



**AKKÖK**  
HOLDING

**AKKÖK HOLDING**  
**THE UNITED NATIONS GLOBAL COMPACT**  
**PROGRESS REPORT 2021**



# CONTENTS



» About the Report	03
» Message from the CEO	04
» Corporate Profile	05
» Corporate Management	08
» Human Rights	10
» Labor Standards	12
» Environment	16
» Anti-Corruption	20
» Corporate Social Responsibility	21

## ABOUT THE REPORT

Akkök Holding United Nations Global Compact Progress Report 2019-2020 has been prepared in line with the requirements of the United Nations Global Compact, of which Akkök Holding (Holding) is a party.

The policies, practices and performance results of Akkök Holding and its subsidiaries, in relation to the 10 core principles put forward by the Compact under the headings of “Human Rights”, “Labor Standards”, “Environment”, and “Anti-Corruption” during the period between 01.01.2021 – 31.12.2021 were presented to the views of stakeholders as it is required by the Company’s principles of transparency and accountability.

While the consolidated data of Akkök Holding and all its subsidiaries were included for social and financial performance indicators, environmental indicators include data only for subsidiaries carrying out sustainability reporting practices, namely Aksa Akrilik, Ak-Kim and Akenerji. The Global Reporting Initiative (GRI) Sustainability Reporting Guidelines constitutes another reference point for the disclosed performance results.

Please communicate feedbacks, suggestions, questions, and commentaries regarding the report to [surdurulebilirlik@akkok.com.tr](mailto:surdurulebilirlik@akkok.com.tr).

# MESSAGE FROM THE CEO

Dear Stakeholders,

2021 was also a year when the importance of sustainability was better understood all over the world. The negative effects of the pandemic and climate change have once again revealed the need for more sustainable, environmentalist and innovative approaches. In this process, companies that embraced sustainability as a management approach came to the fore with their performance. As Akk k Holding, we continued to successfully manage all our strategies for the future in line with our “sustainable development” approach.

As Akk k Holding, despite macro uncertainties, we increased our combined turnover to 28 billion TL in 2021 and achieved a combined EBITDA of 5.4 billion TL, an increase of 66 percent compared to 2020. Our exports increased by 62% in dollar terms and reached 613 million dollars. As one of the most rooted industrial establishments of our country, we take firm steps forward in line with our goal of catching up with global competition conditions and reaching world standards with all our companies; While we grow with the understanding of sustainable development in all sectors in which we operate, we continue to add strength to our country in areas such as production, employment, export and innovation.

With this report, which we have prepared within the framework of our commitment to the United Nations Global Compact, of which we are a signatory since 2007, we share with you our performance in line with the 10 principles of the Convention. We will continue to maintain this reporting practice, which is a summary of our performance in the relevant headings, in the coming periods as well. With the report we presented, we aim to more effectively demonstrate our contribution to the United Nations Sustainable Development Goals.



**Ahmet C. D RD NC **  
Akk k Holding Chairman  
of the Executive Board  
and Member of the  
Board of Directors

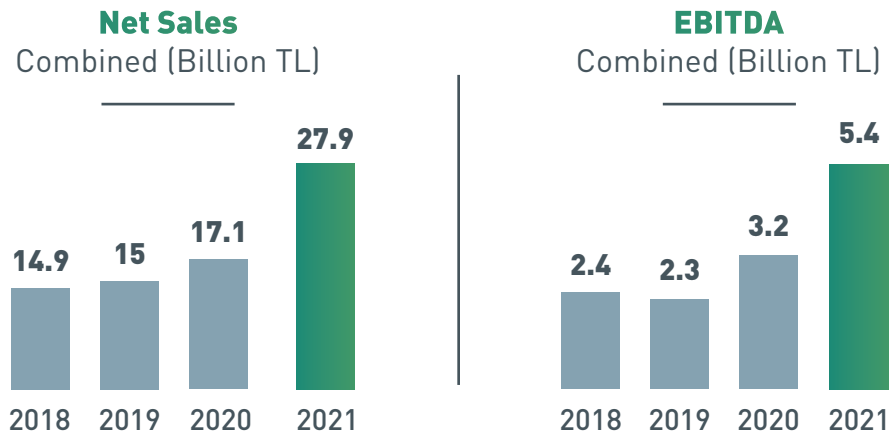
We aim to take our sustainability understanding to a higher level by developing our understanding of sustainability, which values people, respects human and employee rights, actively combats climate change, and increases the added value we create together with our stakeholders.

I would like to express my gratitude to all our stakeholders who have contributed to us in improving our sustainability performance day by day.

Kind regards,

## CORPORATE PROFILE

Founded in 1952 by the late Raif Dinçök, Akkök Holding is one of Turkey's most established institutions. Operating in the chemical, real estate and energy sectors, the Holding has 21 operational companies, including four abroad, and 23 production facilities. Akkök Holding, which closely monitors foreign markets in the sectors it is involved in, aims to catch up with global competition conditions and reach world standards together with all its companies.



(\*) Combined values are calculated without being subject to elimination according to the Legal Financial Statements of Akkök Holding and its Subsidiaries, Associates and Joint Ventures.

### CORPORATE MEMBERSHIPS

Global Compact Türkiye	The Institute of Internal Auditors Turkey (TİDE)
Turkish Ethics and Reputation Association (TEİD)	Corporate Governance Association of Turkey (TKYD)
Istanbul Chamber of Commerce (İTO)	Professional Women's Network (PWN)
Foreign Economic Relations Board of Turkey (DEİK)	Business World and Sustainable Development Association (SKD Turkey)
Turkish Industrialists and Businessmen's Association (TÜSİAD)	Women in Technology Association

## AKKÖK HOLDING COMPANIES

CHEMICAL	ENERGY
<b>AKSA AKRİLİK</b>	<b>AKENERJİ</b>
It was established in 1968 within the body of Akkök Holding.	Joining forces between Akkök Holding and Czech energy company CEZ Group
Production with a capacity of 330 thousand tons/year with 100% Turkish capital	Representative of foresight and stability in the energy sector
Installed area of approximately 600 thousand square meters	1,224 MW of installed power, 320 MW of which is renewable
Turkey's only acrylic fiber producer	5.4 TWh trade
<b>AK-KİM</b>	<b>ERZİN NATURAL GAS COMBINED CYCLE POWER PLANT</b>
Production of more than 1,500 products with a total production capacity of 800 thousand tons	Akenerji's biggest investment
Export to 70 countries in six continents	Erzin Natural Gas Combined Cycle Power Plant with an installed power of 904 MW and an annual production capacity of 7.4 Twh
577 employees	A capacity that can meet approximately 3% of Turkey's electricity energy needs on its own was commissioned in the third quarter of 2014.
<b>AKCOAT</b>	<b>SEDAŞ</b>
It was founded in 1979.	24 hours uninterrupted energy distribution service to a population of 3.8 million in 21 operation centers on an area of 20 thousand square kilometers covering the provinces of Sakarya, Kocaeli, Bolu and Düzce.
With an activity area of 60 thousand square meters, of which 30 thousand square meters is closed, it has an annual production capacity of 132,500 tons.	Forward-looking plans and projects by following the technology for quality and reliable electrical energy
Around 500 employees, indirect employment for 1,000 people	Modern business at the speed required by the age
<b>DOWAKSA</b>	<b>SEPAŞ ENERJİ</b>
Joint venture of Dow Chemical Company and Aksa Akrilik Sanayii A.Ş.	Electricity retail company that is the last source supplier of Bolu, Düzce, Sakarya and Kocaeli
One of the strongest companies in the production of carbon fiber and carbon fiber intermediates	Electricity supply service to 4 million people all over Turkey
Integrated carbon fiber composite solutions for industrial sectors, especially energy, transportation, defense and infrastructure sectors	Efforts to take the digitization and customer experience to the next level
The first and only Turkish company operating in the carbon fiber sector	Efforts to transform into a nationally known company with innovative approaches by maintaining its dominance as the market leader in its region

SERVICES	REAL ESTATE
<b>AKMERKEZ LOKANTACILIK</b>	<b>AKIŞ GYO</b>
Atmosphere that combines elegance and comfort at Paper Moon	A product of Akkök Holding's experience and expertise in shopping center investment and management.
A city classic among the distinguished brands of the Istanbul food and beverage industry	World class investments. Differentiating projects
World standards in food and service quality	Pioneer of quality and reliability in the real estate industry
Interior design that reflects luxury and simplicity	A wide portfolio offering different real estate investment options such as shopping and living centers, residences, land, and factory buildings.
<b>AKASYA KIDS WORLD</b>	<b>AKMERKEZ GYO</b>
Owner of the license rights of KidZania in Turkey, which operates in 20 countries and 27 cities	Innovative perspective, aesthetic and comfortable space
Opportunity for children to take on nearly 120 roles in 67 activity areas according to their skills and interests.	A living center beyond a shopping center
8.000 square meters area location	Vitality in city life with original design and social and cultural activities
<b>AK-PA</b>	<b>EPSILON</b>
Export to more than 90 countries in 6 continents (acrylic fiber, carbon fiber, inorganic and organic chemicals, and frit)	Leadership in the manufacturing and assembly processes of aerospace, aerospace and defense industry composite and metal bond parts in the private sector.
Brand strength in the market with fiber and yarn group products (polyester, polyamide, viscose, cotton)	Joined Akkök Holding in 2021.
Among the leading exporting companies in the field of textiles in Turkey	
<b>AKTEK</b>	<b>DİNKAL</b>
The most contemporary applications in information technologies	Among the preferred companies in the insurance industry
Applications to keep the technological infrastructure of group companies up to date	Potential to serve in all insurance branches
One of the leading brands in the IT industry	Creative solutions for each customer, specific to their industry
High service standards and customer satisfaction	High quality service standard



Akkök Holding's corporate governance approach and structure, shaped by the principles of transparency and accountability, are at the heart of its success. This understanding and structure focused on sustainable growth and aiming to create value for all stakeholders has been maintained for more than 69 years.

Akkök Holding's corporate governance structure includes the Board of Directors and the Executive Board. The Board of Directors consists of 8 members, and the Executive Board, under the consultancy of the Chairman of the Board of Directors, has a total of 7 members, 3 of which are representatives of the companies they are responsible for. The Chairman of the Executive Board is also the CEO of the company. The CEO is responsible for all activities of Akkök Holding and reports to the Board of Directors. 50% of Akkök Holding Board of Directors members and 25% of Executive Board members are women.

Akkök Group companies comply with laws and regulations in all geographies where they operate. In this direction, while ensuring compliance with internal audit and control mechanisms, risks that may endanger the existence and future of the Holding are identified through the corporate

risk management program, relevant actions are taken, and business strategies are structured.

All subsidiaries of Akkök Holding adopt the corporate governance approach. Akkök Holding subsidiaries included in the Corporate Governance Index are evaluated every year under the main headings of "Shareholders", "Public Disclosure and Transparency", "Stakeholders" and "The Board of Directors" within the framework of the Capital Markets Board (CMB) Corporate Governance Principles.

In 2021, Akxa Akrilik Kimya Sanayii A.Ş. increased its Corporate Governance Rating from 9.72 to 9.75, winning the second prize. It has been among the "Winners" list for the last seven years in a row at the Corporate Governance Awards organized by the Turkish Corporate Governance Association.

Akiş REIT raised its Corporate Governance Rating, which was determined as 9.54 in 2018, to 9.62 as of the end of 2019. In 2020, the Corporate Governance Rating was measured as 9.63. With this rating, it managed to maintain its position as the company with the highest Corporate Governance Rating among real estate investment trusts and construction companies.



## SUSTAINABILITY MANAGEMENT

Creating long-term value for all stakeholders and minimizing the negative effects of business processes is the basis of Akkök Holding's corporate sustainability approach. By informing all subsidiaries about the sustainability approach, projects that create added value in social, environmental, and economic fields are accomplished in the light of corporate policies and targets.

Within the scope of sustainability management, Akkök Holding presents its activities to the views of its stakeholders through annual reports, in accordance with the titles and principles of the United Nations Global Compact signed in 2007.

Akkök Group companies regularly share their developments in the fields of corporate governance and sustainability management with their stakeholders in line with the principles of transparency and accountability. While Akxa Akrilik, Akenerji and Akiş REIT publish annual reports, Akxa Akrilik and Akenerji publish sustainability reports annually, and Ak-Kim every two years, which also have the feature of being a Progress Report for the "United Nations Global Compact". While Akiş REIT published its first sustainability report in 2020, it also completed the necessary applications in 2019 to become a participant of the UN Global Compact, the world's largest corporate sustainability initiative. Akiş also participated in the BIST Sustainability Index



during the reporting period. Akenerji has been included in the BIST Sustainability Index since 2016. Akxa Akrilik was included in the BIST Sustainability Index for the second time in 2019. In 2021, Akxa Akrilik's second Integrated Report was shared with the public. All reports can be accessed from the corporate websites of the subsidiaries.

# HUMAN RIGHTS



**Principle 1:** Businesses should support and respect the protection of internationally proclaimed human rights; and

**Principle 2:** make sure that they are not complicit in human rights abuses.

Akkök Holding continues its activities with a business manner that adheres to high business ethics values, has an accountable, transparent, and fair management approach, aims to fully comply with laws and regulations, and supports universal human rights principles. The human rights of employees and business partners at the Holding are protected within the framework of the Universal Declaration of Human Rights and the relevant articles of the UN Global Compact.

Akkök Holding does not discriminate against religion, language, race, political view, or gender in its relations with all its stakeholders. The basis of Akkök Holding's human rights approach is to communicate effectively with stakeholders, to learn about their expectations, to observe their rights and to organize their activities accordingly. In the audit practices carried out within this scope, evaluations regarding human rights principles are carried out for suppliers and subcontractors in Akkök Holding and Group companies. Various trainings are organized to develop suppliers on human rights.

All Group companies within the Holding prevent their suppliers and subcontractors from employing children and uninsured workers. When a non-compliance is detected in the supply chain that does not comply with the clause of not employing children and uninsured workers in the

procurement contracts, suppliers are warned, and purchasing is stopped until the non-compliance is corrected.

Akkök Group of Companies Business Ethics Principles is a guide that includes Group policies regarding business ethics rules and guides all stakeholders, especially employees, in business ethics rules.

Trainings are organized and communication studies are carried out to raise the awareness of employees on human rights throughout the Group. During the reporting period, Ak-Kim employees received 170.5 person\*hour, and Aksa employees 107 person\*hour business ethics training, including human rights.

Akkök Holding also attaches importance to the protection of personal data within the scope of its human rights approach. Akkök Holding's Personal Data Protection and Processing Policy is the policy-making document of the Holding and its subsidiaries in this area. This Policy sets forth the principles regarding personal data processing and the protection of personal

You can access Akkök Group of Companies Business Ethics Principles at <https://www.akkok.com.tr/Files/akkok-is-etigi.pdf>.

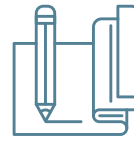
data, carried out by Akkök Holding in accordance with the law. Thus, the Holding protects the personal data of customers, company partners, officials, visitors, employees, and officials of cooperating institutions, as well as third parties.

In order to ensure data security, information security practices are constantly improved in the Holding and its subsidiaries.

You can access the Akkök Holding Personal Data Protection and Processing Policy at <http://www.akkok.com.tr/Files/KVKK.pdf>



# LABOR STANDARDS



**Principle 3:** Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

**Principle 4:** the elimination of all forms of forced and compulsory labor;

**Principle 5:** the effective abolition of child labor; and

**Principle 6:** the elimination of discrimination in respect of employment and occupation.

Akkök Holding considers its employees as its primary stakeholder and most valuable capital. In this respect, it is one of company's corporate priorities to offer its employees a democratic, participatory, human-rights-oriented, and human-oriented work environment.

While adopting the principle of providing equal opportunities for everyone in all business processes with its Human Resources Policy, Akkök Holding adopts a proactive attitude against discrimination. It is aimed to create a more democratic working environment by encouraging various communication processes to increase the participation of employees in decision-making processes.

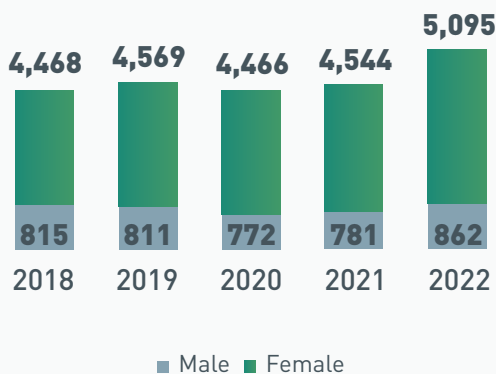
Akkök Holding adopts the principle of equal pay for equal work without discrimination in

line with its wage policy in all its companies. Thus, the base salaries do not change according to gender, and only the performance and competencies of the employees are considered in the remuneration and promotion practices. Women employees are supported to take place in managerial positions. During the reporting period, there was no case of discrimination within the scope of the operations of Akkök Holding and Group companies.

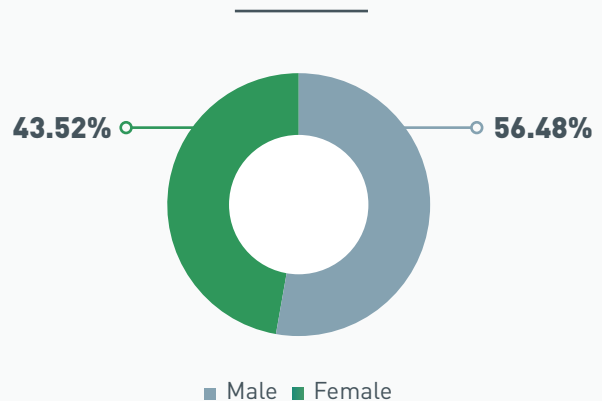
At Akkök Holding and Group companies, employees' right to organize and collective bargaining are respected. With these practices, it is aimed to continuously improve working conditions and to ensure employee welfare.

The approach of Akkök Holding and Group companies on human and employee rights

## Total Number of Employees by Gender



## Board Members by Gender



maintains its influence in the supply chain as well. During the reporting period, there were no cases of child labor or forced labor within the operations of Akkök Holding and Group companies, and no activity bearing a risk regarding these issues in the supply chain.

Akkök Holding and Group companies have suggestions gathering and evaluation practices that collect active feedback and ideas from employees. Employees' feedback is actively evaluated, and the suggestions are put into practice. Thus, active participation of employees in decision-making mechanisms is supported and a participatory working environment is created. During the reporting period, 189 of the 714 suggestions submitted by Aksa Akrilik, Ak-Kim and Akenerji employees from Group companies were implemented.

Akkök Holding is aware of the importance of the role of qualified employees in achieving its long-term goals. With this understanding, training opportunities are offered to Akkök Holding and Group companies where employees can increase their competencies and improve themselves. During the reporting period 30,749 person\*hours of training were provided to Aksa Akrilik employees, 18,091 person\*hours to Ak-Kim employees.

During the reporting period, projects and activities were carried out to increase the loyalty of employees of Akkök Holding and Group companies, to strengthen their motivation and to enrich their competencies. Ak-Kim Campus practice was implemented in 2019 in order to recruit competent employees in line with company strategies. Within the scope of the project, more than 100 trainings were held under the Technical Faculty, Sales Faculty and Leadership Faculty.

## Yıldız Akköklüler

The aim of the Yıldız Akköklüler award system is to recognize and appreciate successful projects in our Group companies and our employees who implement them, to increase the solidarity within the group, to contribute to the learning organizational culture, to encourage and maintain successful works in line with our group's strategies. Award evaluations are carried out once a year. The system is based on nominations for Award categories. Yıldız Akköklüler rewarding system consists of the categories of Sustainability, Collaboration Development, Operational Excellence, Entrepreneurship and Innovation.

### **Akenerji Lead the Future Leadership Program**

Akenerji is a leadership development program that aims to ensure that all employees adopt our leadership model designed in the light of its vision, mission and values. It is the training applied for the leadership development of Akenerji expert and higher-level employees. It was completed in about 9 months.

With the program, Akenerji won the “Bronze” award in the “Best Use of Blended Learning” category and the “Gold” award in the “Best Advancement in Leadership Development” category at the Brandon Hall Excellence Awards.

### **Sen de Bizdensin (You Are Also One of Us)**

The “Learn More, Make a Difference” Training and Development Program Training Program, implemented by Akış REIT in 2019 with the motto “You are also from us” designed for the development of subcontractor employees, was selected in the competition organized by the Turkish Education and Development Platform Association (TEGEP). It was awarded the Silver Award in the “Best Education and Development” category.

### **Aksa Corporate Training Academy**

Within the scope of the project, which aims to develop the behavioral and technical competencies of the employees, the project is planned to be implemented in 2022 within the scope of the needs analysis for all employees, the determination of the main topics of training, and the realization of the trainings by internal and external trainers. The aim of the program, in which specialists and higher employees will start to receive training, in the following years, is to provide trainings to all factory employees.

### **GREAT PLACE TO WORK**

At Aksa Akrilik and Ak-Kim, employees’ feedback on the working environment is received within the scope of the “Great Place to Work”-Confidence Index, and important inputs are obtained for their performance in this area. The companies, which receive the evaluations of their employees through the surveys conducted every three years under the titles of “Trust”, “Respect”, “Justice”, “Pride” and “Team Spirit”, identify areas of improvement and development, and implement the relevant practices.



# ENVIRONMENT



**Principle 7:** Businesses should support a precautionary approach to environmental challenges;

**Principle 8:** undertake initiatives to promote greater environmental responsibility; and

**Principle 9:** encourage the development and diffusion of environmentally friendly technologies.

Climate change and the rapid depletion of natural resources pose serious threats worldwide. The support of the business world in the fight against these environmental risks is of great importance in terms of sustainability. In this context, minimizing environmental impacts, effective use of natural resources, efficient waste, energy and emission management are aimed in all activities of Akkök Holding and Group companies. All operations in Akkök Holding and Group companies are carried out within the framework of national and international quality systems; environmentally friendly materials and technology are used, and it is aimed to continuously improve environmental performance by monitoring.

Akkök Environment Committee is the highest position responsible for ensuring environmental sustainability throughout the Holding. In addition to determining the strategies, the committee also spreads and integrates the determined key performance indicators throughout the Group. The Environment Committee works to expand this understanding in the value chain by meticulously following the environmental targets determined in line with the strategy in all Group companies.

In addition, regular environmental trainings are offered to the employees of Group companies in order to increase environmental sustainability awareness among employees and to improve environmental protection awareness. During

the reporting period, 600 person\*hour of environmental training was provided to Ak-Kim employees, 849 person\*hour to Aksa Akrilik employees, and 186 person\*hour to Akenerji employees.

During the reporting period, Aksa Akrilik spent **2.6 million dollars**, Ak-Kim **7,740,384 TL** and Akenerji **1,935,500 TL** for environmental protection and investment.

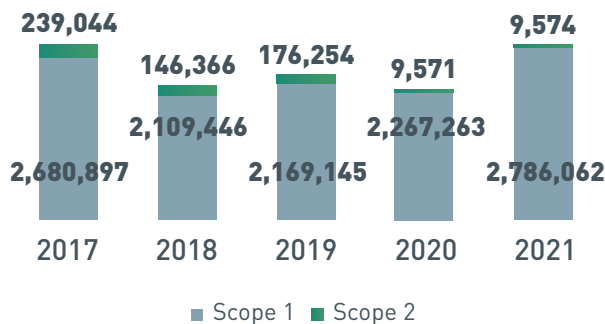
The issue of combating climate change is among the leading sustainability priorities of Group companies. In this context, Group companies act in line with Akkök Holding's management approach and continuously improve their performance in this area by focusing on efficient energy and emission management practices. Applications in these areas are managed by the Energy Management Units and Boards of the companies. All environmental practices are carried out within the framework of international standards and companies participate in global initiatives in different sectors. Group companies that are within the scope, Ak-Kim, Aksa Akrilik and Akenerji fulfill the requirements of ISO 14001, ISO 50001 and 14064-1 standards. Ak-Kim and Aksa Akrilik also have ISO 14046 Water Footprint Standards Certificate.



Ak-Kim signed the Responsible Care Commitment and became one of the first companies to implement the program. Aksa Akrilik, on the other hand, announced CDP (Carbon Disclosure Project) Climate Change score as B and WATER safety score as A- in 2021. Aksa Acrylic maintained its place among Turkey's Water Leaders with the A- score. Akenerji's 2021 CDP Climate Change report was rated at B- "Management" level above the European and Global Average "C", and 2021 CDP Water report was rated at B- "Management" level.

The greenhouse gas emissions of all Group companies are audited by an independent organization every year and the amount of emissions is documented with comprehensive assurance. International standards such as ISO 50001 Energy Management System and ISO 14064-1 Standard for Calculation and Reporting of Greenhouse Gases are taken as basis in the calculation of energy consumption and greenhouse gas emissions of group companies.

### Greenhouse Gas Emissions (tonnes CO<sub>2</sub>e)



\* Ak-Kim is not included in the greenhouse gas emission calculations for 2021.

The realizations of Scope 1 and Scope 2 emissions resulting from Aksa Akrilik, Ak-Kim and Akenerji activities in the reporting period are listed below.

Group companies carry out projects to reduce energy consumption and increase efficiency in line with Akkök Holding's sustainability approach. During the reporting period, Aksa Akrilik saved an average of 33,600 mWh/year in energy, and at the same time, more than 1,135,807 million tons of water was saved annually through recycling projects.

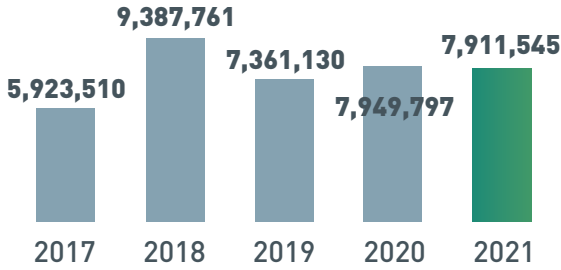
Within the scope of the protection and conscious use of natural resources, which are among the sustainability priorities of Akkök Holding and Group companies, many practices such as water saving, recycling and reducing waste at source are implemented and better performance is targeted in the relevant context.

In order to reduce the amount of plastic waste in Akkök Holding Akhan Campus, the use of plastic water bottles was minimized in 2019 and glass bottles were used.

Akenerji has been participating in the CDP Water Program since the program was first implemented in Turkey in 2015.

Aksa Akrilik became the first company in the chemical and textile industry in our country to receive the ISO 14046 Water Footprint Standard Certificate, with its activities within the scope of sustainable water management. In 2019, Ak-Kim started to draw water flows within the scope of ISO 14046 standard, and in 2020, "Ak-Kim Water Footprint Inventory Report" was published in accordance with the Water Footprint Standards.

### Total Water Consumption (m<sup>3</sup>)



Wastewater generated in group companies' operations is discharged in line with the criteria and methods specified in the regulations. All domestic and industrial wastewater originating from the operations of the group companies are treated together with a joint treatment plant located in the YALKİM Organized Industrial Zone, which was commissioned in 2015. The water recovered at the facility is raw water of dam water quality, and the negative effects on the ecological balance are significantly reduced with the alternative raw water source.

Wastewater discharge values of Akenerji belong to Erzin Natural Gas Combined Cycle Power Plant, which discharges deep sea to the Mediterranean. Since the Cooling Tower Total Feed Counter gave an error in 2016 and 2017, the calculations were made again, and the data was updated according to the assumption that the cooling tower bluff was 25% more than the water balance design values.

Waste management practices in Akkök Holding Group companies are carried out by reducing waste at its source and ensuring its disposal/recovery in accordance with the legislation. Aksa Akrilik aims to minimize the use of natural

In the reporting period, the amount of hazardous waste in our companies within the scope of the report was **4,500 tons**, and the amount of non-hazardous waste was **15,288 tons**.

resources with Acrycycle, a fiber produced by recycling waste generated during production processes. At Aksa Acrylic, 36.5% of non-hazardous waste was recycled in 2021, and 38% of hazardous waste was incinerated and recovered as energy.

At Akkök Holding, when the Group companies want to increase capacity in their new investment sites or existing facilities, the Environmental Impact Assessment stages are fully implemented, thus proactive measures are taken for the possible negative effects of new projects on biodiversity.

### Aksa Condensate Recycling Project

With the project, it is aimed to increase the condensate return rate with the project investments made in the production lines. With the project, the return rate increased from 58% to 64%, resulting in 22,334 MWH energy and 160,000 m<sup>3</sup> water savings per year.

### **Ak-Kim Online Monitoring of the pollution load of wastewater (COD) Project**

Ak-Kim launched this project in order to quickly detect the wastewater pollution load (COD) in Northern and Southern Ak-Kim by online monitoring instantly and to ensure that necessary measures are taken. In the project, it is aimed to reduce the pollution by intervening in cases where the wastewater pollution exceeds the limit values determined after the measurements, and to increase the treatment efficiency by preventing the sudden peak increases to the common treatment in this context.

### **Wastewater and Rainwater Infrastructure Modernization**

In the project, which started in 2018 at Ak-Kim and completed in 2019, it is aimed to improve the existing wastewater and rainwater infrastructure system, to meet the infrastructure needs by considering future needs, to save energy, to reduce the number and duration of maintenance, and to prevent potential environmental pollution. As a result of the project, the mixing of rainwater and industrial wastewater was eliminated, thus reducing the flow load of the common wastewater treatment plant. The occurrence of environmental accidents caused by wastewater and rainwater has been prevented.

### **SPC Facility - Conditioning Discharge Air**

In the project, which started at Ak-Kim in 2019, it is aimed to prevent the clogging of the moisture-sensitive granules in the system by conditioning the discharge air, thus increasing the capacity by staying in operation for a longer time and reducing the facility washings required during the year. It is expected that the amount of wastewater going to treatment will also be reduced by reducing the water consumption required for washing. 700 tons/year capacity increase and 540 m<sup>3</sup>/year water savings are expected benefits from the project.

### **Northern Ak-Kim Cooling Water Booster Pump Replacement**

After it was determined that the need for pressurized cooling water in Northern Ak-Kim was only necessary for the Methylamines Plant, the pump pressurizing all Northern Ak-Kim cooling water was taken to by-pass and a booster pump with a driver was provided only for the Methylamines Plant. Thus, 840,000 kW of electrical energy was saved annually.

# ANTI-CORRUPTION

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

Akkök Holding and Group companies adopt the principles of accountability, transparency, and ethical trade in all business processes. In this respect, anti-bribery and anti-corruption are included in the basic strategies of the company. Akkök Holding and Group companies fulfill their duties in the fight against bribery and corruption through effective communication, training and audit practices in this area. Thus, it aims to set an example for the sectors in which it operates and its stakeholders.

The rules that group companies should base on in their relations with all their stakeholders are included in the “Akkök Group of Companies Business Ethics Principles” document. The document defines the framework in the relations of the Holding and Group companies with their employees, partners, suppliers, customers, dealers, other stakeholders and the public, and adopts the principles of responsibility, honesty, trust and equality, confidentiality and compliance with the law. The Principles define the Group’s approach against the risks of legal and ethical non-compliance, including bribery and corruption.

Akkök Group of Companies Ethics Committee is the organizational structure required for the Holding to effectively implement the Business Ethics Principles. Consisting of ethical representatives elected from all companies, the Board operates in line with the Akkök Group of Companies Ethics Committee Working Regulations.

In order to combat ethical violations, an Ethics Hotline has been established for all stakeholders, especially employees, where they can report violations of principles. The Ethics Line is managed by an independent organization that is expert in its field.

You can access the Akkök Group of Companies Business Ethics Principles at <https://www.akkok.com.tr/Files/akkok-is-etigi.pdf>.

On the line operating on a confidential basis and every day of the week, the identity of the notification owners is kept confidential and can be shared with the Ethics Committee upon the permission of the relevant persons. Akkök Holding has committed that no adverse action will be taken against persons who report violations to the Ethics Line.

Akkök Holding Group companies attach importance to communication and training practices in order to adopt the principles at all levels of the companies, to accept them as a fundamental and indispensable corporate value and to implement them. These studies continued during the reporting period.

Akkök Holding’s Internal Audit Group carries out controls in various areas, particularly in increasing the efficiency of operations, ensuring financial reliability, and compliance with laws and regulations, through the audits it carries out with Internal Audit Teams and independent auditors. Regular controls regarding bribery and corruption risks are carried out within the framework of the annual internal audit plan created by the group. During the reporting period, there were no cases of corruption or bribery detected within the scope of the audits.



One of the main responsibilities of Akkök Holding and Group companies is to increase the welfare and development of the regions in which they operate. In this direction, the goal of creating social benefit is not limited to social responsibility but is included as a part of all operations. Thus, the direct and indirect economic values created for the stakeholders are supported by social responsibility projects, infrastructure investments, contributions in the fields of sports, health, culture, art and education. Voluntary stakeholder participation is essential in all social projects and employee volunteerism is encouraged in activities.

Akkök Holding, being conscious of the fact that social sustainability can only be ensured with an educated generation, proves this awareness with the schools it has built and the education projects it has contributed to.

Akkök Holding aims to pioneer the development of social and cultural life in the regions it operates in. For this purpose, it supports corporate social responsibility projects in the area of culture and arts.

Akkök Holding is an institution that is aware of the fact that it has achieved its current success with the support it receives from the society. Therefore, in addition to carrying out studies for the development of social and cultural life in the regions where it operates, it also sees the support it gives to sports as an important contribution to the development of young generations.

## Women's Energy Project

Three projects that were started in the reporting period and to be carried out jointly by energy group companies were brought together under the umbrella name of "Women's Energy". The Women's Energy project, which includes various trainings, conversations and workshops, mentoring, internship and scholarship opportunities; It will be implemented by Akenerji, SEDAŞ and Sepaş Enerji. The target audience of the project, which aims to increase female employment in the energy sector and to support female employees in their career journeys; middle school, high school and university students, as well as women working in the energy sector.

Within the scope of the project, middle and high school girls of energy group employees, students studying at different universities and all female employees working in energy group companies will be able to benefit from the projects to be carried out simultaneously. The Women's Energy project, which was designed to directly benefit at least 550 people by the end of 2022, is aimed to be expanded throughout Turkey by 2023.

## Awards Won

- Akkim was among the best in the TOP 100 Talent competition with its Good Future Long Term Internship Program.
- Akenerji Brandon Hall won two awards for the Akenerji Lead the Future Leadership Program: “Best Advancement in Leadership Development” and “Best Use of Blended Learning”.
- Akenerji won the bronze award in the Energy category in the Company of the Year category at the Stevie Business Awards.
- Akenerji became the 3rd company that collected the most donations in the Istanbul Half Marathon.

## UNITED NATIONS GLOBAL COMPACT PROGRESS NOTIFICATION

### HUMAN RIGHTS

<b>Principle 1</b>	Businesses should support and respect the protection of internationally proclaimed human rights.	p.12
<b>Principle 2</b>	Businesses should make sure that they are not complicit in human rights abuses.	p.12

### LABOUR STANDARDS

<b>Principle 3</b>	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	p.12-13
<b>Principle 4</b>	Businesses should uphold the elimination of all forms of forced and compulsory labour.	p.12-13
<b>Principle 5</b>	Businesses should uphold the effective abolition of child labour.	p.12-13
<b>Principle 6</b>	Businesses should uphold the elimination of discrimination in respect of employment and occupation.	p.12-13

### ENVIRONMENT

<b>Principle 7</b>	Businesses should support a precautionary approach to environmental challenges.	p.16-19
<b>Principle 8</b>	Businesses should undertake initiatives to promote greater environmental responsibility.	p.16-19
<b>Principle 9</b>	Businesses should encourage the development and diffusion of environmentally friendly technologies	p.16-19

### ANTI-CORRUPTION

<b>Principle 10</b>	Businesses should work against corruption in all its forms, including extortion and bribery.	p.20
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**AKKÖK**  
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