

FUTURE. WE BUILD A SUSTAINABLE

Message From the General Manager

Dear Stakeholders,

With a population of nearly 8 billion people, our world faces a great deal of challenges. The effects of climate change, depleting natural resources, epidemics, and pandemics leave a significant mark in our century. In order to minimize the negative impacts of all these extraordinary developments, take action for our planet's future, protect the environment, and keep it alive, we must all focus on a single goal in particular: A sustainable life cycle.

Now, it is time to take action in order to eliminate the negative impacts of increased industrialization in our planet. As Assan Panel, our sustainability vision is centered around the 2025 Sustainability Strategy of our parent company, Kibar Holding as well as the fact that our products directly contribute to sustainability efforts due to its design and production methodology. As Assan Panel, we develop sustainable products by eco-friendly methods with our R&D activities and offer them for use in various industries. In addition, we carry out our production processes by sustainable methods with energy efficiency projects implemented on a yearly basis as well as manufacturing products providing energy saving opportunities for more efficient use of energy, which accounts for one of the main losses in the economy. We contribute to construction of sustainable buildings and have already adopted our vision for "Zero Energy" loss. We manage all business processes in line with sustainability principles and accelerate our efforts to introduce social responsibility projects to provide various benefits to the society.

Guided by the Group's 2025 Sustainability Strategy, our objectives are to complete our digital transformation, provide the most efficient contribution to conservation of natural resources in the planet by creating a sustainable ecosystem which also includes our valuable stakeholders, and building the foundations of sustainability in the building industry together with our innovative products. I would like to thank you for your contributions in this journey and hope we will build a sustainable future together.

Kind Regards,

İhsan Tolga Akar
General Manager,
Assan Panel



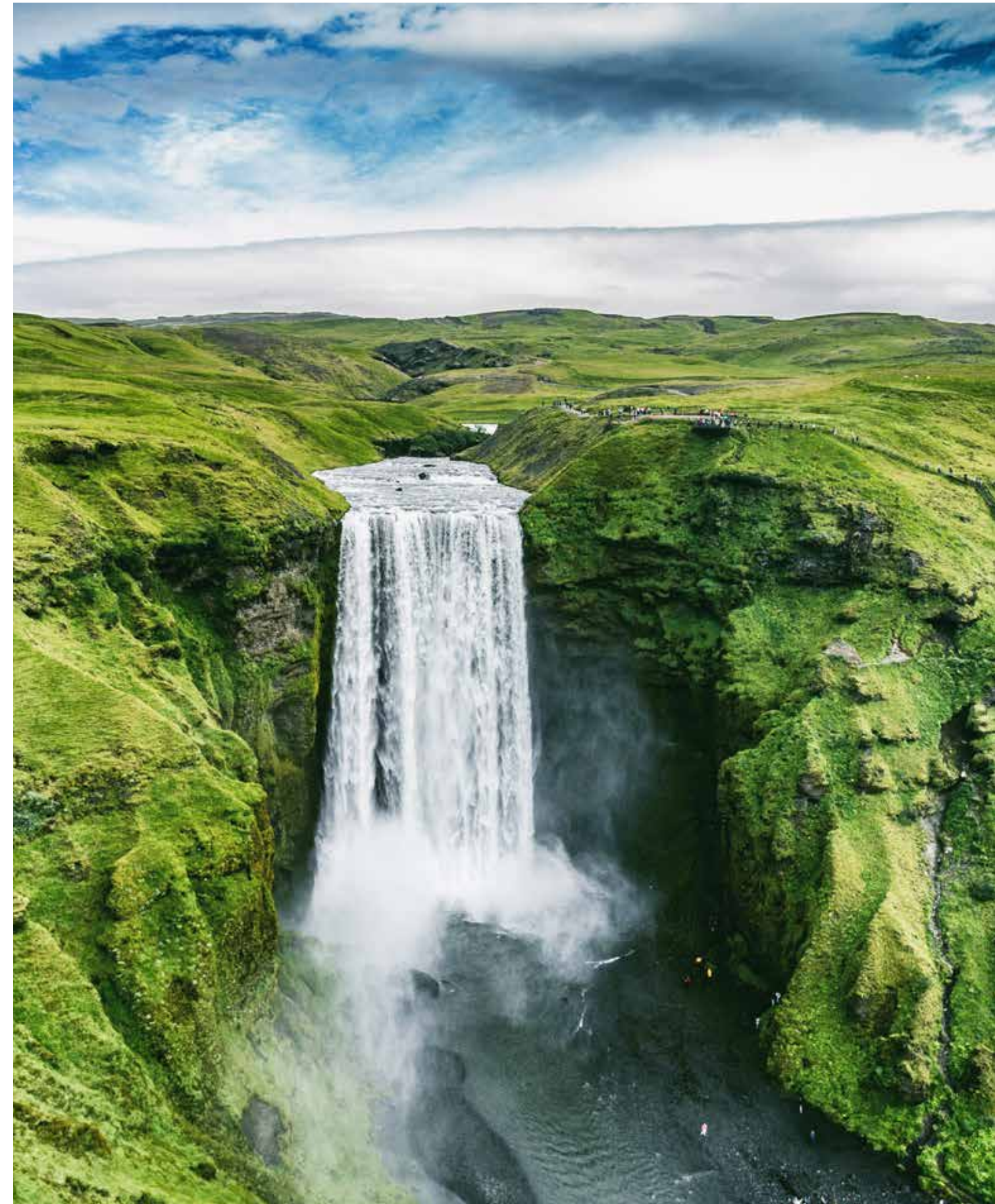
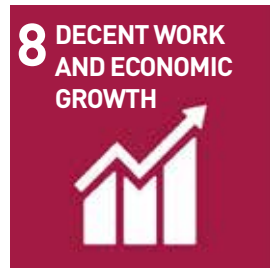
We Build a Sustainable Future



We Build a Sustainable Future!

The foundations of Kibar Holding's sustainability approach are based on the integrity and reliability principles, which are defined by Asim Kibar, the founder and honorary president of Kibar Holding, as the fundamental values of Kibar Group. Sustainability approach, which is essentially formed based on a well-established corporate governance tradition, innovative perspective, business ethics, corporate social responsibility (CSR) culture, and the United Nations Global Compact (UNGC) signed by Kibar Group, constitutes the culture of Kibar Group's business manner. Having adopted the Global Compact, Kibar Group provides its employees with a workplace environment where human rights are protected, occupational health & safety measures are prioritized, career development is supported, a fair place where equal opportunities are provided. As Assan Panel, we comply with the principles of the UN Global Compact (UNGC), which are based on the development of a global and sustainable social responsibility awareness in the business world, in addition to the policies and strategies defined by Kibar Holding in line with these principles in all of our operations. Sustainable Development Goals aim at no poverty, environmental protection, taking climate action, fair share of welfare, and peace. As Assan Panel, we fulfill our environmental and social responsibilities based on a plan and aim to promote manufacturers to do the same as a pioneer in the industry. We have set our development goals to focus on according to our company's strategic targets and we will continue to carry out our increased efforts in line with our targets by 2030. As Assan Panel, we facilitate access to modern energy with our innovative, sustainable, energy efficient products and solutions. From this perspective, we aim at continuous development in and integration to our business model of 6 prioritized development goals.

We focus on 6 United Nations Sustainable Development Goals:



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Assan Panel's Sustainability Vision

The sustainability vision of Assan Panel, a Group company of Kibar Holding, which is one of the leading industrial establishments in Turkey, is at the core of the operations of the company that have been carried out over the last decade.

We comply with the principles of the UN Global Compact (UNGC), which are based on the development of a global and sustainable social responsibility awareness in the business world, in addition to the policies and strategies defined by Kibar Holding in line with these principles in all of our operations.

While contributing to construction of naturally sustainable buildings with its own product range, Assan Panel carries out all production processes by eco-friendly methods and technologies. With its eco-friendly products, which do not pose any harm to human health, Assan Panel offers solutions and services in various industries. In addition, we have adopted a sustainability approach which is inclusive of employees, vendors/suppliers, customers, and all stakeholders while taking firm steps towards the completion of end-to-end digitalization capabilities in all management processes.



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7 AFFORDABLE AND CLEAN ENERGY



Energy generation is one of the key elements of climate change while 60% of greenhouse gas (GHG) emissions result from energy generation. With our natural lighting products in our product range as well as our **Solar Capped Panel and Rooftop Solar Power Plant** applications contributing to construction of plants, we offer sustainable and modern energy solutions.

8 DECENT WORK AND ECONOMIC GROWTH



We provide complete and productive employment for continuous, inclusive, and sustainable economic growth with **250 employees** working in our production plants located in Balıkesir, Tuzla, İskenderun, Jordan, and Azerbaijan. As Assan Panel, we provide Occupational Health & Safety training to our employees by distance learning capabilities and ensure a healthier workplace environment with **TSE COVID-19 Safe Production Certificate**, which was obtained for all production plants. Our goal is to ensure decent work and continuity of this approach for sustainable growth.

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



Technological progress is key to finding permanent solutions to economic and environmental issues such as creating new job opportunities and improvement of energy efficiency. As Assan Panel, we develop sustainable products with **an innovative approach** and protect the environment while providing energy efficiency in buildings. Our main objectives are minimizing our environmental impact, leaving behind an inhabitable planet to next generations, and maintaining leadership in the industry as a reputable organization by the efficient and correct management of environmental aspects in our products and services.

11 SUSTAINABLE CITIES AND COMMUNITIES



We promote inclusive, safe, durable, and sustainable aspects of cities and human settlements. With a sense of responsibility towards the environment and next generations, we contribute to increasing

the number of more sustainable and green buildings. We are the first and only sandwich panel manufacturer in Turkey to have received **GREENGUARD** certification by promoting clean air and green buildings. In addition, as Assan Panel, we build excellence and offer sustainable building envelope solutions with our **natural lighting**, solar panel system solutions, and mineral wool panels with fire resistance for **180 minutes**. We operate in the industry and continue our sustainability focus efforts for next generations with our product range providing energy efficiency for "Sustainable Cities and Communities" and promoting renewable energy products to be used more extensively.

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

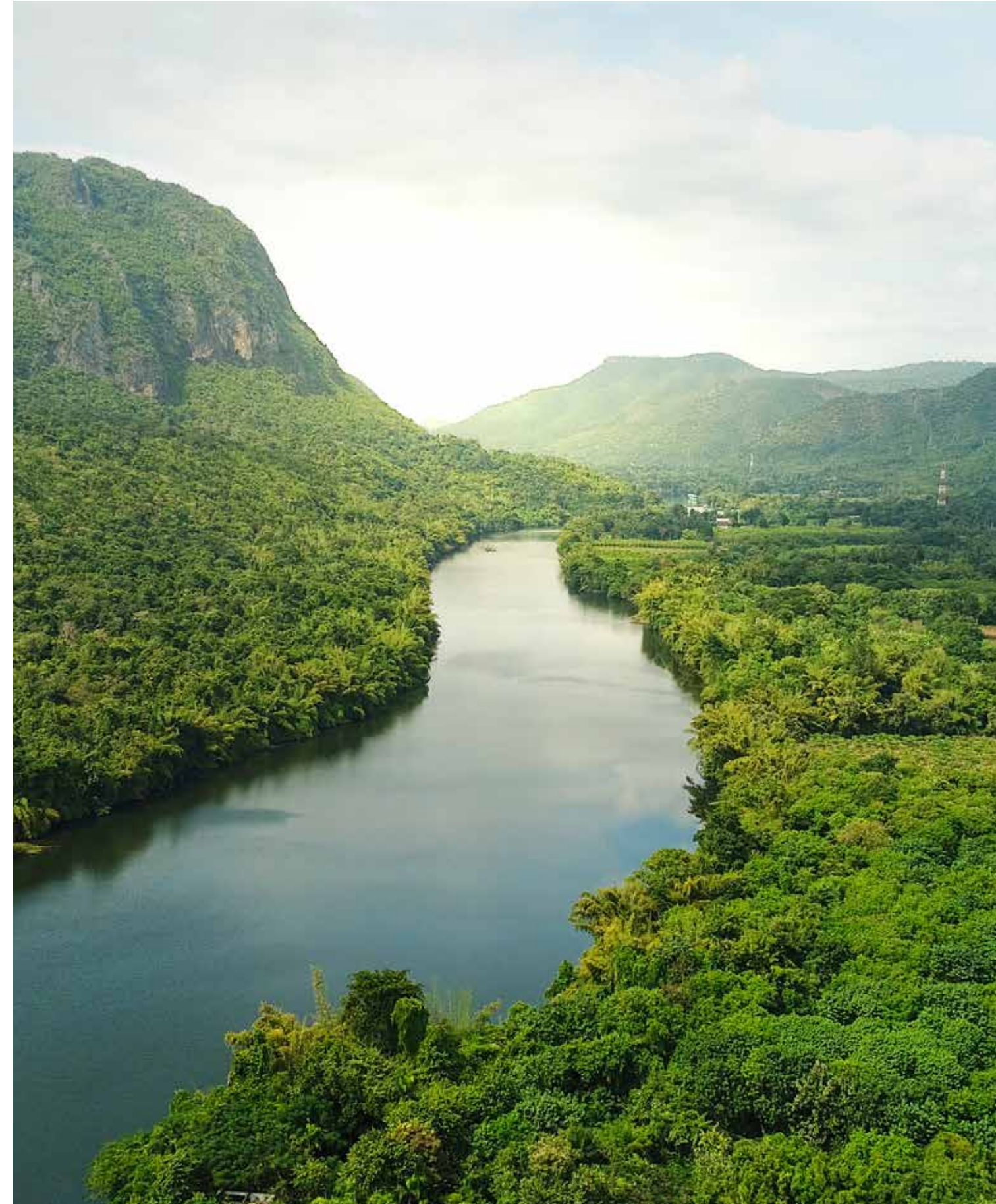


With the awareness of responsible production and consumption, we make efficient use of natural resources by adopting a production model based on circular economy, sustainability, and innovation. At the same time, we prefer eco-friendly waste disposal methods by effective management of our waste management processes. We are committed to ensuring full compliance with all requirements of **ISO 14001** for all of our production plants as well as all applicable environmental rules, principles, and criteria at maximum level. As of 2021, **the consumption of single-use plastic bottles used in office spaces will be gradually decreased** and completely discontinued by the end of 2023. Our goal is to ensure sustainability of our production operations by generating less waste by 2030 and leave behind a more habitable planet to next generations.

17 PARTNERSHIPS FOR THE GOALS



As a member of Kibar Group, we have adopted the principles and goals of the **United Nations Global Compact**. Without compromising our business ethics and corporate governance principles, we ensure extending the scope of plants generating their own power by using renewable energy sources (RES) in collaboration with our stakeholders.



New Innovative Product and Digitization

Our Services are Digitalized by Innovative Approaches

By 2030, each country is expected to take action at its own capacity on a scale to ensure more efficient use of the resources and development of industrial processes to become more sustainable by using more environmentally-conscious and innovative technologies.

Technological progress is key to find permanent solutions to economic and environmental issues such as creating new job opportunities and improvement of energy efficiency. Key activities to make sustainable development possible include promoting sustainable industries and making investments in scientific research and innovation.

By converting all panel products and accessories included in our product portfolio into **BIM objects**, we offer them online to our customers through "BIM Library," published on BIM Store portal and our website.



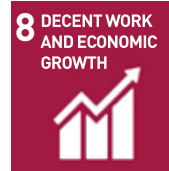
With these digitalization capabilities, we ensure energy saving, universal access to information and communication technologies for collaborations, and **less resource consumption**.

For Sustainable Cities, We Promote Accessible and Clean Energy

By 2030, development of international partnerships is intended for facilitating access to clean energy research and technologies, including advanced and cleaner fossil fuel technology in addition to renewable energy and energy efficiency capabilities. In addition, encouraging investments in the areas of energy infrastructure and clean energy technologies is also planned.

With our natural lighting products in our product portfolio as well as our **Solar Capped Panel and Rooftop Solar Power Plant applications** contributing to construction of plants, we offer sustainable and modern energy solutions.





8 DECENT WORK
AND ECONOMIC
GROWTH

Sustainability in Occupational Health & Safety with Zero Occupational Accident

Goal in Assan Panel

Prevention of all incidents having a negative impact on human health, ensuring that no accident occurs, and that all employees come back home safe are an integral part of our company's sustainability strategy and business processes. For this reason, we continuously develop central programs and processes in order to achieve successful outcomes in all occupational health and safety practices.

We proactively manage our risks in real time for continuous improvement in our behavior-oriented occupational health & safety management, carry out internal audits and controls as well as providing our employees with continuous training for information.

With this new approach adopted, we have achieved decrease by 30% in the number of accidents and we continue our efforts to achieve our goal for zero occupational accident.



10 REDUCED
INEQUALITIES

Business Ethics in Assan Panel

Assan Panel aligns its business ethics approach with Kibar Group's business ethics principles. Within this scope, it requires its employees to comply with the highest level of ethical standards. Based on integrity and honesty, business ethics approach lays the foundations of a business model beyond legal requirements in all activities, including financial and operational activities, technological assets, and brand values. Kibar Group respects the beliefs and individual values of all of its employees, stakeholders, and business partners. It acts within the framework of Kibar Group values and principles, which are based on internationally recognized universal declarations. Kibar Group's "Code of Conduct," which includes these values and principles, is published on the organization's official website.



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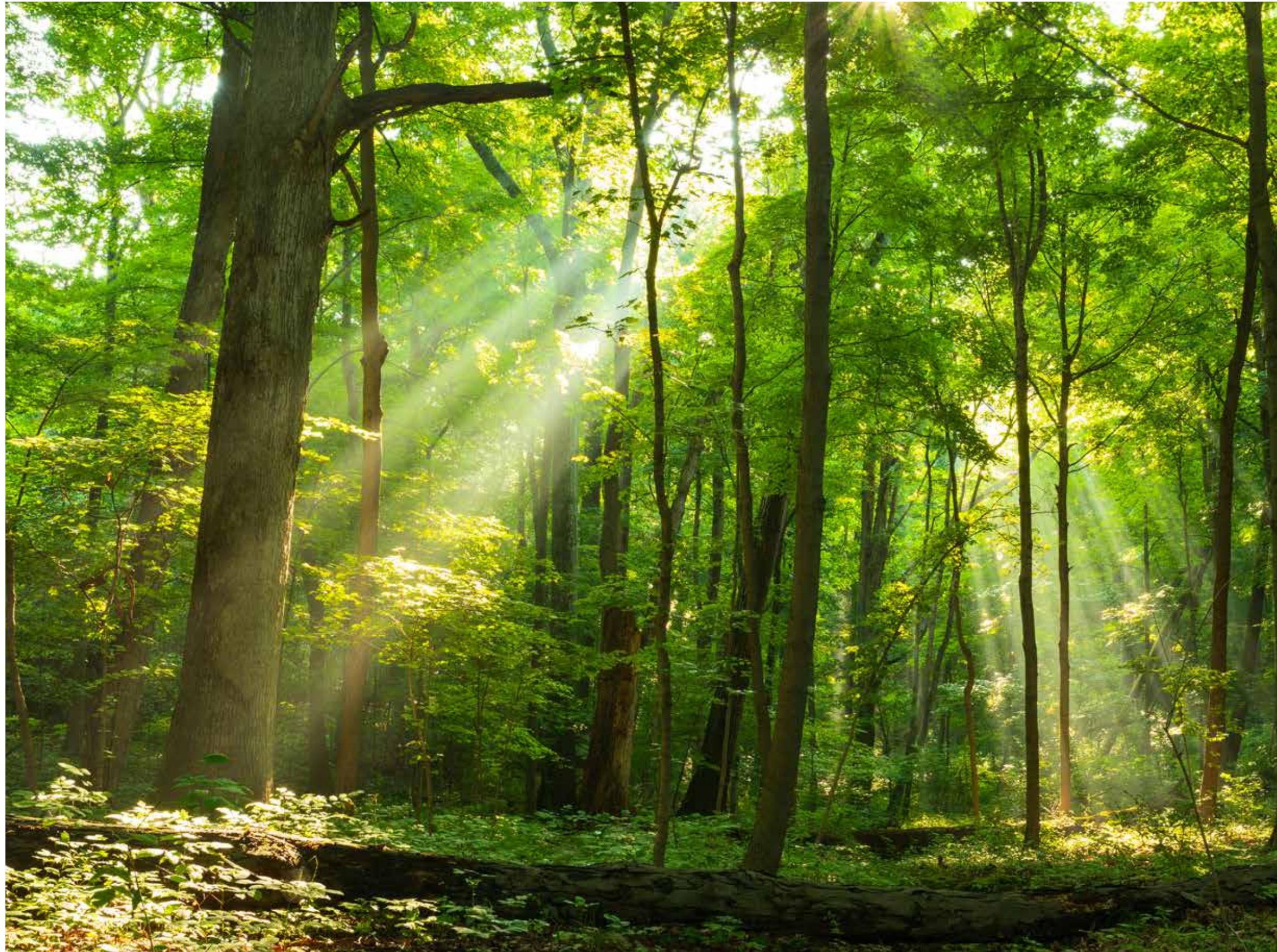


UL GREENGUARD certificate confirms and certifies that the chemical emissions of products used in buildings and indoor air quality are in compliance with the specified limits.

As Assan Panel, we promote clean air and green buildings with low emission levels with our **UL GREENGUARD** certification.

UL GREENGUARD Gold certificate confirms and certifies that indoor products comply with the applicable standards in terms of low level of chemical emissions suitable for the health of sensitive individuals in particular. As Assan Panel, we comply with all emission and chemical ingredient limits specified in international green building certification programs such as **LEED** and **BREEAM** with our **UL GREENGUARD Gold** certification.

Assan Panel is proud to be the first and only sandwich panel manufacturer in Turkey to have **GREENGUARD** and **GREENGUARD GOLD** Certificates for 5 different product groups and continues to build a sustainable future.



R&D and Innovation

Polyurethane Production Plant

As Assan Panel, we develop sustainable products with our R&D activities and offer them for use in various industries.

Having previously procured external supplier-dependent raw materials, we have now adopted designing raw material formulations internally in our Polyurethane Production Plant with continuous development capabilities based on acquired knowledge and aim for promoting innovation.

By undertaking R&D laboratory infrastructure development activities, we ensure performance of innovative and sustainable research and development activities in line with applicable standards. Through more efficient use of resources and adoption of more sustainable industrial processes, new investments are implemented by production infrastructure improvement operations.

As Assan Panel, we aim at increasing the number of R&D employees, development of R&D laboratory and production infrastructure, and improvement of technological capabilities and continue our efforts to implement sustainable innovative projects.



R&D and Innovation

Today, increased industrialization, greenhouse gas emissions, and rapid consumption of natural resources all significantly contribute to global warming. Thermal performance of insulating materials used in industrial buildings significantly contributes to energy conservation.

In Assan Panel, **building materials with improved thermal conductivity coefficient** have been developed by designing the morphology of polymer fill materials used in building insulation materials in addition to polymer structure, composition of gas used in foam, and foam cell size.

The objective of this project was to produce pilot-scale PIR (polyisocyanurate) panels with thermal conductivity coefficient of the relevant industrial building coating materials equal to or lower than **0.018 W/mK**.

Through the fill material with improved thermal conductivity coefficient, **20% more thermal efficiency has been achieved** from building materials in which standard polyurethane fill material is used. This contributes to global energy conservation efforts made. In addition, contribution to the reduction of greenhouse gas emissions is also achieved by using an eco-friendly gas as it does not contain HFC, CFC, and HCFC gases.

Assan Panel cares about the environment and leads the industry by using next-generation blowing agent technology.



Certificates

As a natural result of its emphasis on sustainability approach and environmental consciousness, Assan Panel received **ISO 14001 environmental management system certificate** in 2012. Assan Panel's Quality approach has also been certified internationally by **Gost-Russia and Ukr-Sepro / Ukraine** quality certificates. During the period between 2015 and 2016, Assan Panel received international FM Global certificates for resistance to fire, wind, and impact of its sandwich panels. In addition, it is the first and only company in Turkey to receive **UL GREENGUARD** and **GREENGUARD Gold** certificates with its eco-friendly products that does not disrupt the indoor air mass.

In addition to all of the above, it is the first and only manufacturer to achieve REI180 results for its mineral wool roof panels of 100 m, preserving their load bearing capacity, integrity, and insulating properties for as long **as 3 hours and 49 minutes** during fire resistance tests conducted with these panels.

Being the most preferred brand in the sandwich panel market and aiming for contributing to Turkey by added value, **Assan Panel exports to 89 countries**.



We Build a Sustainable Future



Social Responsibility

We continue our social responsibility activities through "**Kibar Volunteers**" initiative in 6 different areas as sponsoring disadvantaged schools, company's individual social responsibility projects, volunteering projects, volunteering for the projects of NGOs, skill-based volunteering, and corporate volunteering. Having focused on projects in İzmit and Tuzla regions during the first year of the sea activities, "Kibar Volunteers" have also carried out activities in Hatay İskenderun, Bursa, and Susurluk regions. **542 volunteers** employed in Kibar Group have made a difference in more than 4,000 children in **25 events organized**. In addition to various events such as cultural tours, children's theaters, career days, recycling activities, information technology activities, etc., which provide information to children and raise awareness while they have fun, "**Kibar Volunteers**" have also carried out various projects that involve renovation and repair works such as provision of physical requirements of schools, renovation of student desks and gyms, building a library and intelligence games rooms.

Kibar Volunteers will **continue to carry on** its activities intended for sponsoring disadvantaged schools, corporate social responsibility projects, volunteering projects, contributing to projects created by non-governmental organizations as well as skill based and corporate volunteering activities.



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