Corporate Management p.12-15
	103-2 The management approach and its components	Corporate Management p.12-15
	103-3 Evaluation of the management approach	Corporate Management p.12-15
GRI 205: Anti-Corruption 2016	205-2 Communication and training about anti-corruption policies and procedures	Business Ethics and Anti-Corruption p.14
	205-3 Confirmed incidents of corruption and actions taken	GRI Content Index: There was no case of corruption in the reporting period.
Partnerships with Stakeholders		
GRI 103: Management Approach 2016	103-1 Explanation for reporting the management approach	Stakeholder Communication p.18-19
	103-2 The management approach and its components	Stakeholder Communication p.18-19
	103-3 Evaluation of the management approach	Stakeholder Communication p.18-19
Supply Chain Management		
GRI 103: Management Approach 2016	103-1 Explanation for reporting the management approach	Supply Chain Management p. 23-24
	103-2 The management approach and its components	Supply Chain Management p. 23-24
	103-3 Evaluation of the management approach	Supply Chain Management p. 23-24
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	Supply Chain Management p. 23
Customer Focus		
GRI 103: Management Approach 2016	103-1 Explanation for reporting the management approach	Customer Focus p.24-25
	103-2 The management approach and its components	Customer Focus p.24-25
	103-3 Evaluation of the management approach	Customer Focus p.24-25
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	GRI Content Index: No case of breach of confidentiality of customer information during the reporting period.
Product Quality and Safety		
GRI 103: Management Approach 2016	103-1 Explanation for reporting the management approach	Customer Focus p.25
	103-2 The management approach and its components	Customer Focus p.25
	103-3 Evaluation of the management approach	Customer Focus p.25
GRI 416: Customer Health and Safety 2016	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	GRI Content Index: No such non-compliance has occurred during the reporting period.

R&D and Innovation		
GRI 103: Management Approach 2016	103-1 Explanation for reporting the management approach	R&D and Innovation p.26
	103-2 The management approach and its components	R&D and Innovation p.26
	103-3 Evaluation of the management approach	R&D and Innovation p.26
Operational Efficiency		
GRI 103: Management Approach 2016	103-1 Explanation for reporting the management approach	Operational Efficiency p.27
	103-2 The management approach and its components	Operational Efficiency p.27
	103-3 Evaluation of the management approach	Operational Efficiency p.27
Climate Change		
GRI 103: Management Approach 2016	103-1 Explanation for reporting the management approach	Climate Change p.30-31
	103-2 The management approach and its components	Climate Change p.30-31
	103-3 Evaluation of the management approach	Climate Change p.30-31
GRI 201: Economic Performance 2016	201-2 Financial implications and other risks and opportunities due to climate change	Risk Management p.13
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Energy and Emissions Management p.31; Environmental Performance Indicators p.53
	302-4 Reduction of energy consumption	Energy and Emissions Management p.31
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	Water Management p.32
	303-5 Water consumption	Water Management p.32; Environmental Performance Indicators p.54
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Environmental Performance Indicators p.53
	305-2 Energy indirect (Scope 2) GHG emissions	Environmental Performance Indicators p.53
	305-3 Other indirect (Scope 3) GHG emissions	Environmental Performance Indicators p.53
	305-5 Reduction of GHG emissions	Energy and Emissions Management p.32
Circular Economy		
GRI 103: Management Approach 2016	103-1 Explanation for reporting the management approach	Circular Economy p.33
	103-2 The management approach and its components	Circular Economy p.33
	103-3 Evaluation of the management approach	Circular Economy p.33
GRI 301: Materials 2016	301-2 Recycled input materials used	Circular Economy p.33; Environmental Performance Indicators p.54
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Circular Economy p.33
	306-2 Management of significant waste-related impacts	Circular Economy p.33
	306-3 Waste generated	Environmental Performance Indicators p.54
	306-5 Waste directed to disposal	Environmental Performance Indicators p.54

To Be a Preferred Employer		
GRI 103: Management Approach 2016	103-1 Explanation for reporting the management approach	To Be a Preferred Employer p.36-37
	103-2 The management approach and its components	To Be a Preferred Employer p.36-37
	103-3 Evaluation of the management approach	To Be a Preferred Employer p.36-37
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Social Performance Indicators p.51
	401-3 Parental leave	Social Performance Indicators p.51
GRI 402: Labor/ Management Relations 2016	402-1 Minimum notice periods regarding operational changes	GRI Content Index: Legal notice periods are taken into account for important job changes.
	404-1 Average hours of training per year per employee	To Be a Preferred Employer p.41 ; Social Performance Indicator p.52
GRI 404: Training and Education 2016	404-2 Programs for upgrading employee skills and transition assistance programs	To Be a Preferred Employer p.40-41
	404-3 Percentage of employees receiving regular performance and career development reviews	Social Performance Indicators p.52
	405-1 Diversity of governance bodies and employees	Social Performance Indicators p.50-51
GRI 405: Diversity and Equal Opportunity 2016	405-2 Ratio of basic salary and remuneration of women to men	GRI Content Index: There is no salary difference on the basis of gender at Çolakoğlu Metalurji. The principle of equal pay for equal work is applied.
	GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	To Be a Preferred Employer p.38
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	To Be a Preferred Employer p.38
Occupational Health and Safety		
GRI 103: Management Approach 2016	103-1 Explanation for reporting the management approach	Occupational Health and Safety p.43
	103-2 The management approach and its components	Occupational Health and Safety p.43
	103-3 Evaluation of the management approach	Occupational Health and Safety p.43
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Occupational Health and Safety p.43
	403-4 Worker participation, consultation, and communication on occupational health and safety	Occupational Health and Safety p.43 ; Social Performance Indicators p.52
	403-5 Worker training on occupational health and safety	Occupational Health and Safety p.43 ; Social Performance Indicators p.52
	403-9 Work-related injuries	Occupational Health and Safety p.43 ; Social Performance Indicators p.52
	403-10 Work-related ill health	Social Performance Indicators p.52
Social Investments		
GRI 103: Management Approach 2016	103-1 Explanation for reporting the management approach	Social Investments p.46-47
	103-2 The management approach and its components	Social Investments p.46-47
	103-3 Evaluation of the management approach	Social Investments p.46-47
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	Social Investments p.46-47

CONTACT US

Headquarters

Rüzgarlıbahçe Mahallesi, Çam Pınarı Sokak, No: 1 İç Kapı No: 16 34805 Beykoz, İstanbul

Telephone: 444 26 27 (444 CMAS)

Fax: +90 (216) 537 14 01 +90 (216) 537 14 02

Production Facility (Flat Products)

Dilovası Organize Sanayi Bölgesi, 1. Kısım Göksu Caddesi No: 16 41455 Dilovası, Kocaeli

Telephone: 444 26 27 (444 CMAS) - +90 (262) 676 75 00

Fax: +90 (262) 754 84 20

Production Facility (Long Products)

Dilovası OSB 5. Kısım D-5007 No: 15 Dilovası, Kocaeli

Telephone: 444 26 27 (444 CMAS)

Fax: +90 (262) 754 84 20

Reporting Consultant & Design



www.kiymetiharbiye.com/en/
info@kiymetiharbiye.com

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