

2020/2021

SUSTAINABILITY
REPORT





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AKKIM'S SUSTAINABILITY MANIFEST

At Akkim, our primary goal and target are to create an ecosystem that provides value and service not only to our direct stakeholders but also to all living and non-living elements on a global scale. Moreover, we accept that we are a stakeholder on a global scale, together with all public and civil society elements to fulfill this aim and achieve our goals. We agree that we will apply the fundamental principles and objectives outlined in the United Nations Global Compact, the Sustainable Development Goals, and the EU Green Agreement to our entire demand and value chain, direct them to participate in the effort to reach the common goal; and as a global stakeholder, cooperate with other corporate organizations to improve the world's situation, and share all our business skills, technological capability and resources for this common future.



Age of transformation

- Today, we recognize the urgent need for rapid transformation to create a more livable future, for our understanding of life to be more compatible with the planet, and for our business understanding to be more inclusive.
- We believe that humanity has the knowledge and technological capacity to demonstrate the necessary will and produce solutions in every field to realize this transformation.
- As Akkim, we are committed to demonstrating this will and working with the determination to be a solution partner.



Respect for the environment

- We are aware that climate change and the extraordinary conditions that accompany it will have irreversible negative consequences for the planet and all living creatures on it should no action be taken.
- We believe that humanity is increasingly producing information that can be used to take action to slow or stop the effects of climate change..
- As Akkim, we are committed to actively contributing to all efforts to prevent climate change.



Responsible innovation

- We are aware that humanity's accelerated technological development in all fields, particularly in the last hundred years, has resulted in a quantitative increase in production and consumption.
- We believe that humanity will be able to perceive technological progress more accurately and use this ability to create a more livable world for future generations.
- As Akkim, we are dedicated to the responsible development of the chemical industry and its positive impact on all aspects of life.



Adding value to the world

- We recognize that we share a common value with all of our planet's past, present, and future elements and stakeholders.
- We believe that humanity will strive to achieve our common global goals with the same awareness and responsibility and that it will move in this direction.
- As Akkim, we are committed to pursuing a production strategy that adds value to our common goals, which include all of our stakeholders.



Respect for humanity

- We are aware that we must realize our economic and social progress healthily without leaving anyone behind.
- We believe that all global and local platforms, particularly the UN, are

developing their future policies according to this understanding.

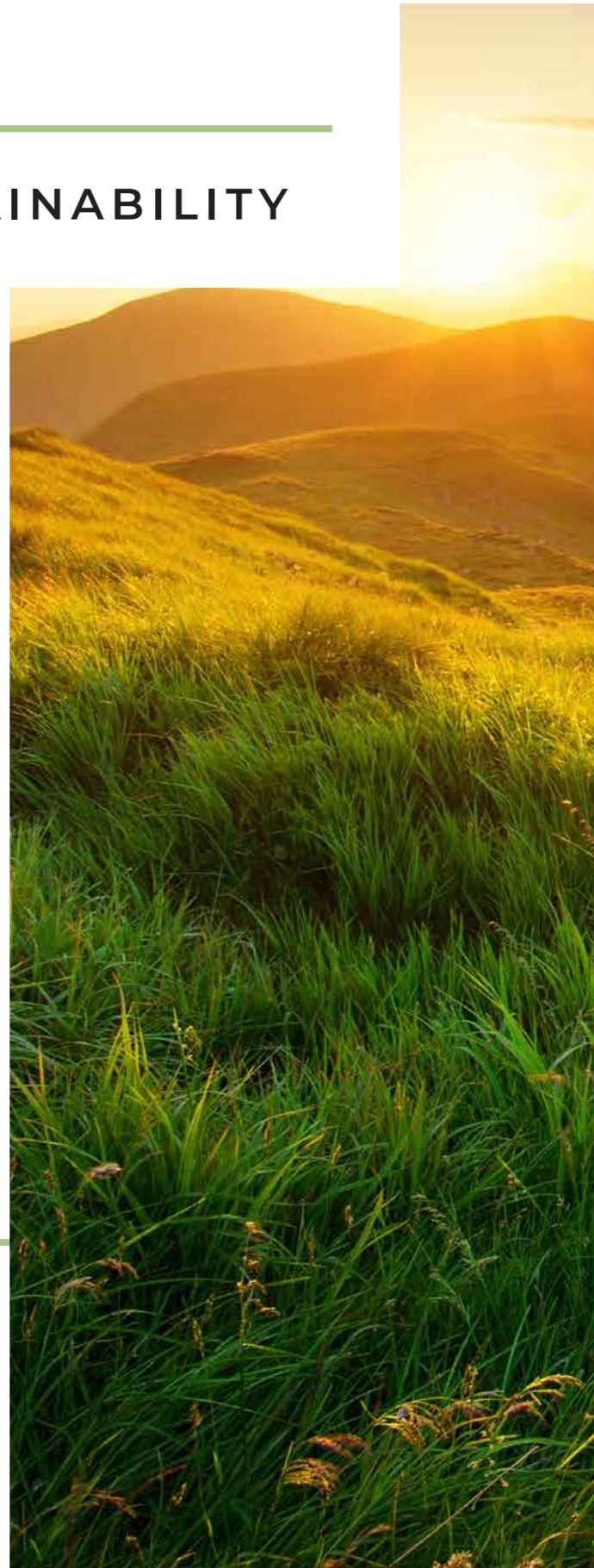
- Akkim is committed to an inclusive and egalitarian business approach that is concerned with the current and future health and well-being of all stakeholders.

10th YEAR IN SUSTAINABILITY

As Akkim, we recognize that we are the primary stakeholder in the solution. To leave a livable world to future generations and to adapt to the changing world's conditions, we prioritize sustainability in our past and present, and we proclaim, "Sustainable future exists in our chemistry"

We declare that we will continue to broaden our interaction area and be inspired by further strengthening our models that consider the future, and we had an impact on our value-added processes over the last decade, with a focus on sustainability.

In addition to the 10 Global Principles, WEF Stakeholder Capitalism metrics, which contribute to the transparent disclosure of our performance and progress in environmental, social and governance areas, as well as many Sustainable Development Goals, have also been the focus of our business for a decade. With our multi-target audience strategy, we have prioritized sustainability in every business and individual we have contacted in our entire life cycle. Now and in the future, as we move forward in line with our focus areas and priorities, where we set innovative goals, and where we can implement while we learn, we will continue our journey as Akkim with the awareness of responsible production and consumption, which respects the environment and people, is innovative and creates value without leaving anyone behind.



10 EFFECTIVE Sustainability Steps in 10 Years

- 1

TRAINING

 - Total training hours given: 199,036 person*hour
 - Number of Training/Development programs: 302 pcs
 - Allocation of more than 1.6 million USD to the training budget
- 2

EMPLOYEE ENGAGEMENT & JOB CREATION

 - Number of employees: 100% increase
 - Intern: 604 people
- 3

SUPPLY CHAIN & VALUE CHAIN

 - Approximately 2.5 times increase in the number of suppliers
 - Approximately 3 times increase in the number of customers
- 4

OHS INVESTMENT

 - Budget allocated to OHS: 14.6 million USD
 - Accident Frequency Rate (1 Million Hours): Mean: 3.62 Drop: 24%
- 5

ENVIRONMENTAL INVESTMENT & ENERGY

 - Budget Allocated to the Environment: 11.4 million USD
 - 9,000,000 kWh energy savings
 - Recycled Waste: 7,145,701 kg
 - Major environmental accident: "0"
 - 3,884 person*hour environmental education
- 6

R&D INVESTMENT

 - 26 environmentally friendly products/ number of developed products
 - Total number of completed improvement projects: 239
- 7

EXPORT RATE

 - 2011: 19%
 - 2021: 34%
- 8

INCOME FROM NEW PRODUCTS

Developed more than 200 previously unsold products and achieved an average annual turnover of 11 million USD.
- 9

FINANCEL PERFORMANCE

 - Revenue growth rate of approximately 50% (USD)
- 10

THE CAPACITY UTILIZATION RATE

 - 45% increase

RESPECT FOR THE ENVIRONMENT IS IN OUR CHEMISTRY

We are reducing our environmental footprint through our activities in the context of our environmental responsibility and action to combat and adapt to the climate crisis. To leave a better world for future generations, we carry out all our activities with a perspective that is friendly to nature and environment, protecting ecosystems and biodiversity. By prioritizing our planet's need for pioneers, we have been aiming to increase our positive impact and reduce our negative impact within the scope of environmental sustainability for 10 years. This goal guides us in all our actions and values.



Budget allocated to environment
11.4 millionUSD



"0" Environmental accident



9,000,000 kWh energy savings



3,884 person*hour environmental training



Average TOE
38,172



7,145,701 kg waste recovery



INNOVATION IS IN OUR CHEMISTRY

We believe that the production of new and cyclical business models and technologies, as well as investment in this production, will be the primary factor that will propel our country and our institution into the future for a sustainable future. We see the world's future in science and technology and adhere to new-generation development models. We see technology as one of the most important tools for innovation, and we believe that we will be among the digital age's winners and builders of the future. In this context, we invest in digitalization, innovation, research and development, productivity, and entrepreneurship. We have been using innovation to produce, develop, grow, and improve for ten years.



26 environmentally friendly products developed



Average annual turnover of **11** million USD from new products



239 improvement projects



Increase in product group
11.5%



Over **200** previously unsold product developments



3 times increase in export rate



The revenue growth rate of approximately **50%** (USD)



CREATING VALUE IS IN OUR CHEMISTRY

While organizations that value trust, transparency, and value-creation models will shape the future, we have been maintaining our communications and operations with the concept of sustainability in our supply and value chain for ten years. At the same time, we offer the opportunity to evaluate ourselves through our awards and achievements, which serve as a source of motivation and demonstrate that we are rewarded for our efforts. Awards and achievements, in our opinion, reflect our value-oriented approach to all of our stakeholders. We believe that the success of our national and international projects aimed at corporate and country development goals will result in new awards and collaborations in the coming years.



Approximately **2.5** times increase in the number of suppliers



45% increase in capacity utilization rate



Approximately **3** times increase in the number of customers



83% increase in the number of contractors, cooperative and field employees



Full compliance with legislation
Fulfillment of product & system certification requirements



Successful completion of all audits



Managing customer expectations agilely



RESPECT FOR HUMAN IS IN OUR CHEMISTRY

We provide peaceful, healthy, and safe working environments in the name of corporate culture and social development that focuses on people, by taking into account the values that our employees and all of our stakeholders value, such as equality, fair approach, reliability, cooperation, and leadership. We will continue to make efforts to help our employees realize their full potential, motivate them, and contribute to their personal and professional journeys, talent development, and diversity. In this context, we strive to make a difference in people's lives by following ethical, transparent, and inclusive principles.



94,256 person*hour OHS training



604 intern employment



Budget Allocated to OHS: **14.6 million** USD



302 training/development programs



Training Budget: **1.6 million** USD resource allocation



8.77% Employee turnover rate



Total training hours: **199,036** person*hour



Accident Frequency Average Rate **3,62**



100% increase in the number of employees



10-Year Decline Rate in OHS accident frequency: **24%**



Scholarship opportunities for approximately **155** students



155 Emergency Drills

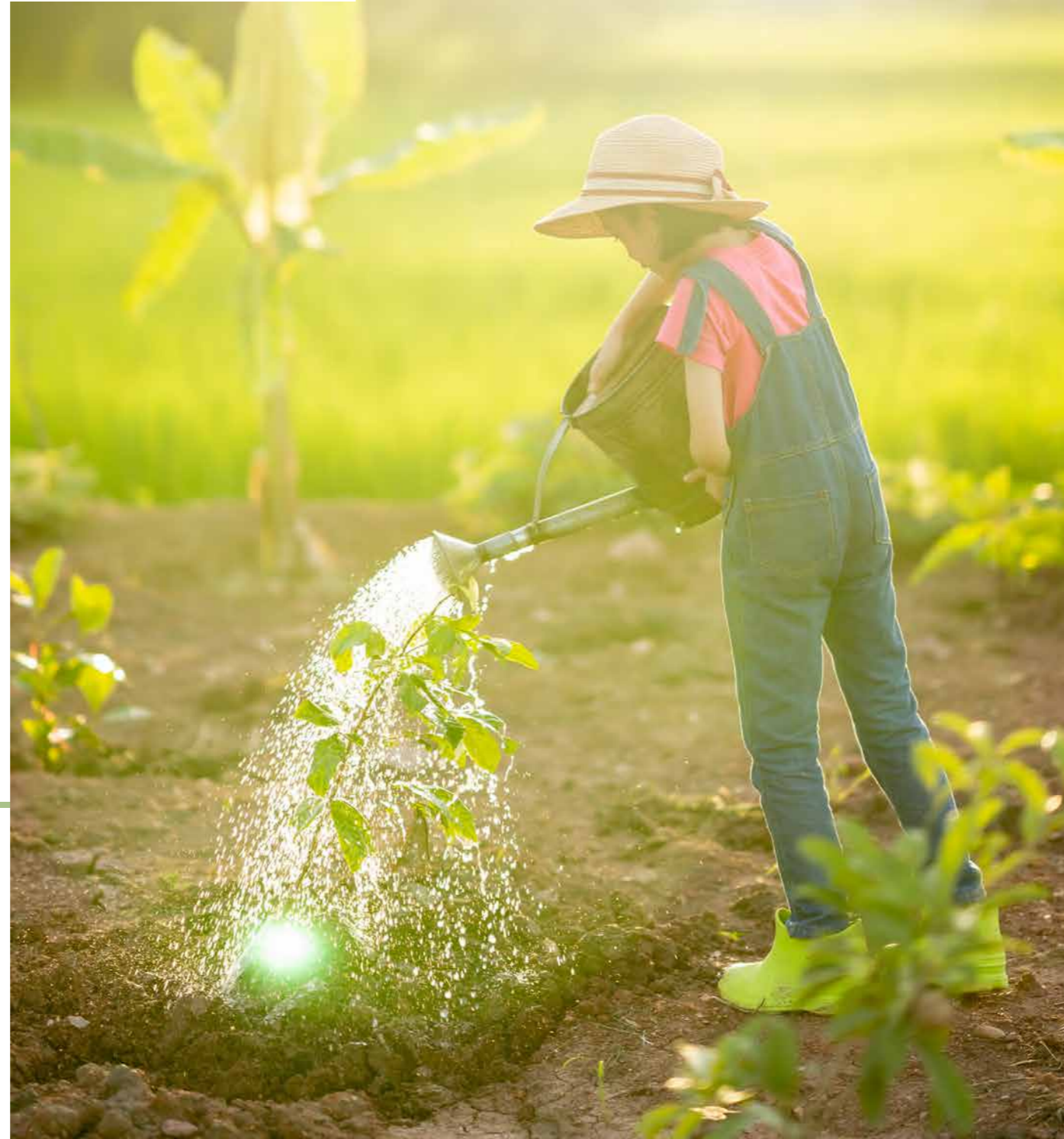


132 OHS Boards



ABOUT THE REPORT

Since our inception, as Akkim we have placed sustainability at the heart of our values, and we proudly proclaim, “We have a sustainable future in our chemistry.” We are extremely proud to share our 10-year success and goals with you in full transparency, as part of our sustainability report, which serves as an indicator of our sustainability efforts and progress. For the past ten years, we have served many Sustainable Development Goals in addition to the 10 Global Principles. As a result, we have prioritized sustainability throughout our entire life cycle, particularly in design, production, storage and transportation, purchasing, customers/dealers, and end users. Taking what we have learned over the last decade, we declare that we will continue to broaden our interaction area and be inspired by strengthening our value-added processes and models with a focus on sustainability. It is Akkim’s eighth Progress Report and seventh Sustainability Report since signing the United Nations Global Compact on December 13, 2007. (UNGC United Nations Global Compact). This report has been prepared in accordance with the GRI Standards: Core option. In addition, it reveals Akkim’s contribution to the Sustainable Development Goals. The information contained in this report, unless otherwise stated, includes all services and activities in Akkim Kimya Sanayi ve Ticaret A.Ş.’s Istanbul



Head Office, production facilities in Yalova, Dilovası, Osmaniye and Nazilli operations between 1 January 2020 - 31 December 2021 without any limits and restrictions. Subcontracting companies providing logistics of products and sub-employer companies providing support services at production sites were not included in the scope of the report. The reporting frequency is determined as every two years. The next report will be published in 2024, covering the performance over the period of 2022-2023. The content of the report was determined with the participation of our stakeholders. You can use the following communication channels to share your thoughts, suggestions, questions, and contributions on the report

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Ahmet Dördüncü
Akkök Holding Chief
Executive Officer
& Chairperson of the
Management Board of
UN Global Compact Turkey

The value of sustainability, which is our common goal in seeking to secure our future, is growing by the day. The search for solutions to chronic problems became more urgent during the pandemic process as fault lines deepened and vulnerabilities increased. At this point, the conditions of the post-pandemic era on the one hand, and the global consensus on turning commitments into action on the other, necessitate immediate action.

This understanding is at the heart of Akkim Kimya's sustainability strategy, one of the most important subsidiaries of Akkök Holding, one of Turkey's deep-rooted industrial establishments with 70 years of experience. With the philosophy of adding value to life through chemistry, Akkim not only creates environmental and social benefits for our world but also strives to improve its corporate performance in all areas through its sustainability



practices. In this context, I believe that the successful projects to be undertaken by the Green Strategy Group, which was established throughout the holding, will serve as a model for our country.

Under the leadership of Akkim, the Green Strategy Group, the details of which you can find in the report, will strengthen cooperation among Akkök Holding companies on issues such as sustainability, circular economy, clean energy, and climate change adaptation. Starting in 2022, the group will implement the action plan and commitments included in the roadmap in the European Green Deal, which aims to turn an urgent agenda such as the climate crisis into a unique opportunity. Thus, the basic elements of sustainable development understanding such as corporate carbon management, renewable energy, effective use of

limited resources, innovation and social welfare gain more importance in Akkim, Akkök Holding group companies and Turkey, and concrete efforts will be made to encourage institutions to take steps in this direction. I would like to thank Akkim Kimya for its efforts and successes in this field, which reports its sustainability performance annually and transparently to its stakeholders.

Sincerely,

Ahmet Dördüncü

Akkök Holding Chief Executive Officer & Chairperson of the Management Board of UN Global Compact Turkey



Onur Kipri
General Manager

While providing input to many locomotive sectors, Akkim is always mindful of its responsibilities to its valued stakeholders in both the economic and environmental fields.

In addition to the 10 Global Principles, for 10 years, WEF Stakeholder Capitalism metrics, which contribute to the transparent disclosure of our performance and progress in environmental, social and governance areas, as well as many Sustainable Development Goals, have also been the focus of our business. With our multi-target audience strategy, we have prioritized sustainability in every business and individual we have contracted in our entire life cycle.

We closely monitor sustainability issues in Turkey and around the world, and we strive to ensure that every decision and action we take serves a sustainable future.

Considering the changing priorities of society, life, and the planet, and within the scope of our strategy, which we have created together with our stakeholders, we reveal our purpose with our commitments in the titles “Respect for the Environment”, “Innovation”, “Creating Value” and “Respect for Humanity”. Responding to digitalization, which is one of the most important global trends today, is critical for the future of our company and the continuity of our business in recent years when sustainability has become increasingly important. Our innovative products and services, as well as our R&D studies in manufacturing processes, play an important role in improving our productivity and entrepreneurship performance. In this context, we have been using innovation to produce, develop, grow, and improve for ten years. In this direction, we increase our competitiveness in a variety of ways, such as by investing in R&D and innovation to reduce our environmental impact. We continue to invest in R&D to develop responsible manufacturing processes that are environmentally friendly, as well as to provide products that are in line with current trends and technologies. With the understanding that digitalization, technology, and innovation play an important role in achieving our sustainability goals more quickly, we continue to invest in digitalization without pause.

We adopt the circular economy approach in the fight against climate change. By constantly improving with new technologies, we ensure resource efficiency and strive to reduce our consumption. We continue to improve our performance in energy efficiency and greenhouse gas emissions reduction, which are critical components of our fight against the climate crisis.

We take action by determining our goals and communicating effectively with all of our stakeholders. We closely monitor global and national policies and practices that prioritize climate and sustainability, particularly the EU Green Deal.

We are carrying out projects to combat the climate crisis and the depletion of water resources, two of the world’s most serious environmental issues. We protect water resources by implementing water-saving projects and working to reduce the negative impact on biodiversity value. In this context, we hope to save 8% of the water we use with the measures we implement.

In waste management, our primary goals are to reduce waste, separate and recover waste at the source, and contribute to the circular economy. In this context, we carry out projects to digitize hazardous and nonhazardous waste processes.

We consider our employees to be our most valuable asset, and we are constantly working to improve our safe working environment and train the qualified workforce of the future. We work in line with the international standards while ensuring the health and safety of our employees. We remain more adaptable and resilient in the face of adversity thanks to our existing technological infrastructure, investments in employee safety and health, and effective stakeholder dialogue. We intend to use proactive approaches for improving the performance and implementing this approach with all of our stakeholders.

With the development opportunities provided, we aim to be the preferred employer, to invest in the learning and development of its employees, to contribute to an increase in employee satisfaction, and to create a highly motivated employee profile. We provide a safe and healthy working environment while determining all human resource processes and policies in line with the principles of inclusiveness, equality, and diversity. In this context, we implement many projects.

As Akkim, we will continue to accept responsibility based on our commitments. We are delighted to present our Sustainability Report, which serves as an important tool for transparent disclosure of our work. I would like to thank all of our stakeholders, particularly our employees, for their contributions to our commitments to a sustainable future.

Sincerely,

Onur Kipri
General Manager

ABOUT AKKİM

Akkim Kimya, Turkey's leading chemical manufacturer, was founded in Yalova in 1977. Manufacturing in five different locations and employing over 1000 people, Akkim holds a unique position in the chemical industry due to its product diversity. Akkim is a chemical company with a diverse product line that includes chlor-alkali and derivatives, peroxides, methylamines, persulfates, bisulphites, textile auxiliaries, concrete additives, and plastic additives. It serves the cleaning, hygiene, water treatment, textile, paper, construction, plastic, food, metal, energy, detergent, drilling, mining, and chemicals industries.

Working to improve its products and develop innovative solutions in the R&D Center established in 2013, Akkim has transformed itself into an organization capable of innovating at a global level. The allocation of resources has been reorganized and is now in line with market and customer demands. Since 2002, the company has been selling some of its know-how and technologies to companies around the world, and it provides a wide range of services ranging from engineering studies to turnkey commitments.

Akkim entered the high-tech treatment sector with its ultrafiltration membrane module investment in its Yalova Facility, leveraging its presence and synergy in the water treatment sector. With its modern factory that opened in 2016, it is the region's first and only manufacturer of this product, stretching from Europe to Asia.

Inorganic growth opportunities are always important to the company. Akkim added value to the white goods, kitchen utensils, oven, enamel, ceramic, and glass industries by purchasing Akcoat (Gizem Frit), the world's leading manufacturer of chemical coating materials, in 2015. In 2017, it acquired Dincox, a chemical sales and marketing company in Germany, to be closer to its European customers and to expand its export activities. Akcoat, on the other hand, made a significant integration investment by purchasing Megacolor, a Spanish manufacturer of ceramic printing inks. Finally, in 2021, USK Kimya, one of Turkey's largest carboxymethyl cellulose producers, was added

to Akkim. Akkim Silicon was founded in the fourth quarter of 2021, and production of silicone polymers began in the Yalova facilities.

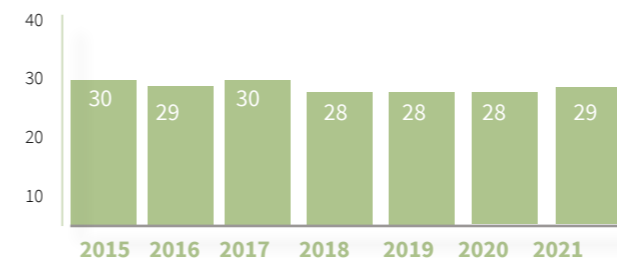
Akkim met its sales and profit targets in the fields in which it operates during the reporting period. Despite the uncertainties and negativity caused by the pandemic effect all over the world, the maintenance of sales prices despite lower raw material prices, the effect of foreign exchange-indexed sales and strict cost control, as well as derivative instruments used to hedge interest and exchange rate risks positively impacted the company's profitability.



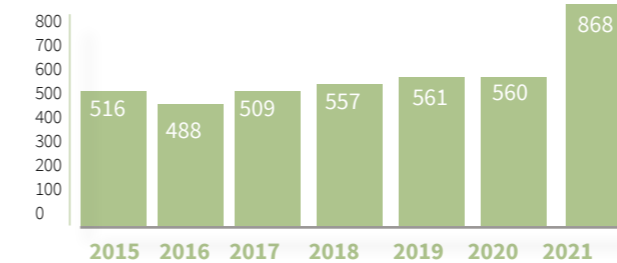
Please click the link to watch our Akkim corporate [video](#).

Akkim aims to become a global player in the sector with inorganic and organic growth and investments in the next 5 years and to increase its domestic and international market share with various integration, efficiency, R&D and innovation projects.

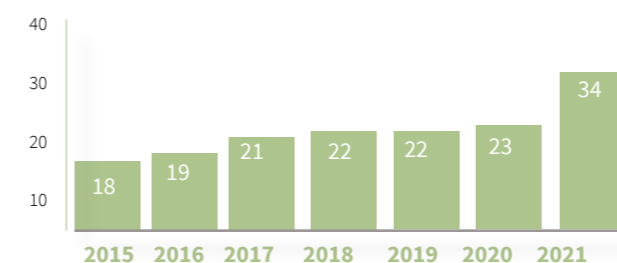
Number of main product groups manufactured



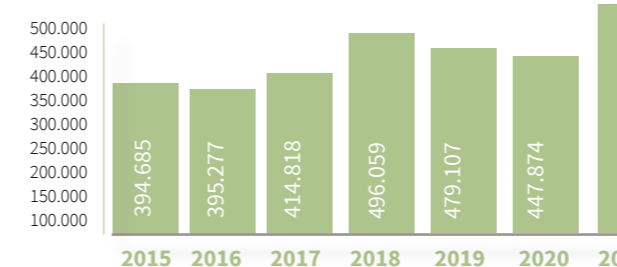
Number of Employees



Share of exports in total sales (%)



Realized total sales (tons)



About Akkök Holding

Akkök Holding, whose foundations were laid in 1952 by the late Raif Dinçkök, one of the respected entrepreneurs of our country, is among the most well-established organizations in Turkey with its 69 years of experience. The holding has 21 operational companies and 23 production facilities, four of which are located abroad, and operates in the chemical, real estate, and energy sectors. Akkök Holding, which closely monitors foreign markets in the sectors in which it is involved, aspires to keep up with global competition conditions and achieve world standards with all of its subsidiaries.

The understanding of "Sustainable Development" has an important role in the formation of Akkök Holding's future perspective and strategies.

Akkök Holding, which signed the United Nations Global Compact in 2007, has further strengthened the principles of openness and accountability it has adopted with all its companies. The Holding bases its relationships with all of its social stakeholders, particularly its employees, customers, suppliers, and shareholders, on these two fundamental principles. In addition to their full financial obligations, companies under the umbrella of Akkök add value to society, the environment, and the economy in all of their activities as corporate citizens.

Akkök Holding has over 5,000 employees in total today. Within the scope of Employer Branding research, values are not only strengthened internally but they are also disseminated externally



You can find detailed information about Akkök Holding from the [link](#)

MILESTONES

2021

- A share transfer agreement was signed with USK Kimya and the merger was completed within Akkim Kimya.
- EcoVadis maintained the Gold Awareness level in its sustainability assessment of the global supply chain in the field of corporate social responsibility.
- Succeeded in completing the stage3 audit with the highest score in Turkey of the ZDHC (Zero Discharge of Hazardous Chemicals) program, in which the sustainability of textile chemicals is evaluated.
- Akkim Silicon Chemistry company was established within Akkim Kimya

2020

- In the sustainability assessment of the global supply chain in the field of corporate social responsibility carried out by EcoVadis, it raised the Silver Awareness level to the Gold Awareness level.
- Ranking 252nd in the ISO 500 ranking, Akkim has risen by 100 ranks in the last five years.
- TSE received the TSE Covid-19 Safe Production Certificate after passing the inspection.
- Qualified to become a Bluesign System Partner

2019

- It was awarded the Silver Awareness Level in the sustainability assessment in the field of corporate social responsibility of the global supply chain carried out by EcoVadis.
- Selected as the National Champion in the innovation category at the European Business Awards.
- Completed TFS (Together for Sustainability) Sustainable Supplier audit with a high score.
- The R&D Center received the 2nd prize in the assessment of the Ministry of Industry and Technology of the Republic of Turkey
- Akkim Kimya's 2018-2019 Sustainability Report was awarded the Platinum Award by LACP (League of American Communications Professionals LLC).
- Akkim Kimya was ranked 120th in the Turkishtime R&D 250 Research, becoming the 21st company that carried out the most projects and the 50th company that received the most patents.

2018

- The new performance chemicals facility with a capacity of 150,000 tons/ year began production.

2017

- To be close to customers in the European market and to expand its export activities, it acquired the chemical sales and marketing company Dinox.
- Akcoatacquired Megacolor, one of the important players in the ceramic industry in Spain, in 2017.
- Feralco shares in Akferral company were purchased and it became a 100% Akkim subsidiary. Dilovası and Osmaniye facilities began to operate on behalf of Akkim.
- A new persulfates plant began production in Yalova with a capacity of 10,000 tons/year.
- At the end of 2017, the new hydrochloric acid plant with a capacity of 40,000 tons/ year became operational.

2016

- It entered the high-tech purification sector with an investment in the ultrafiltration membrane module.

2015

- Acquired 100% shares of Akcoatcompany.
- Received ISO 50001 Energy Management System certificate.
- Received ISO 27001 Information Security Management System certificate.
- Received ISO 14064 Greenhouse Gas Calculation and Verification certificate.

2014

- Akferral acquired Dostel Kimya's aluminum sulfate factories.

2013

- It received the title of "R&D Center" from the TR Ministry of Industry and Technology.
- Established Akferral company by signing a partnership with Feralco, Europe's 2nd largest water chemicals producer

2009

- Received OHSAS 18001 Occupational Health and Safety Management System certificate.

2007

- Commenced the production of concrete chemicals.
- Signed United Nations Global Compact.

2006

- The sodium percarbonate plant was put into operation.

2005

- It started to produce paper chemicals.

2004

- Received ISO 14001 Environmental Management System certificate.

2002

- Since its inception, Akkim has placed a high value on technology and has begun to export the know-how gained as a result of engineering studies conducted within its own body.

1998

- The hydrogen peroxide plant commenced production.

1995

- Received ISO 9001 Quality Management System certificate.

1993

- By signing the Responsible Care Program, it became one of the first companies to implement the program in Turkey.

1992

- The chlor-alkali plant with a capacity of 60,000 tons/year became operational.

1989

- Started production of methylamines.

1988

- Textile Auxiliaries started production.

1982

- Started to produce persulfate.

1977

- Founded on 05.10.1977, Akkim started to produce 1000 tons/year of sulfur dioxide.

GOVERNANCE AT AKKİM

Values

Sustainability

We respect life and the environment in all our business processes. We do not compromise on “Quality” and “Occupational Health and Safety”.

Innovation

We create new products, services, and processes with unique and innovative ideas that add value by challenging the status quo in all of our business processes. We evaluate and encourage innovation as a natural part of our business life

Ethical Principles

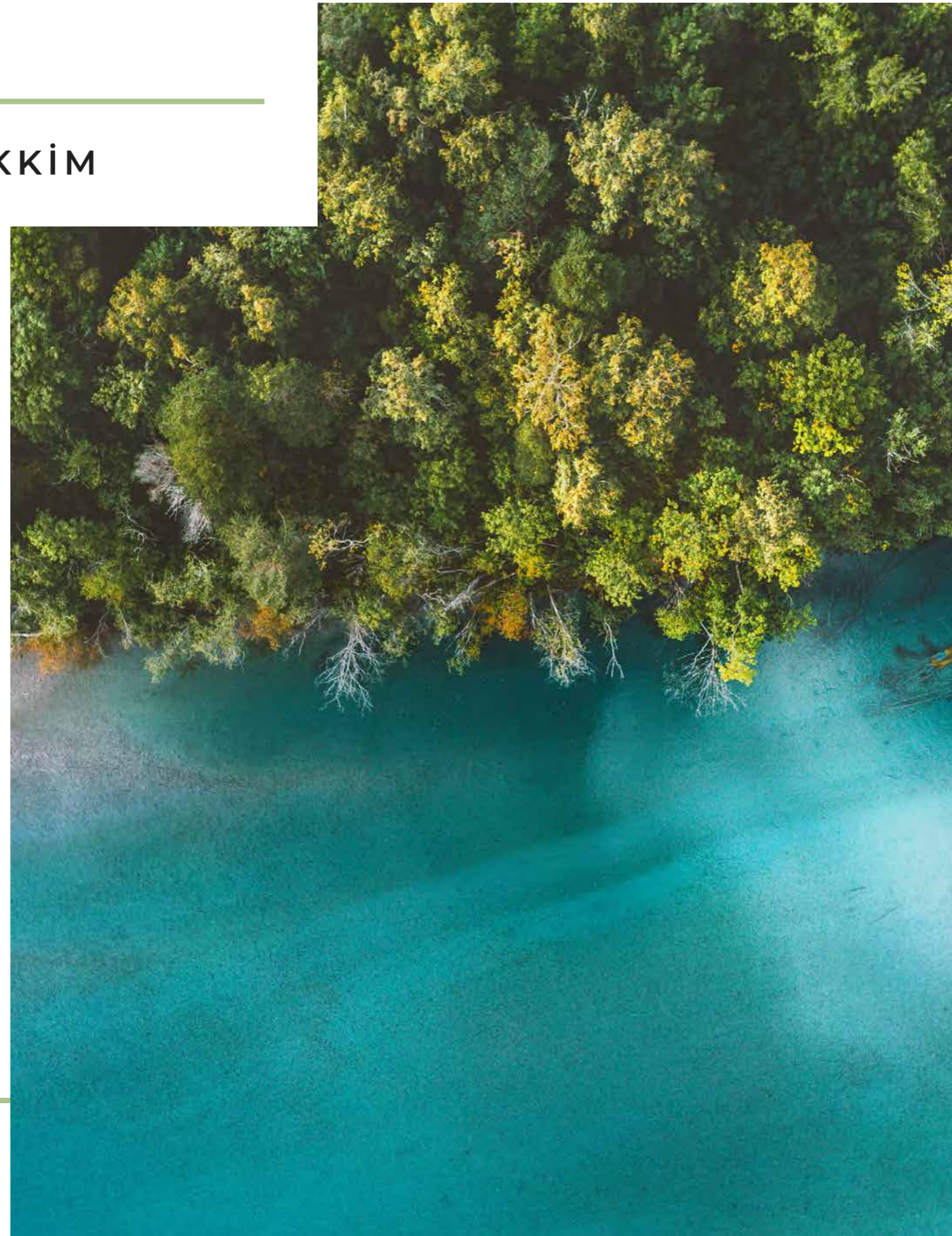
We act responsibly, honestly, reliably, equally, confidentially and in line with the laws in our relations with all stakeholders, decisions, and actions.

Teamwork

We say we, not me, we overcome difficulties by supporting each other, we achieve successes together and celebrate

Respect For Humanity

We take into account the impact of our business decisions on our employees. We respect the rights of our employees to learn, develop, gain knowledge, express themselves and work in an appropriate environment with equal opportunities without discrimination.



In the next five years, Akkim aims to become a global team player in the sector through inorganic and organic growth and investments, as well as to increase its domestic and international market share through various integration, efficiency, R&D, and innovation projects. Akkim understands that to achieve these objectives, it will need to rely on its human resources. Aims to develop its existing employees with fair, innovative, transparent and effective Human Resources practices, To make an organization consisting of “Competent and Wholeheartedly Committed Employees“ with the understanding of “People First” being permanent and to make Akkim “an ideal workplace for working and developing“ and “an employer brand preferred by everyone”.

Corporate Management



ECONOMIC PERFORMANCE

Total revenue (Thousand USD)

2020
187,864

2021
300,471

All expenses incurred for the development of employees (Thousand USD)

2020
15,066

2021
17,640

The effect of foreign currency indexed sales, tighter control of costs during the pandemic period, and derivative instruments used to protect against interest rate and exchange rate risk had a positive effect on the Company's net profit. Our Company was only slightly impacted by the market's negative trends, and there was no deterioration in our Company's financial structure during a period of high uncertainty. Demand, which had stalled in 2020 due to the pandemic, picked up in the operating year, and raw material prices, which had fallen to their lowest levels in 2020, began to rise in 2021. However, the freight crisis in 2021 and the strategy of suppliers in the European region to supply from a geography close to the Far East have had a positive impact on our sales. In 2021, Akkim purchased both USK Kimya and successfully completed a difficult process by merging the companies in the same year. It was endeavored to establish systematic integration and internal synergy during the company merger, as well as the globally increasing costs were followed, and high profitability was maintained with appropriate price and cost policies.



SEZER ÖZGENÇ EXPORT SALES AND PRODUCT MANAGEMENT EXECUTIVE

It is very pleasant to have a seat in a company that invests not only in its customers but also in its employees. I understood that the most important value in Akkim, where subordinate-superior relations are conducted with ethical values and where respect, and understanding have become a tradition, is that you feel peaceful and happy in the environment where you work. I am proud of my contribution to my country's exports and being a part of such an institutional, large, well-established, and innovative company. Professionalism is important, but sincerity and friendship are the keys to this business... for example, on my first father's day, receiving my first gift from Akkim will remain a memory that I will not forget for the rest of my life... With the trust and support given, knowing that Akkim will be the guarantee of my family's future allows us to embrace our work completely. That's why I say, 'I'm glad I'm with Akkim'

USK Purchasing Process

Akkim's criteria for evaluating purchasing opportunities within the scope of its growth targets and M&A consultant suggestions guided the company acquisition process for USK Kimya, Turkey's largest and only pure carboxymethylcellulose (CMC) producer and the world's leading CMC producer.

The fact that USK Kimya has growth potential, serves Akkim's product range, provides products to the sectors in which Akkim currently works, has a high export share in sales, and has calculated that a rapid return will be achieved as a result of the company's valuation has been effective at the beginning of this process. At USK Kimya, the Due Diligence (DD) process has been initiated in ethical, tax, financial, legal, environmental, OHS, and legal issues. Following the agreement with USK Kimya on the non-final amount in the purchase price based on the DD results, a virtual data room was opened, DD studies were updated, and SPA (Shareholder Purchase Agreement) negotiations began. In the light of the results obtained, a binding offer was submitted in January 2021.

In March 2021, USK Kimya A.Ş. was acquired with a company value of 63 million USD. Akkim sought to strengthen its market position by adding carboxymethyl cellulose (CMC) production to its product portfolio, which is used in drilling, detergent, food, textile, cleaning, and other industries.

Following the acquisition of the company, a 120-day plan was developed and distributed to the entire department by senior management, and integration studies between departments were initiated. At the end of May 2021, the two companies were merged under the umbrella of Akkim Kimya.

RISK MANAGEMENT

To add value to its stakeholders and enhance performance overall, Akkim proactively assesses its risks. The Enterprise Risk Management process has been incorporated into all processes to reduce risk.

Thus, Akkim aims to be a company that takes appropriate action against risks threatening corporate existence and reputation with its strategic approach, sustainability priorities, succeeds in maintaining stakeholder communication in all circumstances, and ensures business continuity.

The Corporate Risk Management process is carried out and the Financial Planning and Reporting Directorate, reporting to the Deputy General Manager for Financial Affairs ensured its interdepartmental coordination. In the same way that it has in the past, Akkim will continue to add value to its risk management, control, audit, and governance processes.

At Akkim, risks and opportunities are examined in relation to standards, legal compliance, and customer requirements. This includes quality, environmental considerations, the development of an occupational health and safety culture, the detection of hazards, energy efficiency, and information security. These opportunities and risks are assessed based on their potential effects, strategies are developed, and a risk inventory is produced.

Action plans are established to lower high-grade risks to guarantee the process' effectiveness. Every two months, the "Early Risk Detection Committee" reviews these risks. The Board of Directors is informed of the state of critical risks.

Operational, reputational, stakeholder impact, strategy, and compliance risks are listed alongside financial risks in Akkim's risk analysis.

Along with financial risks, the risk inventory for risk analysis also includes risks related to operations, stakeholder impact, reputation management, strategy, and compliance. As a result, the issues covered by the strategy and the sustainability priorities are assessed in light of the current risk environments, and the necessary action plans and related practices are put into place.



BUSINESS ETHICS PRINCIPLES


The rules based on ethical compliance at Akkim are the Business Ethics Principles announced by Akkök Holding. As one of the pillars of corporate culture, Akkök Holding views adherence to business ethics as a requirement in all business relationships and processes.

Akkim carries out all its business processes within the scope of the Business Ethics Principles published by Akkök Holding and disseminated to all holding companies. Since its founding, Akkim has upheld the importance of conducting business with ethics and transparency, and as a result, has raised its standards to the highest level. Akkim's ethical principles include accuracy in the use of company resources, financial and commercial records, compliance with the rules of competition, conflict of interest, protection

of confidential information, trust, respect, and responsibility. In the event of a circumstance that violates the Business Ethics Principles, there is an ethics hotline run by a completely independent organization that can be contacted with open communication and confidentiality guidelines. The Akkök Holding Ethics Committee can be reached through the ethics line continuously, seven days a week, in the event of any ethical violation or suspicion that violates the Business Ethics Principles. At least three people make up the Ethics Committee. The Akkök Holding Board of Directors is responsible for selecting and removing members of the Ethics Committee. The directors of Akkök Holding's human resources, legal, and audit departments should always be represented on the ethics committee. When it comes to issues related to Akkim in the Ethics Committee, the Representative of Akkim Ethics is on the Ethics Committee.

To safeguard its deeply ingrained corporate culture and reputation, which it has built with experience and expertise in the past and present, Akkim offers ethics training to its employees. This is done to raise awareness of ethical compliance and transparency and to maintain it in the future. During orientation, recently recruited employees receive an ethics booklet outlining the fundamentals of business ethics in exchange for their signature. The "Ethics Mail" application was also put into place during the reporting period and periodically distributed to the staff in addition to the related awareness-raising techniques. Employees with access to computers are occasionally sent emails with examples of ethical behavior, and the topic is reinforced with questions.



 You can access Akkök Holding Business Ethics Principles by clicking the [link](#)

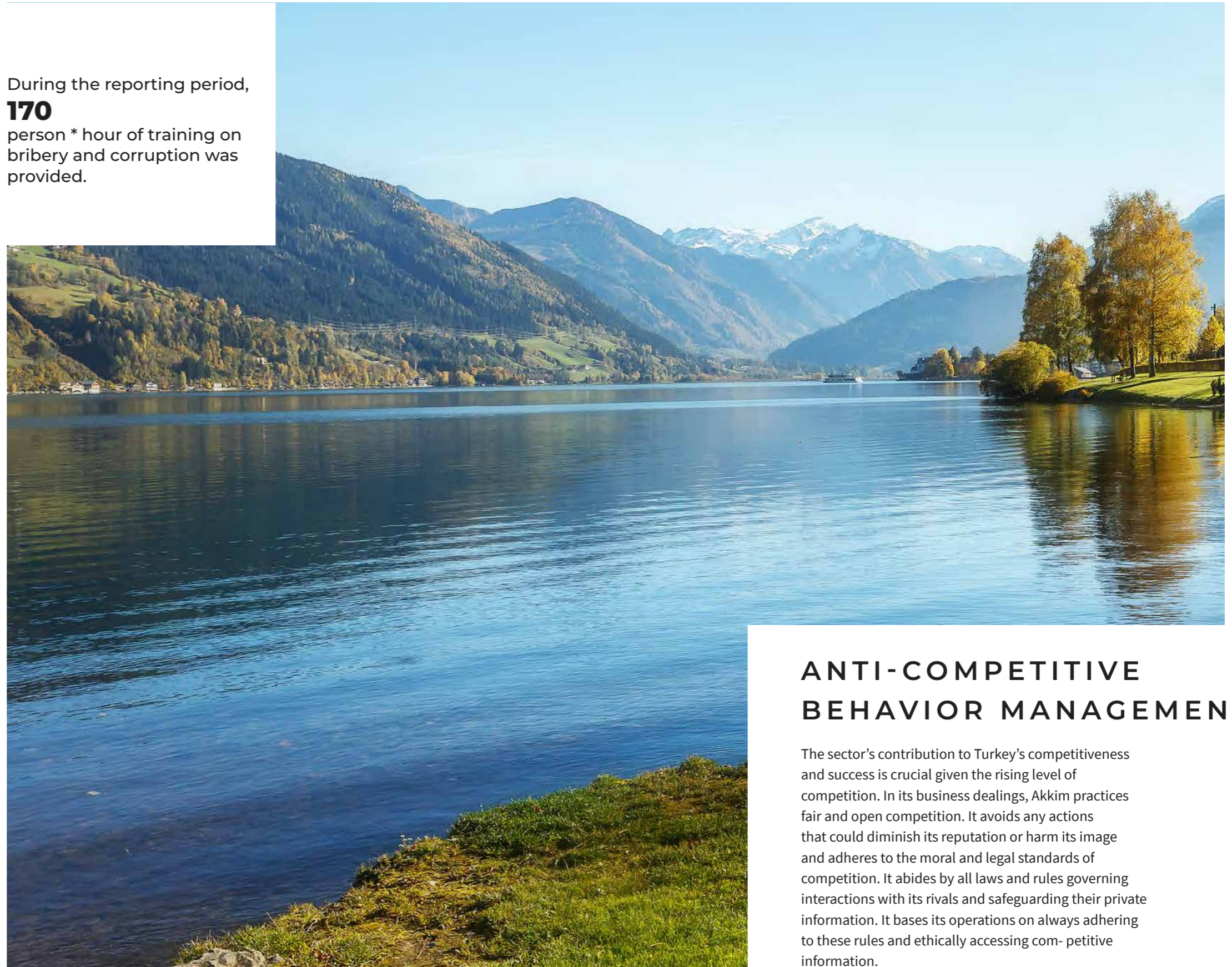
ANTI-CORRUPTION

As one of the pillars of its corporate culture, Akkök Holding regards adherence to business ethics as a requirement in all business relationships and processes. It bases all of its operations on responsibility, integrity, fairness, and openness. It carries out its responsibilities pursuant to the rules and laws of the nations in which it conducts business. It anticipates that all parties involved will adhere to its anti-corruption principles.

At Akkim, anti-corruption policies and other related practices are governed by ethical principles. All employees received the Ethical Principles Booklet, and ethical principles training was given. It declares that we work regularly every year in line with the ethical principles and the violations, if any. Ethics trainings are held every year for new recruits and those who have not participated in ethics training before, twice a year.

At Akkim, the internal control system is the most important structure in the fight against bribery and corruption. The Internal Audit Department conducts an audit of the internal control system as part of Akkim's annual internal audit plan, with a focus on enhancing operational effectiveness and productivity, ensuring the accuracy of financial reporting, and adhering to legal and regulatory requirements. The aforementioned annual internal audit plan is created using a risk-based methodology, and the most important risks as defined by corporate risk management are given priority. At the meetings held throughout the year, the results of the internal audit activities are reviewed, and when necessary, the opinions of the internal auditor, external auditor, or other company managers are taken. Within this scope, audits for 2020 and 2021 were completed, and at meetings held throughout the year, the outcomes of internal audit activities were reviewed.

During the reporting period,
170
person * hour of training on
bribery and corruption was
provided.



ANTI-COMPETITIVE BEHAVIOR MANAGEMENT

The sector's contribution to Turkey's competitiveness and success is crucial given the rising level of competition. In its business dealings, Akkim practices fair and open competition. It avoids any actions that could diminish its reputation or harm its image and adheres to the moral and legal standards of competition. It abides by all laws and rules governing interactions with its rivals and safeguarding their private information. It bases its operations on always adhering to these rules and ethically accessing competitive information.

ADAPTING TO TRENDS/MEGA TRENDS

Global developments, megatrends, business practices, and analyses of regulatory compliance are assessed in the strategy workshops. Within the framework of risk management, quarterly reviews of corporate risks and opportunities, as well as the provision of innovation strategies and technological roadmaps in light of trends. The recognized mega trends for the reporting period are as follows.

POLITICS, ECONOMY, SOCIAL, AND TECHNOLOGY ASPECTS;



Change in Consumer Habits (Ecological Consciousness)

The future of the consumer world is being rebuilt as a result of the shift in consumer behavior. Along with generation Z's opposition to climate change, this megatrend, which emerged with the pandemic, has gained global attention.

Akkim aims to create procedures for the use and production of non-hazardous substances that will not harm the environment or people's health by adopting the green chemistry philosophy. Akkim favors formulas with high resource efficiency that use fewer resources overall and makes sure to use raw materials that are derived from plants and renewable resources. Processes for design, however, are planned. We are constantly reminded of the importance of chemistry in all facets of life by Akkim's motto, "We add value to life with chemistry."



Social Contributions of Sustainability

Akkim participates in platforms that gauge environmental, social, and governance performance with the hope of creating a world where no one is left behind through transparent governance and social contributions along the value chain. Akkim also carries out the transparent communication of sustainability governance and pre-profit sustainability practices through routine third party and customer audits.



Flexible Business and Human Capital

Remote working has become widely accepted to reduce the risks associated with the pandemic's effects. With the recent increase in innovation practices, the concept of flexible business has led some business lines to project-based work in non-financial elements such as stakeholder economy, generation gap, talent wars, and employee happiness. According to Akkim, flexible fringe benefits, remote working orders, and the implementation of flexible working practices help to manage both the digitalization of human resources and employee loyalty. Collaborations on project-based working models are also on the agenda.



European Union Chemicals Strategy

- Limiting the use of the most dangerous chemicals in consumer products to those that are absolutely necessary
- To increase investment and innovative capacity for the production and use of safe and sustainable chemicals by design and throughout their life cycle
- Taking into account the cocktail = synergistic effect of chemicals when assessing risks from chemicals
- Promoting the EU's supply flexibility and sustainability of critical chemicals

To play a leading role globally by supporting and promoting high standards and not exporting chemicals prohibited in the EU



Technological Advances (High Efficiency and Personalization)

The rapid development of robotics, virtual reality, and other new technologies has also sped up the digitization of organizations and businesses. Technology advancements must be adapted through efficiency gains and new ways of communicating with customers. New technologies bring risks in areas like employment patterns, data privacy, brand security, and human rights, as do new processes that must be incorporated into the way business is done. Production and customer demands are impacted by disruptive technologies. To stay competitive, Akkim monitors technological advancements build out its infrastructure, and establishes short-, medium-, and long-term goals. Aiming to review the technological roadmap with vertical and horizontal integrations, corporate organizational competence, facility intelligence, automation, and product life cycle, it also plans to introduce more agile and productivity-enhancing applications within the context of the most recent developments.



Climate Change

According to the United Nations, Climate Change is among the biggest global problems. Around the world, people are suffering from the catastrophic effects of the climate crisis, which have an immediate impact on social, environmental, and economic activities. Many reports, such as the IPCC reports, and various regulatory and market-based carbon emission reduction mechanisms for staying below 1.5 degrees also draw attention to the same issue.

Approaching the sector's rapid change and transformation with agility, Akkim has already prioritized infrastructure projects to keep up with global developments, carbon-neutral targets, the transition to a circular economy, and the expansion and improvement of its communication with the supply and value chain in the context of climate change.



Chemical Industry Global Risks and Opportunities

The European Union (EU) aims to produce and use safe and sustainable chemicals that enable sustainable and technological transitions, as well as phase out the most harmful chemicals that are no longer needed for societal purposes. Particularly with REACH (Registration, Evaluation, Authorization, and Restriction of Chemicals), chemicals under the EU's new strategy will bring significant changes to the process that the main purpose of final consumer products that threaten human health carcinogenic, that are caused by gene mutations, reproductive, and endocrine system to guarantee the absence of substances that threaten it. Within the framework of EU import and export mechanisms, which aim to be climate neutral in all respects, it also seeks to spread this phenomenon throughout the entire supply and value chain within its sphere of influence.

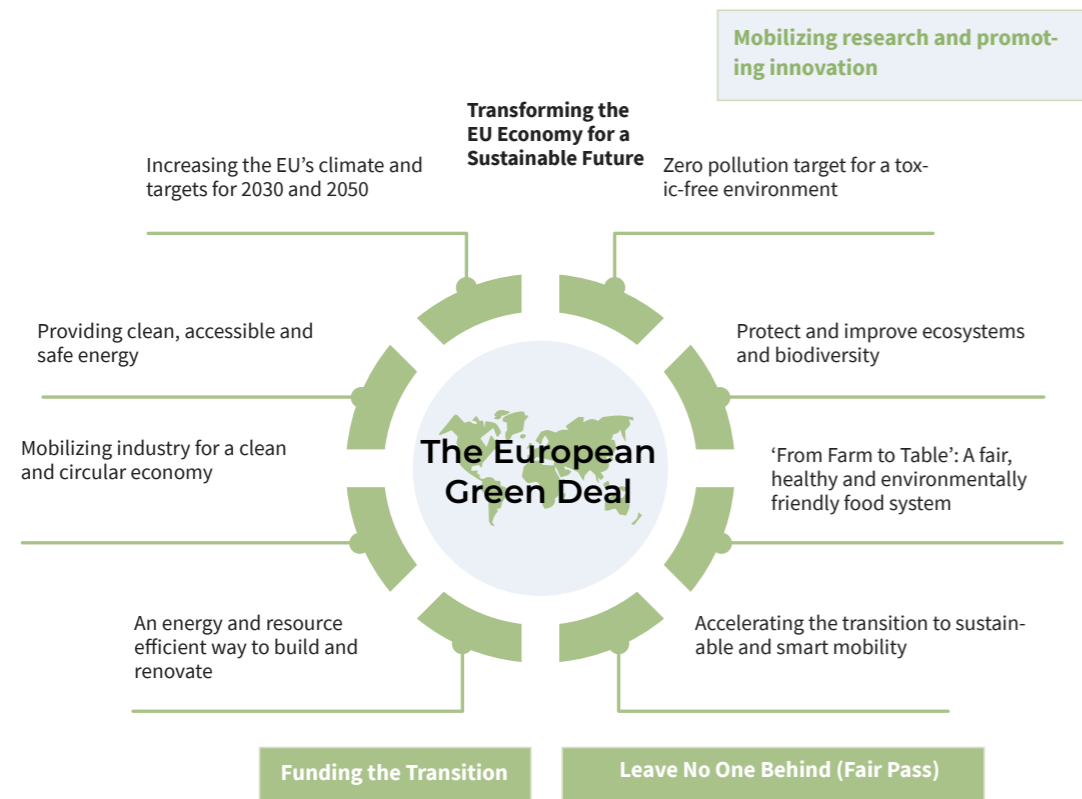
Akkim adheres to local, national, and international standards in this regard and has already dealt with its plans for decarbonization processes in strategic processes.



Risks and Opportunities of the European Green Deal

The European Green Deal Call, announced by the European Union Commission in December 2019, plans to reduce carbon emissions by 50 percent by 2030 and to reach the zero carbon emission target by 2050.

The European Green Deal is also closely related to our country. In particular, the Carbon Border Adjustment Mechanism (CBAM), which is associated with the international trade system, is one of the most important approaches affecting our country. The EU Commission has made it clear that carbon must be priced into the economy as a whole to achieve climate targets. Cement, iron-steel, aluminum, fertilizer, and electrical energy production are listed as priority industries under the purview of CBAM. On the other hand, discussions about including organic chemicals in the deal's purview are still ongoing.



Akkim is one of the leading companies in the chemical industry. The European Green Deal is expected to be impacted on the axis of this growth strategy by the issues of border carbon regulation, green finance, clean energy, circular economy plan, and chemicals strategy (sustainable product). Akkim has the motto "Innovation and Sustainability Are In Our Chemistry".

The legal compliance processes review the risk assessments of the potential effects on the environment and human health while developing the product's formula through interdisciplinary discussions. It produces environmentally friendly products based on the philosophy of green chemistry. It creates energy-efficiency projects and, in the belief that measuring one's environmental impact is the first step toward reducing it, publishes carbon and water footprint reports.

Within the scope of the European Green Deal, awareness-raising trainings are planned to be organized in 2022.

At the same time, it is aimed to create an EU Green Deal roadmap based on sustainability priorities. In this context, the establishment of a task force consisting of authorized experts of Akcoat, Akgirişim, Akkim, Aksa, DowAksa, Yalkim companies, one of the chemical subsidiary companies of



GREEN STRATEGY GROUP

Under the leadership of Akkim, the Green Strategy Group aims to strengthen cooperation among Akkök Holding companies on issues such as sustainability, circular economy, clean energy, and climate change adaptation.

Akkök Holding, has been decided by the appointment of the Board of Directors. The ultimate goal of this task force, called the Green Strategy Group, has been determined as determining the roadmap and reviewing management strategies.



The main topics that will be the focus of the roadmap in terms of feeding long-term strategies and decisions in 2022 and beyond are; Turkey strategy, corporate risks, entry to the ETS system, carbon reduction target, technology follow-up, greenhouse gas calculation within the scope of SBTi (Science Based Targets Initiative), transition to alternative energy sources, conversion of

existing energy sources to renewable sources / providing substitutes, carbon certificates that will contribute to the ETS system usage, circular economy, product initiatives, taxonomy.

Akkim adopts the Green Deal vision and works to integrate it into all its fields of activity.

FIGHTING THE EPIDEMIC

Taking the need for its employees to access health services during the pandemic process into consideration, Akkim contributes to society and ensures that all measures are taken regarding the pandemic in all common areas and working areas so that its employees can overcome the process in the healthiest way possible, and has acted aware of its role and responsibility as a raw material producer of many hygienic materials from bleach to detergent, from hand and bath soap to disinfectant. The company's most important agenda item in 2020 and 2021 was to continue operations uninterrupted in the event of a pandemic. Alternative products were created in the market as a result of the development of antibacterial and antiviral products during this time period. With the Covid-19 pandemic, the Emergency Plan for Combating the Epidemic was created, as was the Emergency Desk. This desk kept track of the actions taken, the improvements made, and the Covid-19 process.

The wellbeing of the workers and their families, however, was also a top priority. All staff members received information training on the coronavirus in this situation. All qualified employees began using the remote working system as soon as the first case was announced. By

switching to a shift and rotational working order for those who are not suited for remote work, the level of interaction is reduced. The number of hours and people was regulated to lessen the amount of time that people spent together in communal spaces like the cafeteria, locker rooms, and break areas. Service capacity has been cut in half, and each use triggers disinfection. Our employees and their families received online psychological counseling services throughout the procedure to lessen anxiety. Instead of holding meetings and training sessions in person, everything was done online. The development of the vaccine has supported vaccination. For the diagnosis of the illness, antibody tests and rapid diagnosis kits were offered.

Seminars have been organized for employees where they can participate online and announcements have been made to support their well-being. It is aimed that they can spend the pandemic period most comfortably by preparing home office working guides.

Along with the normalization in the pandemic process, Akkim has also adapted to the process with the Normalization Guide.

AKKİM'S SUSTAINABILITY JOURNEY



Çiğdem Arpat
Management Systems
Manager

In the time we are living in, we are seeing that it is important for businesses to adopt good corporate governance practices that are considerate of both the environment and people, that sustainability is a reflection of the global transformation, and that it is frequently on investors' agendas.

We take into account our responsibility not only for our own generation but also for future generations in the economic, social, and environmental fields when we look at the 17 common Sustainable Development Goals (SDGs) that the UN Global Compact groups under the headings of biodiversity loss, climate change, hunger, clean energy, and human rights violations. We pay close attention to the UN Global Compact's announcements regarding the Chemistry and Energy sectors, which are essential for achieving the goal of reducing global warming and responsible care since 1993, the Global Compact, to which we have been a signatory since 2007, and medium and long-term sustainability strategy in our committees. We share our performance and goals in accessible sustainability reports prepared in accordance to the GRI standards and publish them on our website.



Our business results and sustainability indices demonstrate that we are successful in managing the opportunities and risks associated with all of our processes that affect our environmental and social performance, as well as our long-term economic performance.

Looking at the past, present, and future, we have transformed the Global Compact progress reports, which we began in 2010, into sustainability reports prepared according to the GRI standards as of 2013. In 2014, we received our first LACP communication award, and in 2017, we launched our UN SDG materiality matrix. We continued our work with stakeholder analyzes and in-house workshops. We conducted our last review in 2021 with the perspective of ESG Environment Social and Governance.

We realized the alignment of all functions with local and global goals within the framework of corporate business goals, taking into account the priorities of internal and external stakeholders, during these workshops. We have aligned our sustainability strategy, announced our policy to our stakeholders and created our roadmap. We established committee governance and aimed to develop and implement projects within the framework of our roadmap's material issues.

Among the benefits of our sustainability approach in all of our processes to our company are: a better and improved reputation, increased brand value, lower operational costs with environmental improvements, gaining new markets by offering innovative products and services, qualified and participatory personnel, ensuring the continuity and growth of investments.

Looking back, we can see that Akkim is a sustainable brand in the supply chain by adhering to responsible production-consumption principles, national and international legal requirements, voluntary management systems, and product safety standards. In our quality management system, which began in 1995, we have included environmental, occupational health and safety, energy, information security, and greenhouse gas reporting. We will maintain our quality with iCompliance, which we have crowned with our water footprint reporting and new term food safety management system FSSC 22000. We are continuing to develop our global sustainable supplier platform EcoVadis, which we started in 2019, to attract our score from Gold to Platinum. We are closely monitoring the impacts on all dimensions of sustainability and developing projects. We reduce gender inequality by raising awareness about the use of plastics and using the AkkimCE brand. We always demonstrate our commitment to sustainability in Akkim's current and potential supply chain, which has been digitally transformed based on our innovation strategy and technological roadmap, that Akkim is a dependable partner, and our responsibility for the impacts of its business.

Sincerely,

Çiğdem Arpat
Management Systems Manager

AKKİM'S SUSTAINABILITY APPROACH AND MANAGEMENT

Akkim Sustainability Policy

With the mission of "We add value to life with chemistry", as Akkim Kimya San. ve Tic. A.Ş.; we aim to be an exemplary company in the field of sustainability management in our country and our sector, with the principles and priorities we have determined based on our sustainability values, and to manage all our processes in this direction. In all our domestic and international activities, our UN Global Compact and Responsible Care commitments and

In line with our Sustainable Development Goals;



Gender Equality



Clean Water and Sanitation



Affordable and Clean Energy



Decent Work and Economic Growth



Industry, Innovation and Infrastructure



Responsible Consumption and Production



Climate Action



Life Below Water



Life On Land

- To manage our sustainability impacts and economic, social, and environmental responsibilities beyond the scope of important and priority issues for our company and key stakeholders, and to create long-term value for our stakeholders through innovative ideas, investments, and products, Decent Work and Economic Growth Industry, Innovation and Infrastructure
- To put all of our resources into carrying out the actions we've decided on to achieve our sustainability goals,
- Working with all our staff to achieve sustainability goals and keeping all communication channels open,
- To periodically review, improve and develop our targets and performance,
- And are committed to presenting our sustainability report to our stakeholders biennially.

The sustainability approach, which is strategically important in Akkim, has an inclusive governance model that takes into account transparent communication in the environmental, social, and economic dimensions. Sustainability governance, which includes the company's strategic direction, decisions, and preferences, is a multi-stakeholder and participatory in nature.

The sustainability philosophy is one of Akkim's top priorities as it moves forward with strong steps from the past and its 45 years of experience. For the past

ten years, Akkim has reported on its sustainability activities, and the environmental, economic, and social sustainability committees, established in 2018 under the leadership of Akkim General Manager Onur Kipri, continue to adopt sustainability goals and practices at all levels and monitor performance.

The roadmap of the sustainability strategy and the progress of the sustainability targets, which are the outputs of committee work, are presented to the Board of Directors once a year during the strategic plan process, and the data is included in the agenda in each quarter.

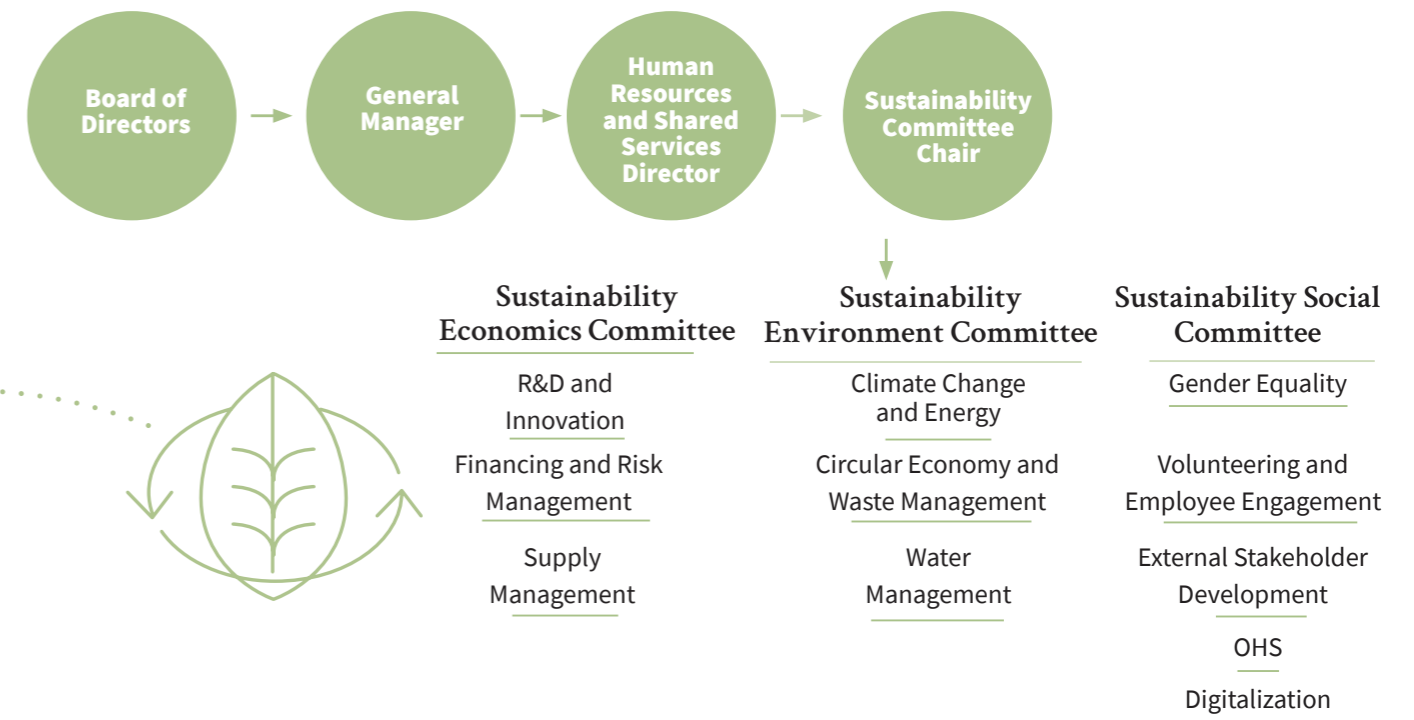
In the years 2020-2021, the sustainability committees work included: Determining new term strategic sustainability targets according to internal and external stakeholder priorities, developing existing ones, following up projects, raising awareness among all employees within the sustainability communication plan, monitoring the progress of corporate culture and process managements according to sustainability principles, ESG (Economic-Social- Governance) increasing the performance of the company and representing the company in terms of sustainability. Subgroups were established in committee governance by recruiting new members to effectively manage the diversity of agenda topics, in addition to Akkim's strategic goals and global developments in 2021. The development and monitoring of targets and sustainability performance according to Akkim's strategies and policies related to the United Nations Sustainable Development Goals, related to their areas of responsibility, and the preparation of reports are the responsibility of committee leaders and teams. These teams' members represent a variety of roles and specialties, including sales, research and development, manufacturing, planning and logistics, purchasing, finance, human resources, health and safety, management systems, corporate communications, information technology, laboratories, maintenance, and sustainability concerns. By capturing the integrity of each of its constituent parts from various angles, synergy must be created.

We reviewed the strategies and initiated meetings to determine sustainability goals and objectives between 2022 and 2025 according to the results of the prioritization workshop and stakeholder surveys. The short-, medium- and long-term 2022-2025 targets constitute an important part of the Akkim strategy.

Sustainability targets have been included in the annual individual performance target report cards, including the General Manager and the senior management level.



COMMITTEE ORGANIZATION



SUSTAINABILITY COMMITTEE CHAIR

Çiğdem Arpat - Ece Eriş

ENVIRONMENT COMMITTEE

Team Leader

Tuğba Sütcüler (HR&SS)

Team Member

Ali Haydar Ketir (PRODUCTION)
 Serdar Yay (PRODUCTION)
 Tuba Kahya (HR&SS)
 Samet Başaran (MAINTENANCE)
 Salih Özer (SUPPLY CHAIN)
 Dilara Çetinkaya (PRODUCTION)
 Kübra Konca (PRODUCTION)
 Melis Kaya (INVESTMENT)
 Kübra Doğan (HR&SS)
 Zela Okçuoğlu (HR&SS)
 Yaren Aydın (NAZİLLİ FACTORY)

ECONOMICS COMMITTEE

Team Leader

Öznur İskefiyeli (SUPPLY CHAIN)

Team Member

Tuğhan Akbaşak (R&D)
 Seher Uzunsakal (SALES)
 Seçil Zengil (INVESTMENT)
 Burak Başsayel (SUPPLY CHAIN)
 Gamze Güleç (PRODUCTION)
 Buket Gündoğan (FINANCIAL AFFAIRS)
 Gökçe Kaya (SALES)
 Zehra Seyyah (HR&SS)
 Burçin Elgin (HR&SS)
 Emre Özyılmaz (SUPPLY CHAIN)
 Duygu Koç Morgül (HR&SS)
 Meltem Süksel (SUPPLY CHAIN)

SOCIAL COMMITTEE

Team Leader

Gonca Yonar (HR&SS)

Team Member

Didem Usta (HR&SS)
 Sirel Aydın (HR&SS)
 Nedim Çevikgil (MAINTENANCE)
 Umut Baştürk (HR&SS)
 Bulut Uzunmehmetoğlu (SUPPLY CHAIN)
 İlker Eser (FINANCIAL AFFAIRS)
 Efdal Deniz (FINANCIAL AFFAIRS)
 Ayşecik Demir (FINANCIAL AFFAIRS)
 Erkan Gökhan (HR&SS)

AKKİM'S SUSTAINABILITY PRIORITIES

In the ten years that it has reported on its performance and the value it creates, Akkim Sustainability has adopted a sustainability strategy that is consistent with its vision, mission, and values. It will move forward with a strong commitment to sustainable development knowing that this harmony can only be achieved through carefully managed prioritization efforts. With the involvement of all its stakeholders, it has updated its prioritization analysis in this situation to assess the effects of shifting business realities and global conditions. In addition, Akkim uses prioritization analysis to identify the sustainability focal points and create its long-term strategy. Akkim is aware of how the world is changing and strives to fully comply with these processes.

The most crucial metric of corporate sustainability is choosing the appropriate sustainability issues to focus on and creating strategies for these focus areas. The sustainability vision, targets, and action plans are built around the identified priority issues. The choice of the appropriate areas must take into account factors such as maintaining business operations, maintaining employment opportunities, and adding value for stakeholders' governance, environmental, and social development.

To determine which sustainability issues are crucial for Akkim strategically, a sustainability workshop was held with the Sustainability Committee. A general overview of the developments in the global sustainability phenomenon, sectoral dynamics, and Akkim's strategy regarding the issues and stakeholders were reviewed during the pertinent workshop to establish

priorities. A multi-layered priority subject matrix has been created with this analysis, which is carried out pursuant to the AA1000 Stakeholder Engagement Standard. The social and environmental impacts created by Akkim; the risks and opportunities created by the related sustainability issues; and the reflection of the issues on the company's long-term performance were among the elements taken into consideration.

25 issues that will be given priority for Akkim have been determined using this sustainability issue matrix. A list of priority stakeholder groups was created at the same time as an analysis of the impact of various stakeholder groups on sustainability performance.

To learn about sustainability issues that are crucial for Akkim's sustainability issues, both for internal and external stakeholders, and to obtain stakeholder feedback, a survey was conducted with the selected internal and external stakeholder groups.

Through an online survey, opinions from employees— who were considered internal stakeholders—as well as business partners, non-governmental organizations, customers, financial institutions, and suppliers—were gathered. More than 300 stakeholders, primarily Akkim employees, as well as domestic and international stakeholders, participated in this survey study to provide their opinions.

The sustainability priorities matrix was finished during the materiality analysis by assessing the risks and opportunities while taking into account the global and

INFLUENCE ON STAKEHOLDERS ASSESSMENTS AND DECISIONS



SIGNIFICANCE OF IMPACTS FOR AKKİM

Akkim identified 13 sustainability issues as being of high priority in the sustainability priorities matrix. These problems form the core of sustainability management, which is carried out under the guiding principle that “Being Sustainable in the Past, Present, and Future is in Our Chemistry,” which serves as the cornerstone of Akkim’s sustainability strategy.

Within the framework of internal organization-wide workshops held to review sustainability strategies, Akkim carried out the alignment of all functions with local and global targets while taking into account the priorities of internal and external stakeholders. It is intended to develop and implement projects within the framework of priority issues in the three-year medium- term period covering the years 2022–2025,

according the sustainability priorities established by senior management.

The table below lists the top priorities as well as how well other pressing issues mesh with Akkim's sustainability plan. Under the headings in the following section of the report are developments and details on high-priority issues.

	Respect for the Environment is in Our Chemistry	Innovation is in Our Chemistry	Creating Value is in Our Chemistry	Respect for Humans is in Our Chemistry
High Priority issues	Water Management	R&D & Innovation	Customer Satisfaction	Occupational Health and Safety
	Waste Management	Digitalization Customer	Health and Safety	Employee Development
	Energy Management		Compatibility	Employee Engagement
	Conservation of biodiversity		Sustainability in the Supply Chain	
	Emissions			

Foundations → **Human Rights, Anti-Corruption, Ethics and Transparency, Corporate Governance**

CONTRIBUTION TO SUSTAINABLE DEVELOPMENT GOALS

With its expertise in sustainability, Akkim holds a significant position in the field and manages its processes while working on a variety of projects about environmental, social, and governance issues. When managing its projects, investments, and activities, Akkim uses the Sustainable Development Goals as a compass.

In this regard, it continues to work toward these objectives by adhering to the UN's 2030 agenda. With goals reached within the framework of priority issues, it seeks to add value. The information about the Sustainable Development Goals to which Akkim contributed is summarized below.



Taking the need for its employees to access health services during the pandemic process into consideration, Akkim contributes to society and ensures that all measures are taken regarding the pandemic in all common areas and working areas so that its employees can overcome the process in the healthiest way possible. In this context, it aims to protect its risk reduction and management capacity against global health threats. Through its R&D efforts that incorporate antibacterial/antiviral functions, Akkim also protects public health with the products it provides to the hygiene and detergent group.



To maintain a skilled workforce, Akkim offers its staff members opportunities for training and development. It also supports their talents throughout their professional lives, giving them chances to fulfill their potential. In line with the evolving and digitalizing world, it also plans and implements training and development platforms.



Akkim incorporates the processes of female employees' participation in the workforce and reducing inequalities into its policies and strategies to support gender equality within the context of women's empowerment in economic and social life and their equal access to opportunities.



Akkim places a high value on the effective and efficient management of water resources as well as the reuse of treated wastewater because it is aware that population growth, urbanization, industrialization, growth, and climate change put pressure on water resources.



Akkim supports awareness-raising initiatives and strategic investments within the company that cover all of these activities, with a focus on procedures that ease access to clean energy and technologies, including renewable energy, efficiency, and savings.



Akkim focuses on providing decent work, fostering safe working environments, and achieving a corporate culture with a high social impact to achieve a long-term, inclusive, and sustainable growth model in the context of sustainable economic growth and employment.



While keeping up with the new world change and developing new technologies and processes, Akkim places importance on the protection of infrastructure integrity, the industrialist approach that supports economic growth and employment, and the reduction of poverty. Akkim sees technology as one of the most important innovation tools. It makes investments in digitalization, innovation, R&D, productivity and entrepreneurship.



The foundation of responsible production and consumption awareness at Akkim is formed by sustainable resource use, sustainable growth, sustainable production technologies, localization, production of environmentally friendly products, ecodesign and eco-efficiency, and circular economy business models.



Akkim places a high value on institutional climate adaptation capacity and the policies, strategies, and plans that are related to it because she believes that action must be taken immediately to combat climate change and its effects.



Akkim is concerned about producing its products while protecting biodiversity and considering its impact on biodiversity in its new investments because it is aware that climate change is having a serious negative impact on biodiversity.






Establishing partnerships for purposes is important to Akkim because it wants to strengthen its activities, support sustainable development, protect its adaptable and dynamic structure, act in a fair manner that does not leave anyone behind, and act with a fair approach that does not leave anyone behind to achieve these goals.

2019-2020 AKKIM GOALS AND PROGRESS

Economic Goals





MATERIAL ISSUES	SDG	GOALS	ACTION	KPI	STATUS	STATEMENT
Product Management		Establishing Living Product Index	Reviewing the existing product portfolio, revising segmentation for efficiency at portfolio, stock efficiency study	Establishment of the living product index process and determination of KPIs (June)	Completed	All phases of the project have been completed and implementation has begun. 84 product screenings were carried out in 3 SBUs. Stock management planning continues.
Product Management		Product Lifecycle - Completion of phase 2	The efficiency of product R&D processes, traceability of conversion into sales and measuring the effect of realizations on turnover	The system will be commissioned at the end of the year.	Ongoing	The project is progressing on schedule.
Innovation Culture		Putting into force the innovation ambassador system	Putting into force the innovation ambassador system	Installing systems (December)	Ongoing	The process infrastructure has been established. Ambassadors have been determined and work continues with the ambassadors within the scope of the Action Plan.
Supply Management		Developing local suppliers	A more effective training planning for raising the awareness of shippers and obtaining improvements	person/hour	Ongoing	Face-to-face training has been suspended due to the pandemic. It continues to be on our agenda to be realized after the pandemic.

Environmental Goals

MATERIAL ISSUES	SDG	GOALS	ACTION	KPI	STATUS	STATEMENT
Water Footprint		Calculation of water footprint	Fulfilling the requirements of ISO 14046 standard, issuing a water table according to the facilities	Establishing water footprint map and identification of KPIs	Completed	The Akkim water report has been completed. It was communicated to all Managers/Executives and Engineers. Improvements were presented to senior management. Measurement equipment installations continue.
Waste Management		Waste reduction	Monitoring the amount and improvement of hazardous wastes based on facilities	to be determined by projects	Completed	3 tons/year reduction in TN, 18 m ³ /day water recovery is foreseen.
		Increasing recycling rate	Monitoring the amount and improvement of the recycling rate	to be determined by projects	Ongoing	Sample work continues for industrial symbiosis application in various units.
		Decreasing the pollution load of wastewater	Monitoring the amount and improvement of wastewater	to be determined by projects	Ongoing	In the waste oil reduction project, 140 tons/year of oil recovery and 18,000 tons/year of water recovery are envisaged. With various water efficiency projects, 22,000 tons/year of wastewater recovery are envisaged.
Energy Efficiency		Monitoring increasing energy efficiency projects	Monitoring increasing energy efficiency projects	to be determined by projects	Completed	In the 2020-2021 period, approximately 2,700,000 kWh of energy was saved.
Emission Management		Including scope 3 to scope 14064	Analyzing transportation, service vehicles, offices and business trip data	Adding scope 3 to the certificate	Ongoing	Analysis in progress

Social Goals

MATERIAL ISSUES	SDG	GOALS	ACTION	KPI	STATUS	STATEMENT
Occupational Health and Safety		Putting into practice new hiring and learning techniques that will help develop the OHS culture	Engaging OHS test application that measures the risk potential for the existing employees and recently recruited employees	New recruits (100%) Process (Production+ Maintenance + Investment professional-level + maintenance + APS facility operational-level employees) (100%)	Completed	It started to be applied to all recruitments. Recruitment criteria are defined. The inventory of target employees has been completed.
			Realization of risk potential inventory action plan	80% compliance with the plan at the end of the year	Completed	Progress continues according to the project plan.
Occupational Health and Safety		Increasing applications that raise awareness such as OHS audits conducted by different facilities	Organizing and targeting safety tours under the sponsorship of senior management to embrace on-site audit programs	70%	Ongoing	Safety tours continue in line with the revised plan
Occupational Health and Safety		Minimizing accident frequency rate / accident severity rate	Increasing behavioral OHS observance interaction % and observance quality	> 2,5	Ongoing	Field observations continue. It is aimed to reach the targeted observation quality by increasing the number of observers
			Improving the quality of observation	> 4	Ongoing	trainings scheduled for July.

MATERIAL ISSUES	SDG	GOALS	ACTION	KPI	STATUS	STATEMENT
Digitalization		Digitalization of workflow records	Transferring to EBA at workflows (Subcontractors and agreement, etc.)	Subcontractor and Contract management	Ongoing	The contract management process was implemented. Subcontractor Management process flows have been completed. Worked on test screens. The resuscitation process continues.
		Establishing Infrastructure for Big Data Storeroom	Establishment of ABIS system in all departments.	50%	Completed	The system started to work with the demands.
Training		Improving the orientation process within the scope of the Akkim Campus application	Standardizing and activating the process to include all new entrants, developing re-skill features of existing employees	100% of the number of employees given orientation	Completed	The process has been implemented. Satisfaction is constantly monitored.
		Increasing awareness regarding Akkim products	Standardizing and activating the process to cover all recently recruited employees, developing re-skill qualifications of the existing employees	Number of training	Completed	Trainings were held for the Basic Chemical and Performance sales team.
Innovation		Developing an internal recognition, appreciation and reward system	Adding consumer awareness-raising trainings for sales functions and product recognition trainings for employees into the AkKim Campus application	Rewarding Akkim at the Summit	Completed	The first award was presented at the end of 2019.
Employee Loyalty		Increasing employee loyalty rate	Applying Akkim is My Home action plan	Action realization rate 80%	Completed	

AKKİM SUSTAINABILITY STRATEGY AND GOALS

Akkim's Economic Goals



Akkim is a pioneering and leading player in Turkey's chemical industry. It aspires to become a producer of the most important special chemicals both globally and locally shortly by conducting R&D activities to reduce reliance on foreign sources. With its position in the chemical sector, which ranks third in exports after automotive and textile, it exports one-third of its output, increasing its influence in more than 70 countries across six continents daily.

The active contribution of the innovative chemical sector based on scientific foundations is critical to the healthy and sustainable realization of human

development and economic development at the national and global levels. Akkim holds a significant national and international position in the production of specialty chemicals that make life easier and more environmentally friendly.

Akkim is a structure that contributes to the development and development of the ecosystem in which it is located, as well as to the search for solutions to climate compatibility and resilience, and it is an innovative and continuous contributor with its R&D capability.



Target Subject	Target Action	Year
Identification and Integration of Sustainable Financing Instruments into the System	Taking part in international ESG indexes	2024
	Not reducing the rate of sustainable loans in the investments loans used below 25%	2025
Integration of Corporate/Process Risk and Opportunity Management to Sustainability Activities	Completing the integration of sustainability criteria into risk and opportunity methodology	2022
Securing Business Continuity in Critical Suppliers	Conducting a BCP survey to 80% of critical suppliers audited	2025
Ensuring Development in R&D and Innovation	Establishment of the Innovation Faculty	2022
	Ensuring 30% in the Innovation Index	2025
	Ensuring the rate of environmental products in the newly developed product portfolio is 80%	2025

Akkim's Environmental Goals



Chemical knowledge and products constitute the common denominator of all human production. It is known that this information and products have an impact and contribution to ensuring the compatibility of each sector and activity with the planet.

In particular, the reduction of all types of emissions, the protection of water, and the healthy and high realization of the recycling system are all dependent on the production of chemistry knowledge as a global value and the sharing of it for a common purpose.

With the participation of its employees, Akkim implements advanced environmental practices in the sector. During the production; while advanced emission management practices are implemented in the context of resource and energy efficiency, waste management, pollution reduction, circular economy, and climate change, the greatest emphasis is placed on ensuring that products are environmentally friendly. With its specialty chemicals, Akkim aims to produce solutions that are more environmentally friendly and protect the health of natural resources, humans, and all other living entities by leveraging its strong R&D capabilities.



Target Subject	Target Action	Year
Combating Climate Change and Energy Efficiency	Creating a Green Deal Roadmap	2022
	4,000,000 kWh/year energy savings	
Water Efficiency	Achieving 3,440 tons CO ₂ equivalent/year emission reduction	2025
	Providing electrical energy from renewable sources at the Nazilli Factory	
Contribution to Circular Economy and Improvement of Waste Management	Ensuring 8% water saving compared to 2021 water consumption data	2023
	Digitalization of hazardous and non-hazardous waste process by the end of the year	2022
	Ensuring ISO 14001 integration for the Nazilli Location	2022
Conservation of Biodiversity	Establishment of a deposit system	2024
	5% increase in Waste Cellulose recycling by the end of the year	2022
	10% reduction in COD with improvement projects	
Conservation of Biodiversity	Monitoring the pollution parameters of Nazilli facility wastewater and conducting recovery projects	2024
	Developing projects with NGOs in biodiversity	

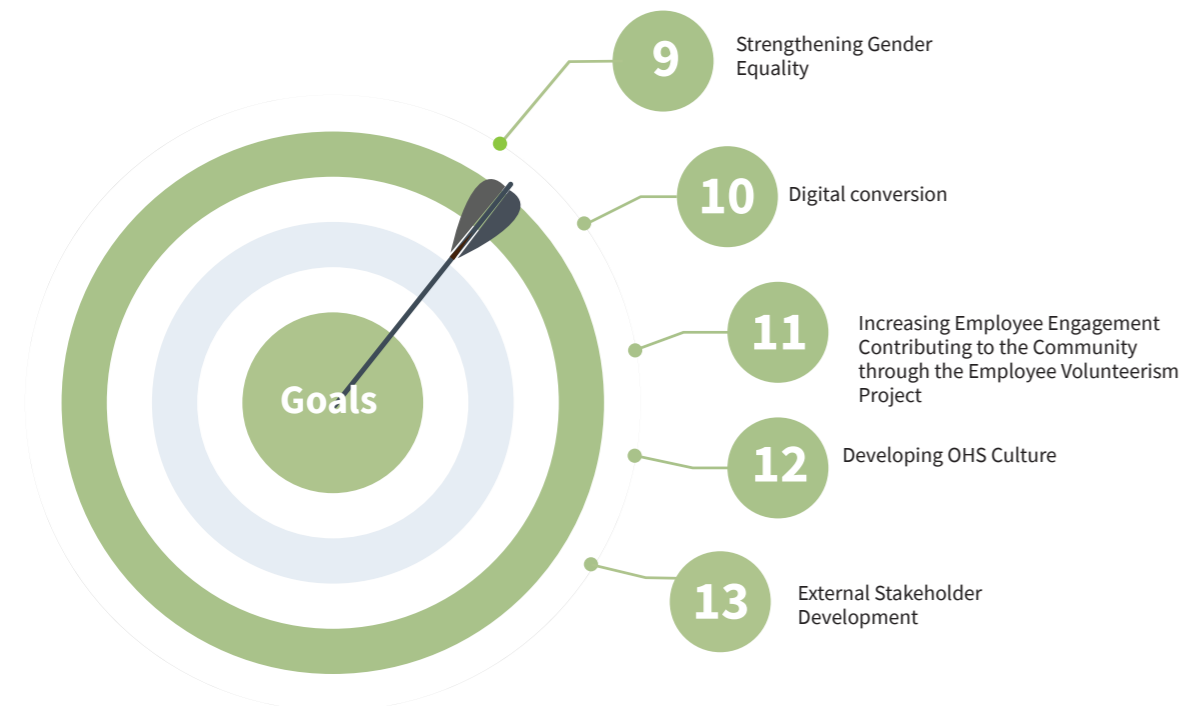
Akkim's Social Goals



Akkim's primary responsibilities include ensuring the production of high-value products by closely monitoring sector developments and conducting technology and product development studies on issues that are likely to become important in the future. In this context, multi-stakeholder projects are needed to help consumers understand the importance of chemistry and improve their ability to make sound decisions in the future. Climate change is one of the most important problems facing humanity today. This rapid change, which is outside the expected normals

of the global system, affects the economic system deeply and makes it fragile as well as the natural system. Anomalies and vulnerabilities experienced in the environmental and economic system also have an impact on the social sphere, causing inequalities and related nonconformities to occur.

Akkim provides all its knowledge and experience to its stakeholders to create a reliable and stable infrastructure necessary for the protection of the planet and ensure equitable human development and works for the common goal of a more livable world.



Target Subject	Target Action	Year
Strengthening Gender Equality	Participation in WEPs commitment	2022
	10% increase in female employee rate in new recruits	
	Increasing the number of enterprises owner by female entrepreneurs among our suppliers	2023
	Organization of gender equality training programs for families and employees	
	Maintaining the number of female employees at the professional level and increasing the operational-level by 10% compared to the previous year	2024
Digital Transformation	Increasing the awareness of suppliers about gender equality	2025
	Conducting leadership/mentoring activities for women	
	Creating a Technology Roadmap and Digitalization Strategy	2022
Increasing Employee Engagement	Taking place in the GTPW (Great Place to Work) list	Continuous
Contributing to the Community through the Employee Volunteerism Project	Carrying out two activities under Ecosystem improvement, Nature improvement, and Community improvement	2023
Developing OHS Culture	Ensuring ISO 45001 integration for Nazilli Location	2022
	Improvement of the incidence rate of occupational accidents compared to previous year at determined rates	Continuous
	Taking place in BSC (British Safety Council) 4-star member organization list ODCI Organizational safety culture index 4 out of 5	2025
External Stakeholder Development	Implementation of the supplier development and communication portal	

COMMUNICATION WITH STAKEHOLDERS

All individuals and organizations that are impacted by Akkim's goods, services, and activities as well as those who have the potential to influence the company's ability to achieve its strategic goals through their actions and decisions are referred to as stakeholders. Akkim effectively communicates with all of its stakeholders and develops communication strategies to safeguard this communication because it believes that sustainable growth can only be achieved through effective stakeholder management. It actively responds to the suggestions made by its stakeholders using a variety of channels by way of the sus-

tainability committee. At the Sustainability Workshop held within the context of the prioritization analysis, Akkim, which places value on the opinions of its stakeholders in every matter, identified and prioritized the stakeholder groups that have a high impact on the management of sustainability impacts and could be most affected by the results of their activities.

Akkim's stakeholder map below shows the key stakeholder groups based on the findings from this context.



Stakeholders	Communication Method	Frequency	Expectations	During the reporting period, how were the expectations met?
Senior Management	Monthly meetings, management review meetings	Monthly, 3 monthly	<ul style="list-style-type: none"> Compliance with the requirements specified in the law and legislation Working line with strategic goals Ensuring sustainable growth 	<ul style="list-style-type: none"> ESG process performance indicators are followed up with monthly meetings It is reported to the whole company every 6 months and presented to Management Review.
Employees	GPTW (Great Place to Work) Pulse Survey, chat meetings with the General Manager, Akkim Social Activity Committee (ASEK) events, in-department meals and meetings, Meetings with dinner for about 10 people attended by the HR Director and the GM, year-end gala dinner, iftar and picnic events with all employees, Football Team, Sailing Team, Sponsorships	Continuous	<ul style="list-style-type: none"> Authorization at the level to fulfill their duties. Ensuring participation in processes Providing a safe working environment in terms of environment and occupational health Ensuring the continuity of production processes Open horizontal and vertical communication channels 	<ul style="list-style-type: none"> Employee participation is ensured in all processes (Feedback survey, satisfaction survey, etc. surveys) With horizontal and vertical communication meetings, it is ensured that the employees are in contact with every function.
Customers	Customer Satisfaction Survey (CSS), trade shows, product launches, customer visits, Agenda Magazine submission	CSS: Domestic and international, customer	<ul style="list-style-type: none"> Ensuring the flow of goods and services without interrupting their own business goals and plans Taking necessary measures for environmental protection Management of information security, quality and environmental risks related to the services provided in line with the relevant procedures Responding to complaints, requests and suggestions submitted to Akkim in a timely and effective manner 	<ul style="list-style-type: none"> Success with sustainability performance in international platforms such as EcoVadis, TFS Complaints and suggestions from customers are evaluated by the Customer Services Department. CSS Survey Results

Stakeholders	Communication Method	Frequency	Expectations	During the reporting period, how were the expectations met?
Shareholders	Board of Directors meetings	1 time in 3 months	<ul style="list-style-type: none"> Compliance with the requirements specified in the law and legislation Working line with strategic goals Ensuring sustainable growth 	<ul style="list-style-type: none"> Ranking 252nd in the ISO 500 ranking, Akkim has climbed 100 ranks in the last five years. Within the scope of growth targets, a share transfer agreement was signed with USK Kimya and the merger was completed within Akkim Kimya.
Local Authorities	Visits	Continuous	<ul style="list-style-type: none"> Coordinating the matters concerning the state administrative units. 	<ul style="list-style-type: none"> Standardization of R&D centers with the General Directorate of R&D Incentives of the Ministry of Industry and Technology of the Republic of Turkey in the reporting period
Public Institutions/Regulators			<ul style="list-style-type: none"> Timely submission of declarations to the relevant Ministries 	<ul style="list-style-type: none"> In the reporting period, the Ministry of Transport, Dangerous Goods and Combined Transport Regulation General Directorate standardized tankers, equipment, and coatings for the first time in Turkey for the corrosive chemical group.
Suppliers	Supplier visits and audits	Continuous	<ul style="list-style-type: none"> Taking necessary measures for environmental protection Fulfilling the requirements of management systems Providing a safe working environment for personnel providing maintenance-repair and service services. 	<ul style="list-style-type: none"> Revision infrastructure works of supplier selection and evaluation system Tender order management We provided technical support to our Tanker Cooperative regarding the compliance of their equipment with ADR, negotiated with all suppliers on their behalf to find suitable equipment, and then sent them a short list of equipment and suppliers that can be purchased according to ADR. With the supplier evaluations, 1/3 of the fleet has become suitable for ADR.

Stakeholders	Communication Method	Frequency	Expectations	During the reporting period, how were the expectations met?
Local Community/ Public	Open door, social responsibility projects -donation of chlorine, salt and bleach, construction of water tanks, computer classrooms, employee assistance to schools in the east-	Open door: on demand; every year	<ul style="list-style-type: none"> Environmentally friendly production Employment Where possible, preference in procurement activities Social responsibility activities Efficient use of energy and natural resources Respecting and being sensitive to local, cultural and social values	<ul style="list-style-type: none"> 'The number of employees recruited locally through İşkur in the reporting period is 22. During the reporting period, donations and aids were made to various institutions. During the pandemic period, the hygiene needs of many official institutions and organizations were met. Provision of cleaning materials for the hygiene of schools and PVC support for 40,000 face shields for healthcare workers are some of Akkim's contributions. Akkim sponsored various institutions/events such as "Science Chemistry Laboratory" and Akasya Children's World as corporate social responsibility activities in 2020.
NGOs	Visits, participation in events	Continuous	Participation in activities, joint collaborations, sponsorship	<ul style="list-style-type: none"> During the reporting period, effective participation in TKSD and TUSIAD working group meetings was achieved.
Universities/ Academic Institutions	Career days, Open door visits, university seminars	Continuous	Participation in Career Days, participation as a speaker on panel-seminars, and sponsorship of university events	<ul style="list-style-type: none"> During the reporting period, we supported the 18th Chemistry Week meeting organized by the METU Chemistry Society on February 22, 2020, as a platinum sponsor. Kocaeli University Career Days (March 2020) ITU Career Summit (February 2020) Career Live Top 7 (Toptalent Organization) METU Career Day (23 March 2021 Online)
Group Companies	Joint sports activities (Dragon Rowing Team), KidZania (Akkim Bilim Lab.), Managing the Yıldız Akköklüler Process together, Visits, Meetings	Continuous	Sponsorship, Participation in the activities, Contribution to the communication of the events, joint collaborations	<ul style="list-style-type: none"> Akbatı Run Event sponsorship Akkim chemistry lab sponsor in Kidzania Mamut Art Project (Akkök) Green Strategy Group studies

Stakeholders	Communication Method	Frequency	Expectations	During the reporting period, how were the expectations met?
Social Media	Press releases, interviews, advertisements and announcements	Continuous	Announcement of activities through internal and external communication channels	Announcement of activities through internal and external communication channels
Media	Press releases, interviews, advertisements and announcements	Continuous	Open communication channels, sponsorship	<ul style="list-style-type: none"> 'Turkchem -Onur Kipri Interview ChemSupplier "Supply Management Virtual Summit in the Chemical Industry" Dünya Newspaper' Interview "Akkim puts green chemistry at the center of production"
Students and Potential Employees	Stakeholder survey, Career days, Open door visits, university seminars	Continuous	Career development	<ul style="list-style-type: none"> With the "Akkim Good Future" Long-Term Internship Program, 10 interns were employed in 2020 and 15 in 2021, within the 9-month program that allows potential university students to work part-time in the company. Scholarships continue to be given to 66 students in the 2020-2021 academic year. The number of graduate scholarship holders reached 155. Events we attended: <ul style="list-style-type: none"> Kocaeli University Career Days (2020 March) ITU Career Summit (2020 February) Career Live Top 7 (Toptalent Organization METU Career Day (23 Mar 2021 Online) Secret CV HR Summit (March 2021) ITU Career Summit (April 2021)
Financial Institutions	Visits	Continuous	Timely payments, Timely and accurate notifications	During the reporting period, the expectations of financial institutions were fully met.

MEMBERSHIPS AND COLLABORATIONS

SUSTAINABILITY COLLABORATIONS

Akkim's sustainability initiatives, which focus on sustainability as a way of doing business, are as follows:

- Akkim is one of the first companies in Turkey to have a Responsible Care and to implement the program in Turkey. [11 February 1993]
- Akkim is one of the leading Turkish companies that signed the UNGC United Nations Global Compact. [13 December 2007]
- Akkim is a member of the Global Compact Turkey Local Network.
- Akkim is a signatory to the United Nations Women's Empowerment Principle (WEPs). [23 February 2022]
- Is a signatory of the Business Plastics Initiative (IPG)*.

*Akkök Holding is a signatory on behalf of all its companies.

Responsible Care

Responsible Care® is a voluntary initiative and commitment program of the global chemical industry, beyond legal or regulatory compliance

With Responsible Care®, we commit to companies, national chemistry associations and their stakeholders;

To show continuous improvement in environment, health, safety, information, performance, process- (green production) technologies in order to prevent harm to human health and environment within the life cycle of its products,

Effective use of resources and minimizing waste (resource efficiency & circular economy)

Cooperation with government institutions and organizations on the development and enforcement of effective regulation (legal legislation) and standards,

Responsible Care® is a global initiative and its national associations work with member companies to implement this program in their regions. In our country, it is carried out under the coordination of the Turkish Chemical Manufacturers Association [TKSD] on behalf of CEFIC.

As required by the Responsible Responsibility Program, Akkim produces by prioritizing the protection of the

environment, human health, and technical safety at every stage of feasibility, planning, project design, assembly, production activities, shipment, maintenance, and other service activities before the establishment of a facility. Akkim is a leader in the chemical industry by taking part in TKSD's board of directors and contributing to various working commissions with its competent

Click [here](#) for our Responsible Care commitment.

“ChemSupplier Virtual Summit”

Akkim General Manager Mr. Onur Kipri, who also had meetings with top figures in the sector, attended the “ChemSupplier Virtual Summit”, which was organized and live-streamed to discuss “Developments in Raw Material Production in Turkey and the World”. Kipri informed all the stakeholders on the recently created goods and initiatives falling under the purview of Akkim's sustainability objectives.



Additive Manufacturers Association (KÜB)

The Admixture Manufacturers Association (KÜB), the only non-governmental organization for concrete admixtures in Turkey, has been around for 20 years and is the country's representative to the EFCA, or European Concrete Admixtures Federation.

Like other sizable businesses with influence over Turkey's concrete additive manufacturing industry, Akkim has joined the Additive Manufacturers Association (KÜB). Uğur Erşen Şenbil, who has been working as the R&D Manager at Akkim, was assigned to the Technical Committee to also carry out the task of the European representation EFCA.

Young SDG Innovators Program

Çiğdem Arpat, Management Systems Manager, participated in the program named Young SDG (Sustainable Development Goal) Innovators, which was started by the UN Global Compact in 10 countries in 2019 as a representative of Akkim.

In the program, which included 48 participants from 18 companies in Turkey, the teams spent 10 months trying to find an innovative and potentially market-value solution to the problem of an SDG - (Sustainable Development Goals) specific to their companies.

The Global Celebration Event, which is the closing of the program, took place on 8 June 2020 with the participation of the teams in the program. Our Management Systems Manager, Çiğdem Arpat, was chosen as a panelist and represented the Turkish network at the “Breakthrough Technology” session in the event attended by UN Global Compact CEO Lise Kingo.



Target Gender Equality (TGE) Program

Akkim participated in the “Target Gender Equality” program to improve the performance of women leaders and equal representation.

Management Systems Executive Ece Eriş and Education and Organizational Development Executive Didem Usta participated in the “Target Gender Equality” program carried out by the Global Compact in order to prevent discrimination, support human rights and carry out gender equality practices on behalf of Akkim. In addition to being a member of the Impact Association and Impact 2030 Turkey’s Impact Council, we will continue to develop new projects in this area with an Employee Volunteering team to be established within the company.



SCIENCE BASED TARGETS INITIATIVE (SBTI)

As Akkim, we plan on participating in the UN Global Compact’s “Climate Ambition Accelerator” Program to set targets for climate neutrality and develop strategies to achieve them. With this program, Akkim will also fulfill its responsibility to ensure that the global temperature increase does not exceed 1.5 °C based on science-based targets. Akkim will determine and share the goals of combating climate change in the process that began with the training program.



HALUK ERÇEBER TKSD TURKISH CHEMICAL MANUFACTURERS ASSOCIATION

Despite issues with the global supply chain caused by excessive price increases and a lack of raw materials, the Turkish chemical industry responded quickly due to its dynamic structure, met high customer demand, and kept exporting. In this process, despite all these difficulties, the EU established various associations such as the Pharmaceutical Active Substances Association, the Battery Association and the Hydrogen Union, and activated the “Green Deal”, in other words, the European Green Deal movement, which it started at the end of 2019. Within the framework of the EU Green Deal, many regulations and programs such as Digital Conversion Circular Economy, Green Transformation, European Union of Future Generations, EU Taxonomy Regulation, EU Renovation Movement (EU

BauHaus) and Carbon Adjustment Mechanism at the Border. Eight Ministries and the Strategy and Budget Department of the Presidency created the Green Deal Action Plan. The Turkish chemical industry has begun making early plans to transform potential threats within the Green Deal framework into opportunities. In 2021, the EU Commission and its subsidiaries continue to publish various programs. The revision of REACH, the new chemicals strategy, and its sub-programs for sustainability, harmful chemicals, essential chemicals, and essential use are among the matters that will be taken seriously and may have an impact on exports in this context. On March 24, 2021, CEFIC made the European Union’s Chemicals Strategy for Sustainability (CSS) public.

Memberships

International Memberships

- CEFIC (The European Chemical Industry Council)
 - ESA Association
- BSC (British Safety Council)

Economy Oriented Memberships

- Turkey Union of Chambers and Commodity Exchanges Sector Assembly Board of Directors
- Istanbul Chamber of Industry Professional Committee
- Turkish Chemical Manufacturers Association Board of Directors
- Chairman of the Board of Yalova Industrialists’ Association
- Euro Chlor
- Additive Manufacturers Association (KÜB)
- Istanbul Chamber of Commerce
- Istanbul Commodity Exchange
- Istanbul Minerals and Metals Exporters’ Associations
- Istanbul Chemicals and Products Exporters’ Association
- Istanbul Textile and Raw Materials Exporters’ Association
- Central Anatolian Exporters’ Association
- Federation of Sectoral Associations
- Supply Chain Management Association
- YALKİM OSB
- Chemport
- Argemip

Environmentally Focused Memberships

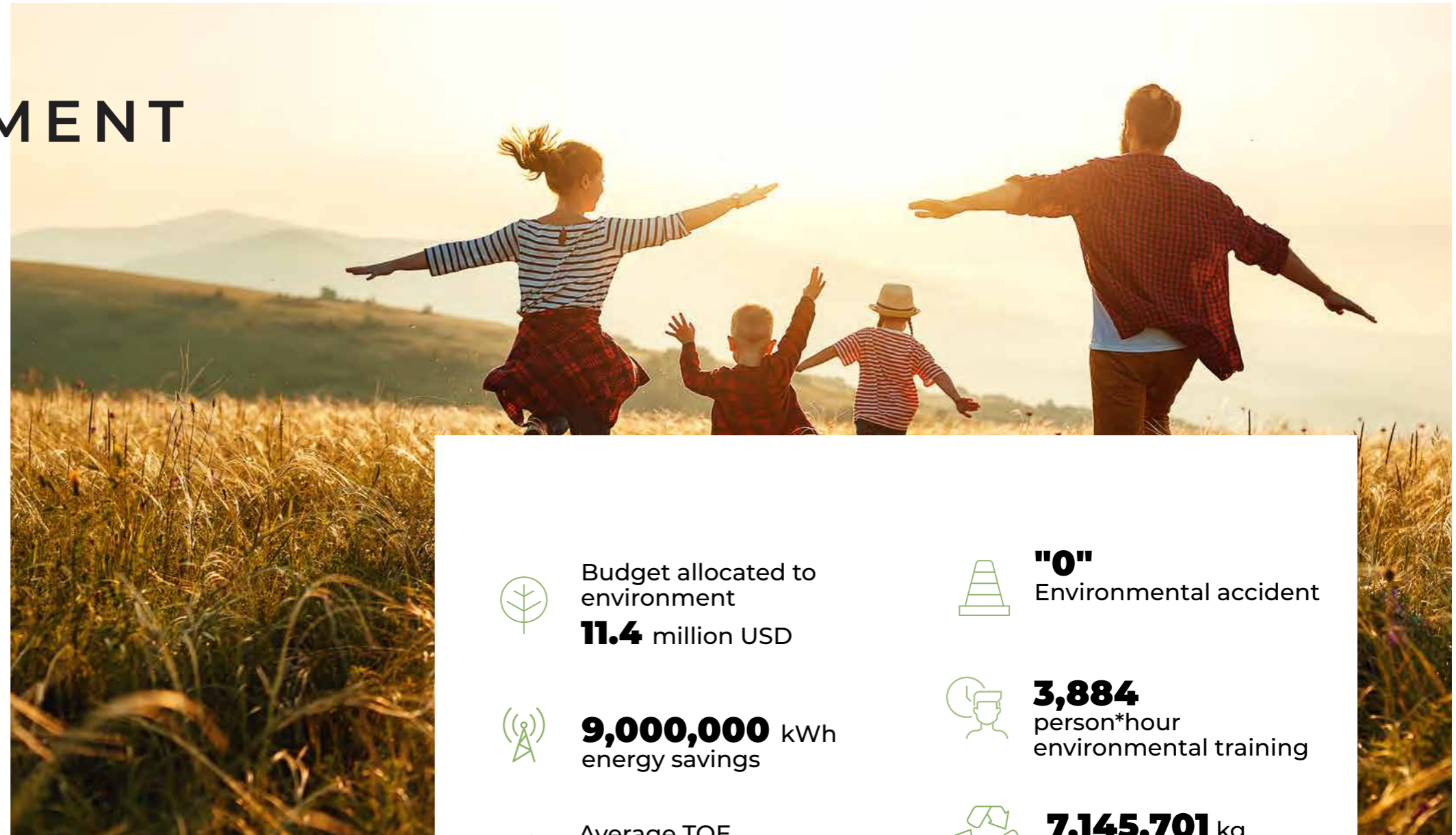
- Istanbul Chamber of Industry Environmental Specialization Board
- Turkish Industrialists’ and Businessmen’s Association Environmental Working Group
- Turkish Chemical Manufacturers Association Environmental Specialization Group
- Turkish Chemical Tanker Cleaning Association
- Turkish Quality Association
- Deniztemiz Turmepa
- TUSIAD Environment and Climate Change Working Group
- TUSIAD Climate Change and Paris Agreement Sub-Working Group

Memberships Focused on Social Projects

- Global Compact Turkey Local Network
- Turkish Corporate Social Responsibility Association
- Community Volunteers Foundation
- Education Volunteers Foundation of Turkey
- Turkish Personnel Management Association
- Yalova Chamber of Commerce and Industry Women Entrepreneurs
- Quality Association
- Yanındayız Association
- Corporate Communicators Association
- Impact2030 Founding Member and Impact Council Member

RESPECT FOR THE ENVIRONMENT IS IN OUR CHEMISTRY

We are reducing our environmental footprint as a result of our activities in the context of our environmental responsibility and action to combat and adapt to the climate crisis. The pandemic and the events of the last decade demonstrate that we can only leave a better world for future generations if we approach our work with a natural and environmentalist mindset, protecting ecosystems and biodiversity. For the past ten years, we have been striving to increase our positive impact while decreasing our negative impact within the context of environmental sustainability. This goal directs all of our actions and values.



Budget allocated to environment
11.4 million USD



"0" Environmental accident



9,000,000 kWh energy savings



3,884 person*hour environmental training



Average TOE
38,172



7,145,701 kg waste recovery



ENVIRONMENTAL MANAGEMENT APPROACH

The European Green Deal is expected to be impacted on the axis of Akkim's growth strategy by the issues of border carbon regulation, green finance, clean energy, circular economy plan, and chemicals strategy (sustainable product). Akkim has the motto "Innovation and Sustainability Are In Our Chemistry".

The legal compliance processes review the risk assessments of the potential effects on the environment and human health while developing the product's formula through interdisciplinary discussions. It creates energy efficiency projects and, in the belief that measuring one's environmental impact is the first step toward reducing it, publishes carbon and water footprint reports.

Within the scope of the European Green Deal, awareness-raising trainings are planned to be organized in 2022. At the same time, it is aimed to create an EU Green Deal roadmap based on sustainability priorities. In this context, the establishment of a task force consisting of authorized experts of Akcoat, Akgirişim, Akkim, Aksa, DowAksa, Yalkim companies, one of the chemical subsidiary companies of Akkök Holding, has been decided by the appointment of the Board of Directors. The ultimate goal of this task force, called the Green Strategy Group, has been determined as determining the roadmap and reviewing management strategies. The main topics that will be the focus of the roadmap in terms of feeding long-term strategies and decisions in 2022 and beyond are; Turkey strategy, corporate risks, entry to the ETS system, carbon reduction target, technology follow-up, greenhouse gas calculation within the scope of SBTi, transition to alternative energy sources, conversion of existing energy sources to renewable sources / providing substitutes, carbon certificates that will contribute to the ETS system usage, circular economy, product initiatives, taxonomy.

Akkim adopts the Green Deal vision and works to integrate it into all its fields of activity.



However, in line with its responsible production approach, Akkim works to minimize the impact of its production processes on the environment. The management of its environmental impacts is among the priority areas within the scope of the risk management approach. Akkim adheres to and implements national and international environmental management standards and best practices, and ensures that the management process is constantly improved. It prioritizes compliance with the ISO 14001 Environmental Management System standard in all its activities. It addresses climate change, emissions, waste, and energy management in all processes while remaining legally compliant.

The Health Safety Environment (HSE) and Management Systems Directorates manage the environmental impact of its activities as well as all environmental processes in its operations. To protect water and air, various working groups within the institution have been formed to monitor and reduce wastewater and emissions from their processes, as well as to develop new projects, and they have been actively operated. In addition to these corporate structures, all employees accept responsibility for environmental performance improvement and actively participate in related studies.

Our primary goal is to raise environmental awareness among all of our employees and stakeholders. It strives to maintain high levels of environmental awareness among its employees through a variety of activities throughout the year. The following are the environmental training hours provided during the reporting period:

	Akkim Employees	Contractor Employees
2020	595 person*hour	203 person*hour
2021	582 person*hour	197 person*hour



You can access the Environment Policy at the address of the [link](#)

Environmental management issues are prioritized when establishing corporate goals. Akkim establishes various environmental targets in each field and regularly monitors their achievement.



28
supplier audits

It monitors and evaluates the environmental performance of all suppliers regularly according to the Supplier Management System. 28 supplier audits were carried out during the reporting period, and no major environmental noncompliance was detected.

There were no penalties for noncompliance with environmental laws and regulations during the reporting period.

Environmental investments continue in the company with the work teams, with over 3 million USD invested during the reporting period.

2020
1.9 Million USD

2021
1.1 Million USD

APPROACH TO COMBATING CLIMATE CHANGE

According to the United Nations, Climate Change is among the biggest global problems. Around the world, people are suffering from the catastrophic effects of the climate crisis, which have an immediate impact on social, environmental, and economic activities. The climate crisis is regarded as one of the most pressing issues in the interaction of global business life and countries, and it should be prioritized.

Today, the fight against climate change has become a shared goal of not only the business world but of all humanity. Akkim recognizes its role in this process and continues to contribute by implementing corrective measures.

Akkim assesses all processes and potential future activities, monitors their outcomes, and ensures that they improve in line with the Environment, Energy, and Greenhouse Gas Management Systems. It prioritizes energy efficiency and the use of environmentally friendly technologies in its new projects.

As a member of TÜSİAD Environment and Climate Change and Sub-Working Groups, Turkish Chemical Manufacturers Association Environmental Specialization Group, Contribution Producers Union Environment Committee and European Chemical Industrialists Association CEFIC, Akkim works collaboratively, based on the need for the economy, environment and energy policies in our country to be consistent and supportive of each other. It participates in the efforts carried out within this framework and conveys the developments to its stakeholders.

Emissions according to the greenhouse gas assessment studies carried out and verified during the reporting period are given in the table below:

	SCOPE 1	SCOPE 2
2019	21,891.00 tCO ₂ e	164,801.00 tCO ₂ e
2020	25,042.26 tCO ₂ e	145,571.02 tCO ₂ e

In 2020, 16 thousand tCO₂e less carbon emissions were realized due to the decrease in the emission factor for Scope 2.

Thanks to the hybrid vehicle use project, which was implemented in 2020 to reduce greenhouse gas emissions in 2020, a decrease of 35.9 tCO₂e was achieved; in 2021, a decrease of 68.4 tCO₂e was achieved.

Thanks to the energy-saving projects carried out during the reporting period, a reduction of 395tCO₂e was achieved in carbon emissions.

According to the ISO 14064-1 standard, carbon footprint statement verification is made by third-party accredited companies every year. Calculation infrastructure works have started for Scope 3 reporting studies.



ENERGY EFFICIENCY

Globally, the energy sector is undergoing significant transformation. Over the last decade, there has been an increase in demand for renewable resources such as solar, wind, and geothermal energy, which has been met with supportive government policies. Our country intends to continue promoting the use of renewable energy sources.

In addition to electricity, solar energy and geothermal energy used for heating have also gained momentum. Our nation will undoubtedly maximize its potential as long as it keeps enhancing the standard of technology and infrastructure, given its geographic location and other circumstances. A thorough road map for technological advancement and policies to be followed to ensure sustainable energy management has also been made public by the International Renewable Energy Agency (IRENA) Report.


For Akkim, acting with this awareness, efficiency is one of the top priorities for a sustainable environment and economy. Every year, in line with the established ISO 50001 Energy Management System, it reviews its processes in this regard. It establishes targets, monitors them, and continuously monitors them. Akkim prioritizes those that will provide energy efficiency in new projects and investments and makes investments.

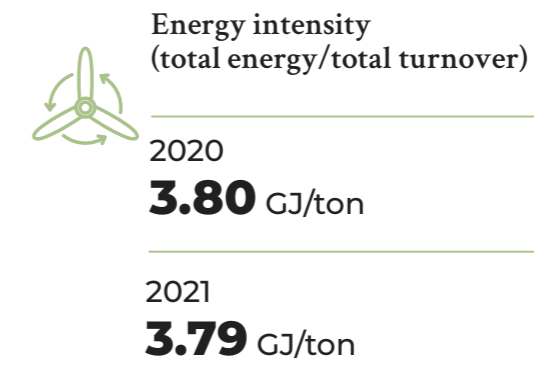
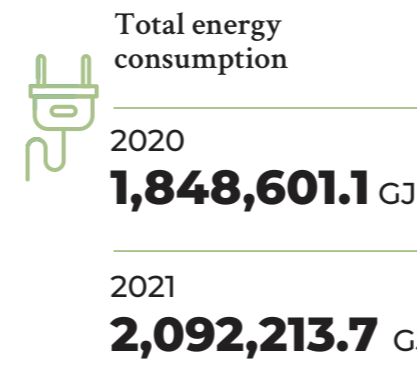
The Energy Committee has been established to monitor and evaluate this issue, which is extremely important

for Akkim. While the Management Systems and HSE Directorates in this committee ensure process monitoring, the Production, Investment, and Maintenance Directorates develop and implement projects with innovative approaches. Evaluating the projects in terms of energy efficiency before they are implemented has become one of the project management stages.

Natural gas, steam, and electricity are used to generate energy; some of the electricity and steam used are supplied by Akkim's sister company, Aksa Akriklik. The following are the energy consumptions during the reporting period:

	Number of Projects	Total Savings (kWh)	Provided Emission Reduction (tCO ₂)
2020	2	1,700,000	1,819
2021	2	1,000,000	1,070

 You can access the Energy Policy at the address of [this link](#)



EMISSIONS MANAGEMENT

Emission management is an important part of combating climate change in Akkim. The Health Security Environment Directorate monitors emission management, and the Investment and Production Directorates improve it in line with the national and international environmental standards.

Akkim works to mitigate process emissions to protect air quality, and measurement devices that provide prevention and continuous monitoring are used to detect emissions in the event of an emergency or malfunction.

To improve odor emissions, Akkim carried out four different projects in the last two years, resulting in an SO₂ emission reduction of more than 50% in odor emissions.

The air pollution distribution model study simulates how air pollutants are distributed in the atmosphere mathematically. Emissions are measured according to

the TSE and EPA guidelines. Every period, preventive practices aimed at preventing dust formation and emission formation are implemented as part of the scope of improvements. As a result, no substances that deplete the ozone layer are used in our operations. There were no significant NO_x, SO₂ or other significant air emission results obtained during the reporting period.

At Akkim, emission management is the most important issue in the fight against climate change.



Greenhouse gas emissions (Ton CO₂e)

Scope 1 (direct) greenhouse gas emissions		Scope 2 (indirect) greenhouse gas emissions	
2019	2020	2019	2020
21,891	25,043	164,801	145,571

Greenhouse gas density (TonCO₂e)

Greenhouse gas density (total emission)		Total greenhouse gas emission	
2019	2020	2019	2020
0.196 (ton CO ₂ e)	0.150 (ton CO ₂ e)	186,692 (ton CO ₂ e)	170,614 (ton CO ₂ e)

Air emissions (Kg)

NO_x

2019 **816.5** 2021 **1,084.9**

SO_x

2019 **458.0** 2021 **1,379.6**

Persistent organic pollutants (POP)

2019 **0** 2021 **0**

Volatile organic compounds (VOC)

2019 **26.5** 2021 **87.9**

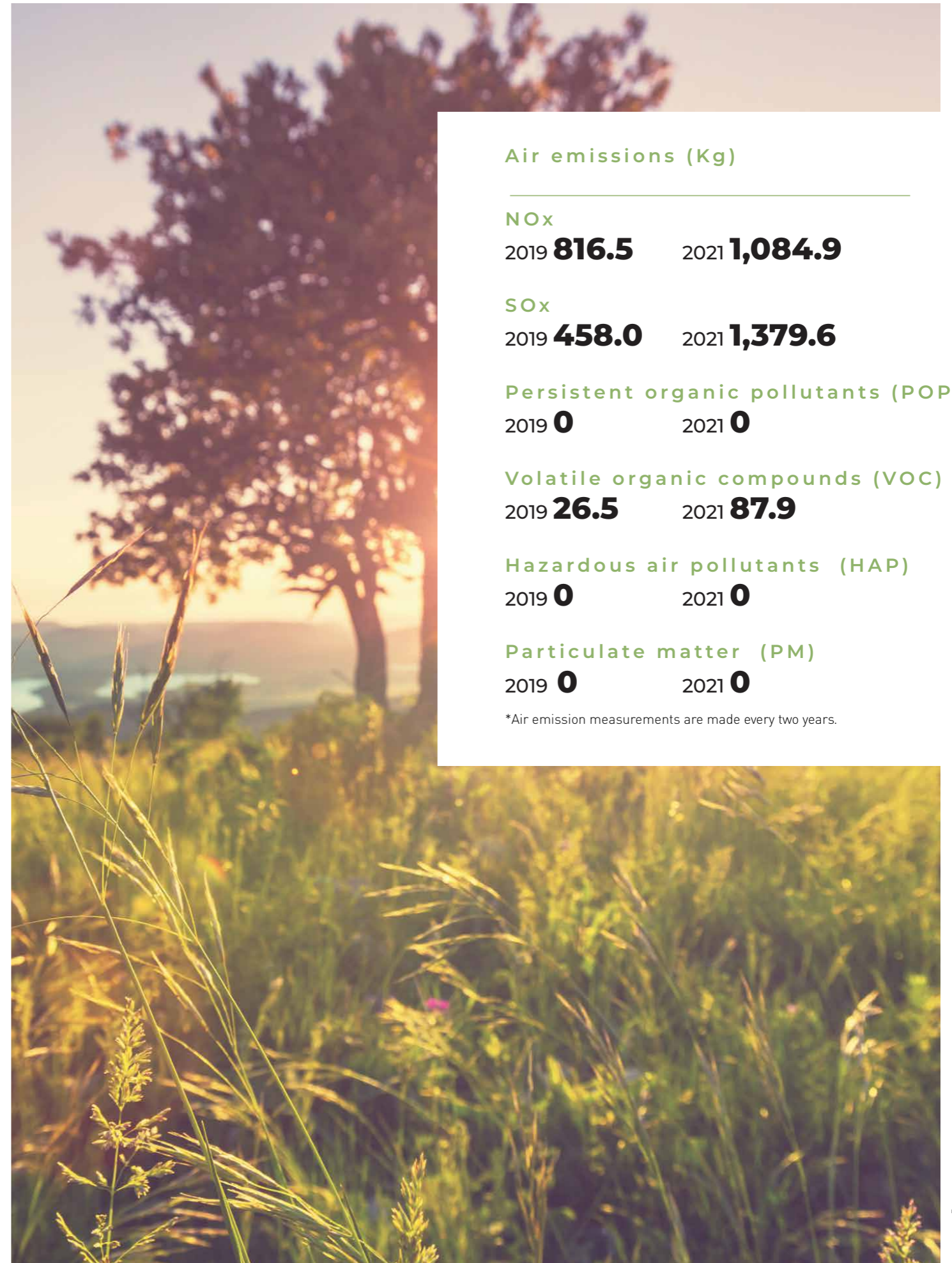
Hazardous air pollutants (HAP)

2019 **0** 2021 **0**

Particulate matter (PM)

2019 **0** 2021 **0**

*Air emission measurements are made every two years.



WATER MANAGEMENT

Climate change is the most pressing issue of today and the future. Climate change has an undeniable impact on water resources. Water resources are depleting around the world due to a variety of environmental factors. Access to clean water, in particular, is expected to become a major global crisis in the future. Pollution of aquatic ecosystems, on the other hand, is a critical factor in the depletion of natural resources and the damage to all ecosystems. Looking at Turkey's water footprint calculations, it shows that sustainable management of resources has a direct impact on our country's economic development.

In this context, it is critical to create water-sensitive designs, prioritize aquatic ecosystem protection, raise awareness and awareness about water resource protection, consider water transfer as a risk of climate change, protect corporate memory, collect data and information management, and set strategic goals.

Akkim has adopted the principle of efficient water protection and use, which is one of the most important parameters for the planet and the future. Each year, Akkim sets various targets to reduce water use and improve wastewater content, and compliance with these targets is closely monitored. Akkim, which continues to operate with this sense of responsibility, aims to reduce its environmental impact by recovering wastewater.

Water management targets in Akkim are set by taking into account the water potential within the framework of modeling estimates and climate change projections and simulations prepared by authorities at the national and international levels. In addition, importance is given to awareness-raising activities aimed at reducing water consumption. In this context, it prepared content on «Practical Suggestions for Reducing Water Consumption» and shared it with its employees.

Mains water is used in Akkim, and it is supplied by the Gökçe Dam in Yalova. There is no use of groundwater. Although the use of mains water varies depending on operational processes, it is hoped that strategic targets and awareness-raising activities will help to reduce water-intensive processes.

Water Usage

Mains water (m³)

2020

1,083,491

2021

1,044,586

Water efficiency and conservation, as one of the most important vital resources for long-term development, play an important role in Akkim's environmental activities. To summarize and verify the ongoing systematic studies to achieve the goals established for this purpose, a "Water Footprint Inventory Report" has been prepared pursuant to the requirements of "ISO 14046 Water Footprint – Principles, Requirements, and Guidelines". Water footprint inventory analysis and reporting are carried out on an organizational basis, and all calculations are made using a door-to-door approach with the reference to the "Water Footprint Assessment Manual".

Water Usage Density (total use/total production) (m³/Ton)



2020

1.76

2021

1.67



Water Usage and Density by Years Our Values

	2019		2020		2021	
	South	North	South	North	South	North
m ³ / annum	770,143.9	180,089.8	797,441.4	189,562.1	852,410	192,176
m ³ / ton	1.66	1.77	1.47	1.70	1.87	1.48

The operational control method was also used to define the organization's boundaries. The following gains are targeted with the report's preparation by calculating the cooling, process, and deionized water usage in Akkim Yalova facilities.

- To provide the necessary equipment to measure the water consumed in all facilities on a production basis,
- Identifying improvement opportunities to increase water efficiency,
- To reduce the consumption of natural resources,
- To comply with the Sustainability Policy

In line with these achievements, areas open to development were determined and improvement activities were planned. During the reporting period, four different water projects were carried out. With these planning and projects, water saving and reduction in water pollution load have occurred.

Total Savings (m³/year)

2020

41,000

2021

33,000

Wastewater amount (m³/year)

2020

339,154

2021

382,573

Amount of water recovered/ reused during the reporting



180 m³/month

WASTE MANAGEMENT AND CIRCULAR ECONOMY

While 40 percent of total waste was recycled in 2020, as a result of the efforts, this rate has increased to 77 percent in 2021.

Akkim actively implements waste-reduction projects. In this context, it assigns individual targets to its employees to raise waste reduction awareness through the projects it implements. In addition to waste projects and management work, it also contributes to its customers' waste management processes.

	2019	2020	2021
Total hazardous waste (kg)	1,315,608	1,256,847	1,480,570
Total non-hazardous waste (kg)	1,661,590	1,105,509	1,371,680

Going to landfill/solid waste site (kg)



2019
745,130

2020
623,618

2021
653,940



Waste Amounts by Types (Kg)

Amount Recycled (kg/year)



2019
1,307,973

2020
1,508,586

2021
2,185,591

Total Waste Amount (kg/year)



2019
2,978,198

2020
2,371,356

2021
2,852,250

The proportion of recycled waste in total waste



2019
44%

2020
64%

2021
77%



BUSINESS PLASTICS INITIATIVE (IPG)

In line with the ideal of securing the earth's future today, the importance of sustainability is growing by the day. More responsibility is placed on us for all of our resources to be transferred to the world of tomorrow. Based on this sense of responsibility, we will concentrate our efforts in the coming months to reduce the use of plastic. With this in mind, we are preparing to add a new concrete step to our list of concrete steps that prioritize sustainable development goals. We will reduce our use of plastic as a signatory to the Business World Plastics Initiative, of which Global Compact is a founding member.

We will organize trainings on the environmental damage caused by disposable and unnecessary plastic consumption, and we will reduce the use of plastic bottles of various sizes in our offices.

By committing to the goal of reducing plastic use, we will increase our support for the ideal of a good future.

CONTRIBUTION TO THE CIRCULAR ECONOMY

The European Commission has revealed that half of the global greenhouse gases originate from raw material extraction and production. They also stated unequivocally that the most fundamental and critical way to meet Europe's carbon-neutral target is to transition to a circular economy. The transition from linear to circular economy models is critical to accelerating the axis of change and transformation envisaged by the European Green Deal.

The basic approach at Akkim is to prevent waste generation at the source through proactive approaches and, if necessary, to ensure waste recovery. When it comes to waste recycling, various technological methods and industrial symbiotic possibilities must be considered.

One of the chemicals produced, hydrochloric acid, is sold to the galvanizing sector and as a result of metal surface cleaning processes, iron (II) chloride solution or so-called "rotten acid" becomes a waste. Waste collected by vehicle from customers in according to the applicable legal regulations is processed again at our recycling facility licensed by the Ministry of Environment, Urbanization, and Climate Change and converted into iron (III) chloride, one of our final water treatment chemical products. In this way, 6,000 tons of «rotten acid» is prevented from harming the nature annually, and the wastewater is cleaned thanks to the new product produced.



Environmental Products

AKBOND 140 – It gives physical properties to paper by increasing dry strength values such as rupture, explosion, crush in paper production. AKBOND 140, a synthetic polymer, is used in the paper industry instead of the natural starch used for this purpose. Thus, it ensures less consumption of natural resources.

AKSOFT NCF - This product, which is used in textile enterprises as a nonionic and organic softener in the form of straws, does not contain Amino ethylethanolamine (AEEA) and Diethylenamine (DEA), which are amines that are not suitable for textiles and whose use is limited or prohibited.

AKEF OZB - Our innovative chemical AKEF OZB, which does not create an environmental impact in the Ozone Bleaching process, which is called the clean production process in textile, increases the effect of the process.

BIODIVERSITY

The increasing change in climate quality poses a serious threat to ecosystems. This change has serious and often irreversible consequences for biodiversity, putting habitats at risk of extinction. The number of threatened species is growing by the day as a result of drought in various climatic areas, increased water demand, temperature fluctuations, and deterioration of ecological balance. In light of the effects of climate change on biodiversity in our country, people all around the world face similar issues. Akkim attaches importance to producing its products while preserving biodiversity.

Although Akkim does not have activities in areas of high biodiversity or habitats listed on the IUCN Red List, the state has agreed that action should be taken to address the climate crisis, its environmental impact, and biodiversity loss. It evaluates all aspects of biodiversity in its operational processes in environmental dimension analyses in this direction. Furthermore, with a sense of responsibility, it takes steps to protect the existing flora and fauna in its area of influence for biodiversity, to mitigate potential impacts, and to minimize environmental impacts in all of its works and investments. The applicable law ensures complete compliance by adhering to national and international standards. The Environmental Impact Assessment (EIA) Regulation, which determines measures related to the flora and fauna within Akkim's area of influence, is at the forefront of these regulations.



With the motto of "We Are Aware, We Take Action!" on December 5, World Volunteers Day, Akkim came together in the Akkim Forest of Love and said, "We are planting a sapling for the future, we are breathing for our tomorrows."



All biodiversity-related activities in Akkim's operational elements are evaluated in environmental analysis.

INNOVATION IS IN OUR CHEMISTRY

We believe that the production of new and cyclical business models and technologies, as well as investment in this production, will be the primary factor that will propel our country and our institution into the future for a sustainable future. We see the world's future in science and technology and adhere to new-generation development models. We see technology as one of the most important tools for innovation, and we believe that we will be among the digital age's winners and builders of the future. In this context, we invest in digitalization, innovation, research and development, productivity, and entrepreneurship. We have been using open innovation to produce, develop, grow, and improve for ten years.



26
environmentally friendly
products developed



Average annual turnover of
11 million USD from new
products



239
improvement projects



Increase in
product group
11.5%



Over **200**
previously
unsold product
developments



3 times
increase in export
rate



Revenue growth rate of
approximately
50% (USD)





Emre Kalaycioğlu R&D Director

The entire business community has reached an agreement to protect the ecosystem for a sustainable environment and to leave a more livable world for future generations as a result of developing technology. In this direction, we develop our chemistry and production and try to produce environmentally friendly chemicals. Our chemicals, which we produce with the mission of Adding Value to Life with Chemistry, are in high demand as products in a variety of industries due to their high quality and performance. On this occasion, we wanted to tell you what we do for sustainability and our impacts.

Our cement chemical additives not only help to reduce CO2 emissions, but also make grinding easier, allowing us to produce more final products with the same amount of energy. As a result, it contributes significantly to environmental and energy sustainability.

Water, an essential resource for life, is one of the most basic inputs in the production of concrete. Our concrete additives, on the other hand, do not compromise the quality of the concrete and even improve it, reducing the amount of water used in its production.

The functional plastic additives developed by Akkim Kimya allow for the more efficient production of many plastics, primarily PVC, PE, and PP. Furthermore, all of our products actively participate as process aids in plastic recycling processes. We ensure that less plastic is used for a much longer period of time in all of these products and that the



plastics that are used are consumed more efficiently for their own purposes.

Wastewater Recovery Systems are regarded as the most effective method for ensuring water sustainability. Akkim's chemicals and systems contribute significantly both environmentally and economically by allowing wastewater to be reused.

It is significant because recycling paper saves a significant amount of raw materials while also having a high economic value. It was discovered that in environments where paper is produced through recycling, energy consumption is reduced by 28 to 70 percent, and each ton of recycled paper saves 4 barrels of oil. Furthermore, if the production is carried out using waste paper, it is critical from the standpoint of

environmental protection that the water and chemical substances required for manufacturing are used less. As a result, it can be said that it contributes significantly to sustainability in both environmental and energy terms.

The production of jeans is estimated to use 2.5-10 thousand liters of water. Innovative chemical solutions are required to prevent increased textile production and the associated water consumption. As Akkim Kimya, we are attempting to meet the textile sector's demand by developing chemicals that reduce both water consumption and energy requirements. The environmentally friendly chemicals we developed enable the preparation of ready-to-dye fabrics that provide low-temperature bleaching in the pre-bleaching (bleaching) processes in textiles while using fewer chemicals.

Furthermore, we provide the market with environmentally friendly products that are rational and practical in denim parts washing processes. Finally, we can say that our stone enzyme product, which we are developing and which will reduce water consumption in parts washing processes by 40%, is very exciting.

With our USK Kimya, which joined Akkim Kimya last year, we manufacture technical-grade and food-grade carboxymethylcellulose. Carboxymethylcellulose, derived from cellulose, a 90 percent renewable resource, is used as a biodegradable polymer in a variety of industries. It helps to ensure environmental sustainability by significantly reducing water consumption in drilling and mine flotation processes. Furthermore, textile and paper wastes with high cellulose content were reevaluated as raw materials and added value to contribute to cost savings and recycling.

Sincerely,

Emre Kalaycioğlu
R&D Director

R&D AND INNOVATION

Along with processes such as the climate crisis, the transition to cyclical economic business models, and the European Deal, the chemical sector, like other sectors, is undergoing global change. The importance of R&D and innovation in maintaining the sector's global competitiveness cannot be overstated.

R&D and innovation are also important components of Akkim's sustainability efforts. Akkim sees innovation as a rising value because it believes it is a vital lifeline for long-term success and growth. Corporate risks and opportunities are reviewed quarterly within the scope of Risk Management, and innovation strategies and technological roadmaps are fed in light of trends. Investments with a high level of innovation and integrity also include well-chosen case and application examples. In this context, it develops innovative chemical products for national and international industrial organizations in its R&D center of 2,700 square meters, accredited by the Ministry of Industry and Technology of the Republic of Turkey. In addition, it carries out its R&D projects with a world-renowned system called "Stage&Gate". When developing the prescription of the product, risk assessments of its possible effects on the environment and human health are reviewed through interdisciplinary discussions at Akkim, which handles all of its processes with the logic of the life cycle.

Akkim defines sustainable growth as recognizing innovative opportunities, providing resources, developing innovation, observing its environmental impact, and creating value. Akkim's R&D capability allows it to accurately analyze its customers' needs,

see innovative ideas with the belief that their success is Akkim's success, evaluate opportunities, design them with agility, and make them ready for use.

Growing by considering its environmental impact, Akkim adopts the philosophy of green chemistry. It aims to design processes for the use and production of non-hazardous substances that will not harm the environment or human health with this philosophy. The transition to circular economy business models has thus been centered on innovation. Akkim prefers formulations that are high in efficiency and use fewer resources, as well as those that use renewable and plant-based raw materials. However, the design processes are planned in such a way that the chemicals are broken down into products that cause the least amount of environmental damage while also producing no waste at the end of their life.

Saying "Success is in our Chemistry", Akkim moved up one place compared to the previous year and ranked 119th in the "R&D 250" research prepared by Turkishtime Magazine for 2021. Akkim also succeeded to be the owner of the 28th place in this category with its 67 projects in its R&D center.



TUĞHAN AKBAŞAK R&D MANAGER (FUNCTIONAL PLASTIC ADDITIVES STUFFS, HOME & PERSONAL CARE)

Our R&D center, registered in 2013, is the main center of our R&D and Innovation activities in Akkim. This valuable center, which develops customer-oriented chemicals and solutions with its more than 40 researchers and employees, provides productive contributions to the country's economy and provides new gains to the scientific world with numerous patent applications and scientific publications. Our young, dynamic team, almost all of whom have completed their graduate studies, specializes in different disciplines and subjects and develops by sharing their expertise. Thus, it plays an important role in the formation of the knowledge and infrastructure that can address and support Akkim Kimya's wide product portfolio.

Innovation Week

We aim to ensure that innovative perspectives become our corporate culture through our innovation week events, which we have been organizing since 2016. This provides an ideal environment for the production of new products and processes. We are constantly adding value to ourselves to create valuable works. We created an innovative flow with the help of our employees and subsidiary managers who want to improve their innovation competence and innovative perspective.

After the opening speeches, the Akkimli Bilir branded innovation ambassador system was launched. We listened about graphite and hydrogen technology from Prof. Dr. Selmiye Alkan, The Three Musketeers innovation, sustainability and digitalization from Dr. Sertaç Doğanay, and lectures on innovation culture and corporate entrepreneurship from Dr. Hüseyin Güler. We received information competitions on innovation and messages from ambassadors. We presented sections from innovation projects realized at Akkim.

Innovation Strategy and Technological Roadmap

Within the scope of Akkimli Bilir branded innovation ambassador system action plans and technological roadmap digitalization strategy prioritization studies, which is among our sustainability goals, mega trend analysis workshops were held with the participation of Dr. Umut Ekmekçi, Ali Gizer, Dicle Yurdakul and Mext. Following the completion of the horizontal and vertical digitization level studies, KPI determination was completed in line with these priorities, and process needs were identified. The future expectations of prioritized projects were clarified.



Budget/investments allocated to R&D and Innovation



2020
2,326,000 USD

2021
2,407,000 USD



INNOVATION MANAGEMENT AT AKKIM

To find a place for the element of “innovation,” which is also one of Akkim’s values, innovation trainings were organized for all employees, beginning with managers, to create a common language. As a result, concrete steps have been taken to foster an environment of innovation, ensure the sustainability of this culture, and become an exemplary competitive company in this field.

A cultural project with planned actions called “Innovation Ambassador” was launched in the last quarter of 2020, with the theme of “A New Idea Changes a Lot”, to sustain innovation culture until the end of 2022. At Akkim, efforts are made to foster an environment in which everyone can share ideas and contribute to project management. The main goal of the “Akkimli Bilir” Innovation Ambassador System is to adopt innovation as a culture and reflect it on behavior. At the same time, goals include including all ideas, identifying needs, and developing competencies. When you say “Akkimli Bilir,” it means that an intelligent person recognizes a need, develops his idea and himself, captures innovation, and creates value. It was intended to consolidate the culture of cooperation with a collective point of view by saying that it is Easy to Think, Develop, and Do Together. All issues for Sustainable Innovation Performance will be integrated gradually, and related integrations will be communicated to employees. This system’s common denominator is that it uses the same language, values are combined with consolidation, and it is open to continuous improvement.

While the Product Innovation Board-Council structure will be maintained, a similar structure will be used for other types of innovation. The innovation board, comprised of ambassadors, will prioritize the ideas entered into the system regularly and present them to senior management. The senior management will evaluate the projects for innovation. Gains will be realized through this process by fostering a culture of

encouragement, guidance, and cooperation, managing budgets by prioritizing projects and nurturing the strategy. The technology roadmap as well as the innovation strategy will be reviewed.

The consolidation project, where all ideas are gathered, will also include project management and evaluation phases. Integration studies with reward systems will be carried out.

In addition, it is planned to open an innovation faculty in the development areas of individual studies, Idea Circles/Idea Sharing Day, Calls/Campaigns and Problem Solving Techniques Workshops.

”Innovation Bulletin” was shared within the scope of innovation awareness raising in 2020.



Innovation Awareness Raising

- Innovation Roundtable
- Innovation Week
- Idea Workshop
- Innovation Award
- Innovation Journa

Employee Engagement

- Communication Meetings with General Manager
- Idea Workshop
- ASEK Activities
- Scholarship Committee
- Teamwork Activities
- Innovation Training & Workshop Studies
- Innovation Team
- Innovation Awareness Raising
- Innovation Roundtable
- Innovation Week
- Idea Workshop
- Innovation Award
- Innovation Journa

Technical and Administrative Infrastructure

- Innovation Training & Workshop Studies
- Innovation Board & Innovation Council
- Intellectual Property Rights PeriodB
- Innovation in Organization
- InoRoom

Innovation Collaborations

- Argempip

DIGITALIZATION

Globally changing approaches, in conjunction with new technologies, are critical for integrating digital solutions into industries. Big data management, artificial intelligence applications, and internet of things applications are some of the digitalization focus points for sector sustainability. The innovations brought about by digitalization processes are expected to enable effective efficiency and savings studies, improvement in supply and value chain communication, and increased customer satisfaction. Akkim has long been on the cutting edge of digitalization, managing many operations according to Industry 4.0. It aims to integrate the changing and renewed processes into its facilities and operations by following industrial innovations in the future.

Akkim's long-term strategies are also influenced by the level of digital maturity. Again, as a result of a technological necessity, all HR procedures were digitalized and transferred to the Humanist HR Information System in 2021–2022, strengthening both corporate memory and sustainability objectives. All processes, including the fundamental HR procedures as well as the performance, training, and leave procedures, have been digitalized and made accessible to employees. At Akkim, ERP and DSC systems are used in the business areas to manage processes. Under the Blink brand, the digitalization of process flows is managed by EBA, BEAM, Humanist, and ARGUS systems. QDMS, another digital application, is used for document management as well. End-to-end data management is accomplished using ABIS (Big Data) and Exaquantum systems. It is intended to review the Innovation Strategy and Technological Roadmap workshops as well as the short, medium, and long-term priorities for digital transformation during the process that occurs between the end of the current reporting period and the start of the following reporting period.

By aiming to review the corporate organizational competence, facility intelligence, automation, and product life cycle with its technological roadmap and vertical and horizontal integrations within the framework of the most recent developments, Akkim plans to introduce more agile and productivity-enhancing practices during the following reporting period.

Information security and protection have risen in importance as a result of digitalization. The protection of stakeholder information assets and the prevention of all risks, such as cyberattacks, that might obstruct secure and uninterrupted service, are of utmost importance to Akkim. Since 2015, Akkim has complied with the requirements of the ISO 27001 Information Security Management System.



Akkim Digitalization Projects in 2020

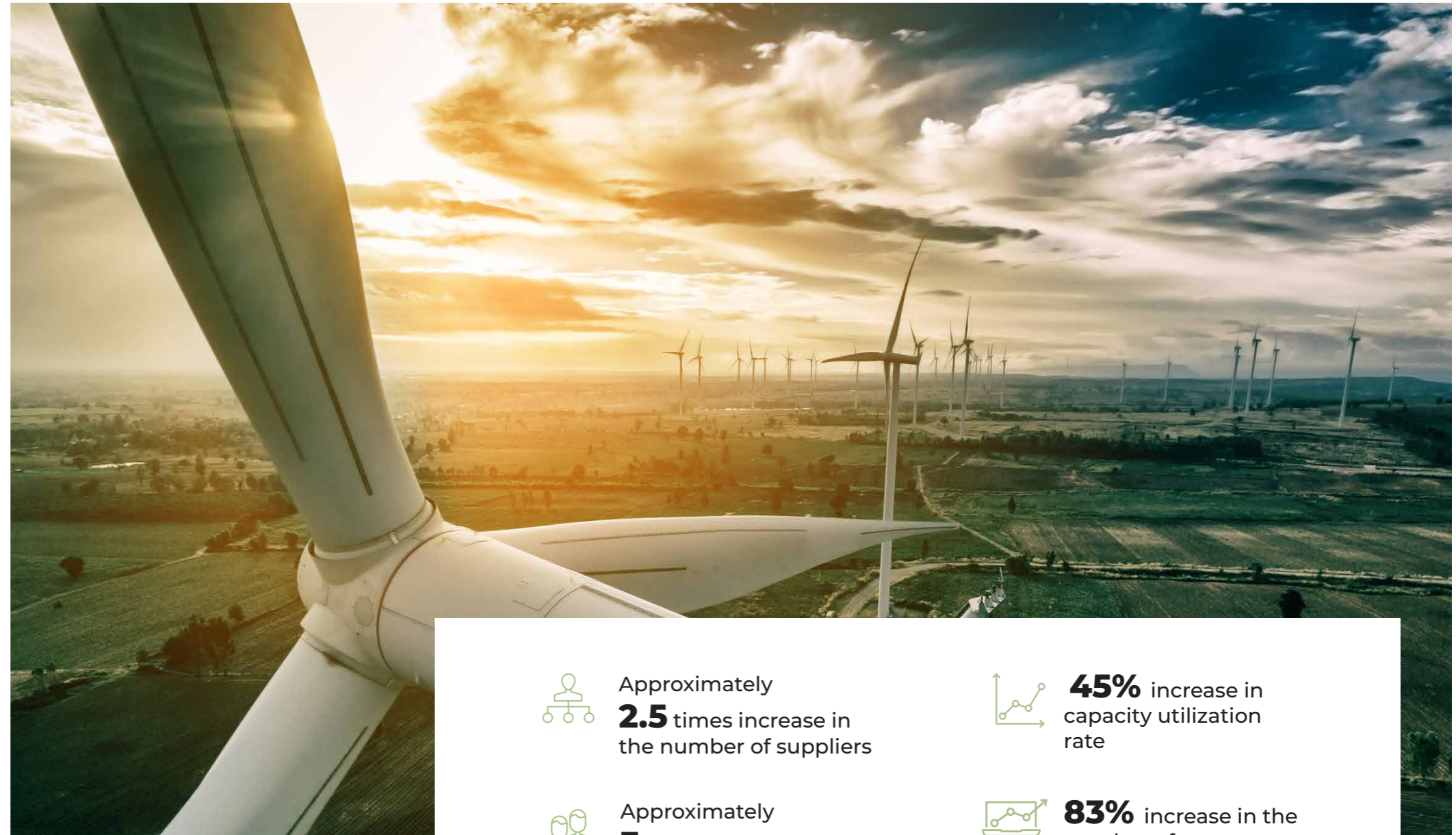
Subject	Summary Information	Current State
Digitization Studies	Processes that can be digitalized are examined and included in work plans as part of the Akkim digital transformation studies.	The Blink platform was established and the following processes were digitized;
Contract Management	All contracts made within the company are managed in a digital environment according to the necessary standards, eliminating the paper environment.	Was activated on Blink
Subcontractor Management	For long-term and indefinite jobs that are given to subcontractors and contractors, it is a project to move all the steps from beginning to end, from demand to deservng, from paper media to digital media.	Was activated on Blink
Maintenance and Asset Management Project	Making the maintenance procedures managed by Maximo compatible with mobile devices and migrating them to a new platform (BEAM)	Completed

Digitalization Projects in 2021

Subject	Summary Information	Current State
Digitization Studies	Processes that can be digitalized are examined and included in work plans as part of the Akkim digital transformation studies.	On the Blink platform; HSE Non-Compliance Management was activated.
HR Project Work	The digital platform will be used to manage the human resources processes, which are currently managed through a variety of applications and paper environments.	The HR Information System platform was put into use to digitize all HR processes in the paper environment. <ul style="list-style-type: none"> - Personnel Management - Overtime and Leave Management - Education - Performance management modules were activated.
Nazilli ERP Migration	All processes of Nazilli USK company moved to an ERP environment	Completed
RPA Project (Robotic Process Automation)	The virtual robot will perform repetitive and non-interpretive tasks so that employees can focus their time on jobs that require more expertise.	MIM processes were digitized

CREATING VALUE IS IN OUR CHEMISTRY

While organizations that value trust, transparency, and value-creation models will shape the future, we have been maintaining our communications and operations with the concept of sustainability in our supply and value chain for ten years. At the same time, we offer the opportunity to evaluate ourselves through our awards and achievements, which serve as a source of motivation and demonstrate that we are rewarded for our efforts. Awards and achievements, in our opinion, reflect our value-oriented approach to all of our stakeholders. We believe that the success of our national and international projects aimed at corporate and country development goals will result in new awards and collaborations in the coming years.



Approximately **2.5** times increase in the number of suppliers



45% increase in capacity utilization rate



Approximately **3** times increase in the number of customers



83% increase in the number of contractors, cooperative and field employees



Full compliance with legislation
Fulfillment of product & system certification requirements



Successful completion of all audits



Managing customer expectations agilely



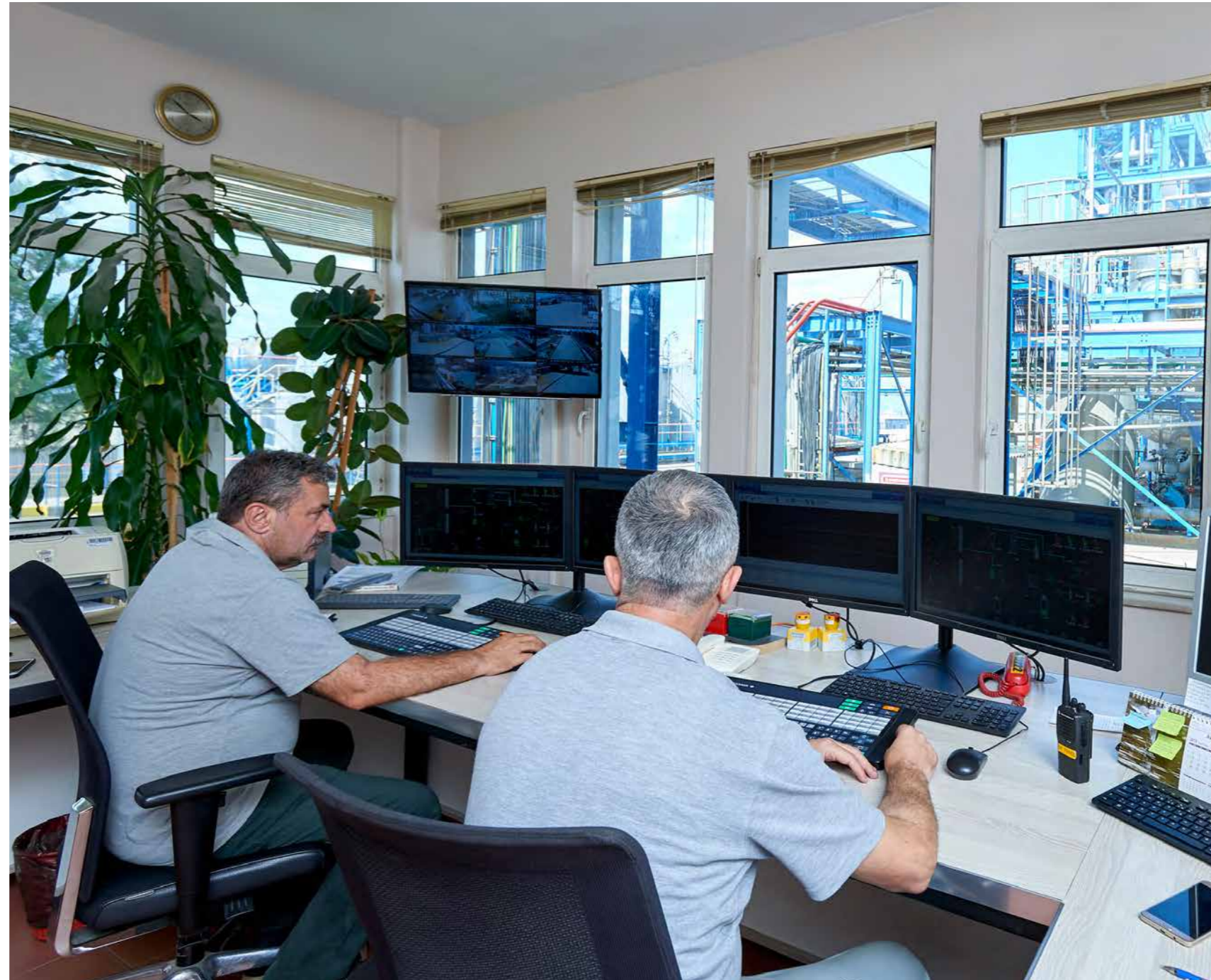


Emre Tekol
Chief Operating Officer

With the Covid-19 pandemic, which began in March 2020 and the effects of which are still ongoing, the importance of a sustainable growth approach has been better understood. Institutions and organizations, especially the private sector, non-governmental organizations and the academic world, have started to follow the ideal of sustainability in preparing their future plans. It is possible to accept this situation as one of the positive consequences of the pandemic, which has the property of triggering several transformations.

Adopting the motto "Sustainability Exists in Our Chemistry", as Akkim Kimya, Turkey's leading chemical raw materials manufacturer, we have been moving in line with the ideal of sustainable development since the day we were founded. We always take it as a top priority to reflect all the principles of sustainable development understanding, especially healthy and high-quality life, decent work and economic growth, occupational health and safety, into our business models.

Akkim Kimya, which celebrated its 45th anniversary in 2022, is also setting up its policies regarding its most valuable capital, human resources, in line with this understanding. We work to maintain a healthy and safe working environment while fostering employee loyalty and happiness, both of which are essential for sustainable development. In this regard, during the



pandemic period, when occupational health and safety sensitivity has increased globally, we have successfully managed the process using both the practices we have implemented and our employee-oriented human resources policies.

Since the first day of the epidemic, we have implemented the measures we have implemented without allowing the slightest negligence to protect the health of our coworkers and families. Examples of such measures include temperature measurement at production area entrances and regulations regarding hygiene and social distance in public catering establishments and service vehicles.

We were able to maintain production without pause because of the steps we took, and we also avoided any potential issues that the epidemic in our workplace might have brought about. We have regularly informed the Akkim employees about the course of the pandemic and thus prevented uncertainties from leading to the crisis. In addition, when the vaccines developed against the disease were successful, we passed on all the relevant information to our friends. Thus, almost all of our colleagues have received their vaccines and continued their duties healthily and safely. In addition to all of these, we planned several special day activities to maintain our understanding of team spirit and to strengthen organizational values like teamwork and solidarity.

The fact that the Akkim employees stated that "Akkim is an honest company" about our company as a result of our work in line with the ideal of sustainable development demonstrated the effectiveness of the plan we put in place. We take great pleasure in sharing with our esteemed stakeholders the specifics of our work at Akkim Kimya, where attitudes like trust and commitment are high and where Akkim employees at all levels place the utmost importance on protecting occupational health and safety.

Sincerely,

Emre Tekol
Chief Operating Officer

SUPPLY CHAIN MANAGEMENT

Based on the national and international standards, Akkim maintains its domestic and international supply processes efficiently and quickly. One of Akkim’s most valuable rings is its relationship with suppliers, which it views as providing direct added value to its processes and being essential to its ability to compete. With an agile structure that aims to contribute to all levels of the supply chain in the future and adopts a sustainable, life-cycle logic, it is intended to maintain the supply chain approach that has been maintained from the past to the present.

Akkim seeks to collaborate with its supply chain stakeholders regarding sustainability management and its components as it implements its sustainable growth strategy. The company also aims to raise sustainability awareness and support its initiatives with environmentally friendly models. Akkim chooses its suppliers using the same methodology based on environmental protection and sustainability in all processes. When choosing a supplier, factors like environmental performance, working conditions, sensitivity to child labor, the company’s location, and life cycle references are taken into account. In the near future, Akkim wants to step up its efforts to ensure business continuity, especially with key suppliers.

Aiming to continuously improve its sustainability performance, Akkim also evaluates its suppliers in this context. When evaluating a supplier’s performance, order process objective opinion evaluations, business continuity, recorded corrective actions, non-conforming product/service records, field audit records if subject to field work, and on-site audit levels of the supplier are all taken into consideration. On-site inspections also include compliance reviews for quality, food and product safety, legal compliance, occupational health and safety, the environment, information security, energy efficiency, ethics, and social compliance. The audit’s outputs include the transmission of the supplier’s scorecard and advice for the suppliers’ development process. The process of closing the audit results is followed.

Suppliers are grouped on a total of 4 class scales.

Class A

Direct purchases can be made from the company.

Class B

Purchases can be made from the company and the development of the company should be followed in the future period.

Class C

Controlled purchases can be made from the company. Special conditions may need to be specified.

Class D

No purchase should be made from the company. Performance requirements are not met.

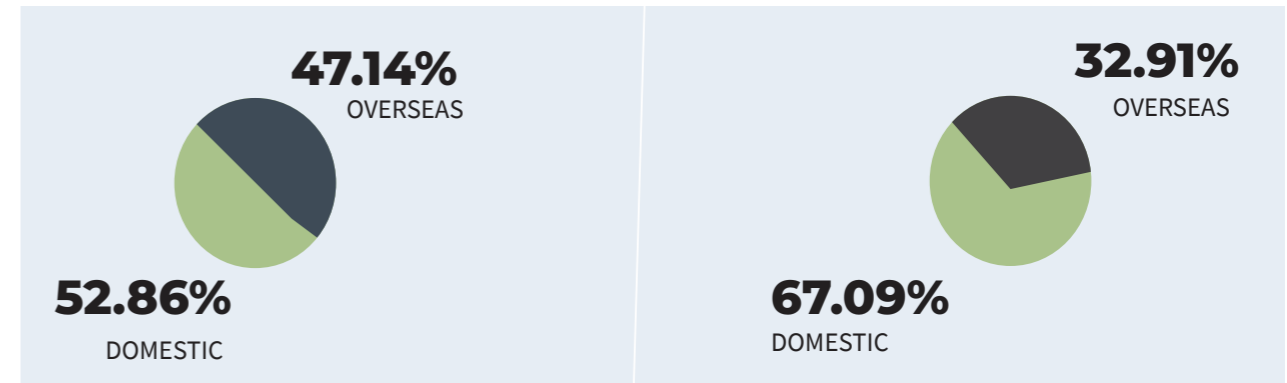
Rates of spending on Local Suppliers (Total or by location)

2020 Purchase Total Amount USD

OVERSEAS
37.4 million USD

DOMESTIC
41.9 million USD

Grand Total
79.3 million USD



2021 Purchase Total Amount USD

OVERSEAS
69.4 million USD

DOMESTIC
141.5 million USD

Grand Total
210.9 million USD

The related tables are an indication that Akkim supports local suppliers, but they show that the amount of carbon footprint is also positively improved in the context of the distance traveled when viewed with a life cycle approach.

Along with all of these procedures, the Sustainable Supply Chain Policy and Supply Chain Business Ethics Principles are created to make sure that their Suppliers’ business practices are in line with Akkim values and current legal requirements. All Suppliers are expected to fully comply with these policies. Suppliers should also prepare these rules for their suppliers and establish the principles of implementation.

Any supplier employee who violates the law or these business principles may be asked to leave by Akkim, who may also choose to terminate the supplier’s contract with the offending employee. The Akkim Supply Chain Business Ethics Principles provide instructions on how suppliers should respond to unethical behavior and rule violations. Akkök Holding Ethics Committee and

Ethics Line are the communication mechanisms where stakeholders can submit their complaints.

AKKÖK Ethics Line Contact Information:

0 850 202 66 15

akkoketik@kmpg.com.tr

Akkim undertakes to treat all notifications confidentially and to protect notification owners.

There won’t be any repercussions for those who report, participate in, or help with the investigation into potential breaches of the Business Ethics Principles (except where the notification itself or the information provided is deliberately misrepresented).

The Ethics Committee will maintain the confidentiality of all reports.

 [Akkim Supply Chain Policy](#)
[Akkim Sustainable Supply Chain](#)

VALUE CHAIN MANAGEMENT

With responsible production and consumption practices, Akkim develops multiple values in the supply chain flow in both the upstream and downstream directions. Akkim's top priority is to uphold the standard of living while increasing prosperity in order to achieve sustainable development.

The motto "Sustainability is in our Chemistry" and the company mission "We add value to life with chemistry" are part of how Akkim conducts business throughout the entire value chain. Considering the principles of innovation in the products and services offered to

the market, R&D processes, environmental product gains, production facilities integrated with each other and working at global standards, strong project and engineering practices and legal compliance, risk management with pioneering transportation

examples, proactive customer information and products in international standardization. Certifications provide added value with products of high-quality standards, which are used as raw materials in more than 40 areas of use.

The value chain of the year 2020-2021:

OUR RESOURCES

Number of stakeholders
>10,000

Supplier
868

Skilled workforce ratio (total number of specialists/engineers employees)
36%

Financial:
Investment budget: R&D budget
2,407,000 USD

Laboratory areas
1,500 m²

R&D areas
2,700 m²

BASIC CHEMICALS

Sodium Bisulphite	Sodium Persulphate
Sodium Metabisulphite	Ferric III Chloride
Acetic Acid	Hydrochloric Acid
Dimethylamine	Chlorine
Dimethylacetamide	Polyaluminium Chloride
Dimethylformamide	Hydroxide (Liquid)
Monomethylamine	Sodium Hypochlorite
Trimethylamine	Trimethylamine Hydrochloride
Ammonium Persulphate	Dimethylamine Hydrochloride
Hydrogen Peroxide	
Potassium Persulphate	
Sodium Percarbonate	

TEXTILE CHEMICALS

Spinning And Conning Oils	Finishing Agents
Dyeing Auxiliaries	Pretreatment Auxiliaries
Dyeing & Printing Auxiliaries	Softeners
Washing Agents	

TREATMENT CHEMICALS

Bleaching Chemicals	Odor Control
Active Carbon Antiscalants	Defoamers
Active Carbon	Dry Strength Chemicals
Emulsion Breakers	Yankee Coating Chemicals
Flocculants	Wet Strength Chemicals
Internal Sizing Chemicals	Softeners
Coagulants	

WATER SOLUTIONS

Ferric Iii Chloride
Polyaluminium Chloride
Aluminium Sulphate
Ultrafiltration Membranes

CONSTRUCTION CHEMICALS

Cement Grinding Auxiliaries
Concrete Admixtures
Shotcrete Admixtures
Asphalt Additives
TBM Additives
Water Based System Additive

PLASTIC ADDITIVES

ESBO (Epoxidized Soybean Oil)
Sliders for PVC Industry
Antifog

CMC

Sodium Carboxymethyl Cellulose
Polyanionic Cellulose

CREATED VALUES

Production (tons)

2020	486,320
2021	572,682

Reduction in accident frequency rate: **14%**
Greenhouse gas reduction: **9%**
Energy efficiency: **2,700,000 kWh**

Supporting local suppliers:

2020	52.86%
2021	67.09%

The number of R&D products developed is **16**

Patent applications 28	Articles published during in the period 4
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Innovation index

2021	22%
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Economic Value Created (2020)

178,862,007 USD

Customer satisfaction rate:

85%



OUR MISSION

We add value to life with chemistry.



OUR VISION

Becoming the leading chemical company in Turkey with a minimum 1 billion USD turnover by 2027.



CUSTOMER SATISFACTION AND EXPECTATIONS

To consistently meet and exceed customer expectations, Akkim produces and offers services in a high-quality manner. It also aims to manage customer satisfaction with agility. Within the parameters of corporate policies, legal requirements, and regional, national, and international standards, it responds quickly to customer needs while maintaining a proactive outlook and closely monitoring the agenda. In comparison to 2020, the number of customers increased by about 1.5-fold in 2021. Customer complaints are thoroughly examined and recorded.

An independent research company conducted a Customer Satisfaction Survey to identify the issues that create satisfaction and dissatisfaction with Akkim's customers, to reveal the weak and strong points in the relationship, and to determine action areas. This research, which included Akkim's customer opinions in different categories from order to after-sales services, resulted with overall customer satisfaction of 85% at Akkim.

CUSTOMER HEALTH AND SAFETY

In terms of resource use and waste reduction, Akkim has made numerous innovations over the years. The use of more environmentally friendly sodium percarbonate in place of additives that result in less water solubility and pollution, scrap iron, and the use of used acid as a precipitator in the purification industry are some examples. Other examples include the use of peroxide instead of chlorine in water treatment, the use of peroxide instead of chlorine in cleaning products, the use of soybean oil and peroxide-based products in the plastics industry, and the use of peroxide instead of chlorine in water treatment. There are also projects involving the use of less toxic substances and volatile organic compounds in textiles, the use of new-generation resins in the cleaning paper industry, the use of fewer chemicals in water purification, the use of ultrafiltration membranes to increase efficiency, the use of less wastewater discharge and less clean water in the wastewater of the textile production sector, and the use of alkali-free concrete additives free of toxic effects.

Along with approaches that aim to reduce all these negative effects and increase their positive effects, it succeeded in completing the stage 3 audit with the highest score in Turkey of the ZDHC (Zero Discharge of Hazardous Chemicals) program, in which the sustainability of textile chemicals is evaluated. With its responsible production and consumption awareness, Akkim has proven once again that it is a reliable manufacturer. ZDHC-certified products are Level 3 - 216, and Level 1 - 12.

In 2021, it also completed the GOTS v6 certification, and the number of certified products is 198.

With its long-term development objectives, Akkim intends to create an index of products living in economic growth, calculate water footprints in the environmental dimension, and foster a culture of occupational health and safety in the social dimension. It has received the Zero Waste Certificate as a symbol of the value it adds to the circular economy.

ecovadis

Together with the projects it has created, Akkim aims to continuously improve its sustainability performance. It takes part in evaluations based on internationally recognized standards for this purpose. The Silver awareness level has increased to Gold awareness level in EcoVadis' sustainability assessment of the global supply chain's corporate social responsibility, which includes approximately 75,000 companies in more than 200 industries and more than 160 countries. Its environmental, social, ethical, and sustainable purchasing performance improved from the best 22 percent among all suppliers to 3 percent. This level was maintained in 2021 as well.

In February 2020, it succeeded to become a Bluesign System Partner. In 2021, a total of 39 products were Bluesign-approved.



COMPLIANCE WITH INTERNATIONAL AND NATIONAL REGULATIONS

Akkim, while managing all its processes, follows national and international standards as well as ensures full compliance with legal regulations.

In line with the obligation of the European Union (EU) REACH Regulation, REACH registrations are made for the products sold to Europe. Akkim has registered four more products under REACH since the last reporting period. In addition to the EU REACH Regulation, processes are also being carried out on the UK REACH, Korean REACH, India REACH and EURASIA REACH, in line with the requirements in the market. In addition to the chemical regulations abroad, the requirements of the KKDİK Regulation, which is the equivalent of the REACH application in Turkey, are also fulfilled. Akkim monitors the data of all its suppliers and fulfills its manufacturer and importer responsibilities based on the the relevant obligation. The data entries known as PRE-MBDF have been completed in this context. Notifications of data-entered chemicals have also been managed within the scope of SEA. To manage the flow of information, supply chain communication is also provided. Infrastructure for leader and/or partner registrant requirements for chemicals entered into the system is still being built, as are data preparations for registration files.

While fulfilling its obligations in all of these areas, Akkim purchased the Global Harmonization System compliant Safety Data Sheet (SDS) program in order to more effectively manage chemical management processes, to provide its customers with documents prepared with faster and more up-to-date legislation, and the Safety Data Sheet, which is the product's identity.

Obligations under the ADR Regulation are fulfilled.

Responsible Production and Consumption

Akkim's expert departments advise customers on how to promote responsible production and consumption. Starting with the risk selection based on potential exposure at all stages of the product lifecycle, requirements for the planned application, transport, and disposal recommendations are communicated. With declarations, accredited test reports, and certifications for its products that appeal to various areas of use in line with customer demands and needs, as well as legal compliance, Akkim demonstrates that it is a reliable manufacturer according to the market requirements and the voluntary principle. Legal regulations are also included in the recommendations. Akkim also provides product training to its customers upon request and when deemed necessary.

With declarations and impurity management, studies are ongoing to identify the chemicals that are prohibited for use based on their usage areas, reduce them to safe usage limits, develop substitutes, and remove them from the prescription.

Studies on prohibited chemical derivatives from APEO and free alkaline R&D can be entered here.

Our company intends to produce a new product for the food industry in Nazilli facilities, in addition to the sodium metabisulfite produced in Yalova facilities, based on its strategic goals. Sodium Carboxymethyl Cellulose, which will be manufactured as a food additive, will serve as a bulking agent, emulsifier, firming agent, gelling agent, moisturizer, stabilizer, and thickener in the food industry. This product will be used in the food industry to make fermented milk and dairy products, pasteurized cream, fresh/dried pasta and noodles, frozen/cooked fish/meat products, liquid egg products, other sugars/syrups, coffee and coffee products, and so on.

Why FSSC 22000?

The FSSC 22000 System is intended to provide food industry companies with an ISO-based certification of a food safety management system recognized by the Global Food Safety Initiative (GFSI). Its GFSI recognition ensures that food manufacturers and retailers are recognized and accepted globally.

FSSC 22000 defines the requirements for integrated processes that work together to control and minimize food safety hazards. As Akkim, we started the food management system installation studies for all the requirements of the FSSC 22000 standard. All necessary improvements, such as additional facility buildings, strengthening existing facility infrastructures, strengthening the security infrastructure, and developing an environmental monitoring plan, were made based on the needs identified by taking into account the conditions that may affect product and food safety. With all of these efforts and FSSC 22000 certification in 2022, we hope to produce products that fully meet our customers' expectations in domestic and international markets, comply with national and international regulations, and are safe to consume.

Product Safety

We will translate our HPC 420 (Health Product Care) Product safety management system into the iCompliance standard at our Akkim Nazilli facilities.

With the Unified Standard, Akkim Nazilli is on the way to compliance to iCompliance.

Sodium Carboxymethyl Cellulose (CMC) is a common ingredient in the manufacture of household detergent powder. In this application, the primary function of CMC is to prevent redeposition, which traps the dirt removed by the detergent and suspends it in the water during washing. Furthermore, the detergent's viscosity and water-holding capacity are calibrated using CMC.

Adding a small amount of CMC to detergents, particularly a synthetic detergent, results in a marked improvement in their soil-suspending properties. In addition to detergent powders, CMC is also used in paste detergents, where it also acts as a thickener.

Developed in response to the needs of the international food industry, the FSSC 22000 standard is a rapidly growing certification program and has issued more than 22,500 certificates worldwide.

Our company aspires to be a home, personal care, and detergent raw material manufacturer approved by iCompliance in its Nazilli facilities for the detergent products it has produced.

Why iCompliance?

Uniting the pharmaceuticals, excipients, personal care and cosmetics, home care and laundry industries around a common set of standards; iCompliance is a cloud-based system developed to reduce costs and facilitate supply chain GMP audits for all stakeholders. iCompliance's current customer base is in the non-food category of the Fast Moving Consumer Goods (FMCG) industry.

As Akkim Nazilli, our goal with iCompliance is to meet the needs of all of the industry's leading customers through a single standard, to ensure that our company is recognized for its compliance with detergent industry standards, to increase its potential to attract new customers, to increase our visibility in supply chain compliance, and to ensure secure data/information sharing.

Our company has created a project plan to implement needs analysis, cost analysis according to needs, improvement of the working environment and process equipment, layout optimization, etc. by carrying out a current situation assessment for all the requirements of the Unified standard of the iCompliance program standard. We aim to produce products that fully meet the expectations of our customers, domestic and foreign markets, by ensuring compliance with the Unified standard and iCompliance with hazard analyses performed while taking into account the conditions that may affect product safety.

Certifications/compliances of the products

SECTOR	OUR CERTIFICATIONS
Textile	
Water and Paper Chemicals	
Inorganic Coagulants	
Construction Chemicals	
Basic Chemicals Organic Chemicals Sulphurous Compounds Per Chemicals Chlorinated Compounds	
Ultrafiltration Membrane	

Management System Standards & Documents

- ISO 9001:2015 Quality Management System Standard
- ISO 14001:2015 Environmental Management System Standard
- ISO 45001:2018 OHS Management System Standard
- ISO 50001:2018 Energy Management System Standard
- ISO/IEC 27001:2013 Information Security Management System Standard
- ISO 14064-1:2006 Greenhouse Gas Calculation and Verification Management System
- VTSE Covid-19 Safe Production Certificate
- FSSC 22000 Food Safety Management System (Work ongoing.)



AWARDS AND ACHIEVEMENTS

With its projects and activities, Akkim participates in prestigious award programs at the national and international levels. This process adds value to the company's existing success and serves as a source of motivation.



- Focusing on Occupational Health and Safety culture in every work it has done since its establishment, aiming to become a leading and leading institution in the field of Occupational Health and Safety while continuing all these studies and investments, keeping work accidents and occupational diseases at minimum levels, guiding the entire life cycle, Akkim, who will be taken as an example in the creation and maintenance of consciousness, passed the British Safety Council's inspection and was awarded the International Occupational Safety Award in 2020.

- Akkim Sailing Team won the Presidential International Yacht Race Trophy by finishing first in its class and across all classes after four races in the Presidential International Yacht Races. He also became the champion of the Eastern Aegean Sailing Week.

- Akkim, which cares about the harmony of vision, mission, goals and values in every activity, evaluates these processes, which it cares about in its sustainability priorities, by considering it from the perspective of its stakeholders, was awarded the Platinum Award by LACP, one of the most respected communication organizations in the world, for the "Akkim 2018-2019 Sustainability Report", which was prepared in 2021 within the scope of the United Nations Global Compact and pursuant to the internationally recognized Global Reporting Guide (Global Reporting Initiative) GRI standard.

- To surpass statutory requirements for occupational health and safety and meet international standards, it is intended to receive 5 stars from the British Safety Council, one of the most esteemed organizations in the world. In the project, which was named "Constellation" as a result of the voting, detailed examinations and improvements in various categories are made to provide the necessary conditions for 5 stars (Progress of the project is explained in the occupational health and safety section of this report.

- According to the results of Fortune magazine's traditional "Fortune 500" research, in which Turkey's leading big companies are determined, Akkim, which increased by 11 ranks in the previous year, ranked 321st and 9th in the Chemical Substance sectoral category.

- Akkim ranked 256th among "Turkey's Top 500 Industrial Enterprises" announced by the Istanbul Chamber of Industry in 2021.

- We were among the best with our Akkim Good Future Long-Term Internship Program in the "TOP 100 Talent" competition organized by Toptalent.co, where the best talent programs of the year are selected.

- According to the 2020 results of the "R&D 250" research conducted by Turkishtime, the economy and business magazine, since 2013, Akkim moved up 3 ranks in the general list and ranked 120th. In addition, Akkim managed to become the 21st company that carried out the most projects and the 50th company that received the most patents.

- 32. Akkim employee Olcay Batu Coşkuner finished 23rd in the Bosphorus Intercontinental Swimming Race.

- With the motto of "Sustainability is in Our Chemistry", Akkim strives to protect and expand the field of interaction with sustainability, as it has for 10 years, with its innovative and value-creating structure that respects the environment and people.



SOCIAL CONTRIBUTIONS

Akkim is concerned with the economic and social development of the social structure in the region in which it operates, as well as its future preparation through development activities. Within the framework of these responsibilities, Akkim prioritizes support for activities aimed at increasing public health, environmental awareness, and social awareness, particularly in the field of education, activities for public benefit, cultural and social responsibility projects, and projects involving non-governmental organizations.

- In this context, donations and aids were made to various institutions during the reporting period. During the pandemic period, the hygiene needs of many official institutions and organizations were met. The provision of cleaning materials for the hygiene of schools, PVC support for 40,000 face shields for health workers are some of Akkim's contributions.

Akkim sponsored various institutions/events, such as the "Science Chemistry Laboratory" and Akasya Children's World, as corporate social responsibility activities in 2020.

- The Akkim Scholarship Program was established in 1996 with the assistance of volunteer employees and in line with the principles of corporate citizenship in order to support the education of successful university students who find it challenging to continue their education because of financial challenges. It still reaches out to future generations in this context. 53 students received scholarships for the school year of 2019-2020. 66 students will still receive scholarships for the school year of 2020-2021. There were 155 recipients of graduate scholarships.



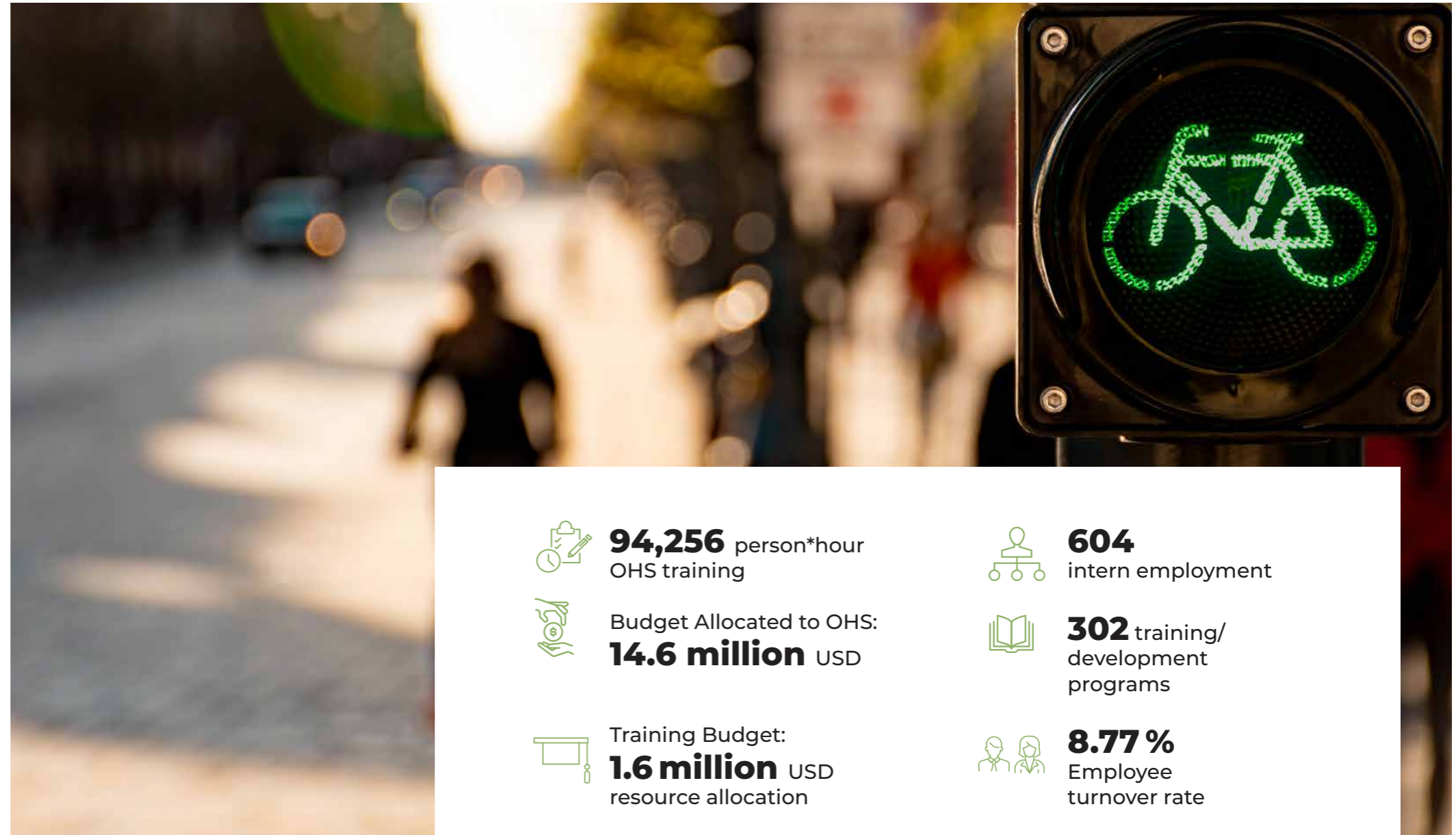
DİLARA OCAK OPINION OF THE SCHOLARSHIP PERSON

I am a 4th year student of Gebze Technical University, Faculty of Architecture, City and Regional Planning. I am 23 years old. I have been receiving a scholarship from your company for 4 years. Thanks to your contributions, I spent my undergraduate education more efficiently and give greater ease. It also gave me motivation. Thank you for all your contributions.



RESPECT FOR HUMAN IS IN OUR CHEMISTRY

We provide peaceful, healthy, and safe working environments in the name of corporate culture and social development that focuses on people, by taking into account the values that our employees and all of our stakeholders value, such as equality, fair approach, reliability, cooperation, and leadership. At the same time, respect for human beings is the basic principle that shapes Akkim's attitude in all human resources processes. We will continue to make efforts to help our employees realize their full potential, motivate them, and contribute to their personal and professional journeys, talent development, and diversity. In this context, we strive to make a difference in people's lives by following ethical, transparent, and inclusive principles.



94,256 person*hour OHS training



604 intern employment



Budget Allocated to OHS: **14.6 million** USD



302 training/development programs



Training Budget: **1.6 million** USD resource allocation



8.77% Employee turnover rate



Total training hours: **199,036** person*hour



Accident Frequency Average Rate **3,62**



100% increase in the number of employees



10-Year Decline Rate in OHS accident frequency: **24%**



Scholarship opportunities for approximately **155** students



155 Emergency Drills



132 OHS Boards





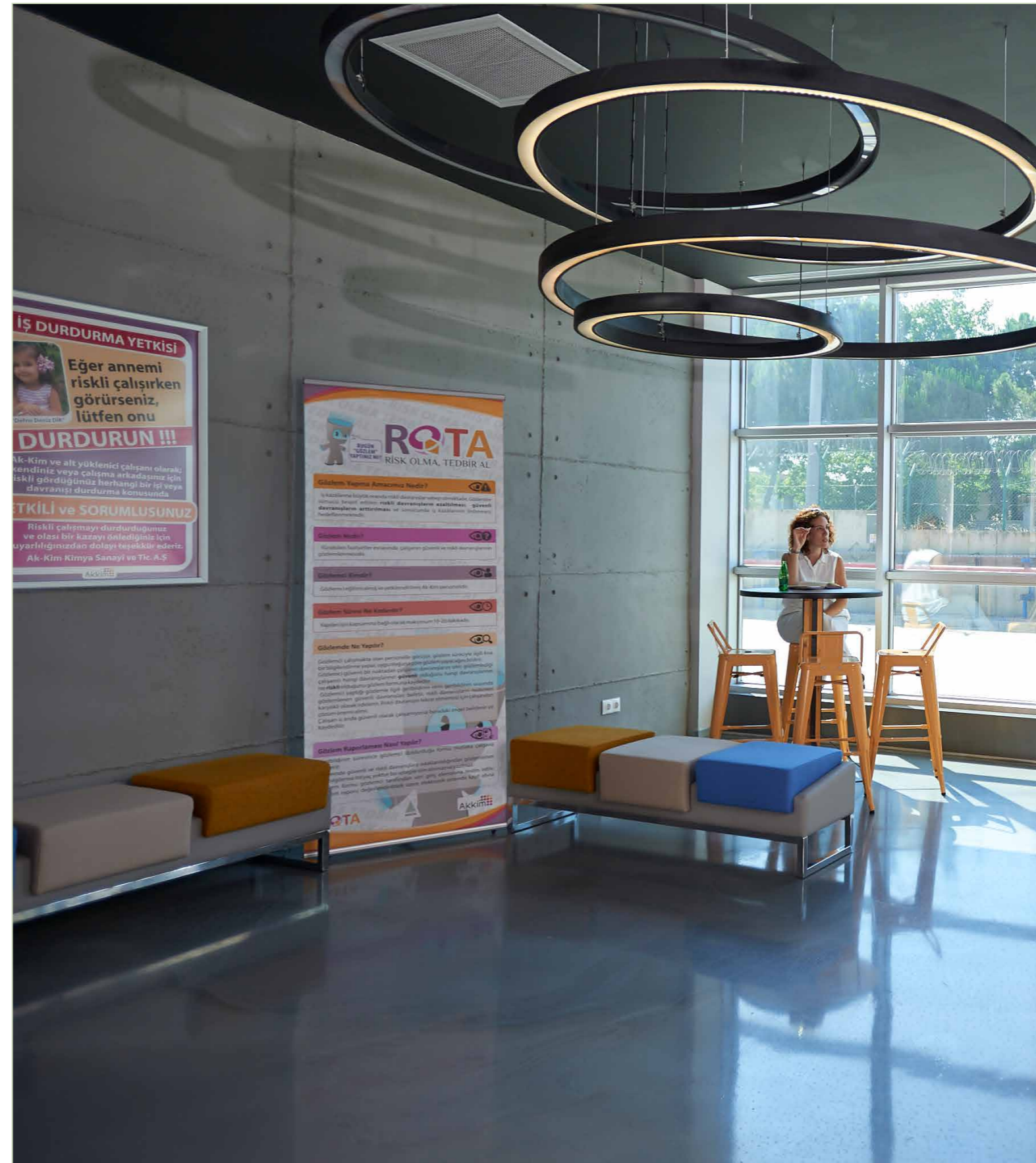
Gökhan Ata Okutan Human Resources and Shared Services Director

Akkim Kimya, one of the signatories of the United Nations (UN) Global Compact, aims to implement the 10 principles of the UN Global Compact, the world's largest sustainability initiative, in its activities. Akkim's sustainability policies, which are based on respect for people, are also illuminated by ten principles covering various areas, primarily human rights, labor standards, the environment, and anti-corruption.

Protecting human rights, which are acknowledged by everyone in this context and are always important to us as Akkim Kimya, is a top priority. With our strategic social investment, corporate social responsibility, equality of opportunity, and work supporting gender equality, we hope to ensure that the maximum respect for human rights becomes more widespread both within the organization and among our stakeholders over the course of our 45 years of operation.

Employee rights are another crucial topic that serves as the foundation of our sustainable development strategy. To safeguard and strengthen employee rights, which are a top priority during the pandemic process, we conduct transparent and participatory work. We have committed to maintaining the same level of employment as before the epidemic, in addition to the steps we have taken to ensure that Akkim members do not lose any rights during this trying time. As a result, we allowed our coworkers to carry on with their responsibilities and corresponding rights.

On the other hand, we treat people with respect in our hiring and promotion procedures, which are just as



important as employee rights. Since gender equality and equal opportunity are at the core of our human resources policies, we manage all of our processes involving our employees or candidates with this understanding. In this regard, we take only factors like competence, fairness, and equality into account without compromising any discrimination in any area, from hiring to pay.

We encourage women to be more visible and productive in the workplace because we believe that they are essential to the modernity, social, and economic development of our nation. This knowledge supports our strategy of making Akkim a desirable employer brand for working and developing with the motto of "people first," which is reflected in the representation of women at all levels, including management. Our career and talent management programs, which we initiated to reveal the potential of all our employees, also achieve successful results.

In our Sustainability Report, to enhance life through chemistry, we share the initiatives we have put in place for a better future that values people and their contributions for the benefit of our esteemed stakeholders.

Sincerely,


Gökhan Ata Okutan
Human Resources and Shared Services
Director

WORKING LIFE IN AKKİM

Our Human Resources Purpose

At Akkim, the goal is to permanently create an organization that values “Competent and Heartfelt Employees” and puts “People First.”

To ensure that our company is an ideal workplace for working and developing and an employer brand preferred by everyone.

All employee processes at Akkim are conducted with respect for all parties involved, and a sphere of influence and interaction is established within a set of core values. One of the top priorities of human resources management at Akkim is finding employment for qualified individuals and recruiting them according to its strategic goals and priorities. Employee rights practices are carried out beyond the requirements stipulated by the laws, and national and international standards. In this context, Akkim carries out its activities with the focus of creating value by assuming its responsibility towards its employees in line with its  **Human Resources Policy**.

A milestone process in Human Resources Management has also been the integration of USK Kimya HR Processes, which joined Akkim with the acquisition of the company in 2021, into Akkim HR Processes. All HR Processes of USK Kimya have been examined and all HR Processes, including wages, benefits, performance, and education, have been integrated into Akkim. However, Akkim, which considers its employees as one of its most important values and values respect for human beings, has also carried out extensive studies related to spreading the corporate culture to USK Kimya employees and ensuring its sustainability.

With the employment resources it generates in the context of sustainable growth, Akkim supports the Turkish economy by offering its employees a high-standard working environment as well as a wide range of social benefits. According to Akkim’s

Recruitment Policy, which is inclusive in employment, every potential candidate is equal, special and valuable. Recruitment and placement processes are carried out by the Human Resources and Shared Services Directorate. The recruitment process employs objective tools and techniques, and the “Right Employee for the Right Job” tenet is followed. The recruitment and placement process aims to find candidates who are in line with the corporate culture and values, possess the knowledge,

To attract young talent to Akkim and ensure that employee candidates have the correct information about the company when making a career decision, businesses use platforms for customized video content. Candidates can access these platforms to learn more about Akkim, apply for jobs, learn about departments, and read opinions from Akkim employees about topics of interest to them.

<https://toptalent.co/akkim>

<https://anlatsin.com/akkim?q=akkim>



skills, experience, and competencies necessary for the position, and will lead Akkim into the future in order to achieve the company’s strategy and goals.

Akkim frequently posts job openings on vacancies because it values employee loyalty and happiness and opens up career doors to them at every chance. The number of positions filled with internal candidates was 32 in 2020 and 94 with fairly high internal employment in 2021. However, in Akkim, which has a significant contribution to employment, the number of open positions was registered in 76 in 2020 and 193 in 2021 as part of accessing qualified employees and increasing motivation for success.

Attaching importance to investment in young talents, Akkim runs the “Akkim Good Future Long-Term Internship Programme” to incorporate these talents into its structure. “There are talents recruited from the interns who graduated from the Akkim Good Future Long-Term Internship Program and continue their careers at Akkim. During the reporting period, the relevant program was developed and communication with young talents continued. Thanks to the program, approximately 15 university students get internship opportunities at Akkim every year according to the Recruitment Policy. The aim of this program is the employment of young talents who learn the job on the job, gain experience and have the chance to transfer their experience to their career journey.

“

KÜBRA DOĞAN MANAGEMENT SYSTEMS ASSISTANT SPECIALIST

Intern Opinion

I am one of the first interns selected for the Akkim Good Future Long-Term internship program. My Akkim journey started with the positive conclusion of my Akkim Good Future application 3 years ago. Thanks to Akkim’s internship program, I had the opportunity to see the operation of a corporate company closely while continuing my master’s degree. I felt like I had been a part of the Akkim team for years from the moment I started my internship because of the company’s welcoming and warm workplace culture. This long-term internship program allowed me to gain a realistic and industry-wide perspective while creating my career goals. After completing my long-term internship that lasted for 8 months, I started to work here and continue to learn and develop with Akkim. As one of the first interns of the Akkim Good Future program, I can say that Akkim will be good for you.



INCLUSION, DIVERSITY AND EQUAL OPPORTUNITY

Akkim employs a fair, egalitarian work environment that respects human rights and demonstrates an inclusive and inclusive approach based on equal opportunity for its employees. In its human resources processes, Akkim does not discriminate against age, political orientation, language, race, religion, sect, gender, or social status.

At Akkim, which places people's respect first, it's crucial to create a work environment that encourages collaboration within the bounds of mutual respect, free from all forms of harassment, pressure, intimidation, and unprofessionalism, and where employees are given equal opportunities. Employees of Akkim are also held accountable for preserving this environment and enhancing its beneficial effects.

Child labor, forced and compulsory labor practices are also prevented at Akkim. Akkim does not commit human rights violations such as unregistered or child labor and considers it ethical to work with suppliers and sub-employers where such violations are not committed. At the same time, it respects the freedom of its employees to join trade unions and make collective bargaining agreements.

In this context, human rights trainings are provided to raise awareness about the human rights compliance process in Akkim. During the reporting period, 170.5 person*hour of training was provided.

Akkim prioritizes the support and employment of female workers because it believes that equal participation in the workforce is one of the determining factors for raising social status and moving the industry forward in the future. In 2022, Akkim established a project group on gender equality and began operating according to this philosophy to enable women to participate in business life at all levels.



By putting the TGE program's actions into practice with the Akkim brand, we consistently prioritize the values of gender equality and fairness in line with our goals for social and economic development. With this in mind, we planned what we could do until 2025 under the Akkim brand. This year we became a signatory to the United Nations Women's Empowerment Principle (WEPs). Over the next three years, we will gradually increase female employment at the operational and professional levels, provide women's rights training to at least 75 percent of our employees, collaborate with non-governmental organizations, mentor female students in Yalova and Nazilli, where our production facilities are located, and reintroduce breastfeeding rooms in our workplaces. We will implement practices such as providing leave for female employees with children on the first and last days of school, three additional days of paternity leave than is required by law, and family education programs on home economics and child development. In doing so, we will effectively support the adoption and spread of the knowledge of gender equality, which has a significant role to play in the ideal of a sustainable future.



Wages and Benefits

The added value provided by the qualified workforce is of great importance at Akkim. At Akkim, the remuneration policy is handled inclusively, based on the principle of equal pay for equal work, without regard to contract type, gender, or the situation of employees with special circumstances. Regardless of their personal characteristics, all employees are paid equal wages as long as they do the same job. There is no gender difference in remuneration.

Akkim's remuneration policy is based on a strategy that "supports fairness and market competitiveness within the company." There is a job evaluation system that covers all employees, and methodologies with international experience and dependability are used in the company's establishment and implementation of this system.

All wage and fringe benefit arguments are compared to current market conditions in order to bring in the manpower that will carry the company to its goals; specifically, the data of the Chemical Industry, in which it is included, are carefully monitored and its systems are updated accordingly. As a result, some of the non-wage fringe benefits that Akkim currently provides and will continue to provide with positive improvements in the future are as follows:

- Private Health Insurance covering employees and their families
- Optional Private Pension System
- Various bonus systems covering all our performance-oriented employees
- Depending on the positions, vehicles, phones, tablets, etc. equipment
- Cash benefits covering all positions

CAREER PLANNING, PERFORMANCE AND TALENT MANAGEMENT

Akkim contributes to its employees' continuous development through career planning and talent management practices that are tailored to their needs. Its goal is to attract and retain talented employees who share similar values.

It provides opportunities to create an environment for continuous development opportunities for the sustainable career journey of its employees, each of whom it considers a talent.

The Human Resources Management approach enables Akkim to achieve its objectives and grow sustainably. In this context, Akkim, which focuses on human capital investment, has a business family and a ranking system. The technical and behavioral competencies that employees in each job category should have been determined. Individuals at the professional-level plan their careers by taking into account the company's organizational needs as well as their own potential.

At Akkim, every contribution is appreciated and rewarded. Applications such as the Manager's Appreciation Basket, Top Akkim Members, Idea Workshop, Thank You Cards, Seniority Packages, implemented with the approach of "There is Appreciation in Our Chemistry", are among the activities that positively serve the motivation of the

SAMET ILGAZ FILLING PACKING FORMAN

Looking back on my 13 years here, I see a company that has been steadily growing and providing new job opportunities to the people of the region. Akkim presents all of the technological possibilities, as well as developing facilities and developing equipment. As employees, we can grow personally by taking advantage of all of these learning opportunities. Akkim provides opportunities for advancement for its employees. For the past year, I've been working as a foreman

employees. Annual evaluation processes are carried out with objective approaches within the scope of talent management in order to plan the career journey of its employees with a systematic approach. Furthermore, the Performance Management System is implemented, in which employees' individual and team goals are evaluated effectively and objectively in conjunction with the department, directorate, and company goals. The results of the Performance Management System, which evaluates targets quarterly, are used as inputs in the employees' wages, bonuses, training, development, career planning, and talent management processes. All Akkim employees are subject to the performance evaluation system during the reporting period.

Holistic and systematic evaluation tools such as the Manager's Appreciation Basket, Assessment Center Practices, Leadership Potential Inventory, Personality Inventory, and 360° Evaluation are used in conjunction with the related applications to determine individuals' development areas. An annual training plan is developed by taking into account the employees' needs for awareness-raising activities as determined by these evaluations. While there were 802 employees subject to regular performance and career development evaluations in 2020, there were 868 in 2021.

During the reporting period, highly effective studies

on the enrichment and dissemination of the processes currently in use were conducted. The Akkim Leadership Model was developed in this context in line with the "Right Workplace for Working and Developing" strategy. In addition, the Workplace Leadership Development Program was designed and implemented. By reviewing competencies at all levels, this program is intended to support the leadership development of all employees and enable them to realize their potential within the scope of the Akkim Campus, which became operational in 2019. The program's scope was expanded in 2021, and the "Professional Coaching System" was implemented to support managers' competencies and areas of development, as well as to meet within the framework of shared values in a thought-provoking and creative process.

During the reporting period, Akkim's managerial employees were able to share their career path experiences with recently recruited employees or those who are likely to realize their potential through the North Star Mentoring Program.

Performance evaluation

Total number of employees subjected to a regular performance and career development assessment

	FEMALE	MALE
2020	145	657
2021	153	715



It creates processes for its employees, whom it regards as the most important stakeholders in achieving sustainability goals in the past, present, and future



TRAINING AND DEVELOPMENT

Saying "There is Improvement in Our Chemistry", Akkim implements Akkim Campus, Akkim Good Future, Leadership Development Programs and various personal development programs with the right company motto to develop.

Akkim is the industry's first employer brand identity; its reputation stems from qualified human resources who can adapt to change, transformation, and innovation with agility. Believing that development is the most important factor in achieving strategic goals, Akkim implements awareness-raising activities that support the development of its employees. Saying "There is Developing in Our Chemistry", Akkim carries out Akkim Campus, Akkim Good Future, Personal Development Plans and Coachlike Leadership practices with the right company motto to develop.

With the development opportunities it provides, Akkim aims to be the preferred employer, to invest in the learning and development of its employees, to contribute to an increase in employee satisfaction, and to create a highly motivated employee profile.

While training and development plans are being developed, the needs of the employees serve as the foundation for the research. Aside from the training plan, training requests from employees or managers are also considered throughout the year. Unplanned trainings are also carried out if deemed necessary. All employees' trainings are monitored monthly and training plans are developed to help them improve not only their technical but also their behavioral competencies. Although there was a decrease in training hours due to the pandemic effect in 2020, there was an increase in training hours with online and mobile training in 2021. To contribute to the strengthening of the professional and personal competence of employees, 21,308 hours of training activities were carried out in 2021.

Furthermore, as a result of the pandemic and the era, digitalization came to the fore in 2021, and the legally

required OHS trainings received by all employees were digitized and implemented in Akkim Mobile Campus. In this context, the alternative of "self-learning" and "training at any time and place" was created for the employees. In addition, Akkimemployees' target of performing at least 70% of the trainings included in their personal development plans was realized as 71.5% in 2021.



HÜSEYİN ÇELİK INSTRUMENT FOREMAN

Working at Akkim means always improving. Because Akkim is a fast-growing company, we are among the first to adopt new technologies. Looking back over the last ten years, we can see that, thanks to the training, we have advanced to the point where our technicians can now do things that only engineers could do previously. For example, only engineers had the knowledge required to activate a motor driver or a level transmitter ten years ago. Our technicians are now capable of performing these commissionings thanks to the trainings provided here and the initiatives provided by the managers.



VOLKAN GÖNÜL SHIFT FOREMAN

Personal development is very important here. I am not a chemistry graduate. While working at Akkim, I took chemistry lessons and got a chemistry certificate. I completed my first-aid training here. I have learned what to do in case of minor accidents that may occur anywhere, even if we never want to experience them. Thanks to the courses and programs that Akkim gave to its staff, I received certificates in many different subjects. Information is inexhaustible in Akkim

Detailed information about the trainings carried out is given in the tables below.

Employee Trainings	Number of Participants	2020	2021
Operational-Level		506	577
Professional-Level		301	332
Female		155	163
Male		652	746

Employee Trainings	Total Hours	2020	2021
Operational-Level		6,667	12,229
Professional-Level		7,413	9,182
Female		3,576	4,296
Male		10,506	17,115



Training Hours person /hour

Hours of training provided (OHS trainings are not included.)

2020
14,055
2021
21,308

Training hours on the fight against bribery and corruption

2020
134
2021
36

Training hours on ethical principles

2020
134
2021
36

Training hours on sustainability and environmental issues

2020
553
2021
582



TRAININGS

Training programs and contents for employees and managers	Training hours	Number of employees benefiting from training
Leadership Training at Work - It is a training development program that covers all level employees (foreman, engineer, specialist, manager, manager, etc.) who manage a team. The training, which consists of 5 modules in total, includes training to develop all of the Basic Manager Competencies.	4,813 person* hours	178
Coachlike Leadership Training - This is the training in which all our executives and senior employees attend and our managers learn about the coaching metaphor and management style.	810 person* hours	65
Emotional Intelligence (Empathy) and Body Language Training - All of our employees who have development areas related to emotional intelligence and body language have their Personal Development plans taken into account. Training is enriched with practical examples of the development of these competencies.	1,558 person* hours	136
Presentation Techniques and Storytelling Training - All our employees who have a development area related to presentation techniques in their Personal Development plans are taken. Training is enriched with practical examples of the development of these competencies.	938 person* hours	47
Assignment and Delegation Training - This training is provided to all of our employees who have a development area related to presentation techniques in their Personal Development plans. Training is enriched with practical examples of the development of these competencies.	286 person* hours	24
Time Management and Planning - All our employees who have a development area related to time management and Planning in Personal Development plans are taken into consideration. Training is enriched with practical examples of the development of these competencies.	531 person* hours	54

Internship and Scholarship
Opportunities at Akkim

Akkim provides university students with internship and scholarship opportunities. Akkim's appeal to various industrial groups, particularly textile, metal, food, cleaning, water treatment, paper industry, pharmaceutical, and construction, allows students to gain experience in a variety of fields. 10 interns were recruited in 2020 and 15 in 2021 through the "Akkim Good Future" Long-Term Internship Program, a 9-month program that allows potential university student young talents to work part-time at the company.

Since 1996, Akkim has run the Akkim Scholarship Program within the framework of a corporate citizenship approach, with the help of volunteer employees, to help successful university students who are unable to continue their education due to financial constraints. Scholarships were awarded to 66 students during the 2020-2021 academic year and 86 students during the 2021-2022 academic year. Since its inception, the Akkim Scholarship Program has helped 165 students further their education.



Akkim employees have 50% master and doctoral scholarships valid for all institutes and programs of Bahçeşehir University.

ERSİN İNAL
DAYTIME FOREMAN

For the announcement of the Idea Workshop the "The one who does the job, knows the job best" slogan is perfect. Because people gain experience as they live and see. I also wanted to share my experiences. I became the Idea Workshop champion in 2019. That year, I was the employee whose ideas were most accepted among Akkim employees, with more than 20 suggestions. I made suggestions on how we can make our facilities safer in terms of occupational health and safety, how we can make working conditions easier in terms of ergonomics, and what we can do about waste management and recycling. I was very happy that my managers accepted and put these suggestions into practice. I am very proud to know that I have contributed, albeit in a small manner, to the success of our facilities.

EMPLOYEE SATISFACTION AND ENGAGEMENT

Akkim cares about the satisfaction and loyalty of its employees and their views on human resources practices. With this value, it conducts an Employee Satisfaction Survey every two years to analyze the demands and needs of the employees, to take remedial actions by reviewing the working conditions in line with their needs, and thus to increase the satisfaction of its employees. Following the Pulse Survey in 2019, the Survey, which could not be conducted in 2020 due to the intense course of the pandemic, was conducted in 2021 with the participation of 371 employees. Looking at the results of the survey, it is seen that there is an increase of 4 points in the "Confidence Index", which is the average of all questions. The confidence index, which was 58% in the pulse survey in 2019, increased to 62% in 2021. The survey results are the most important indicator of the increase in employee satisfaction with Akkim.



In 2019, Akkim implemented the Akkim is My Home Project, which it turned into an action plan by evaluating the results of the Employee Engagement Surveys in order to increase employee loyalty and satisfaction, and the project continues.

While the survey results were analyzed and turned into an action plan, one-on-one work was done for an effective action plan mechanism, with volunteer managers and volunteer focus group employees as sponsors representing each department in the Project Group. Actions that are thought to contribute to long-term and qualified employee employment are still being carried out in tandem with the action plan.

Akkim values feedback mechanisms and receives employee complaints and feedback via platforms and communication channels such as the Internal communication application, Akkim is My Home Project, and regular conversational meetings.

Employee turnover



	2020		2021 (excluding USK)	
	Female	Male	Female	Male
Total number of employees leaving the job	14	31	13	23
Number of employees under the age of 30 who quit their job	13	5	2	4
Number of employees aged 30-50 leaving employment (including 30 and 50 years old)	1	22	11	14
Number of employees over the age of 50 who quit their job	0	4	0	5
Share the employee turnover rate calculated by including employees who left voluntarily.	2%		3%	

Akkim places a high value on the welfare of its employees and their families. To lessen the negative effects of the pandemic on employees, Akkim launched the "Employee Support Program" in 2020. Through this program, Akkim employees and their first-degree relatives had access to a variety of services, including

24/7 legal, veterinary, and psychological counseling as well as dietetic and nutritional advice.

With all of these procedures, Akkim holds a "Thank You Meeting" with its departing employees, adopting the employee life cycle approach.

EMPLOYEE HAPPINESS

The idea of work-life stress has gained popularity in recent years as a situational approach, but it is also associated with several health issues. Akkim is a firm believer in the value of giving its staff a setting and pursuits where they can feel calm and enjoy themselves away from the workplace. According to Akkim, employee motivation and work-life balance are significantly impacted by the events planned with them both inside and outside of the workplace. At the same time, it believes in the necessity of creating environments where they can include their families in these activities. In this context, it organizes events such as meals and picnics organized on special days. Video sharing for Mother's Day and an online chat special for mother's day were organized with the motto "We Have Conversation in our Chemistry". Additionally, it aimed to spread the excitement of April 23 by posting images of the day created by its employees' kids on social media with the hashtag @akkimkimyaakkok on April 23.

Supporting the well-being of its employees, Akkim organized the Emotion Management in Professional Life and Stress Management Methods Seminars given by Specialist Clinical Psychologist Simge Saraç in 2020, and Ezgi Dokuzoğlu.

Along with all of these initiatives, Akkim encourages its staff to pursue activities that are in line with their interests to motivate them and advance their careers.

In addition, against the changing office practices during the pandemic period "Work Fits into the Home! with the slogan has been a guide for its employees to manage this process easily.



OCCUPATIONAL HEALTH AND SAFETY

The protection of employee health and safety is one of Akkim's top priorities because it is required by the industry in which it operates. It assesses the OHS risks associated with its operations and implements the necessary safeguards to guarantee that all Akkim employees have access to a secure working environment.

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According to Akkim, promoting the OHS corporate culture is just as important as creating safe working environments in the OHS industry. By adhering to statutory requirements and international standards, it places a high priority on ensuring complete compliance within the OHS domain. OHS specialists have been recruited and procedures like monthly OHS committee meetings, recording work accidents and near miss notifications, root cause analysis, taking action, performing health checks at the first job and regularly and risk analysis are all done within the framework of compliance with the laws and standards. OHS operations are controlled. Additionally, procedures are carried out using a methodology based on the OHS Policy.

Akkim aims to develop a Occupational Health and Safety Policy in order to create a safe and healthy working environment in terms of employee health and safety, to create a solid culture in health and safety issues, to provide sustainable Occupational Health and Safety performance, to continuously improve performance with proactive approaches and to realize this approach with all its stakeholders.

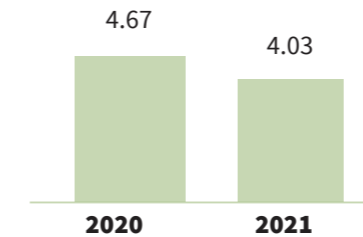
 You can access Akkim's Occupational Health and Safety Policy by clicking the [link](#)

Akkim adopted a risk management hierarchy approach, which lists the means by which hazards can be controlled to lower OHS risks, to ensure health and safety conditions in the workplace.

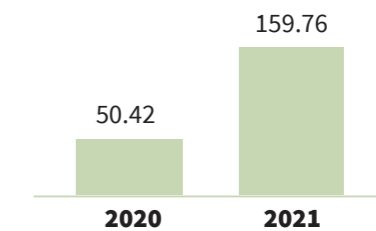


Akkim's occupational safety performance for the last five years is summarized in the charts below:

Accident frequency rate



Accident severity rate



* LTI Frequency
**LTI Severity

Accident Frequency Rate (based on 1 000 000 working hours)
Accident Severity Rate (based on 1 000 000 working hours)

The occupational health culture at Akkim aims to protect the physical and mental wellbeing as well as the safety of its stakeholders and employees. When it is deemed necessary, Akkim will manage health risks according to the ISO 45001 approach while also monitoring and assessing the health status of its employees and contractors.

During the reporting period, no occupational disease was found in the employees in the examinations and follow-ups.

To manage occupational health and safety risks, enhance performance in this area, and foster a safety culture, different occupational health and safety practices are used in various fields of activity. Senior management and employee representatives attend the monthly OHS board meetings where all health, safety, and environmental processes are planned and reviewed, and actions and pertinent measures are determined.

In addition to the OHS Board, a team of 15 operational level employees who can lead in occupational health and safety has been designated as "OHS Leaders". Under the direction of the HSE Department, the group meets once a month to review the HSE studies with the

employees and solicit their feedback. Leaders are tasked with reporting to the HSE Directorate the areas that need improvement and/or strengths in the occupational health and safety procedures in the department in which they work. At the same time, they are expected to act as a part of the solution to the problems and express their opinion.

As of 2020, it has started to apply the "Risk Potential Measurement Inventory" to its current employees in all recruitment processes and within a certain plan. This application's goals are to promote OHS culture within the context of 2020 sustainability goals and to avert potential workplace accidents as well as long-term accidents. With this inventory, it is aimed to measure unsafe behaviors in the workplace environment and to raise awareness.

An OHS Knowledge Contest was held on the OHS Day of 2021.

OHS Communication:

All employees and contractors are encouraged to provide advice on occupational and major accident risks. The relevant proposal is assessed within the purview of the “Suggestion Evaluation Committee” (Idea Workshop); if necessary actions are deemed appropriate, they are taken. The near-miss notification boxes located in public spaces, email, and Akkim’s document management system can all be used to forward unsafe situations, unsafe movements, near-misses, and site events to the appropriate department as part of the Security Management System. Considering these suggestions and notifications, the “exemplary personnel of the month” is selected and rewarded every month by the OHS Board. As a result of the evaluations, 11 people in 2020 and 11 people in 2021 were selected as “Exemplary Personnel of the Month”.

A target for each employee’s occupational health and safety is also included in the list of annual individual goals established within the purview of the “performance management system.” It is intended to lower the lost day work accident rate as an institutional target during the following reporting period.

By organizing “Safety Tours” with the goals of establishing a sound safety culture understanding, reinforcing positive safety behaviors, and monitoring the quality of implementation of occupational health and safety standards, Akkim management exhibits visible leadership.



Akkim’s First Eleven”

The rules on fundamental health, safety, and environmental (HSE) issues encountered in Akkim processes are summarized in this series. The rules were developed to guarantee everyone’s safety at all times and to protect the environment; adhering to these rules is crucial for both now and in the future. We can’t win this game without our “top eleven” when we get “on the field”. We said this and we created our top 11. As Akkim employees, it is important to ensure the well-being of everyone involved, including our families, contractors, neighbors, and the environment. As a result, risks are recognized in each of our processes, and the chosen countermeasures are seriously considered. By managing the risks posed by our processes, we will keep collaborating to prevent accidents.

“Akkim’s Top Eleven” project aims to increase the knowledge of all employees in our company, including contractors, on occupational health, safety and environmental issues. “Akkim’s First Eleven” consists of the following:

1. Safe behavior
2. Locking and barricade
3. Work permit process
4. Working with chemicals
5. Use of personal protective equipment
6. Emergency Notification
7. Stopping work and avoiding hazards
8. Driving safety
9. Environment and waste management
10. Management of change
11. Emergency Management

Regularly every month, trainings are given on the determined topic, and the topic of the month is; supported by events, competitions and the hazard hunt process.

Constellation

With the British Safety Council (BSC), which plays an active role in the development and approval processes of health and safety-related practices and standards in the UK, the OHS efforts are carried out in-depth in five main categories, including “politics and organization”, “strategy and planning”, “field practices”, “performance management”, and “evaluation and review” and relevant 66 sub-categories. Akkim’s goal is to improve the OHS culture so that it will receive 4 Stars in the BSC Five Star Audit in 2023.

Field and document evaluation was carried out within the scope of the Working at Height Module. As a result of the evaluation, updates were made to the procedures and instructions. A rescue plan was created for working at height. Requirements were determined by reviewing all deck ladders and work platforms.

Procedures and instructions were reviewed and necessary revisions were made within the scope of the Working in Closed Areas Module. A rescue plan was prepared for working in closed areas.

Within the scope of the Road and Traffic Safety Module, the procedures and instructions were reviewed and points for improvement were identified. A field check was carried out. An action list was created.

Ergonomics risk assessment was carried out within the scope of the Risk Management Module and an action list was created.

Within the scope of the Leadership Module, focus group meetings were held with managers and senior managers, and a leadership report was prepared and shared with the managers.

Within the scope of the Supplier Evaluation and Management Module, supplier evaluation processes were reviewed and necessary updates were made. Subcontractor and supplier evaluation criteria were created. Job-specific health and safety specifications were created. Audit and checklists have been created.



August 2021: The trainings within the scope of Leadership, Supervision, Road and Traffic Safety modules were planned.

September 2021: 2 sessions of Supervisor training, 3 sessions of Leadership Training and 3 sessions of Safe Forklift Driving training were held.

February 2022: Risk Within the scope of the Risk Assessment Module, work on creating a hazard inventory was started.

OHS Training

The ongoing development of its employees and contractors is always given top priority by Akkim. Because of this, it makes an effort to maintain a high level of awareness among its stakeholders and employees by planning ongoing trainings on occupational health and safety throughout the year. It assesses the occupational health and safety training needs of its employees and makes sure they are supported by both internal and external training programs based on those needs.

Online training programs are also used outside of the pandemic period to maintain the institution's occupational safety culture and speed up the integration of new recruits into the corporate culture. Occupational health and safety training hours during the reporting period were as follows:

Occupational Health and Safety Training

2020	2021
OHS training hour (hour)	
11,713	10,457
Number of employees trained (person)	
546	610

Budget/investments allocated to occupational health and safety

2020	2021
1.2	4.3
Million USD	Million USD

Contractor Management

Contractor workers' health and safety are just as important to Akkim as employee health and safety. Being aware of its responsibilities in all processes it touches in the context of inclusiveness, Akkim started to implement the "Contractor Management System" developed to monitor the compliance of contractors with legal regulations, international standards and Akkim working principles. In this system, according to the Supplier Evaluation Procedure, the preliminary evaluation is completed and work is started with the appropriate companies. Throughout the working period at the Akkim site, the pertinent contractor company is the subject of inspections and environmental, health, and safety monitoring. The company may be reevaluated after the study and allowed to continue operating, asked to submit a development plan, or placed on the list of "firms that cannot be invited to tender" with the help of continuous performance monitoring. In addition, there is a Health, Safety and Environment (HSE) Handbook for Contractors. "Contractor Coordination Meetings" are held monthly with contractor companies to raise awareness on health, safety and environment issues. In addition, various trainings are organized by Akkim to improve the knowledge and competence of contractor employees on related issues. During the reporting period, the total hours of training held for contractors and the number of attendees are as follows:

	2020	2021
Training time (total hours)	5,835	5,236
Number of participants (person)	307	277

EMERGENCY MANAGEMENT

The skill and readiness of those in charge of managing the emergency response directly affect the effectiveness of the response. An efficient response at all levels is facilitated by a well-practiced contingency plan created during the preparation phase. The General Manager is in charge of Akkim's emergency management. The Human Resources and Management Systems Director oversees the emergency situation in the absence of the General Manager, Factory and Investment Director, and Factory and Investment Director, respectively.

All work areas undergo regular inspections and maintenance to guarantee that the emergency response tools and systems are ready to use when required. Investments were made during the reporting period to enhance the fire suppression systems and modernize the emergency alarm system. Emergency stop systems were updated; additional actions were defined and carried out based on the findings of the risk analysis.

At Akkim, Emergency Plans are continuously monitored and kept up to date. These plans are managed in areas such as minimizing losses in emergencies and bringing emergencies under control as quickly as possible, making post-emergency decisions, and figuring out the relevant duties, authorities, and responsibilities. To test the emergency directives and plans determined in this context, an exercise plan is prepared at the beginning of each year. Due to the pandemic, 2 drills were held in 2020, while 8 drills were held in 2021. The deficiencies observed in the drills were quickly put into action and prepared for possible emergencies.

While 2 drills were held in 2020 due to the pandemic, 8 drills were held in 2021.

A total of **1,540** hours of training have been organized in 2020 and 2021 for all employees involved in this created organization.

An "Internal Emergency Plan" has also been created in line with the "Regulation on the Prevention of Major Industrial Accidents and Reducing Their Effects" by taking into account potential emergencies like a fire, explosion, and spread that could occur in the establishment and involve one or more dangerous substances. In line with this plan, the Emergency Management Center (ADYM) was established within the organization.

PROCESS SAFETY

To prevent major accidents, reduce the likelihood that they will occur, and limit the effects of an accident in a way that harms people and the environment as little as possible, Akkim complies with its duty to take all necessary steps regarding process safety.

The Safety Management System at Akkim was initiated in 2011 and has continued to this day. It will be enhanced and managed in the context of process safety in the future. With the help of this system, it is hoped to identify significant accident and safety risks, prevent potential mishaps in the facility, and lower risks to the barest minimum if they cannot be avoided. 35 performance indicators, primarily the frequency of process events, are tracked monthly to assess the effectiveness of the safety management system. The Major Accident Scenarios Document, which includes the identification and evaluation of major accident hazards, the impact and consequences of accidents, and the numerical evaluation of the probability of occurrence of these incidents, as well as the Safety Report, which describes the management system established within the company, have also been prepared.

All explosive environments that have the potential to affect process safety have had their risks assessed, and an Explosion Protection Document has been created. All relevant equipment was examined and the "Equipment Conformity Report" was made according to the prepared document. For the actions determined by the Equipment Conformity Report, investment and maintenance plans are routinely followed up on.

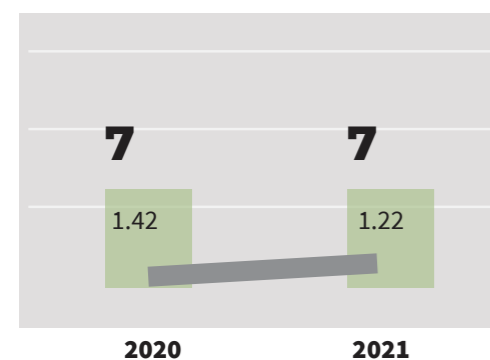
For all of the aforementioned projects, working groups were established according to the topics covered by the related work, and it was ensured that all pertinent employees would participate in a concert with one another. The trainings outlined in the Minimum Training Requirements Matrix are repeated regularly to boost and maintain the working groups' competence.

The Akkim Process Book, which includes procedures like working, cleaning, and commissioning, is another option in addition to the associated activities.

Even though there are no accidents that fall under the purview of the law, statistical data regarding process events that occurred over the previous five years are provided below.

As can be seen in the statistical information, a noticeable improvement has been achieved in the number of process incidents and incident frequency since the last reporting period. Aiming to continuously improve its system, Akkim will continue to follow up in line with this goal.

Even though there are no accidents that fall under the purview of the law, statistical data regarding process events that occurred are provided below. Akkim, which aims to continuously improve its system, will continue its follow-up in line with this goal.



Number of process events
Frequency of process events

Annexes



WORKING LIFE INDICATORS AT AKKİM

Employee profile information including Akkim demographic data is given in the tables below. The tables provide access to comprehensive data on the number of current employees, the number of employees by working hours, the number of employees by age, the number of employees by years, and the number of employees returning from maternity/parental leave.

	2020		2021	
	Female	Male	Female	Male
Total Number of Employees	114	446	153	715
Number of professional-level employees	108	137	131	180
Number of operational-level employees	6	309	22	535
Number of employees covered by the collective labour agreement	0	0	0	0

	2020		2021	
	Full time	Part-time	Full time	Part-time
Number of employees by the duration of work	549	11	854	14
Number of professional-level employees	234	11	297	14
Number of operational-level employees	315	0	557	0

	2020		2021	
	Female	Male	Female	Male
Number of employees by age				
Under 30 years	25	71	38	175
30-50 years old (including 30 and 50 years old)	86	347	110	500
Over 50 years	3	28	5	40

	2020		2021	
	Female	Male	Female	Male
Number of recently recruited employees during the year	10	35	36	138
Under 30 years	8	21	25	101
30-50 years old (including 30 and 50 years old)	2	14	11	36
Over 50 years	0	0	0	1

NUMBER OF EMPLOYEES BY YEARS

	Female	Male	Female	Male
	What is the number of employees for 0-5 years?	56	144	88
What is the number of employees for 5-10 years?	32	121	32	155
What is the number of employees for 10 years or more?	26	181	33	221

MATERNITY/PARENTAL LEAVE

	Female	Male	Female	Male
	Number of employees benefiting from maternity/parental leave	2	25	5
Number of employees returning to work after maternity/parental leave ends	2	25	5	28

DIVERSITY AND EQUAL OPPORTUNITY

	2020		2021	
	Female	Male	Female	Male
Number of managers				
Under 30 years	1	0	0	0
30-50 years (including 30 and 50 years old)	24	43	32	54
Over 50 years	2	7	2	7
Number of men and women on the Board of Directors	2	5	3	5

	2020		2021	
	Female	Male	Female	Male
Number of disabled employees by gender	2	11	3	15
The minimum number of disabled employees is required as required by law.				
Number of foreign employees, if any		1		2

DISTRIBUTION OF SUPPLIERS BY REGION

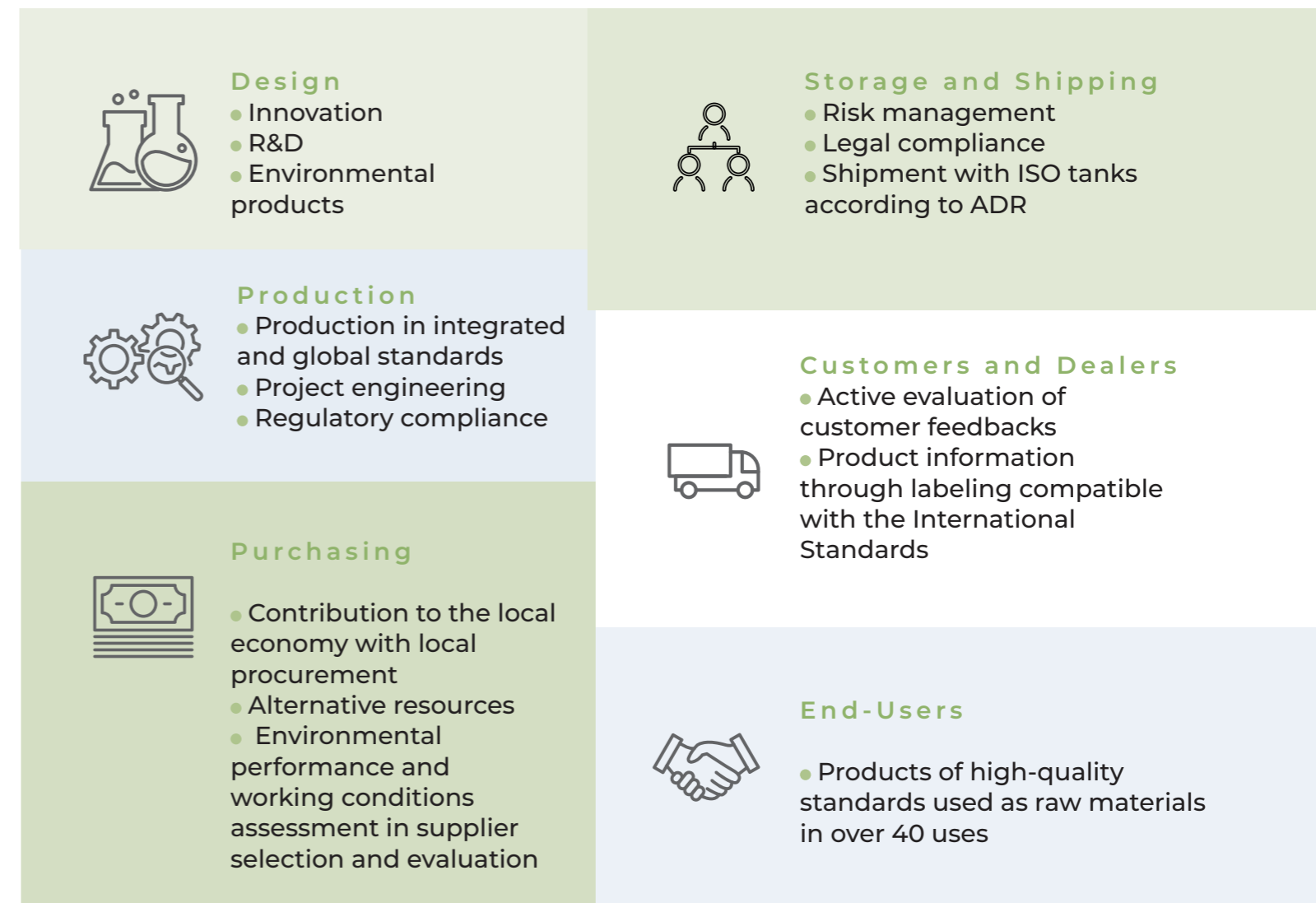
2020		2022	
Region	Import Volume %	Region	Import Volume %
Europe	50%	Europe	47.7%
Asia	23%	Asia	28.7%
Far East	21%	Far East	16.5%
America	6%	America	6.6%
Africa	1%	Africa	0.5%
Total	100%	Total	100%



STANDARDS, CERTIFICATES

Standard/Certificate name	Year received / planned year	Number of facilities/ factories covered	Additional explanation (Optional)
ISO 9001	1995	4	Head Office, Akkim Inorganic and Organic Facilities, Nazilli Factory
ISO 14001	2004	3	Head Office, Akkim Inorganic and Organic Facilities. Certification in Nazilli Factory in 2022 is planned.
ISO 45001	2009	3	Head Office, Akkim Inorganic and Organic Facilities. Certification in Nazilli Factory in 2022 is planned.
ISO 50001	2015	2	Akkim Inorganic and Organic Facilities
ISO 27001	2015	3	Head Office, Akkim Inorganic and Organic Facilities. Certification in Nazilli Factory in 2023 is planned.
ISO 14064	2015	2	Akkim Inorganic and Organic Facilities
ISO 14046	2020	2	Akkim Inorganic and Organic Facilities reporting is done according to the standard. However, the certification has not yet been received.
FSCC 22000	2022	1	Nazilli Factory
iCompliance	2023	1	Nazilli Factory

OUR PRODUCTS AND THE VALUES WE CREATE WITH OUR PRODUCTS



End-use areas of our products	Chemicals											Polymers																				
	Chlorine	Sodium Hydroxide	Sodium Hypochlorite	Hydrochloric Acid	Iron-3 Chloride	Poly Aluminum Chloride	Aluminum Sulphate	Sodium Metabisulphite	Dimethylamine Hydrochloride	Trimethylamine Hydrochloride	Hydrogen Peroxide	Sodium Percarbonate	Ammonium Persulfate	Potassium Persulfate	Sodium Persulfate	Dimethylacetamide	Dimethylformamide	Methylamines	Acetic Acid	Ammonia	Akesbo	Plaslub	Akfog	Textile Chemicals	Paper Chemicals	Water Chemicals	Inorganic Coagulants	Construction Chemicals	Membrane	Sodium Carboxymethyl Cellulose	Polyanionic Cellulose	
Wooden furniture			X																		X						X					
Gold, silver, copper, jewelry		X		X	X			X																			X		X			
Lift				X																							X		X			
Asphalt																											X	X	X			
Sunflower oil, olive oil		X																									X		X			
Bathroom - kitchen cleaners		X	X	X																							X		X			X
Gasoline, diesel																											X		X			
Plant, vegetable (fertilizer and pesticide)															X	X	X										X		X	X		
Pipe																						X	X									
Paints and Coatings		X													X	X											X	X	X	X		
Glassware, glasses, jugs...		X	X																								X		X			
Washing machine, refrigerator, dishwasher		X		X	X	X	X																				X		X			
Bleach		X	X																								X		X			
Laundry-dishwasher detergent		X	X																								X		X	X		X
Bags, shoes, belts																X											X		X			
Cement																											X	X	X			
Electricity Generation/Energy Sector		X	X	X	X	X	X																				X		X			
electric poles				X																							X		X			
Ship rope, anchor				X																							X		X			
Pool	X	X	X	X	X	X	X	X																			X		X			X
All kinds of paper products			X	X				X				X													X		X		X	X		
All kinds of textile products		X	X					X											X					X			X		X	X		
Hose																					X	X					X		X			
Medicine															X												X		X	X		
Match																											X		X			

End-use areas of our products	RESPECT FOR THE ENVIRONMENT IS IN OUR CHEMISTRY											RESPECT FOR HUMANS IS IN OUR CHEMISTRY																			
	Chlorine	Sodium Hydroxide	Sodium Hypochlorite	Hydrochloric Acid	Iron-3 Chloride	Poly Aluminum Chloride	Aluminum Sulphate	Sodium Metabisulphite	Dimethylamine Hydrochloride	Trimethylamine Hydrochloride	Hydrogen Peroxide	Sodium Percarbonate	Ammonium Persulfate	Potassium Persulfate	Sodium Persulfate	Dimethylacetamide	Dimethylformamide	Methylamines	Acetic Acid	Ammonia	Akesbo	Plaslub	Akfog	Textile Chemicals	Paper Chemicals	Water Chemicals	Inorganic Coagulants	Construction Chemicals	Membrane	Sodium Carboxymethyl Cellulose	Polyanionic Cellulose
Chemical intermediate										X																X	X		X		
Dried tomatoes, tomatoes, cherries										X																		X	X		
Canned drinks		X																									X	X			
Mining and Tunnel Infrastructure Applications																											X	X	X		
Membrane																						X				X					
Fruit juices		X								X																	X	X	X		
Automotive (itself, tires, seats)		X	X	X	X	X	X	X								X											X		X		
Parquet		X		X																							X	X	X		
Plastic packaging																						X	X	X							
Soap		X																									X		X		
Hair dye, bleach											X	X	X														X		X	X	
Drilling																														X	X
Spandex knee brace, wristband, corset															X												X		X		
Stretch film																						X	X	X			X		X		
Water	X	X	X	X	X	X	X	X		X															X	X	X	X			
Faux leather sofa, jacket																X											X		X		
Milk		X																									X		X		
Dairy products (cheese, powdered milk, buttermilk)		X								X																	X		X	X	
Diabetes medicine										X																	X		X		
Sugar, starch, bakery products		X	X	X						X																	X		X	X	
Chicken					X	X	X																				X		X		
Wire cable				X																		X	X				X		X		
Pickles, vinegar, canned																			X								X		X		
Glue, adhesive		X														X											X		X	X	
All Standard and Shotcrete		X								X																	X	X	X		
Bed				X												X								X			X		X		
Roadside barriers				X																							X	X	X		
Olives		X																									X		X		

AKKİM

SUSTAINABILITY REPORT 2020-2021

GRI CONTENT INDEX



GRI Standart	Description/Name of Department /Page
GRI 101: Foundation 2016	
GRI 102: General Disclosures 2016	
Organizational Profile	
102-1	About the Report (p. 12-13)
102-2	About Akkim (p. 18-19)
102-3	https://akkim.com.tr/en/contact/ (p. 12-13)
102-4	About the Report (p. 12-13)
102-5	About Akkim (p. 18-19)
102-6	About Akkim (p. 18-19)
102-7	10 th Year in Sustainability, Respect for the Environment is in Our Chemistry, Innovation is in Our Chemistry, Creating Value is in Our Chemistry, Respect for Human is in Our Chemistry (p. 6-11)
102-8	Working Life in Akkim, Working Life Indicators at Akkim (p. 108-109, 128-129)
102-9	Supply Chain Management (p. 92-93)
102-10	Supply Chain Management (p. 92-93)
102-11	Business Ethics Principles, Anti-Corruption, Anti-Competitive Behavior Management (p. 27-29)
102-12	Memberships and Collaborations (p. 60-63)
102-13	Memberships and Collaborations (p. 60-63)
Strategy	
102-14	Board Messages (p. 14-17)
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102-16	Business Ethics Principles (p. 27)
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102-18	Governance at Akkim (p. 22-23)

GRI Standart	Description/Name of Department /Page
GRI 101: Foundation 2016	
GRI 102: General Disclosures 2016	
Stakeholder Engagement	
102-40	Communication with Stakeholders (p. 54-59)
102-41	Inclusion, Diversity and Equal Opportunity (p. 110)
102-42	Communication with Stakeholders (p. 54-59)
102-43	Akkim's Sustainability Priorities, Communication with Stakeholders (p. 40-41, 54-59)
102-44	Akkim's Sustainability Priorities (p. 40-41)
Reporting Practice	
102-45	About the Report (p. 12-13)
102-46	About the Report, Akkim's Sustainability Priorities (p. 12-13, 40-41)
102-47	Akkim's Sustainability Priorities (p. 40-41)
102-48	Akkim Sustainability Manifest, 10 th Year in Sustainability (p. 4-5, 6-7)
102-49	Akkim Sustainability Manifest, 10 th Year in Sustainability (p. 4-5, 6-7)
102-50	About the Report (p. 12-13)
102-51	https://akkim.com.tr/en/sustainability/sustainability-report/
102-52	The reporting frequency is determined as every two years.
102-53	About the Report (p. 12-13)
102-54	About the Report (p. 12-13)
102-55	GRI Content Index (p. 138-139)
102-56	No external audit has been taken.

“ The GRI Services Unit has assessed that within Materiality Disclosures Service, the GRI Content Index is clearly presented and disclosures 102-40 and 102-49 are included in the appropriate sections of the report. This service was performed on the Turkish version of the report.”

MATERIAL TOPICS		
Economic Performance	Description/Page	
GRI 103 Management Approach 2016	103-1	Akkim's Sustainability Priorities (p. 40-41)
	103-2	Akkim Sustainability Approach and Management, Akkim Sustainability Strategy and Goals (p. 36-39, 48-53)
	103-3	Economic Performance (p. 24-25)
GRI 201: Economic Performance 2016	201-1	Economic Performance (p. 24-25)
Value Chain Management		
GRI 103 Management Approach 2016	103-1	Akkim's Sustainability Priorities (p. 40-41)
	103-2	Akkim Sustainability Approach and Management, Akkim Sustainability Strategy and Goals (p. 36-39, 48-53)
	103-3	Value Chain Management, Supply Chain Management, Customer Health and Safety (p. 92-93, 94-95, 98)
GRI 203: Indirect Economic Impacts 2016	203-2	Value Chain Management (p. 94-95)
GRI 204: Procurement Practices 2016	204-1	Supply Chain Management (p. 92-93)
GRI 414: Supplier Social Assessment 2016	414-2	Supply Chain Management, Customer Health and Safety (p. 92-93, 98)
GRI 416: Customer Health and Safety 2016	416-1	Customer Health and Safety (p. 98)
Ethic and Compliance		
GRI 103 Management Approach 2016	103-1	Akkim's Sustainability Priorities (p. 40-41)
	103-2	Akkim Sustainability Approach and Management, Akkim Sustainability Strategy and Goals (p. 36-39, 48-53)
	103-3	Anti-Corruption (p. 28)
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GRI 206: Anti-competitive Behavior 2016	206-1	Anti-Competitive Behavior Management (p. 29)

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GRI 103 Management Approach 2016	103-1	Akkim's Sustainability Priorities (p. 40-41)
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	103-3	Environmental Management Approach, Approach to Combating Climate Change, Waste Management and Circular Economy (p. 66-68, 74-76)
GRI 301: Materials 2016	301-1	Waste Management and Circular Economy (p. 74-76)
	301-2	Waste Management and Circular Economy (p. 74-76)
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	306-5	Waste Management and Circular Economy (p. 74-76)
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GRI 103 Management Approach 2016	103-1	Akkim's Sustainability Priorities (p. 40-41)
	103-2	Akkim Sustainability Approach and Management, Akkim Sustainability Strategy and Goals (p. 36-39, 48-53)
	103-3	Environmental Management Approach, Approach to Combating Climate Change (p. 66-68)
GRI 302: Energy 2016	302-1	Energy Efficiency (p. 69)
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GRI 303: Water and Effluents 2018	303-1	Water Management (p. 72-73)
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GRI 304: Biodiversity 2016	304-2	Biodiversity (p. 77)
	304-3	Biodiversity (p. 77)
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	401-3	Working Life Indicators at Akkim (p. 128-129)
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	404-3	Career Planning, Performance and Talent Management (p. 112-113)
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GRI 408: Child Labor 2016	408-1	Inclusion, Diversity and Equal Opportunity (p. 110-111)
Occupational Health and Safety		
GRI 103 Management Approach 2016	103-1	Akkim's Sustainability Priorities (p. 40-41)
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	103-3	Occupational Health and Safety (p. 120-121)
GRI 403: Occupational Health and Safety 2018	403-1	Occupational Health and Safety (p. 120-121)
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GRI 103 Management Approach 2016	103-1	Akkim's Sustainability Priorities (p. 40-41)
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	103-3	Social Contributions (p. 103)
GRI 413: Local Communities 2016	413-1	Social Contributions (p. 103)

Legal notice:

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