



Sustainability Report 2019



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“ Value Oriented, Reliable and Sustainable Growth.”

We have built our sustainability approach on 4 key perspectives with the motto of

Sharing Business Approach



Sharing and ethical business approach that adds value to stakeholders

Environmentally Respectful Business Approach



An environmentally friendly, innovative production approach that reduces carbon footprint

Our main goal is to add value to our stakeholders and lead the target markets by creating innovative solutions with our expertise and technological capabilities, starting from raw material supply to the last stage of production.

Reliable Business Approach



Reliable working approach that prioritizes occupational health and ergonomics

Sustainable Development Focused Business Approach



Global growth approach that supports economic and social development

Our Report

In line with our sustainability strategy, we have completed our first sustainability report in which we describe our sustainability performance in order to guide our work and to achieve our corporate goals and to meet the expectations of all our stakeholders.

We are thrilled to share our first sustainability report, with you, our esteemed stakeholders, about our activities that we have carried out effectively and efficiently by adopting sustainable production principles with transparency and honesty under the theme, ‘VALUE ORIENTED, RELIABLE AND SUSTAINABLE GROWTH’ since the day we were founded.

In our report, you can find our work on the issues that we primarily focus on and will focus on with our sustainability approach and our stakeholders’ expectations, global trends affecting our sector and our corporate goals. In addition, we have also demonstrated our contribution to the United Nations Sustainable Development Goals by linking our activities with them.

We have conducted a broadly participatory and inclusive stakeholder engagement process while determining our sustainability approach and sustainability priorities. The compilation of data related to the report has been carried out under the leadership of ASAŞ Sustainability Committee with the contributions of our relevant units. SUCSR Sustainability Consultancy provided consultancy services during the preparation of the report.

Our report covers the works we carried out between 1 January 2019 and 31 December 2019. We aim to share the works we will perform in the coming periods through the sustainability report that we will prepare annually.

Within the scope of the report, we included 5 production centers and 1 headquarter within our company operating in Turkey.

‘This report has been prepared in accordance with the GRI Standards: Core option’.

ASAŞ Alüminyum Sanayi ve Ticaret A.Ş. Sustainability Report has been prepared in two different languages, Turkish and English. The report has not been audited externally.

HEADQUARTER

ASAŞ Alüminyum Sanayi ve Ticaret A.Ş.
Rüzgarlı Bahçe Mah., Kumlu Sok. No.2
Asaş İş Merkezi, 34810 Kavacık,
Beykoz – İstanbul, Türkiye

ALUMINIUM PROFILE & COMPOSITE PANEL FACTORIES

Küçücek İstiklal Mah., Kışla Alanı Cad. No: 2,
54400 Akyazı - Sakarya / Türkiye

FLAT ROLLED FACTORY

Yazılıgürgen Mahallesi Fabrikalar Cad. No. 50,
54400 Karapürçek - Sakarya / Türkiye

PVC PROFILE & ROLLER-SHUTTER FACTORY

Küçücek İstiklal Mah., Kışla Alanı Cad. No: 2,
54400 Akyazı - Sakarya / Türkiye

You can communicate all your questions, opinions and suggestions relating to our report and sustainability studies to sustainability@asastr.com

Message from our General Manager



Esteemed Stakeholders,

Since 1990, when we were founded, we have been a company that adds value to the sectors we operate in with our innovative approaches and whose name is always referred with the first ones. We are a family that works hard and grows day by day to be successful and ahead on this path that we have progressed successfully. When we join hands, we know that difficult becomes easy, distant goals become close, the impossible becomes possible. As we continue to do our best with all our stakeholders, I am confident that we will embrace many more sustainable successes together.

We continue to do our part for a sustainable future with the "Respect for People" approach, which is one of our first corporate values on our journey, and we are happy to share our Asaş Sustainability Report, which is one of the prominent steps we have taken in this direction, with you for the first time this year. We are proud to have created the opportunity to share many of the activities we have implemented with this report, which provides our stakeholders with the opportunity to observe our value-oriented, pioneering, creative, sustainable and sharing business approach transparently.

With our 5 production facilities operating within the same campus in Turkey, our headquarters in Istanbul and more than 2400 employees operating under the roof of Asaş GmbH, which started operating in Neuwied, Germany in 2017, we continue our activities by continuously growing and creating value without compromising our respect for society and

the environment with a transparent and accountable management approach that is respectful, innovation and development-oriented, without separating from our ethical values.

In the past period, we have achieved many prominent projects with our value-adding digitalization, innovation, R&D, efficiency and sustainability-oriented activities. We have finalized all these projects by being respectful and ethical to people, constantly looking for perfection and customer orientation, which are our key values. With these works that make a difference in the sector, we have made great contributions to both our stakeholders and our country, we have won awards, we have grown and developed together. First of all, we try to provide our employees with an environment that is healthy, safe, prioritizes their personal development and happiness, without compromising on safe workplace conditions. The value we create with happy employees is reflected in our business results with an increasing success chart and, as Asaş, we proudly represent our national brands in global markets by creating employment in our country and carrying our initiatives abroad.

2019 year was a year in which we as a country tried to get rid of the effects of the financial turbulence that took place in August 2018. As ASAŞ, we have focused and achieved on increasing our productivity and increasing our export share. We have successfully implemented Digital, which is our most transformational project and aim to move all our processes to the digital environment.

In the following periods, we will work hard as usual and concentrate on the 3 most important areas: being an efficient and excellent team, unique customer experience, and digitalisation. I have no doubt that we will all climb the ladder of success together and continue to place ASAŞ brand across the sector. I would like to express our gratitude to all our stakeholders who are on our side in our sustainability and development journey for their contributions, valuable ideas, approaches that motivate us and their beliefs in us.

I am proud to present our Sustainability Report, which we have prepared with great effort and look forward to sharing with you.

Yours sincerely,

Derya Hatiboğlu

Asaş Alüminyum San. ve Tic. A.Ş.
General Manager

About Us



With 5 production facilities equipped with the state-of-the-art technology in Akyazi, Sakarya region and more than 2,400 employees and exports to more than 80 countries, we have been among the most influential industrial organizations in Turkey since our establishment in Gebze in 1990.

With a steady growth trend since our establishment, we ranked 65th in the top 100 in ISO 500 in Turkey in 2019. We also became one of the leading manufacturers in Europe. With our innovative products, technology, having the first R&D Center approved by the Ministry of the sector and the services we offer, we produce solutions and add value to every sector we are in.

In Akyazi and Karapürçek campus, we serve our customers in our Aluminium Profile, Composite Panel, Aluminium Flat Finished Product, PVC Profile and Roller-Shutter production facilities, 300,000 m² of which are indoor and installed on a total area of 750,000 m².

In our integrated facilities, we produce

- Aluminium Billet:** 90.000 tons/year
- Aluminium Profile:** 75.000 tons/year
- Anodic Oxidation Profile:** 40.000 tons/year
- Electrostatic Powder Coating Profile:** 25.000 tons/year
- Aluminium Flat Rolled:** 120.000 tons/year
 - **Rolling:** 140.000 tons/year
 - **Folio:** 75.000 tons/year
 - **Painted Sheet:** 50.000 tons/year
- Aluminium Composite Panel:** 10.0500.000 m²/year
- PVC Profile production:** 35.000 tons/year
- Lamellar Roller-Shutter:** 30.000.000 linear meter/year

We provide services in many different sectors such as construction, automotive, rail systems, commercial vehicles, energy, packaging, consumer products, maritime. As well as producing the products and semi-finished products that our customers need in their own projects, we enrich our knowledge in the field of production with our design and Production & Development efforts and offer the products we produce with our own brand to the market. Aluminium architectural systems (door, window and curtain facade systems), aluminium composite panel, PVC door and window systems, aluminium design products (aluminium flag and lighting poles, aluminium furniture), Roller-Shutter systems, garage doors and engine control systems are the product groups we sell with our own brand.

With the awareness that not only science but also art contributes greatly to the development of societies, we continue our support for art by further developing it under the umbrella of ASAŞSANAT, which we established in 2015. ASAŞSANAT continues its activities as a learning, sharing, design and production platform that brings art and design students together with academics and professionals.

In the art workshop we will build in Akyazi, Sakarya region, we aim to revive the change created by art in societies and the ability to gain different perspectives by organizing courses and seminars for the spouses and children of our employees. In addition, we aim to develop projects where they can create works of art for our disabled friends in line with our social responsibility activities.

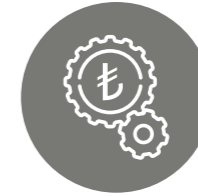
Click for more details about ASAŞ
www.asastr.com



ASAŞ at a Glance



5 Production Facilities
on an area of 923.000 m²



100%
Domestic Capital



Exports to
90 + Countries on 6
Continents



2.965.404.427 TL
Turnover



2,98%
Ratio of Turnover Obtained from
New Product to Total Turnover



23,2 Milyon TL
**R&D Investment
Amount**



**First R&D Center
of the sector**



**42 Completed
R&D Projects**



31%
Female Employee
Rate on White Collar



**2.419
Employees**



31%
Incident Frequency
Improvement Rate



38.383
3 Training time held
with ASAŞ ACADEMY
organization
(Person*hour)

History of ASAŞ

1992 First Aluminium extrusion line production opened in Gebze.

1997 PVC production started in Akyazı.

1998 Aluminium production lines moved from Gebze to Akyazı.

2006 Aluminium composite panel production started in Akyazı in 2008.

2008 Aluminium Roller-Shutter and shutter production started in Akyazı.

1990-1995

- We started production on an area of 13,000 m² in Gebze by commissioning an extrusion press line of 2,750 tons with an aluminium profile production capacity of 6,000 tons/year.
- We established an anodized plant with a production capacity of 3.000 tonnes/year.
- We have established an electrostatic powder coating plant with a production capacity of 6.000 tons/year.
- We increased the production capacity to 11,000 tons/year by commissioning a second extrusion press line of 1,600 tons.

1996-2000

- We commissioned a horizontal billet casting plant with a capacity of 5,000 tons/year.
- We started PVC profile production by commissioning 4 PVC profile extrusion lines with a total production capacity of 6.000 tons/year on an indoor area of 6.000 m² in Akyazı/Adapazarı region.
- We have established a PVC laminated profile production facility.
- We moved other lines other than an extrusion press line of 2,750 tons in the aluminium profile production facilities in Gebze to Akyazı/Sakarya facilities.
- We have increased the aluminium press profile production capacity to 22,000 tons/year by commissioning extrusion profile lines of 3,500 tons and 1,250 tons.
- We have increased the anodized plant capacity to 6,000 tons/year by commissioning new rectifiers.

2001-2005

- We increased PVC profile production capacity to 20,000 tons/year with a total of 14 extruders with 10 PVC profile extrusion line investments.
- For the first time in Turkey, we established a double face laminate production facility and reached an annual production capacity of 4,000 tons.
- We commissioned a PVC ready-made door and window automatic production facility.
- We commissioned Hot Top Air-Slip vertical billet casting facility with 35.000 tons/year billet production capacity.
- We commissioned a vertical electrostatic powder coating facility with a production capacity of 18,000 tons/year.
- With the investment of MIG/TIG welding machines of CNC cutting, milling, turning, machining centers, CNC pipe and profile bending lines, we have put into operation the Mechanical Processing Department where profiles are processed in semi-finished/finished form.

2014 Aluminium flat rolled production started in Karapürçek.

2015 ASAŞSANAT was established.

2015 The first R&D Center in the aluminium industry of Turkey approved by the Ministry of Science, Technology and Industry was established.

2016 ASAŞ ACADEMY was established in November

2017 ASAS GmbH was established in November 2017

2006-2010

- We commissioned the first aluminium composite panel production facility with a production capacity of 1,500,000 m²/year. In a short time, we commissioned the second production facility with a production capacity of 2,500,000 m²/year and increased the total capacity to 4,000,000 m²/year.
- We have increased the capacity of Hot Top Air-Slip vertical billet casting facility to 60,000 tons/year.
- By commissioning 2,700 tons and 5,500 tons of extrusion profile lines, we increased the aluminium press profile production capacity to 50,000 tons/year.
- With the investment of the new anodized facility, we have reached an aluminium anodized coating capacity of 25,000 tons/year.
- We have established a production facility for steel Roller-Shutter systems of aluminium lamellar shutter and box lines.
- We have commissioned the production of laminate machine for PVC coaster production.
- We made the first EN-VER VAP (Productivity Enhancing Project) with the Ministry of Energy, Energy Affairs Survey Administration.

2011-2015

- We commissioned 2 natural gas-powered power plants (trigeneration plant) with 4.3 MWe power (total 8.6 MWe power).
- We have commissioned the investment of a sublimation plant with a production capacity of 2.000.000 m²/year.
- By commissioning the 15-meter anodized plant, we have reached an aluminium anodized coating capacity of 35,000 tonnes/year.
- By commissioning 2,200 tons and 13,200 tons of extrusion profile lines, we increased the aluminium press profile production capacity to 70,000 tons/year.
- We increased the capacity of aluminium composite panel production facility to 7.500.000 m²/year with 2 new line investments.
- Aluminium flat rolled (Cast: 60.000 tonnes/year, roll: 140.000 tonnes/year, foil: 25,000 tons/year, painted plate: 45,000 tonnes/ year).
- By commissioning the 4th melting furnace and the 2nd casting machine in the aluminium billet casting plant, we increased the capacity to 75.000 tons/year.
- We increased the capacity to 8,000 tons/year by buying CNC processing centers, welding robots and special processing centers with various features in Mechanical Processing and Special Manufacturing departments.
- We increased the PVC production facility to 25,000 tons by 22 lines.
- We have increased the production capacity of Roller-Shutter lamellar to 30.000.000 linear meter/year.
- We established the first R&D Center approved by the Ministry of Science, Industry and Technology of the sector.
- We established ASASSANAT.

2016-2020

- We established ASAŞ GmbH.
- We have put ASAŞ Basketball Club into implementation.
- We increased the 55 MN press pressure to 62 MN pressure power, the 35 MN press pressure to 40 MN pressure power and the 27 MN press pressure to 29 MN pressure power.
- We have put Digital-Digital Transformation Project into implementation.
- For energy quality and sustainable uninterrupted energy supply, we implemented the 154 kV Stepdown Substation (Switching Station) Project (19 June 2016).
- We established ASAS ACADEMY.

First results and Tops

First results and Tops

- We established the First R&D Center of the sector.
- We are the first company to supply CERN in the aluminium sector.
- We are the first company to establish a vertical powder coating facility the extrusion sector in Turkey.
- We are the first company to produce aluminium composite panels in Turkey.
- We are the company with the highest capacity anodized plant in the same campus in the world, which can anodize the longest profiles (up to 15 m) in Europe in the extrusion sector.
- We are the first company in Turkey to have ISO/TS 22163 (IRIS) certification requested by rail transport sector in Europe.
- We are the most modern and technological plant in Europe with ASAŞ Aluminium Flat Rolled Production Facility [We have the ability to produce Turkey's largest aluminium coil (2200 mm in width, 2600 mm in diameter and 26 tons)].
- We have the largest extrusion press in Turkey (62 MN).
- We are the first company to manufacture aluminium conical pole machine in Turkey.
- We have the largest foil production lines in the world.
- We are the only facility in Turkey that can effectively roll 5.000 and 6.000 series of hard alloys with the first 6-roller CVC feature cold roller in the aluminium sector in Turkey.
- We are the only company in Turkey and the one with the largest coil coating line in the world.
- We are the first company to establish ultrasonic billet test and continental homogenization in the extrusion sector in Turkey.
- We are the first company to receive TPM award in Turkey in the aluminium sector.

Leading Steps in Sustainability

- We established ASAŞSANAT, the first art workshop that brings industry and art together in the sector.
- At the Flat Rolled Products Production Facility equipped with the state-of-the-art technology, we have included all environmentally sensitive systems within the bounds of today's technology into the facility by addressing the issues of sustainable healthy life and production with great sensitivity. With this approach, we are the first company in Turkey to invest in facilities that recycle the oils discharged through chimney at cold Rolling and foil rolling mills.
- We are a company that provides products to sectors that require serious expertise such as automotive, rail system, aviation and energy; and also touch the lives of people all over without compromising on quality in sectors such as construction, architecture, consumer products, HVAC and so on.
- We care about the happiness of our employees and we are a company that implemented the IVF (in vitro fertilization) project (Golden Ball) for our employees to have babies.
- We are the first company to establish the Directorate of Change Management in the sector.
- We are a company that established a children's basketball club and licensed basketball team so that children can contribute to social development and become successful individuals in the future.
- We are a pioneering company in the aluminium sector that established its own academy under the name of ASAŞ ACADEMY, which aims to transform its knowledge into an intellectual asset.

Our Economic Performance



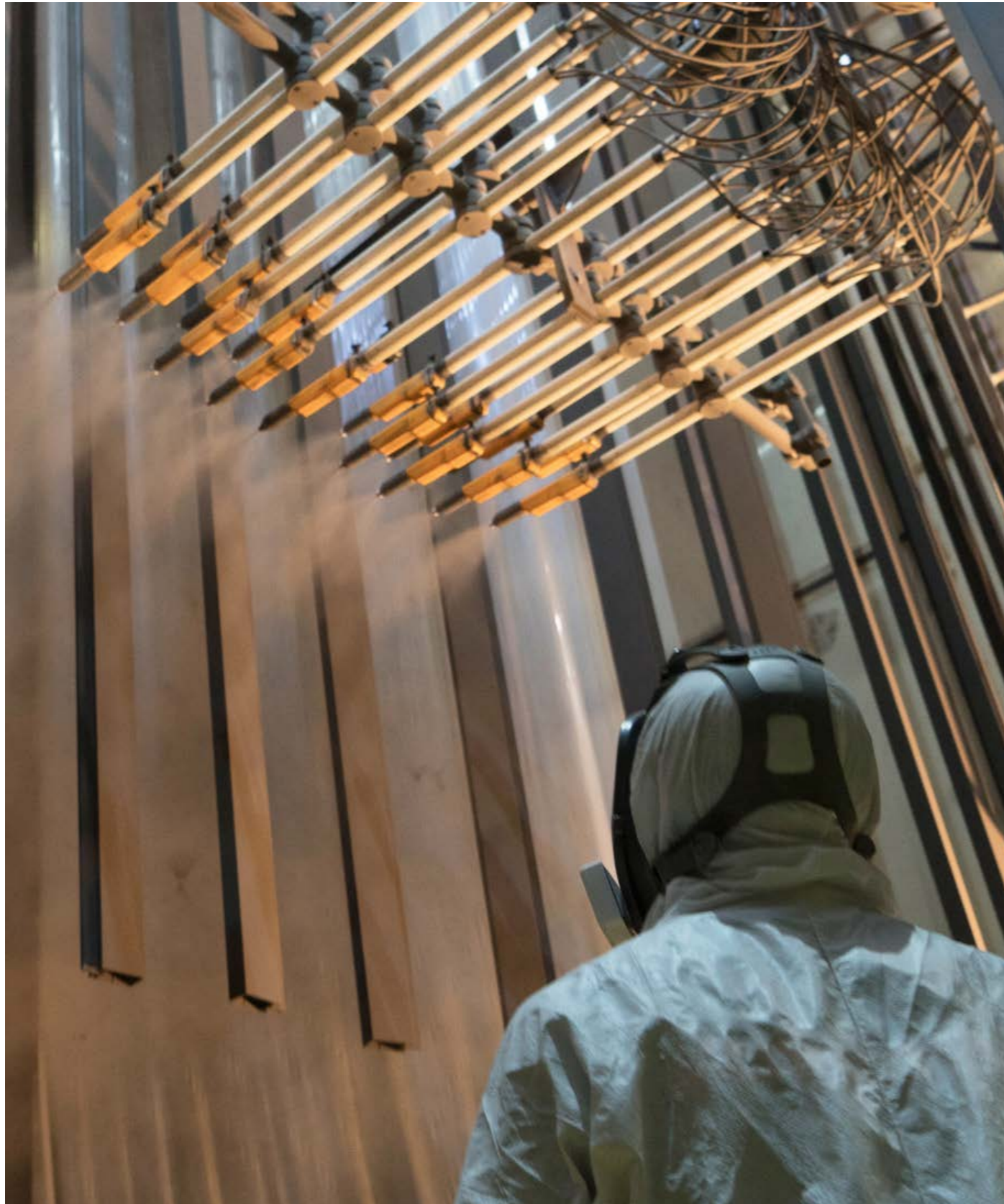
2019 was a year in which we tried to get rid of the effects of the financial turbulence that took place in August 2018 and GDP grew by only 0.9%. The surface area of the building licenses granted in 2019 was half of the previous year. LME Aluminium, on the other hand, lost an average of 15% compared to 2018.

As ASAŞ, our main focus in 2019 was to increase our productivity and export share. With our 100% domestic capital, we managed to increase our export rate from 45% to 52% in our turnover approaching TL 3 billion. As of 2019, we export to more than 90 countries in 6 continents. We have successfully implemented Digital, our most important transformation project.

As usual, we will continue to focus on 3 areas by working hard to improve our economic performance: Being efficient and excellent team based on unique customer experience and digitalization.

Asaş Financial Outlook	2018	2019
Net Sales (TL)	2.669.513.136	2.965.044.427
Cost of Sales (TL)	-2.056.829.137	-2.538.994.126
Operating Expenses (TL)	-40.377.681	-41.965.707
Personnel Expenses (TL)	-569.693.136	-372.581.143
Current Rate	99%	98%
Acid-Test Ratio	60%	53%
Export Figures		
Export Amount (TL)	1.203.897.836	1.551.122.401
Export Percentage	45%	52%
Sales Volume		
Extrusion (tons)	46.349	43.341
Composite Panel (000 m ²)	4.429	3.156
PVC Profile (tons)	14.486	14.403
Roller-Shutter (000 mt)	17.207	12.582
Flat Product (ton)	69.646	84.946

Corporate Management

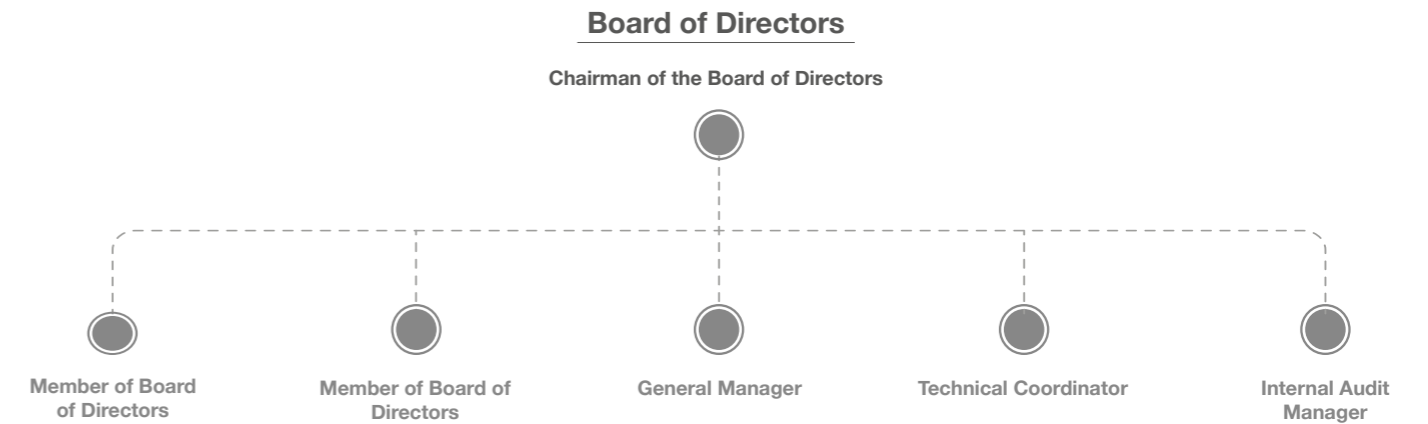


Our Mission: Our mission is to carry aluminium and PVC to every point of life for a sustainable, load-free, bright future.

Our Vision: We aim to add value to our stakeholders and lead the target markets by creating innovative solutions with our expertise and technological capabilities.

Since the day we were founded, we have adopted a participatory, innovative, reliable, environmentally friendly and human-oriented management approach. With this approach, we evaluate economic, social and environmental elements together in all strategic and operational processes and decision-making mechanisms.

The highest decision-making authority in our company is the Board of Directors. Our Board of Directors consists of 6 persons. The awareness and leadership of our board of directors are vital in integrating our economic, environmental, social and ethical responsibilities into our strategies. The Board of Directors is ultimately responsible for the management of these issues affecting the reputation and profitability of our company. With the leadership and vision of our board of directors, we adopt an effective management model in all our facilities and in all decision-making processes.



Boards and Committees



Information Security Board

Information Security Management Certificate (BGYS) covers all our departments except Production and R&D departments in aluminium profile, composite panel, PVC, Roller-Shutter, shutter and flat finished business centers. Information Security Board is established for

- Aligning the sections within the scope of the document on BGYS,
- Having information about the activities related to information security,
- Receiving the suggestions and opinions of the departments and to plan the necessary actions,
- Rendering information security sustainable and identifying deviant cases and ensuring that decisions are taken to make solutions systematic.

The Information Security Board comprises of one employee, management representative and incident manager to represent all departments within the scope. The Board is responsible for identifying current or potential breaches in its departments, identifying potential information security risks, and initiating corrective and preventive actions when necessary. The Board convenes periodically and holds meetings based on pre-determined agenda items. The Board shares its outputs with senior management during management review meetings.



Energy Committees

In our company, there is a separate energy committee for each department to ensure energy efficiency. Energy committees are responsible for raising awareness and consciousness about energy in the relevant departments, providing training, and ensuring and monitoring the energy-efficient work of the businesses. In addition, it is the responsibility of the energy committees to reveal the VAP potentials, to inform about the Energy Management and ISO 50001 Energy Management System, to explain and monitor the energy consumption targets of the enterprises, and to create a working platform for the realization of Energy Efficiency-Energy Improvement projects.



Disciplinary Board

Disciplinary boards are separate in each of our factories. Disciplinary boards include the Factory Director, Human Resources Group Manager; Health, Safety, Environment (HSE) Manager, two-line managers appointed by the Factory Director and one of the employee representatives of the Occupational Health and Safety (OHS) Board appointed by the Factory Director.

Disciplinary Boards are responsible for acting in accordance with the guidelines of the regulation and ensuring the confidentiality of the files received by the board.



Ethical Committee

The Ethics Committee is responsible for investigating and resolving the complaints and notifications regarding the breach of ethics per those underlined under ASAŞ. The Ethics Committee working under the Chairman of the Board of ASAŞ Alüminyum San. ve Tic. A.Ş. consists of the persons in the following positions;

- **President of the Ethics Committee:** Company General Manager
- **Member of the Ethics Committee:** Financial Affairs Department Authority
- **Member of the Ethics Committee:** Corporate Communications Department Officer
- **Member of the Ethics Committee:** Internal Audit Department Official
- **Member of the Ethics Committee:** Human Resources Department Officer



Health Committee

We established the Health Committee with the principle of “health at the beginning of every work” and within the framework of our “Utmost Respect for the Employee” value, in order to support our employees and their families in health issues.

Requests for support in the care and treatment needs of our employees in cases related to disability or chronic disease for either themselves or their close relatives are evaluated in the committee by the HR, HSE Directorate and workplace physician.

We materially and/or morally support requests that are determined to comply with the committee rules and become partners in the challenging processes experienced by our employees.



OHS Boards

OHS Boards operate under the responsibility of our factory managers to carry out works related to occupational health and safety and separately in our factory. The Department of HSE is responsible for the preparation of the board meetings and the secretariat of the meetings and the training of the board members.

Our OHS Boards consisting of employee representatives, employer or employer representative, occupational physician, occupational safety specialist, human resources, administrative and financial affairs officials convene at least once every two months. In order for our board members to perform their duties and use their powers in a proper way, they must receive the following training:

- National legislation and standards in the issue of Occupational Health and Safety,
- Frequently common work accident and reasons for dangerous and unsafe condition,
- Basic principles of occupational hygiene,
- Communications techniques,
- Emergency measures,
- Occupational diseases,
- Workplace-specific risks,
- Risk assessment.

OHS Boards;

Assesses the hazards and measures in relation to Occupational Health and Safety in the factory on a regular basis, identifies measures to be taken and measures OHS performance.

Plans training and instruction of Occupational Health and Safety and prepares this safety instruction and programs related to the guidelines. Monitors the implementation of these programs and gives feedback in case of any deficiency.

Plans required safety measures in maintenance and repair works to be performed in the workplace, and also inspects these measures.



Sustainability Committee;

The Sustainability Committee was established to improve the sustainability practices we carry out, to ensure the adoption and dissemination of these practices throughout the company and to follow the practices. The detailed functioning of the Sustainability Committee is described under the heading of “Sustainability Management” of our report.

Our Corporate Values

As ASAŞ, the best guide for us is the values we adopt:

- Utmost respect for the employee
- Journey to perfection in search of continuous improvement
- Being ethical by showing the right behaviour
- Customer orientation by creating continuous value

Our values set the boundaries of the way each stakeholder understands and behaves and apply to all our stakeholders. All our employees demonstrate exemplary behaviour in the adoption of our values.

Utmost respect for the employee



- We take care of one another and respect differences for the happiness of our employees.
- We support differences by giving equal and fair opportunities; we believe that the organization is enriched by being expressed freely with different experiences, backgrounds, lifestyles and beliefs.
- We act openly, honestly, constructively and respectfully in all our communications.
- We create continuous positive and efficient communication processes and ensure their implementation.
- We care about the continuous development of our people with the awareness that sustainability will be possible by contributing to society and the environment.
- We believe that all work-related incidents are preventable. We do not compromise the health and safety of our employees in any work we do.

Being Ethical by Exhibiting the Right behaviour



- We prefer to be bona fide, fair, moral, honest and reliable in our relationships to others.
- We do not just do the job right; we believe it is important to do the right thing in terms of social values.
- In our decision processes, we act with a sense of responsibility towards all our stakeholders, society and the environment.
- Knowledge is our greatest asset. We protect the knowledge of both us and all our stakeholders in line with our common interests.
- We work in the light of laws and social values and keep our accountability in mind.

Journey to Excellence Seeking Continual Improvement



- With every investment we make, we strive to achieve excellence in every product we develop.
- We know that our success depends on sticking to our vision and not compromising for perfection.
- With our open to learning approach, we prefer success to excuse and define the success criterion with excellence.
- We are aware of the fact that the best results are achieved through correctly designed processes, and we reveal our process maps clearly at the beginning of each work.
- We encourage innovations with our learning organization perspective, constantly improve ourselves to design our future together, and work for the rapid and effective dissemination of intra-organizational information.

Customer Orientation by Creating Continuous Value



- We never forget that the most significant return we get from our investments is the happiness of our customers.
- We know that the way to become a global leader is to understand the needs and expectations of our customers.
- In order to create value for our customers, we consider the needs as customers and respond to the voice of our customers.
- Technology, quality, trust and fast turnaround are indispensable for creating happy customers.
- While developing our products and services, we work with great passion and create projects that will excite our customers.

Our Management Policy

Our management policy is to ensure the development and business continuity of our company by adhering to international and national laws and ethical values by taking into account our vision, mission and basic values in all our products and services we offer to our stakeholders; to be the leading company preferred by our stakeholders in its sector.

In implementing this basic policy, we undertake

- Achieving a strong brand status in the target markets to be determined in the global arena,
- Moving our success in Turkey to international markets,
- Using capacity effectively first and then to search for new investments/opportunities with calculated risks,
- Focusing on value-added innovative products and sectors,
- Increasing awareness in branded products, leveraging our image,
- Approaching operational excellence in all processes,
- Disseminating “ASAŞ Is Mine “ culture to our employees,
- Staying focused on management with objectives,
- with the participation of all our employees.

Our National and International Certificates

Our national and international certificates are an integral part of our corporate governance and values. One of the most important conditions determining the way we do business is compliance with international laws and standards. We carry out a significant part of our work and our management objectives with the management systems listed below:

Aluminium Profile and Composite Panel

ISO 9001	ISO 50001	EN 1090-1	TS 13777 ALFABOND
ISO 14001	ISO IEC 27001	EN 15088 CE	TS 13777 NATURALBOND
OHSAS 18001	EN 40-6	QUALANOD	TS EN ISO 3834-2
ISO TS 22163 (IRIS)	EN 15085-2	QUALICOAT	TS 4922
IATF 16949	TS EN 755-1	TS EN 12020-1	TSE COVID-19

Flat Rolled

ISO 9001	ISO 50001	HALAL CERTIFICATE
ISO 14001	ISO IEC 27001	NFS CERTIFICATE
OHSAS 18001	KOSHER	TSE COVID-19

PVC, Roller-Shutter

ISO 9001	ISO 50001	TS EN 12608-1
ISO 14001	ISO IEC 27001	TSE COVID-19
ISO 45001	RAL	

In order for our institution and departments to set targets that will serve the expectations of the Board of Directors, we have identified the main objectives that constitute the framework in our 2023 roadmap. Last year, we defined profitable, sustainable growth steps with 7 main goals we set as a result of the efforts we started to develop management processes and targets. These main objectives we set will serve as a cockpit in the vision aligned journey for senior management and will require directing our activities to these points. We align our work within the framework of 7 main management objectives in all business units and factories.

Profitable Sustainable growth

- Increase efficiency and discipline in all processes
- Use capacity effectively first then search for new investments/opportunities with calculated risk
- Take your success in Turkey to international markets
- Focus on value-added innovative products and sectors
- Increase awareness and image in branded products
- Leverage employee ownership
- Ensure accountability with performance culture



ASAŞ System

ASAŞ System is a customized management system that we have created to standardize critical processes in order to reach our vision. We designed ASAŞ System to consist of 5 modules that include detailed road maps, taking into account the dimensions that form the basis of our strategy such as HSE, quality, customer, process, innovation.

On Place In Time Quality: The organization’s ability to provide internal and external customer-oriented standardization and accurate reflexes. We have put the “customer-oriented” approach into practice in order to dominate the deviations.

HSE Culture: With the motto “health first”, we have put our working environments into practice in order to make them sustainable and safe.

Respect for Human Culture: We have put the institution into practice with the approach of “ASAŞ Is Mine” in order to create an organization that owns it.

Innovation Culture: We have put it into practice in order to prepare the ground where we operate or meet the current and future expectations of the target markets.

Process Excellence: We will implement it in order to be an organization that seeks all kinds of improvement opportunities that will prevent waste.



HSE Culture

Making our working environments sustainable with the motto “health first”.

- Management Commitment • Sample Exhibition • Awareness Level • Employee Engagement
- Observing Your Friend

Respect for Human Culture

Creating an organization that owns the institution with the approach of “ASAŞ Is Mine”.

- Planning and Strategy • Inspirational Leadership • Communication Management
- Management and Organization Activity • Learning Organization • Performance management

On Place In Time Quality Culture

Dominating the “customer focused” approach to deviations.

- Recognition • Application • Awareness Level • Communication & Development • Competence of Management

Innovation Culture

Preparing the ground to meet today’s and future expectations of the market.

- Life-Long • Idea and Project Management • Cooperation Management • Intellectual Asset Management

Process Excellence

Being the organization where all kinds of improvement opportunities that will prevent waste are sought.

- Life-Long • Idea and Project Management • Cooperation Management • Intellectual Asset Management

Sustainability Management

We aim for value-oriented, reliable and sustainable growth in our journey to the vision with our strategies determined in line with our Asaş Sustainability Policy.



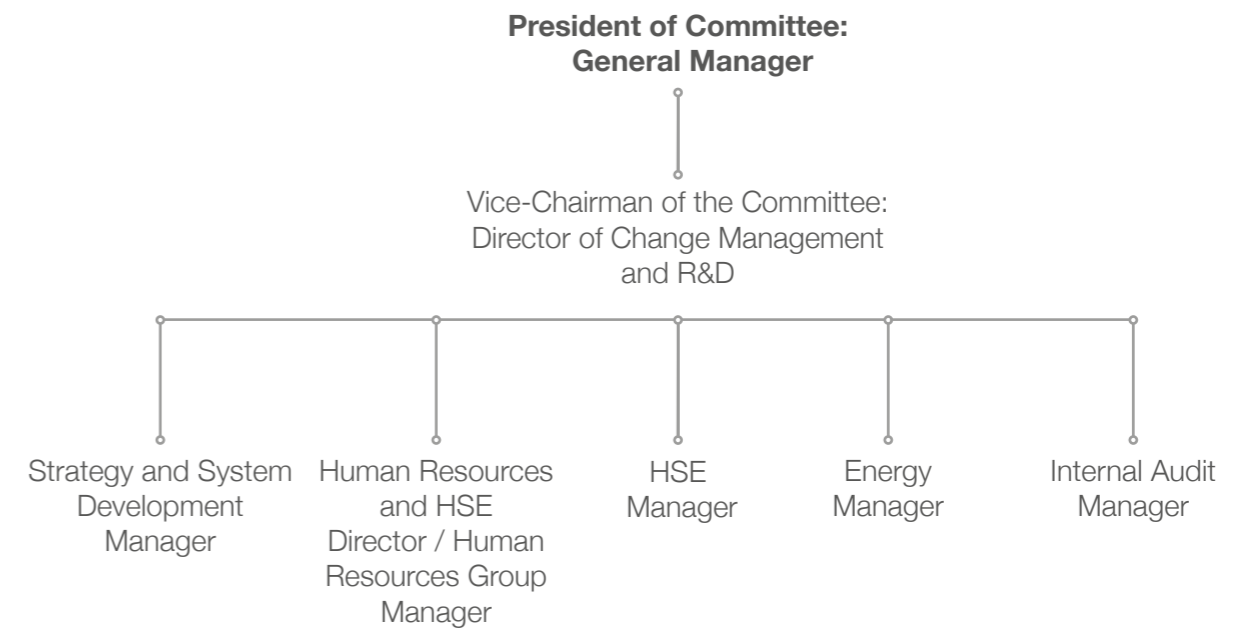
In 2019, we established the Sustainability Committee under the leadership of our General Manager as an output of the prominence we attach to this issue as an institution in our sustainability journey and started activities with our senior committee members who participated in all functions.

We structured the Sustainability Committee in order to improve corporate sustainability practices, to ensure that these practices are adopted and disseminated throughout the company and to follow the increase in efficiency and performance. Some key topics from the Committee’s sensitive work are as follows:

- Ensuring compliance of all decisions we make and projects we carry out within the framework of our sustainability structure with other policies of our institution and relevant regulations,
- Establishing communication to ensure the adoption of our sustainability strategy, policy and practices by all our stakeholders, ensuring coordination of the participation of our stakeholders.

Sustainability Committee;

Sustainability Committee consists of the following permanent participants representing different functions.



Asaş and Sustainability

Our Sustainability Priorities

We appeal to a wide range of stakeholders with the different sectors we serve. As stated in the “Stakeholder Relations” section of our report, we have regular dialogue with our stakeholders at every stage of both production and sales. We have constructed the general concept and content of this report taking into account the outcomes of the stakeholder analysis and prioritization study we carried out in 2019. We created the Sustainability Priorities Matrix with an approach that takes into account both qualitative and quantitative elements. The Sustainability Committee reviewed economic, social and universal issues, which are key indicators of sustainability, and identified 18 potential sustainability issues. Determining which issues affect our sustainability performance the most with both internal and external stakeholders within the framework of sustainability issues, the Committee conducted an online impact assessment survey to understand which issues should have the highest priority.

This survey, which provided representation from all our units and levels, included 672 employees and 68 different external stakeholders from both domestic and foreign countries.

Our results were re-evaluated by the Sustainability Committee and our senior management. As a result of this evaluation, the issues affecting the sustainability performance have been grouped under three main headings as very high priority issues, high priority issues and other issues and thus we have created the Sustainability Priorities Matrix.

Our Relationship with UN Global Goals According to Our Priority Topics

Very high priority issues

- Occupational Health and Safety
- Financial Performance



Topics of high priority

- Energy Management
- Customer Satisfaction



Miscellaneous

- Water Management
- R&D and Innovation



Our Sustainability Policy

After identifying our priority issues that closely affect our sustainability performance with a holistic perspective and our relationship with global goals, we have created our sustainability strategy by evaluating our company’s environmental, social and economic impact areas, our stakeholders’ expectations and corporate strategic planning together.

VALUE-ORIENTED, RELIABLE AND SUSTAINABLE GROWTH

We built our sustainability concept on 4 key perspectives.

Sharing Business Approach



Sharing and ethical business approach that adds value to stakeholders

Environmentally Respectful Business Approach



An environmentally friendly, innovative production approach that reduces carbon footprint

Reliable Business Approach



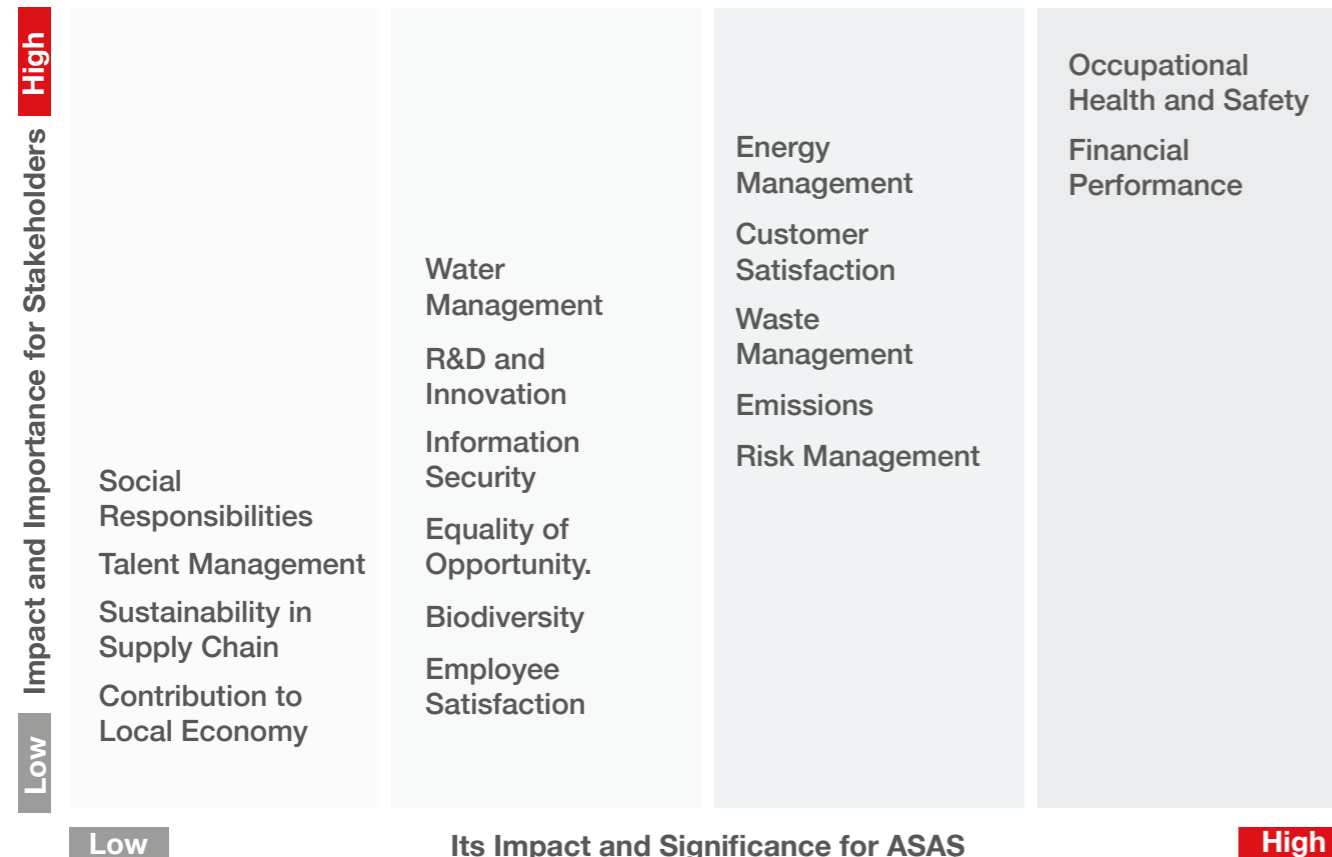
Reliable working approach that prioritizes occupational health and ergonomics

Sustainable Development Focused Business Approach

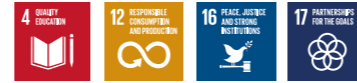


Global growth approach that supports economic and social development

Our Sustainability Priorities Map



Sharing Business Approach



As per our understanding of sustainability, we take an inclusive approach that follows not only our own practices, but also the practices of all our stakeholders. In order to protect our stakeholders in the future, we work to ensure that they adapt to global trends while attaching importance to stakeholder satisfaction. We aim to create a fairer, equitable, transparent business approach by adopting sustainable development goals. We are working to promote our inclusive ASAŞ culture. We are constantly improving our business processes for the satisfaction of our stakeholders. We implement applications to support and develop our immediate environment and local people, including our supply chain.

Relations with Stakeholder

With the work carried out by the Sustainability Committee, we define people and institutions that are affected by our activities both today and in the short and medium term, and also have an impact on our company performance with their decisions and behaviours, we define them as key stakeholders. We evaluate each of our key stakeholders separately in our processes such as production process, human resources management, processes supporting production, support, public institutions and organizations, suppliers, customers and strategic planning according to their needs and expectations.

Our methods of communicating with our stakeholders vary based on needs and expectations. In line with these differences, monitoring periods and responsible units are also determined. As an integral part of our sustainability studies, we continuously monitor and report the views, needs and expectations of our stakeholders using the most effective and efficient communication channels.



Collaborations and Memberships

We collaborate with many institutions and organizations through many different channels with teams that are integrated, winning and work together on the way we set out to create cooperation environments with our stakeholders.

We carry out waste management, energy saving and consumption reduction projects with our customers, suppliers and all other stakeholders in accordance with product, production performance, efficiency increase, sustainability priorities.

In addition, we carry out joint projects with organizations such as the European Union, the Ministry of Industry, TUBITAK (Scientific and Technological Research Council of Turkey), universities and educational institutions on many issues; we also contribute to the economy of the country and our brand value with our joint works.



We share our corporate memory and experiences with many associations, councils and chamber memberships in Turkey; we support the holistic development and development journey. We take responsibility by taking part in the management of many associations and rooms we are a member of and we fulfill our duties.

Some key associations and institutions we are a member of;

- TALSAD (Aluminium Industrialists' Association of Turkey)
- AYİD (Aluminium Surface Processors Association)
- TAYSAD (Vehicle Subsidiaries Association)
- DEİK (Foreign Economic Relations Board) - American Business Council
- German-Turkish Chamber of Commerce and Industry
- İSO (The Istanbul Chamber of Industry)
- ITO (Istanbul Chamber of Commerce)
- IMMİB (Istanbul Mineral and Metals Exporters' Associations)
- KALDER (Quality Association)

Business Ethics and Rules

As we continue to grow without slowing down in the changing business world, we have determined our common business principles, ethical principles and practices based on universal rules with ethical codes. "ASAŞ Code of Business Ethics", which we aim to make accessible, understandable by all components of our company and our stakeholders and published in 2019, is the main component of our activities. Our code of ethics and the code we publish under this code (<https://www.asastr.com/corporate-/codes-of-conduct/>) We undertake to put honest and ethical behaviours before everything else in our relations with our customers, suppliers, business partners, stakeholders and rivals (regardless of duty and qualification at ASAŞ)

The "Ethics Committee", which we have established to address ethics violations or ethics dilemmas, is obliged to investigate and resolve the complaints and notifications regarding the fact that the ethics are violated within the scope of ASAŞ Business Ethics.

Our Core Business Ethics Values and Principles



Integrity and Reliability

Honesty and reliability are our primary value in all our business processes and relations. Our employees act in accordance with laws of Republic of Turkey, international legal rules and moral values while they reach company objectives.



Confidentiality

As ASAŞ employees, we care confidentiality and protection of private information of our customers, colleagues and other persons and organizations that we work together with. We protect confidential information of company activities, use these information only in accordance with ASAŞ purposes and share with authorized persons. We do not transfer works such as confidential information, documents, regulations and projects of company, use for our interests against ASAŞ while leaving the company.



Justice and Equality

We treat fairly to our shareholders and each other, we prevent discrimination. As ASAŞ employees, we do not take any notice of differences such as race, nationality, language, religion, gender and social status between customers, subcontractors and suppliers, and avoid from prejudiced attitudes.



Productivity

We utilize from existing sources to reach company objectives and work as result-oriented. We use time properly to be more efficient and productive while doing a job, dedicate ourselves to our jobs, complete that job as possibly as the best and most successfully and seek the ways to do the job better. We measure our performance fairly and attentively, set realistic and reachable goals and evaluate our performance in accordance with these goals.



Open Door Policy

We resolve many issues before they become problems in ASAŞ. "Open Door" policy encourages employees to explain their ideas and opinions, to mention their worries and complaints and to ask questions under the condition of remaining in legal and ethical limitations. All managers support this policy by "keeping their door open" for their subordinates and other personnel who want to reach them.

Our Code of Business Ethics

Our Code of Business Ethics consists of 4 main articles and sub-articles with application principles of these articles.

Conflict of Interest: We observe and prevent situations where our individual interests and the interests of the people and institutions to which our company is related may conflict. Failure to use company resources, name, identity and influence for personal benefit, avoiding situations that adversely affect the name and image of the institution are among the key responsibilities of all employees.

Accepting and Giving Gifts: It is essential that our employees do not accept gifts or benefits likely to affect their objectivity, decisions and behaviours and do not attempt to provide gifts and benefits within this scope to third parties and organizations.

Establishing and Maintaining a Fair Work Environment: We consider the creation and maintenance of a fair working environment for our employees and one of the most key delicacies. We do not consider differences between our employees, customers, suppliers and 3rd parties such as race, nationality, language, religion, gender, social status and avoid biased attitudes.

We refuse the use of child labor except as prescribed by law. We do not work with any supplier or subcontractor who uses children as a workforce.

Ensuring Work Safety and Environmental Protection: We aim to leave a healthy, clean, liveable and sustainable world to future generations. For this purpose, we work in line with high standards in our environmental protection activities and within the framework of the relevant legal legislation and regulations for the safety of the works performed.

Our responsibilities

Our Responsibility for Compliance with the Laws and Regulations: We comply with laws and regulations of the countries in which we operate. We keep and maintain regularly and completely the information, documents and records related to these activities. We prepare all kinds of reports, presentations, financial statements and footnotes to be made public and submitted to the competent authorities in accordance with the laws, legislation and internal regulations meticulously, accurately and transparently.

Our Responsibilities towards our Employees: We ensure that our employees' personal rights are fully and correctly exercised. We treat employees honestly and fairly and commit to a non-discriminatory, safe and healthy working environment. We make the necessary efforts for the individual development of our employees and support them to volunteer for appropriate social and social activities that they will take part in with the awareness of social responsibility.

Our Responsibilities towards our Customers: We work with a proactive approach by focusing on customer satisfaction and responding to the needs and demands of our customers in the shortest time and in the most accurate manner. We act honestly and fairly towards all our customers and make the necessary efforts to fulfill our commitments to them on time and under the conditions we promise.

Responsibilities to Suppliers and Business Partners: We carefully protect the confidential information of the individuals and organizations we do business with and our business partners. We act fairly and respectfully to our suppliers and business partners and make every effort to fulfill our obligations on time and to prevent, resolve and resolve any disputes that may occur.

Our Responsibilities towards Rivals and the Sector: We compete with our sectoral rivals on a legal and ethical basis. We comply with competition law rules and avoid unfair competition.

Our Responsibilities towards Society and Humans: We place emphasis on the protection of democracy and human rights, training and charity, elimination of crime and corruption. We support all kinds of activities and formations that will increase the responsibility towards the society and prioritize the development of environmentally friendly technologies. In all our practices, we take into account the protection of human health and respect for the environment.

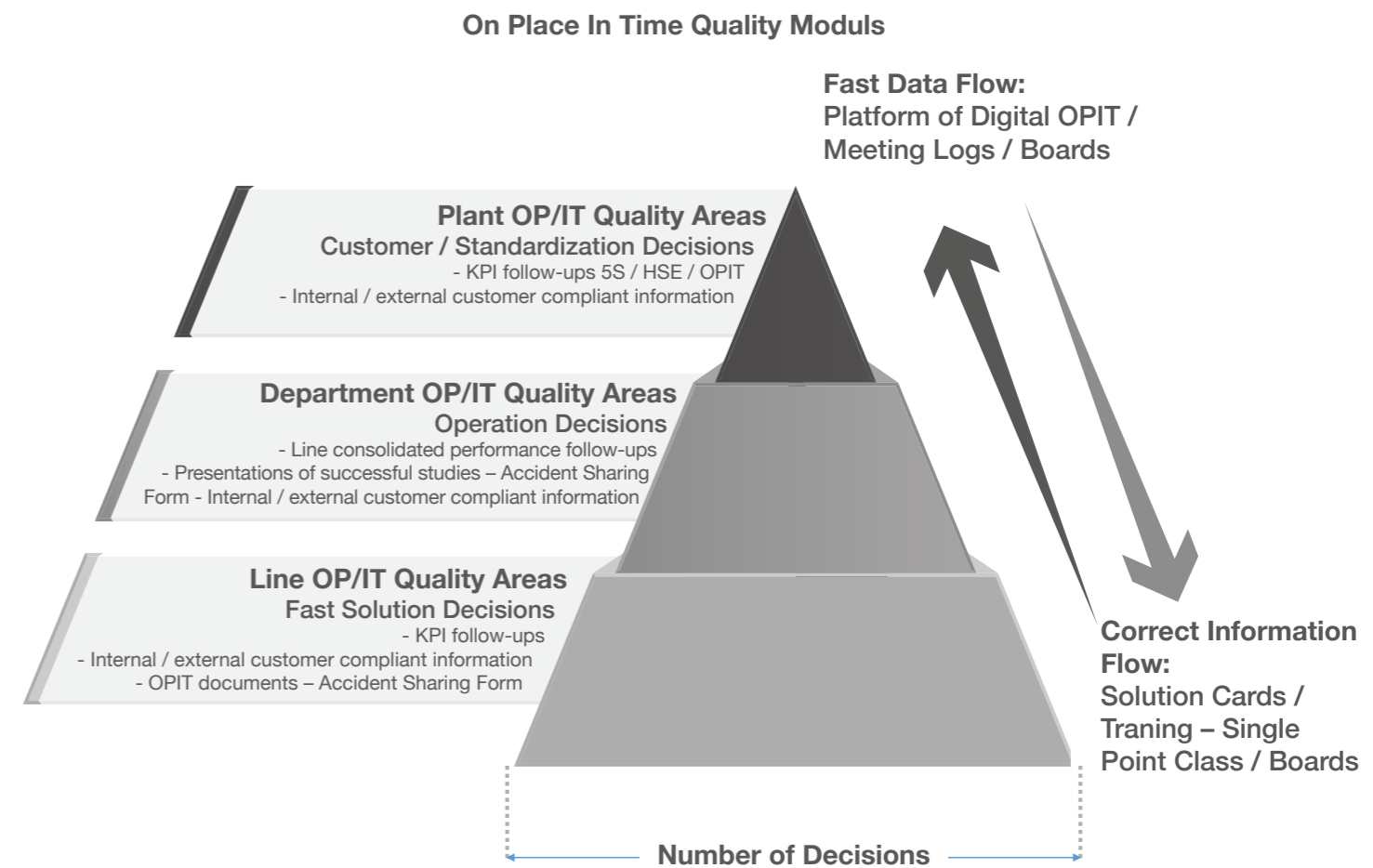
Customer Satisfaction

"We put customer orientation, which is one of our corporate values, at the center as the first priority of all our processes.

From this point of view, in the climatic conditions we create with our On Place In Time Quality (OPIT) approach, which we have designed to standardize the internal and external customer orientation of our organization and improve the ability to give the right reflex;

- Understanding internal and external customer expectations,
- Seeking the solution of problems where they occur,
- Managing processes with the right communication and systemic relations,
- Adopting a positive approach, seeing each problem as a development point,
- We work to meet customer expectations with a conscious and participatory organizational structure.

We regularly evaluate all customer-oriented issues from line level to senior management level with the participation of relevant people with systematic OPIT meetings that we carry out at different levels in the institution and guarantee customer satisfaction with permanent solutions.



Purpose: to accelerate information and data flow, to support value-added oriented management and to provide communication/analysis and follow-up tools that will facilitate decision-making processes

DIGITALL Project: Industry 4.0 Transformation Journey!

We have implemented the Digital Project in order to digitize all the processes used to make faster and more accurate decisions and to create value by achieving excellence in applications.

Today, we continue to develop and expand our investments mainly for architectural systems towards areas that require high technology and advanced strong organization and management power such as automotive, rail systems, boat, space, defence industry. Therefore, we have now opened the doors to a new world. The opening of these new doors means, in fact, new customers, new rivals, new opportunities and new risks. In this new world where we open the door, we should continue our development and become a leader. For this reason, we need to transform and renew the technology, process, management, communication and business culture we used before according to the new world. In line with this goal, in early 2010, our Board of Directors first received advice on selecting a digital platform with PWC and chose our corporate platform as SAP.

With our first use of SAP in 2013, we first transferred the basic processes to SAP and in 2018, we started a total digitalization journey. For this purpose, we launched a Digital Transformation Program consisting of 14 different projects called "DigitALL". As of January 1, 2020, we will complete the most important first step of our digital transformation journey by implementing the projects. In this context, all processes such as offer, order, planning, production, purchasing, stock, shipment, logistics, financial processes from opportunity to payment will become operable in an integrated way on SAP S4/HANA platform. We will also digitize the customer experience with SAP Hybris projects that will start towards the end of 2020 and make all processes operable, manageable and traceable in a digital environment with an end-to-end integrated structure.

As of 2021, we plan to integrate all production benches on this institutional digital infrastructure with SAP MII system and SAP S4/HANA system in accordance with Industry 4.0 concept, to perform data analysis with sensor data to be obtained from these benches, and to pave the way for the use of Artificial Intelligence (AI) in machine-human interaction. With the help of this analytical data and artificial intelligence, we aim to offer our customers innovative products and services in more competitive conditions throughout the value chain from opportunity to payment. As this digital transformation journey is not only an Industry 4.0 journey but also an end-to-end transformation, we believe that our financial visibility, especially customer experience, will get to a better point.

Projects Performed:

- Switching to the S4HANA system
- PI/PO system migration
- GATP-PPPDS modules migration
- TRM module migration
- E-solution transitions
- HR system decomposition - HANA TRANSITION
- Fiori transition
- Switching to cheque scanning system
- New UYAT setup
- FRS and VUK REPORTING
- Electronic statement and i-Wallet
- Taking the New Product Commissioning process to HANA
- Commissioning of credit management
- Switching to Qlik sense analysis and reporting system
- Switching to MDG Master Data Governance system
- EBA-Fiori-QDMS applications
- Switch to Bid Evaluation System (TDS)
- Weighbridge integrations
- Flat INN TRANSITION
- MES INTEGRATIONS
- QM-PM dissemination project
- QR code conversion and tracking in labels
- Commissioning of mobile applications
- Digital signature in goods acceptance
- Commissioning MII System.



Supplier Relations and Supply Management

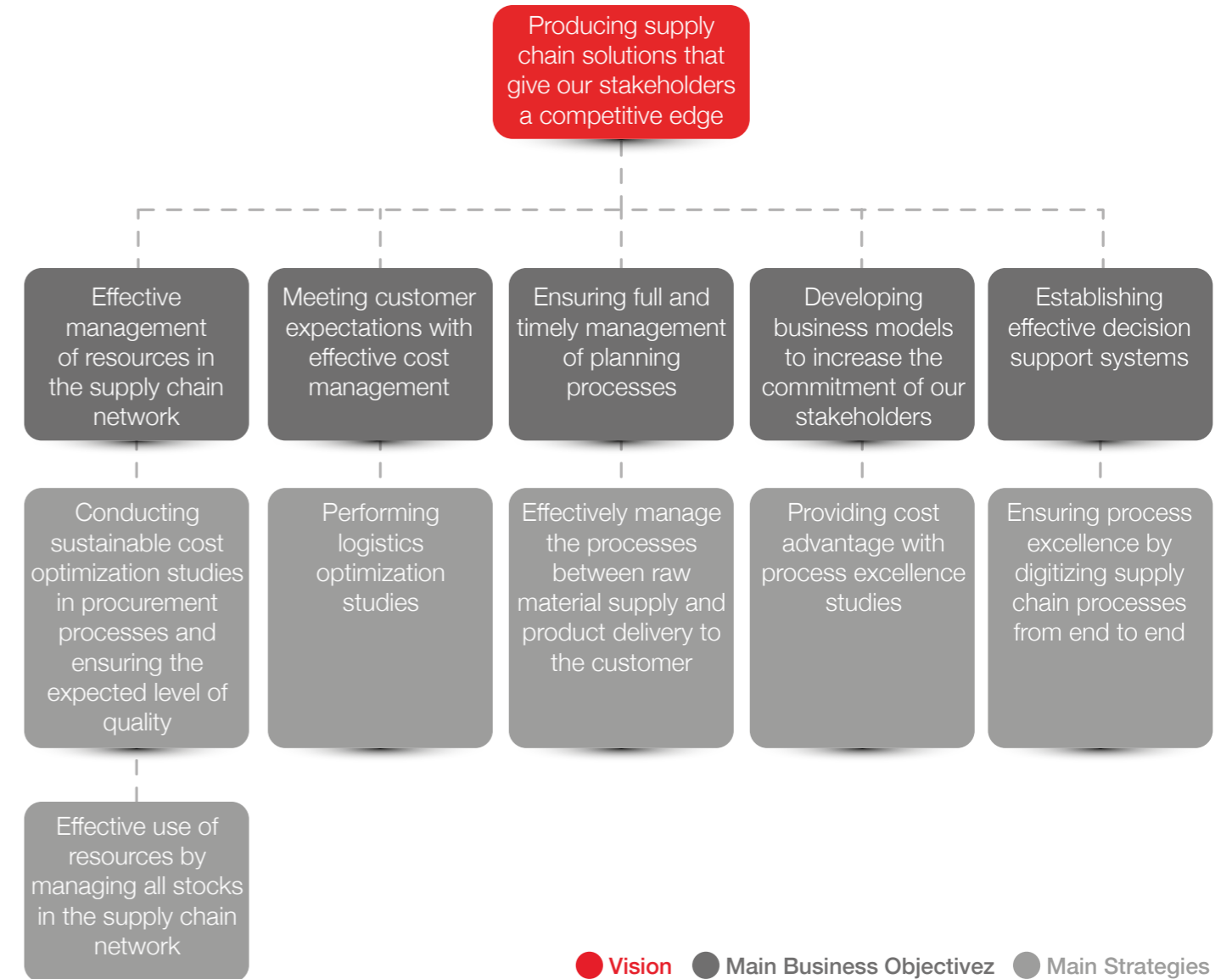
Our ability to ensure the maximum quality of the products and services we provide is directly proportional to the performance of the raw materials, products and services we purchase. In our purchasing processes, we comply with occupational health and safety, environmental impacts, working life and ethical rules as well as cost advantages, compliance with deadlines and international certifications.



In line with ASAŞ Aluminium vision, mission and strategies;

- We develop supply chain business models that provide competitive advantage and increase commitment to all our stakeholders.
- We meet the expectations of our customers in terms of quality, price, delivery, communication, design support and all other issues at the highest level and with the most effective cost management.
- We manage our materials, information, technology, money, methods and labor resources in the supply chain network effectively and with integration.
- We design our processes with lean, value-added and innovative methods, achieve our performance targets and continuously improve.
- We comply with the management system requirements, information security principles that we are obliged to comply with when managing our supply chain with this policy; we also act in accordance with all national and international legal legislation that prevents child labour and discrimination and covers ethical approaches based on human rights and gender equality.

Our Supply Chain Strategy Map



In our supply chain, we have set our main business objectives with the vision of “producing supply chain solutions that provide competitive advantage to our stakeholders”. We conduct our relationships in accordance with our ethical principles based on sustainable competition in line with our business objectives and based on trust. We believe that a reliable supply chain with a strong economy, which reduces its operational environmental impacts and is reliable in terms of quality and continuity is vital for achieving our goals. Accordingly, we are working to contribute to the continuous development of our suppliers, which is one of the most prominent elements of our value chain.

All our processes in the supply chain are managed by the Purchasing Directorate. In our purchasing categories; there are 5 different headings (there are 5 categories in the content) including the management of raw material, service, investment, import and export operations. Our processes vary in each of our purchasing categories. Our Supply Chain Management consists of 3 main processes:

- Selection Process
- Evaluation Process
- Supplier Development Process



Our suppliers undergo an effective and efficient pre-evaluation system. Our relevant units are responsible for supplying the procurement process under the most appropriate conditions within the framework of the determined criteria.

We evaluate our suppliers at least once a year. These evaluations vary by purchasing category. As a result of our evaluations, we include our suppliers in the scope of the development program according to the performance grade.

Distribution of Our Suppliers	2018	2019
Local Supply	29,7%	28,3%
Foreign Supply	70,3%	71,7%

” Good Practice Examples “

• Alesta Natural Project

Due to the increase in export capacity in our Akyazı factories, we needed more dried timber used in pallet and packaging material manufacturing.

We started discussions with our supplier named “Alesta Natural” located close to our Akyazı factory about investing on additional drying oven to increase the dried timber capacity and agreed on the purchase amounts.

With the strategic partnership we have developed, our efforts to increase the production capacity of our supplier by 30% have started. With the increase in production capacity, our supplier will also increase profits by 33%.

• Anadolu Casting Domestication Project

Due to the high cost of steel rollers, we procured from abroad and the long delivery times, we started a “DOMESTICATION PROJECT” with our supplier company Anadolu Casting Company.

As a result of our negotiations with our supplier, we decided on the feasibility of the project and made a price agreement. Then, we sent the material samples used to the company and asked for production. As a result of conducting different trials in the enterprise with the samples from the company, we got performance and ensured the localization of the product.

While the price we received from our foreign supplier in the last purchase made for 2019 was 7.000 €/piece, the price we received from Anadolu Casting company in 2019 as a result of the domestication project was 5.000 €/piece.

Social Projects



We aim to improve the welfare level of the society in the region where we operate and to ensure the economic, cultural, social and environmental sustainability of development. In this context, our regular activities are listed below.

Child Welfare Institution Events

As ASAŞ Family, we organize activities every year the saying “May children never lose their innocence” with our children in Sakarya Friendship Child Protection Institution located in the region where we operate within the scope of the corporate social responsibility movement that we started by taking our children into our focus as a guarantee of our future.



One Drop Thousand Hope Project with Asaş and Kızılay Cooperation

With the awareness of the essence of unity, we give hope to patients awaiting stem cell transplantation and blood transfusion with this project.



Asaş Basketball Club

We train tiny giant men in the basketball school, which we established with the belief that making positive touches on the lives of children in our region through sports and education is the right human resources investment for the future.

With the socialization that sports love will provide, getting away from bad habits, discipline and healthy life, we aim to raise children that are successful individuals in life.



Environment Day Activity

Within the scope of 2019 Environmental Protection Week, we visited schools in Akyazi and its surroundings. We shared the importance of protecting the environment and nature with the students. We took part in the activities organized in the schools during the delivery of the waste units donated to Paris Primary School and Karapürçek Atatürk Secondary School in the region.

As part of the activities, we provided a short training session during the delivery of waste units and conveyed the importance of separate collection of wastes to the students.



Work Safety Week (3M Training)

We organized an event in front of our Aluminium Profile Production Facility so that all our colleagues could obtain the most up-to-date information about Personal Protective Equipment (PPE). In the event organized with the participation of experts from 3M Company, we created awareness for the most effective use of PPE in the fields. At the same time, the maintenance and cleaning procedures required for PPE were shown to our employees by experts.

During the event, we brought DEMOVAN vehicles and established a virtual reality experience in our Social Facilities Training Hall. With the virtual reality experience established in the hall, our employees were shown the PPE to be used to work at certain heights and the points to be checked in PPE before starting to work. In addition, in the virtual reality experience, our colleagues observed the importance of PPE one-on-one by undergoing the experience of falling from a certain height.



ASAŞ Brand Strategy Works

As a result of our market insights and workshops conducted in 2019, our brand vision and mission are determined as follows:

Brand Vision:

As a brand which adds value to life; to be an authority in our field in Turkey and to be positioned as a company with high reputation by all our stakeholders in the strategic markets where we operate.

Mission of the Brand:

THANKFULLY THERE IS ASAŞ!

«Adding value» in Turkey and strategic markets we operate in with both our corporate attitude and social sensitivity and ensuring that our stakeholders say “Thankfully There is ASAŞ!”

Since 2017, “We have been with you everywhere in life!” with this motto, we emphasize that the product range such as finished/semi-finished products, etc. which we produce in a wide range with the motto, is used in many areas ranging from coffee makers to kitchen foil that we use in our daily lives to high-tech vehicles such as trains, metros, cars that we ride to work every day. Our aim is to contribute to the perception of the scope of our work by our stakeholders and end users by embodying the areas where our company, which has strong production power in the industry, serves.

Within the scope of the project in which the roof brand values of our company were determined in 2019, we determined our brand essence as “Adds Value”. We have been using “We are with you all over life!” we decided that the motto should be supported by the communication strategy “Adds value to every aspect of life”, including our social responsibility, internal and external communication activities.

Configuring Brand Architecture

In 2019, we took one of the important steps in terms of branding. Until 2019, we were conducting branding studies with the names that define that product group for the products developed by the business units that continue their activities within our company. As of 2019, we have decided to remove the brands such as Naturoll, Naturalbond, Rescara, Aludes etc. which are the product brands under ASAŞ brand and to use ASAŞ brand which is the name of the main institution. Since we sell our products to professionals in the business world called B2B and we have a strong brand perception and awareness in the sector, we aimed to benefit all product groups from our brand value.

With this new structure;

- Removal of NATUROLL, RESCARA, RESCARA ELITE, ALUDES brands and use of ASAŞ main corporate brand,
- Using ASAŞ brand alone in channels such as catalogs and giving the business segment to which the product belongs in writing, adding the business segment next to the brand in website uses,
- ALFABOND brand is completely removed, this product group is put on the market as NATURALBOND 30+30,
- The status of NATURALBOND and SIGNBOND brands will be changed and continued to be used as a product name, and the VERATEC brand will be converted to ASAŞ brand except for a few countries with recognition,
- Removal the use of the VERAWIN brand,
- We have decided to act with an “Approved-Endorsed” brand architecture in Art, Academy and Sports Club.

Our Promotion Activities

Fairs

We export to more than 90 countries in 6 continents. In 2019, we participated in a total of 11 fairs, 3 of which were in Turkey, in order to strengthen our position in the markets where we sell and to evaluate the opportunities in new markets. We participated in fairs in Germany, the United States of America (USA), Canada, France, Portugal, Mexico and the United Arab Emirates (UAE), especially in the construction sector, aluminium sector and transportation sector.

In 2019, we planned and implemented two advertising campaigns within the company.

ASAŞ Advertising Campaign - Cevherler Soruyor



Cevherler Soruyor campaign has been planned to ensure that our corporate brand awareness is also known to the end user. In the campaign, we selected four of the qualified works (CERN, communication satellite, brake block production for the automotive sector, production for the train sector) implemented by our company, which emphasizes the image of Turkish company in global projects in people's minds. In addition, we have prepared scenarios for the shootings in which young people talk about our product groups as a follow-up campaign.

During the campaign process, we have progressed in competition format in terms of both attracting people's attention to the brand quickly and ensuring interaction and increasing the memorability of our works by embodying them with short videos to be prepared.

Our company, which is involved in international projects and has Turkey's value in the campaign, was promoted by 3 young people who successfully represented our country by winning international competitions in accordance with the desired message.

We designed a special website for the advertising campaign published on digital media and prepared video questions for those who want to participate in the competition. The competition attracted great interest from all over Turkey and achieved success. As a result of the lottery draw in the presence of the National Lottery, we gave 5 people iPhone XS Max.

ASAŞPEN Advertising Campaign - Mimar Sinan Tests



In 2019, we started our business unit serving in the PVC window and door sector, which exports to 55 countries on 5 continents, to increase domestic awareness with ASAŞPEN brand.

We have decided that ASAŞPEN brand image, which is an accepted and approved Turkish brand in the global markets, specialized and trusted in its field, will be explained with the business discipline of Mimar Sinan, who is known in the world with the value he has created and has proven his expertise in his works.

While creating the works of Mimar Sinan, we have determined that such selected materials are meticulously tested, outstanding performance is sought and business discipline as the themes that will be featured in the advertisement.

We have planned to spread the campaign through digital and radio channels. We used jingle, performed by Nil Karaibrahimgil, as a radio spot.

Reliable Business Approach



It is an obligation for us to ensure the corporate commitment and continuity of our employees in order to ensure economic development. This makes our employees our most important stakeholders. With the awareness that our employees are our most important stakeholders in sustainable growth, we work to create a safe, healthy and motivating working environment.

Working Life in ASAŞ

For us, a “human” is our most valuable asset, and the basis of our corporate values is ‘giving the utmost respect to our employees’ with a human-oriented approach.

With this, our policy is;

- Conducting modern Human Resources Practices based on success in order to ensure that quality labor force is performed in line with the goals and strategies of our company in order to prepare the organizational needs of today and the future and this force is utilized in the most effective and efficient manner
- Creating an environment where ASAŞ employees can realize their corporate vision.
- Creating a safe workplace where they will feel they belong and be proud of themselves and their families,
- Including people with high education level, open to innovations and changes, entrepreneurial talent, aiming to develop himself/herself and his/her business, and believing in the power of teamwork, who will protect the corporate vision of ASAŞ and “ASAŞ Is Mine” culture,
- Organizing vocational and personal training to support the employees who will lead the change and development within ASAŞ ACADEMY in order to be an organization that fully meets the Human Resources development needs of ASAŞ in accordance with its vision and strategic objectives.

As ASAŞ members who say “ASAŞ Is Mine“;

- We take our values as guides,
- We believe in the continuity of education,
- We know there is nothing that cannot be solved by teamwork,
- We value employee satisfaction and quality service above all else,
- We are proud and excited to be from ASAŞ.

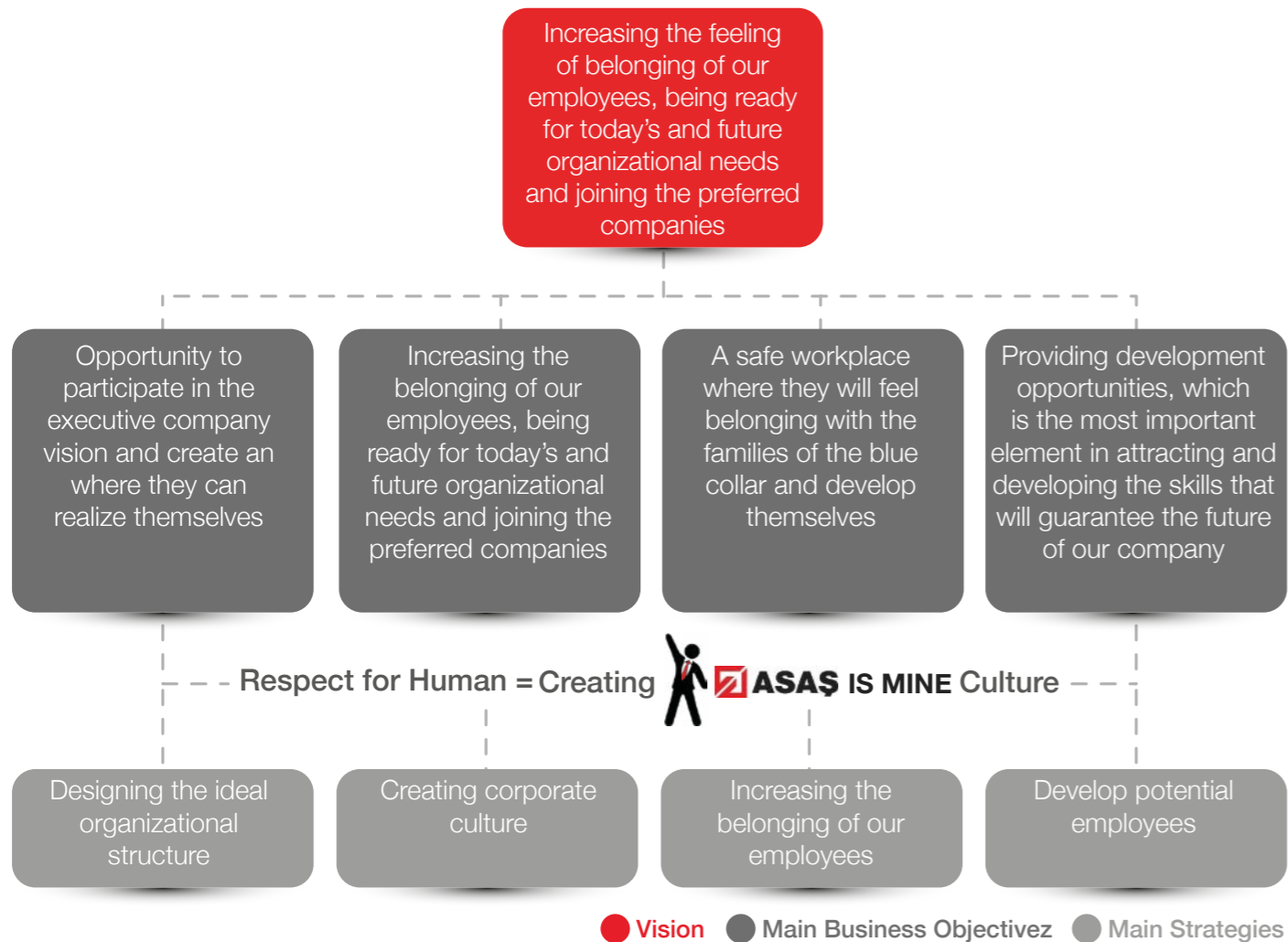
Based on our vision of “Increasing the belonging of our employees, being ready for today’s and future organizational needs and joining the preferred companies», we set our main goal to create an environment where all our employees are happy, and everyone wants to work.

Respect for human = Working with «ASAŞ Is Mine” culture

In this respect, we have developed strategies that will increase the contributions of our employees, reveal their potential, be happy, measurable, transparent, and self-improving, give importance to inclusiveness and diversity, adopt equal opportunities at all levels, and are away from forced labour.

We have defined how to achieve our main business objectives with the main strategies:

ASAŞ Human Resources Strategy Map



For us, 2019 was a year in which we invested in the future with the following activities in order to be ready for the organizational needs of the future.

1. Digitalization Studies:

We have conducted digitalization studies in all functions of HR with SAP Fiori, Digital Academy, EBA Process studies.

2. Organizational Development Actions:

We conducted organizational infrastructure studies (ASAŞ My Route Development Center Application, Norm Staff Systematics).

Within the scope of ASAŞ ACADEMY, we have established programs for the development of our personnel and teams (Sales Team Development Program, Trainee Development Program, Technical Operator Development Program)

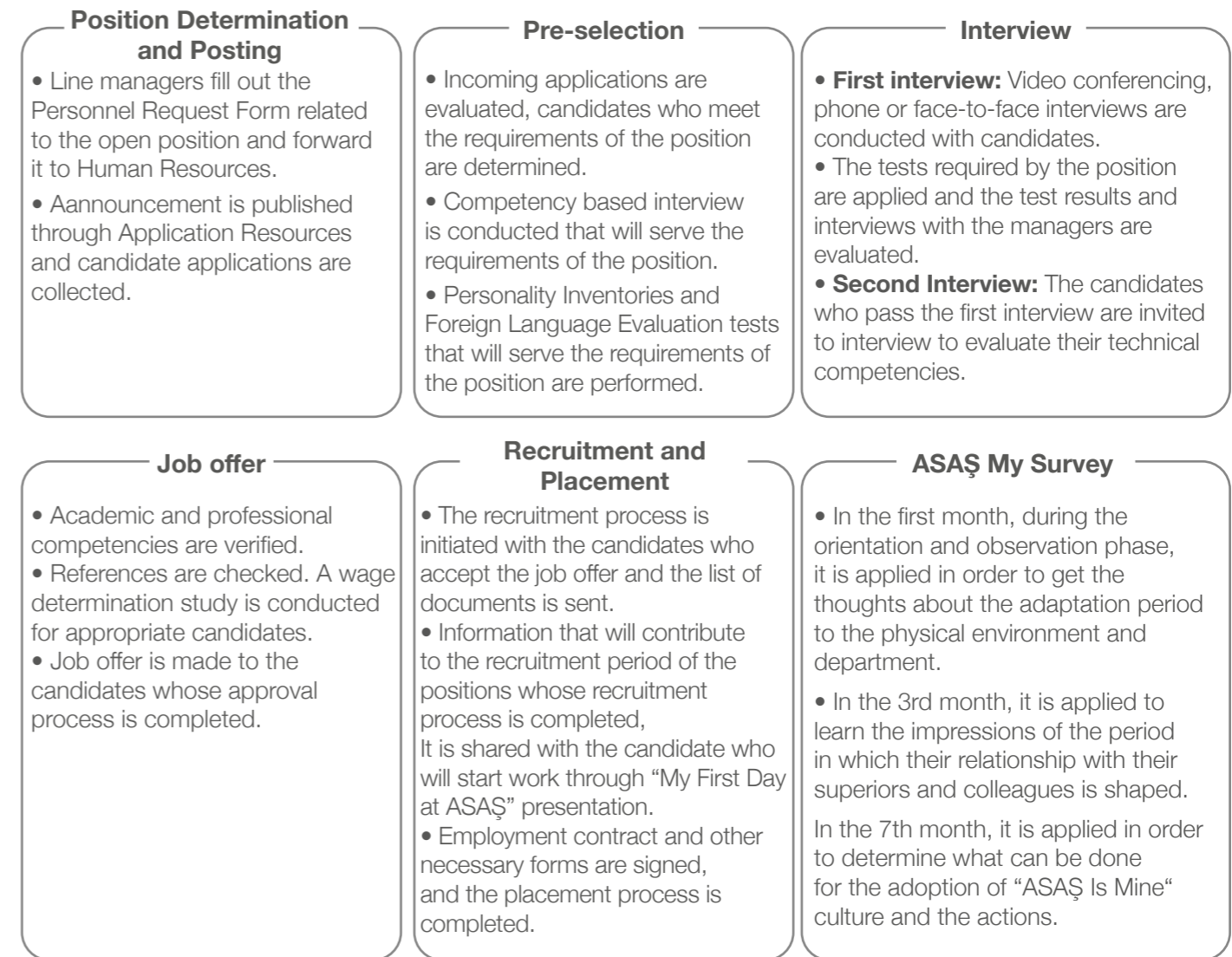
3. Wage Management:

We have updated the work levels and prepared a wage study according to these levels.

Recruitment and Placement:

We do not discriminate based on religion, language, race, gender in any process of internal working life, including the process of selecting, placing and promoting candidates. We apply an egalitarian and fair approach to all our employees in business processes. Our main goal in selection and placement is "Right person for the right job".

The selection and placement practices of our company are designed to shape the ideal organizational structure, which is one of our main strategies. As of 2019, we started to work at ASAŞ My Route (4x4) project at the Assessment and Development Center. In 2020, we will use the Assessment Center as a tool for candidate selection by integrating it into the recruitment process.



Objective: Digital Recruitment (HR PEAK) Project

We will start a digital recruitment project in 2020 to gather all recruitment activities on a single platform and adapt to the digitalizing world conditions. Within the scope of the project, we will first perform the benefit and risk analysis of the two options by performing the current situation and digital system analysis.

Blue-Collar Handicraft Project:

This is the study we started in 2019 to measure the hand skills of the blue-collar candidates, which is evaluated positively, in order to determine their development areas and to provide educational support on the subjects needed by the candidates. In this project, we ask candidates to complete the product using various hand skills.



- We use the application results to make decisions during the trial and evaluation period.
- We consider the completion of the product as a recruitment criterion and the project contributes to our selection of qualified personnel. We support the candidates whose development area we have identified with training by ASAŞ ACADEMY after appropriate recruitment.
- We evaluate the completed products within the scope of Social Responsibility Project.

ASAŞ My Survey

ASAŞ My surveys contribute to improving the quality of our practices by receiving feedback about the areas that we can develop as an institution and department. The surveys also improve the quality of the ongoing ASAŞ journey at the end of the trial period completed during recruitments.

2019 ASAŞ My Survey Scores

White Collar: 146 Blue-Collar: 394

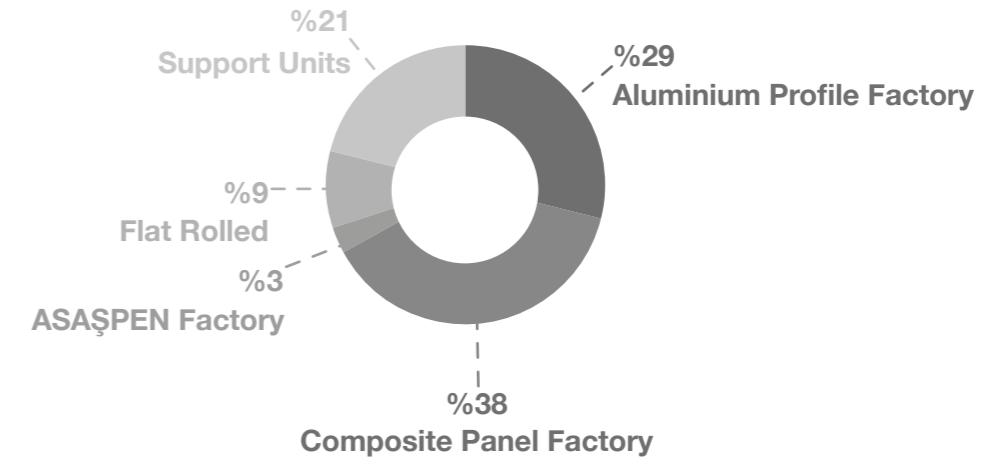
We put the complaints and suggestions we received after the interviews on the agenda at In-place Instant Quality meetings and report them to the relevant departments and request action.

We collect the results obtained from ASAŞ My surveys under 4 headings:

- HSE Topics • Administrative Affairs issues • ASAS ACADEMY subjects • Miscellaneous

Employment Profile

Distribution of the number of employees



Number of Employees by Training Status	2018	2019
Primary school	663	2.335
High School and Equivalent	981	1.006
Associate Degree	246	264
Bachelor's Degree	374	397
Master's/Doctorate	71	76
Total	2.335	2.419

Our Number of Employees by Age	2018	2019
Between 18-25 Age	233	222
Between 25-35 Age	1.046	1.062
Between 35-55 Age	1.030	1.08
55 and above	26	27
55 and above	2.335	2.419

Our Number of Employees by Seniority	2018	2019
Less than 1 year	351	300
Between 1 and 5 years	1.051	1.041
Between 5 and 10 years	536	645
10 Years and older	397	433
Total	2.335	2.419

Employee Loyalty

We carry out a wide range of communication and activities within the organization in line with the objectives such as facilitating communication between our employees, developing the team spirit, increasing the motivation of our employees, strengthening their sense of belonging and sharing common goals. We monitor and announce our activities carried out by the Directorate of Organizational Development and Corporate Communications through all written and verbal communication tools within the company.

Employee Commitment Survey

We conduct an employee engagement survey to measure the level of satisfaction of our most important stakeholders, identify the strengths of company practices and make action plans. The survey conducted by an independent research organization evaluates the expectations and needs of our employees under 10 different headings considering all applicable legal requirements, ethical and institutional principles. A total of 1535 employees, 475 white-collar and 1060 blue-collar, participated in the research, which was completed using the distribute-collect technique on the white-collar and blue-collar.

- | | |
|--|---|
| 1 GENERAL CONSIDERATIONS | 6 MANAGERIAL CERTIFICATES OF THE MANAGER (A Senior Supervisor) |
| 2 PHYSICAL WORKING ENVIRONMENT, SERVICE AND FACILITIES | 7 BRAND AND CUSTOMER ORIENTATION |
| 3 COMMUNICATION AND TEAMWORK | 8 PERFORMANCE MANAGEMENT |
| 4 MISSION, VISION, POLITICS STRATEGY | 9 NEW AND DEVELOPMENT LEADERSHIP |
| 5 SOCIAL FACILITIES | 10 HEALTH SAFETY, ENVIRONMENT, ENERGY AND INFORMATION SECURITY MANAGEMENT |

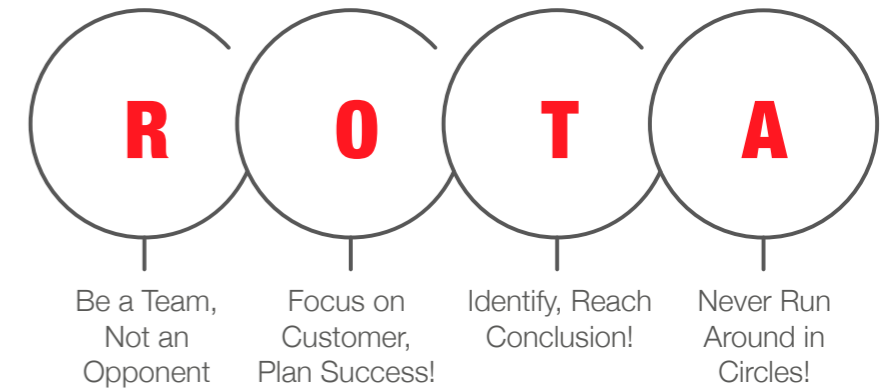
According to the research, the 3 most critical areas of action that triggered recommendations to other employees were «performance management» , «mission, vision, policy and strategies» and «innovative and development leadership», respectively, while «brand and customer orientation» was the least important area in employee recommendation.

Considering the general evaluations of the areas, the titles of “brand and customer orientation» and «health, safety, environment, energy and information security management» are the areas where the overall evaluation is relatively high. On the other hand, «performance management” has been rated relatively low.

ASAŞ My Route (4x4) Development Center Application

Based on our vision of increasing the feeling of belonging of our employees, being ready for future organizational needs and joining the preferred companies; we determined the current status of the competencies in managerial and higher positions (Strengths and open to development) according to ASAŞ My Route (4x4) Competence Glossary in line with the main strategy of creating the corporate culture. We have included all of our managers in this implementation, thus ensuring that employee-based development roadmaps are identified. We will implement the development plans we have prepared in the next stage.

ASAŞ My Route (4x4) Competence Glossary consists of a total of 16 sub-competencies and 80 behaviour indicators in 4 main categories. This dictionary provides a detailed description of the competencies that all our employees and managers need to have in order for our company to successfully achieve its strategic goals. The dictionary is also the reference point for establishing a common language for these competencies.



- R:**Communication and Teamwork
- O:** Planning and Organisation
- T:** Solution Oriented
- A:** Leadership in Innovation and Development

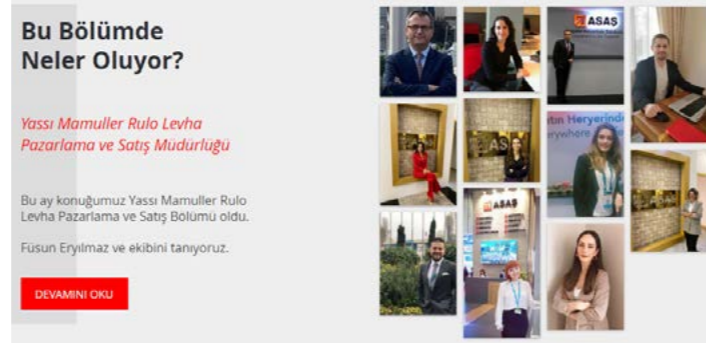
Complaint Reporting Systems:

We established the Complaint Reporting System in 2019, which enables our employees to notify Human Resources in a confidential manner without specifying a name. We have placed complaint reporting boxes in dressing rooms outside of camera viewing angles on the basis of confidentiality. Every Monday, we open boxes and collect complaint reporting forms and ensure action is taken. We have resolved all 45 complaints we received in 2019.

Our employees can also deliver the subjects they want to convey to Human Resources from the message section on ASAŞ Portal.

Life Monthly Bulletin at ASAŞ

ASAŞ, which has more than 2400 employees in different business units, is prepared as a digital monthly newsletter in order to strengthen its internal communication, to get to know each other better in terms of social aspects and to increase belonging to the organization by informing about the products produced in different business units. The newsletter includes interviews with employees, blog posts, health-related information, activities planned for the next month in ASAŞ, projects produced and implemented by ASAŞ with a project product corner.



HR On Place In Time Quality (OPIT)

We implement HR Resources in order to support Value Added Management by accelerating the flow of information and data related to Human Resources activities and to provide communication, analysis and follow-up tools that will facilitate decision-making.

These meetings are attended by persons representing HR and HSE Directorate, moderated by the Organizational Development Manager; HSE agendas (near miss/incident), recurring problems, audit actions, expectations and feedback of internal customers, deviation from KPIs, etc., and lasts for a maximum of half an hour. The agenda of the meeting is released 1 day in advance and the participants are responsible for preparing for the agenda of the meeting (with data and evidence, working on 3 OPIT questions).

Thus, we aim to eliminate the root cause of the issues and try to prevent them from being closed and repeated quickly.

Mother Dairy Hour Project

In order to provide a hygienic, private and comfortable environment for our female employees returning from maternity, we have built comfortable rooms in all our business centers in order to meet their milk pumping needs.



Our Life Activities in ASAŞ

Our employees take the first place in creating our corporate values. Because the dreams of the common future multiply as they are shared, and as they multiply, there is a desire to do more activities together.

We aim to increase the sharing of our large family with each other and strengthen our bonds with various organizations and competitions we organize during the year in order to increase the interaction of children with art with the tour organizations we organize in the surrounding regions.

Golden Ball Project for Every Home

Touching hearts is our greatest motivator. With this excitement, we cover the IVF costs of our employees who have not experienced the feeling of being a mother or father every year with the "Golden Ball to Every Home" project.

Since 2015, we have supported a total of 52 families and 19 families have had children. In 2019, we supported 9 families during the treatment process and 5 families had children.



April 23 KidZania Event with Child Protection Agency

On April 23rd National Sovereignty and Children's Day, our little ones in ASAŞ Basketball Club welcomed their siblings from Sakarya Children's Houses Site Directorate, Children's Houses Coordination Center Directorate and Arifiye Children's Houses Site Directorate in KidZania, Istanbul. Together, they had a fun and informative day.

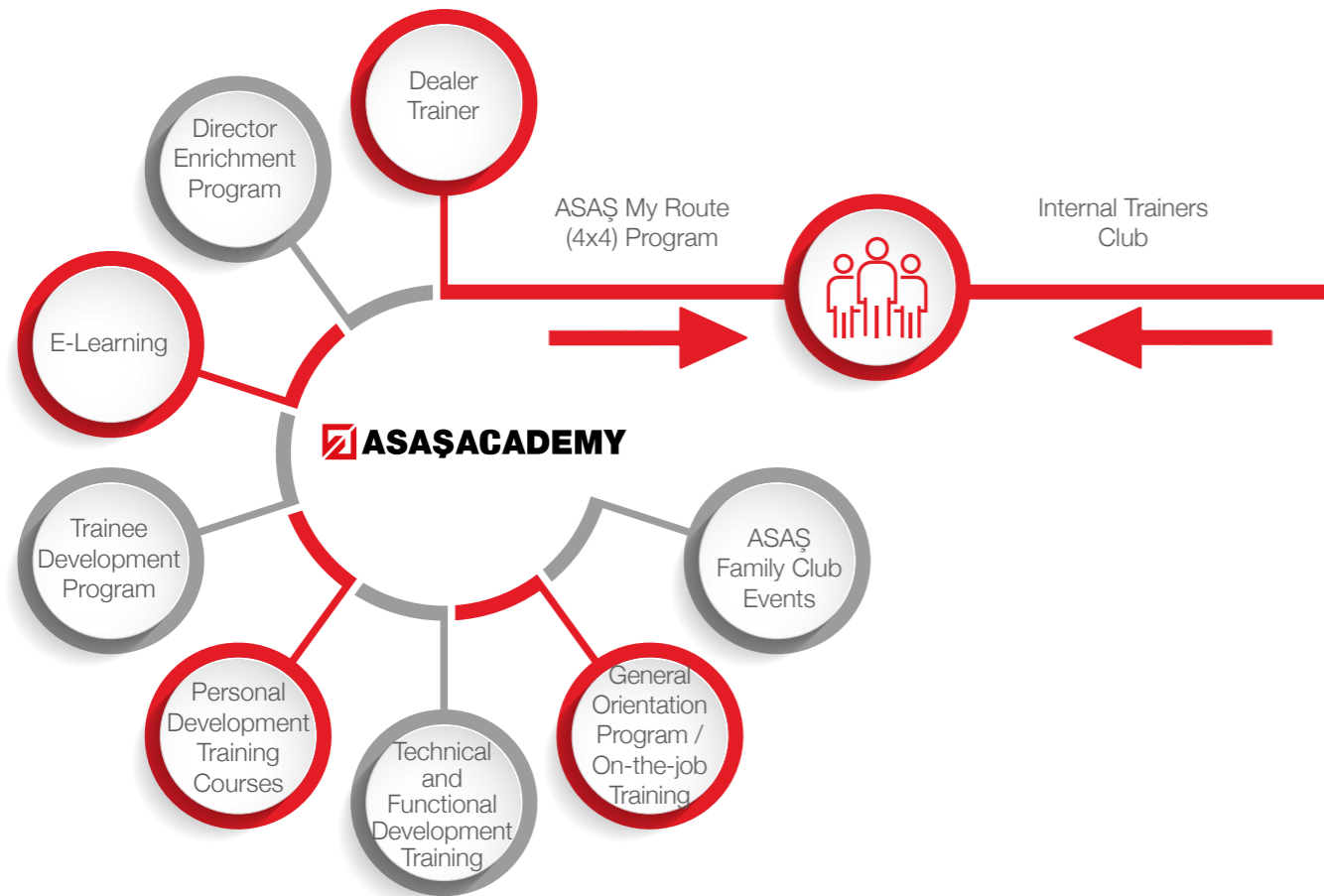


ASAŞ Academy

ASAŞ ACADEMY has been established to be an organization that fully meets the human resources development needs in accordance with our vision and strategic objectives with a proactive approach. With ASAŞ ACADEMY, we aim to improve the professional knowledge and skills, competencies and related processes of our employees in order for our company to achieve its long-term goals.

Our Mission:

Leading development and change to be an organization that shares our corporate vision and values by helping our employees and their families.



Our Vision:

“Being an organization that fully meets human resources development needs in line with our vision and strategic goals with a proactive approach.”

Training

With ASAŞ ACADEMY, we implement many training programs aimed at increasing the competencies of our employees from orientation training to on-the-job training, from personal development training to management skills training.

In this context, we divide our training into two categories as introduction and development training. Our introduction training consist of 2 titles as Vocational Orientation Training (on-the-job training) and General Orientation Training. We provide on-the-job training to our new employees and organizational change situations. With the on-the-job training process, we aim to increase learning effectiveness in real business conditions, accelerate adaptation to work, minimize learning errors and take the learning process under observation.

Development training consists of 3 titles as Personal Development, HSE, Technical and Functional Development Training. We can organize this training as planned and unplanned training. Planned training is the training organized by ASAŞ ACADEMY. Unplanned training are the trainings where ASAŞ ACADEMY does not expect organizational support and the participant form is communicated to ASAŞ ACADEMY after the training is given.

The training hours in the blue collar and white-collar breakdown of the last 3 years are given in the following table.

Asaş Academy Education Statistics (Hours)

Year	Blue Collar	White Collar	Total
2017	35.920,3	12.277,4	48.197,7
2018	27.216,55	12.548,44	39.765
2019	23.247,23	15.135,74	38.383

In 2019, we conducted a total of 1,359 training. 894 of our training is planned trainings and 465 is unplanned training. The compliance rate with the training plan is 98.5%.

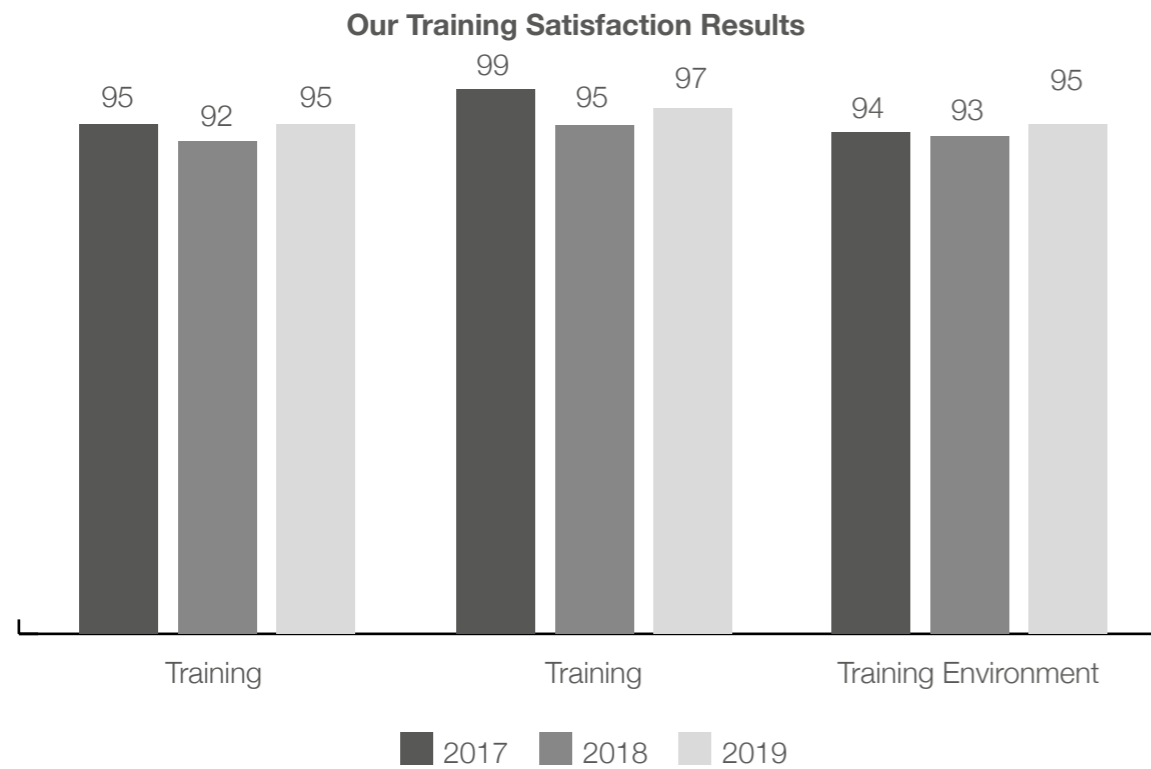
In our company, we provided a total of 512.33 hours of training to 581 people on ethical principles in 2019.

This training is as follows;

- Business Ethics and Practice Principles Training - Training of the Trainer
- Business Ethics and Practice Principles Training

At the end of all of our internal and external training organizations, we conduct a training satisfaction survey. In the questionnaire, we expect the participants to evaluate in 3 categories: training, trainer and training environment.

Satisfaction with training in 2019 is 95%, satisfaction with trainers is 97% and satisfaction with the training environment is 95%.



ASAŞ Trainers Club

144 of our employees actively trained at ASAŞ Academy in 2019. 80 of these trainers are members of the trainers club, which has provided training for at least 10 hours a year.

ASAŞ Academy Activities

Welcome My Friend

With the “Welcome My Friend” program, we aim to welcome our new employees with a warm welcome, to confirm their decision to join our company and to ensure that our new colleagues can find the answers to simple questions about working life in our company at one point.

We made a change in the method of assigning friends on a voluntary basis between 2016-2018 due to difficulties experienced in assigning friends (reduction in volunteers, continuation of the program by certain people, etc.) in 2019.

We improved the process and achieved 100% participation in the program by assigning one person from the team as a friend by the managers of the person in charge.

In 2019, 65 white-collar employees started to work and ASAŞ friends supported these employees in their first days.

In the third quarter of 2019, we expanded the scope of the “Welcome My Friend” program and included our blue-collar employees in the program. ASAŞ friends, also called Professional Orientation Supervisor (MOS), supported the orientation processes of our blue-collar employees.

Department Orientation Program

We created the Department Orientation Program to shorten the adaptation process of our newly employed white-collar employees to work and workplace and to ensure that our institution is recognized by all employees.

We ensure that our new on-the-job employees meet all members of ASAŞ Family and observe all processes of this family through office-field visits in order to adopt, disseminate and learn what activities our institution performs in which areas. With this study, we aim to achieve a high corporate belonging and open communication-oriented employee profile, to create a working environment that is prone to teamwork and thus to reduce labor turnover rates.



- The number of our employees who started work in 2019 is 113. Within one year, we included 83 new employees in the Department Orientation Program (73%).

Technical Operator Training Program

With the Technical Operator Training Program, we aim to train qualified personnel by using our internal resources correctly and efficiently, to ensure the social and technical development of the environment we are in, to create employment opportunities and to reduce personnel turnover rates.

Within the scope of this program, we have carried out a CNC Operator Training Program in line with the needs of the Mechanical Operations Department. As part of the CNC Operator Training Program for 2019, 15 of our staff started to work. Of the 15 staff, 12 continue to work. Accordingly, the success rate of the program is 80%.



Postgraduate Education Program

In line with our vision and mission values, we signed a protocol with Sakarya University of Applied Sciences (SUBU) within the scope of the Graduate Education Program in order to ensure the academic development of our employees who have a minimum bachelor's degree and to provide an academic study perspective to the projects we are developing with university support.

We carry out the "Graduate Education Request" collection process twice a year, in the early autumn and spring semesters.

3 of our employees who applied to the 2019 Fall Graduate Education Program were included in the master's program.



Student Scholarships

Based on our "Utmost Respect for the Employee" value, we provide "support" and "success" scholarships to our young people who are undergraduate students in order to support not only the education and development of our employees but also the education and development of our employees' children.

- we provided success and support scholarships of
- 193.630 TL a total of 56 students as 31 students 2017-2018 academic year, 25 students in 2018-2019 academic year,
- We continue to provide success and support scholarships to a total of 43 students in 2019-2020 academic year.



Family Club Activities

In line with ASAŞ ACADEMY's goal of "Including families in our development journey", we established ASAŞ Family Club and aim to contribute to our employees, families and the development of the people of the region with various training and activities every year.

We organized the following training and seminars in Akyazı and Kavacık in 2019 within the scope of the first activities we held in August 2017.



Technical Star Raising Program

With the "Technical Star Raising Program", we contribute to the education and learning of young generations and fulfill an important social responsibility task. At the same time, we aim to create an employment pool immersed with ASAŞ culture in order to meet the norm staff needs of the future with these programs we organize for senior students at universities.

To date, a total of 82 students have been included in our program and 3 students have been added to the ASAŞ staff.

Years/Period	The Number of Technical Star Students
2016-2017 Spring Term	10
2017-2018 Spring Term	30
2018-2019 Fall Term	16
2018-2019 Spring Term	17
2019-2020 Fall Term	12

Educational Institutions - Industry Cooperation Events

As ASAŞ ACADEMY, we value the opinions of all our stakeholders, especially our young people. We develop collaborations with universities in various fields in order to support the professional development of our young people, to increase their sectoral knowledge and to convey career opportunities and business life to them. With these collaborations, we organize career days, training, field visits, etc.

- Sakarya University Human Resources Graduate Interview (October 2019)
- Turkish German University Wage Management Training (May 2019)
- Turkish German University Career Days Participation (May 2019)
- Turkish German University CV Preparation and Interview Techniques Training (May 2019)
- Turkish German University - Institutional Academy and Education training (May 2019)
- Factory Visit and Field Tour of Turkish German University (November 2019)
- Sakarya University & PİKDER Wage Management Training (December 2019)
- Radio Program/Energy Management and EN-VER applications at Industrial Radio (December 2019)
- Sakarya University Energy Education in Turkey and the World (2017)
- Energy producing factories summit, ASAŞTA EN-VER applications seminar (May 2019)



Learning Management System (LMS)

Learning Management System is a new generation learning experience platform that facilitates our digital transformation process, where we can plan, monitor and report the training and development processes of our employees, business partners or dealers.

This system allows us to manage different learning processes such as both e-learning and classroom training from a single point. ASAŞ ACADEMY started the new Learning Management System by carrying out the infrastructure and integration works of the system in line with the digitalization studies since the last quarter of 2019.



In order to reach all our employees, we enabled the application to be downloaded to mobile phones and facilitated access to large masses.

In order for both the participants and the trainers to use their time more efficiently, we have started to ensure that the target audience of the training is reached quickly by identifying the titles that need to be converted from classroom training to electronic training. In 2020, we will ensure that the system is used more actively in line with ASAŞ ACADEMY business plan.

Health Safety Environment (HSE)

Health Safety Environment (HSE) Our Policies

In ASAŞ, we aim to realize our productions with zero occupational and environmental incidents by investing in people, information and technology with our community-sensitive approach and understanding.

With this belief, we agree, warrant and undertake we will

- Comply with all legislation, administrative regulations, legal responsibilities and standards related to Health, Safety and Environment in order to provide and protect a safe and healthy working environment,
- Consider the health, safety and environmental impacts of the technology, raw materials and auxiliary materials used and to take the necessary measures,
- Identify the hazards in our processes, to evaluate the risks, to eliminate the risks or to reduce their possible effects; to plan and implement the measures, to allocate the necessary resources, be prepared for fire and emergency situations, to make the necessary investigation and improvements after possible incidents,
- Ensure continuous improvement by providing a common perspective in accordance with our Health, Safety and Environmental requirements at all levels of the organization, creating a sustainable Health, Safety, Environmental culture,
- Provide training opportunities to employees, management, visitors, trainees, subcontractors, suppliers and customers at all levels in order to ensure all processes and continuous improvement within the scope of the management system,
- be a leader in the adoption of new technologies, choosing alternative materials, using natural resources at a minimum,
- Minimize environmental emissions arising from our products, services and activities, to ensure maximum recycling by separating the wastes at their source, to take necessary measures considering the biodiversity in our region,
- Set an example with our sensitivity to the environment and society by always prioritizing Corporate Social Responsibility awareness, to take measures by considering all environmental impacts from design to disposal of the product and to raise awareness of all our employees including management.

Group Incident Frequency Rate	2013	2014	2015	2016	2017	2018	2019
Day Loss Incident Frequency	21,36	11,58	9,55	7,19	4,98	4,63	3,18
Target					6,07	3,64	3,70
Day Loss Incident Injury (*) * 200,000/Total Working Hours							

Group Incident Weight Rate	2013	2014	2015	2016	2017	2018	2019
Incident Weight Rate	0,59	0,54	1,88	0,44	0,33	0,34	0,35
Target					0,45	0,37	0,24
Total lost days* 8 *100/Total Working Manhours							

One of our most prominent strategies in creating the “ASAŞ Is Mine” culture, which is our main business goal, is to create the corporate culture. One of the most important ways to achieve our goal is to ensure that HSE Culture (Health, Safety, Environment) is implemented and disseminated within the organization.

“31% - Lost Time Incident Frequency Recovery Rate”



For us, 2017 has been a key milestone in increasing awareness and sensitivity in employee health and safety in order to ensure that our employees can perform their work in a healthy and safe way. In May 2017, we introduced HSE Culture, which will be module #1 of ASAŞ System, with the valuable participation of our Board of Directors.

HSE Culture

HSE Culture Climate



 A safe workplace where they will feel belonging to themselves and their families, be proud of

ASAŞ HSE Culture Evaluation Criteria

- Objectives and Action Plans
- Procedures, Instructions and Work Permits
- HSE Training
- Risk Assessment Studies
- HSE Site Controls
- Near Miss System
- Investigating and Reporting Incidents
- Emergency Management
- Incentive and Disciplinary Tools (Rewards and Yellow Card Application)

What is HSE Culture?

HSE Culture is a model that we have designed with the motto “Health at the beginning of everything!” in order to make our working environments sustainable and safe. It consists of 5 main modules.

HSE Culture Moduls

Management Commitment

Demonstrating that HSE is a key value from a single point of view of management. HSE is the simplest form of Respect for the employee.

Observing Your Friend

The health and safety of each ASAS is of high importance for another ASAS. This is a requirement of our “Utmost Respect for the Employee” value. No ASAS will allow unsafe work.

Exhibiting Sample

Each ASAŞ member shows visible and perceptible leadership in HSE issues during all activities of the company.

Employee Engagement

Each ASAŞ member sees HSE as the most prominent part of its job and ensures full participation in the activities required by its job.

Awareness Level

Each ASAŞ member has hazard awareness and risk awareness due to the value of “Utmost Respect for the Employee”. HSE in decisions is taken into account first of all.



With the introduction of HSE Culture in 2017, we provided 672 hours of HSE Culture Awareness Training to 224 white-collar personnel with the organization of ASAŞ ACADEMY. As we planned for the placement and dissemination of HSE Culture, we completed the self-evaluations of the departments (phase including self-evaluation) in the 3rd and 4th quarters of 2017.

Evaluations are carried out by the Directorate of Strategy and System Development in each quarter of the year. We plan to internalize HSE Culture in a sustainable manner and disseminate it with increasing performance.

Our Vision: At ASAŞ, we thrive to make corporate HSE Culture sustainable and to bring our company to the position of a company to be taken as an example in our 2023 vision.

Objectives of HSE Culture



In our company, we work to create an environment in which HSE is seen as a part of our daily life and considered in all processes. We are aware that this working climate will be with senior management, managers with high hazard and risk awareness and exemplary behaviour, employees who participate in HSE activities and who are each other's supervisors.

Our HSE Culture Activities

Occupational Safety Solutions Introduction and Application Activity



We organized an event in front of our Aluminium Profile Production Facility so that all our colleagues could obtain the most up-to-date information about Personal Protective Equipment (PPE). In the event organized with the participation of experts on the subject, we created awareness for the most effective use of PPE in the fields. At the same time, the maintenance and cleaning procedures required for PPE were shown to our employees by experts.

During the event, we brought DEMOVAN vehicles and established a virtual reality experience in our Social Facilities Training Hall. With the virtual reality experience established in the hall, our employees were shown the PPE to be used to work at certain heights and the points to be checked in PPE before starting to work. In addition, in the virtual reality experience, our colleagues observed the importance of PPE one-on-one by falling from a certain height.

ASAŞ ADME Team Sakarya AFAD Training



The training of a total of 40 people in two groups from our Emergency Response Team was completed by Sakarya AFAD Provincial Directorate in the Training Centers in Sapanca in October. With this training, we aimed to increase the knowledge, skills and experience of our "Disaster Ready Workplace" and "Disaster Ready ADME" team in search and rescue of possible disasters.

On the last day of the training, a training that did not look for a real disaster was carried out and simulated the removal of the survivor from the wreckage in the training area.

Our teams will receive second level training in 2020 and we will supply equipment for intervention.

The Without Lost Time Incident Have Been Celebrated



Extrusion Factory Electrostatic Powder Coating Directorate: **720 Days** Without Lost Day Incident
 PEN Factory Production Directorate 2 (Laminated): **467 Days** Without Lost Day Incident
 Flat Rolled Factory Rolling Operation: **365 Days** Without Lost Day Incident
 Composite Panel Factory: First business center with incident frequency falling below 2

Ergonomic Risk Assessment by LMM Method



We received our ergonomics risk analysis competency certificate with the LMM (Leith Markmal Method) method, which we carried out by receiving external services with the participation of OHS units of the companies in close proximity to us.
 2 occupational physicians, 3 occupational safety specialists, 1 quality specialist and 2 process development specialists from our factory participated in the 6 full-day training and reached the competence to perform ergonomics risk analysis. We started Ergonomic Risk Assessment studies in 2019 and will continue in 2020.

Occupational Health and Safety Training



As of January 2019, we provided refresher training to our central employees once a month in our central workplace.
 In Extrusion & Composite Panel Factory, we provided an average of 6.1 hours of Division-based Occupational Safety Training to 1,200 people.
 We provided 3.8 hours of Department Based Occupational Safety Training per person at ASAŞPEN Factory.
 We provided an average of 9.9 hours of Department Based Occupational Safety Training per person at Flat Rolled Factory.
 However, we continue subcontractor company meetings, field visits and training that we started in 2018 and continued in 2019.

Periodic Inspections of Our Employees



We have completed our periodic examinations carried out within the scope of health surveillance. In Extrusion & Composite Panel Factories, we provided a total of 960 people and in PEN and Flat Rolled Factories, we provided a total of 741 people with health examinations. We have prepared a "Department Based Periodic Examination Matrix" for our business centers.

Drills



In 2019, we conducted emergency evacuation, first aid and extinguishing drills in all our business centers.
 The number of drills and participants according to our business centers is as follows:
 Central Workplace Emergency Exit Exercise: In 2019, we held a drill and 201 people participated in the drill.
 Emergency Exit and Fire Extinguishing Exercise in our PVC, Roller-Shutter Factory: In 2019, we held a drill and 120 people participated.
 We held 7 different drills in our Flat Rolled Factory and a total of 872 people participated.
 2 exercises were carried out in our Extrusion & Composite Factory. 480 employees participated in our first drill and 340 employees participated in the second.

Occupational Health and Safety Stakeholder Collaborations

1. ASAŞ Culture Model Presentation at the 10th National Occupational Health and Safety Congress



1st Chamber of Mechanical Engineers of Turkey (TMMOB) at the 10th National Occupational Health and Safety Congress, ASAŞ Culture Model was presented as an exemplary implementation model. In line with our vision of “to make corporate HSE Culture sustainable at ASAŞ and to rise to the position of a company to be taken as an example in HSE Culture”, OHS managers of many corporate companies, medium-sized company owners, Joint Health Security Units (OSGB) and OHS professionals demanded to visit our company and see our practices on site after the event we attended.

The Occupational Health and Safety and Environment Committee Meeting of Turkey Aluminium Smith Industry Association (TALSAD) was hosted by ASSAN Aluminium in December 2019. In this meeting, we presented ASAŞ HSE Culture Model Application.

At the meeting, the creation of statistical data belonging to the sector was discussed and examples of good practice abroad in the field of work safety were also shared.

Our Improvement Activities

Safe Walking Road



We started to implement ASAŞPEN in order to prevent spontaneously placing materials on the walkways on the factory site and to ensure that our employees move safely within the factory site.

Prohibition of Mobile Phone Use



In order to prevent incidents that may occur due to the use of mobile phones in the working areas, we have switched to a personalized locker application.

Personnel Route



Due to the unsafe boarding of ASAŞPEN employees outside the factory, we made a transition road between ASAŞPEN parking lot and aluminium extrusion safety zone and enabled our employees to board from the service departure area.

Subcontractor Company Fines Application



We prepared a list of fines to be imposed on the company as a result of the detection of inappropriate behaviours of the subcontractor companies in the field and added it to the procedure and notified it to the subcontractor companies. We started to apply fines in the last quarter of the year.

In HSE Center



We established OHS Board for the central workplace and ensured risk assessment. We continue to monitor risk assessment actions. We have set up a first aid team and an emergency response team. In the fire detection and warning system, we performed periodic tests, controls and maintenance.

OHS at Tea Breaks



During tea breaks, we gathered together with ASAŞPEN employees and raised awareness about OHS. We also added it to HSE action follow-up list, taking into account the divisions of employees and the importance across the factory.

Waste Characterisation



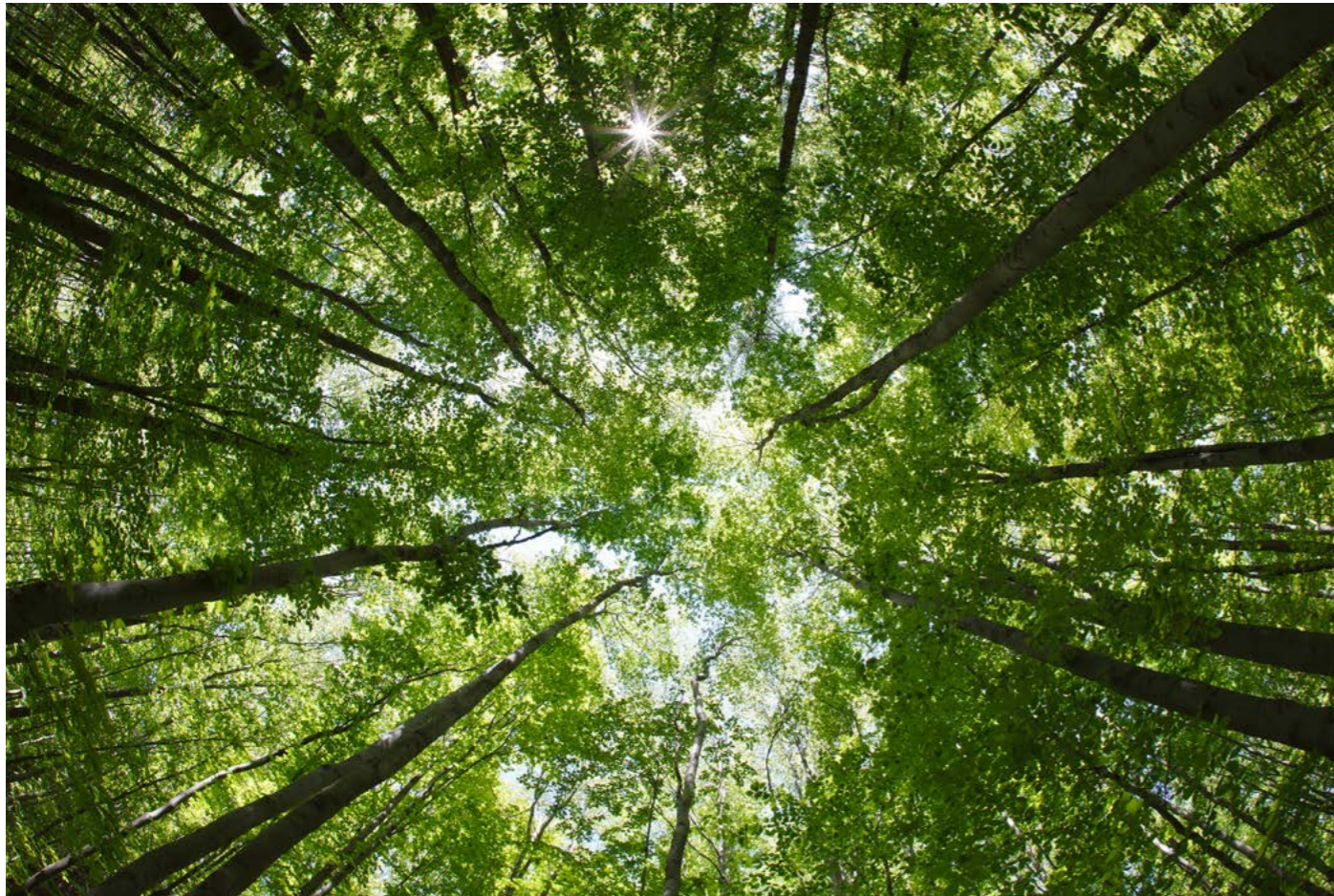
We determined waste characterization by conducting a department-based Environmental Dimension Impact Assessment and ensured factory wide standardization by taking colored garbage cans according to wastes.

Safety Barrier



We completed the construction of a safety barrier around the liquid nitrogen tank at the Extrusion Factory and prevented chemical incidents during in-factory vehicle traffic.

Environmentally Respectful Business Approach



Our priority in all our business centers is a business approach that protects the environment while conducting our activities.

With the impact of major factors such as increased consumption and climate change due to rapid population growth all over the world, our natural resources are likely to be limited to a threat in the near future. Therefore, our environmental responsibilities have been the most important issue of sustainability. By acting with this awareness, we adopt international standards in our environmental management with our sustainability understanding based on environmentally friendly and innovative production business processes by reducing our environmental impacts.

Health, Safety and Environment (HSE) Policy

In ASAŞ, we aim to realize our productions with zero occupational and environmental incidents by investing in people, information and technology with our community-sensitive approach and understanding.

With this belief; we agree, warrant and undertake we will

- Comply with all legislation, administrative regulations, legal responsibilities and standards related to Health, Safety and Environment in order to provide and protect a safe and healthy working environment,
- Consider the health, safety and environmental impacts of the technology, raw materials and auxiliary materials used and to take the necessary measures,
- Identifying the hazards in our processes, to evaluate the risks, to eliminate the risks or to reduce their possible effects; to plan and implement the measures, to allocate the necessary resources, to be prepared for fire and emergency situations, to make the necessary investigate and improvements after possible incidents,
- Ensure continuous improvement by providing a common perspective in accordance with our Health, Safety and Environmental requirements at all levels of the organization, creating a sustainable Health, Safety, Environmental culture,
- Provide training opportunities from employees, management, visitors, trainees, subcontractors, suppliers to customers at all levels in order to ensure all processes and continuous improvement within the scope of the management system,
- be a leader in the adoption of new technologies, choosing alternative materials, using natural resources at a minimum,
- Minimize environmental emissions arising from our products, services and activities, to ensure maximum recycling by separating the wastes at their source, to take necessary measures considering the biodiversity in our region,
- Setting an example with our sensitivity to the environment and society by always prioritizing Corporate Social Responsibility awareness, to take measures by taking into account all environmental impacts from design to disposal of the product and to raise awareness of all our employees including management,

In order to ensure all the requirements by closely following international standards and national environmental legislation requirements, it is our priority to evaluate HSE effects of all the works we do and investment decisions we make and to manage environmental risks. In this context, we are working to reduce our negative effects on the environment at every stage of our activities. As we explain in the “Our R&D Activities” section of our report, we develop products that have reduced negative effects on the environment.

Environment Department within the body of Health, Safety and Environment Directorate and our employees who are experts, competent in their work and work 24/7, evaluate all environmental risk factors in a timely manner and manage the processes on site.

All our facilities are ISO 14001:2015 Environmental Management System certified. In addition, we conduct cross-checks with our stakeholders, suppliers and waste disposal companies and aim for continuous environmental improvement.

Energy Management

We identify project potentials related to a certain amount of energy efficiency each year, both as an output of the ISO 50001 Energy Management System and as a natural result of teamwork within the Energy Directorate, which will contribute to our sustainable growth. Our main purpose in these projects is energy efficient design, efficient use of energy, energy and time saving. In this context, we implement our productivity projects in line with the energy saving target we set after preparing a production-oriented energy budget every year.

We prepare this project potentials in 3 different categories, some of which are in ASAŞ with our own resources, some of which are in the form of VAP projects with the Ministry of Energy and some of which are supported by EU funds.



Productivity Boosting Projects (VAP):



Efficiency Boosting Projects (VAP) are the projects we carry out with 30% grant support from the General Directorate of Energy Affairs within the Ministry of Energy and with our own team. In the selection of these projects, we take into account the projects with a return period of less than 5 years and an implementation period of more than 1 year. After the completion of the project, we recover 30% of the investment cost as a grant. All kinds of efficiency projects that will contribute to the reduction of electricity and natural gas consumption fall within this scope.

EU Funded Horizon 2020 Projects:



Within our company, we actively participate in all kinds of projects that include all kinds of innovations, contribute directly and indirectly to energy saving, contribute to process efficiency, contribute to institutional and engineering culture with the coordination of Energy Directorate and R&D Directorate. In our output at the end of project; We can get back the investment cost of up to 70% and all auxiliary costs during project preparation as grants. At the end of the project, we provide both cost and efficiency gains.

Depending on the size of the project, our projects last from 1 year to 3 years, and ultimately, we contribute to both electricity and natural gas consumption and energy efficiency and savings. Therefore, we also contribute directly to the sustainable growth of our company and our country. Such projects are both the mission of our Energy Directorate and the source of motivation.

In addition to all these projects, we are trying to extract the energy indicators of the departments under the coordination of the Energy Directorate. This case also directs the relevant departments to operate energy-oriented by revealing the project potentials mentioned above and disciplining the departments.

When we find the energy indicators of the relevant departments, we calculate the energy consumption per unit ton by taking into account the data from previous years of the energy reports we publish each month and the general data of the related enterprise in the world literature.

By giving this target consumption to our departments, we are trying to bring the energy actually consumed closer to our target. Thus, we encourage the relevant business to use energy efficiently, minimize scrap rate and ensure an accurate process flow.

Efficient use of energy has the highest priority for us among environmental issues, as we also mentioned in sustainability priorities. We are in the process of using energy resources at the highest efficiency. We carry out our energy monitoring, management and energy efficiency activities in accordance with our ISO 50001 Energy Management System, which is valid in all our facilities.

We use electricity and natural gas energy in our facilities. In addition, we provide some of the electricity needs with our Trigeneration Facility. In addition, we make maximum use of steam and hot water, which are side energy sources.

We monitor the production of energy values at all stages through our Energy Monitoring System. The Energy Monitoring System enables the calculation of unit consumption reference values in electricity and natural gas and the determination of unit consumption target values in monthly periods. Our Energy Monitoring System performs, on a monthly basis, the follow-up of:

- Review of business center-based energy management, consumption and efficiency
- Monitoring business centre-based energy efficiency potentials and energy efficiency practices
- Comparison of business centre-based unit energy consumption against targets and evaluation / review of possible improvements
- Monitoring the adaptation of energy consumption of new investments based on business centers to existing energy monitoring systems.

Total Energy Consumption

	Electricity Consumption (kwh)	Natural gas consumption (sm ³)
Aluminium Flat Products Factory		
2017	67.330.655	9.546.982
2018	83.709.649	10.803.015
2019	81.145.037	16.429.148
Aluminium Profile Factory		
2017	81.145.037	12.608.470
2018	51.871.660	12.597.435
2019	51.209.351	11.522.175
Window Factory		
2017	14.585.104	55.360
2018	10.682.795	56.114
2019	11.346.140	61.305
Composite Panel Factory		
2017	9.949.295	12.757
2018	8.421.385	10.563
2019	7.347.490	9.434

Our Energy Intensity

	Electrical Energy Density (kwh/t)	Natural Gas Energy Density (sm ³ /ton)
Aluminium Flat Rolled Factory		
2017	1.088	154
2018	975	126
2019	839	170
Aluminium Profile Plant		
2017	986	247
2018	1.018	247
2019	958	216
Window Factory		
2017	794	3
2018	680	4
2019	769	4
Composite Panel Factory		
2017	374	0
2018	378	0
2019	513	1

“In 2019, we saved over 11 million kWh of energy with 14 projects.”

As a result of our energy efficiency projects carried out in recent years, we have significantly reduced the electrical energy density in our facilities. In the last two years, energy consumption per ton has decreased by 23% in our Aluminium Flat Rolled Factory (production), 2.8% in our Aluminium Profile Factory and 3.2% in our PEN Factory. In our Composite Panel Factory, our efforts to reduce energy density continue.

Improvement Projects	Savings Amount (kwh)	Factory Consumption (kwh)	Improvement Rate (%)
Improvement VAP Project of ASAŞPEN Factory Cooling System	3.263.302	11.346.140	28,8
Extrusion Pressurized Air System Improvement VAP Project	424.512	58.556.841	0,7
Extrusion Melting Oven 1 Magnetic Mixer VAP Project	1.264.022	51.209.351	2,5
Extrusion Melting Oven 2 Magnetic Mixer VAP Project	1.264.022	51.209.351	2,5
Extrusion Melting Oven 3 Magnetic Mixer VAP Project	1.264.022	51.209.351	2,5
Extrusion Pen Composite Panel Environmental Lighting LED Conversion VAP Project	138.558	69.902.981	0,2
Extrusion Pen Composite Panel Production Halls Lighting LED Conversion VAP Project	776.594	69.902.981	1,1
Increasing Energy Efficiency with Vacuum Pump Exchange with Frequency Converter VAP Project	2.309.630	11.346.140	20,4
Office Lighting LED Conversion VAP Project	185.056	69.902.981	0,3
Flat Rolled Production Halls Lighting led Conversion VAP Project	638.480	81.145.037	0,8

Emissions

Roller oil evaporates as a result of the heat generated during rolling. In order to recover this roller oil vapor absorbed from the hood system of the rollers, all our rollers (1 cold roller, 2 foil rollers) have a total of 3 “roller oil, oil recovery system” (You can find its schematic representation below). These 3 recycling systems prevent the release of 1,200 tons of rolling oil vapor into the environment in a year. We use the oil we recover in the liquid phase by distillation method repeatedly in the rolling process without creating any waste.

Emission Measures



In the paint operation, the solvent in the wet paint applied on the aluminium sheet in the furnace area evaporates. This evaporating solvent is absorbed through high-capacity suction fans in the furnace area. This absorbed solvent vapor is sent to the reactor zone consisting of ceramic beds previously heated to 800 °C and burned. Clean gases are heated with the heat energy obtained as a result of combustion and sent back to the oven and used for heating the oven. In this way, there is no release of solvent into the atmosphere and at the same time, natural gas consumption is reduced by using solvent in the heating of the oven.

Thanks to the Regenerative Incineration System we use in our foundry facility, we both save energy and reduce the effects of global warming by making maximum use of waste heat.

Water Management

Our country is a “water shortage” country with 1.519 m³/year water per capita. According to TurkStat (TÜİK) estimates in 2030, we are going to be “water poor” with the effect of the population expected to reach 100 million.

We collected the roof rain expenses of our Flat Rolled Facility outside the production areas and ensured that they were discharged to the stream. Thus, we have taken precautions regarding the chemicals likely to be mixed in the rain channel against the negativities that may arise in the process areas. We also have blind wells, lines directed to the treatment plant and overflow containers for the areas where chemicals are found.

Water Use	2017	2018	2019
Groundwater (Well water)	770.802 m ³	698.646 m ³	768.022 m ³
Reused and Wastewater			
Amount of wastewater	182.726 m ³	220.080 m ³	268.700 m ³



Our treatment plant consists of DAF unit, chemical treatment (coagulation, neutralization, flocculation), pre-precipitation, lamellar precipitation, biological treatment, sand filter and activated carbon units. Our entire system is controlled online from the facility control room with SCADA system and remote access.

Waste Management

We are aware that resources are limited. In order to protect the environment and leave a sustainable world to future generations, we recycle wastes with process output at a high rate and use them repeatedly in production.



In all our production areas; we standardized the colours of the waste units for paper/cardboard, plastic, metal, glass, organic wastes and hazardous wastes and made the necessary information about the wastes in the area where the units are located.

All our departments within the production campus regularly remove their wastes to designated waste areas by labelling them with the “In-Department Waste Declaration Label”.

The relevant personnel collects the labelled wastes from the waste areas of the departments and transports them to the factory waste site by ring vehicle.

Wastes coming to the factory waste site are weighed on the weighbridge by the site officer and their weights are written.

The amount of waste is monitored by HSE Directorate and shared monthly with the department administrations. On a product basis, targets are determined, monitored and action is taken together with department management in order to minimize waste production.

- Thanks to the electromagnetic stirrers we provided to the melting furnaces of our Flat Casting Company, we reduced slag waste by up to 10%.
- With the revision we made in the automation of the roller oil recovery system, we achieved a reduction of up to 60% in the filter soil (hazardous waste) which is process waste.

We work together with our customers to reduce especially the wood materials used in the packaging of our products. In this context, we reduced our monthly use of timber by 125 m³. Instead of rectangular cardboard used in roll packages, we plan to supply cardboard to match the outer diameter of the roll. Thus, we aim to reduce paper/cardboard waste at its source.

We press the wastes generated in the field of edge cutting, engineering and quality scraps through fans at their source (in general). We recycle the pressed wastes (aluminium) by melting them in the casting plant.

Thinners used in the cleaning of rollers and pans in paint operation become liquid waste by mixing with paint during cleaning. We make the unusable solvent waste reusable by treating it with the distillation process from the impurities (resin, polymer, pigment, paint, oil, ink, etc.) in it.

In the foundry section, we designed the melting furnace outlet part inclined to reduce the slag from the melting furnaces. When drawing slag, we calculate the optimum time to keep the slag on the ramp and allow the molten aluminium to flow back into the oven.

We carry out studies with universities and industrial organizations in order to evaluate the waste acid and caustic in our facility as sources in other companies.

In our Anodic Oxidation Facility, we save maximum chemical and water with its full automation and stony system. We bought an Acid Recovery unit by investing heavily in keeping the concentration of acid baths constant and reducing the acid load of treatment. We save 35 tons of acid on a monthly basis with the recovery unit.



We make maximum use of waste heat by supplying Regenerative Incineration System for our foundry facility. We provide electromagnetic stirrers with the investment we made after the decision we made in 2019. In this way, we anticipate gains of 10% in energy consumption, 10% in slag formation and 12% in production increase. We recycle all aluminium scrap generated in our enterprise again and again by evaluating it in our foundry.

We have completed the project of researching technological solutions for the recycling and reuse of process wastes with our research-development activities for integrated resource management in line with our “zero waste” principle with ITU-GTU universities. As a project output, it has been proven in the laboratory environment that several wastes generated in our facility can be transformed into products if necessary, investments were made. We also calculated our water, energy, waste and carbon footprint studies within this project.

Due to the inadequacy of the existing factory waste area, we started works for a new waste area of 4,000 m² and completed rough construction. Our waste site will have the quality to set an example for many facilities when it is finished.

Our Trigeneration Plant draws attention with its low emission release. With this facility, which has natural gas input, we provide a part of the electrical needs of our factory and make maximum use of steam and hot water, which are side energy sources.

Within the scope of our works started in 2018, we determined the waste unit needs of all our departments.

We trained and assigned waste managers for each department.

We provided waste buckets in the appropriate color and delivered them to the departments.

Each section writes the type of waste on the bag with its section while leaving the waste to its own waste area.

Wastes coming to the factory waste site are weighed one by one and recorded.

With the production of the departments, waste amounts are proportioned and published every month by HSE Directorate.

Annual Waste Amount (tonnes/year)

Type of the waste	2017	2018	2019
Non-Hazardous Waste	11,393	11,836	12,313
Hazardous Waste	6,771	5,327	6,162

Awards

25th Şahabettin Bilgisu Environment Awards

In 2019, our Flat Products Factory received the “Şahabettin Bilgisu Environment Award” at the national level.



Sustainable Development Focused Business Approach



We work to meet all the requirements of sustainable development with our global growth approach that supports economic and social development. Our priority in growth is to develop innovative ideas in all our business centers in order to meet future expectations in our sector.

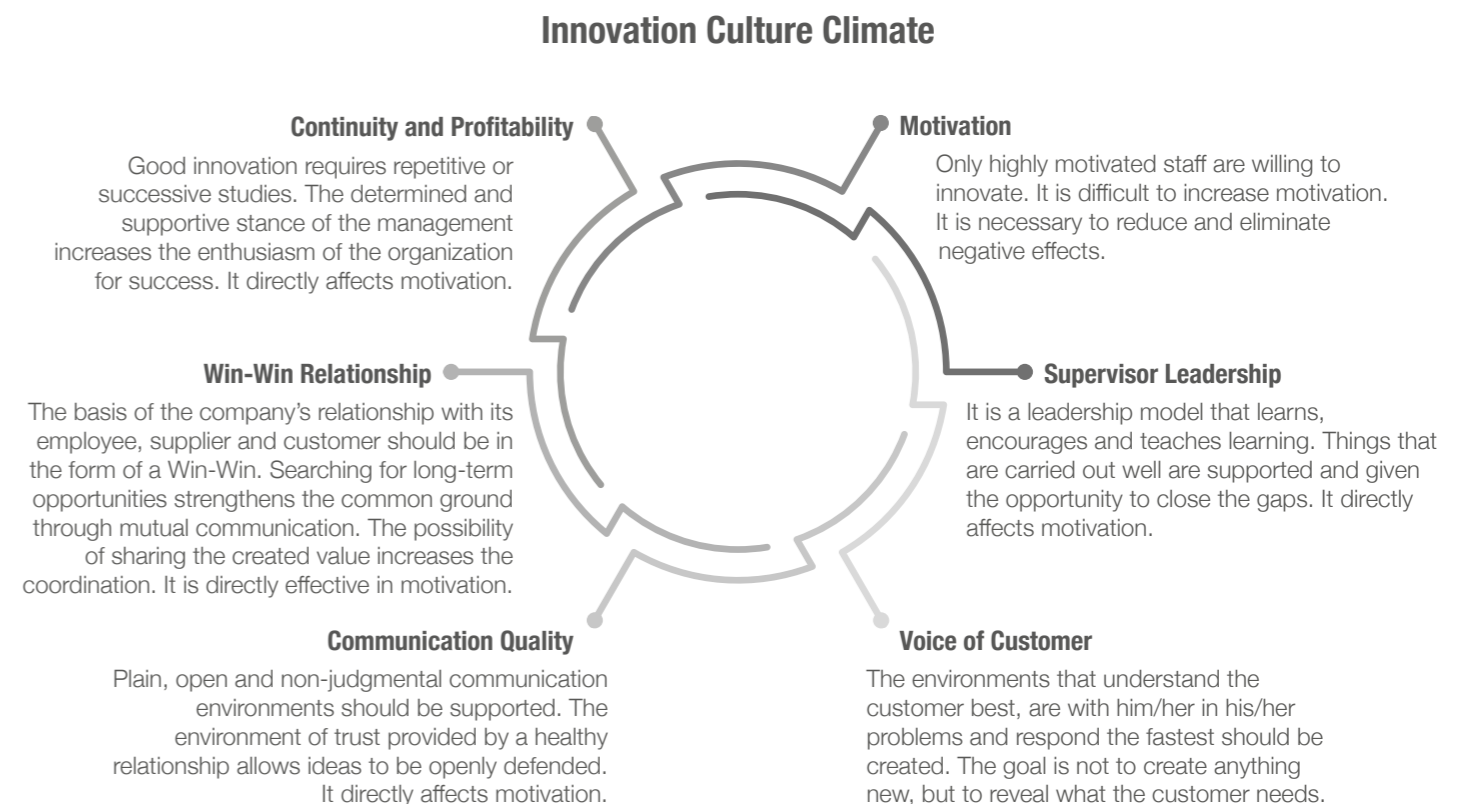
Our Innovation Culture

Starting from the production phase of the idea, the processes that cover the steps to be followed in the past process to make the ideas applicable and sustainable constitute to our innovation culture. In short, our innovation culture, which we call “value-creating innovation”, creates conditions in which every business and every product is constantly reviewed to meet the future expectations of the customer and everyone in the organization can develop themselves and operate in this direction. These are the climatic conditions in which innovative behaviors come to life.

Our innovation culture is based on six main items.

- Includes all activities carried out within ASAŞ Group.
- Motivates improvement with continuous improvement and simultaneous solution approach.
- Constantly nourishes the institutional intellectual being.
- Provides a working environment that strengthens and empowers.
- Projects creative ideas and develops creative solutions.
- Attaches importance to collective intelligence (internal and external cooperation).

The outputs of our innovation culture can be listed as value-adding ideas, innovation, new products and sustainability. We are aware that all these outputs will come to life by providing appropriate innovation climate conditions. Focused on innovation climate conditions, our strategy is to easily transform new ideas into projects for future market expectations and to create working and living conditions in which these projects are successful. The environment that will be created by 6 phenomena feeding each other in our company prepares the innovation climate we desire.

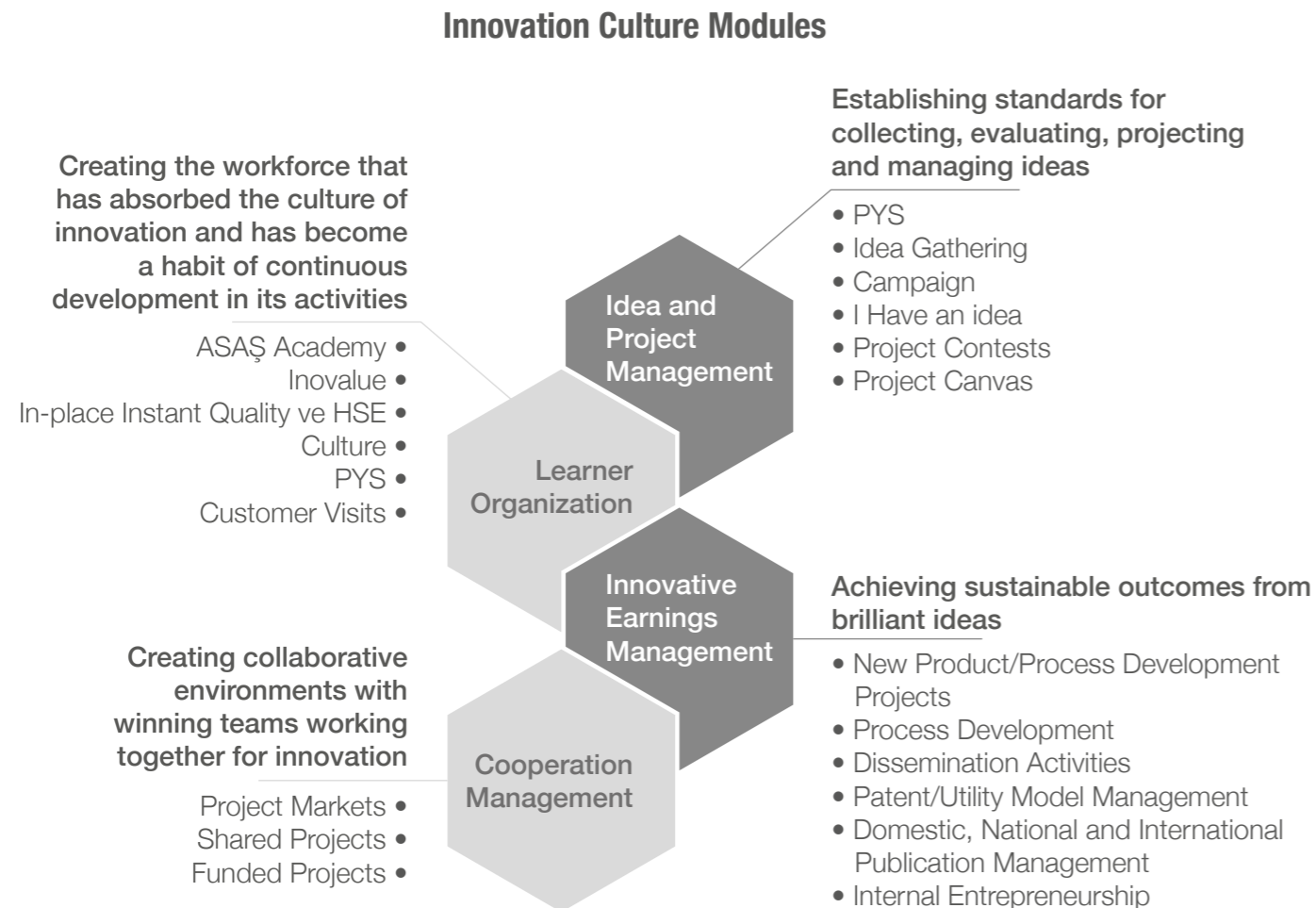


With this innovation climate that we aim and try to achieve;

- We create a wide pool of information and resources with experts, suppliers, customers and ultimately end-users coming together,
- We ensure that outputs reach wider buyers/market audiences with other stakeholders and organizations,
- We reach the goals that cannot be achieved individually, the power to be achieved thanks to the diversity of teams,
- With increasing learning at each step, we take faster and stronger action and shorten the implementation time of the outputs.

Our Innovation Culture Model:

Our innovation culture consists of 4 main modules, tools with sub-applications of modules and outputs



Idea and Project Management

It is a module that ensures the traceability of ideas and regulates the process of transformation into sustainable outputs.

Enables experiences to participate in knowledge.

Creates data for the management of innovative earnings module.

Covers the activities of evaluation, management and conclusion of projects.

Our Idea and Project Management Tools:



- I Have an idea
- Innovation Projects Design Canvas
- Project Management System
- Idea Collection Campaign
- Project Contests

Learner Organization

It is a module that aims to organize activities for the development of corporate knowledge.

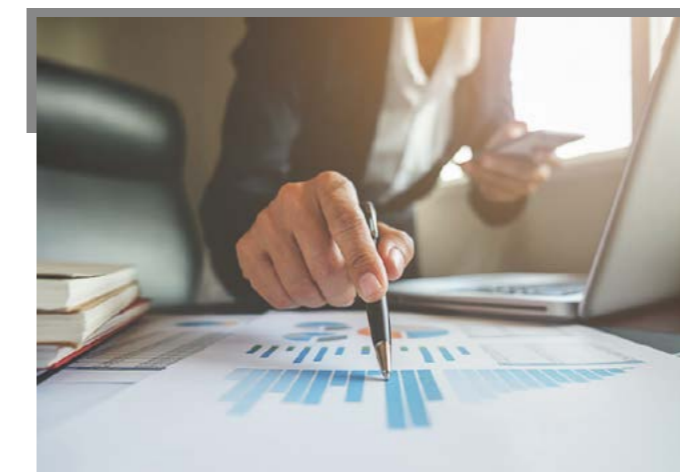
It aims to increase the scope of corporate accumulation and make it shareable in accordance with information security.

Improves corporate competence.

Determines the need for information and takes action to meet it.

Supports continuous improvement. Prevents information erosion.

Learning Organizational Tools:



- Project Management System
- On Place In Time Quality Culture
- Health, Safety, Environmental Culture
- Customer, Fair and Other Event Visits
- ASAŞ Academy and Inovalue

Managing Innovative Earnings

It is the acquisition management module in which the gains obtained from the projects carried out for innovation purposes are followed.

- Gains from new products
- Process excellence projects
- Achieving cost reduction targets
- Management of internal and external publications, intellectual property rights processes

Our Gain Management Tools:



- New Product Commissioning
- Patents and Intellectual Property Rights Management Processes
- Creating Know-How with Internal Broadcasting and FMEA Files
- Outer Broadcasts

Cooperation Management

It is our module aimed at increasing sharing for innovation purposes. It creates a network of national and international cooperation. It provides synergy between department and business centers. It enables the dissemination of environmental developments within the organization. It is effective in updating knowledge.

Cooperation Management Tools:



- Partnerships between departments and business centers
- Relationships between customers and suppliers
- Sectoral organizations and workshops
- Projects supported by external funds
- Partnerships with universities and institutes

We receive the contributions of our employees with the idea management system and ASAŞ Project Management System that we have established to transform our innovation culture into performance by settling within our institution. We determine and reward the champion projects of the year with the jury presentations made by the executives of the projects we carry out during the year in ASAŞ Aces Project Competition.

In addition, we reward many activities other than routine work carried out in the institution within the framework of ASAŞ Recognition and Appreciation System.

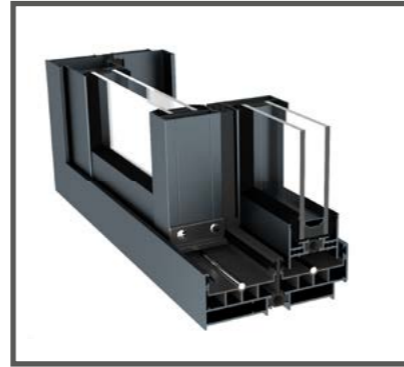


Examples of Products Offered to the Market by Business Centers

Minimal View Simple Sliding System

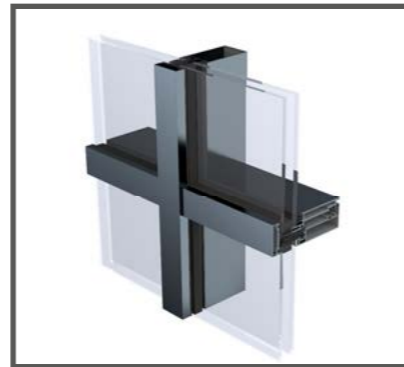
The RMS45 sliding system is our series of design features consisting of a mixture of simple sliding and minimal sliding, creating a new segment between these two product classes.

As a technical feature, it can be described as having minimal sections, flat-line design, no flapping on the wing, being able to make 90-degree joints, allowing the production of wings without using a glass lath, making pin corner connections in the case, using full steel shaft, allowing different glass thickness, being a serrated skirt profile alternative and allowing the use of different types of accessories.



Curtain Facade System

The REF60 facade system is designed with a principle that includes different designs because of the static requirements in the projects, the preference of the facade consultants to use 60 facades, the fact that the panel is more cost-effective from the facade, the performance data such as heat and water impermeability are better and the connection screws are hidden.



Folding Solar Refractory System

REFL40 Folding Solar Refractor system.

REFL40 Folding Optical Sheet System is a folding solar refractory system using optical plates used in Sky panel system. In addition to the sun-blinding function, they form the facade design by covering it like a second shell.



DayLight Roller-Shutter System

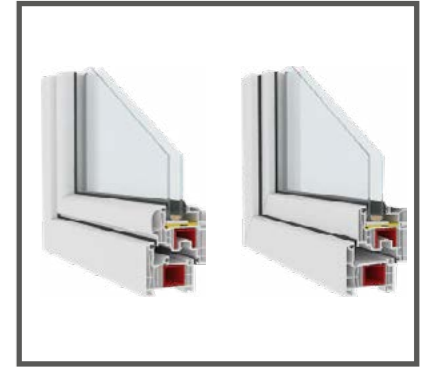
It is an aesthetic Roller-Shutter system that allows sunlight to enter at the desired level starting from the top. Lamellar mounted with special plugs to each other. The Roller-Shutter system, which can be used in a fully open or fully closed position when desired, is designed as a stylish alternative to traditional shutters.



INOVA 76 Medium Sealed Windows and Door Systems

INOVA 76 Medium Sealed Windows and Door Systems

- It provides maximum heat and sound insulation by allowing the use of high insulated special glasses.
- In addition to thermal and sound insulation, long-lasting PVC profile systems provide significant environmental and economic benefits.
- In this self-sealed profile system, besides providing fast production, TPE gasket use provides weldability in corners and thus create a high sealing feature.
- The chassis provides maximum insulation advantage with the use of medium gasket as well as standard gaskets used in the wing joint.
- It allows the application of lower threshold at lower height by applying thermally insulated aluminium threshold profile.



INOVA New Generation Insulated Sliding Systems

- The next generation insulated Inova PVC driving is designed to give you a perspective that will make you forget all the driving applications you have ever seen.
- The spaces where you use Inova next generation insulated driving will also provide high insulation and sealing performance and will provide you with a wider living space thanks to its new design.
- Every detail of all sliding systems has been examined while designing the Inova sliding system.
- It is aimed that this new product can be easily manufactured and replaced, it is useful, it has high sealing values and high wind resistance properties.
- Taking these goals into consideration, Inova PVC driving with new generation insulation has been designed in accordance with international standards with the experience gained from international experiences.
- With imported hardware accessories specially designed for this product, wing opening and closing functions have been ensured to be easy and comfortable.
- It also provides evenly (balanced) closing movement with positive control to the wing with the help of peripheral locking points.
- Thanks to the comfortable use of the handle even on heavy wings, it has the possibility of easy opening without the need to lift the wing up.
- It provides maximum field of view to you users with its aesthetic and stylish design in Inova sliding door and window applications.
- It has rich coated color alternatives that will adapt to all kinds of decorations in architectural projects.



R&D Activities

ASAŞ R&D Center is the first approved R&D center of its sector.

Since its establishment, our R&D Center has implemented many projects by integrating the production infrastructure it has developed by making the most innovative and technological investments in the sector with the product and service quality it constantly increases and became the sought-after solution partner of our customers. ASAŞ R&D Center aims at a climate that triggers continuous development with its innovation culture aimed at preventing future expectations in the markets in which it is located. We place our R&D activities and innovation culture on the basis of the development and competition strategies we create by relying on the excitement, knowledge and competencies of our own people.



As of 2019, 79 R&D personnel, 22 of whom are researchers at ASAŞ R&D Center, continue to work by using numerous test and simulation capabilities for aluminium flat rolled with aluminium profile, PVC profile, Roller-Shutter and shutter systems. We cooperate with the valuable universities of our country with the awareness that a bright and lighter future will be created with new and different ideas.

Sectors we offer service

- Automotive
- Rail systems
- Defence, industry and
- Aerospace Industry
- Construction sector
- Energy Sector
- Advertising sector
- White goods
- Furniture
- Maritime
- Packaging sector
- Electrical and Electronic sector
- Transportation (Trailers)
- Air-Conditioning
- Machine Manufacturing Industry
- Food sector

R&D Activities	2017	2018	2019
R&D Center Expenditure (₺)	11.473.911 ₺	15.818.839 ₺	23.247.981 ₺
Ratio of R&D Expenditure to Turnover	0,67%	0,59%	0,87%
The Number of Projects Completed	56	63	42
The Number of R&D Researchers	87	93	79
The Number of Projects per R&D Focused Person	1,58	1	1,14
The Number of Patents Applied	6	9	3
The Number of Registered Utility Model		1	1
Registered Design/Number of Brands	7	8	21
Ranking of companies that spend the most R&D	61	72	57
Ranking of the company carrying out the most R&D projects	7	16	10
Fair, conference, etc. Number	19	19	21

We have increased our R&D Center spending by **203%** in the last two years.

ASAŞ
Sustainability Report 2019
GRI Standarts Content Index - Core



GRI Standart	Topics/Answers	Page Numbers
GRI 101: Foundation 2016		
GRI 102: General Disclosures 2016		
Organizational Profile		
102-1	Name of organization	ASAŞ Alüminyum Sanayi ve Ticaret A.Ş.
102-2	Activities, brands, products, and services	About US
102-3	Location of headquarters	Our Report
102-4	Number of countries where the organization operates, and the names of countries where it has significant operations and/or that are relevant to the topics covered in the report	About US
102-5	Ownership and legal form	About US
102-6	Markets served	About US
102-7	Scale of the organization	Bir Bakışta Asaş, Ekonomik Performansımız
102-8	Information on employees and other workers	Asaş at A Glance, Employment Profile
102-9	Supply chain	Supplier Relations and Supply Management
102-10	Significant changes to the organization and its supply chain	Supplier Relations and Supply Management
102-11	Precautionary Principle or approach	Business Ethics and Rules
102-12	External initiatives	Collaborations and Memberships
102-13	Membership of associations	Collaborations and Memberships
Strategy		
102-14	Statement from senior decision-maker	Message from our General Manager
Ethics and Integrity		
102-16	Values, principles, standards, and norms of behaviour	Our Corporate Values, Business Ethics and Rules

GRI Standart	Topics/Answers	Page Numbers
Governance		
102-18	Governance structure	Corporate Management, Sustainability Management
Stakeholder Engagement		
102-40	List of stakeholder groups	Relations with Stakeholder
102-41	Collective bargaining agreements	No
102-42	Identifying and selecting stakeholders	Relations with Stakeholder
102-43	Approach to stakeholder engagement	Our Sustainability Priorities, Relations with Stakeholder
102-44	Key topics and concerns raised	Our Sustainability Priorities
Reporting Practice		
102-45	Entities included in the consolidated financial statements	Our Report
102-46	Defining report content and topic Boundaries	Our Sustainability Priorities
102-47	List of material topics	Our Sustainability Priorities
102-48	Restatements of information	Our first sustainability report
102-49	Changes in reporting	Our first sustainability report
102-50	Reporting period	Our Report
102-51	Date of most recent report	Our first sustainability report
102-52	Reporting cycle	Our Report
102-53	Contact point for questions regarding the report	Our Report
102-54	Claims of reporting in accordance with the GRI Standards	Our Report
102-55	GRI content index	GRI Standarts Content Index
102-56	External assurance	There is no external assurance

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

Topic-Specific Standards

	GRI Standart		Topics/Answers	Page Numbers
	GRI 200 ECONOMIC STANDARDS 2016			
	GRI 201 Economic Performance			
GRI 103 Management Approach 2016	103-1	Explanation of the material topic and its Boundary	Our Sustainability Priorities	30-31
	103-2	The management approach and its components	Sustainability Management	29
	103-3	Evaluation of the management approach	Our Economic Performance	17
	201-1	Direct economic value generated and distributed	Our Economic Performance	17
	GRI 204 Procurement Practices 2016			
GRI 103 Management Approach 2016	103-1	Explanation of the material topic and its Boundary	Our Sustainability Priorities	30-31
	103-2	The management approach and its components	Sustainability Management	29
	103-3	Evaluation of the management approach	Supplier Relations and Supply Management	40
	204-1	Proportion of spending on local suppliers	Supplier Relations and Supply Management	42
	GRI 302 Energy 2016			
GRI 103 Management Approach 2016	103-1	Explanation of the material topic and its Boundary	Sürdürülebilirlik Önceliklerimiz	30-31
	103-2	The management approach and its components	Sürdürülebilirlik Yönetimimiz, Çevreye Saygılı İş Anlayışımız	29, 78-79
	103-3	Evaluation of the management approach	Energy Management	80
	302-1	Energy consumption within the organization	Energy Management	82, 83
	302-4	Reduction of energy consumption	Energy Management	81, 84
	302-5	Reductions in energy requirements of products and services	Energy Management	81, 84

	GRI Standart		Topics/Answers	Page Numbers
	GRI 303 Water 2016			
GRI 103 Management Approach 2016	103-1	Explanation of the material topic and its Boundary	Our Sustainability Priorities	30-31
	103-2	The management approach and its components	Sustainability Management, Environmentally Respectful Business Approach	29, 78-79
	103-3	Evaluation of the management approach	Water Management	86
	303-1	Interactions with water as a shared resource	Water Management	86
	303-2	Management of water discharge-related impacts	Water Management	86
	303-3	Water withdrawal	Water Management	86
	GRI 306 Effluents and Waste 2016			
GRI 103 Management Approach 2016	103-1	Explanation of the material topic and its Boundary	Our Sustainability Priorities	30-31
	103-2	The management approach and its components	Sustainability Management, Environmentally Respectful Business Approach	29, 78-79
	103-3	Evaluation of the management approach	Waste Management	86
	306-2	Waste by type and disposal method	Waste Management	86
	GRI 400 SOCIAL STANDARDS 2016			
	403 Occupational Health and Safety 2018			
GRI 103 Management Approach 2016	103-1	Explanation of the material topic and its Boundary	Our Sustainability Priorities	30-31
	103-2	The management approach and its components	Our Sustainability Priorities, Reliable Business Approach	29, 50-51
	103-3	Evaluation of the management approach	HSE Culture	70-72
	403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	Health Safety Environment (HSE)	69

	GRI Standart		Topics/Answers	Page Numbers
	GRI 404 Training and Education 2016			
GRI 103 Management Approach 2016	103-1	Explanation of the material topic and its Boundary	Our Sustainability Priorities	30-31
	103-2	The management approach and its components	Our Sustainability Priorities, Reliable Business Approach	29, 50-51
	103-3	Evaluation of the management approach	ASAŞ ACADEMY	60-67
	404-1	Average hours of training per year per employee	ASAŞ ACADEMY	61
	404-4	Programs for upgrading employee skills and transition assistance programs	ASAŞ ACADEMY	60
	GRI 405 Diversity and Equal Opportunities 2016			
GRI 103 YÖNETİM YAKLAŞIMI 2016	103-1	Explanation of the material topic and its Boundary	Our Sustainability Priorities	30-31
	103-2	The management approach and its components	Our Sustainability Priorities, Reliable Business Approach	29, 50-51
	103-3	Evaluation of the management approach	Working Life in ASAŞ	51-54
	405-1	Diversity of governance bodies and employees	Working Life in ASAŞ	55
	GRI 413 Local Communities 2016			
GRI 103 Management Approach 2016	103-1	Explanation of the material topic and its Boundary	Our Sustainability Priorities	30-31
	103-2	The management approach and its components	Our Sustainability Priorities, Sharing Business Approach	29, 32
	103-3	Evaluation of the management approach	Social Projects	44
	413-1	Operations with significant actual and potential negative impacts on local communities	Social Projects	44-55



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