İÇDAŞ®

İÇDAŞ ÇELİK ENERJİ TERSANE VE ULAŞIM SANAYİ A.Ş.

İÇDAŞ®

ELEKTRİK ENERJİSİ ÜRETİM VE YATIRIM A.Ş.

Sustainability Report 2023

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ABOUT THE REPORT

İÇDAŞ 2023 Sustainability Report has been prepared to evaluate the sustainability performance of our company for 2023 and to ensure transparent communication with stakeholders. This report presents the data and performance of two companies, İÇDAŞ Çelik Enerji Tersane ve Ulaşım Sanayi A.Ş. and İÇDAŞ Elektrik Enerjisi Üretim ve Yatırım A.Ş. For the convenience of users, these companies will be referred to as İÇDAŞ throughout the report.

Scope of Report

The report, which is İÇDAŞ's twelfth sustainability report, provides an overview of İÇDAŞ's sustainability strategy, its activities and targets in environmental, social and governance areas, its approach to focal points of importance for its stakeholders, and its performance for the period starting on 1 January 2023 and ending on 31 December 2023.

Reporting Principles and Standards

This report has been prepared in accordance with the Global Reporting Initiative (GRI) standards. The content of the report is based on the topics and disclosures identified by GRI and has been prepared in accordance with the requirements of the Task Force on Climate-related Financial Disclosures (TCFD) methodology. Furthermore, the report outlines our contributions to the United Nations Sustainable Development Goals (SDGs), which are widely recognised within the industry.

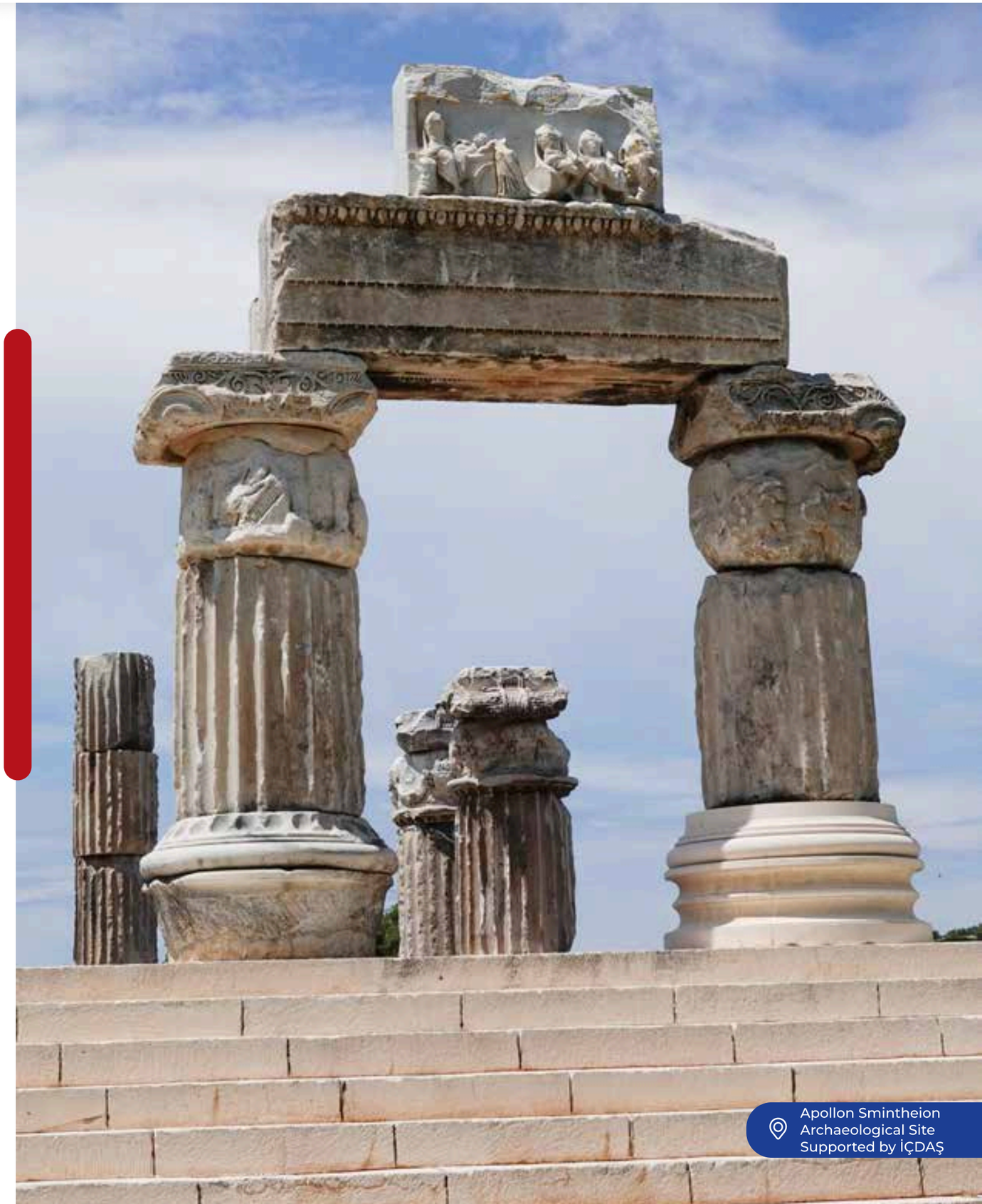
Publication Date and Frequency

This report is published annually as an indicator of İÇDAŞ's commitment to share its sustainability performance with its stakeholders.

İÇDAŞ 2023 Sustainability Report October Published in 2024.

Contact

For more information about our sustainability report, you can send an e-mail to icdas@icdas.com.tr or contact us via www.icdas.com.tr.



GENERAL MANAGER MESSAGE

Dear Stakeholders,

It is my great pleasure to present to you our 12th sustainability report, which we have prepared in the current year. I would like to thank the entire İÇDAŞ team and all our stakeholders for their continued support. As a multi-sectoral group operating in a range of industries, from steel to energy, agriculture and animal husbandry to shipbuilding, we recognise the importance of sustainability management on a daily basis. With this awareness, we not only focus on economic success, but also aim to manage our social and environmental impacts at the highest level. In this respect, sustainability is not a preference for us, but a fundamental part of the way we do business



Circularity and Innovative Approaches in the Steel Sector

Steel production is a fundamental sector that forms the backbone of modern economies. With an annual steel production capacity of 4.5 million tonnes, İÇDAŞ makes a significant contribution to the national economy, accounting for 8.55% of Turkey's total steel production. This contribution not only benefits our national economy, but also increases our export performance. In this context, we continue to expand abroad and enhance Turkey's reputation with 1 million tonnes of steel exports to 21 countries.

The role of steel in the circular economy forms the basis of our sustainability goals. Steel is an infinitely recyclable material that plays an important role in protecting the environment and enables us to use processes that increase energy and resource efficiency. In light of these considerations, we are committed to reducing our carbon footprint and impact on climate change throughout our value chain through strategic investments in renewable energy.

Our Contribution to Energy Supply Security

The energy sector is an essential element of sustainable development and social welfare. As İÇDAŞ, we make a significant contribution to our country's energy security by providing 3.79% of the electricity generated in Turkey. With our capacity representing 1.59% of Turkey's installed electricity capacity, we continue to invest to meet the energy needs of the future by providing sustainable energy solutions. In 2023, thanks to our investments, we strengthened our contribution to Turkey's energy transformation process and generated 172.8 million kWh of renewable energy.

Management of Climate Related Impacts

For İÇDAŞ, sustainability is not a goal but an ongoing journey that motivates us in different areas every year. This year, as in the previous year, we have continued to dedicate our resources to this purpose and continue our determined efforts to build a sustainable future. In addition to the studies conducted in previous years, this year we accelerated our efforts to assess the impact of climate change on our physical and operational processes.

As part of our innovative approach to risk and opportunity management, we conducted an assessment using internationally recognised frameworks to help us adapt quickly to rapidly changing business conditions. This study, conducted for the first time this year, focused on the potential impact of climate-related risks and opportunities on our business. The report also includes our assessment of the Task Force on Climate-Related Financial Disclosures (TCFD) methodology and İÇDAŞ's approach to these issues.

Strong Societies and Social Responsibilities

At İÇDAŞ, we strive not only for economic success but also for social development. The investments we make in the agriculture and livestock sectors in the regions where we operate play an important role in the economic development and social welfare of the region. As we develop projects that benefit all sections of society, we continue to work with local people to understand and meet their needs.

Our Vision for the Future

İÇDAŞ is proud to be one of Turkey's leading industrial enterprises, employing over 6,000 people with a consolidated net sales revenue of around TL 76 billion. In the ISO 500 list, İÇDAŞ Çelik Enerji Tersane ve Ulaşım San. A.Ş. A.Ş. is positioned at 18th place on the ISO 500 list, while İÇDAŞ Elektrik Enerjisi Üretim ve Yatırım A.Ş. is ranked at 58th place. Our achievements serve as the most significant indicators of our sustainable growth strategy and innovative investments.

Going forward, our objective is to minimise our environmental impact and maximise social benefit in line with our sustainability goals. We aim to ensure that every action we take in line with our sustainability commitments is viewed as a guarantee that İÇDAŞ will retain its leading position in the future.

I would like to thank all our stakeholders who are with us on the long and challenging road ahead. As we have done so far, we will continue to work with you to achieve our commitments for a sustainable future.

Yours sincerely,

Tarık Yegül
İÇDAŞ General Manager

SECTOR OUTLOOK

Steel is one of the products with the highest sustainability potential due to its high durability, strength and ability to be recycled infinitely.

The circularity of steel is an important factor in environmental sustainability, making a significant contribution to resource efficiency and waste minimisation. In this context, the steel sector is regarded as a fundamental building block of the circular economy.The circular economy is an economic model that optimises the use of resources and minimises waste and pollution. Steel is becoming an integral component of this model due to its recyclability.The recycling of steel for use in the production of new steel products results in a significant reduction in energy consumption and carbon emissions. This process also makes a major contribution to the conservation of natural resources and the fight against climate change.**The demand for steel is high due to its indispensable role in many areas of modern life. Optimising the use of scrap and recycling processes in steel production allows us to meet this demand in a more environmentally friendly and sustainable way.**World Steel Association figures indicate that global crude steel production in 2023 will total approximately 1.8 billion tonnes. Turkey's production for that year is estimated at 35 million tonnes of crude steel, ranking the country eighth in terms of global steel production.

The negative trend observed in the steel market during the first half of 2023 persisted and intensified throughout the remainder of the year. The ongoing conflict in Ukraine and the increasingly uncertain global economic outlook continued to have a negative impact on steel consumption in the third quarter of the year. Following a notable decline in 2022 (-8.3%), persistent negative factors such as ongoing conflicts, uncertainty over energy prices and high inflation, coupled with an increasingly challenging economic outlook, again had a detrimental impact on apparent steel consumption in 2023. Forecasts indicate a more pronounced contraction (-6.3%) compared to the previous period (-5.2%). This would represent the fourth consecutive annual decline over the past five years.

In 2024, steel consumption is projected to recover at a slower rate than previously forecast (+5.6%, previously +7.6%), due to more favourable developments in the industrial outlook and increased steel demand.

The Turkish steel industry experienced a 4% decline in production and a 2.59% decline in exports in 2023. In addition, the decline in freight and container prices, coupled with intensifying global market competition, also contributed to this outcome. While high freight and container prices in recent years provided an advantage for the Turkish steel industry, the subsequent normalisation of prices has resulted in this advantage being lost.

+%7,6

+%5,6

In 2024,
steel consumption is projected to recover at a slower rate than previously forecast
due to more favourable developments in the industrial outlook and increased steel demand.

Turkey produced around
35 million tonnes
of crude steel in 2023, ranking 8th globally.



According to the World Steel Association,
global crude steel production was around 1.8 billion tonnes.

CORPORATE PROFILE

CORPORATE PROFILE

İÇDAŞ was founded in 1969 in Istanbul and has been engaged in the production of construction and alloy steel since 1970. Since its establishment, İÇDAŞ has experienced continuous growth and has become one of the largest steel producers in Turkey. In addition to its steel production activities, İÇDAŞ is also a significant player in the energy sector and has a strong presence in the maritime sector, where it provides shipyard, dry dock and harbour services. The company's expanding business portfolio has been bolstered by its involvement in shipyard and port operations, which have become a significant hub for maritime transport and ship maintenance and repair services.

Thanks to its robust governance structure, İÇDAŞ is able to establish strong customer relationships by accurately analysing market trends. This approach allows the company to establish itself as a market leader in terms of product and service quality. İÇDAŞ operates by combining sector expertise, a competent and qualified workforce and adherence to high-standard product and service requirements. The sustainable business model established throughout the organisation and in contacts with customers enables our Company to manage its products and services in a complete manner, while maximising operational efficiency and meeting the increasing expectations of customers in the global market....

"İÇDAŞ's production activities are carried out at its steel mills, rolling mills, ports, logistics company, shipyards and energy facilities in Çanakkale. Its management activities are conducted from its Istanbul headquarters. By exporting a significant proportion of its production, İÇDAŞ has become a key player in Turkey's integration into the global economy, thanks to its cutting-edge technology and commitment to excellence."



Our company has an integrated facility located in the Biga district of Çanakkale, approximately 40 kilometres away from the city centre, on the shore of the Marmara Sea. The integrated facility handles all activities other than those related to the Bekirli Power Plant, Wind Power Plant (WPP), Agricultural Processing, Seed Bank and Animal Breeding. In line with our environmental sustainability priorities, we have implemented various systems at our company's integrated facility to increase efficiency in both production processes and facility infrastructure. In this context, a closed-circuit water cooling system with a dry heat unit was installed to prevent water waste, and advanced filtration systems were integrated to prevent the spread of dust and smoke generated in production processes to the environment.

Additionally, İÇDAŞ undergoes comprehensive inspections using high-tech scanning systems to ensure the quality of scrap used in steel production entering our facilities from Turkey and abroad. In particular, foreign and inappropriate substances that may be present in the scrap are detected using fixed door detectors and portable detectors. This process is managed meticulously in line with engineering principles and relevant legislation, thus ensuring the quality and safety of the materials used in production at the highest level.

In order to meet the needs of our clients in the field of logistics, we have established collection and sorting facilities in Istanbul, Bursa and Kocaeli, as well as a transfer station in Bandırma. This guarantees the supply of our products to the correct location at the appropriate time.

The collection and sorting centres enable us to meet the product demands of our customers and the raw material delivery demands of our suppliers in a short time.

In order to contribute to the development of environmentally friendly transport and railway transport, we initiated investments in the field of combined transport in 2007. This is a mode of transport that primarily utilises railway, maritime or inland waterway routes, with short-distance highway connections. The first phase of this project involved the production of 104 wagons by TÜLOMSAŞ.

Our investments continue and in addition to our existing capacity of 176 wagons, we rent wagons from TCDD and some of our domestic and international shipments are made by railway. Our experienced team in wagon management works for customer and supplier satisfaction by using a significant part of Turkey's railway network. In addition to our wagon transport service, we also provide a wider range of logistics solutions to our customers by offering rental services.

The facilities and fields of activity within İÇDAŞ are as follows

- **3** Steel Mills
- **4** Rolling Mills
- **2** Power Plants
- **4** Hydroelectric Power Plants (HEPP)
- **1** Oxygen Plant
- **2** Port Operations
- **3** Scrap Centres
- **1** Cold Processing Plant
- **1** Solar Power Plant (SPP)
- **1** Wind Power Plant (WPP)
- **1** Seed Bank
- **1** Lime Plant
- **1** Shipyard (Shipbuilding)
- **1** Dry Dock (Ship Repair, Maintenance And Repair)
- **1** Animal Breeding
- **1** Agricultural Processing















Our Companies

At İÇDAŞ, we place great importance on sustainability principles and make investments in order to minimise our environmental impact. The company prioritises the use of renewable resources in energy generation, meeting a portion of its energy needs through solar, wind and hydroelectric power plants. Furthermore, environmentally friendly production policies are adopted, with particular emphasis placed on waste management and recycling processes.

In line with its mission of being a socially and environmentally sensitive company, İÇDAŞ actively participates in social responsibility projects. By undertaking a range of projects in the areas of education, health and the environment, İÇDAŞ is playing an active role in creating a sustainable future.

Thanks to its innovative approach, robust production capabilities and commitment to sustainability, İÇDAŞ remains a market leader in its sector, driving growth and contributing to the Turkish economy.

İç Yapı İnşaat Taahhüt Ve Ticaret A.Ş.
Construction

Ice Tanker Deniz Taşımacılık Ltd. Şti.
Ship Management

KARSAN Gemi İnşa San. Ve Tic. A.Ş.
Shipbuilding and Repair and Maintenance

Bigair Havacılık Ve Taşımacılık San. Tic. AŞ.
Airline

İÇDAŞ Çelik Enerji Tersane Ve Ulaşım San. A.Ş.
Steel, Energy, Shipbuilding, Ship Repair, Maintenance and Repair

İÇDAŞ Elektrik Enerjisi Üretim Ve Yatırım A.Ş.
Electricity Generation

İÇDAŞ Elektrik Enerjisi Toptan Satış İthalat Ve İhracat A.Ş.
Electricity Sales

ERAS Taşımacılık Taahhüt İnşaat Ve Ticaret A.Ş.
Land Transport

İÇDAŞ Sigorta Aracılık Hizmetleri A.Ş.
Insurance

İÇDAŞ Dış Ticaret A.Ş.
Agriculture and Livestock

İÇDAŞ from Past to Present

1961
We established our first rolling mill.

1969
We established İstanbul Çelik Demir İzabe Sanayi A.Ş.

1970
We established our first steel mill.

1994
We established our second rolling mill.

2001
We established our Değirmencik Integrated Facility.

2001
We established our third rolling mill.

2001
We established our oxygen facility.

2001
We established our second steel mill.

2004
We established our fourth rolling mill.

2005
We established Unit 1 of the Değirmencik Integrated Power Plant.

2008
We established our third steel mill.

2008
We established our lime plant.

2008
We established our fifth rolling mill.

2009
We commissioned Units 2 and 3 of the Değirmencik Integrated Power Plant.

2011
We established our Bekirli Power Plant.

2013
We established our Ready Mix Concrete Plant.

2014
We commissioned Unit 2 of the Bekirli Power Plant.

2015
We established our Wind Power Plant.

2018
We started production in Biga with our second rolling mill.

2019
We commissioned Lime Plant 2nd Kiln.

2020
We started our Ship Repair and Maintenance operations.

2021
We have started our efforts to establish a Spooler line for the Qualified Wire Rod Steel Production Facility (HH-3).

2022
The cold processing facility has been commissioned.

İÇDAŞ in 2023

Distribution of Net Sales	2021	2022	2023
Energy	22,78%	41,27%	36,41%
Steel	72,57%	53,64%	59,00%
Other	4,65%	5,09%	4,59%

6.094
Employee

%3,79
of Electricity Generated in Turkey

2.88 million tonnes of steel production

%8.55
of the steel produced in Turkey

İÇDAŞ Çelik Enerji Tersane ve Ulaşım San. A.Ş. Ranked

18th in ISO 500

Among Turkey's Top 1000 Exporter Companies (Turkish Exporters Assembly - TIM)

2nd in Sectoral Ranking

39,449 Million TL
Renewable Energy Investment

%1,59
of Turkey's Electricity Installed Capacity

1.03 Million Tonnes
of Steel Exports to 21 Countries

İÇDAŞ Elektrik Enerjisi Üretim ve Yatırım A.Ş. ranks

58th in ISO 500

Modernisation and New Technology Investment

1,8 Billion TL

172.8 Million kWh
Renewable Energy Production

76,2 Billion TL
Consolidated Net Sales

657 Million
USD Export

In 2023, our total installed capacity of renewable energy is **5.3 MW in hydroelectricity (HEPP), 60 MW in wind (WPP) and 6.37 MW in solar (SPP)**

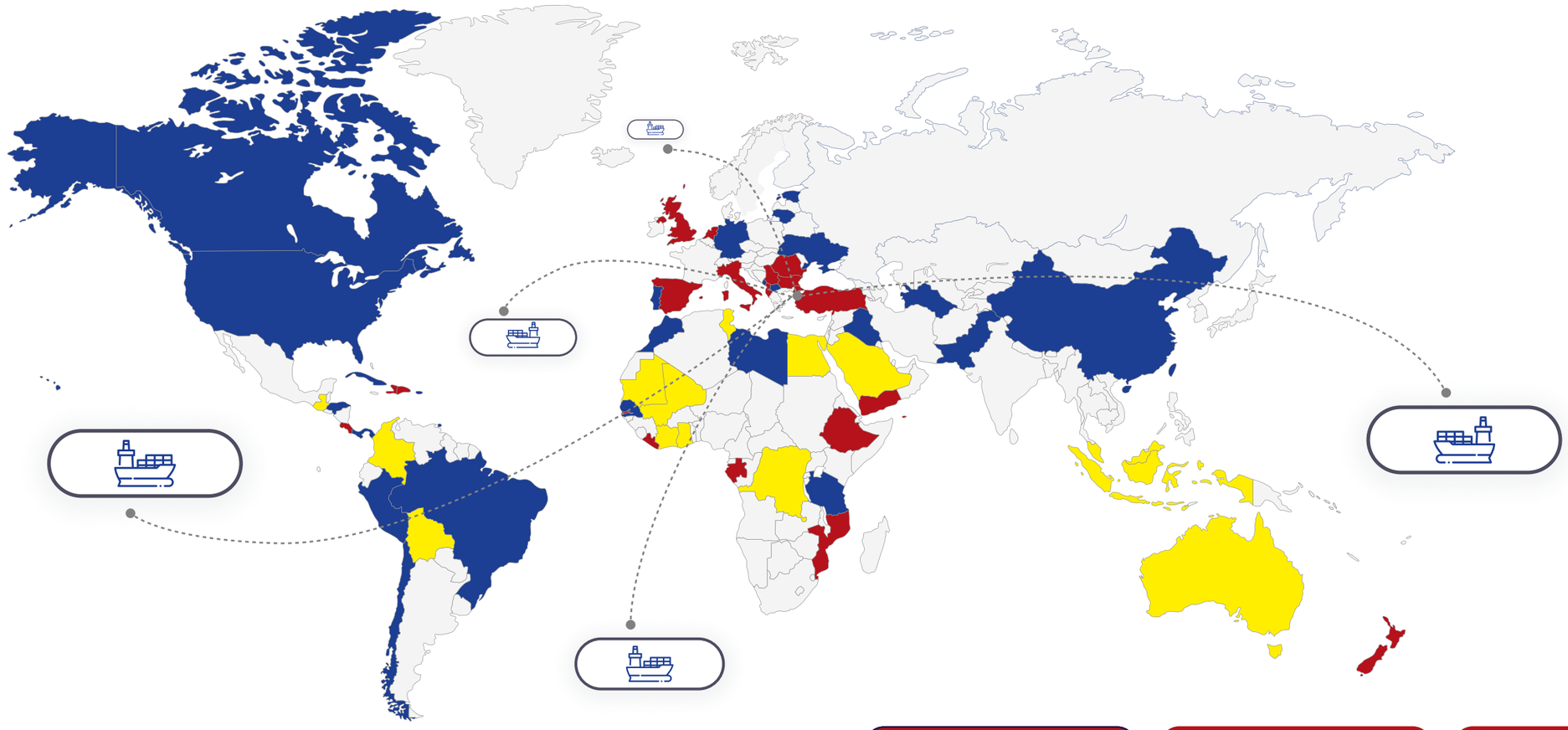
Among Turkey's Top 1000 Exporter Companies (Turkish Exporters Assembly - TIM)

31st in General Ranking

Export Network

In 2023, İÇDAŞ exported approximately **1 million tonnes** of products to **20 countries** in Africa, Europe, South America, Asia and Europe.

İÇDAŞ®
İÇDAŞ ÇELİK ENERJİ TERSANE VE ULAŞIM SANAYİ A.Ş.



40
Export countries in **2021**

46
Export countries in **2022**

20
Export countries in **2023**

Serbia
Yemen
Romania
Ethiopia
Netherlands
Albania
Spain

Bulgaria
Italy
Haiti
Costa Rica
Türkiye
United Kingdom
Mauritius

Dominican Rep.
Mozambique
Gabon
Gambia
Liberia
New Zealand



Products and Services

As İÇDAŞ, we serve in many sectors such as construction, automotive, tyre, machinery manufacturing, as well as energy, shipbuilding and maintenance and repair with our wide product range and various services. Our products and services are shaped by high quality standards and customer satisfaction orientated production processes.

Steel Products

Our steel products have a wide range of uses in various industries:

Construction Steel: Construction steel used in reinforced concrete building materials is a type of steel with ribs (protrusions) on its surface. It is produced in 6-50 mm diameters and 6-18 m lengths as ribbed bars. As ribbed wire rod, it is produced in diameters of 6-20 mm and shipped in coils of 2-3 tonnes. Ribbed steels provide high durability and safety in construction projects.

Steel Billet: Steel billets, which are the starting point for rolling products, are long and continuously cast semi-finished products with square sections ranging from 100 mm to 200 mm. These billets are used in the production of construction steel, flat bars, profiles and wire rods.

Wire rod: Semi-finished metal rods made by hot rolling, usually with round cross-section and used for cold drawing. Wire rods wound in coils are used in the production of welding electrode, steel mesh, wire, bolt, spring and similar products.

Electricity Energy

İÇDAŞ, which also has a strong structure in energy production, generates electricity using various energy sources:

Power Plants: The electricity produced in power plants, which generate energy using fossil fuels, is transferred to various legal customers through the state grid.

Hydroelectric Power Plants (HPP): Hydroelectric power plants, one of the renewable energy sources, provide environmentally friendly energy production.

Solar Power Plant (SPP) and Wind Power Plant (WPP): We generate clean and sustainable energy by utilising solar and wind energy. The generated energy reaches customers operating in sectors such as hotels, industrial organisations, fuel oil, IT, steel, finance, construction, food, concrete, electronics, energy, logistics, mining, automotive, health, agriculture, textile and transportation. In addition, it is transferred to many points from shopping centres to restaurants, schools, residences and public institutions via energy lines.


İÇDAŞ Switchyard


İÇDAŞ Bekirli Power Plant



İÇDAŞ Dry Dock

Shipbuilding and Maintenance and Repair

At our shipyards, we offer high-quality shipbuilding and maintenance and repair services:

Shipbuilding: In 2022, we started to work on the production of 2 6,700 DWT stainless steel oil and chemical tankers in our shipyard. The production planning of these ships was made to be completed in 2024 and 2025. The 4,500 DWT LORD LUPO class stainless steel oil and chemical tanker, which we started in 2020, was launched in 2022.

Ship Repair, Maintenance and Renovation: In mid-2020, our dry dock was commissioned to provide maintenance and repair services to ships with 360x60 m dimensions. In 2022, the maintenance and repair operations of a total of 17 ships, the largest of which was 206,291 DWT and 299.94 m in length, and in 2023, the maintenance and repair operations of a total of 30 ships, the largest of which was 319,247 DWT and 333 m in length, were completed.

> **2023 has been an important year for İÇDAŞ Shipyard (Dry Dock). During this period, our shipyard successfully completed the construction of 30 ships, marking a significant achievement.**

At İÇDAŞ, we aim to maximise customer satisfaction with our products and services. With our sustainability and quality-oriented approach, we are proud to be one of the leading steel, energy and shipbuilding in Turkey and the world.



İÇDAŞ Shipyard

Technological Transformations in Operations

At İÇDAŞ, we attach great importance to sustainability and technological transformation. In 2022 and 2023, we focused on cleaner steel production and increasing operational efficiency through various improvement and renovation works we carried out in our steel mills. Our investments implemented in this context are designed to both reduce our environmental impact and modernise our production processes.







2023 Improvements

1. **Renovation of Crucible Gas Boiling Systems:**

   Through metallurgical improvements, innovations were realised in ladle gas boiling systems, resulting in higher quality and efficiency in steel production.

2. **Transition to Tank Suction Line in Fume Extraction Systems:**

   This innovation in fume extraction systems has increased the efficiency of dust collection systems, reducing environmental impacts and creating a cleaner production environment.

2022 Improvements

1. **C52 Closed Casting System:**

   This system, which is used in the production of special quality steel, has provided higher quality and precision in the production process.

2. **Vacuum Degassing System:**

   The system is used for the production of special grade steel and has significantly improved the quality of the final product by increasing the purity of the steel.

3. **Coretemp and Castemp Temperature Measurement Systems:**

   Continuous and precise temperature measurement and forecasting systems have optimised temperature controls in production processes, improving energy efficiency and production quality.

4. **Empere Regulation System:**

   This system, which stabilises the arc furnace operation, has increased operational efficiency by increasing energy efficiency and productivity.

5. **Miwenti Burner Systems:**

   Energy savings and productivity gains have been achieved thanks to the effective burner control provided by the renewal of the arc furnace burner design.

6. **Use of HEN Celox Slac:**

   Cleaner steel production was achieved by controlling, monitoring and adapting the oxygen activity between steel and slag in the ladle furnace to the working practice.

These technological transformations have played an important role in achieving İÇDAŞ's sustainability targets. Thanks to our investments, we have managed to reduce our environmental impact by increasing our energy efficiency and productivity while producing cleaner and higher quality steel.

Efficiency at İÇDAŞ

Facility to be Improved	Parameter to be improved	Annual Earnings	Annual Earnings Unit
OxygenPlant	Oxygen plant 3 unit consumption (kWh/m^3)	276,000	kWh/year
Power Plant Unit 1	Electricity consumption of ID fans (kWh)	5,194,400	kWh/year
Power Plant Unit 3	Electricity consumption of ID fans (kWh)	5,277,080	kWh/year
Port Loading and Unloading	Reduction of energy consumption of Scheuerle vehicles (TOE/month)	1,558,307	kWh/year

İÇDAŞ Steel Mill

Supply Chain Management

At İÇDAŞ, we implement various strategies to ensure the effective and efficient management of our supply chain in line with our sustainable production targets. These strategies focus on optimising procurement practices, improving supplier performance and minimising environmental impacts.

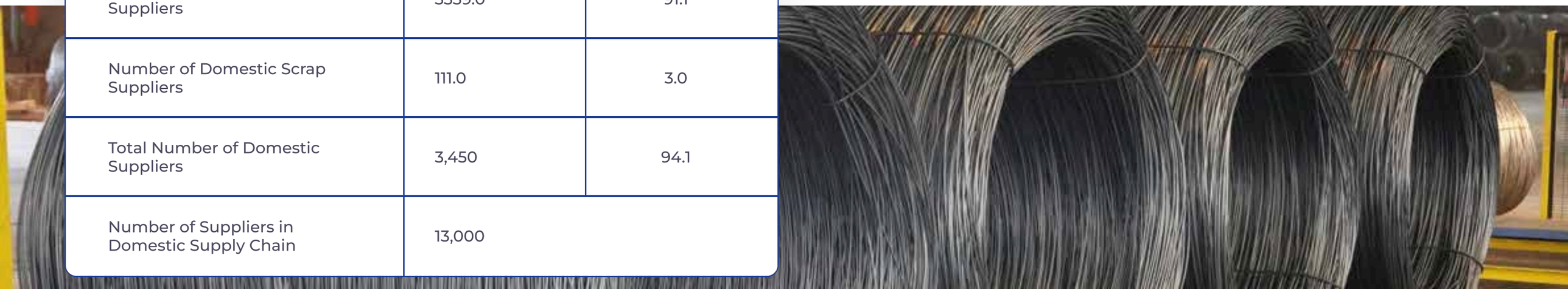
In 2023, we continued to improve our procurement processes in order to increase efficiency and sustainability. At İÇDAŞ, we procure from different geographical regions such as Marmara, Aegean, Central Anatolia, Black Sea and Southeastern Anatolia, as well as Europe, America, Asia and Africa to increase the flexibility and adaptability of our supply chain. Of our total supply, 35.3% comes from domestic sources and 64.7% from international sources.

2023		
Approximate value of payments to suppliers	**Quantity**	**Rate (%)**
Import Amount	**41,574,433,437**	**64.7**
Domestic Purchase Amount	22,718,954,517	35.3
TOTAL	64,293,387,954	100.0
Number of Import Suppliers	**217.0**	**5.9**
Number of Domestic Non-Scrap Suppliers	3339.0	91.1
Number of Domestic Scrap Suppliers	111.0	3.0
Total Number of Domestic Suppliers	3,450	94.1
Number of Suppliers in Domestic Supply Chain	13,000	

The majority of our supply chain's transport activities are conducted by sea. Maritime transport is the primary backbone of our supply chain, facilitating the cost-effective and efficient transportation of large volumes of cargo over long distances. The advantages of high carrying capacity and low cost make maritime transport a preferred solution, especially for international shipments. Furthermore, rail transport has lower carbon emissions than road transport, enabling us to achieve our environmental sustainability goals.

The expansion and modernisation of the railway network optimises our logistics processes, enhancing reliability and continuity in our supply chain. As İÇDAŞ, we benefit from the advantages of railway transport, ensuring efficiency and sustainability at every stage of our supply chain. In addition to our existing fleet of 176 wagons, we utilise the wagons rented from TCDD for the majority of our domestic and international shipments. Our experienced wagon management team is committed to achieving the highest levels of customer and supplier satisfaction by making optimal use of Turkey's extensive railway network.

> ***"At İÇDAŞ, we adhere to the principles of transparency, efficiency and sustainability throughout our entire supply chain. Our objective is to cultivate long-term partnerships by fortifying our connections with both domestic and international suppliers.***
>
> ***We will continue to pursue our strategy of maintaining this success and reinforcing our leading position in supply chain management in the coming years."***



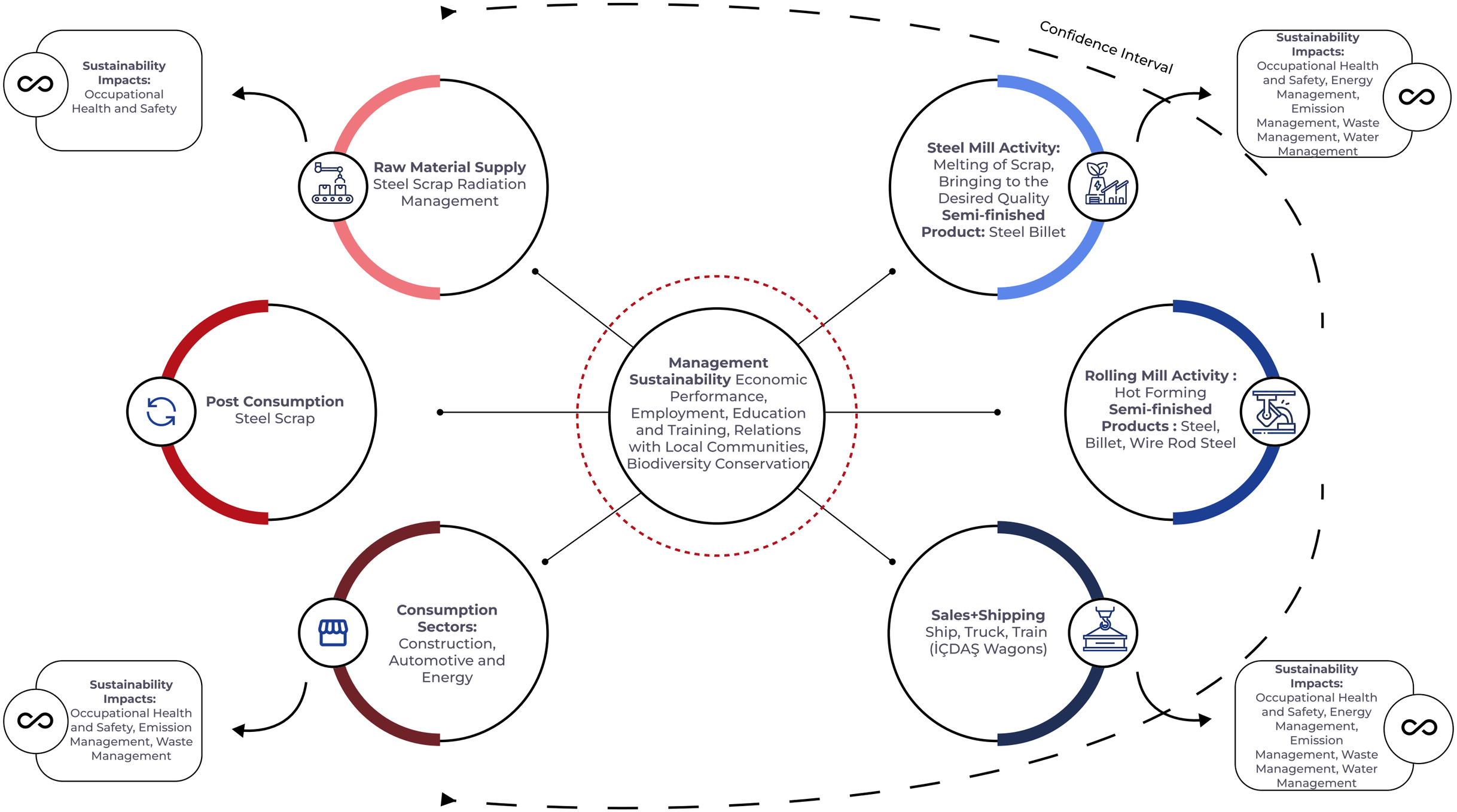


2023

İÇDAŞ Suppliers	Domestic Non-Scrap	Domestic Scrap	Abroad
Country or Region	Marmara: 2840 units Aegean: 146 units Central Anatolia: 294 Eastern Anatolia: 1 unit Black Sea: 13 units South East Anatolia: 7 units Mediterranean: 38 units	Marmara: 95 Aegean: 15 Central Anatolia: 7 Mediterranean: 4	European Community, EFTA, America, Africa, China, Colombia, United Kingdom, India, Russia, Ukraine, Brazil, Bosnia and Herzegovina, Canada, South Korea, Libya, Malaysia, Mozambique, Lebanon, Adriatic, Turkey, Kazakhstan, Mexico, Japan, Lithuania, Czech Republic, Norway, United Arab Emirates,
Types of Suppliers	Main producers, Licensees, Auditors, Consultants, Intermediaries, Wholesalers, Subcontractors, Transporters	-	Scrap, Coal, Pig, HBI, HBI, Billet iron, Auxiliary and Operating materials and Investment and Spare parts suppliers

İÇDAŞ Port

Sustainability Impacts in İÇDAŞ Value Chain (Steel Production)



Value Chain Map

OUR FOCUS AREAS

- Financial Performance and Resilience
- Efficiency and Cost Management
- Digital Transformation and Technology Usage
- Investments and Growth Strategies
- Market and Customer Diversification
- Transparency and Corporate Governance

OUR RESOURCES/INPUTS

- Net Sales value: **55.9 billion TL**
- Equity: **28 billion TL**
- EBITDA/EBITDA: **3 billion TL**
- Total Assets: **42 billion TL**
- 3 steel mills
- 1 shipyard (shipbuilding)
- 1 dry dock (ship repair, maintenance and repair)
- 4 rolling mills
- 2 power plants
- 4 hydroelectric power plants (HEPP)
- 1 solar power plant (SPP)
- 1 wind power plant (WPP)
- Energy and carbon management
- Protection of biodiversity
- Water management
- Waste management
- Investing in climate-related physical and transition risks

OUR OUTPUTS

- Brand reputation
- Strong market share
- Better corporate governance
- Strong financial structure
- Sustainable and clean energy production
- Circular economy model
- Climate action & Environmental Awareness
- Energy and water efficiency
- Sustainable ecosystem
- Compliance with national/international standards
- Community development
- Communication with the local community & social benefit
- Supply of raw materials to stakeholders
- Innovation and R&D
- Digitalisation
- Robust and long-term career planning for our employees

Integrated Management Systems

Management System Standards Documents	Our Current Facilities
ISO 17025 Laboratory Quality Management System	Environmental Control Laboratory, Fatigue Test Laboratory
ISO 50001 2018 Energy Orientation System	Steel Plants, Power Plants, Shipyard, Lime Plant, Port
ISO 14001:2015 Environmental Management System	Steel Plants, Power Plants, Shipyard, Lime Plant, Port
ISO 45001:2018 Occupational Health and Safety Management System	Steel Plants, Power Plants, Shipyard, Lime Plant, Port
ISO 9001:2015 Quality Management System	Steel Plants, Power Plants, Shipyard, Lime Plant, Port
CARES BS 8902:2009 Sustainability Management System	Steel Plants
CARES BS EN 9001:2015 Quality Management System	Steel Plants
CARES BRE BES 6001 Responsible Sourcing for Construction Products	Steel Plants
CARES Certificate of Manufacturing Conformity for Nuclear Applications and Mega Projects	Steel Plants
ISO 27001 Information Security Management System	Steel Plants Non-Production Units and Power Plants

Management System Standards Documents	Our Current Facilities
Shipyard Facility Safety Certificate	Shipyard
Republic of Turkey Ministry of National Defence Production Permit Certificate	Shipyard
EC Conformity Certificates	**Our Current Facilities**
Fly Ash Production - TS EN 450-1: 2013	İÇDAŞ Elektrik Enerjisi Üretim ve Yatırım A.Ş.
Aggregate Production - EN 12620:2002+A1:2008 and EN 13242:2002+A1:2007	Havdan Aggregate Plants
Aggregate Production - EN 12620:2002+A1:2008	Cakirli Aggregate Plants
Steel Slag Aggregate Production - En 13043:2004 EN 13242+A1:2007	Steel Slag (Artificial Aggregate) Plants
Steel Slag Aggregate Production -TS 706 EN 12620:2003+A1:2009	Steel Slag (Artificial Aggregate) Plants
G Certificate of Conformity Ready Mixed Concrete Production - TS EN 206+A2/TS 13515	Bekirli Ready Mix Concrete Plant

Our Sustainability Strategy: Integrated into All Our Activities

At İÇDAŞ, we consider sustainability to be at the heart of all our activities, and we manage it in a holistic manner. We implement a range of strategies and projects to achieve our environmental, social and financial objectives. In the field of environmental sustainability, we reduce carbon emissions through investments in renewable energy sources, increase recycling rates in waste management and ensure efficient use of water resources. We prioritise the health and safety of our employees, and we implement training and social responsibility projects to support socio-economic development.

At İÇDAŞ, we prioritise an innovative management culture, employee participation and local needs in our sustainability strategies, with the goal of creating a more liveable world. Our projects and investments, which are aligned with these values, enable us to achieve our sustainability targets and create positive social, environmental and financial impacts.Sustainability is embedded in all aspects of our business operations. It enables us to achieve our objective of creating long-term stakeholder value through the delivery of safe, reliable and cost-effective production, in line with our commitment to environmental and social responsibility. Main Components of our Sustainable Management Strategy

At İÇDAŞ, we integrate corporate values such as innovative management culture, participation, sustainability and consideration of local needs, which are at the core of our sustainability strategies, into all our business processes. Our values shape not only our internal policies but also our impact on society and the environment.

Strategic Importance of İÇDAŞ

- Size of the Turkish operations across all sectors
- Local development
- Strategic focus on agriculture and animal husbandry
- Countries and trade size
- Number of employees
- Investment and expenditure
- Place of production and services in the Turkish economyIntegrated Management System



Main Components of our Sustainable Management Strategy

At İÇDAŞ, we integrate corporate values such as innovative management culture, participation, sustainability and consideration of local needs, which are at the core of our sustainability strategies, into all our business processes. Our values shape not only our internal policies but also our impact on society and the environment.

01

Innovative Management Culture

Our innovative management culture is based on continuous improvement and developing innovative solutions. This culture both increases the efficiency of our business processes and plays an important role in achieving our sustainability targets. Investments in innovative technologies make our production processes more environmentally friendly, increase energy efficiency and optimise waste management. Accordingly, thanks to our investments in advanced technologies, we minimise our carbon footprint and work for a sustainable future.

02

Risk and Opportunity Based Approach

We facilitate risk management through operational discipline and prioritise ESG (Environmental, Social and Governance) criteria in all decision-making processes, as well as climate-related risks and opportunities. We have in place continuous improvement and assurance mechanisms that enable us to respond rapidly to changing conditions.

03

Participation

İÇDAŞ has a management approach that emphasises the participation of all stakeholders. By evaluating the opinions and suggestions of our employees, customers, suppliers and local communities, we are able to make more inclusive and effective decisions. Our participatory management approach enables us to respond to social expectations while achieving our sustainability goals. Our training and development programmes for employees, our active role in social projects and our transparent communication policies are all reflections of our participatory values.

04

To Consider Local Needs

Meeting Local NeedsAs İÇDAŞ, we take an approach that is sensitive to and responsive to the local needs of the regions in which we operate. In cooperation with local communities, we develop and implement projects that meet their needs. We contribute to regional development and aim to increase social welfare through education, health, environmental protection and social support projects. Employment of local labour, prioritising local suppliers and support for regional projects are concrete examples of our values that take local needs into consideration.

05

Sharing Our Stories

By sharing our achievements and what we have done for a sustainable future, we demonstrate our performance and provide valuable insights to both our internal and external stakeholders.Our Focus Areas

Our Focus Areas

Financial Performance and Resilience

We continuously monitor and improve the financial performance of our company. We develop and implement risk management strategies to increase our resilience against economic fluctuations. We create a sound financial structure to achieve our long-term sustainable growth target.

Investments and Growth Strategies

Our objective is to achieve our growth targets through strategic investments. We enhance the value of our company by diversifying into new markets, strengthening our presence in existing markets and investing in pioneering projects

Efficiency and Cost Management

We pursue continuous improvement initiatives with the objective of enhancing efficiency and reducing costs in our production and operational processes. We facilitate economic sustainability by optimising resource utilisation and minimising waste.

Market and Customer Diversification

By implementing market and customer diversification strategies, we diversify our revenue sources and mitigate risks.. We adopt customer-oriented approaches to reach new customer segments and deepen our relationships with our existing customers.

Digital Transformation and Technology Usage

We enhance the effectiveness and efficiency of our business processes through digital transformation projects. By leveraging technology, we enhance operational efficiency and gain a competitive edge.

Transparency and Corporate Governance

We guarantee transparency and accountability in our business processes by strictly adhering to the principles of corporate governance. We adhere to the highest standards of ethical business practice and legal compliance.

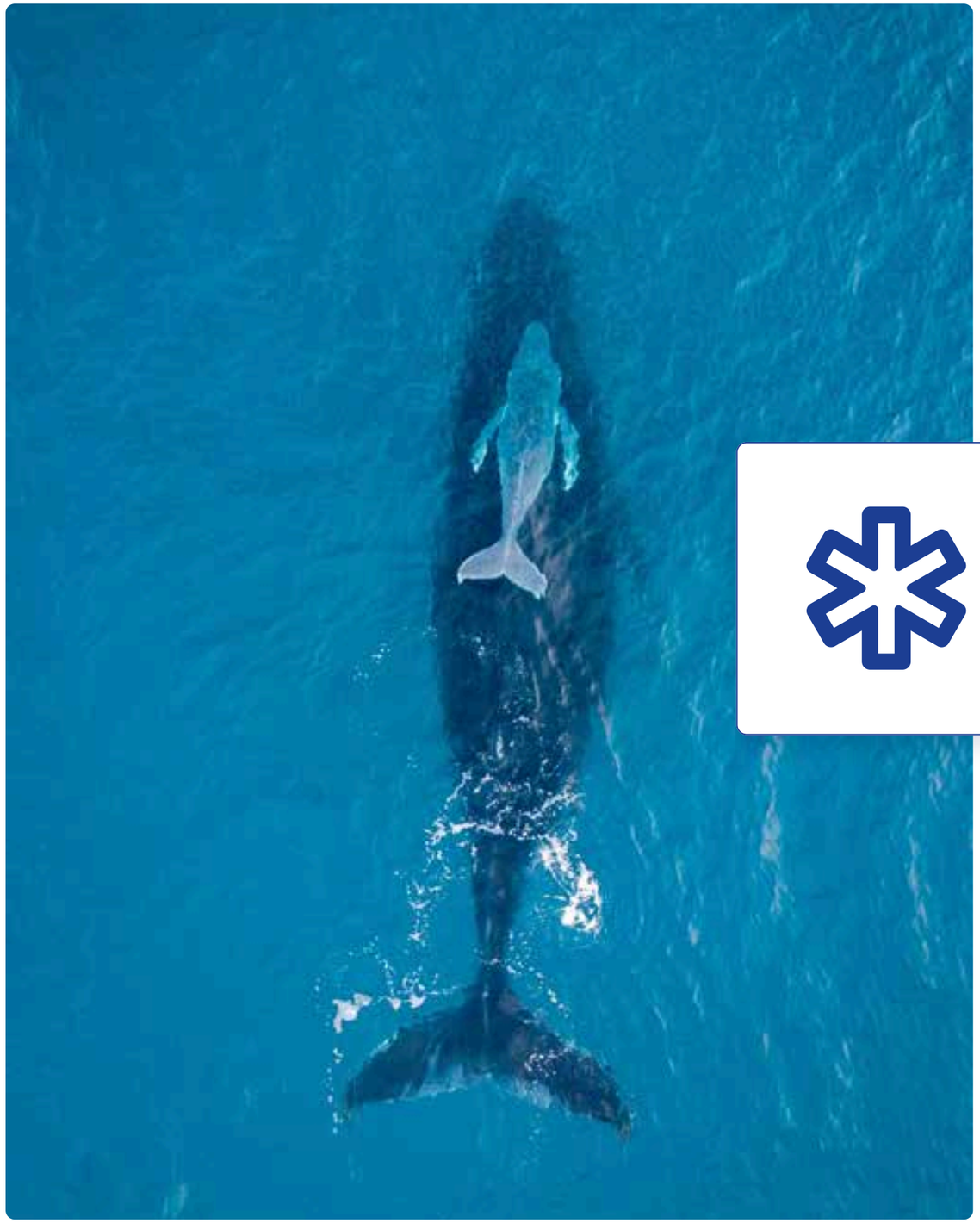


Seed Bank Laboratory

Climate-related Risk and Opportunity Management

Climate change is one of the greatest challenges facing the modern world, and effective risk and opportunity management is critical to meeting this challenge. The World Economic Forum's (WEF) Global Risks Report for 2023 is one of the most important sources of information on the risks that may be faced globally. The report emphasises the increasing impact of climate change and environmental threats on the global economy. Combating climate change and increasing resilience against these risks is critical for companies to build a sustainable future. An effective climate risk management strategy will increase the operational efficiency of companies, ensure financial sustainability and create competitive advantage in the long term.

At İÇDAŞ, we adopt a comprehensive management approach to anticipate the potential impacts of climate change on our Company and develop strategic responses to these impacts. The management of risks and opportunities arising from climate change guides us in achieving our sustainability goals.



Definition and Importance of Climate Related Risks

Climate-related risks are risks arising from climate change and environmental degradation that may adversely affect companies' operations. These risks include physical risks (extreme weather events, sea level rise, etc.) and transition risks (changes in climate policies, carbon pricing, technology changes, etc.).

- **Physical Risks:** Extreme weather events, floods, droughts and fires can disrupt supply chains, disrupt production processes and cause property damage.

- **Transition Risks:** Changes in climate policies, transition to renewable energy, and reduction of carbon emissions may require companies to rethink the way they do business. These changes may lead to significant cost increases and adaptation challenges, especially for companies operating in sectors based on fossil fuels.



Climate Related Risk Management at İÇDAŞ

As İÇDAŞ, we carry out activities in the field of sustainability and climate-related risk management by being aware of global risks and proactively following the changes in the sector. We aim to ensure sustainable growth in the iron and steel industry in which we operate and to make significant contributions to the fight against climate change. We have started to develop an effective climate risk management strategy to minimise the impacts of climate-related risks and increase our resilience against these risks.

Risk and Opportunity Analysis

Our company has identified the climate-related risk and opportunity areas that it may encounter in its operational processes and conducted a thorough analysis of the potential impacts of these issues. Our assessment has been comprehensive, taking into account the financial impact of risks, supply chain interruptions and reputational damage.

Developing Adaptation Strategies

Companies should develop strategies to adapt to climate change. These strategies may include switching to renewable energy sources, energy efficiency projects and sustainable supply chain practices.

Furthermore, it is imperative that companies establish targets to minimise their carbon footprint and develop sustainable business models.

Financial Planning and Reporting

In order to manage the financial impacts of climate-related risks, it is important for companies to undertake comprehensive financial planning.

Companies should transparently disclose climate risks and measures taken against these risks in their financial reports.

Collaboration and Stakeholder Engagement

Companies should increase sectoral collaborations and stakeholder engagement in the fight against climate change. This could include developing joint projects with governments, civil society organisations and other businesses.

Understanding the expectations of stakeholders and taking actions in line with these expectations will strengthen the reputation and market position of companies.

The Global Risks Report, published annually by the World Economic Forum, assesses the most important risks faced worldwide. The report analyses economic, environmental, geopolitical, social and technological risks under five main categories. As of 2023, the most important risks are as follows:

- **Climate Change and Environmental Degradation:**

Climate change, degradation of ecosystems and loss of biodiversity are among the most serious long-term threats.

- **Geopolitical Shifts:**

Changes in the global balance of power threaten the future of international trade and co-operation.

- **Economic Imbalances:**

The economic impacts of the pandemic, rising debt levels and inflationary pressures threaten global economic stability.

- **Technological Risks:**

Cyber-attacks, digital vulnerabilities and misuse of technologies such as artificial intelligence are among the major technological risks.

- **Social Tensions:**

Income inequality, migration and demographic changes lead to increased social tensions.

Climate change is recognised as one of the most important global risks. In this context, climate-related risk management requires a strategic approach to reduce the risks faced by the business world. Various management strategies are developed by taking into account the risks caused by climate change.

This year, İÇDAŞ conducted a comprehensive assessment process under the guidance of the Task Force on Climate-related Financial Disclosures (TCFD) in order to effectively manage our climate change-related risks and achieve our sustainability targets. Climate-related risks include rising temperatures, water scarcity, extreme weather events, customer expectations, technological changes, regulatory changes and their potential impact on our production processes. We create action plans to mitigate the potential adverse effects of the risks we identify on our business continuity To ensure effective risk management, we conduct regular risk assessments and update our processes in line with these assessments, allowing us to evaluate each risk in a multidimensional manner.



İÇDAŞ Climate Change and Adaptation Strategy

At İÇDAŞ, we have developed a comprehensive climate change and adaptation strategy with the objective of minimising the impacts of climate change and creating a management structure that is more resilient to uncertainties and changes. The İÇDAŞ Climate Change and Adaptation Strategy is designed to enable us to take proactive measures to mitigate and cope with the negative impacts of climate change on our operations. In accordance with our Climate Change and Adaptation Strategy, our mitigation and adaptation efforts represent a crucial element of our medium- and long-term sustainability objectives.Our strategy is to identify climate risks and create a resilient business structure that can withstand these risks. In light of these considerations, we conduct comprehensive analyses to assess the potential impacts of climate change and implement measures to enhance the adaptability of our processes in line with the findings of these analyses.



Governance

We evaluated the board's role in managing climate-related risks and providing strategic direction on climate change, as well as the policies and measures required to enhance the company's resilience to climate-related challenges.

Strategy

The potential impacts of climate change on operational processes, supply chain and product life cycle have been analysed, and in line with these assessments, it is aimed to reduce the carbon footprint by using low-carbon production technologies.

Risk Management

İÇDAŞ implements a comprehensive risk management process to identify and manage climate-related risks. Various studies have been conducted to identify and take measures against physical and transition risks, and physical weather events, legislative changes, market dynamics and technological innovations have been evaluated.

Metrics and Targets

At our company, we utilise a range of metrics and indicators to assess our performance in relation to climate change and establish our targets. In alignment with these metrics, we have established specific targets for reducing carbon emissions and are taking the necessary steps to achieve these targets.

TCFD Risk Category	Risk Description (including root cause and impact)	Management Approach
	The risk of fluctuating CO_2 prices and exposure to high financial costs within the scope of carbon pricing mechanisms such as emission trading system (ETS), carbon tax and future carbon-related legislation	İÇDAŞ is committed to reducing its emissions by increasing investments in renewable energy and energy efficiency projects. This approach will help us to manage the risks associated with carbon pricing mechanisms. Our company is taking the necessary steps to integrate carbon costs into financial planning and investment decisions. In order to ensure compliance with the latest legislative developments, the planned establishment of an Emission Trading System in Turkey is being monitored closely. We are engaged in ongoing research into the applicability and use of innovative, low-emission technologies in our core operational sectors.
	Additional costs incurred within the scope of carbon pricing in exported products within the scope of legislation and regulations	İÇDAŞ carries out comprehensive studies to mitigate the additional cost risks that may arise in products exported to the EU due to the European Union Green Deal and the Border Carbon Adjustment Mechanism (CBAM). It aims to reduce the carbon intensity of its products by reducing carbon emissions through renewable energy investments and energy efficiency projects. All activities carried out in line with the sustainable production approach will contribute to minimising the potential carbon tax costs that may be encountered.
	Risk of exposure to climate-related litigation or other legal sanctions	In order to minimise the risk of climate-related lawsuits and legal sanctions, İÇDAŞ is committed to full compliance with applicable legislation. Within the framework of its policies, targets and practices, the Company meticulously complies with regulations on reducing emissions, increasing energy efficiency and environmentally friendly production processes. In addition, changes in legislation are constantly monitored and the necessary internal procedures are updated to quickly adapt to new legal requirements.
	Physical risks that may cause production to stop, shipments to be delayed, production facilities (auxiliary facilities-port-railway) to be damaged and employees to be affected (increased health problems, deterioration of physical working conditions, etc.) due to disasters such as river floods, floods and fires caused by extreme weather events	To mitigate the impact of climate-related physical risks, such as extreme weather events, floods and fires, on production, shipment and facility safety, production facilities are strengthened through infrastructure upgrades and regular risk assessments. These measures enhance resilience and facilitate the development of emergency plans. Furthermore, regular maintenance and modernisation work is carried out to minimise operational interruptions and increase the durability of equipment and machinery against extreme temperature changes.
	Investors/creditors make/will make decisionsin line with the company's impact on climate change and efforts to mitigate the impacts of climate change	İÇDAŞ takes a transparent approach to meet the increasing awareness and expectations of investors and lenders to mitigate climate change impacts. With its activities to reduce carbon emissions, increase energy efficiency and invest in renewable energy, İÇDAŞ contributed to Turkey's energy transformation process by generating 172,8 million kWh of renewable energy in 2023. In addition, a transparent communication is maintained by regularly reporting current sustainability and emission reduction activities and a clear sustainability performance is presented to investors.

: Transıtıon : Physıcal

TCFD Risk Category	Risk Description (including root cause and impact)	Management Approach
	Risks arising from the increase in insurance costs (Motor Insurance, Commodity, Transport, Facility, etc.) due to climate change	In order to increase operational resilience and strengthen risk management against the risk of rising insurance costs due to the increase in extreme weather events caused by climate change, İÇDAŞ is taking the necessary measures. By enhancing the durability of equipment through continuous maintenance and modernisation activities, the company aims to minimise the potential for damage caused by extreme weather conditions, thereby reducing insurance costs.
	Failure to meet reporting expectations in sharing data with the public, failure to ensure consistency between reports	İÇDAŞ informs the public through regular reports in order to meet reporting expectations and to ensure consistency between reports. In order to ensure that the data and information shared in the reports are consistent, each unit checks and confirms the disclosures in its area of responsibility. In order to ensure the accuracy of data and information, a centralised data management system is used.
	The risk of water stress and drought as a result of the change in precipitation regime, the risk of production being affected and related expenses increasing due to water scarcity	İÇDAŞ does not use groundwater in its operations. As part of the efficient use of water, water-saving technologies and recycling practices are implemented. In 2023, projects aimed at optimising water consumption contributed to the sustainable use of water resources. In 2023, an increase of 21% in the water recovery rate was achieved, contributing to the protection of clean water resources.
	Risk of supply chain disruptions due to extreme weather events	The impact of climate change is also assessed in supply chain management. The company works closely with suppliers to minimise the risk of extreme weather events causing interruptions in the supply chain. To prevent potential negative impacts on the logistics of raw materials, intermediate and final products, assessments are made to determine the flexibility and resilience of suppliers. All measures taken minimise disruptions in the supply chain, enabling the company to maintain its operational stability and meet customer demands without interruption.
	Problems in coal supply as a result of legal regulations arising from climate change	İÇDAŞ closely monitors coal supply processes, conducts regular risk assessments and develops alternative strategies to manage uncertainties. It aims to optimise the risks in the supply chain with the flexibility to seize opportunities that may arise from possible declines in coal prices.
	Due to the impact of climate change, the society/ customers react to emission-intensive sectors such as steel and energy and create public pressure on them to take action and start to demand social responsibility issues	İÇDAŞ carries out its activities in energy-intensive sectors in line with sustainability principles. It focuses on meeting the needs of local communities through social responsibility projects implemented especially in Çanakkale and Balıkesir regions. It contributes to socio-economic development by increasing local procurement and employment rates.

 : Transıtıon  : Physıcal

TCFD Risk Category	Risk Description (including root cause and impact)	Management Approach
	Cost risks arising from the investment requirements for the production of steel using low emission technologies	In order to effectively manage the financial risks associated with the transition to low-emission technologies in steel production, our focus is on energy efficiency projects and technology pursuit. While aiming to optimise production by using hydrogen technology and renewable energy sources, we are also evaluating the financial impact of the transition from fossil fuels to electrification. We are implementing innovative solutions such as energy generation from power plant water recycling and meticulously analysing the financial impact of the technological investments required to reduce emissions.
	Increase in demand for steel products manufactured with low emission technology and decrease in market share and/or profitability due to failure to meet this demand	İÇDAŞ has initiated the integration of low-carbon production techniques and innovative technologies into its operational procedures. In order to adapt to market dynamics and meet customer expectations, new investments and technology development projects are being initiated with the objective of improving low emission steel production.
	Failure of suppliers to meet the demands for technological transformations and/or new investments decided by the Company within the scope of climate change	İÇDAŞ takes steps to strengthen supplier relations and increase technical personnel capacity in order to mitigate the effects of the related risk. While collaborating with reliable suppliers in technological investments and supporting the development of technical knowledge and competencies, the cost risks that may arise in this process are also carefully managed. Human resources are strengthened by investing in training programmes and workforce development projects to increase the competencies of employees.
	Operational disruptions due to constraints/limitations in the integration of new transformations into existing production processes (change-transformation-capability management, etc.)	İÇDAŞ's approach is to develop competencies and implement change management strategies to mitigate potential constraints and operational disruptions that may arise in the integration of new technologies. To facilitate transformation processes, supplementary talent development programmes are scheduled for implementation in the human capital and engineering sectors. Consequently, regular training and improvement activities are conducted to prevent operational disruptions and manage internal resources effectively.
	Within the scope of green transformation, problems in access to steel scrap and unavailability of raw material supply due to the increase in the transition to Electric Arc Furnace production, which is a production method with lower greenhouse gas emissions, instead of steel production from ore.	The increasing shift to Electric Arc Furnace (EAF) production as a low greenhouse gas emission steel production method in the world will significantly increase the demand for steel scrap, a critical raw material in EAF processes. İÇDAŞ creates alternative supplier networks and optimises inventory management in order to provide diversity and flexibility in supply chain management. It uses long-term supply agreements and price fixing strategies for raw material purchases to build resilience against cost increases. In addition, scenario analyses will be performed to assess the long-term impact of restrictions on access to steel scrap under various market conditions.
	Restriction of activities due to changes in regulations (mucilage, etc.) affecting the marine ecosystem	In order to minimise technical problems and cost increases in water intake structures, it is planned to switch to automatic systems instead of manual systems. The technology-oriented solution to be implemented will reduce the impact on the marine ecosystem and allow operational processes to continue in a sustainable manner.

 : Transition  : Physical

SUSTAINABILITY AT İÇDAŞ

Sustainability At İÇDAŞ

Innovative Management Culture:

- **Innovative Management Culture:** As İÇDAŞ, we have an innovative management culture. Driven by the principles of continuous development and innovation, we continuously improve our operational processes and management approaches. By adopting this approach, we enhance our competitive advantage by responding swiftly and effectively to developments within the sector.
- **Participation:** We place great value on the opinions and suggestions of our employees.. Thanks to our participatory management approach, we encourage all our employees to actively participate in decision-making processes. While increasing employee satisfaction with the system we implement, we also support innovation by bringing different perspectives to our company.
- **Focussing on Local Needs:** It is part of our social responsibility to consider the needs of the regions in which we operate. We develop and implement various projects to meet the economic, social and cultural needs of local people. This approach enables us to establish strong and sustainable relationships with the regions.
- **Sustainability :** Sustainability is at the centre of all our activities. Acting in line with the principles of environmental, social and economic sustainability, we work with an understanding that considers the needs of future generations. We support sustainability through energy efficiency, environmentally friendly technologies and social responsibility projects.







İÇDAŞ Reverse Osmosis Plant

İÇDAŞ Sustainability Policy

The Company aims to increase sustainable steel production by prioritising environmental management, occupational safety, energy and quality issues by using up-to-date, scientific, efficient and effective working methods with an innovative management culture. Our company is committed to providing services that enable all our stakeholders to live in a healthy and clean environment. To achieve this, we have adopted the following principles:

- To determine and use the technology appropriate to the conditions of the country for the protection of the environment, prevention and improvement of pollution, to develop projects and to ensure their implementation,
- To determine the waste management policy related to our business, to take the necessary measures for the disposal of pollutants arising from our business in a way that will not harm the environment and to continuously improve our environmental performance,
- Reduction of CO_2 emissions from products and services,
- To use raw materials effectively and efficiently, reduce losses and minimise the use of natural resources by continuously improving the effectiveness, performance and energy efficiency performance of the integrated management system by managing the targets set in our processes
- To carry out all kinds of measurements, analyses and controls based on environmental standards and ecological criteria in order to protect the environment and prevent pollution,
- In order to comply fully with the requirements of national and international legislation and agreements relating to the environment
- To ensure that economic decisions and ecological decisions are considered together in order to develop our place in the sector in a balanced and continuous manner
- Supporting the local economy with the direct and indirect products and services we use in the production process and cooperating with local suppliers in our purchasing operations,
- Consideration and action in the use of natural resources in line with sustainable development objectives
- Continuously interacting with our stakeholders, taking into account their demands, identifying possible concerns, risks and opportunities and developing our policies in this direction,
- To take all necessary measures to improve the welfare and mental health of our employees, to prevent occupational diseases and occupational accidents, with occupational health and safety as a priority
- To develop sustainability awareness by implementing a continuous training programme for our employees in order to make sustainability practices more effective.
- Using methods to reduce the impact of transport activities,
- To ensure efficient use of energy and to continuously improve it,
- To ensure the efficient use of water and to keep the consumption of water per unit of product at the lowest possible level.

We undertake and declare to the public that we will continuously work in line with our sustainability policy stated above for sustainable development and a livable world.

Sustainability Approach

At İÇDAŞ, our sustainability strategy is based on a balanced and integrated approach that encompasses environmental, social and economic dimensions. The objective of this strategy is to promote sustainable practices and support sustainable development across all of our operations. By integrating sustainability principles into our business processes, our company is working to ensure a more liveable world for future generations.

One of the basic principles of our sustainability approach is to minimise our environmental impact. In this context, we make continuous improvements in areas such as energy efficiency, waste management and protection of water resources. We carry out various projects to reduce the environmental footprint of our production processes by using innovative technologies and processes.

Social responsibility is another important component of our sustainability strategy. The health and safety of our employees, our relations with society and our cooperation with our stakeholders are among our priorities in the field of social responsibility. We invest in the training and development of our employees and support their personal and professional development.

Economic sustainability is critical to the long-term success of our company. Therefore, we continuously monitor and improve our economic performance. By developing sustainable business models and strategies, we aim to create a flexible and resilient structure that can quickly adapt to market conditions.

As a result, we use defined metrics and indicators to assess and communicate the effectiveness of our sustainability strategy. We have implemented a system for regular performance evaluation and preparation of sustainability reports, which enables us to monitor our progress towards achieving our sustainability goals and make necessary adjustments to our strategies.



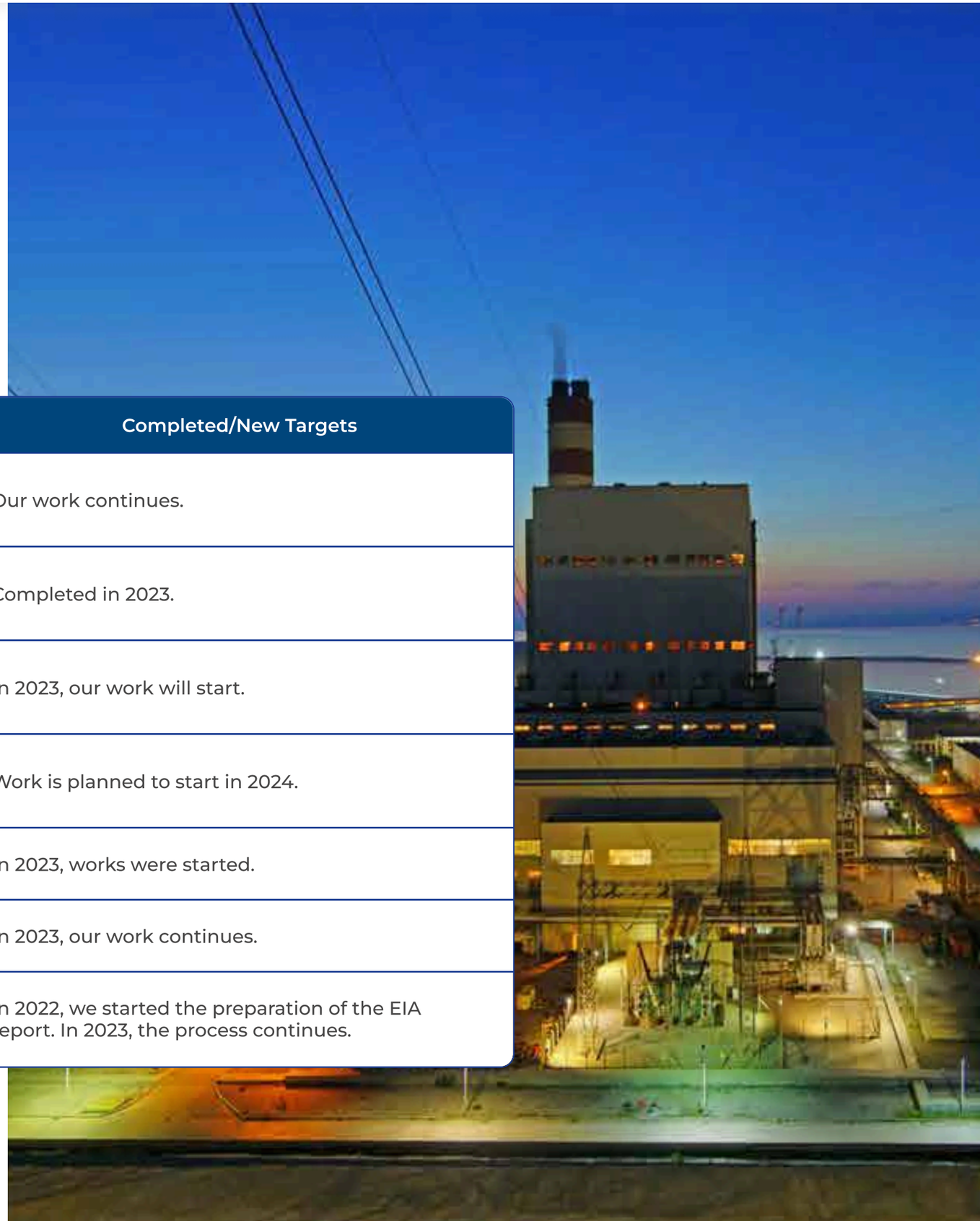
İÇDAŞ Seed Bank

Sustainability Targets

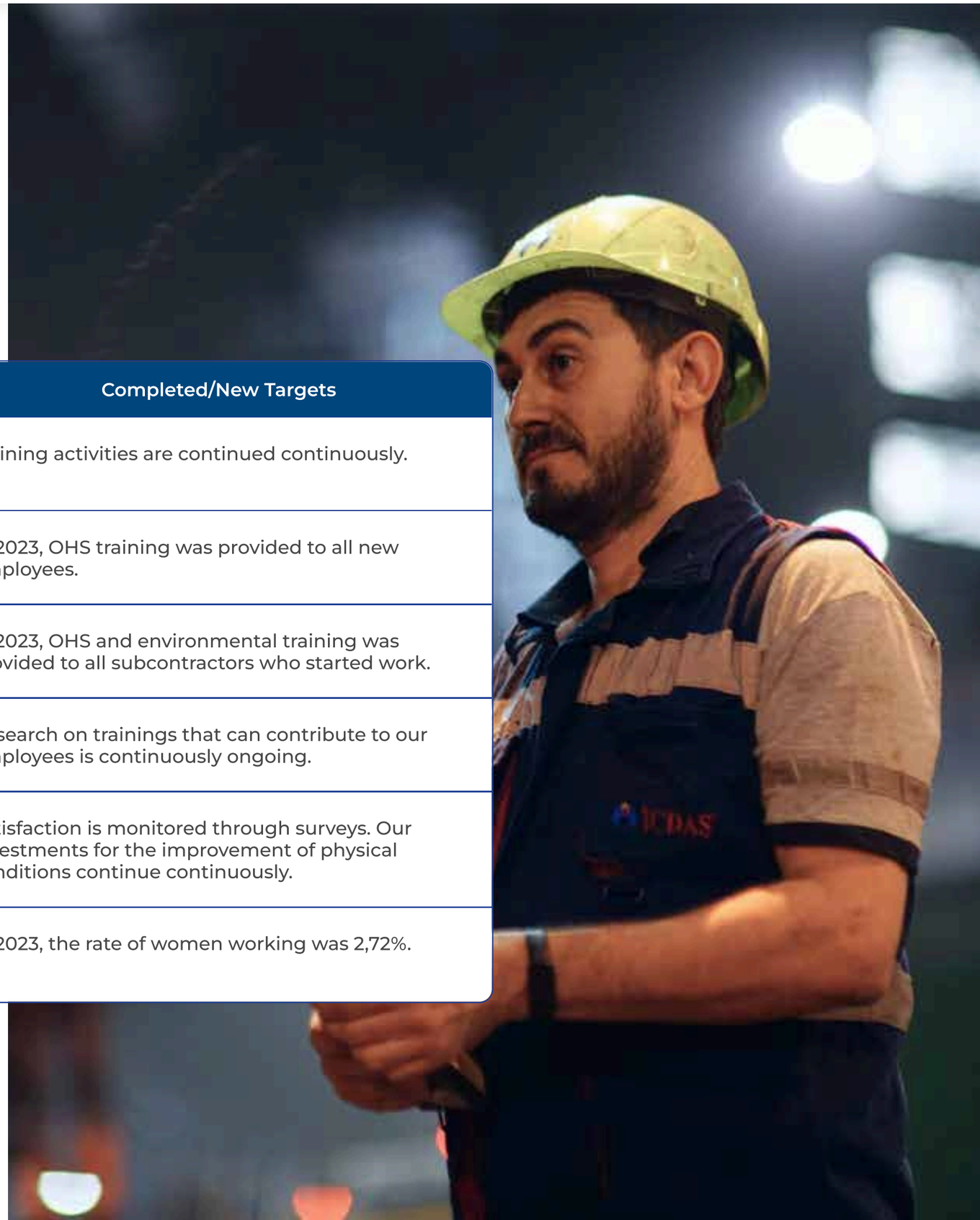
Economic Performance

National and Local Economic Contributions

Our Targets	Completion Target	Completed/New Targets
4 units 6,700 DWT Stainless Chemical Tankers	2026	Our work continues.
Construction of 1 4,500 DWT stainless tanker ship	2023	Completed in 2023.
1 Tugboat to be built for our harbour services	2024	In 2023, our work will start.
1 Tugboat to be built for our harbour services	2025	Work is planned to start in 2024.
12,500 DWT General Cargo Ship	2025	In 2023, works were started.
Construction of dry dock additional coastal facilities	2024	In 2023, our work continues.
Establishment of flat steel production facility	2028	In 2022, we started the preparation of the EIA report. In 2023, the process continues.

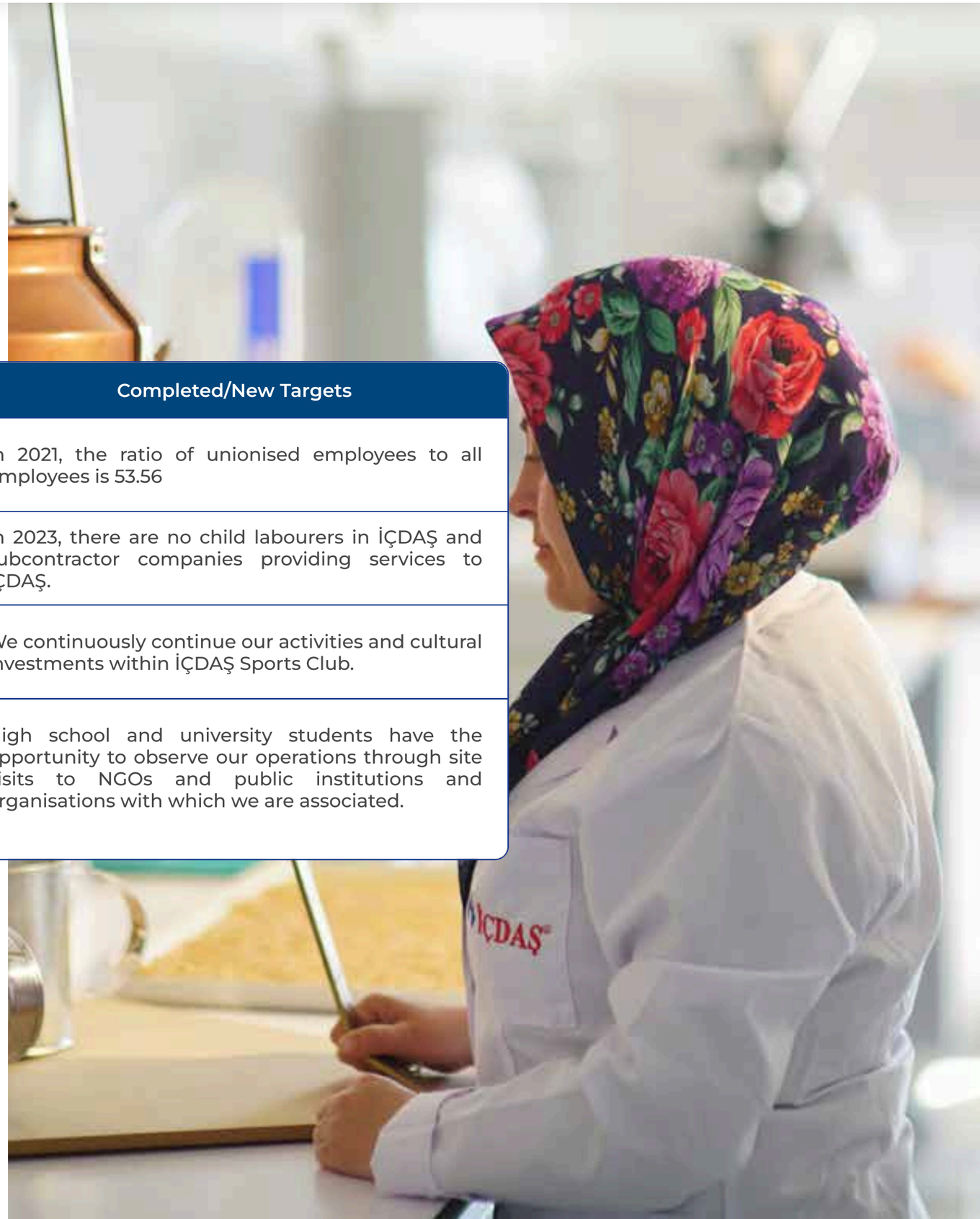


Social Performance



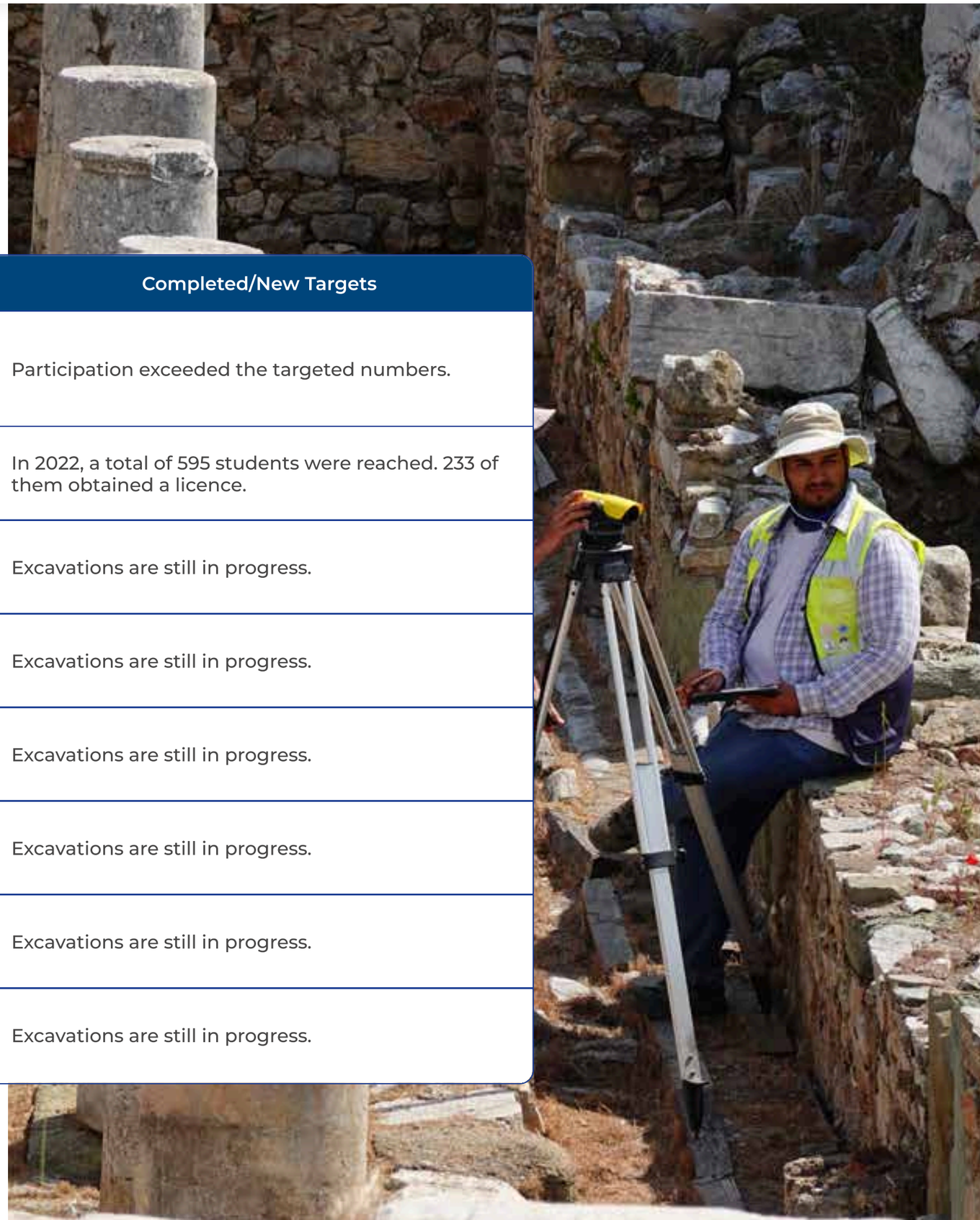
	Our Targets	Completion Target	Completed/New Targets
Occupational Health and Safety	Reducing the frequency and severity of accidents	Continuous	Training activities are continued continuously.
	Providing OHS training to 100% of our employees	Continuous	In 2023, OHS training was provided to all new employees.
	Providing OHS and environmental training to 100% of our subcontractors	Continuous	In 2023, OHS and environmental training was provided to all subcontractors who started work.
	To increase the total OHS Training time	Continuous	Research on trainings that can contribute to our employees is continuously ongoing.
Employment	To increase the satisfaction of our employees	Continuous	Satisfaction is monitored through surveys. Our investments for the improvement of physical conditions continue continuously.
	To keep the ratio of female employees above 2%	Continuous	In 2023, the rate of women working was 2,72%.

Social Performance



Our Targets	Completion Target	Completed/New Targets
To keep the number of unionised employees above 50%.	Continuous	In 2021, the ratio of unionised employees to all employees is 53.56
The number of child labour is 0%	Continuous	In 2023, there are no child labourers in İÇDAŞ and subcontractor companies providing services to İÇDAŞ.
To continue our social investments with a focus on education, sports and culture	Continuous	We continuously continue our activities and cultural investments within İÇDAŞ Sports Club.
Since 2011, we have aimed to provide a reputable corporate perception through direct observation by welcoming visitors to our facilities.	Continuous	High school and university students have the opportunity to observe our operations through site visits to NGOs and public institutions and organisations with which we are associated.

Social Performance



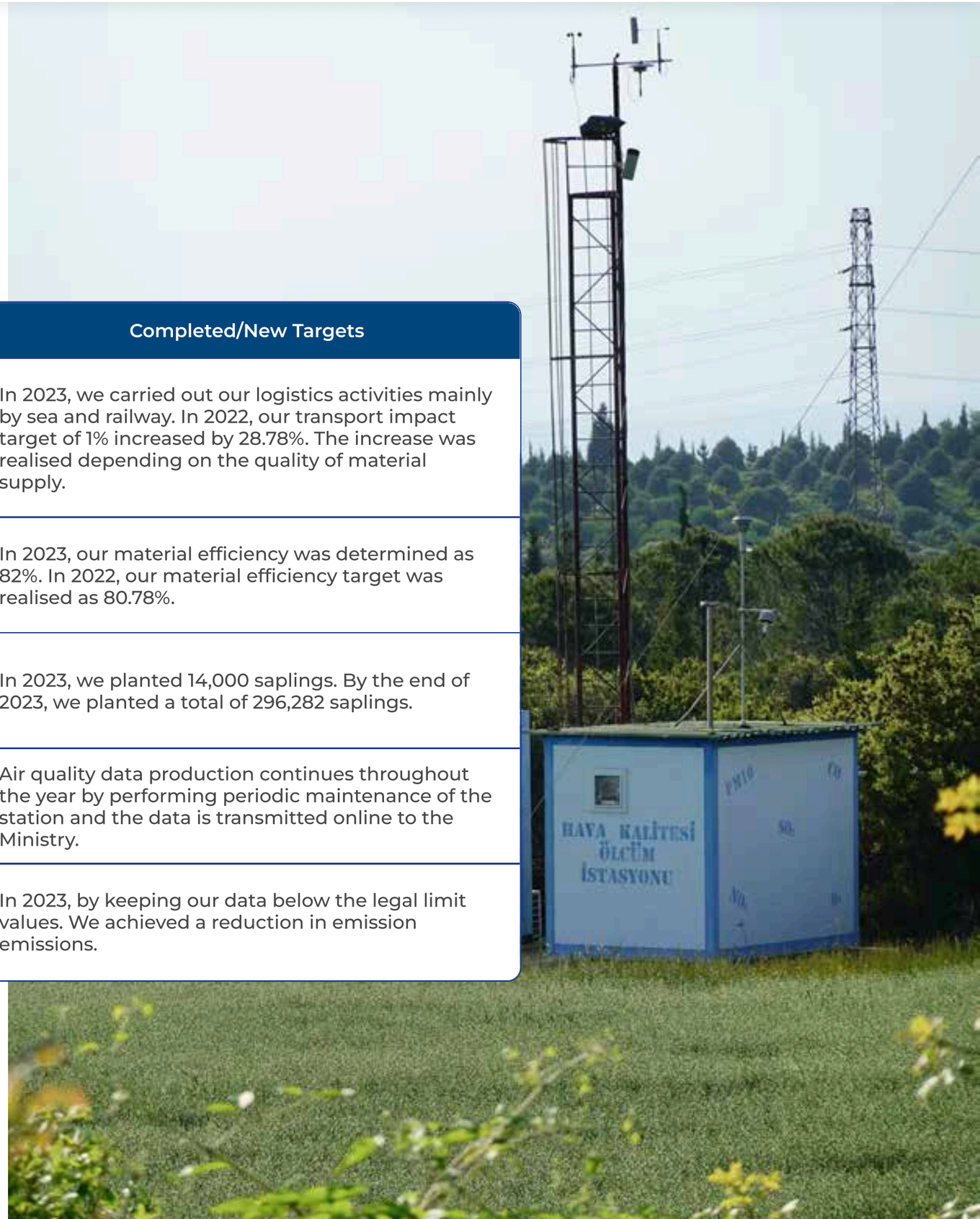
Relations with the Local Community

Our Targets	Completion Target	Completed/New Targets
To introduce 200 young people to swimming, 300 young people to sailing and 300 young people to surfing every year	Continuous	Participation exceeded the targeted numbers.
To increase the number of students in the Sports Club	Continuous	In 2022, a total of 595 students were reached. 233 of them obtained a licence.
To continue the main sponsorship of Parion excavations	2026	Excavations are still in progress.
To continue sponsorship of Apollon Smintheion excavations	2025	Excavations are still in progress.
To continue sponsorship of Troy excavations	2025	Excavations are still in progress.
To continue sponsorship of Alexandria Troas excavations	2028	Excavations are still in progress.
To continue sponsorship of Assos excavations	2024	Excavations are still in progress.
To continue sponsorship of Maydos Kilisetepe Mound Excavation Area	2028	Excavations are still in progress.

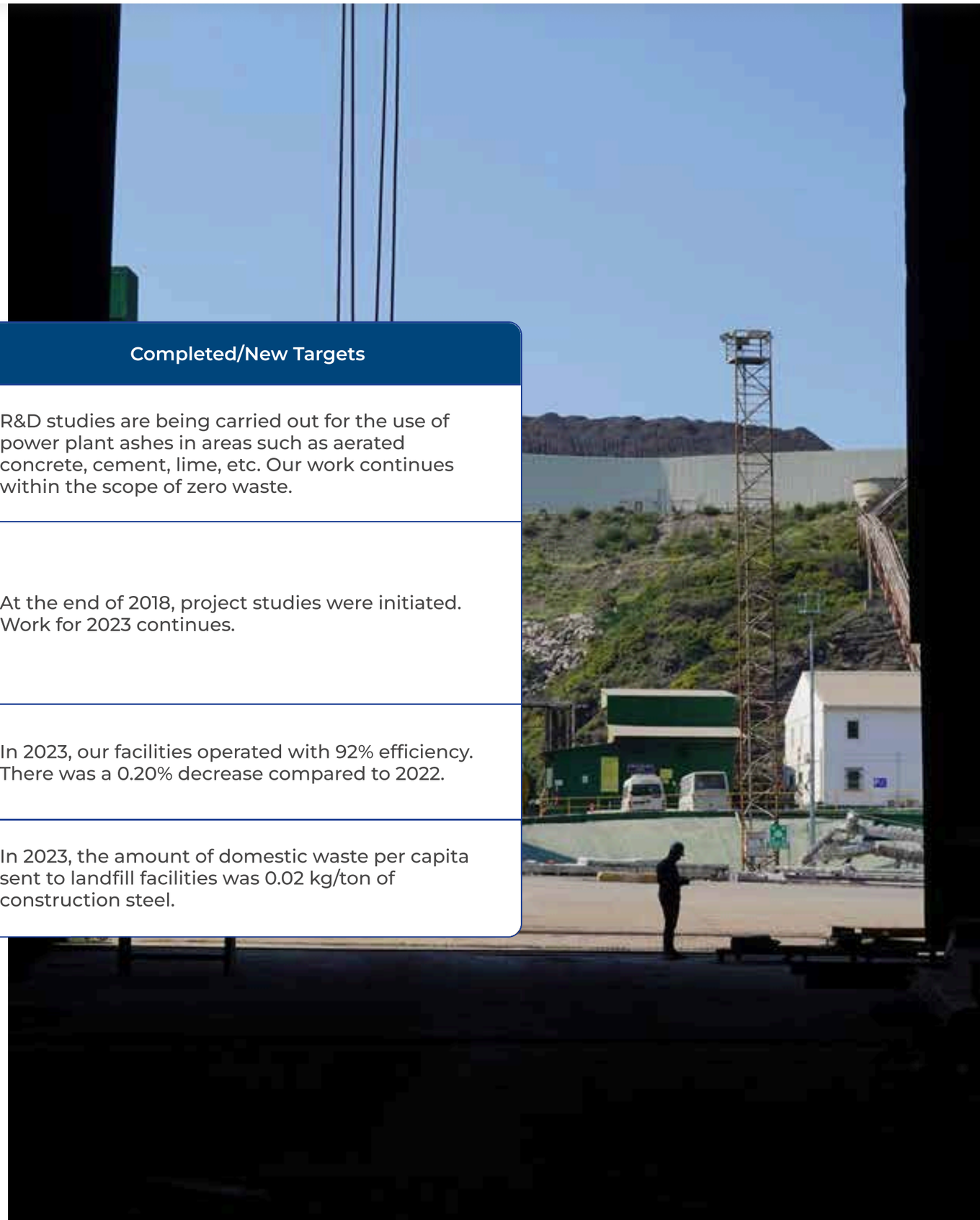
Environmental Performance

Emission Management

Our Targets	Completion Target	Completed/New Targets
Reducing road transport, focusing on railway and maritime transport	Continuous	In 2023, we carried out our logistics activities mainly by sea and railway. In 2022, our transport impact target of 1% increased by 28.78%. The increase was realised depending on the quality of material supply.
Liquid Construction Steel Production Improving Primary Material Utilisation and Material Efficiency	Continuous	In 2023, our material efficiency was determined as 82%. In 2022, our material efficiency target was realised as 80.78%.
To increase the total number of planted tree saplings to 400 thousand	Continuous	In 2023, we planted 14,000 saplings. By the end of 2023, we planted a total of 296,282 saplings.
To monitor and publish the air quality in our facility impact area online	Continuous	Air quality data production continues throughout the year by performing periodic maintenance of the station and the data is transmitted online to the Ministry.
Keeping chimney emissions below legal limit values.	Continuous	In 2023, by keeping our data below the legal limit values. We achieved a reduction in emission emissions.



Environmental Performance



Waste Management

Our Targets	Completion Target	Completed/New Targets
Reducing the amount of waste going to landfill to 5%	Continuous	R&D studies are being carried out for the use of power plant ashes in areas such as aerated concrete, cement, lime, etc. Our work continues within the scope of zero waste.
Investigation of the possibilities of using steel mill slag as "Coastal Port Embankment Aggregate, Railway Ballast Material and Mineral Fertiliser in Agriculture" and formulation of a legislative proposal. Turkish Steel Producers Association (TÇÜD) and Istanbul Technical University (İTÜ)	2024	At the end of 2018, project studies were initiated. Work for 2023 continues.
Efficient utilisation of scrap and make-up materials to produce steel in our steelmaking plants.	Continuous	In 2023, our facilities operated with 92% efficiency. There was a 0.20% decrease compared to 2022.
Reduction of domestic wastes sent to landfill facilities	Continuous	In 2023, the amount of domestic waste per capita sent to landfill facilities was 0.02 kg/ton of construction steel.

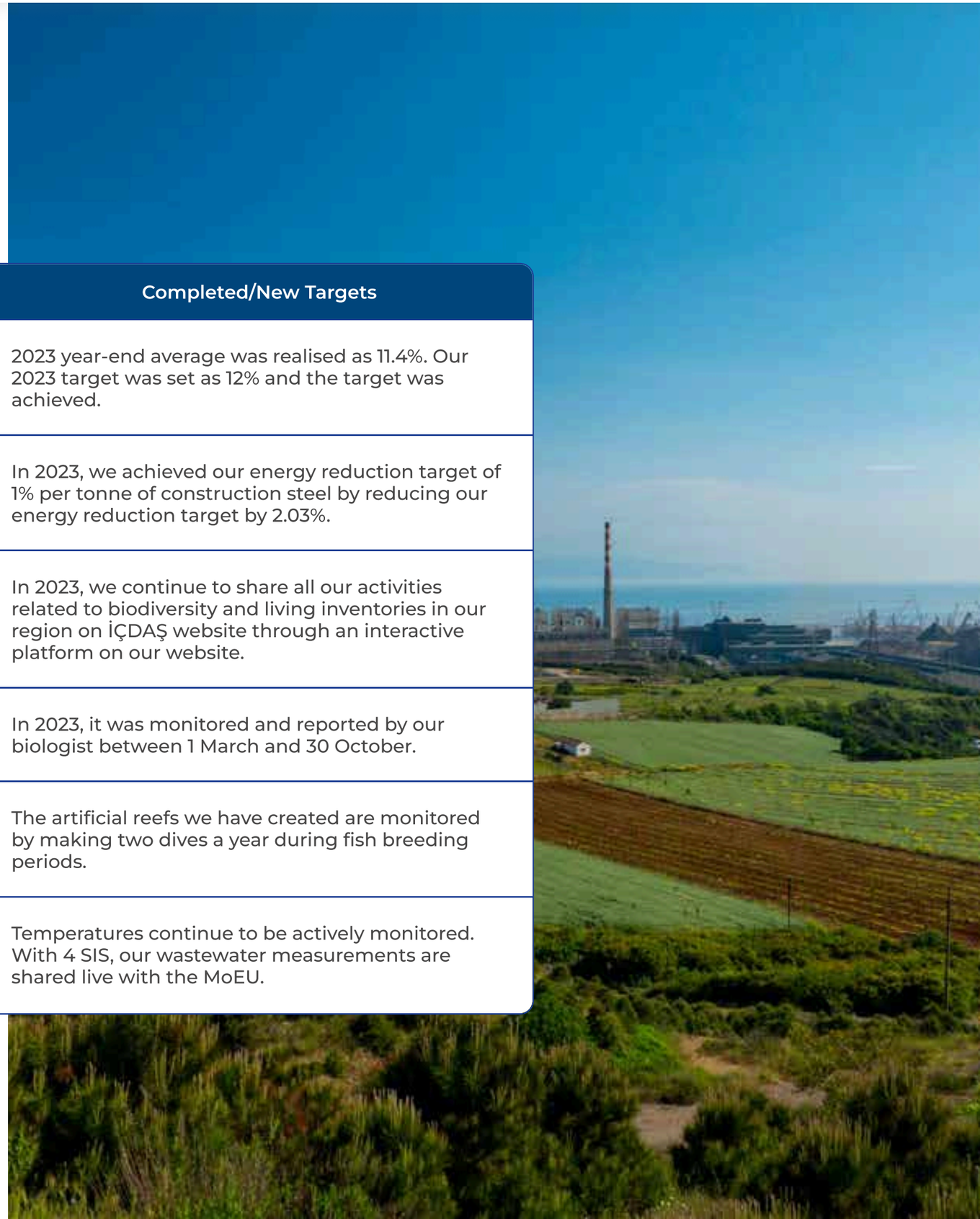
Environmental Performance



	Our Targets	Completion Target	Completed/New Targets
Energy Management	Increasing the amount of waste sent for recycling	Continuous	In 2023, the amount of waste generated in our facilities and our recovery rates are given in the Waste Data section of our Report. We recovered 49.02% of our wastes at Değirmencik Integrated Plant and 71% at Bekirli Power Plant.
	Reducing the amount of slag, chimney dust, and scale generated as a result of steel production, which is our main field of activity	2024	In 2023, the amount of waste generated in our facilities and our recovery rates are given in the Waste Data section of our Report. We recovered 49.02% of our wastes at Değirmencik Integrated Plant and 71% at Bekirli Power Plant.
	Reducing the amount of slag, chimney dust, and scale generated as a result of steel production, which is our main field of activity	Continuous	In 2022, the ratio of our wastes to total construction steel production was 272.91 kg/ton of steel, while in 2023 it was 274.68 kg/ton of steel. With an increase of 4.88%, the target was not achieved.
Water Management	Protecting limited water resources by continuing to obtain fresh water from the sea	Continuous	In 2023, we continued to meet all the water needs of our Değirmencik Integrated Plant and Bekirli Power Plant from the sea.
	Reduce water consumption by 2% per tonne of construction steel produced	Continuous	In 2022, our water consumption was 0.80 m^3 , while in 2023 it was 0.68 m^3 per tonne of steel. We reached our target with a 14.31% reduction.

Environmental Performance

	Our Targets	Completion Target	Completed/New Targets
Energy Management	Keeping the amount of carbon in ash below 12% in 3 units of Değirmencik Power Plant	Continuous	2023 year-end average was realised as 11.4%. Our 2023 target was set as 12% and the target was achieved.
	Reduce the energy consumed per tonne of steel produced	Continuous	In 2023, we achieved our energy reduction target of 1% per tonne of construction steel by reducing our energy reduction target by 2.03%.
Biodiversity Conservation	Sharing biodiversity in the region where our Biga facilities are located with our stakeholders on our website	Continuous	In 2023, we continue to share all our activities related to biodiversity and living inventories in our region on İÇDAŞ website through an interactive platform on our website.
	Conducting ornithological and wildlife monitoring in WPP Sites	Continuous	In 2023, it was monitored and reported by our biologist between 1 March and 30 October.
	Artificial reef monitoring studies	Continuous	The artificial reefs we have created are monitored by making two dives a year during fish breeding periods.
	Installing the temperature monitoring system for cooling water 1 channel and switching to temperature monitoring process	Continuous	Temperatures continue to be actively monitored. With 4 SIS, our wastewater measurements are shared live with the MoEU.



Governance Structure

At İÇDAŞ, our sustainability governance structure is designed to ensure the implementation of sustainability principles at all levels of our company. From the Board of Directors to the operational teams, it is ensured that all employees contribute to our sustainability goals. The structure we have established plays an effective role in the processes of defining, implementing and monitoring sustainability strategies.At the operational level, we achieve our sustainability goals with the contribution of all our employees. Each unit undertakes specific responsibilities to achieve sustainability targets in its own field.

Regular monitoring and reporting of our sustainability performance is a integral part of our governance structure. We use performance indicators and specific criteria to assess how close we are to achieving our sustainability targets and report regularly to senior management.

Stakeholder Engagement

We evaluate the contribution of building strong and meaningful relationships with our stakeholders to achieving our sustainability goals at every stage. Stakeholder engagement is one of the cornerstones of our sustainability strategy and is effectively implemented in all our business processes. We constantly communicate with our stakeholders and take their expectations and feedback into consideration.

Our communication processes with stakeholders are based on the principles of transparency and open communication. We obtain feedback from our stakeholders through regular meetings, surveys and feedback mechanisms. This approach ensures that our sustainability strategies and projects are more effective and successful. Our objective is to enhance stakeholder satisfaction by developing solutions that align with their expectations.We place a high value on the principles of diversity and inclusiveness in our stakeholder engagement processes. Our sustainability projects are shaped with due consideration to the needs and expectations of our diverse stakeholder groups. Our objective is to foster collaboration and create synergies in the field of sustainability by engaging with a diverse range of stakeholders, including our employees, customers, suppliers, local communities and non-governmental organisations.

Our Sustainability Commitments

Reducing Greenhouse Gas Emissions: İÇDAŞ prioritises projects to reduce greenhouse gas emissions to ensure environmental sustainability. In this way, our negative impact on the environment is minimised by playing an active role in the fight against climate change.

Contribution to Community Development: We contribute to the socio-economic development of the people living in the regions where we operate. We create employment opportunities, develop projects for basic needs such as education and health, and support the local economy.

Preservation and Promotion of Historical and Cultural Assets: At İÇDAŞ, we attach great importance to uncovering and promoting the historical and cultural assets in our regions of operation. We support excavation sites as the main sponsor in order to protect these assets and pass them on to future generations.

Creating a Sustainable Working Environment: As a company that has adopted the principle of creating a sustainable and participatory working environment with environmental, social, governance and economic dimensions, we develop policies that encourage the participation of our employees, support their development and provide a fair working environment.

Providing Products and Services at High Quality and Standards: Our objective is to achieve the highest levels of customer satisfaction by providing products and services that meet the highest quality and standards in the steel industry. In order to maintain our position as market leaders, we adopt continuous improvement and innovative approaches.





İÇDAŞ Shipyard

Identification of Material Issues

Material Sustainability Issues

In addition to responding to the demands of our stakeholders, the materiality matrix we have created includes a comprehensive self-assessment process that aims to identify value-creating issues and maximise the benefits provided to all stakeholders.

By analysing developments in the industry, our business strategies and various factors, we have identified material issues for our company. Each of these issues has been evaluated in accordance with its importance to our company, our stakeholders and society, as well as its impact on our company strategy and sustainable profitability.

How Do We Manage?

In line with our company's sustainable growth and successful management targets, effective management of material issues is of great importance. This process is designed to ensure that we act in accordance with the demands of our stakeholders and to effectively address the issues that create value.The management of material issues is a critical process that enables İÇDAŞ to achieve its strategic goals, strengthen its relations with its stakeholders and increase its contributions to society. Our efforts also support our company to act in accordance with sustainability principles and ensure long-term success.

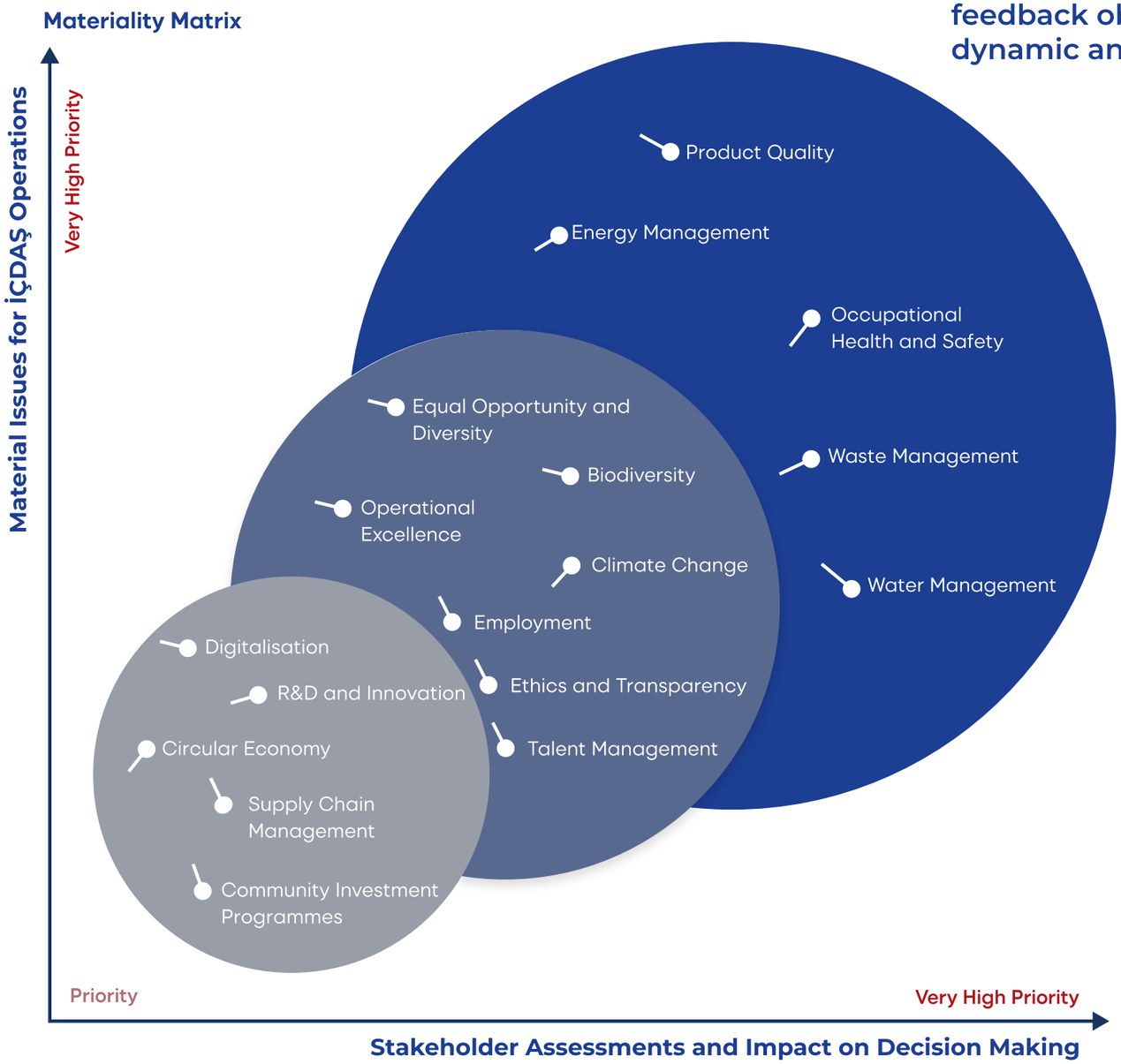
Identification of Material Issues

When determining material issues, we consider a range of factors, including sectoral developments, our business strategies, and various internal and external influences. Accordingly, a comprehensive list of material issues related to our company has been created. This list is subject to regular review in line with the expectations of our stakeholders, our company's strategic goals and sustainable profitability.The identified issues are evaluated in terms of their impact on our company, stakeholders and society. This evaluation process includes analyses to determine the importance of each issue. Evaluation criteria include company strategy, stakeholder expectations, social impacts and sustainability targets.

In order to effectively manage material issues, strategies and action plans are developed for each identified issue. The relevant departments are responsible for implementing these plans and monitoring their progress on a regular basis. The data, performance measurements and feedback obtained during the implementation process are used to evaluate the effectiveness of the strategies and to identify areas for improvement.Within the scope of the materiality analysis, a comprehensive questionnaire was prepared in order to shape our sustainability strategy and to better understand stakeholder expectations. In the questionnaire, stakeholders were asked to evaluate which issues are important in İÇDAŞ's sustainability activities and to what extent. The responses to the questionnaire were categorised in certain ranges according to the importance levels of the issues; the range of 4-3.66 was considered as very high material, 3.65-3 as high material and 2.99-2.5 as material.

Materiality Matrix

The management of material issues is handled with a continuous improvement approach. Within this framework, processes are continuously reviewed and improved in line with the experiences and feedback obtained. This supports the rapid adaptation of our company to dynamic and changing conditions.





SDGs to which we directly contribute/ Related SDGs

Stakeholder Communication

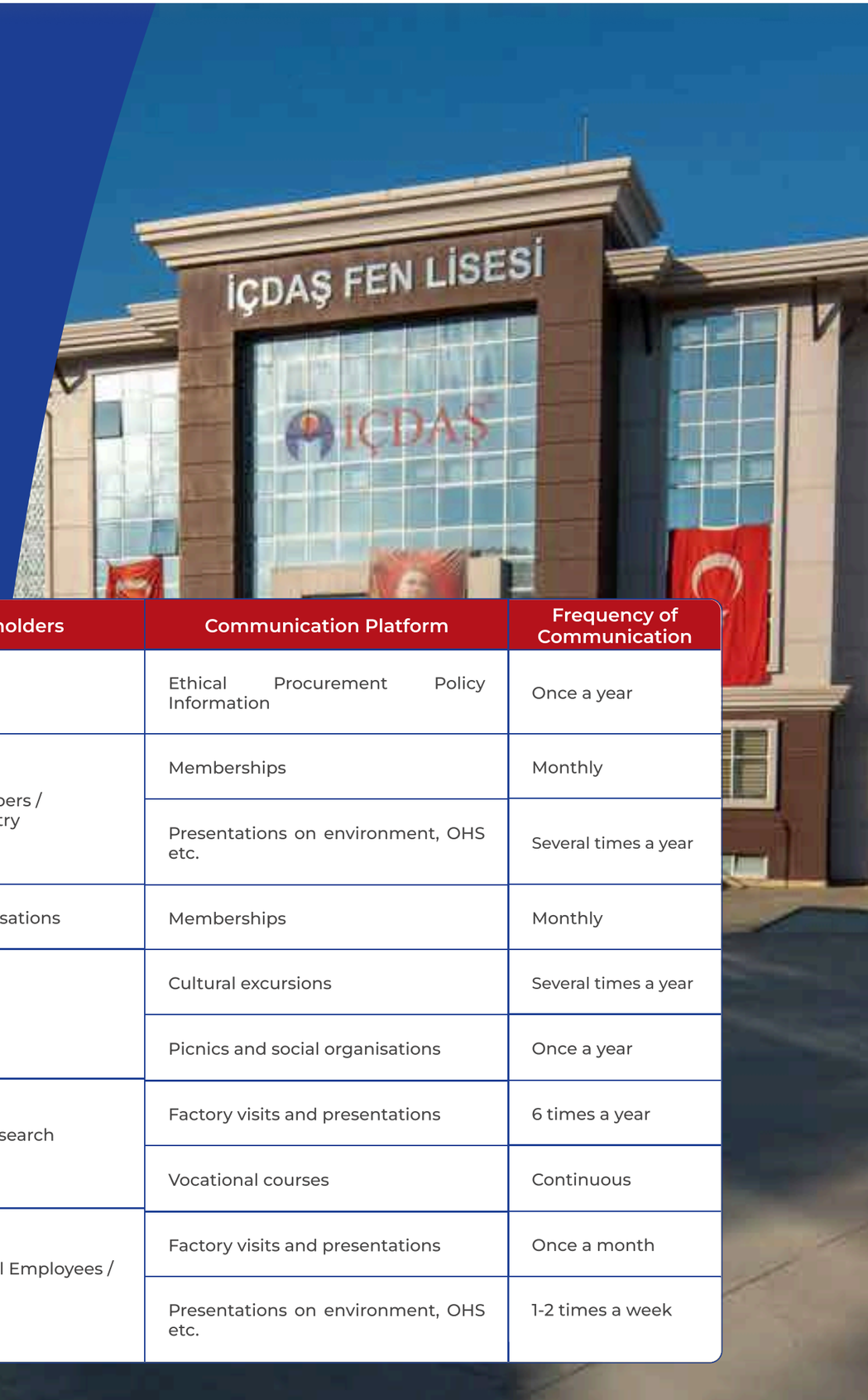
Our robust and constructive relationships with our stakeholders represent a significant asset for the growth and development of our company.

İÇDAŞ acts with a transparent and accountable management approach towards all its stakeholders. We regularly share information about our activities, take into account the feedback of our stakeholders and build strong relationships based on trust. We adopt an open and transparent communication strategy, taking into account the expectations, needs and opinions of our stakeholders. We receive the opinions and suggestions of our stakeholders through meetings, surveys, information reports and digital platforms.





> Our continuous improvement processes are also supported by the feedback we receive from our stakeholders



Our Stakeholders	Communication Platform	Frequency of Communication
Employees and Trade Unions	İÇÖS	Continuous
	İnternet	Continuous
	OHS Meeting	Monthly
	Notice Boards	Continuous
Shareholders	Executive Board Meeting	Weekly
Public and Regulatory Authorities	Face to face meeting	Süresiz
Local Society and Administrations	Face to face meeting	Several times a week
Members of the Media	Face-to-face interviews	Weekly
	Telephone,e-mail,social networks	Several times a week

Our Stakeholders	Communication Platform	Frequency of Communication
Suppliers	Ethical Procurement Policy Information	Once a year
Professional Chambers / Chambers of Industry	Memberships	Monthly
	Presentations on environment, OHS etc.	Several times a year
Civil Society Organisations	Memberships	Monthly
Employee Families	Cultural excursions	Several times a year
	Picnics and social organisations	Once a year
Universities and Research Institutions	Factory visits and presentations	6 times a year
	Vocational courses	Continuous
Students / Potential Employees / Interns	Factory visits and presentations	Once a month
	Presentations on environment, OHS etc.	1-2 times a week

ENVIRONMENTAL PERFORMANCE



ENVIRONMENTAL PERFORMANCE

At İÇDAŞ, we adopt a comprehensive and effective environmental management strategy to ensure environmental sustainability and protect natural resources. As part of this strategy, in 2023, we carried out significant activities on various environmental issues at our Bekirli and Değirmencik plantsOur objective is to enhance our environmental performance on an ongoing basis by making environmental investments and expenditures amounting to TL 1.46 billion in the context of emission and waste management, the protection of water resources and biodiversity.

“A total of 1.46 billion TL was invested in environmental projects and related expenditures.”

In order to reduce the environmental impact of our industrial activities, we have made significant investments in emission control and climate protection projects. In this context, we aim to reduce our greenhouse gas emissions by using modern emission control technologies and innovative solutions.

The protection and efficient use of water resources at our facilities is a top priority. We are continuing our efforts to reduce water pollution and protect water resources by reviewing our wastewater treatment systems.

In line with the zero waste target, we continuously improve our waste management processes to reduce the amount of waste and increase resource efficiency. We carry out various projects to recover, reuse and safely dispose of waste.

At İÇDAŞ, we consider the protection of biodiversity and the preservation of natural habitats in the regions where our facilities are located to be a fundamental element of our environmental policy. We are committed to carrying out a number of projects with the aim of protecting natural ecosystems and contributing to the sustainability of biodiversity.

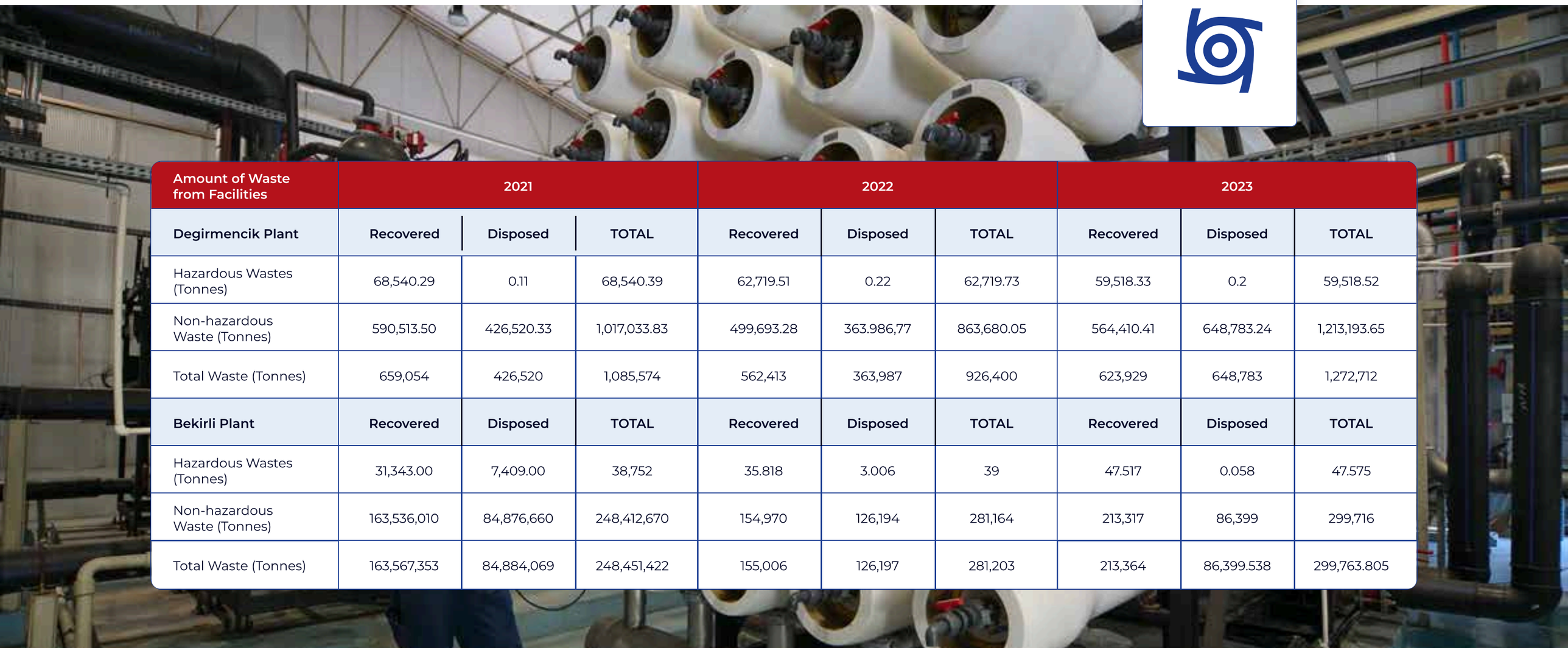
In 2023, we provided 8186.2 hours of training per person to raise environmental awareness.

Environmental investment and expenditures			
Degirmencik Plant and Bekirli Plant	Environmental Activities Operating Expenses	Wastewater Management	1,170,582,893 TL
		Waste Management	
		Biodiversity Conservation	
		Radiation Safety	
	Environmental Activities Investment Expenses	Emissions and Climate Protection	296,182,616 TL
		Wastewater Management	
		Total	**1,466,765,509 TL**

Circular Economy and Waste Management

Circular economy practices at İÇDAŞ represent an innovative approach that aims to recycle what we take from nature in order to use resources efficiently and minimise waste. In our company, we adhere to the principles of circular economy at every stage from the use of raw materials to the delivery of final products to customers. We reuse waste generated in our production processes and minimise the amount of waste through recycling and reuse methods. This ensures that waste is transformed into economic value while minimising the negative impact on the environment.

Our Değirmencik Integrated Facility operates as one of the largest recycling facilities in Turkey, with the capacity to recycle 15 thousand tonnes of steel scrap every day. We reduce our environmental impact and support sustainable production processes through the use of scrap steel, which plays an important role in our production. In addition, our circularity approach also includes the creation of new products from some intermediate outputs or wastes in our production processes. In this context, we realise innovative collaborations with our business partners. We continue to meet the raw material needs of cement factories and concrete production facilities by obtaining a by-product certificate for the fly coal ash arising from our production.



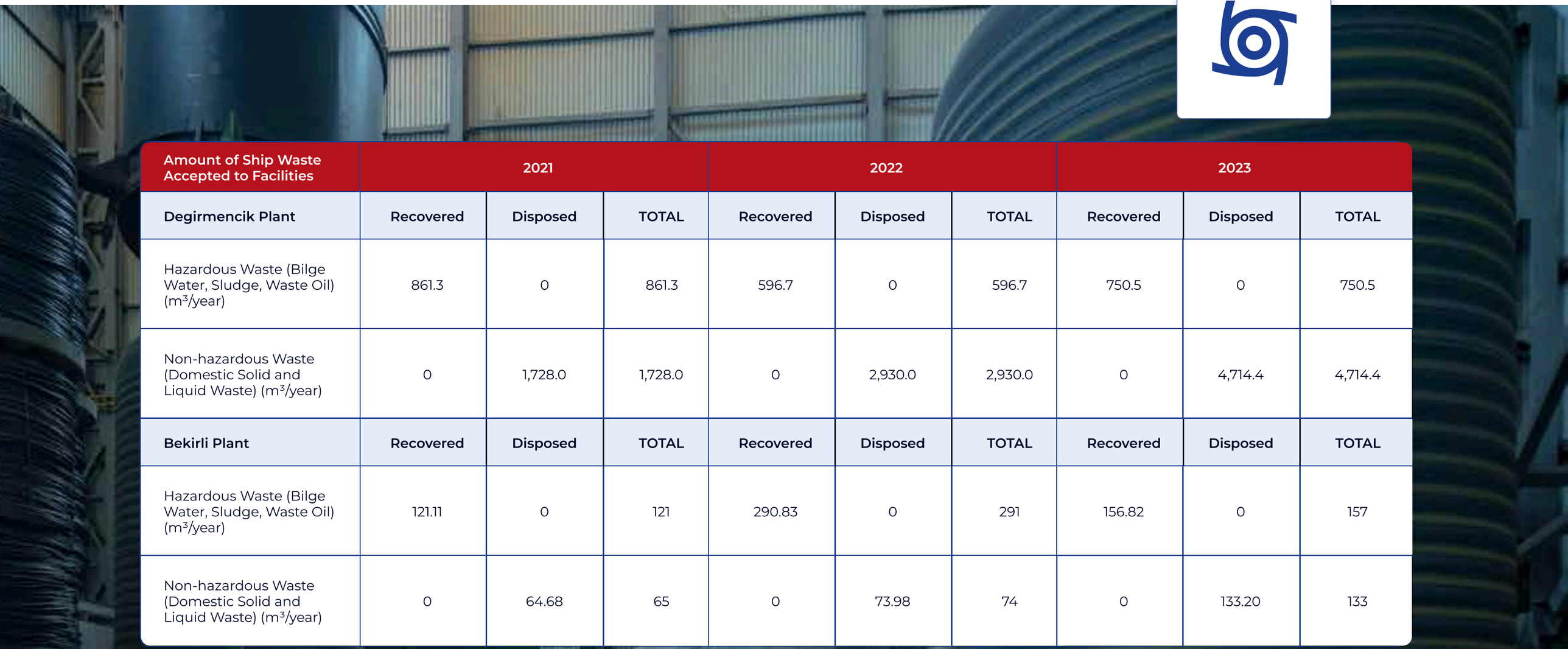
Amount of Waste from Facilities	2021			2022			2023		
Degirmencik Plant	**Recovered**	**Disposed**	**TOTAL**	**Recovered**	**Disposed**	**TOTAL**	**Recovered**	**Disposed**	**TOTAL**
Hazardous Wastes (Tonnes)	68,540.29	0.11	68,540.39	62,719.51	0.22	62,719.73	59,518.33	0.2	59,518.52
Non-hazardous Waste (Tonnes)	590,513.50	426,520.33	1,017,033.83	499,693.28	363.986,77	863,680.05	564,410.41	648,783.24	1,213,193.65
Total Waste (Tonnes)	659,054	426,520	1,085,574	562,413	363,987	926,400	623,929	648,783	1,272,712
Bekirli Plant	**Recovered**	**Disposed**	**TOTAL**	**Recovered**	**Disposed**	**TOTAL**	**Recovered**	**Disposed**	**TOTAL**
Hazardous Wastes (Tonnes)	31,343.00	7,409.00	38,752	35.818	3.006	39	47.517	0.058	47.575
Non-hazardous Waste (Tonnes)	163,536,010	84,876,660	248,412,670	154,970	126,194	281,164	213,317	86,399	299,716
Total Waste (Tonnes)	163,567,353	84,884,069	248,451,422	155,006	126,197	281,203	213,364	86,399.538	299,763.805

With the aim of sustainable use of resources and minimisation of environmental impacts, we implement a comprehensive waste management system in which every recyclable material is utilised. In this context, we continue to work in full compliance with the legal regulations in the regions where we operate, the best techniques valid in the European Union and the environmental policies of our company.

Thanks to our effective waste management approach and the projects we developed, 53.2% of the total waste generated in 2023 was recovered . While most of the hazardous waste was recovered, the remaining non-hazardous waste was disposed of in accordance with the legislation.

We continue our zero waste efforts in line with the 30 March World Zero Waste Day declared by the United Nations in 2023. In order to reduce the waste arising from the activities of our employees and to contribute to the economy, we have implemented the "We Are Here for Zero Waste" project. Within the framework of this project, we collect all waste from our facilities for recycling. In addition to general environmental training, we inform our employees about waste management and raise their awareness during field inspections, social areas and online İÇDAŞ Academy platform.

In 2023, we recovered 71.2% of our waste from Bekirli Power Plant and 49% of our waste from Değirmencik Integrated Plant.



Amount of Ship Waste Accepted to Facilities	2021			2022			2023		
Degirmencik Plant	**Recovered**	**Disposed**	**TOTAL**	**Recovered**	**Disposed**	**TOTAL**	**Recovered**	**Disposed**	**TOTAL**
Hazardous Waste (Bilge Water, Sludge, Waste Oil) (m^3/year)	861.3	0	861.3	596.7	0	596.7	750.5	0	750.5
Non-hazardous Waste (Domestic Solid and Liquid Waste) (m^3/year)	0	1,728.0	1,728.0	0	2,930.0	2,930.0	0	4,714.4	4,714.4
Bekirli Plant	**Recovered**	**Disposed**	**TOTAL**	**Recovered**	**Disposed**	**TOTAL**	**Recovered**	**Disposed**	**TOTAL**
Hazardous Waste (Bilge Water, Sludge, Waste Oil) (m^3/year)	121.11	0	121	290.83	0	291	156.82	0	157
Non-hazardous Waste (Domestic Solid and Liquid Waste) (m^3/year)	0	64.68	65	0	73.98	74	0	133.20	133

Water Management

The sustainability of life and the continuity of industrial processes depend on the effective management of water resources. The growth of the global population, climate change and intensive industrialisation are placing increasing pressure on water resources, emphasising the importance of water management. In industries with high water consumption, such as the iron and steel industry, the efficient use and management of water are crucial for both environmental sustainability and operational efficiency.

.The climate crisis presents significant risks to access to healthy food and water scarcity. In the region where our operations are based, agriculture and animal husbandry are significant sources of income, particularly given the need for water in these activities. As İÇDAŞ, we support these activities economically and ensure our own production process is sustainable through our water management approach. We also facilitate the sustainability of these sectors in our region by reducing the pressure on agriculture and animal husbandry caused by the possible need for water.

At İÇDAS, we apply advanced technologies and pioneering techniques to reduce water consumption. Closed- circuit cooling systems minimise consumption by enabling water reuse. We continuously monitor and optimise water consumption with digital control systems. We use seawater desalination to meet our water needs, and thanks to this practice, we have completely eliminated the use of groundwater. Our reverse osmosis plants with a daily capacity of 17,000 m^3 for steel plants and 12,000 m^3 for energy plants enable the protection of groundwater and more efficient use of freshwater resources in agricultural areas.

Our company uses the latest technologies in wastewater management. Waste water from production processes is treated in modern treatment plants and then reused. These plants use a range of physical, chemical and biological treatment methods to improve the quality of the water. We achieve a significant reduction in water consumption by reusing treated water in a variety of processes, including cooling and washing.

We invest in advanced technologies to increase water recovery. Advanced treatment technologies such as membrane filtration, reverse osmosis and advanced oxidation processes play an active role in making water reusable. We generate electricity by harnessingthe energy of cooling water through hydroelectric power plants.

At İÇDAŞ, we carry out rainwater harvesting projects to diversify water resources. The rainwater collected at ourfactory sites is collected in storage tanks and used in various processes.

İÇDAŞ uses continuous environmental and operational monitoring systems to ensure the effectiveness of its water management strategies. We regularly monitor and report parameters such as water consumption, wastewater quantity and water quality. We raise the awareness of our employees on the efficient use of water through regular training programmes and awareness campaigns. In this way, we support the effectiveness and sustainability of water management practices.

Flow rate of water withdrawn from the sea to obtain freshwater (m^3/year)	2021	2022	2023
Steel Plants	1,134,668	1,236,627	1,483,225
Power Plant - Degirmencik	451,684	409,383	363,176
Power Plant - Bekirli	2,864,635	2,381,519	2,848,183
Shipyard and Auxiliary Facilities	636,498	779,902	435,342
Total	5,087,485	4,807,431	5,129,926

“In 2023, we made a significant contribution to the protection of clean water resources, achieving a 21% increase in our recovery rate.”

Amount of water recovered and reused (m³/year)	2021	2022	2023
Steel Plants	362,673,235	316,872,538	386,702,745
Power Plant - Degirmencik	42,910	40,528	36,359
Power Plant - Bekirli	139,005	112,631	163,443
Shipyard and Auxiliary Facilities	22,032,000	20,587,200	20,948,400
Total	384,887,150	337,612,897	407,850,947

Total Waste Water Discharge (m³/year)	2021		2022		2023	
	Waste Water Discharge*	Cooling Water Discharge	Waste Water Discharge*	Cooling Water Discharge	Waste Water Discharge*	Cooling Water Discharge
Degirmencik Integrated Plant	219,000	562,983,563	225,205	513,626,832	237,250	637,413,552
Bekirli Energy Plant	212,747	854,807,742	199,338	659,312,640	Geri kazanım	620,303,851

* Domestic, chemical and physical wastewater treatment plant discharges are included in wastewater discharge.

Energy and Emissions Management

Effective energy and emission management are essential for combating climate change and driving sustainable development. In this context, we place significant emphasis on ensuring a reliable supply of resources, promoting resource diversity, increasing renewable energy generation and enhancing energy efficiency. By adopting low-emission technologies, we develop renewable energy projects and achieve energy and cost savings by reducing carbon emissions through energy efficiency investments.

We conduct our energy and emission management activities in accordance with the relevant national and international standards. Our ISO 50001 Energy Management System is subject to annual independent third-party audits and certification. Furthermore, we undertake regular calculations of greenhouse gas emissions in accordance with the Regulation on Monitoring Greenhouse Gas Emissions, a process that has been in place since 2015.

Within the framework of Energy Management Systems, we organised a total of 3,228 person-hours of training in 2023.

At İÇDAŞ, we minimise the environmental impact of energy production by utilising environmentally friendly and clean energy technologies. The advanced electro-filter units we use in our plants reduce dust emissions by 99.98% and provide values well below European limits. Furthermore, we invest in energy recovery projects. By recovering and treating the water used in the plants, we enhance the efficiency of energy production and guarantee the sustainable utilisation of water resources. Similarly, the reuse of cooling water in energy production allows us to reduce energy costs and the use of fossil fuels.

As İÇDAŞ, we support the fight against climate change and ensure economic sustainability by reducing energy costs through our investments in electricity generation from renewable energy sources and efficient use of energy. Adhering to the principles of sustainable development, we attach importance to reducing the use of fossil fuels and increase the amount of electricity we generate from renewable energy in our steel production every year. In 2023, our total installed capacity of renewable energy reached 5.3 MW in hydroelectricity (HEPP), 60 MW in wind (WPP) and 6.37 MW in solar energy (SPP), an increase of 20% compared to 2022.

İÇDAŞ's renewable and non-renewable energy resources account for 3.79% of total electricity generation in Türkiye.

By adopting a world-class approach to energy management, we ensure both environmental sustainability and economic efficiency. We are taking significant steps towards meeting future energy needs through renewable energy projects, environmentally friendly technologies and energy recovery strategies.



In line with our country's 2053 carbon neutrality target, we continue our work uninterruptedly.

Electricity Production (MWh)	2021	2022	2023
Bekirli Power Plant	7,212,420.06	7,857,976.11	8,451,171.41
Degirmencik Power Plant	2,943,813.35	2,657,835.50	2,946,022.38
HES 1-2-3-4	22,845.00	23,870.83	23,472.39
RES	155,798.86	157,671.84	144,400.88
GES	3,478.00	4,145.01	4,937.03
TOTAL	**10,338,355**	**10,701,499**	**11,570,004**

Technological Transformations and Energy Efficiency Projects in Operations

At İÇDAŞ, we attach great importance to sustainability and energy efficiency. In 2022 and 2023, we carried out various improvement and renovation works in our steel mills, aiming to minimise our environmental impact as well as increasing operational efficiency. The following table provides an overview of the projects implemented in this context and the total savings achieved:

"The projects have resulted in a total of 12,755,787 kWh/year in energy savings."

Our investments and improvements have been a significant factor in achieving İÇDAŞ's sustainability targets. They have enabled us to reduce our environmental impact by increasing our energy efficiency while producing cleaner and higher-quality steel.

2023 Improvements

Steel Mill 3 - Fume Extraction Electricity Consumption (kWh/ton)

Target

To save 1 kwh/ton in smoke extraction consumption.

Conclusion

The project is completed and continues to be monitored.

Annual

Earnings 450,000 kwh/year

Oxygen Plant 3 - Oxygen Plant 3 Unit Consumption (kWh/m³)

Target

46 MW/month gain by increasing energy efficiency by 1%

Outcome

Project completed and results are being monitored.

Annual

Earnings 276,000 kwh/year

E.S. 1st Unit - Electricity Consumption of ID Fans (kWh)

Target

To provide annual savings by reducing the electricity consumption of the fans.

Conclusion

The project has been completed.

Annual

Earnings 5,194,400 kwh/year

E.S. 3rd Unit - Electricity Consumption of ID Fans (kWh)

Target

To provide annual savings by reducing the electricity consumption of the fans.

Conclusion

The project has been completed.

Annual

Earnings 5,277,080 kwh/year

Port Loading And Unloading - Reducing Energy Consumption Of Scheuerle Vehicles

Target

Reduction of diesel use by 0.032 TOE/tonne.

Result

System installation is complete and continues to be monitored.

Annual

Earnings 1,558,307 kwh/year

Biodiversity

The İÇDAŞ Biodiversity Project is a company-wide initiative designed to enhance our understanding of the living diversity in the vicinity of our facilities. It aims to identify potential threats to this biodiversity and to develop strategies for its protection. Ultimately, the project seeks to reinforce the ecosystem by increasing the living diversity in the area.

Biodiversity is becoming an increasingly important aspect of sustainable growth.Monitoring the effects of environmental measures taken in production processes on nearby ecosystems is undoubtedly the most important indicator in terms of providing information on whether environmental measures have been successful or not.

At İÇDAŞ A.Ş., we believe that three important pillars of sustainable growth are environmental management, social responsibility and financial performance. Environmental management and social responsibility is one of our most important corporate values. Balancing economic success, environmental protection and social responsibility has been the foundation of our corporate culture for many years and is reflected in our corporate values. Working as a team with our employees and customers, we support development for the environment and society worldwide today and in the future.

Our biodiversity monitoring activities were initiated systematically by employing biologists to identify and photograph plant and animal species in and around the facility. We created the first living inventory by recording the species in the forested area and freshwater ecosystems around the facility. We carry out our studies in terrestrial and marine ecosystems around our facilities. The fact that our facilities are located in both the sea-coastal ecosystem and the forest ecosystem doubles our responsibility towards nature.

Ornithological Monitoring Studies

The work carried out in the terrestrial ecosystem is ornithological and wildlife observation. This work is carried out by the facility biologist.

The field studies for İÇDAŞ Biga Wind Power Plant were carried out by Akdeniz University academicians and started with the Ecosystem Assessment Report in 2015. Based on these reports, ornithological observation and wildlife monitoring studies were carried out for 2 years. In 2017, the final report was completed and submitted to the Ministry of Forestry and Agriculture. According to the final report, it was stated that the WPP activity does not pose a significant risk in terms of migration, breeding, feeding and accommodation activities of bird species. As a result, the facility biologist Funda Yıldız continued to check nests and carcasses during the spring 1 March - 31 May and autumn migration period 1 September - 31 October and the breeding period 1 April - 15 August.



Dalmatian Pelican

Wildlife Monitoring Activities

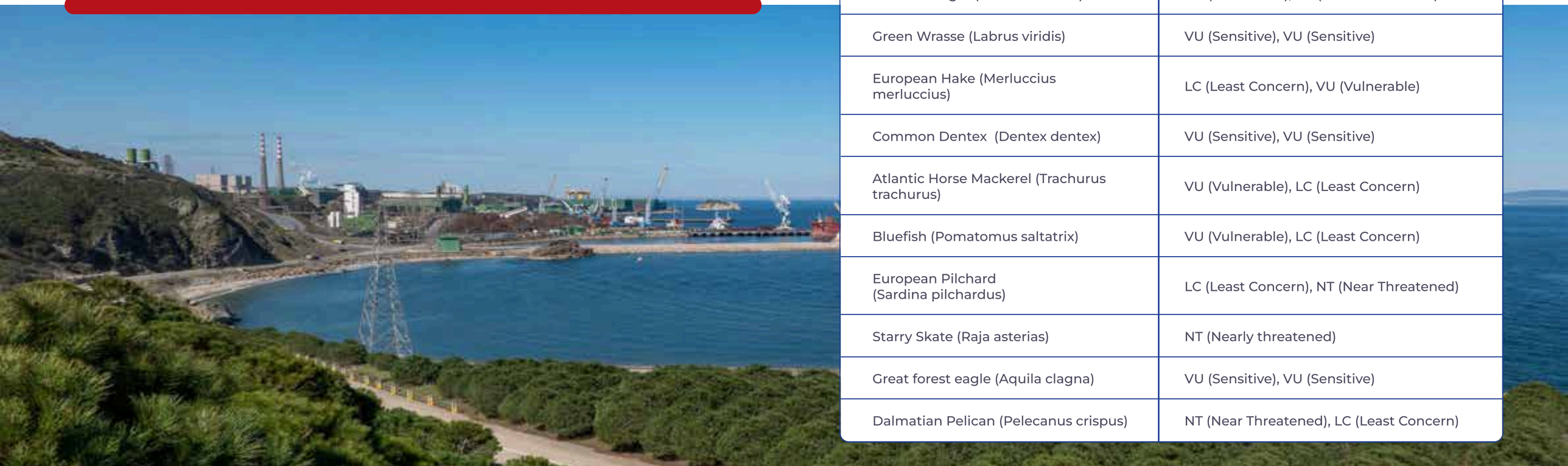
The fact that a total of 78 mammal species (48.1%) belonging to 7 orders, 20 families and 44 genera live in Çanakkale is another indicator of faunal richness. There are no endemic mammal species within the borders of Çanakkale province. Observation and analysis information obtained from field studies and current literature information were used. The area around the facility is dominated by scrub-shrub and in some parts by forest formation. In addition to the dense maquis formation, there are shrub forms as well as annual plants in the open areas of limited size, which are present throughout the region. This structure maintains its dense formation characteristics even in summer. For this reason, an image of the dominant habitat types in the area, "maquis-shrub" habitat type with low vegetation and stony characteristics and vegetation with dense cover are given. These habitats are home to many species of lizards and snakes, small mammals (especially rodents and rabbits) and carnivores (martens, weasels etc.). In addition, the impact of artificial reefs and the state of the marine ecosystem are monitored by diving twice a year, and our work in this context continues.

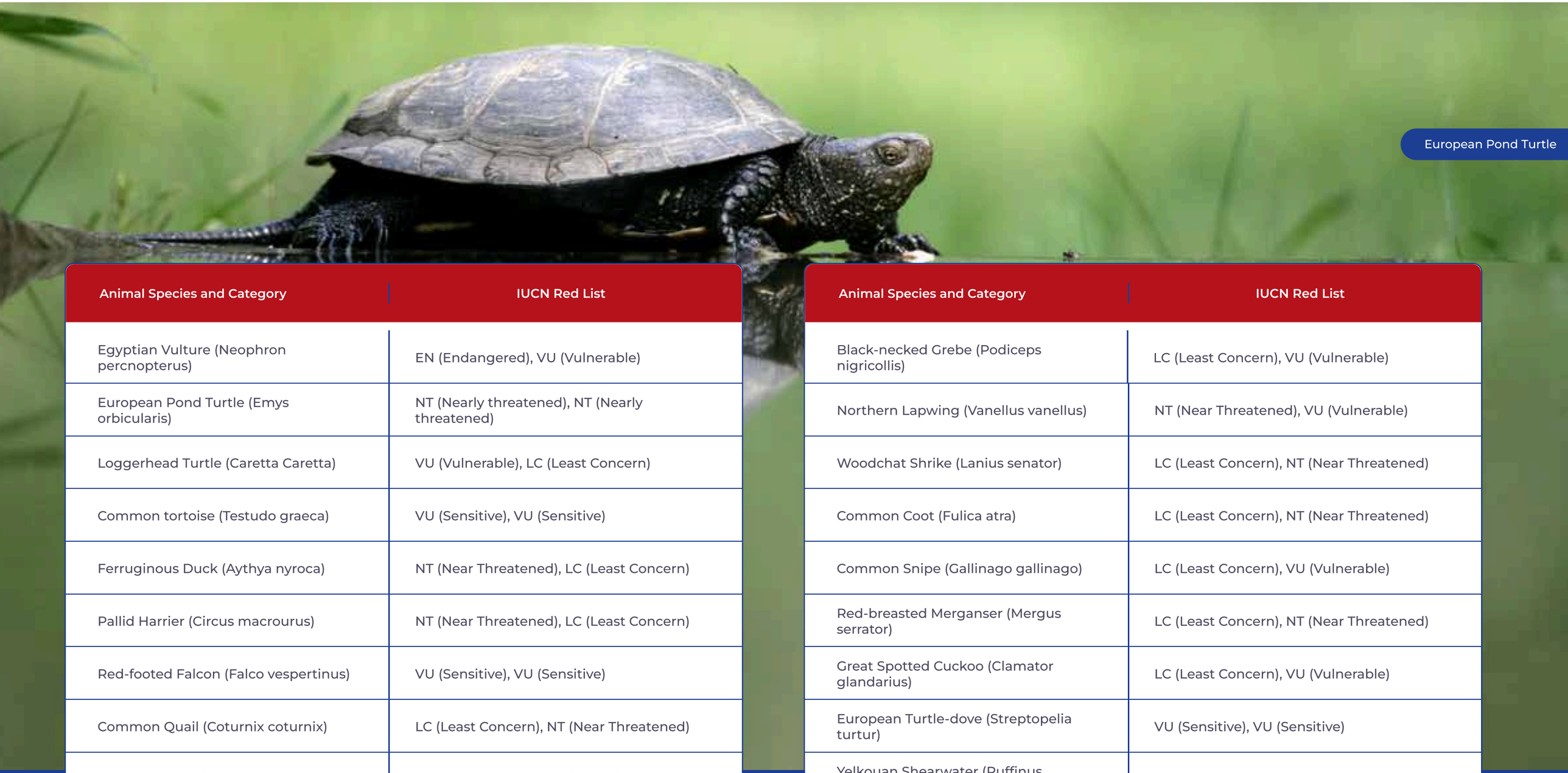
There are 323 animal species and 126 plant species living around the facility.

You can find detailed information about our work on biodiversity by clicking on the **link.**

The evaluation of some species in our region according to the IUCN Red List, first globally and then in our geography, is as follows;

Animal Species and Category	IUCN Red List
Mediterranean monk seal (Monachus monachus)	EN (Endangered), CR (Critical)
Marbled Polecat (Vormela peregusna)	VU (Sensitive), VU (Sensitive)
Otter (Lutra lutra)	NT (Nearly threatened), NT (Nearly threatened)
Horseshoe bat (Rhinolophus mehelyi)	VU (Sensitive), VU (Sensitive)
Barbastelle Bat (Barbastella barbastellus)	NT (Near Threatened), VU (Vulnerable)
Schreiber's Bent-winged Bat (Miniopterus schreibersii)	VU (Sensitive)
Mediterranean horseshoe bat (Rhinolophus euryale)	NT (Near Threatened), VU (Vulnerable)
Thornback Skate (Raja clavata)	NT (Nearly threatened), NT (Nearly threatened)
Tuna (Thunnus thynnus)	LC (Least concern), EN (Endangered)
Brown Meagre (Sciaena umbra)	VU (Vulnerable), NT (Near Threatened)
Green Wrasse (Labrus viridis)	VU (Sensitive), VU (Sensitive)
European Hake (Merluccius merluccius)	LC (Least Concern), VU (Vulnerable)
Common Dentex (Dentex dentex)	VU (Sensitive), VU (Sensitive)
Atlantic Horse Mackerel (Trachurus trachurus)	VU (Vulnerable), LC (Least Concern)
Bluefish (Pomatomus saltatrix)	VU (Vulnerable), LC (Least Concern)
European Pilchard (Sardina pilchardus)	LC (Least Concern), NT (Near Threatened)
Starry Skate (Raja asterias)	NT (Nearly threatened)
Great forest eagle (Aquila clagna)	VU (Sensitive), VU (Sensitive)
Dalmatian Pelican (Pelecanus crispus)	NT (Near Threatened), LC (Least Concern)





European Pond Turtle

Animal Species and Category	IUCN Red List
Egyptian Vulture (Neophron percnopterus)	EN (Endangered), VU (Vulnerable)
European Pond Turtle (Emys orbicularis)	NT (Nearly threatened), NT (Nearly threatened)
Loggerhead Turtle (Caretta Caretta)	VU (Vulnerable), LC (Least Concern)
Common tortoise (Testudo graeca)	VU (Sensitive), VU (Sensitive)
Ferruginous Duck (Aythya nyroca)	NT (Near Threatened), LC (Least Concern)
Pallid Harrier (Circus macrourus)	NT (Near Threatened), LC (Least Concern)
Red-footed Falcon (Falco vespertinus)	VU (Sensitive), VU (Sensitive)
Common Quail (Coturnix coturnix)	LC (Least Concern), NT (Near Threatened)
Common Swift (Apus apus)	LC (Least Concern), NT (Near Threatened)
Rook (Corvus frugilegus)	LC (Least Concern), VU (Vulnerable)
Slender-billed Gull (Larus genei)	LC (Least Concern), VU (Vulnerable)

Animal Species and Category	IUCN Red List
Black-necked Grebe (Podiceps nigricollis)	LC (Least Concern), VU (Vulnerable)
Northern Lapwing (Vanellus vanellus)	NT (Near Threatened), VU (Vulnerable)
Woodchat Shrike (Lanius senator)	LC (Least Concern), NT (Near Threatened)
Common Coot (Fulica atra)	LC (Least Concern), NT (Near Threatened)
Common Snipe (Gallinago gallinago)	LC (Least Concern), VU (Vulnerable)
Red-breasted Merganser (Mergus serrator)	LC (Least Concern), NT (Near Threatened)
Great Spotted Cuckoo (Clamator glandarius)	LC (Least Concern), VU (Vulnerable)
European Turtle-dove (Streptopelia turtur)	VU (Sensitive), VU (Sensitive)
Yelkouan Shearwater (Puffinus yelkouan)	VU (Sensitive), VU (Sensitive)
Monterey Cypress (Cupressus macrocarpa)	VU (Sensitive)

Sustainable Agriculture

In line with our production policy, which considers the needs of future generations, we are committed to protecting the biodiversity and ecosystems of the regions where we operate. While reducing our environmental impact, our objective is to ensure the transfer of existing biodiversity to future generations. As İÇDAŞ, we carry out various projects to ensure the sustainability of agriculture, animal husbandry and industry, which are the livelihoods of local people. Within our Agriculture and Livestock Department, activities such as beekeeping, ovine breeding and agricultural practices are carried out by expert agricultural engineers, technicians, veterinarians and beekeepers.

We use innovative methods and technologies for the sustainable use of water, soil and energy resources in our agricultural activities. We carry out water management projects to increase water savings in agricultural irrigation, protect water resources and adapt to climate change. Our objective is to protect soil health and biodiversity by promoting natural fertilisers and organic farming techniques. Furthermore, we contribute to sustainable agricultural practices through our household waste composting initiative..

In order for people to live in peace with nature, we not only reduce our environmental impact, but also aim to transfer the existing biodiversity to the future. In this context, we established Turkey's third largest gene bank in 2019 and continue to develop it every day.

With our project to protect various plant species from Anatolia, we carry out botanical, genetic, agricultural and technological analyses to identify local genotypes by periodically renewing ancestral seeds suitable for the ecosystem of our country. These studies are carried out under field and laboratory conditions, allowing us to obtain more in-depth information about the characteristics and adaptation capabilities of plants.

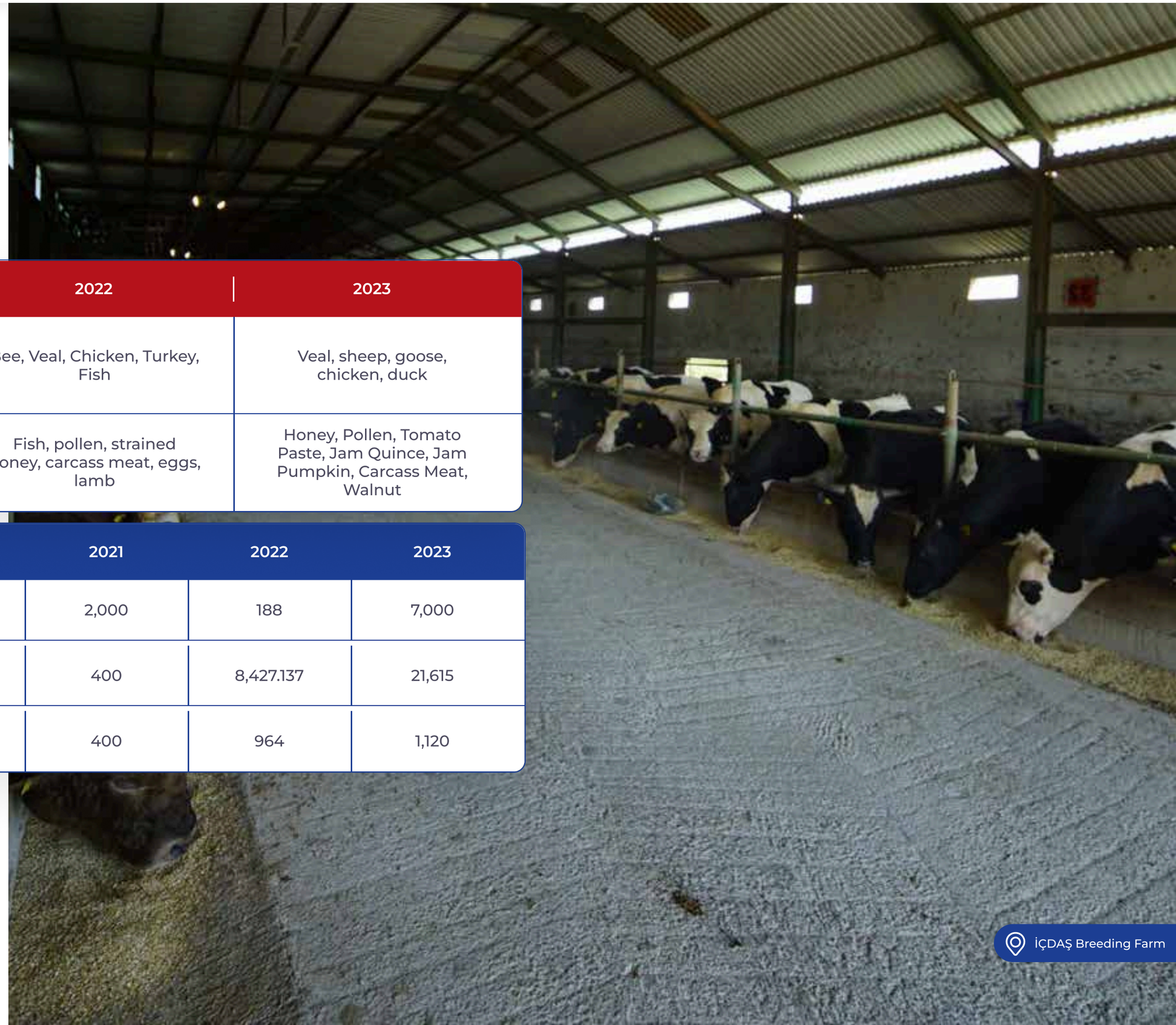
In 2023, a number of initiatives were implemented with the objective of enhancing agricultural productivity and improving irrigation infrastructure. In this context, irrigation pipes and water pumps were procured with the objective of expanding irrigation areas and strengthening irrigation mechanisation. Maintenance equipment and motorcycles suitable for terrain conditions were provided for effective agricultural organisation. Tractors and equipment were purchased for the use of modern agriculture and agricultural technologies, aiming to utilise technological advantages in agricultural production processes. In addition, silo investments were made in order to provide our own feed production for grain storage and animal nutrition.



Cultivated Products

2021	2022	2023
Fish, Bee, Veal, Sheep, Chicken, Goose, Turkey, Duck	Bee, Veal, Chicken, Turkey, Fish	Veal, sheep, goose, chicken, duck
Fish, Strained Honey, Pollen, Carcass Meat, Eggs	Fish, pollen, strained honey, carcass meat, eggs, lamb	Honey, Pollen, Tomato Paste, Jam Quince, Jam Pumpkin, Carcass Meat, Walnut

Implementation Investments	2021	2022	2023
Agriculture	2,000	188	7,000
Cattle Breeding	400	8,427.137	21,615
Small Bovine	400	964	1,120





WORKING LIFE AT İÇDAŞ

WORKING LIFE AT İÇDAŞ

At İÇDAŞ, our human resources policy is designed with the objective of becoming an employer of choice, where our employees will feel proud to work and demonstrate wholehearted loyalty.

At İÇDAŞ, our goal is to foster a work environment where employees have the opportunity to participate, learn, and develop according to their knowledge and skills, regardless of their political and cultural backgrounds. To achieve this, we strive to balance our employees' personal and professional satisfaction, and to create a culture where they can thrive professionally, socially, and personally.

A Participatory and Open Learning Environment

We encourage our employees to take part in a participatory culture. Information sharing and continuous learning form the basis of our business processes and contribute to the development of our employees. With our approach that embraces diversity, we aim to maximise the potential of each colleague.



Encouraging and Rewarding Creativity

Encouraging and rewarding creativity is part of İÇDAŞ's vision of being innovative. We create a working environment where our employees can freely express their ideas, innovative projects are supported and these efforts are rewarded. This approach contributes to both our individual and corporate success.

Sustaining Tradition and Culture

At İÇDAŞ, we recognise the importance of maintaining our company's deep-rooted traditions and culture in the best way possible, and this is one of our core values. Our employees demonstrate respect for the history and cultural heritage of our company in the way we conduct business and collaborate with others. This cultural heritage also forms the basis of our approach to sustainability.

Supporting and Involving Women Employees in Business Life

At İÇDAŞ, we attach great importance to the diversity and inclusiveness of our workforce. We implement a range of programmes to encourage female employees to engage more actively in business life and facilitate their career development. We encourage the participation of our female employees in all areas of the business and provide a supportive working environment where they can fully utilise their talents.As a result of these efforts, our female employee ratio increased from 2.54% in 2021 to 2.7% in 2023.

Contributing to the Future

We are strengthening the solid foundations we have built to ensure that İÇDAŞ will continue its existence in the future as a sustainability-oriented company with a strong corporate culture, financial soundness and a talented workforce. Our human resources policy provides a strategic roadmap for creating a sustainable workforce and enables our employees to look to the future with confidence.

Equal Opportunities and Inclusive Working Environment

We have implemented various policies and practices to ensure that our female employees have equal opportunities at work and to create an inclusive working environment. We observe gender equality in our recruitment processes and offer a fair and equal working environment for all our employees.

İÇDAŞ Human Resources Policy

At İÇDAŞ, we respect the diversity of the workforce and support our employees in every field to achieve their professional goals.

As İÇDAŞ, our objective is to become a company that our employees will be proud of and wholeheartedly loyal to. Our policy is based on the principle of ensuring that all employees have the opportunity to participate according to their knowledge and skills, and to develop and progress themselves by finding learning opportunities. It is vital that our company adheres to fair and impartial evaluation practices, regardless of an employee's political or cultural background. This approach enables us to foster a diverse and inclusive working environment.

At İÇDAŞ, we care about our employees' satisfaction with success, friendship and a balanced personal and professional life. Establishing a working order by enjoying ourselves while making an effort for our business increases the motivation and productivity of our employees. In this direction, we develop policies that observe the work-life balance and endeavour to ensure that our employees are happy both at work and in their private lives

Encouraging and rewarding creativity is an important part of our human resources policy. We encourage our employees to add value to the company by supporting their innovative ideas. At İÇDAŞ, we value the input of all our employees in building the company we want to be in the future. This approach ensures the sustainable success of our company by guaranteeing continuous development and progress.

It is a core tenet of our human resources policy to maintain the traditions and culture of our company in the best way possible. İÇDAŞ's long-term success and employee satisfaction are driven by fair, transparent and supportive policies towards its employees. In this regard, we are continuously striving to establish a work environment where our employees feel appreciated, engaged, and confident in our trust.

We are committed to creating a fair and sustainable business environment for all employees by fully complying with laws and regulations and adhering to basic business and competition ethics principles such as not employing child labor, not allowing forced labor and abuse, not discriminating, ensuring that employees work in humane living conditions, using parental leave, operating in compliance with occupational health and safety, protecting the environment, ensuring information security, not allowing bribery and corruption.



Diversity and Inclusion

Perfection

Entrepreneurship

Fairness



Being an İÇDAŞ Employee: Adding Value

At İÇDAŞ, we have developed a rigorous recruitment process comprising several stages to ensure the careful selection and recruitment of our human resources, our most valuable asset. This process is structured to assess the competences of candidates and their compatibility with our corporate culture.

In our recruitment process, we primarily evaluate our existing internal resources. If there are no suitable candidates from our internal resources, we consider the applications made through career portals and our website. General applications made through our website are recorded in our candidate database and evaluated for future positions.

In line with the need for personnel, our Human Resources department contacts the candidates who are considered suitable among the applications received and the candidates are invited for an interview. During the interview process, various tests and assessment tools related to the technical knowledge and skills required by the position are used. At this stage, candidates' knowledge and skills as well as their potential to adapt to İÇDAŞ's corporate culture are assessed.

As a result of the interviews, job offers are made to candidates who meet the requirements of the position, who can add value to our company and who will support us in achieving our goals. With the acceptance of the job offer, our recruitment process is completed. Our aim is to increase the sustainable success of our company and employee satisfaction by placing the right person in the right position.

As İÇDAŞ, we act in line with fair, transparent and objective criteria in our recruitment process. We are committed to meticulously assessing each candidate's application and offering them equal opportunities. These principles form the cornerstones of our human resources policy and play an important role in achieving long-term success.

Occupational Health and Safety

Occupational health and safety is of the utmost importance, both from the perspective of our stakeholders and due to the nature of our business. We consider the provision of a safe and healthy working environment for our employees to be one of our primary responsibilities. As İÇDAŞ, we have implemented the ISO 45001:2018 Occupational Health and Safety Management System to ensure comprehensive protection for the health and safety of our employees.

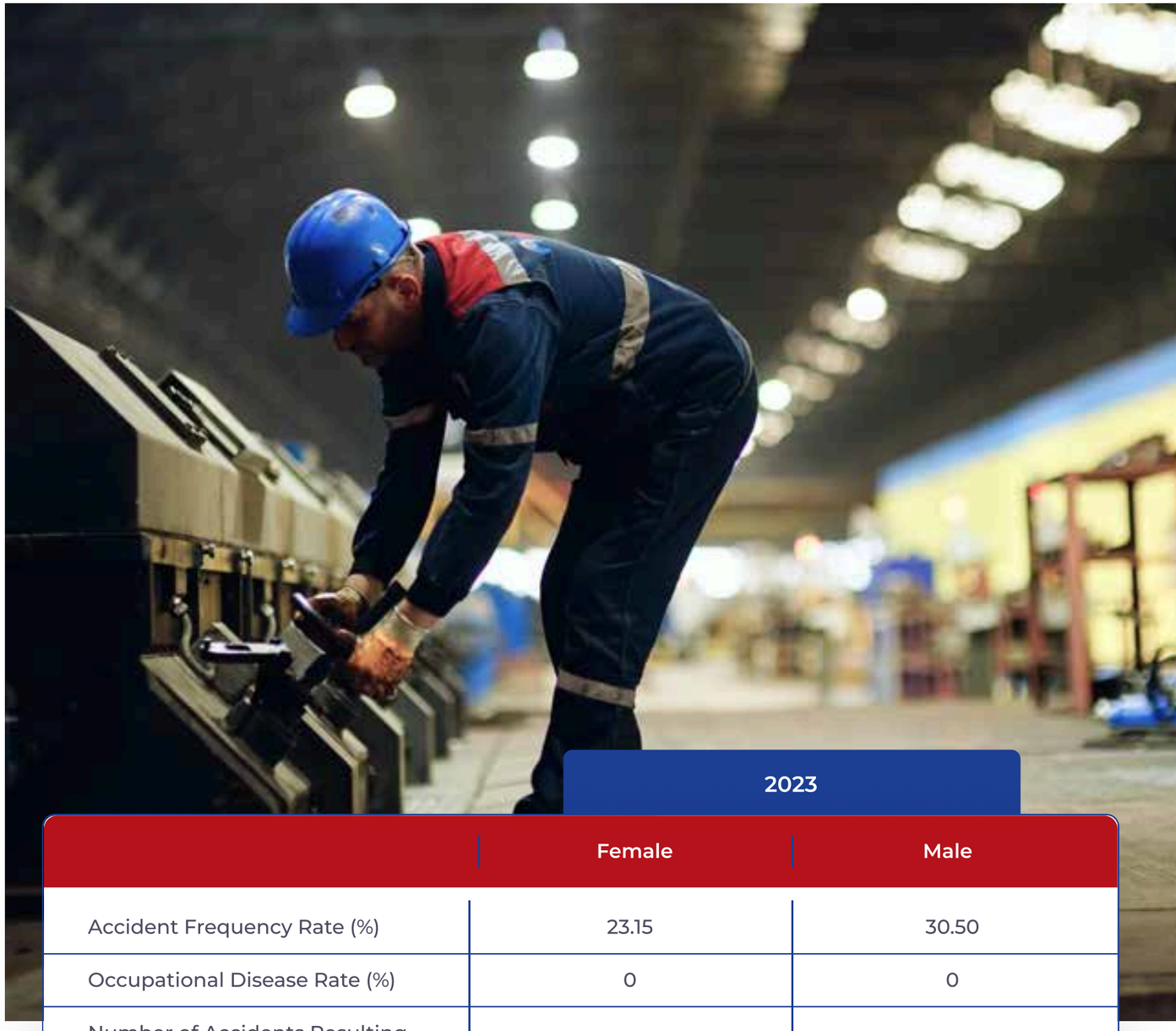
In order to fulfil our occupational health and safety commitments, we offer comprehensive occupational health and safety training to all new employees. The aim of these trainings is for our employees to recognise potential risks in the workplace, understand safe working methods and fully comply with our occupational health and safety policies. In 2023, we provided a total of 164,964 person*hours of training in vocational, technical and personal development areas, including 103,345 person*hours of OHS training in order to increase the occupational health and safety awareness of our employees.

Our risk assessment and management procedures focus on hazard identification and risk reduction. We aim to minimise occupational health and safety risks by using the hierarchy of controls such as eliminating hazards, selecting less hazardous ones, engineering controls, administrative controls and personal protective equipment. In this context, we set and implement measurable occupational health and safety targets in line with our continuous improvement goals, and as a result of these efforts, our accident frequency rate was 30.37 in 2023.

Our emergency action plans and fire safety efforts are also part of our occupational health and safety policies. All necessary risk-based measures have been taken in our facilities, and we have increased our security level by installing fire detection systems at 69 new locations. Our fire brigade unit consists of expert fire brigade technicians and provides 24/7 service.

Our workplace health and safety unit provides 24/7 service to meet the health needs of our employees. This unit, consisting of a workplace physician and other health personnel, ensures that our employees have easy access to health services. In addition, by offering complementary health insurance for our unionised employees, we aim to reduce the health and safety concerns of our employees.

We continuously monitor and improve our occupational health and safety performance and improve our business processes in line with the feedback from our employees. In 2023, we aimed to increase the safety of our employees by making improvements in business processes that carry a high risk of injury. In this context, we continue to ensure that our employees operate in a safe and healthy working environment by continuously updating our occupational health and safety management system and policies.



	2023	
	Female	Male
Accident Frequency Rate (%)	23.15	30.50
Occupational Disease Rate (%)	0	0
Number of Accidents Resulting in Fatalities (Number/Year)	0	1
Rate of Lost Days due to Occupational Accidents (%)	0.01	0.01
Rate of days lost due to diseases, etc. (%)	4.11	2.41

STAKEHOLDER RELATIONS - MEMBERSHIPS

Corporate Memberships of İÇDAŞ

İÇDAŞ actively participates in various associations, foundations and professional platforms and undertakes management duties in these organisations. In addition to its membership status, İÇDAŞ takes part in many management positions and makes significant contributions to social development and the progress of the sector through these responsibilities.

Through member organisations, we have the opportunity to establish a wide network and develop strategic collaborations. These collaborations with the private sector, academic institutions and non-governmental organisations ensure that effective steps are taken to solve social and environmental problems through joint projects and initiatives. These collaborations also strengthen solidarity and the culture of joint action in the sector.

The high-level positions in which İÇDAŞ is involved enable İÇDAŞ to directly contribute to policy and strategy development processes at sectoral and national level. While contributing to the formulation of effective policies in critical areas such as sustainable development, environmental protection and economic growth, a more fair, sustainable and competitive business environment is created.



- Knowledge and Experience Sharing
- Policy and Strategy Development
- Social Responsibility and Social Development
- Networking and Collaborations
- Ethical and Transparent Management
- Sectoral Development and Innovation

ASSOCIATIONS, FOUNDATIONS, CHAMBERS AND UNIONS	DUTY
Shipowners' Association	Member
CARES Sustainability Committee	Member
CARES Construction Steel Technical Committee	Member
European Standard Committee for Construction and Prestressed Steels (CEN) meetings	Participation on behalf of Turkey
ÇİB - Steel Exporters' Association	Chairman of the Board of Directors
DTD - Railway Transport Association	Member
GAN TURKEY - Global On-the-Job Training Network	Member
IREPAS - International Rebar Producers and Exporters Association	President
IKV - Economic Development Foundation	Foundation Supporter
IAV - Economic Research Foundation	Foundation Supporter

ASSOCIATIONS, FOUNDATIONS, CHAMBERS AND UNIONS	DUTY
IMMIB - Istanbul Mineral and Metal Exporters' Associations	Member
ITO - Istanbul Chamber of Commerce	Member
KOSDER - Coaster Shipowners and Operators Association	Member
MESS - Turkish Metal Industrialists' Union	Member
TÇÜD - Turkish Steel Producers Association	High Advisory Board Member
TMD - Turkish Miners Association	Representative
TURMEPA - Marine Clean Association	Member
TSE - Turkish Standards Institute	Mirror Committee Member (Preparation of Standards related to the steel sector, Opinion submission)
IMEAK Chamber of Shipping	Representative



In 2023, we awarded scholarships amounting to 1.8 million to 130 students, representing a threefold increase compared to the previous year.

At İÇDAŞ, we recognise that our operations are not solely based on economic success, but also on social and environmental sustainability. In this context, our projects and investments, particularly in the Çanakkale region, have made a notable contribution to the socio-economic development of the region.

The employment opportunities we create in the Çanakkale region where we operate is one of the most fundamental steps towards increasing the economic welfare of the people of the region. As İÇDAŞ, we provide direct and indirect employment to thousands of people. The majority of our employees come from Çanakkale and its surroundings, which contributes to a decrease in the region's unemployment rate and an increase in economic vitality.

In 2023, the local employment rate is 77 per cent.

Furthermore, we are committed to making significant contributions to the field of education, with a particular focus on developing a highly skilled and capable workforce for the future. As İÇDAŞ, we contribute to ensuring that young generations receive quality education and grow up as individuals equipped with knowledge through the support we provide to local schools and educational institutions. Through educational scholarships, school renovation projects and vocational training programmes, we have a positive impact on the educational lives of young people in the region.

We carry out various projects to support the people of the region in agriculture and animal husbandry. In order to increase Çanakkale's agricultural production potential and support animal husbandry activities, we offer training programmes and technological support for farmers. In this way, we contribute to the people of the region to use more efficient and sustainable methods in agriculture and animal husbandry activities.

İÇDAŞ's corporate footprint can be seen in all segments of society. We support the regional communities through a wide range of social responsibility initiatives, spanning from healthcare services to cultural events. Our social contributions make significant contributions to the development of the region not only economically but also socially and culturally.

In all our activities in the Çanakkale region, our objective is to have a positive impact on every individual we interact with. In line with our sustainability principle, İÇDAŞ aims to contribute to the socio-economic development of the region in order to leave a stronger and more resilient society for the future. With our corporate handprint, we will continue to create value in every field in which we operate and improve the quality of life of the people of the region.

İÇDAŞ's Contributions to Sports

In addition to protecting the physical health of young people, sport helps them to acquire important skills such as self-discipline, teamwork, leadership and responsibility. In this way, their self-confidence increases and their social skills improve. Young people's involvement in sports brings healthy and conscious individuals to the society. The socialisation of young people through sports and their acquisition of healthy living habits also contribute to the increase in social health and welfare.

As İÇDAŞ, we aim to increase the social participation of young people through our investments and support in sports.

Considering the contribution of sports to the physical, mental and social development of young people, we continue to support licensed and amateur athletes engaged in sailing, swimming and basketball branches. With the support we provided to 233 licensed and 362 amateur students in 2023, we contribute to their upbringing as healthy and disciplined individuals through sports. In line with our belief in the unifying and developing power of sports, we will continue to invest in the future of our young people as successful individuals.









APPENDICES

Environmental Performance Indicators

Degirmencik Plant and Bekirli Plant

2023 Environmental Activities Operation and Investment Expenditures		
Environmental Activities Operating Expenses	Emissions and Climate Protection	1,170,582,893 TL
	Wastewater Management	
	Waste Management	
	Biodiversity Conservation	
	Radiation Safety	
Environmental Activities Investment Expenses	Emissions and Climate Protection	296,182,616 TL
	Wastewater Management	
	Waste Management	
		Total : 1,466,765,509 TL

Environmental Performance Indicators

ENERGY CONSUMPTION				
Secondary energy purchased and consumed from non-renewable energy sources	**Unit**	**2021**	**2022**	**2023**
Steel Plants	kWh	2,110,600,276.22	1,855,054,698.73	1,749,721,444.22
Power Plant-Değirmencik	kWh	317,057,747.00	297,400,516.00	309,494,128.00
Shipyard	kWh	3,045,460.01	4,755,354.11	5,369,855.24
Auxiliary Facilities	kWh	193,218,033.80	220,513,028.16	206,580,777.52
Power Plant-Bekirli	kWh	383,900,056.00	415,581,676.00	436,565,186.00

Energy produced from renewable energy sources and consumed within the facility	**Unit**	**2021**	**2022**	**2023**
Steel Plants (HES4)	kWh	6,771,000	6,300,000	4,782,000
Power Plant (HPP1-2-3)	kWh	18,724,759.00	17,570,829.00	18,690,389.00
Steel Plants (SPP)	kWh	3,478,081.00	4,145,007.00	4,937,000.00

Environmental Performance Indicators

Economic Value of Energy Produced from Renewable Energy Sources and Consumed in the Facility	Unit	2021	2022	2023
Steel Plants (HES4)	TL	4,324,637.70	23,311,335.60	17,694,413.78
Steel Plants (SPP)	TL	2,221,474.68	15,337,404.64	18,267,946.64
Power Plant (HPP1-2-3)	TL	11,959,503.57	65,015,792.32	69,158,401.66
TOTAL	**TL**	**18,505,615.95**	**103,664,532.56**	**105,120,762.09**

Environmental Performance Indicators

ENERGY PRODUCTION	2021		2022		2023	
Total Installed Power	**Installed Power (MW)**	**Installed Power Ratio (%)**	**Installed Power (MW)**	**Installed Power Ratio (%)**	**Installed Power (MW)**	**Installed Power Ratio (%)**
Bekirli Power Plant	1,236.00	72.41%	1,236.00	72.41%	1,200.00	70.30%
Degirmencik Power Plant	405.00	23.73%	405.00	23.73%	405.00	23.73%
HES	5.30	0.31%	5.30	0.31%	5.30	0.31%
RES	60.00	3.52%	60.00	3.52%	60.00	3.52%
GES	3.97	0.23%	5.30	0.31%	6.37	0.37%
TOTAL	1,710.27	100.20%	1,711.60	100.28%	1,676.67	98.23%
Türkiye Installed Capacity	**99,819.60**		**103,809.30**		**106,344.00**	
% of Türkiye's Installed Capacity	**1.71%**		**1.65%**		**1.58%**	

Environmental Performance Indicators

Electricity Generation	Electricity Generation (MWh)	Electricity Generation Rate (%)	Electricity Generation (MWh)	Electricity Generation Rate (%)	Electricity Generation (MWh)	Electricity Generation Rate (%)
Bekirli Power Plant	7,212,420.06	69.8%	7,857,976.11	76.0%	8,451,171.41	81.7%
Degirmencik Power Plant	2,943,813.35	28.5%	2,657,835.50	25.7%	2,946,022.38	28.5%
HES1-2-3-4	22,845.00	0.2%	23,870.83	0.2%	23,472.39	0.2%
RES	155,798.86	1.5%	157,671.84	1.5%	144,400.88	1.4%
GES	3,478.00	0.0%	4,145.01	0.0%	4,937.03	0.0%
TOTAL	10,338,355	100.0%	10,701,499	103.5%	11,570,004	111.9%
Türkiye Electricty Generation	**305,431,387**		**305,431,388**		**305,431,389**	
% of Total Electricity Generated in Türkiye	**3.38%**		**3.50%**		**3.79%**	

Environmental Performance Indicators

Flow rate of water withdrawn from the sea to obtain freshwater (m^3/year)	2021	2022	2023
Steel Plants	1,134,668	1,236,627	1,483,225
Power Plant - Degirmencik	451,684	409,383	363,176
Power Plant - Bekirli	2,864,635	2,381,519	2,848,183
Shipyard and Auxiliary Facilities	636,498	779,902	435,342
Total	**5,087,485**	**4,807,431**	**5,129,926**

Environmental Performance Indicators

Amount of water recovered and reused	2021	2022	2023
Steel Plants	362,673,235	316,872,538	386,702,745
Power Plant - Degirmencik	42,910	40,528	36,359
Power Plant - Bekirli	139,005	112,631	163,443
Shipyard and Auxiliary Facilities	22,032,000	20,587,200	20,948,400
Total	**384,887,150**	**337,612,897**	**407,850,947**

Environmental Performance Indicators

Total Waste Water Discharge (m^3/year)	Year	Waste Water Discharge*	Cooling Water Discharge
Degirmencik Integrated Plant	2021	219,000	562,983,563
	2022	225,205	513,626,832
	2023	237,250	637,413,552
Bekirli Energy Plant	2021	212,747	854,807,742
	2022	199,338	659,312,640
	2023	Recycling	620,303,851

Environmental Performance Indicators

Amount of Waste from Facilities	2021			2022			2023		
Degirmencik Plant	**Recovered**	**Disposed**	**TOTAL**	**Recovered**	**Disposed**	**TOTAL**	**Recovered**	**Disposed**	**TOTAL**
Hazardous Wastes (Tonnes)	68,540.29	0.11	68,540.39	62,719.51	0.22	62,719.73	59,518.33	0.2	59,518.52
Non-hazardous Waste (Tonnes)	590,513.50	426,520.33	1,017,033.83	499,693.28	363,986.77	863,680.05	564,410.41	648,783.24	1,213,193.65
Total Waste (Tonnes)	659,054	426,520	1,085,574	562,413	363,987	926,400	623,929	648,783	1,272,712
Bekirli Plant	**Recovered**	**Disposed**	**TOTAL**	**Recovered**	**Disposed**	**TOTAL**	**Recovered**	**Disposed**	**TOTAL**
Hazardous Wastes (Tonnes)	31,343.00	7,409.00	38,752	35.818	3.006	39	47,517	0.058	47,575
Non-hazardous Waste (Tonnes)	163,536,010	84,876,660	248,412,670	154,970	126,194	281,164	213.317	86,399	299.716
Total Waste (Tonnes)	163,567,353	84,884,069	248,451,422	155,006	126,197	281,203	213,364	86,399.538	299,763.805

Environmental Performance Indicators

Amount of Ship Waste Accepted to Facilities	2021			2022			2023		
Degirmencik Plant	**Recovered**	**Disposed**	**TOTAL**	**Recovered**	**Disposed**	**TOTAL**	**Recovered**	**Disposed**	**TOTAL**
Hazardous Waste (Bilge Water, Sludge, Waste Oil) (m^3/year)	861.3	0	861.3	596.7	0	596.7	750.5	0	750.5
Non-hazardous Waste (Domestic Solid and Liquid Waste) (m^3/year)	0	1,728.0	1,728.0	0	2,930.0	2,930.0	0	4,714.4	4,714.4
Bekirli Plant	**Recovered**	**Disposed**	**TOTAL**	**Recovered**	**Disposed**	**TOTAL**	**Recovered**	**Disposed**	**TOTAL**
Hazardous Waste (Bilge Water, Sludge, Waste Oil) (m^3/year)	121.11	0	121	290.83	0	291	156.82	0	157
Non-hazardous Waste (Domestic Solid and Liquid Waste) (m^3/year)	0	64.68	65	0	73.98	74	0	133.20	134

Environmental Performance Indicators

Greenhouse Gas Emission	2021	2022	2023
Değirmencik Integrated Plant (*1000 tonnesCO_2e)	4,178	3,473	3,742
Bekirli Plant (*1000 tonnesCO_2e)	6,085	6,247	7,317
Total (*1000 tonnesCO_2e)	10,263	9,720	11,059

Economic Performance Indicators

SALE AMOUNT	2021	2022	2023
Consolidated Net Sales (TL Billion)	29.948	75.817	76.262
Distribution of Net Sales			
Energy (%)	22.78	41.27	36.41
Steel (%)	72.57	53.64	59.00
Other (%)	4.65	5.09	4.59

PRODUCTION	2021	2022	2023
Crude Steel Production (Million tonnes)	3.53	3.13	2.88
Total Crude Steel Production in Türkiye (Million tonnes)	40.36	35.10	33.70
İÇDAŞ Crude Steel Production / Türkiye Total Crude Steel Production Ratio	8.75	8.92	8.55

Economic Performance Indicators

ECONOMIC VALUES		2021	2022	2023
İçdaş Elektrik Enerjisi Üretim ve Yatırım A.Ş.	Net Sales (TL)	3,968,733,285	21,143,426,810	19,745,608,408
	Equity (TL)	1,482,273,699	5,397,099,170	18,976,980,149
	FAVÖK/EBITDA (TL)	599,741,094	5,633,201,176	4,386,854,246
	Gross Value Added (TL) (In Producer Prices)	587,655,551	6,267,101,751	5,628,250,674
	Total Assets (TL)	3,267,611,065	9,355,891,887	20,867,326,379
İçdaş Çelik Enerji Tersane ve Ulaşım Sanayi A.Ş.	Net Sales (TL)	25,763,375,155	54,092,955,288	55,984,773,555
	Equity (TL)	3,709,942,601	4,891,539,049	28,343,099,679
	FAVÖK/EBITDA (TL)	3,719,205,394	3,461,741,165	3,654,077,596
	Gross Value Added (TL) (In Producer Prices)	2,728,037,461	1,953,403,683	3,526,233,027
	Total Assets (TL)	9,672,242,815	13,767,270,817	42,319,832,298

Social Performance Indicators

LABOUR FORCE				
By Gender	**Unit**	**2021**	**2022**	**2023**
Male	Person	5901	6012	5928
	Ratio	97.46%	97.38%	97.28%
Female	Person	154	162	166
	Ratio	2.54%	2.62%	2.72%
TOTAL	Person	6,055	6,174	6,094
According to Employment Type	**Unit**	**2021**	**2022**	**2023**
White Collar - Female	Person	105	109	112
White Collar - Male	Person	596	610	621
Blue Collar - Female	Person	49	53	54
Blue Collar - Male	Person	5305	5402	5307
TOTAL	Person	6,055	6,174	6,094

Social Performance Indicators

LABOL FORCE				
According to Contract Type	**Birim**	**2021**	**2022**	**2023**
Full-time Employee - Female	Person	154	162	166
Full-time Employee - Male	Person	5901	6012	5928
Part-time Employee - Female	Person	0	0	0
Part-time Employee - Male	Person	0	0	0
TOTAL	Person	6,055	6,174	6,094

Social Performance Indicators

By Location	Unit	2021	2022	2023
İstanbul (Office, Ambarlı Port, İkitelli) Female	Person	78	85	89
İstanbul (Office, Ambarlı Port, İkitelli) - Male	Person	298	305	301
Employee at Değirmecik Integrated Plant - Female	Person	64	66	65
Employee at Değirmecik Integrated Plant - Male	Person	4746	4845	4757
Employee at Bekirli Power Plant - Female	Person	12	11	11
Employee at Bekirli Power Plant - Male	Person	690	690	696
Anatolian Employee - Female	Person	0	0	0
Anatolia Employee - Male	Person	114	114	115
Ships - Female	Person	0	0	1
Ships - Male	Person	53	58	59
TOTAL	Person	6,055	6,174	6,094

Social Performance Indicators

Local Employment in Çanakkale	Localisation	Unit	2021	2022	2023
Senior Executives	Local	Person	27	26	27
		%	47%	44%	48%
	Other	Person	31	33	29
		%	53%	56%	52%
Degirmencik Plant	Local	Person	3641	3736	3713
		%	76%	76%	77%
	Other	Person	1169	1175	1109
		%	24%	24%	23%
Bekirli Plant	Local	Person	578	575	581
		%	82%	82%	82%
	Other	Person	124	126	126
		%	18%	18%	18%
Local Employment in Çanakkale	Local	Person	4246	4337	4321
		%	76%	76%	77%
	Other	Person	1324	1334	1264
		%	24%	24%	23%

Employee Turnover	Unit	2021	2022	2023
Employee Turnover Rate	Ratio	4.77%	10.37%	9.65%

Social Performance Indicators

COLLECTIVE LABOUR AGREEMENT	2021	2022	2023
Number of employees covered by collective labour agreements	3257	3359	3264
Proportion of employees covered by collective labour agreements (%)	53.79%	54.41%	53.56%

Total Training Hours per Person	Unit	2021	2022	2023
All Employees	hour/person	22.91	27.01	27.63

OHS Training Hours per Person	Unit	2021	2022	2023
All Employees	hour/person	12.38	18.15	17.31

Social Performance Indicators

Total Training Duration by Subject	Unit	2021	2022	2023
OHS Trainings	hour/person	66,989	102,564	103,345
Orientation Trainings	hour/person	21,864	12,920	10,296
Vocational Trainings	hour/person	29,856	20,000	16,972
Single Point Trainings	hour/person	8,022	10,191	9,373
Information Security Trainings	hour/person	2,344	4,243	3,598
Quality Trainings	hour/person	1,862	2,542	8,117
Personal Development Trainings	hour/person	32	4,032	207
Environmental Trainings	hour/person	5,592	8,334	8,186
Energy Management System Trainings	hour/person	2,159	2,197	3,228
Environmental Control Lab. Trainings	hour/person	-	1,188	1,642
TOTAL	hour/person	138,720	168,211	164,964

Education Scholarships	Unit	2021	2022	2023
Total Students	Person	150	137	130

Social Performance Indicators

Occupational Health and Safety		2021		2022		2023	
İÇDAŞ Employees	Unit	Woman	Male	Woman	Male	Woman	Male
Accident Frequency Rate	Ratio	0.00	26.16	12.52	26.79	23.15	30.50
Occupational Disease Rate	Ratio	0	0	0	0	0	0
Number of Accidents Resulting in Death	Number/Year	0	1	0	1	0	1
Lost Day Rate due to Work Accident	Ratio	0.00	0.01	0.01	0.01	0.01	0.01
Rate of days lost due to illness, etc. (absenteeism rate)	Ratio	4.46	3.10	4.39	2.53	4.11	2.41

GRI Content Index

İÇDAŞ has reported the information cited in this GRI content index for the period 1 January 2023 to 31 December 2023 with reference to the GRI Standards.

GRI STANDARD	DISCLOSURE	LOCATION
GRI 2: General Disclosures 2021	2-1 Organizational details	Corporate Profile, p.7,8, Our Companies p.9
	2-2 Entities included in the organization's sustainability reporting	About the Report, p.3
	2-3 Reporting period, frequency and contact point	About the Report, p.3
	2-4 Restatements of information	About the Report, p.3
	2-5 External assurance	There is no external assurance
	2-6 Activities, value chain and other business relationships	Corporate Profile, p.7,8, Our Companies p.9
	2-7 Employees	Working Life at İÇDAŞ, p.64, Being an İÇDAŞ Employee-Adding Value, p.66
	2-8 Workers who are not employees	Sosyal Performans Göstergeleri, sf.87
	2-9 Governance structure and composition	Climate-related Risk and Opportunity Management, p.26, Sustainability At İÇDAŞ, p.34
	2-10 Nomination and selection of the highest governance body	Confidentiality constraints
	2-11 Chair of the highest governance body	Confidentiality constraints
	2-12 Role of the highest governance body in overseeing the management of impacts	Governance Structure, p.45
	2-13 Delegation of responsibility for managing impacts	Governance Structure, p.45
	2-14 Role of the highest governance body in sustainability reporting	Governance Structure, p.45
	2-15 Conflicts of interest	Confidentiality constraints

GRI Content Index

GRI STANDARD	DISCLOSURE	LOCATION
GRI 2: General Disclosures 2021	2-16 Communication of critical concerns	Stakeholder Engagement, p.45, Identification of Material Issues, p.46, Stakeholder Communication, p.48,49
	2-17 Collective knowledge of the highest governance body	Confidentiality constraints
	2-18 Evaluation of the performance of the highest governance body	Confidentiality constraints
	2-19 Remuneration policies	Working Life at İÇDAŞ, p.64
	2-20 Process to determine remuneration	Confidentiality constraints
	2-21 Annual total compensation ratio	Confidentiality constraints
	2-22 Statement on sustainable development strategy	Main Components of our Sustainable Management Strategy, p.24, İÇDAŞ Climate Change and Adaptation Strategy, p.29
	2-23 Policy commitments	İÇDAŞ Sustainability Policy, p.35, Our Sustainability Commitments, p.45
	2-24 Embedding policy commitments	İÇDAŞ Sustainability Policy, p.35
	2-25 Processes to remediate negative impacts	Climate Related Risk Management at İÇDAŞ, p.27
	2-26 Mechanisms for seeking advice and raising concerns	İÇDAŞ Human Resources Policy, p.65
	2-27 Compliance with laws and regulations	İÇDAŞ Human Resources Policy, p.65
	2-28 Membership associations	Stakeholder Relations-Memberships, p.68-69
	2-29 Approach to stakeholder engagement	Stakeholder Engagement, p.45, Stakeholder Communication, p.48,49
	2-30 Collective bargaining agreements	Social Performance Indicators, p.90

GRI Content Index

GRI STANDARD	DISCLOSURE	LOCATION
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Identification of Material Issues, p.46
	3-2 List of material topics	Materiality Matrix, p.47
Occupational Health and Safety		
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Occupational Health and Safety, p.67
	403-2 Hazard identification, risk assessment, and incident investigation	Occupational Health and Safety, p.67
	403-3 Occupational health services	Occupational Health and Safety, p.67
	403-4 Worker participation, consultation, and communication on occupational health and safety	Occupational Health and Safety, p.67
	403-5 Worker training on occupational health and safety	Occupational Health and Safety, p.67, Social Performance Indicators, p.90
	403-6 Promotion of worker health	Occupational Health and Safety, p.67
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Occupational Health and Safety, p.67
	403-8 Workers covered by an occupational health and safety management system	Occupational Health and Safety, p.67
	403-9 Work-related injuries	Occupational Health and Safety, p.67, Social Performance Indicators, p.92
	403-10 Work-related ill health	Occupational Health and Safety, p.67, Social Performance Indicators, p.92

GRI Content Index

GRI STANDARD	DISCLOSURE	LOCATION
Business Ethics		
GRI 3: Material Topics 2021	3-3 Management of material topics	Identification of Material Issues, p.46
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	İÇDAŞ Human Resources Policy, p.65
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	Sustainability Targets, p.39
Digitalisation and R&D		
GRI 3: Material Topics 2021	3-3 Management of material topics	Identification of Material Issues, p.46
N/A	Providing higher quality, reliable and sustainable energy	Technological Transformations and Energy Efficiency Projects in Operations, p.57
Social Responsibility Projects		
GRI 3: Material Topics 2021	3-3 Management of material topics	Identification of Material Issues, p.46
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Stakeholder Relations-Memberships, p.70, İÇDAŞ's Contributions to Sports, p.71

GRI Content Index

GRI STANDARD	DISCLOSURE	LOCATION
Combating Climate Change and Adaptation		
GRI 3: Material Topics 2021	3-3 Management of material topics	Identification of Material Issues, p.46
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Environmental Performance Indicators, p.74,75
	302-2 Energy consumption outside of the organization	Environmental Performance Indicators, p.74,75
	302-4 Reduction of energy consumption	Energy and Emissions Management, p.56,57
	302-5 Reductions in energy requirements of products and services	Energy and Emissions Management, p.56,57
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Environmental Performance Indicators, p.83
	305-5 Reduction of GHG emissions	Energy and Emissions Management, p.56,57

GRI Content Index

GRI STANDARD	DISCLOSURE	LOCATION
Sustainable Profitability		
GRI 3: Material Topics 2021	3-3 Management of material topics	Identification of Material Issues, p.46
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Export Network, p.12, Economic Performance Indicators, p.84,85
	201-2 Financial implications and other risks and opportunities due to climate change	İÇDAŞ Climate Change and Adaptation Strategy, p.30,31,32
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	Sustainable Agriculture, p.61,62
Inclusion, Diversity and Talent Management		
GRI 3: Material Topics 2021	3-3 Management of material topics	Identification of Material Issues, p.46
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Social Performance Indicators, p.90,91
	404-2 Programs for upgrading employee skills and transition assistance programs	Working Life at İÇDAŞ, p.64, Being an İÇDAŞ Employee-Adding Value, p.66

GRI Content Index

GRI STANDARD	DISCLOSURE	LOCATION
Inclusion, Diversity and Talent Management		
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Social Performance Indicators, p.89
	405-2 Ratio of basic salary and remuneration of women to men	Working Life at İÇDAŞ, p.64 At İÇDAŞ, remuneration is based on performance and there is no gender-based discrimination in remuneration.
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	There were no incidents of discrimination at İÇDAŞ during the reporting period.
Non-material Disclosures		
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Biodiversity, p.58,59
	304-2 Significant impacts of activities, products and services on biodiversity	Biodiversity, p.58,59
	304-3 Habitats protected or restored	Biodiversity, p.58,59
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	Biodiversity, p.58,59
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	Supply Chain Management, p.18

GRI Content Index

GRI STANDARD	DISCLOSURE	LOCATION
GRI 301: Materials 2016	301-1 Materials used by weight or volume	Circular Economy and Waste Management, p.52,53
	301-2 Recycled input materials used	Circular Economy and Waste Management, p.52,53
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	Water Management, p.54
	303-2 Management of water discharge-related impacts	Water Management, p.54
	303-3 Water withdrawal	Water Management, p.54
	303-4 Water discharge	Water Management, p.55
	303-5 Water consumption	Water Management, p.55
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Circular Economy and Waste Management, p.52,53
	306-2 Management of significant waste-related impacts	Circular Economy and Waste Management, p.52,53
	306-3 Waste generated	Circular Economy and Waste Management, p.52,53
	306-4 Waste diverted from disposal	Circular Economy and Waste Management, p.52,53
	306-5 Waste directed to disposal	Circular Economy and Waste Management, p.52,53
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	Supply Chain Management, p.18
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Social Performance Indicators, p.89
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	İÇDAŞ Human Resources Policy, p.65

Disclaimer

The İÇDAŞ Sustainability Report has been prepared by İÇDAŞ Çelik Enerji Tersane ve Ulaşım Sanayi A.Ş. and İÇDAŞ Elektrik Enerjisi Üretim ve Yatırım A.Ş., referencing GRI, TCFD, and the UN SDGs. Except for the declared data, the information and data in the report have not been verified by an independent organization and are published for informational purposes only. Due to a number of variables, future business activities and results may differ from the data in the report. In this context, the shared data, information, and projections do not form a basis for investment decisions. İÇDAŞ accepts no liability in this regard. No guarantee is given that the forward-looking statements, including the underlying estimates, expectations, and assumptions, are accurate or complete. İÇDAŞ shall not be held liable for any damages that may arise from the use of this report.

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