



SUSTAINABILITY

REPORT 2015



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MESSAGE FROM THE CHAIRMAN

**TO EXTEND OUR UNDERSTANDING OF SUSTAINABILITY
IN OUR VALUE CHAIN AND TO REACH NEW SUCCESS
IN COLLABORATION WITH OUR STAKEHOLDERS ARE
AMONG OUR MOST IMPORTANT MISSIONS.**

Distinguished Stakeholders,

As Aksa, we are happy to share with you our performance in sustainability as one of our essential principles in our 11th Sustainability Report. 2015 has been a year where we put our signature on innovations which carried our success further and developed our sectoral leadership. EBITDA levels and our net profit increased 22%. Thanks to our efficiency-based projects and planned maintenance activities, our 308,000 tons of gross capacity reached 315,000 tons. Our capacity usage rate reached a record level of 98%.

Principles of sustainability and corporate governance are important guidelines for Aksa to execute our operations. As Aksa, we first evaluate our work in this perspective and put our leading applications into practice. In 2015, we achieved successful results on adaptation to Corporate Assessment Principles. Corporate Governance Rate of Aksa is updated to 9.5 in 10 and we are in the first 3 companies among 50 in Corporate Governance Index. Aksa has now registered itself to the highest level on many topics from its corporate governance understanding as the highest rated 3rd company to the transparency it has for its stakeholders.

Another important basepoint for executing our operations is to be a responsible producer without sacrificing quality. As a result of this perspective, we were granted the “KalDer Competency in Perfection” award in the 24th Quality Congress.

Our main purpose is to develop value added, innovative products. In this scope, we completed our Ar-ge studies for modacrylic fiber, a suitable product for Turkey’s value added export targets which is produced by a limited number of firms in the world. We achieved to produce a high value added product which can only be manufactured by a limited number of producers in the world.

Today, the effects of climate change cause significant changes in the ways companies work. As Aksa we value this issue specifically, evaluate our operations in parallel to it and apply necessary precautions. With “Reverse Osmosis” Project, we use water resources more efficiently in our operations. Thanks to this project, we realize almost 62% of our water usage. We hope to set an example on wastewater management with the Joint Treatment Facility which is within YALKIM OSB since 2015 and was commissioned with an investment of 18 million USD.

We aim to decrease our environmental impact through our voluntary-basis studies as well as our legal obligations. In our reporting period, we also continued our studies about the risks and benefits of today’s most important and worldly acclaimed environmental issues, the effects of climate change on our operations. As well as previous periods, we ensured the monitoring of our



Mehmet Ali Berkman / *Chairman*

green house emissions within ISO 14064-1. In 2015, we completed our ISO 50001 certification process, we rendered our energy management to be more systematic. Thanks to energy efficiency projects during our reporting period, we saved 88,335 GJ on energy and 10,562 tons CO₂ in total.

Our employees are the greatest indicatives of the success we achieve as Aksa. Therefore, to increase their competence and to create a safe workplace environment where they are proud to be working are among our priorities. Within this scope, we launched “Great Place to Work” Trust Index application in 2015, began our preliminary preparations to apply working life research and formed project groups.

2015 was a year where we continued our corporate citizenship studies in various fields. Through our projects and activities, we created different values in the geography we operate. Contributing to the geography of our operation through our operational activities is one of our main missions. Besides local employment and local acquisitions, we put our signature to many successful applications in 2015 with our social responsibility projects, sponsorship and donations. We continued to increase our support in this field, particularly on educational, cultural, artistic and sports activities, by 1,738,792 TL of donations and social aid in total.

To extend our understanding of sustainability in our value chain and to reach new success in collaboration with our stakeholders are among our most important missions. I would like to thank our colleagues who have contributed to the success we enjoyed so far, our business partners, customers and all stakeholders.

Regards,

MESSAGE FROM THE GENERAL MANAGER

OUR SUCCESSES IN THE PRECIOUS FIELD OF SUSTAINABILITY ARE POSSIBLE WITH YOU, OUR STAKEHOLDERS. ON BEHALF OF CARRYING THIS VALUE SET FORTH IN COLLABORATION WITH OUR STAKEHOLDERS TO ADVANCED LEVELS, WE WILL CONTINUE TO INCREASE OUR EFFORTS AS AKSA.

Distinguished Stakeholders,

Aksa began production with a capacity of 5.000 tons per year within Akkök Holding to supply the fiber demand of Turkey and it is the biggest acrylic fiber producer of the world today. We feel the right proud of achieving 1/6 of the world's acrylic fiber production last year. We generate value for our stakeholders as the only acrylic fiber producer of Turkey and the biggest in the world with more than 1,250 workers, our facility on 502 m² and 315,000 tons of production capacity per year.

In 2015, we increased our sales by protecting our market share with a capacity usage at a record level of 98%. At the end of 2015, we have a 17% share in global market and 70% in domestic market. We export to more than 300 customers in 5 continents and more than 50 countries.

In the reporting period, we continued to keep our understanding of operational perfection and focused on projects that increase efficiency and quality. Highly non-inflammable modacrylic fiber which can only be produced by a limited number of firms in the world is one of them. As a suitable product for Turkey's value added export targets, modacrylic can be used especially in protective work uniforms, plastic sector and artificial hair production.

In our thermal comfort fiber project devoted to the preference of acrylic fiber in new areas of usage, studies were conducted with textile manufacturers and thanks to the current technology, thermal insulation of acrylic has been applied to various areas of usage. Final sample products are produced and tested on users. In the reporting period, there have been collaborations to use acrylic filament, which is still in product development, on carpets too.

We began to see the positive results of many projects we established in previous periods. Advanced Energy Solutions (AES) Projects, the first application of process control methods on energy centrals which contributes to operational perfection, has been launched in Turkey by Aksa.

We were granted Proof Not Promises Award with our GE Power&Water, Water and Process Technologies Project that was developed to contribute operational perfection in energy production. Thereby, a Turkish company has taken this award for the first time since 2013.

In 2015, we also continued our projects to benefit from the effects of climate change on our operations and to eliminate these effects. We ensured the monitoring of our green house emissions by an independent institution within ISO 14064-1 and documenting with extensive warranty as well as previous periods. In the year of 2015, we moved our special care for energy management one step ahead by completing our ISO 50001 certification process. With energy efficiency projects that were executed during the reporting period, we saved 54,245 GJ on thermal energy, 34,089 GJ on electrical energy and in total 88,335 GJ.

We achieved more efficient residual water and wastewater method applications with Reverse Osmosis and Joint Treatment Facility Project. Together with these studies, we gave 5,693 person*hour environmental training to our employees and we had 7,664,637 TL in



Cengiz Taş
Member of the Board of Directors - General Manager

total for environmental protection expenses and investments during the reporting period.

2015 was a year of practices that were applied to increase awareness of work ethic and behavior rules. In the scope of this, we gave 734 person*hour training for the Principles and Applications of Work Ethic, Human Rights, Fighting Against Corruption and Transparency, and Exploitation Screening. In order to ensure improvement opportunities and to increase their competence, we provided 41.157 person*hour training for our blue-collar employees and 19.094 person*hour for our white-collar employees.

To create a safer workplace environment for our employees, we launched our occupational health and safety project "Accident Prevention Culture (APC)". Through our project, we aim to raise awareness on topics of labor force, occupational health and safety by focusing on employee behaviors. We also provided 27,203 person*hour WHS education to extend occupational health and safety culture for our employees.

Again, another study conducted for our employees, our "Great Place To Work" Project have covered a great distance thanks to our employees' commitment. The results of our Trust Index survey which had a large turnout, were handled together with the Representative Committee. In our action assignment period, we had substantial participation of our 243 employees in accordance with our understanding of "Participant Management". Action suggestions for our improvement fields are developed by 12 project groups under the leadership of our executives and a period where we will determine and apply our actions together with our valuable employees is waiting for us.

Our success in the precious field of sustainability are possible with you, our stakeholders. On behalf of carrying this value set forth in collaboration with our stakeholders to advanced levels, we will continue to increase our efforts as Aksa.

Best regards,

ABOUT THE REPORT

IN THIS REPORT, WE PRESENT OUR STAKEHOLDERS WITH OUR SUSTAINABILITY PERFORMANCE AS AKSA AKRILIK KIMYA SANAYII A.Ş. TOGETHER WITH ALL OUR AFFILIATES IN TURKEY, BETWEEN THE DATES JANUARY 1ST, 2015 AND DECEMBER 31ST, 2015.





We continue annually publishing sustainability reports based on Global Reporting Initiative (GRI) reporting standard since 2005. With this 11th report we have prepared, we comprehensively and transparently elucidate the social, economic and environmental performance demonstrated by Aksa within the context of all its operational activities and present to the valuable views of all our stakeholders.

We prepared our report in accordance with the Core option of the GRI G4 Guidelines. This report, which also expresses our commitment to the 10 principles determined by the United Nations Global Compact, of which we are signatory, is also featured as a Progress Report.

We have included within the scope of reporting our applications and performance

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

Aksa Akrilik 2015 Sustainability Report was printed in a limited number to minimize environmental impact, while the PDF version of the report is offered to the views of our stakeholders at www.aksa.com. You may reach us at surdurulebilirlik@aksa.com for your demands, suggestions, complaints and all kinds of feedback regarding our reporting performance.

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AKSA SUSTAINABILITY REPORT 2015

GENERATED ECONOMIC VALUE

THE GLOBAL SUCCESS WE HAVE REACHED IS POSSIBLE WITH OUR UNDERSTANDING OF SUSTAINABILITY, WHICH WE BASE ON OUR OPERATONAL EXCELLENCE STRATEGY



Aksa Akrilik Kimya Sanayii A.Ş., which was established within the body of Akkök Holding in 1968 to meet the acrylic fiber demand in Turkey and started production in 1971, in Yalova, with a capacity of 5,000 tons/year, is today the world's largest and Turkey's only acrylic fiber producer with a capacity of 315,000 tons/year. Akxa, which produces about 850 thousand kilos daily at its production facility established on a 502 thousand square meter field, has realized around 1/6 of world acrylic fiber production in the reporting period. Akxa, who preserved its market share and significantly increased its sales amount in 2015 thanks to its record level capacity usage rate of 98%, exports to over 300 customers in more than 50 countries on five continents.

The Company, which constantly enhances its sphere of positive economic influence, supports the economic value it generates for its shareholders with its consistently increasing tax payments, growing employment and local supply practices; it pioneers in the sustainable development of the society of which it is a part.

SHARE PERFORMANCE



EBITDA(*)



Akxa's 2015 EBITDA(*) Growth was 22%, reaching TL 350 million.

↑ **22%**

Net Profit



Akxa's 2015 net profit growth recorded 22%, reaching TL 199,5 million.

↑ **22%**

Company Value



Akxa's Company value calculated over its share value in Borsa İstanbul grew by 41% to TL 1,9 billion in 2015.

↑ **41%**

Akxa Akrilik, the world's largest and the only Turkish acrylic fiber producer, was ranked in the ISO 500 list as the **35th largest industrial enterprise** according to the results of the "Top 500 Industrial Enterprises of Turkey" 2015 survey conducted by Istanbul Chamber of Industry (ISO), with its net sales from production in 2015, worth

2,131,600,393 TL.

GOVERNANCE AT AKSA

AKSA REALIZES ITS SUSTAINABLE GROWTH AND DEVELOPMENT THROUGH ITS EFFECTIVE ORGANIZATIONAL STRUCTURE FORMED IN LIGHT OF ITS 47-YEAR BUSINESS EXPERIENCE AND GOVERNANCE TOOLS IT MAKES USE OF IN COMPLIANCE WITH GLOBAL STANDARDS.





The Company ensures the dissemination of corporate strategies from higher levels of the organization to lower levels through effective communication channels, conducts the monitoring of business and sustainability targets with efficient audit mechanisms, fulfills the requirement of the principle of accountability in its communication both within the company and with its external stakeholders through transparent reporting practices.

Aksa, which assures its corporate reputation and trustworthiness before its stakeholders primarily with its commitment to Corporate Governance Principles, aims to achieve the level of fair company through its practices in this area. Aksa, which eliminates components that might endanger the existence and sustainability of the Company and its value chain through efficient risk management tools, benefits from globally acclaimed effective management systems and standards in this field and in all stages of its operations. The company, which makes use of effective and transparent communication with its stakeholders and of stakeholder engagement as an import-

ant governance instrument, also bases its sustainability vision on this understanding of communication and engagement.

CORPORATE GOVERNANCE

Aksa acts in accordance with the four main principles of Corporate Governance namely, fairness, transparency, accountability and responsibility in all its operations; it consistently develops its corporate governance performance through its commitment to and compliance with these principles. Aksa, which aims to achieve the level of fair company by supporting its financial successes with corporate governance practices, includes generating sustainable value for its stakeholders among its prioritized targets. The Corporate Governance Principles, embraced by Aksa for many years, constitute the basis for the respectable, innovative, hardworking, creative and sharing corporate stance of the company and its reliability before its stakeholders.

Codes of Conduct, which are the most significant guide of the company regarding compliance with corporate governance principles, serve as a guide for developing



a common course of conduct in Aksa's relations with its stakeholders. Akkök Group of Companies Business Ethics Principles, published in 2014, reflect the ethical approach and corporate values of Group companies. Akkök Ethics Line, which was constituted for the notification of violations regarding Business Ethics Principles and is managed by an independent third party, also actively serves Aksa stakeholders. In addition, at Aksa, stakeholders can report illegitimate or ethically inappropriate situations to the Corporate Governance Committee and to the Ethics Committee through the ethics line or by email.

In 2015, we formed our Gift Receiving and Giving Policy in order to support our Business Ethics principles. All matters that need attention when taking or giving gifts as part of our relations with all our stakeholders were determined with this policy.

During the reporting period, trainings were organized at the level of manager and director to ensure the dissemination of Akkök Group of Companies Business Ethics

Principles and their adoption by all group companies. Codes of Conduct can be accessed at <http://www.aksa.com/tr/i-80>.

RISK MANAGEMENT

Actualizing risk management practices, whereby risks that might affect stakeholders, primarily shareholders, are identified, assessed and their impacts and probabilities are calculated, reported and prevented, is included among both business and sustainability priorities of Aksa. The Early Risk Identification Committee, which was constituted for the early identification of strategic, financial and operational risks that might endanger the existence, development and continuity of the company and its value chain, as well as risks regarding legal compliance and corporate reputation, convenes every two months and offers advice and suggestions to the Board of Directors regarding risk management practices.

The Corporate Risk Inventory formed by the committee is the primary risk management tool used in corporate risk management works. Risks included in the inventory with



Saha Kurumsal Yönetim ve Kredi Derecelendirme Hizmetleri A.Ş. (Saha Corporate Governance and Credit Rating Services Inc.), one of the foremost independent corporate rating agencies of Turkey, updated the Corporate Governance Rating Score for Aksa Akrilik Kimya Sanayii A.Ş. (Aksa) as 9.50 out of 10, following period revision works conducted during the last year. Akxa, which has increased its score that was determined last year as 9.22 to 9.50 for this year, succeeded in becoming the 3rd company with the highest score in the Corporate Governance Index with this new rating.

The corporate governance rating score obtained by Akxa reveals that the company has largely harmonized with Capital Markets Board Corporate Governance Principles and put all policies and measures into practice. Besides, it was assessed that all corporate governance risks are identified and actively managed at Akxa, the rights of share and stakeholders are impartially observed, public disclosure and transparency activities are at the highest level, and the structure and operation of the board of directors is in the best practice category.

AKSA

Aksa, Kurumsal Notunu 9,50'ye Yükseltti!

Dünyanın en büyük akrilik elyal üreticisi Akxa Akrilik, TKYD Kurumsal Yönetim Endeksi'nde yer alan 50 şirket arasında ilk 3'e girdi.

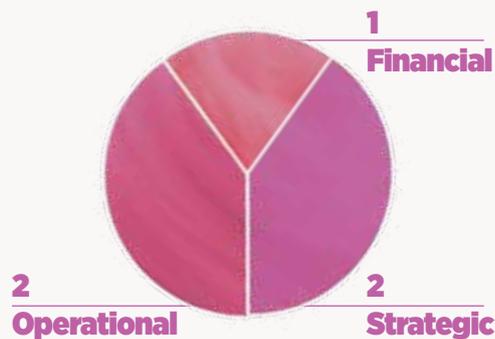
2015 yılı kurumsal yönetim derecelendirme noktası 10 tam puan üzerinden 9,50'ye çıkaran Akxa, müşterilerine, çalışanlarına ve paydaşlarına SPK Kurumsal Yönetim İlkeleri'ne tam uyum ve şeffaflıkla hizmet vermenin gururunu yaşıyor.

Akxa Akrilik Kurumsal Yönetim Derecelendirme Raporunu akxa.com.tr/akxa/kyd ve www.spk.gov.tr adreslerinden inceleyebilirsiniz.

AKSA



a 'high' or 'very high' level risk score are monitored at the level of the Board of Directors, detailed action plans are prepared for every risk, risk owners are assigned to every risk, thereby ensuring the effective implementation of these action plans. The 5 main risks with the highest scores in the 2015 risk inventory were defined as critical:



As part of the certification of the Corporate Risk Management works of Aksa by Turkish Standards Institute (TSE), "TS ISO 31000 Risk Management System Verification" audit was successfully completed in 2014. Aksa has also completed the surveillance audit conducted by TSE during the reporting period without any nonconformity.

STRATEGIC PLANNING

The Strategic Planning Workshop, which is organized every year on a regular basis under the leadership of the General Manager and with the participation of all directors and managers, constitutes the foundation for Aksa's strategic planning processes. As part of the workshop, where economic, political, social, technological, industrial, logistic and environmental conditions are assessed on the global, national and sectoral levels, domestic and foreign markets analyses are performed in light of feedbacks received from the market and customers. Following all analyses and assessments, the strategies and critical success factors of Aksa are reviewed and necessary updates are performed in needed strategic areas. Subsequent to the workshop organized during the reporting period, the primary strategic themes were identified as operational excellence and development of new lines of business. In addition, as part of the strategic plan dissemination works



started in 2014 with an expert team of 30 people, 149 expert level employees were achieved in 2015; the vision and strategies of Aksa were shared with a broader body of employees. The vision model, superordinate target, values and features of Aksa were conveyed to employees through the exposition of managers and strategy games.

SUSTAINABILITY MANAGEMENT

Aksa, the world’s largest acrylic fiber producer, addresses a vast geography with the products it manufactures and accordingly creates large social, environmental and economic spheres of influence. The company, which aims to create added value for all its stakeholders by ensuring its positive influence in these spheres, considers guiding the sustainable development of its operational geography to be among its basic duties. Aksa actualizes sustainability practices that constitute an example for its industry and for Turkey, in accordance with the corporate accumula-

tion of Akkök Group of Companies, with which it is affiliated, and its own industry-specific experience.

Aksa, which puts stakeholder feedbacks obtained through communication mechanisms, whose efficiency has been proved over the years, at the center of its sustainability policies and practices, constitutes its sustainability priorities and short, mid and long term sustainability targets also in light of these feedbacks. Aksa, which aims to minimize its environmental impacts and contribute to social development with its social and economic sustainability performance, acts with the belief that the financial successes it has achieved can only be maintained in this way.

At Aksa, the General Manager is responsible for the financial and operational performance of the company, as well as its sustainability performance before the Board of Directors. Sustainability issues are divided among departments directly dependent on the General Manager ac-

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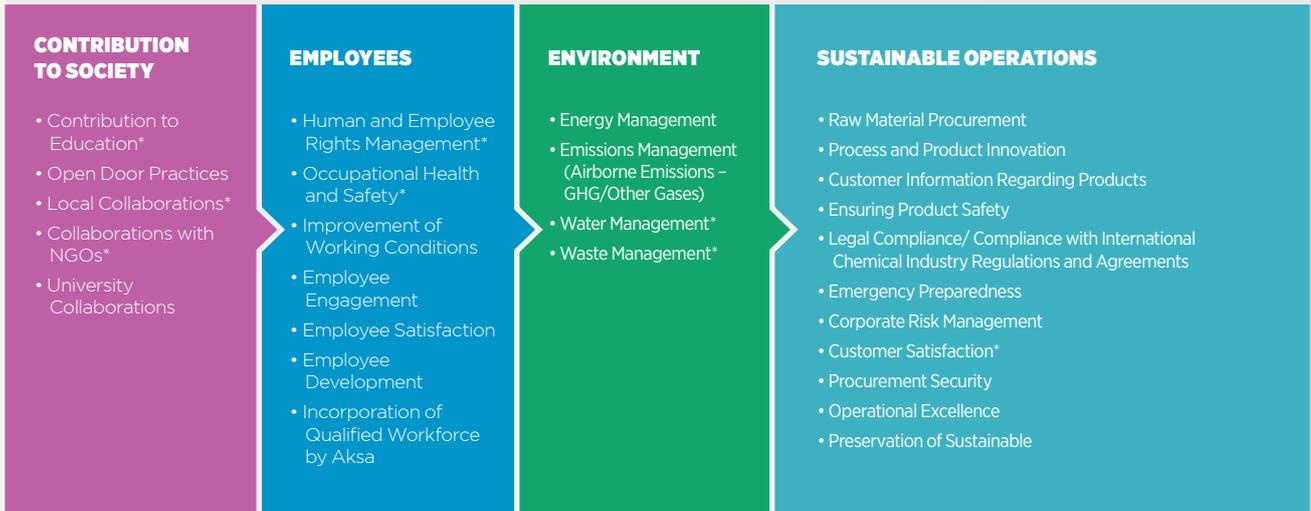
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AKSA SUSTAINABILITY REPORT 2015

Our Material Issues



* Also material in the value chain.

According to their expertise, sustainability targets are disseminated from higher to lower levels through effective communication tools, performance results in these fields are controlled through audit mechanisms and they are conveyed to higher levels through reporting practices. Feedbacks and updates concerning performance results for sustainability priorities are formed, action plans are determined through assessment meetings attended by the senior management

The vision model, corporate strategies, and primarily stakeholder feedbacks play a significant role in determining the sustainability priorities of Aksa. In the reporting period, as in the previous period, material issues set forth in the priority identification workshop held in 2013 were reviewed. One-on-one interviews were held with function representatives, directors and managers, to whom Aksa stakeholders can convey their views in person; the transmitted sustainability issues, performance realizations and targets in these areas were assessed and material

issues were redefined. The policies, practices, targets and performance results of Aksa regarding material sustainability issues were offered to stakeholders' views under the main headings of Sustainable Operations, Employees, Contribution to Environment and Society.

Aksa, which commits to direct the sector it leads with its Vision Model and to maintain the value it creates for all its stakeholders in the future, makes a great effort to render the positive value it creates in the social, economic and environmental areas sustainable with this understanding. The company effectively manages the sustainability priorities determined in accordance with its core values and basic characteristics, it creates ever more value for its operational geography while advancing towards the superior targets it identifies.

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AKSA SUSTAINABILITY REPORT 2015



STAKEHOLDER ENGAGEMENT

Aksa defines all individuals, institutions and organizations that are influenced by or have an influence on its operations as its stakeholders, it comes together with each of the defined stakeholder groups in different mediums and at varying practice intervals. The company obtains the views, demands, suggestions and complaints of its stakeholders through communication and engagement channels based on efficiency and transparency, it regards these feedbacks as the primary input for the development of its sustainability performance.

The target stakeholder groups of Aksa are regularly reviewed based on the results of reputation surveys conducted by Akkök Group of Companies through the agency of independent organizations, areas of improvement are identified with regard to communication methods and action plans are formed. Aksa receives feedbacks about industry-specific developments from professional associations, about its operations and working conditions from its employees, about the social and environmental impacts of its operations from local administrations

and local community, about its products, product quality and joint projects from its customers. The feedbacks received from different stakeholder groups regarding sustainability issues contribute to performance enhancement in these areas, performance results are transparently offered to the views of stakeholders.



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

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2015 Targets	Progress
Obtaining ISO 50001 certification	Completed
Participating in CDP Water Disclosure program	Completed
Materializing our Joint Treatment Facility Project	Completed
Materializing our Reverse Osmosis Project	Completed
Removing Fly Ash from the category of waste with CE certification and providing it to relevant industries as raw material additive product	Completed
Extending ISO 27001 System to all company units	In Progress

2016 Targets
Obtaining Green Port certification for our Port Facility
Maintaining CDP Water Disclosure program and participating in CDP Climate program
Obtaining Green Building Certification for the recently built Headquarters in Yalova
Finalizing the KOK (Accident Prevention Culture) Project and ensuring its sustainability
Completing accreditation process of TS EN ISO 17025-General requirements for the competence of testing and calibration laboratories- for selected units of our central laboratory.
To complete Great Place to Work project
Actualizing “Aksa ile Gelecek Orkestrası” Corporate Social Responsibility Project

SUSTAINABLE OPERATIONS

AS AKSA, WE MAINTAIN OUR OPERATIONS WITH THE UNDERSTANDING OF OPERATIONAL EXCELLENCE. WE ACTUALIZE EFFICIENCY ORIENTED INVESTMENTS, PROJECTS AND PRACTICES UNINTERRUPTEDLY FOR THE VALUE GENERATED WITH THIS UNDERSTANDING TO BE SUSTAINABLE FOR BOTH AKSA AND ITS STAKEHOLDERS.





We support the value we constitute through our knowledge accumulation, leading position in our industry, human resource, and experience with new practices and investments, thereby increasingly extending the value we create for our stakeholders.

With the efficiency and modernization projects we realized in 2015, the annual production capacity of Aksa has reached 315,000 tons. This achievement, realized within the context of the practices and projects that were implemented, has increased Aksa's competitive advantage. We continue to manage this success that was achieved by duly fulfilling our responsibilities.

Value chain processes, which start with new product development and raw material procurement processes and continue with production and customer relations, are tackled with an approach to minimizing costs and environmental impacts without conceding from quality. Studies are developed regarding new areas of usage for acrylic fiber, investments are made in parallel with these

studies, the impacts on environment and human health of new products obtained in result of these processes are eliminated.

Obtaining the expectations of our stakeholders and ensuring the dissemination of the management understanding we put forth as Aksa throughout our value chain are also of significant importance for the sustainable growth of the generated value. With this understanding, we both increase the business volume we create for our suppliers, and expect them to adopt our management understanding in the issues of environment, ethics and occupational health and safety. We collect our customers' feedbacks in order to actively meet their expectations; we ensure the development of our products and processes in relation to these expectations and feedbacks.

MANAGEMENT SYSTEMS

At Aksa, the critical dimensions of operations, such as quality, environment, occupational health and safety and information security, are managed within the framework of internationally accepted systems and stan-



dards. The compliance of operations with systems and standards is ensured through internal and external audits, while performance during the working year is monitored and recovery and action plans for the subsequent year are drawn and implemented. Periodical trainings befitting Aksa policies and objectives are provided in order to enhance the awareness and competence of employees regarding management systems.

In the reporting period, works were started for Corporate Memory and Information Security Management System aiming for the management of Aksa's accumulation. In this regard, risk studies on information assets were completed in order to identify information, define its location, determine ways of use for the information that will be beneficial for the organization, preserve information in proper environments and make it accessible; necessary actions were determined regarding risks. In 2016, actions determined as part of the study will be implemented and TS ISO 27001 Information Security Management System will be established.

All Aksa operations comply with TS ISO EN 9001 Quality Management System, TS ISO EN 14001 Environmental Management System, TS EN ISO 50001 Energy Management System, OHSAS 18001 Occupational Health and Safety Management System, TS ISO EN 14064-1 Greenhouse Gas Emissions Management System, TS ISO 31000 Risk Management System, and Safety Management System conducted within the scope of the Regulation for Preventing and Reducing the Effects of Major Industrial Accidents.

Within the scope of the new "Project Management System", whose groundwork was prepared in 2014 and which was put into use in 2015, it is aimed for documentation regarding project management to be more easily formed, integration and sustainability to be ensured, traceability of processes to be enhanced, efficient reporting, and storing project outputs in corporate memory. In the current state, nearly 100 projects are flowing through this system and it is aimed for project information and lessons learned to be transmitted to the future independently of team members.



KALDER EXCELLENCE AMBASSADORS AWARD

Aksa was deemed worthy of the “KalDer Excellence Ambassadors” award at the 24th Quality Congress organized for the purpose of recognizing institutions, organizations and individuals who have contributed to the sustainability of the journey to quality and excellence. At the Awards Ceremony, “Excellence Ambassadors Honor Plaque” was awarded to the representatives of 32 institutions and organizations that have received the EFQM Grand Prize / Turkey Excellence Grand Prize and Sustainability Award since 1993.

As part of Green IT Practices, we have carried many processes in the paper medium (for instance, Project Management Process Approval Forms, Incoming and Outgoing Correspondence, Change Management, Unit Work Permission Forms, and similar practices) to the electronic environment through works developed over the eBA (Electronic Document Flow) software. With around 79,938 flows conducted since the engagement of the system, 25 trees worth of paper savings were ensured as a result of processes transferred from the paper medium to the electronic environment. At the same time, it facilitates the systematic management of flows, easy tracking and rapid access of those concerned to documents that constitute important resources for corporate memory.





RESPONSIBLE PRODUCTION

As AKSA, we effectively implement Quality, Environment, Occupational Health and Safety, Energy Management Systems in all our processes, review and constantly improve them. We produce our products, following innovations in technology and the market, based on changing market conditions and customer oriented approach, ensuring competitive cost and high efficiency, without conceding from superior quality, low energy consumption, environmental sensitivity and occupational health and safety.

Our most significant guide for the sustainability of our operations is our “operational excellence” understanding. The excellence approach in all our processes plays a primary role in ensuring the increasing continuity of the value we generate with our products and services. With this approach, Aksa realizes its operations by using and observing international standards. This body of practices encompasses

monitoring and measuring activities, process control, project management, process performance management and lean six sigma practices. Results acquired through these practices are assessed by internal and external audits, thereby allowing for the constant improvement of achieved results.

In 2015, Aksa focused on projects enhancing efficiency and quality in accordance with its operational excellence understanding. These works generally consisted of works for ensuring maximum productivity and capacity, as well as product standardization. In addition, the “process control” process, whereby future needs are identified and performance is supervised through close monitoring of processes, was made more active in 2015. With this

You can visit <http://www.aksa.com/tr/kurumsal/sertifikalalar/sertifikalalar/i-5> for more information regarding the certifications of Aksa.





practice, an approach where quality and efficiency go hand in hand is implemented.

By conducting control activities at every stage, starting with raw material procurement, at our laboratories that operate under the Directorate of Process and Product Development, operations ensuring that our products are at the desired quality are realized. In 2016, we aim for TS EN ISO 17025 General Conditions for the Qualification of Experimental and Calibration Laboratories – Accreditation Process to be completed for certain departments of our central laboratory.

For our products to be at the desired quality and to be produced with a responsible production understanding befitting environmental and human health are of paramount importance. For this reason, Aksa complies with standards for ensuring product quality and safety and takes part in these initiatives. In this regard, in 2015, we continued our OEKO-TEX Standard 100 certification, an independent auditing

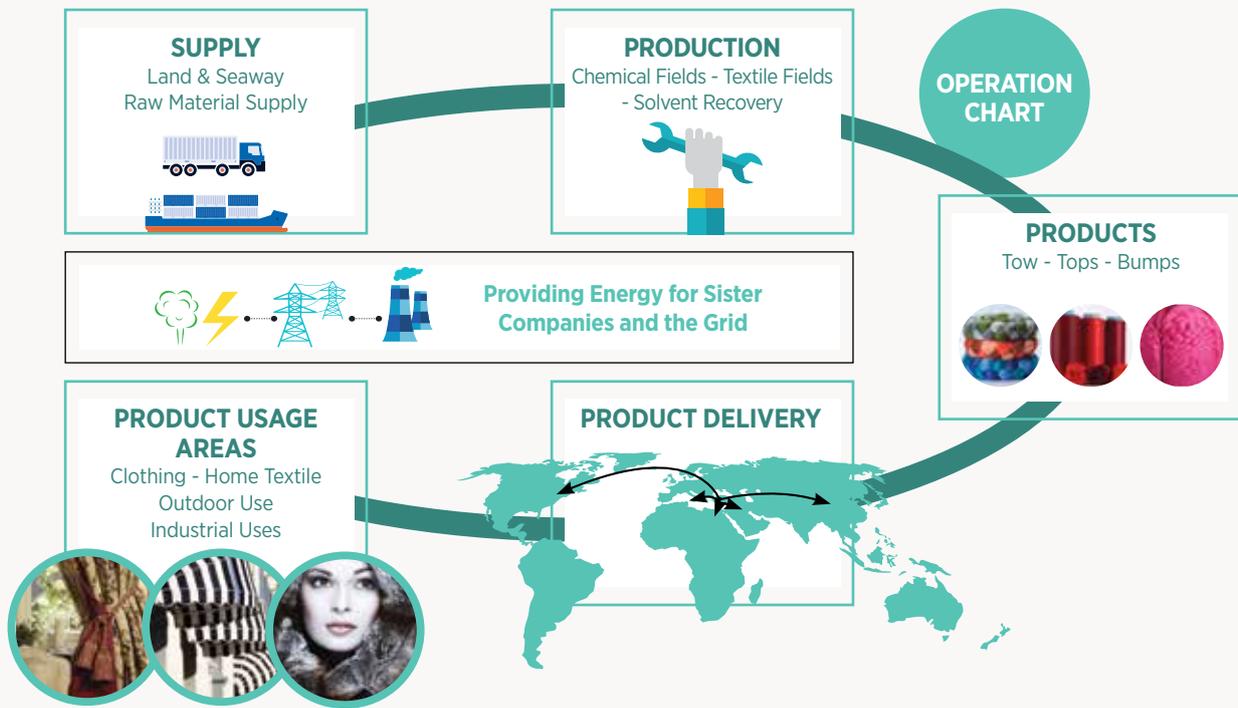
SYSTEM DESIGN PROJECT WITH METU

As Aksa, we believe in the importance of industry-university cooperation and we actualize our projects in accordance. As part of the project carried out during the reporting period, various measurement and coding processes were realized within the scope of studies on data collection and process identification conducted together with Middle Eastern Technical University Industrial Engineering senior students. Following the establishment of the model during the first period of the project, works for forming a mathematical model for the simulation will be pursued in the second period.

and certification system based on trust in textile encompassing all production stages of textile products.

We maintained our information flow by implementing our understanding of working in harmony with human health and environment throughout all our supply chain, from our suppliers to our customers, by closely following local and international regulations such as CLP, REACH, Ca Prop. 65, ETAD, INDITEX etc.

As part of product development activities, works are implemented, focused on meeting the expectations of customers and increasing new areas of usage for acrylic fiber that are among our objectives and core values in our Model of vision; opportunities in the market and new markets are strictly followed in this



regard. At the end of all these works, research studies are conducted. Regulations concerning human and environmental health are complied with in product development processes.

As part of works for developing products with added value, different stakeholder groups are cooperated with. In order to meet customer expectations and demands and develop products for new usage areas, we cooperate with universities, institutes and our customers.

You can visit the “Products” section on our corporate website www.aksa.com for more detailed information about our product types, namely, acrylic fiber, textile and technical fibers, usage areas and products.

Modacrylic

In this reporting period, as a result of R&D investment and studies, we introduce our innovator product modacrylic fiber to market. Modacrylic fiber is a product that can only be produced by a limited number of companies around

the world, has the characteristic of low inflammability, and is primarily used in protective working outfits, plastic sector and artificial hair production.

R&D works continue for flame retardant products to meet the rising demand for inherently flame retardant products with changing regulations. Also, textile and performance tests are conducted towards different usage areas.

SUPPLY CHAIN

Aksa, which adopts a responsible supply chain management, implements supplier selection and assessment practices based on social and environmental, as well as financial criteria, it aims to generalize its sustainability understanding across its value chain. In accordance with the supply management understanding based on constant communication, communication, audit and performance assessment practices are carried out on the basis of mutual development.



Aksa takes into consideration issues such as environmental and OHS policies, ethical values, employee rights in both the selection of new suppliers and as part of the assessment processes of existing suppliers. The legal compliance and quality certifications of suppliers, whose policies and approaches are investigated, are examined; they are expected to conduct operations in conformance with OHS principles and working hours. It is ensured that the basic areas of competence for existing suppliers are determined, developed and their performances are assessed through the Supplier Performance System implemented on an annual basis. The results of the performance system practice and action plans formed regarding improvement areas are transparently and regularly shared with suppliers, supporting mutual development. Also, Aksa has subjected to audits 2 companies supplying material at levels critical for production during the reporting period. The audit report was conveyed to the companies and actions were determi-

SUBCONTRACTOR MANAGEMENT SYSTEM

Thanks to the Subcontractor management system put into practice during the reporting period, any potential misappropriations were prevented regarding the breakdown of subcontractor personnel working on our site by work types, measurement of individual working hours, and issues such as which personnel were employed (person*hour), progress payment transactions, working and wage. In this regard, it is ensured that employees receive their compensation regularly, social security contributions are fully and timely paid, they work in accordance with OHS rules, their required trainings are recorded, mobbing cases are prevented, and working hours are standardized.

INHOUSE ENTREPRENEURSHIP

As of 2014, Aksa added finding new areas of usage for acrylic and growing through new products or strategic collaborations to its operational excellence strategy, on which it based its sustainable growth and development to date. Through these strategies, the global success achieved in acrylic fiber with the operational excellence strategy is aimed to be carried into new lines of business. In 2015, the Inhouse Entrepreneurship Program was started as a driving force for new strategies. Through the Inhouse Entrepreneurship program, it is planned for innovative ideas to be tested in a shorter time with a minimal cost and for the talent of innovative viewpoint to be enhanced among our employees.



ned for identified weaknesses. In 2016, it is planned for 2 more suppliers of critical significance to be audited.

At Aksa, the Subcontractor Responsible functions under the Directorate of Purchasing as the operational structure that ensures the regular auditing and monitoring of subcontractor and sub-employer companies. The Subcontractor Responsible, who works in coordination with the units and directorates of HR, Legal, HSE and Administrative Affairs, guarantees that subcontractor company personnel are working at healthy, safe and decent workplaces through the documents it obtains from the companies regularly every month.

Aksa, which aims to positively contribute to its indirect economic influence sphere, prioritizes suppliers located in Yalova region, where it operates, in its purchases, thereby contributing to the prosperity level of the local community. In the reporting period, the share of local suppliers in Yalova among all active domestic suppliers was realized as 48% in TL basis.

OUR CUSTOMERS

Customer orientation is among the core values defining Aksa's stance. For this reason, reaching out to customers with products and services that will meet their demands and expectations is among priorities with a high level of significance. It is very important for Aksa to obtain customer feedbacks, be in constant communication with customers and develop products and services devoted to the received feedbacks, in order to be able to meet this expectation. In addition, Aksa aims to be the best in terms of quality, service, manufacturability, price and supply regarding its current products. Aksa is conducting works towards increasing the recognition of acrylic and creation of new usage areas for acrylic, with its customer orientation approach.

Aksa Customer Services Unit assesses customer needs, demands and complaints to prepare necessary action plans, meet customer expectations, and find solutions for their complaints. The service provided



in this regard is not limited to technical support, but also comprises recovery and improvement works in relation to the processes of Aksa customers. In this context, Customer Services Unit realized a total of 129 technical support visits during the reporting period. Besides, as part of the support provided to develop customer processes, 24 consultancy works were realized between the years 2012 and 2015.

In addition to technical services provided to customers, the Customer Satisfaction Survey, whereby the satisfaction levels of customers are determined, is conducted through the agency of an independent survey institution. The obtained satisfaction level and feedbacks are actively evaluated and actions are taken. We plan to conduct out Customer Satisfaction survey in the subsequent reporting period.

Aksa takes customer information confidentiality as basis, as part of its corporate culture. All employees and personnel are informed on this issue with trainings. The

As part of the “Supplier Relations and Supplier Performance Assessment” themed 3rd Purchasing and Supply Chain Management Conference organized on November 19, 2015, our Technical Purchasing Director Melih Enes Meral made a presentation about our system for “Performance Assessment in Fixed Price Purchases” as best practice.

Customer Services department was one of the departments where ISO 27001 Information Security Management System, which ensures the maximum security of corporate and stakeholder information, was implemented in trial during 2016. During the reporting period, no complaints were received regarding the violation of customer information confidentiality.

Aksa, being considered in the extremely hazardous occupation class, does not employ any personnel who have not turned 18, similarly preventing sub-employee and subcontractor company personnel who have not turned 18 from entering the factory site.

OUR ENVIRONMENTAL IMPACT

AS AKSA, WE CARRY OUT OUR OPERATIONS WITH THE AWARENESS OF THE RESPONSIBILITIES WE BEAR. ONE OF THE MOST SIGNIFICANT ISSUES WE EVALUATE IN THIS SCOPE IS ENVIRONMENTAL MANAGEMENT.





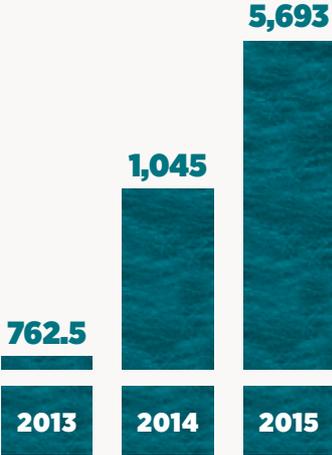
We spent a total of
7,664,637 TL
on environmental protection
expenditures and investments during the
reporting period.

We actualize practices to reduce our environmental impact within the context of relevant processes to which we attach particular importance as part of our vision model.

We manage our related processes with the awareness that the continuity of our operations and attainment of more efficient results can only be ensured by conducting our operations in harmony with the environment. For this reason, we develop measures to reduce our environmental impact, track our performance and strive to achieve better results through the evaluations we perform.

We carry out our operations in full compliance with the rules determined by laws and regulations. In this regard, we plan and manage our operations in a way that will answer and adjust to current developments and necessities. With this understanding, we care for the sustainability of our investments particularly about environmental management. In the reporting period, we spent 7,6 million TL on environmental protection expenditures and investments.

**ENVIRONMENTAL TRAININGS
BY YEAR (PERSON*HOUR)**



The training of our employees about relevant topics and processes is significant for enhancing awareness and achieving better performance in relation to environmental issues that are sensitively managed within the scope of integrated management systems. In this regard, we provided 5,693 person*hour of environmental training to our employees during the reporting period. In addition, we also provided trainings for subcontractor company employees as applicable. During the year 2015, we provided 752 person*hour of environmental training to subcontractor employees.

Increasing the value that we obtain in result of the works we conduct within the context of environmental management and extending it to various stakeholder groups is among issues we place emphasis on. In this context, we work to actively use mechanisms that collect our stakeholders' feedbacks. We continue to maintain our operations with the awareness that the value we add to both our business and our stakeholders will increase through reciprocal dialogue platforms that we strive to constitute.



The waste heat energy, which was released into the atmosphere until 2014, was started to be used for the preheating of wash water in 2015, thereby ensuring

1,600 kWh/h
of heat energy savings.

ENERGY MANAGEMENT

Uninterrupted energy supply is of particular importance for the sustainability of Akso operations. By means of our energy production license, we ensure this continuity besides providing energy for our sister companies operating in the same region and putting the excess energy produced on the electric market.

We carried the particular importance we attach to energy management one step further by completing our ISO 50001 certification process in 2015. In this way, we aim for making more efficient use of energy in every stage of processes and reducing the amount of energy consumption per unit production. It is also aimed for our environmental impact to be reduced through this systematic approach in energy management, as well as operational excellence works.

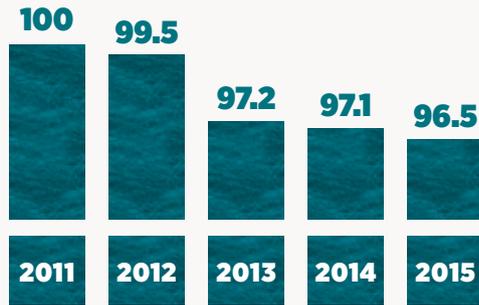
Energy management is daily monitored by our directorates. Consumptions are considered, actions are taken and performance is observed at energy management meetings. Practices regarding the efficient use of energy are determined and implemented at efficiency meetings organized at the end of these practices.

In the reporting period, 4,7 million tons of vapor and 785 million kWh of electricity were generated at our power plants. Around 10% of this amount is used for the internal needs of power plants and the remaining amount is used in production processes, supplying sister companies and the grid.

Efficient use of energy is as significant as uninterrupted energy supply for the continuity of our operations. We actualize projects regarding more efficient energy use and energy savings throughout the working year and ensure improvements. By means of the energy efficiency projects we actualized during the reporting period, we have achieved a total of 88,335 GJ of energy savings, of which 54,245 GJ of heat energy and 34,089 GJ of electric energy saving. With all these savings we have ensured during the reporting period, we have also achieved 10,562 tons of CO₂ reduction.

SPECIFIC THERMAL ENERGY CONSUMPTION

(INDEX, BASIS: 2011, 100 KWH/TON TOW)

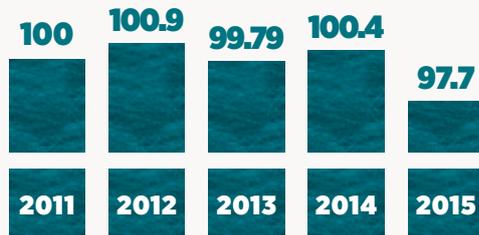


505 SOLVENT RECOVERY UNIT

505 Solvent Recovery Unit was engaged during the reporting year, in 2015. Seven storage tanks, seven process columns and heat exchangers, flashers and cooling equipment serving these are involved within the context of the project. The project allows for recovering 100 tons of raw material hourly. Thanks to the new technologies developed with the new unit, we have realized around 20% of the energy savings we achieved in 2015 in this way.

SPECIFIC ELECTRIC ENERGY CONSUMPTION

(INDEX, BASIS: 2011, 100 KWH/TON TOW)

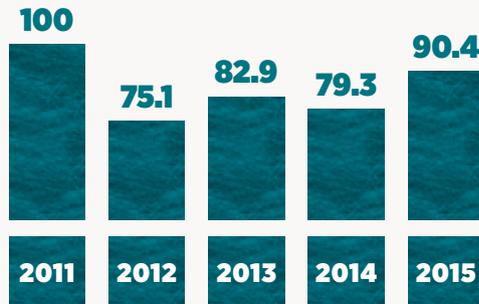


PROOF NOT PROMISES AWARD GOES TO AKSA

We were entitled to receive the Proof Not Promises award with the project that we developed with GE Power & Water, Water and Process Technologies in order to contribute to operational excellence in energy production. Our project, which arose within the context of researches and studies conducted in order to prevent the unplanned disabling of boilers in our power plant due to pipe damages, served to prevent the sudden and unplanned disabling of boilers while also deactivating factors that influence energy supply negatively, thereby averting production, efficiency and quality losses in our production processes.

AMOUNT OF WASTE HEAT GENERATED

(INDEX, BASIS: 2011, 100 KWH/TON TOW)



Despite decrease in waste heat production in 2014 (decrease in waste heat production as a result of deactivation of natural gas boilers, as a result less waste heat energy used in process) decrease in specific thermal energy observed.

The waste heat energy, which was released into the atmosphere until 2014, started to be used for the pre-heating of wash water in 2015, thereby ensuring 1600 kWh/h of heat energy savings.

WE REALIZED A FIRST IN TURKEY WITH THE ADVANCED ENERGY SOLUTIONS (AES) PROJECT

The first application in Turkey of advanced control methods contributing to operational excellence was realized by Aksa as part of our project. The project ranks first among over 50 practices in 10 countries on different continents, with its shortest “feedback” span. Through the project, stabilization was achieved in the energy production process, alterations in vapor demand were safely met by using coal bunkers.

In result of the project, which ensured the increase of vapor production temperature using the same amount of fuel, turbine electricity generation was enhanced. Inefficiencies caused by pressure drops were minimized, thereby increasing electricity generation in turbines. Besides, one steam boiler that was engaged for system security was deactivated with this project, ensuring electricity savings and preventing heat losses. By means of the project, a total of 19,872 GJ of energy savings was achieved and 48,751 tons of CO₂ emission was prevented.



Greenhouse Gas Emission (ton CO ₂ e)				
	2012	2013	2014	2015
Direct	806,943	857,737	1,136,312	1,210,750
Indirect	27,455	20,507	22,700	5,815
TOTAL	834,398	878,244	1,159,012	1,216,565

EMISSION MANAGEMENT

We maintain our operations with the awareness that emission management is a process that needs to be managed especially within the scope of combating Climate Change. We manage all processes necessary for fulfilling different legal requirements that our emissions are subject to within the context of emission management, as process emissions and combustion emissions, in full compliance. We report our process emissions to the Ministry of Environment and Urbanization with measurements performed every two years as per relevant regulations. In addition, relevant emission sources are reviewed and necessary measurements are performed in changes applied as part

of process changes, capacity increases and development works.

Our power plants are monitored online 7/24 by the Provincial Directorate of Environment and Urbanization and the Ministry of Environment and Urbanization as required by the regulation for emissions originating from combustion. Thanks to the projects realized during the year and the constant monitoring provided, our related emission values are well below the limit values identified by regulations.

In the reporting period emission values were below the limit values identified by licenses and were realized as follows:

	2015
Total NOx Emission	132.5 kg/h
Total SOx Emission	102 kg/h
Total UOB Emission	0.51 kg/h
Other Emissions (PM)	2.1 kg/h PM

The greenhouse gas emission caused by our power plants, which is directly related to climate change, was audited by an independent institution within the scope of ISO 14064-1 and certified with extensive



assurance, as in the previous periods. As Aksa, we are the first institution in Turkey to adopt the Greenhouse Gas Quantification and Reporting standard ISO 14064-1.

We have uploaded our greenhouse gas monitoring plan, which is our legal liability in this issue, to the Ministry of Environment and Urbanization online data system. Besides calculations, we also assess our risks and opportunities in this area and work on appropriate strategies for our company.

WATER RESOURCES MANAGEMENT

The efficient use of natural resources and ensuring the sustainability of these resources by taking necessary measures in this regard is an issue of particular significance for the whole world. Water is one of the most significant among these natural resources. Besides problems regarding usage, with the impact of climate change, today we further appreciate the critical importance of water management. Aksa strictly monitors water management

Wastewater Discharge by Year (m³)				
2011	2012	2013	2014	2015
2,445,500	2,463,750	2,950,507	2,833,690	2,472,875

and its related performance with the awareness of this responsibility it bears.

In 2015, our total water consumption amount was realized as 4,052,386 m³, increasing by about 4% as against the previous year due to the increase in our fiber production capacity.

In the reporting period, 1,375,783 m³ of water, which is equivalent to 34% of our total water consumption, was recycled and reused.

The management of the wastewater generated by our operations is very important for Aksa. The industrial and household wastewaters generated by our operations are discharged in accordance with the requirements identified by regulations, with the understanding of complete legal compliance in this issue. As of the end of 2015, the household and industrial was-



tewaters generated by our operations are treated at the Joint Treatment Facility, closing down our existing treatment facilities.

AKSA PARTICIPATED IN THE CDP WATER DISCLOSURE PROGRAM

CDP Water Disclosure Program, which was actualized in Turkey in 2015, aims to mobilize and direct companies considering the necessity for the private sector to assume responsibility. The practice offers companies a platform where they can transparently disclose their water usage, risks and strategies regarding water. In consequence of the importance we attach to water management as Akxa, we have responded to the program that is implemented for the first time in the reporting period.

JOINT TREATMENT FACILITY

All household and industrial wastewaters are treated together at the facility established in a 17 thousand m² field within the body of YALKIM OSB, which includes Akxa, Ak-Kim and Dow-Akxa from among Akkök Holding companies, with an 18 million USD investment. The daily wastewater discharge of the facility is 15 thousand m³.

In addition, with the actualization of the project, it is aimed for treatment facility exit water to be recovered with a capacity of 250 m³/hour through Ultrafiltration and Reverse Osmosis technologies. Since the recovered water has the characteristic of raw water comparable to dam water, we will have created an alternative raw water resource without disturbing the ecological balance through the practice.

REVERSE OSMOSIS PROJECT

The efficient use of water resources is one of the significant problems facing our world. The reflection of this problem on the business world is of equal importance. With the "Reverse Osmosis" project, whose project we developed during the previous reporting period in accordance with our responsible production understanding, we now use water resources more efficiently in our operations. With the implementation of the Reverse Osmosis project, we are now realizing about 62% of our water use in this way.

97 % of our wastes are utilized as raw material additive in recovery and other industries.



WASTE MANAGEMENT

As a production company, we carry out our operations with the awareness of managing the wastes arising in result of our processes sensitively. Our primary approach consists of reducing and recovering waste at the source. Projects and practices are implemented in order to achieve this. The elimination of wastes is ensured as determined by regulations and related performance is monitored in accordance with defined targets.

Within the body of Aksa, wastes are separated as hazardous and nonhazardous in accordance with regulations. Household wastes generated by office use and the cafeteria are sent to the affiliated municipal sanitary landfill. Recyclable packages, wastes such as paper are accumulated in separate trash containers at offices and on the field, and sent to the recycling company.

Our wastes originating from processes are sent to the disposal plant due to its high calorific value and they are eliminated by incineration for energy purposes. Other wastes are delivered to waste disposal companies authorized by public institutions.

Waste Amounts by Disposal Method in 2014 (tons)			
	2013	2014	2015
Total Hazardous Waste Amount	3,199	1,446	2,240
Recovery	8	120	532
Reuse	6	29	0
Incineration	3,185	1,297	1,708
Total Nonhazardous Waste Amount	40,397	47,388	17,792*
Recovery	270	789	789
Reuse	32,164	40,407	11,606*
Sanitary Landfill	1,799	1,255	1,255
Incineration	6,184	4,937	4,143

**Flying Ash shifted from the waste to product category with CE certification.*

Wastes are transported through the agency of licensed companies. The transportation process is carried out by licensed vehicles befitting the characteristics of the waste.

In the previous reporting period, audit works regarding the use of fly ash wastes generated in result of energy production processes as product raw material in relevant industries were completed and CE certification was received in 2015. In this way, about 36,085 tons of ash that was formerly considered waste was categorized as product, enabling its reuse.

VALUE CONTRIBUTED TO EMPLOYEES

WE BELIEVE TALENTED, CREATIVE, HAPPY EMPLOYEES WHO ARE OPEN TO LEARNING ARE THE MAIN FORCE THAT WILL CARRY OUR GLOBAL BUSINESS SUCCESS FURTHER. WE KNOW THAT OUR CONTRIBUTION TO THE CAREERS OF OUR EMPLOYEES DIRECTLY INFLUENCES OUR BUSINESS SUCCESS.





For this reason, we make use of systems to ensure that all our employees are performing the right job at the right time, they are developing their knowledge and skills in accordance with their needs, and receiving constructive and timely feedback regarding their performance. We select the leaders of the future from among our employees through effective talent management practices. We consolidate employee participation with various internal communication practices, we strive to enhance employee engagement. We take all measures to be able to provide a healthy and safe working environment.

We take respect for basic human rights as basis at the foundation of all our human resources practices. We prevent all kinds of discrimination with our belief in the value created by social diversity.

WORKING LIFE AT AKSA

Offering a dignifying working environment to our employees is among our primary corporate values. We actualize human resources processes that respect employee

rights, disallow discrimination and comply with global human rights principles in all our organization, we look for ways to generalize this understanding across our value chain. We act in light of these values in all our practices from recruitment to remuneration, to performance assessment to career management practices, we constantly enhance our performance in the area of human and employee rights.

As part of our recruitment practices, we treat all our potential employees equally without discrimination based on age, physical disability, race, ethnic origin, gender, religion, faith, or sexual orientation. We carry out our recruitment processes by assessing individuals with proper qualifications for the position, independently from gender and without discrimination. We employ our disabled personnel in position befitting their physical conditions, we help the socio-economic development of our operational geography with our local employment policy.

We pursue remuneration and vested benefits strategy based on responsibility,



seniority and employee performance with the Work Assessment and Remuneration Model predicated on remuneration according to performed work. We do not take into consideration any factors that might cause discrimination in determining the benefits we offer to our employees.

At Aksa, we strive to be a mother-friendly workplace. Four out of 5 women employees who took their maternal leave in 2015 returned to work and three of them continued working for at least 12 months. At the same period, 90 men employees benefited from parental leave entitlement and returned to work.

Since Aksa operations make use of high technology due to the nature of our industry and are categorized as very hazardous occupation, they do not carry any risk of child labor. As per the United Nations Global Compact, of which we are signatory, we do not conduct operations that carry risks regarding child labor or forced labor, we ensure the observance of these principles in our value chain through auditing practices we perform.

ETHIC MANAGEMENT AT AKSA

We make use of communication mechanisms through which our employees and other stakeholders can convey their complaints in cases when corporate ethics principles, which include anti-discrimination articles, are violated. Our stakeholders can apply to our company's Ethics Representative, the Ethics Committee, the manager under which they work, the Human Resources Department or Akkök Ethics Line when they believe they are facing a situation that violates human rights. Notices received through Akkök Ethics Line are collected by an independent third party institution, conveyed to Aksa Ethics Committee and evaluated. The Ethics Committee consists of Akkök Legal Director, Akkök HR Director, Akkök Audit Director and Aksa Ethics Representative. All employees working for the ethics line can be reached 7 days of the week, through phone, mail or e-mail. Great care is shown to uphold confidentiality principles in every stage of the process. It is

During the reporting period,
49 employees received
147 person*hour of human
rights training.

pleasing that no complaints regarding any discrimination cases or workforce criteria were conveyed to our part during the reporting period.

Our Business Ethics Principles booklet was shared with all our employees, posters including Ethics Line and Ethics Representative information were kept in places visible to our employees throughout the year. The Ethics Mail, prepared within the body of Akkök, was started to be published monthly in May 2015 and distributed to our employees. Informative texts involving various ethical case examples were shared with our employees in order to better explain our codes of conduct. Our Business Ethics Principles were added to the orientation program for our newly recruited employees as of May 2015. Our Business Ethics Principles and related policies are also shared with our external shareholders on our corporate website.

As part of trainings organized during the reporting period to enhance awareness regarding business ethics and codes of

During the reporting period,
440 person*hour of Business
Ethics Principles and Practices Training,
147 person*hour of Human
Rights, Combating Against Corruption,
66 person*hour of Fraud Monitoring
Training provided.

conduct, 389 employees were provided with a total of 440 person*hour of Business Ethics Principles and Practices Training. Besides, 49 participants were provided with 147 person*hour of Human Rights, Combating Against Corruption and Transparency Training. In addition to these trainings, 66 person*hour of Fraud Monitoring Training was offered to 11 executives.



TALENT MANAGEMENT

IN LINE WITH OUR STRATEGIC BUSINESS GOALS, WE ATTACH MAXIMUM IMPORTANCE TO RECRUITING AND KEEPING QUALIFIED WORKFORCE FOR OUR COMPANY AND CONTINUOUSLY IMPROVE OUR PERFORMANCE IN TALENT MANAGEMENT THROUGH ACTIVE PERFORMANCE EVALUATION, EMPLOYEE DEVELOPMENT AND CAREER MANAGEMENT PRACTICES.





PERFORMANCE ASSESSMENT SYSTEM

In line with our strategic business objectives, we attach importance to the incorporation of qualified workforce and ensuring the engagement of our existing employees. We enhance our performance in talent management through effective performance assessment, employee development and career management practices.

We carry out our performance assessment practices with an understanding of reciprocal communication and a constructive feedback approach. We share the results of 360 degree feedback and assessment center and Leadership Potential Inventory practices with our employees through one-on-one interviews.

In the reporting period, 81% of our white-collar employees were subjected to performance and career development assessments, while this rate was realized as 91% for our blue-collar employees. During the same period, the rate of per-

In the reporting period, CORASCI (responsibility assignment matrixes) works to support operational excellence and efficiency were performed for all our Directorates, analyzing assignments, responsibilities and processes, identifying recovery areas, and restructuring the job definitions of our employees on the basis of position. As part of Corasci works, necessary actions regarding areas of the organization open to improvement were planned, implemented and monitored in accordance with managerial decisions.

formance feedback was realized as 89% in both the categories of women and men employees.

We make use of the results of performance assessment processes as the primary reference point for all our career development practices, we support the personal and professional developments of our employees and help bring out their potentials.

Development Planning: This study involves a scheduling to fortify one strong area and to develop two development



areas from among the technical and behavioral competences of expert and above employees, once a year. Personality inventories, assessment center results, 360 degrees evaluation results, results of manager assessment, personal assessment and performance assessment studies are included in the scheduling process. The primary output of the development planning process is the training schedule of the employee. Every year, at yearend, the measurement and assessment of employee development is performed.

Career Choices: At Aksa, we believe our employees should direct their own careers. For this reason, as part of the Career Choices Program we conduct, we obtain information regarding the next desired position of our employees and evaluate it for their career plan.

EMPLOYEE DEVELOPMENT

Employee trainings are planned with a participatory model, at Aksa. Aksa Training Committee (AKEK), formed with the participation of representatives from all departments and members from the Representative Committee, provides the Human Resources department with advice and support regarding the evaluation of our employees' training needs. The constant improvement of training practices is ensured by obtaining the views of all departments through AKEK that convenes twice a year.

Aksa School, was established in 1982 in order to ensure the professional development of operational level employees. We constantly update this program where company employees serve as trainers, as part of our effort to be a learning company.

Academic supports: We continued our support for the Master's and Doctorate Support Program in order to support the scientific studies our employees and increase our intellectual capital.



Career Maps: At Aksa, ideal career roadmaps are drawn for all employees. These maps were drawn for all directorates and shared with employees. The paths they will pursue in the future were made visible.

Developer Manager Seminar: The purpose of the Developer Manager Seminar organized for mid-level managers is for our managers to adopt guidance and direction as leadership skills, to gain the necessary skills for professional coaching and guidance and to enable participants to know and improve themselves. The seminar that was organized for this purpose was attended by 17 managers in 2015.

Lean Six Sigma Trainings: Lean 6 sigma is a management methodology ensuring that all business processes from production to distribution, until the product reaches to the consumer, are examined and improved. Trainings are organized for Lean Six Sigma Projects realized with the purpose of eliminating the error rate, increasing productivity, perfecting all business process and constantly enhanc-

ing customer satisfaction. In 2015, 10 employees have participated in this training.

Mentor Mentee Program: We started the “Mentorship Program” attended by positions of manager and above and executives in order to infuse leaders of the future with our corporate culture and business manner at Aksa, and to perpetuate the engagement of our employees. The program aims to support the personal and professional developments of our employees, thereby contributing to their successes. In 2015, 20 mentor-mentee matchups were performed. In 2016, Manager and Expert level employees will also be included in the project.

Coaching Practices: As part of our one-on-one coaching programs devoted to senior level managers and directors, a total of 8 hours of one-on-one interviews are conducted in order to identify the targets of individuals, make them realize their options, create innovations and advance towards their objectives. In 2015, 5 people attended the coaching program as part of this program.

In the reporting period, we have provided

41,157 person*hour of training for our blue-collar employees,

19,094 person*hour of training for our white-collar employees,

5,207 person*hour of training for our women employees and

55,044 person*hour of training for our men employees.

Support for Young Talents: We ensure that both our potential and existing employees are informed about our corporate values through our employee brand “Legend or Truth?” managed within the body of Akkök Holding. We continued our university visits in 2015, in order to incorporate new talents. We also maintained the Long Term Internship program. 11 students, whose graduation neared, were employed as interns during three months in the 2015 period, with the purpose of constituting image ambassadors that will increase the recognition of Akksa and of evaluating the new workforce that will adapt to the company. We aim to discover talents that will implement and consolidate the future strategies of our company, to attract and bring them in our company through our new graduate recruitment process jointly conducted within the body of Akkök Holding since 2010. In 2015, a total of 51 newly recruited employees, of which 9 for Expert and above positions and 42 for Operational level positions were categorized as new graduates.



INTERNAL COMMUNICATION AND EMPLOYEE ENGAGEMENT

At Akksa, we strive to create a participatory corporate culture. We encourage the participation of our employees in decision-making mechanisms, we establish systems that will facilitate this process.

Our employees can communicate directly with our managers through corporate structures such as Akksa Training Committee (AKEK) and Akksa Social Activities Community (AKSET). We appeal to the views of our employees in many areas of working life through structure such as Employee Representation Committee, Suggestion System and Occupational Health and Safety Committee. We ensure that our employees are constantly in contact with the senior management through our institution-wide Open Door Policy. We strive to color the social lives of our employees with the social activities we organize.

We collect the suggestions of our employees through the Suggestion System we started



in 1996. We evaluate employee suggestions concentrated on the categories of occupational health and safety and improvement of business processes with a multistage system.

During the reporting period, we received 185 suggestions from our employees as part of the Suggestion System practice. 87 of these suggestions were assessed as applicable and the applications of 28 suggestions were completed.

Our other internal communication practices include the intranet platform, named 'Portal', that serves Akkök group companies, Aksa Human Resources Portal, in-company communication boards, monthly e-bulletin, the Representative Committee, a platform where our employees can vote, introduction cocktails for our newly-recruited employees and festival celebrations.

We undertake practices that will increase the motivation and engagement of our employees through volunteering activities led again by our employees. Composed of 30 volunteering Aksa employees, AKSET

(AKSA Social Activities Team) organizes activities such as parties, concerts, trips, courses and seminars in line with the requests received from employees. The activities organized by AKSET during the reporting period included a summer welcoming party, New Year's Eve party, taboo tournament, activities devoted to employees' children, short film workshop, solmization, tennis, art of recognizance, psychoanalysis workshop, guitar and drum courses. 16 AKSET activities realized during 2015 were attended by a total of 2,501 employees.

We aim to conduct the Employee Engagement Survey that we implement every two years in order to measure the engagement and satisfaction levels of our employees, in 2016.

993 employees attended the Employee Survey practice we carried out in 2015. Through workshops organized following the survey, our employees' views and suggestions regarding areas open to improvement were collected and 12 project groups were formed to start their works in 2016.



GREAT PLACE TO WORK

During the reporting period, “Great Place to Work” Confidence Index practice was carried out in line with our participatory Management understanding. We have initiated preliminary preparations to implement work life research. Project groups were formed to implement actions that will carry our company further by listening to our employees’ suggestions of action regarding our improvement areas, and will improve working environments, where our employees confidently connect to Aksa, are proud of their job and of Aksa, and work in total harmony and cooperation with their colleagues.

OCCUPATIONAL HEALTH AND SAFETY

Aksa, who includes occupational health and safety among its major sustainability priorities, regards creating a healthy and safe working environment for its employees as its primary responsibility. The Company, which regularly analyzes all its operations regarding OHS risks in accordance, constantly improves its OHS performance through preventive measures, emergency action plans, employee trainings and various other practices. OHSAS 18001 Standard and Safety Management System constitute the basis for Occupational Health and Safety Management practices at Aksa, the performance of the Company in this area is ensured through concrete targets, effective audit mechanisms and stakeholder participation.

During the reporting period, no fatal accidents or occupational diseases occurred in our company.



ACCIDENT PREVENTION CULTURE (KÖK) PROJECT

Aksa aims to raise awareness among its workforce regarding occupational health and safety by focusing on employee behaviors with "Accident Prevention Culture" (KÖK), the occupational health and safety project actualized during the reporting period with the motto "We Will Eradicate Accidents at AKSA!". In the first stage of the project actualized together with the world-renowned Behavioral Science Technology (BST) company, a survey was conducted for current situation analysis regarding OHS awareness, a significant participation rate of 92% was ensured. Following the trainings provided and preparations made in the second stage, AKAT (Aksa Accident Reduction Team) was established for the purpose of training individuals that will make observations on site and ensuring the constitution of a mutually supportive culture. In parallel with these works, LDI survey and coaching interviews were conducted in order to ensure the inclusion of leading Aksa personnel in the system, participation in this survey was at the level of 91%. The project that was designed in line with the sustainability understanding Aksa is projected to be maintained in the forthcoming periods.



OUR OHS Performance in Numbers¹

	2011	2012	2013	2014	2015
Accident Frequency Rate	6.50	3.20	4.87	8.86	5.70
Accident Severity Rate	223.80	254.70	125.25	184.04	186.00
Injury Rate	42.66	26.44	19.49	30.33	25.00

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

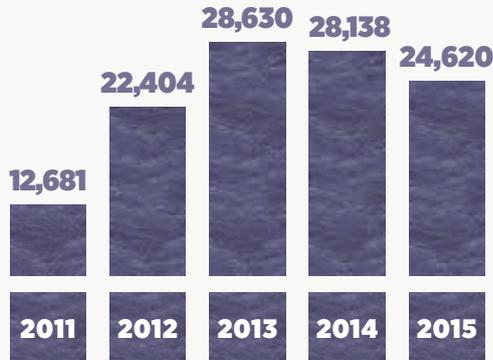
Accident Severity Rate = Total Number of Days Lost Due to Work Accidents / (Total Number of Days with Premium *8) *1,000,000

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

In addition to 16 hours of Occupational Health and Safety Training per person and 2 hours of Environmental Regulations Training per person realized in accordance with regulations, training and application programs were also organized in various OHS areas.

The OHS Committee, which positioned as the most important guide and primary stakeholder participation practice in the area of OHS, consist of a total of 14 people, including 4 employee representatives voted in person by Aksa employees.

OHS TRAININGS PROVIDED TO EMPLOYEES BY YEARS (PERSON*HOUR)



The committee, which represents the whole blue-collar workforce, features the employer representative, occupational safety expert, workplace doctor, Human Resources Director, civil defense expert, Administrative Affairs Manager, foreman and headworker as regular members besides employee representatives, and leads the policies and practices of Akxa in the area of occupational health and safety.

Our HSE Specialists, selected from among volunteers in their departments and informed through a specially prepared training package regarding the constant monitoring, auditing and, when necessary, improvement of the current situation of operations conducted in our plant and headquarters in terms of Health, Safety and Environment, notice concerned employees in cases where Environmental, Technical Safety and Occupational Safety rules are not complied with; in case the identified problem cannot be eliminated, they inform unit management and HSE Directorate experts.

SEVESO PROJECT

In the reporting period, Akxa maintained the practices within the context of SEVESO Project launched in order to meet the requirements of the EU directive about preventing major industrial accidents and reducing their impacts. While completing the documentation processes in order to comply with the alterations caused by the deferment of the directive's date of enforcement, it has increasingly maintained the process security investments started in 2014. As part of the project, where impact modelings were performed for worst-case scenarios when the physical measures in place fail to prevent major industrial accidents, studies for determining befitting intervention methods for these scenarios are also carried out. In the reporting period, 102 employees were provided with a total of 655 person*hour of SEVESO training.



Aksa offers health services to its employees and their families through both health practices realized at the workplace and the vested benefits it provides. The company performs examinations at recruitment and periodically thereafter; it follows the health of its employees closely and increases these controls in special cases, such as chronic illness, pregnancy and disability. Aksa provides all its employees with trainings concerning regular and balanced nutrition and ergonomics, it makes announcements regarding influenza and preventive vaccination. As part of internal communication practices, presentations in the subjects of substance addiction, obesity, musculoskeletal disorders, tuberculosis, animal bites, heat stroke, conjunctivitis, and nutritional advice for the month of Ramadhan, relaxation exercises, healthy food consumption, common cold, diabetes, mouth and dental health, and cardiovascular health are shared with all employees through the TV broadcast.

During the reporting period,
51 fire relay team drills,
5 evacuation drills,
1 ISPS drill and
1 port exercise were performed.
In 2015, our employees were provided
with a total of
1,928 person*hour of training.

Aksa takes important steps toward the generalization of its policies in the area of OHS across its value chain; in this regard, it conducts OHS themed audits devoted to subcontractors, who are its business partners. General audits aimed at subcontractor employees are conducted every three months, audits involving document and social security controls are implemented every two months and meetings about OHS issues are organized with subcontractor and sub-employee company representatives monthly.

VALUE CONTRIBUTED TO SOCIETY

AKSA, WHICH FOCUSES ON DEVELOPING SOLUTIONS FOR THE NEEDS AND PROBLEMS OF THE WHOLE SOCIETY, PRIMARILY THE LOCAL COMMUNITY IN ITS OPERATIONAL GEOGRAPHY, IN ITS CORPORATE SOCIAL RESPONSIBILITY PROJECTS AND ACTIVITIES, AIMS TO CREATE THE HIGHEST POSSIBLE VALUE ADDED FOR ITS STAKEHOLDERS.





The Company, who listens to its stakeholders' expectations through effective and transparent communication mechanisms and encourages stakeholder participation with its volunteerism based approach, prioritizes social awareness rising oriented, human and environment friendly practices. Aksa, which also supports the social responsibility projects of Akkök Holding, with which it is affiliated, pioneers in the sustainable development of the society of which it is a part through practices it develops in the areas of education, culture, art, sports, environment and health.

OPEN DOOR VISITS

Aksa has actualized an exemplary practice for the business world in stakeholder participation with the Open Door Visits started in 1999 in accordance with the principles of transparency and accountability. As part of the practice that allows employees to communicate easily and clearly with their managers, all stakeholders can convey their suggestions, demands and complaints to Aksa representatives, and they also get the opportunity to tour the production site

of Aksa and to be informed about issues of interest. Within the context of the practice benefited by various stakeholders, such as local community, NGOs, schools, employee families, customers, benchmarking teams, domestic and foreign visitors, 160 stakeholders have visited the production site of Aksa during the reporting period.

Akkök Children's Festival Aksa maintained its support for Akkök Children's Festival organized by Akkök Holding since 2011 in order to raise awareness among children regarding sustainability and recycling, in the reporting period. As part of the festival organized in Yalova for the fourth time this year, children who came together at Raif Dinçök Cultural Center attended the entertaining activities of Aksa Akrilik, DowAksa and Ak-Kim Kimya, from among Akkök Holding companies, about water savings and efficient use of water, and they created another artwork. Within the scope of the activity, an entertaining water themed show was performed in the lounge areas by Faruk K Children's Club with the support of Aksa, while around 500 children joined the festival.

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Holiday Present for the Children of Yalova
As in the previous period, Aksa took the children of Yalova to the movies for April 23rd National Sovereignty and Children's Festival in the reporting period. In 2015, about 1,200 children watched the movie Kuzular Firarda 2 at Özdilek Cinetime theater for free. It is projected to reach more children as part of the activity in the forthcoming period.

TARGET -> FUTURE WITH AKSA ORCHESTRA

Aksa plans to actualize a project called "Future with Aksa Workshop" as of 2016, in order to introduce school-age children and youth to music and to reveal their potentials in this subject. As part of the practice to be started in cooperation with Freelance Musicians and Producers' Association, it is aimed for students aged 10-15 to be trained in wind instruments, percussion instruments and juggling workshops.

Within the scope of the practice, where students to attend workshops are to be selected on the basis of volunteerism with the support of music teachers and guidance counselors, it is projected to donate

musical instruments to schools and to gift musical instruments to students, as well as build music rooms in suitable schools. The project, which will be started at Taşköprü Middle School and Aksa Technical and Industrial Vocational High School located in Yalova, is to be extended to other districts in the city in the forthcoming years.

AKSA INDUSTRIAL VOCATIONAL HIGH SCHOOL RENOVATION WORKS

Aksa established Aksa Technical and Industrial Vocational High School in the town of Taşköprü, in Çiftlikköy district of Yalova, in 1992 with the purpose of training equipped and skillful youth for the industry, in accordance with the importance it attaches to education. During the reporting period, the company started maintenance and repair works at the high school.

Cooperation with the Red Crescent Aksa cares for the popularization of social responsibility awareness among its stakeholders and conducts activities based on volunteerism, in this direction. In accordance, the "Blood Donation Campaign", conducted twice a year in cooperation



with Red Crescent Yalova Branch, was also maintained in the reporting period.

DONATIONS AND SOCIAL RELIEFS

Aksa, who believes sustainable social development to be possible through educated, equipped, cultured generations taking initiative and sensitive towards the environment and society, commits itself to the enrichment of the educational and cultural opportunities of local communities in its operational geography. The Company, which supports the Corporate Social Responsibility projects it designs and implements accordingly with 'Donations and Social Reliefs' it provides, makes disbursements in various areas, primarily education, culture, arts and sports activities, with a view to social benefit. The donations and social reliefs distributed in the reporting period are as follows:

Donations and Social Reliefs	Amount (TL)
Education	1,440,969
Associations, Foundations and Municipalities	297,823
Total	1,738,792

Corporate Memberships

- Acrylic Based Composite, Advanced Material and Technology Producers' Association
- CIRFS - European Man-made Fibres Association
- DEİK - American Council (Mehmet Ali Berkman)
- DEİK - European Council (Ahmet Dördüncü)
- Foreign Economic Relations Board (DEİK)
- Turkish Marine Environment Protection Association (Turmepa)
- Undersecretariat of Maritime Affairs
- Istanbul Textile and Apparel Exporters' Association (ITKIB)
- IMEAK Chamber of Shipping
- Istanbul Chamber of Industry
- Istanbul Chamber of Commerce
- Turkish Quality Association (KalDer)
- Ltd. Eskihisar Gebze Water Products Cooperative
- Ethics and Reputation Association (TEİD)
- Turkish Textile Employers' Association (TTSİS)
- Turkish Statistical Institute (TÜİK)
- Turkish Chemical Industrialists Association
- Turkish Port Operators
- Yalova Industrialists' Association
- Yalova Chamber of Commerce and Industry

PERFORMANCE TABLES



PRIMARY FINANCIAL INDICATORS

	31/12/2013 (Thousand USD)	31/12/2014 (Thousand USD)	31/12/2015 (Thousand USD)
Consolidated Balance Sheet			
ASSETS	848,805	861,830	775,236
Current Assets	401,625	421,358	369,907
Cash and Cash Equivalents	109,267	83,010	117,901
Trade Receivables	171,202	207,989	160,898
Stocks	86,770	101,931	63,652
Other Current Assets	34,386	28,428	27,456
Non-current Assets	447,180	440,472	405,329
Trade Receivables	-	30,376	27,327
Financial Investments	1,103	1,016	-
Investments Accounted for Using the Equity Method	114,842	104,613	83,690
Tangible Fixed Assets	317,908	292,611	247,137
Intangible Fixed Assets	4,653	3,198	26,471
Goodwill	2,806	2,583	2,060
Other Fixed Assets	5,867	6,075	1,992
LIABILITIES	848,805	861,830	775,236
Short-term Liabilities	288,879	324,222	258,325
Financial Liabilities	105,824	121,717	140,423
Trade Liabilities	159,821	186,056	105,036
Provision for Period Tax Liabilities	4,890	4,796	5,002
Other Short-term Liabilities	18,343	11,652	7,864
Long-term Liabilities	69,140	57,483	87,486
Financial Liabilities	58,387	43,977	72,239
Financial Derivative Instruments	-	149	-
Provision for Employee Benefits	7,186	9,309	6,956
Deferred Tax Liabilities	3,395	4,048	2,485
Shareholders' Equity	490,787	480,125	429,425

HUMAN RESOURCES INDICATORS

	2013	2014	2015
Employee Breakdown by Gender			
Male	798	1,125	1,143
Female	98	123	128
TOTAL	896	1,248	1,271
Employee Breakdown by Status			
Blue Collar	727	1,047	1,059
White Collar	169	201	212
TOTAL	896	1,248	1,271
Employee Breakdown by Age			
<30	277	443	406
30-50	584	766	818
50<	35	39	47

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TOTAL	896	1,248	1,271
Employee Breakdown by Contract			
Board of Directors	8	12	12
Permanent Staff	855	1,216	1,226
Permanent Pensioner	9	12	17
Employees On Contract	13	3	10
Pensioners On Contract	11	17	6
Employee Breakdown by Employment Type			
Full-time	894	1,258	1,269
Part-time	2	2	2
Employee Breakdown by Educational Status			
Two-year Degree and Below	721	1,028	1,035
Bachelor's Degree and Above	175	232	224
Starting Employees by Age Group and Gender			
<30	94	217	71
30-50	90	237	35
50<	5	17	1
Male	181	181	122
Female	8	430	12
Leaving Employees by Age Group and Gender			
<30	27	41	63
30-50	35	57	48
50<	12	10	13
Male	62	62	116
Female	12	92	8
Senior Managers			
Male	20	18	19
Female	1	1	1
Mid level Managers			
Male	34	46	44
Female	7	9	9
<30	0	0	3
30-50	27	45	45
50<	12	5	5
Two-year Degree and Below	1	0	0
Bachelor's Degree	32	45	42
Master's Degree and Above	8	10	11
Employees Subjected to Performance Appraisal by Employee Categories			
Blue Collar	712	951	1,054
White Collar	152	162	193
OHS Performance			
Accident Frequency Rate	4.87	8.86	5.70
Accident Severity Rate	125.25	184.04	186.00
Injury Rate	19.49	30.33	25.00

ENVIRONMENTAL INDICATORS

	2012	2013	2014	2015
Greenhouse Gas Emissions (tons Co ₂ e)				
Direct Greenhouse Gas Emissions	806,943	857,737	1,136,312	1,210,750
Indirect Greenhouse Gas Emissions	27,455	20,507	22,700	5,815
TOTAL	834,398	878,224	1,159,012	1,216,565
Water Consumption (m ³)				
Municipal and Well Water	2,983,616	3,847,412	3,907,162	4,052,386
Waste Water Discharge ()	2,463,750	2,950,507	2,833,690	2,472,875
		2013	2014	2015
Amounts of Waste by Disposal Method (ton)				
Total Hazardous Waste		3,199	1,446	2,240
Recycle		8	120	532
Reuse		6	29	0
Incineration		3,185	1,297	1,708
Total Non-hazardous Waste		40,397	47,388	17,792
Recycle		270	789	789
Reuse		32,164	40,407	11,606
Sanitary Landfill		1,799	1,255	1,255
Incineration		6,184	4,937	4,143

UN GLOBAL COMPACT COMMUNICATION ON PROGRESS

Human Rights

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and pp.39-41

Principle 2: make sure that they are not complicit in human rights abuses. pp.39-41

Labour

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining; pp.39-41

Principle 4: the elimination of all forms of forced and compulsory labour; pp.39-41

Principle 5: the effective abolition of child labour; and pp.39-41

Principle 6: the elimination of discrimination in respect of employment and occupation. pp.39-41

Environment

Principle 7: Businesses should support a precautionary approach to environmental challenges; pp.30-37

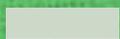
Principle 8: undertake initiatives to promote greater environmental responsibility; and pp.30-37

Principle 9: encourage the development and diffusion of environmentally friendly technologies. pp.30-37

Anti-Corruption

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery. p.41

GRI G4 CONTENT INDEX



Indicator	Description	Identified Omissions	External Assurance
Profile Disclosures			
G4-1	Message from the CEO (p.5)	-	-
G4-2	Message from the CEO (p.5); Corporate Governance (pp. 12,14)	-	-
G4-3	Contact (p.66)	-	-
G4-4	Generated Economic Value (p.9); Corporate Website http://www.aksa.com/en/product-selector	-	-
G4-5	Contact (p.66)	-	-
G4-6	About Report (p.7); Generated Economic Value (p.9)	-	-
G4-7	Aksa 2015 Annual Report (p.14)	-	-
G4-8	Generated Economic Value (p.9)	-	-
G4-9	Generated Economic Value (p.9) ; Primary Financial Indicators (pp.57-58)	-	-
G4-10	Human Resources Indicators Table (pp.57-58)	-	-
G4-11	Human and Employee Rights Management (pp.39-40)	-	-
G4-12	Supply Chain (p.26-28)	-	-
G4-13	Corporate Website: http://www.aksa.com/en/investor-relations/material-disclosures/material-disclosures/i-220	-	-
G4-14	Corporate Governance (pp.11-12); Risk Management (pp.12,14); Strategic Planning (p.14)	-	-
G4-15	Management Systems (pp.21-22); Primary Financial Indicators (p.57)	-	-
G4-16	Corporate Memberships (p.55)	-	-
G4-17	About Report (p.7); Primary Financial Indicators (p.57)	-	No
G4-18	Sustainability Management (pp.15-16)	-	No
G4-19	Sustainability Management (p.16)	-	No
G4-20	About Report (p.7); Sustainability Management (pp.15-16)	-	No
G4-21	About Report (p.7); Sustainability Management (pp.15-16)	-	No
G4-22	About Report (p.7); In this report, there is no any restatements of information provided in previous reports.	-	No
G4-23	About Report (p.7); Sustainability Management (p.16)	-	No
G4-24	Stakeholder Engagement (p.18)	-	No
G4-25	Stakeholder Engagement (p.17)	-	No
G4-26	Stakeholder Engagement (p.17); Sustainability Management (p.15)	-	No

G4-27	Stakeholder Engagement (p.18); Our Customers (pp.28-29); Open Door Visits (pp.53-54); Internal Communication and Employee Engagement (pp.46-47)	-	No
G4-28	About Report (p.7)	-	-
G4-29	About Report (p.7)	-	-
G4-30	About Report (p.7)	-	-
G4-31	About Report (p.7); Contact (p.66)	-	-
G4-32	About Report (p.7); GRI G4 Content Index (p.62) (Aksa Sustainability Report 2015 was not subjected to external audit.)	-	-
G4-33	GRI G4 Content Index (p.62) (Aksa Sustainability Report 2015 was not subjected to external audit.)	-	-
G4-34	Corporate Governance (pp.11-12); Aksa Annual Report 2015 (p.61-65)	-	-
G4-56	Ethic Management at Aksa (pp.40-41)	-	-

Indicator	Description	Identified Omissions	External Assurance
Standard Disclosures			
Material Aspect: Economic Performance			
G4-DMA	Value contributed to Employees (p.39); Primary Financial Indicators (p.57)	-	-
G4-EC1	Primary Financial Indicators (p.57)	-	-
G4-EC2	Message from the CEO (p.5); Emission Management (pp.34-35)	-	-
G4-EC3	Value Contributed to Employees (p.39)	-	-
G4-EC4	Aksa 2015 Annual Report (p.104)	-	-
Material Aspect: Market Presence			
G4-DMA	Not material	-	-
G4-EC5	Value Contributed to Employees (p.39); GRI G4 Content Index (p.62) (The ratio of standard entry level wage to local minimum wage is calculated with respect to employee status)	-	-
Material Aspect: Indirect Economic Impacts			
G4-DMA	Value Contributed to Society (pp.53-55); Supply Chain (pp.26-28)	-	-
G4-EC7	Value Contributed to Society (pp.53-55)	-	-
G4-EC8	Value contributed to Society (pp.53-55); Supply Chain (pp.26-28)	-	-
Material Aspect: Procurement Practices			
G4-DMA	Sustainable Operations (pp.21-29)	-	-
G4-EC9	Supply Chain (p.28)	-	-
Material Aspect: Energy			
G4-DMA	Environmental Management (p.31); Energy Management (pp.32-33); Emissions Management (pp.34-35)	-	-
G4-EN3	Energy Management (p.32-33)	-	-
G4-EN5	Energy Management (p.32-33); Emissions Management (p.34-35)	-	-
G4-EN6	Energy Management (p.32-33)	-	-

G4-EN7	Energy Management(p.32-33)	-	-
Material Aspect: Water			
G4-DMA	Water Resources Management (p.35-36)	-	-
G4-EN8	Water Resources Management (p.35-36); Environmental Indicators Table (p.59)	-	-
G4-EN9	Water Resources Management (p.62)	-	-
G4-EN10	Water Resources Management (p.35)	-	-
Material Aspect: Emissions			
G4-DMA	Emissions Management (p.34)	-	-
G4-EN15	Emissions Management (p.34)	-	-
G4-EN16	Emissions Management (p.34)	-	-
G4-EN21	Emissions Management (p.34)	-	-
Material Aspect: Effluents and Waste			
G4-DMA	Water Management (p.35-36); Waste Management (p.37)	-	-
G4-EN22	Water Management (p.35); Environmental Indicators (p.59)	-	-
G4-EN23	Waste Management (p.37)	-	-
G4-EN24	GRI G4 Content Index (p.63) (During the reporting period there was not any significant spills.)	-	-
G4-EN26	GRI G4 Content Index (p.63) (There is no body of water significantly affected by Aksa's water use.)	-	-
G4-EN27	Responsible Production (p.25), Water Management (p.35); Waste Management (p.37)	-	-
Material Aspect: Compliance			
G4-EN29	GRI G4 Content Index (p.63) (No significant environmental penalties were received during the reporting period for non-compliance with environmental laws and regulations.)	-	-
Material Aspect: Supplier Environmental Assessment			
G4-DMA	Not material	-	-
G4-EN32	Supply Chain (p.28)	-	-
Material Aspect: Employment			
G4-DMA	Value contributed to Employees (pp.39-40); Talent Management (pp.43-46)	-	-
G4-LA1	Human Resources Indicators Table (pp.57-58)	-	-
G4-LA2	Value contributed to Employees (p.40)	-	-
G4-LA3	Value contributed to Employees (p.40)	-	-
Material Aspect: Labour/Management Relations			
G4-DMA	Not material	-	-
G4-LA4	GRI G4 Content Index (p.63) (For serious operational changes, Aksa complies with the minimum period of notice defined by the law.)	-	-
Material Aspect: Occupational Health and Safety			
G4-DMA	Occupational Health and Safety (p.49)	-	-
G4-LA5	Occupational Health and Safety (p.49)	-	-

G4-LA6	Occupational Health and Safety (p.49)	-	-
Material Aspect: Training and Education			
G4-DMA	Talent Management (pp.43-46)	-	-
G4-LA9	Talent Management (p.46); Human Resources Indicators (pp.57-58)	-	-
G4-LA10	Talent Management (pp.43-45)	-	-
G4-LA11	Talent Management (p.43)	-	-
Material Aspect: Diversity and Equal Opportunity			
G4-DMA	Value contributed to Employees (pp.39-40); Corporate Website: http://www.aksa.com/en	-	-
G4-LA12	Human Resources Indicators Table (pp.57-58)	-	-
Material Aspect: Equal Remuneration for Women and Men			
G4-DMA	Value contributed to Employees (pp.39-40)	-	-
G4-LA13	Value contributed to Employees (pp.39-40)	-	-
Material Aspect: Investment			
G4-DMA	Ethics Management at Aksa (p.41)	-	-
G4-HR2	Ethics Management at Aksa (p.41)	-	-
Material Aspect: Non-discrimination			
G4-DMA	Corporate Governance (pp.11-12); Value contributed to Employees (pp.39-40); Corporate Website: http://www.aksa.com/en	-	-
G4-HR3	GRI G4 Content Index (p.64) (No incidents of discrimination occurred during the reporting period.)	-	-
Material Aspect: Child Labor			
G4-DMA	Value contributed to Employees (p.40)	-	-
G4-HR5	Value contributed to Employees (p.40)	-	-
Material Aspect: Forced or Compulsory Labor			
G4-DMA	Value contributed to Employees (p.40)	-	-
G4-HR6	Value contributed to Employees (p.40)	-	-
Material Aspect: Security Practices			
G4-DMA	Not material	-	-
G4-HR7	GRI G4 Content Index (p.64) (In line with legal regulations, all security personnel receive trainings, which also include aspects of human rights.)	-	-
Material Aspect: Indigenous People			
G4-DMA	Not material	-	-
G4-HR8	GRI G4 Content Index (p.64) (Aksa does not pursue operations with significant negative impacts on local communities.)	-	-
Material Aspect: Anti-corruption			
G4-DMA	Corporate Governance (pp.11-12); Ethics Management at Aksa (p.41)	-	-
G4-SO4	Ethic Management at Aksa (p.41)	-	-
G4-SO5	GRI G4 Content Index (p.64) (During the reporting period there were not any incidents of corruption)	-	-
Material Aspect: Public Policy			

G4-DMA	Not material	-	-
G4-SO6	GRI G4 Content Index (p.65) (Aksa does not make directly or indirectly any financial and in-kind political contributions.)	-	-
Material Aspect: Anti-competitive Behaviour			
G4-DMA	Corporate Governance (pp.11-12); Corporate Website : http://www.aksa.com/en	-	-
G4-S07	GRI G4 Content Index (p.65) (There is not any legal action taken against Aksa concerning any anticompetitive behaviour, anti-trust and monopoly practices and their outcomes.)	-	-
Material Aspect: Compliance			
G4-SO8	GRI G4 Content Index: (p.65) (During the reporting period there is not any significant fines and nonmonetary sanctions for noncompliance with laws and regulations.)	-	-
Material Aspect: Customer Health and Safety			
G4-DMA	Sustainable Operations (p.21); Product Development (p.21); Our Customers (pp.28-29)	-	-
G4-PR2	GRI G4 Content Index (p.65) (During the reporting period, there is not incident of non-compliance with regulations and voluntary codes concerning the health and safety impacts of products and services during their life cycle.)	-	-
Material Aspect: Product and Service Labeling			
G4-DMA	Our Customers (pp.28-29)	-	-
G4-PR4	GRI G4 Content Index (p.65) (During the reporting period there is not any incident of non-compliance with regulations and voluntary codes concerning product and service information and labeling.)	-	-
G4-PR5	Our Customers (pp.28-29)	-	-
Material Aspect: Marketing Communicatio			
G4-DMA	Not material	-	-
G4-PR7	GRI G4 Content Index (p.65) (There is not any incident of non-compliance with regulations and voluntary codes concerning marketing communications.)	-	-
Material Aspect: Customer Privacy			
G4-DMA	Not material	-	-
G4-PR8	GRI G4 Content Index (p.65) (During the reporting period, there is not any substantiated complaints regarding breaches of customer privacy and losses of customer data.)	-	-
Material Aspect: Compliance			
G4-PR9	GRI G4 Content Index (p.65) (There have been no significant fines for non-compliance with laws and regulations concerning the provision and use of products and services.)	-	-



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