



SUSTAINABILITY REPORT 2023



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ABOUT THE PRESENTATION AND REPORT

With the Assan Panel 2023 Sustainability Report, we aim to provide our stakeholders with a summary of our performance and sustainability approach in economic, social and environmental areas. The information contained in this report, which is a summary of the 1 January-31 December 2023 period, covers all our regions in Türkiye. This report has been prepared in accordance with GRI Standards. As Assan Panel, we have also included the United Nations Sustainable Development Goals, to which we contribute, in this report.

We prepared our 2023 report in four main sections in line with our strategy “We are building a sustainable future”. Under the heading “We are creating a sustainable future with our products”, we discussed our practices for customer satisfaction, our R&D and innovation projects, the priority we give to product quality and safety, and our environmentally friendly products.

In the section “Building a sustainable future for our employees and society”, we summarised our efforts on occupational health and safety, employee satisfaction, social responsibility projects and gender equality. In the section “We are building a sustainable future for our world”, we explained our efforts in energy, emission, waste and water management. The “Our Management Approach” section provides a detailed summary of our corporate governance structure, risk management and business ethics approach.

You can send us your comments and suggestions on the report at info@assanpanel.com.

Esteemed Stakeholders,

As Kibar Group, we regret the losses caused by the earthquake disaster in 2023. As Group companies, we have been in the field since the first moment of the earthquake and we have supported and continue to support the healing of the wounds. We wish our entire country a speedy recovery.

We adopt universal principles, including the United Nations Sustainable Development Goals and the Global Compact. We are taking decisive steps towards our goals within the framework of the Kibar Group 2025 Sustainability Strategy, which we have created in this direction. Within the framework of this vision, we do not limit sustainability only to our own operations, but work to expand sustainability practices throughout our entire value chain.

At Kibar Group, our understanding of sustainability is an integral part of our way of doing business. By fulfilling our environmental, social and governance responsibilities at the highest level, we aim to ensure not only our current success but also the welfare of future generations. We approach sustainability with a risk and opportunity-oriented approach, and include the risks and opportunities created by sustainability in our decision-making processes.

Sustainable development, combating climate change and efficient use of natural resources form the basis of our long-term strategic plans.

In our sustainability journey, we believe in the power of R&D and innovation. Thanks to innovation, we create more efficient and sustainable production processes and use technologies that reduce waste and energy consumption. At the same time, by designing environmentally friendly products, we both meet the expectations of our customers and contribute to our goal of protecting natural resources.

Assan Panel leads the sandwich panel industry with its high quality, safe and innovative products. Assan Panel, which meets the expectations of its customers at the highest level by producing at international standards, exports to more than 85 countries and becomes the solution partner of industrial structures. It stands out as a reliable and preferred brand in the global market with its sustainable products.

As Kibar Group, we would like to extend our gratitude and thanks to our colleagues, customers, business partners and all other stakeholders who stand by us on our sustainability journey.

Haluk Kayabaşı
CEO
Kibar Holding

MESSAGE FROM THE CEO



MESSAGE FROM MANAGING DIRECTOR

Esteemed Stakeholders,

As the leading manufacturer of the sandwich panel industry, we believe that sustainability is an integral part of economic growth and development and we carry out our activities with this perspective.

In this context, I am very pleased to present you our second sustainability report, which we have prepared to explain our performance in economic, social and environmental areas and our sustainability approach.

Today, we are working to leave a livable world for future generations at Assan Panel, which continues its journey to become a global brand with firm steps and increases its production capacity and sales volume with investments both at home and abroad.

Our roof and facade panels, which we produce with our SmartCore technology in compliance with the European Union's sustainability regulations and recycling processes, support sustainability in many areas from efficiency to less raw material use and less energy consumption.

In line with the 2025 Sustainability Strategy of the Kibar Group, of which we are a part, and the UN Sustainable Development Goals, we continue our work without slowing down with the motto "We are building a sustainable future".

While we further increase the know-how we have acquired with our R&D studies, we also mediate the development of our sector. I would like to take this opportunity to once again thank you, our esteemed stakeholders who have accompanied us on this journey full of success, and my colleagues who have played a major role in this success.

Best Regards
İhsan Tolga Akar
Managing Director

Kibar Holding has been one of the leading business groups in Türkiye since 1972, when it started its operations. Kibar Holding has been making significant contributions to the national economy and social welfare since its establishment. As of the end of 2023, Kibar Group continues its activities with more than 20 companies and more than 5,000 employees in the metal, automotive, packaging, building materials, real estate, logistics, energy and service sectors.

Kibar Group's international business partners include Posco, Seoyon E-Hwa and Heritage, the world's leading brands in their respective fields. Kibar Holding and group companies make significant contributions to the Turkish economy with their high production capacity, employment, export activities and social investments.

ABOUT KİBAR HOLDİNG



ABOUT ASSAN PANEL

Operating under the roof of Kibar Holding, Assan Panel, one of the most important manufacturers of the sandwich panel industry on a global scale, started production with its first factory in Tuzla, Istanbul in 1990. Assan Panel invested in Iskenderun Plant with a capacity of 3 million m²/year in 2004, Balıkesir Plant with a capacity of 3 million m²/year in 2009 and Jordan Plant with a capacity of 4.5 million m²/year in 2012. In 2015, it successfully completed the second line investment in Tuzla Istanbul Facility with a capacity of 3.5 million m²/year and reached a capacity of 18 million m²/year in total. In 2021, the Company made its first investment in the Turkic Republics and started operations at the Azerbaijan Plant in partnership with STP (Sumgayit Texnologiyalar Park). The company continues its activities as a leading manufacturer with a total production capacity of 22 million m²/year with Tuzla, Iskenderun, Balıkesir, Jordan and Azerbaijan Plants.

Assan Panel, a leader in its sector, contributes to the construction of sustainable and environmentally friendly buildings with PIR and mineral wool filled panels that provide fire safety, cold room, roof and facade sandwich panels, panels ready for the installation of solar systems, project-specific accessories, polycarbonate skylights, fasteners consisting of various types of screws and construction chemicals consisting of sealing and filling products, as well as polyurethane filled panels. With its high quality, safe, innovative and fire resistant product range, it provides high quality application services with its business partners in Türkiye and abroad.

Pioneering the firsts in the sector, Assan Panel is Türkiye's leading manufacturer with FM approval and many international certificates without height limitations in buildings with the FM certificate obtained in 2015. Playing an active role in the global market, Assan Panel exports to more than 85 countries and is the total solution partner of industrial buildings. Prioritising quality and safety, Assan Panel is a preferred brand worldwide with its sustainable solutions.

Assan Panel, which takes an active role in the global market, with its Assan Demir, Assan Board brands and AFG Çelik Yapı ve Kimya Limited Şti. company consisting of Steel Construction and Chemistry business units, is a total solution partner for industrial buildings with exports to 85 countries.

AFG Steel Construction carries out main activities for project development, management, design and construction. It carries out specialized engineering projects in various areas such as industrial plants, health facilities, modular structures, cold chain and GES system installations.

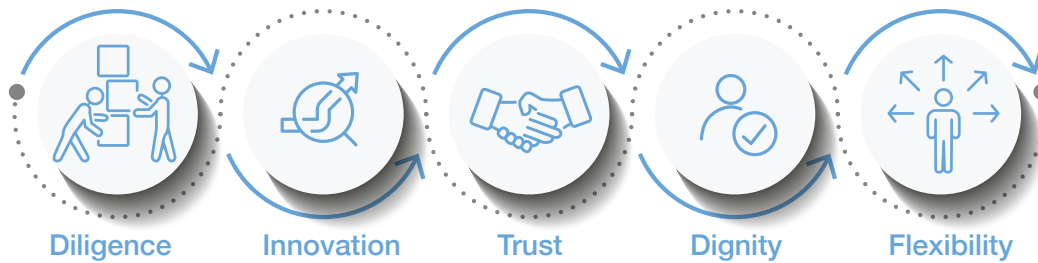
AFG Chemistry conducts in-house manufacturing of polyurethane (PUR) systems to meet a wide variety of needs with AssanChem brand having strong R&D and industrial knowhow. AssanChem product groups consist of various products serving variety of industries such as rigid systems, flexible systems and polyester polyols. Having a wide range of products in different polyurethane application areas, AssanChem, as a domestic polyurethane system manufacturer, produces innovative products with technology and R&D investments and offers customized solutions to its customers in Turkey and around the world.

Subsidiaries	Country
Assan Panel Sanayi ve Ticaret A.Ş.	Türkiye
AFG Çelik Yapı ve Kimya Limited Şti.	Türkiye
Kibar Industry Co.	Jordan
Assan Trading LLC	Jordan
Assan STP Panel Limited Liability Company	Azerbaijan
AFG Steel Construction and Chemistry Kft.	Hungary
Assan Panel UK Limited	United Kingdom



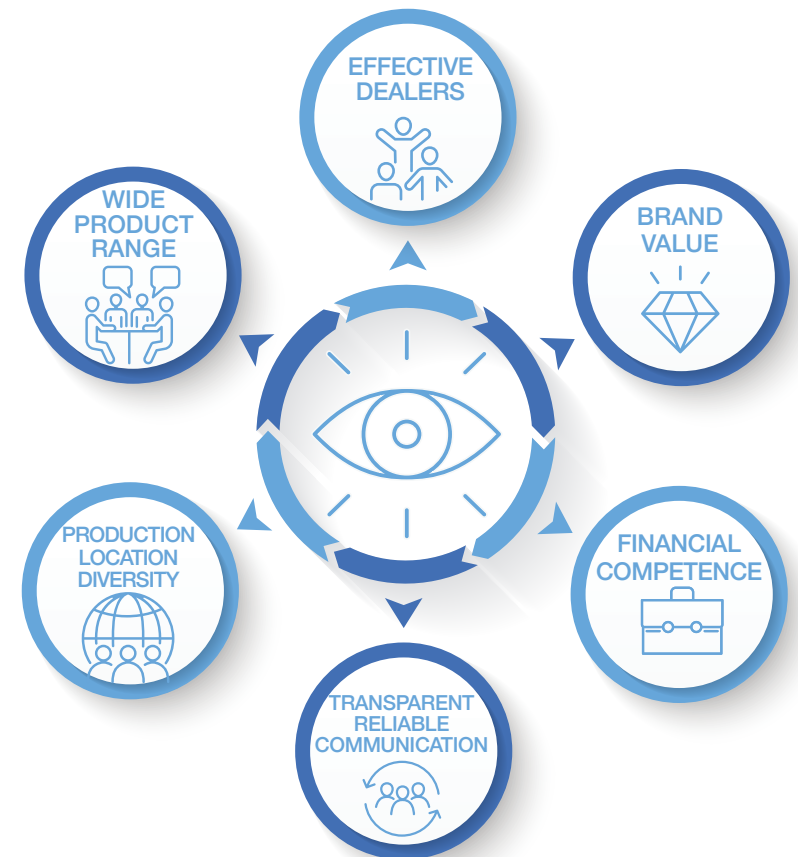
OUR GLOBAL JOURNEY

To grow healthily together with our business partners by offering reliable, sustainable and innovative solutions that meet the needs of our customers in the industrial construction market with the highest benefit.



OUR MISSION AND OUR VISION

To be a sustainable and innovative solution partner in the commercial and industrial building sector.



Reliability

Our business partners can rely on us to deliver high quality products and services that meet their needs and support them when they need it.

Flexibility

We work diligently to understand customer needs and provide solutions that meet these needs with our adaptability.

Innovation

We use our experience and expertise to make beneficial innovations in all aspects of our products and processes.

Sustainability

We are working to build a sustainable future with our environmentally friendly products that do not have negative effects on human health.

OUR BRAND VALUES



MARKET TRENDS AND OUR PERFORMANCE IN 2023

In 2024 and beyond, we plan to continue to grow both in Türkiye and around the world with sustainability and innovation-oriented targets.

In 2024 and beyond, the expected market trends in Türkiye and the world are shaped by the increasing demand for sustainability and environmentally friendly products. Energy efficiency, carbon footprint reduction and integration of renewable energy sources are among the prominent trends in the construction and building sector. In this context, the demand for energy-saving and environmentally friendly products in buildings is rapidly increasing. These trends create important opportunities for companies such as Assan Panel that offer innovative and sustainable solutions.

As Assan Panel, we achieved significant success in 2023 with our sustainability approach and innovative approach. We increased our production capacity, improved the quality and diversity of our products by developing new technologies and business models. In addition, we expanded our international market share by opening new sales offices in Hungary and the United Kingdom. Thanks to its sustainable growth strategies and customer-oriented solutions, our company displayed a positive performance in 2023.

Targets for 2024 and Beyond

Our targets for 2024 and beyond are shaped by sustainability and innovation-oriented strategies. We will continue to minimise our carbon footprint, increase energy efficiency and reduce waste generation. The development of environmentally friendly and high value-added products used in the construction of green buildings is among our priority targets.

We aim to enter new markets and deepen in existing markets in order to increase our global market share. We aim to expand our sustainable sales and production network worldwide, especially in Europe. As Assan Panel, we will continue our efforts to develop innovative and environmentally friendly products by increasing our R&D investments.

At Assan Panel, the basis of our management approach is to create sustainable value for our stakeholders by adapting to rapidly changing global conditions. We strive to be an agile, innovative, reliable and transparent organisation that values people and the environment. We shape all our activities around our governance principles based on resource efficiency, effective leadership and transparent communication. Our long-term goals include increasing sustainable corporate governance practices, ensuring that corporate governance principles are integrated into all business processes and ensuring that internal processes are managed effectively.

Corporate Governance

Our Board of Directors, which adopts an accountable, ethical and transparent management approach, consists of 10 members and is the highest level strategic decision-making body at Assan Panel. Our Board of Directors is responsible for setting corporate goals, ensuring compliance with corporate governance principles, determining and managing strategic orientations and ensuring the functionality of risk management and control systems. Our General Manager is responsible for the realisation of the strategies determined by the Board of Directors.

Risk Management

Kibar Holding attaches great importance to the early detection and effective management of

corporate risks in order to provide the highest value to its stakeholders. Accordingly, by integrating corporate risk management into company strategies and corporate culture, all employees are ensured to focus on risks, opportunities and liabilities as well as their performance in their daily operations. This approach aims to contribute to the sustainable growth of the company. Any changes are handled and managed in line with this policy. In cases of conflict of interest, protection of human life and the environment is prioritised in the risk management process.

Corporate risk management activities include the assessment of strategic, operational, financial and legal internal and external risks and opportunities that may arise in relation to the Company's processes and strategic goals, and prioritisation activities based on the Company's strategies and preferences as a result of this assessment. At Assan Panel, corporate risk management activities aim to ensure the Company's rapid adaptation to all kinds of changes.

The senior management teams and executives of our company are responsible for creating the necessary platforms for early detection, accurate assessment and effective



OUR MANAGEMENT APPROACH



OUR MANAGEMENT APPROACH

management of all risks of the company. These teams undertake important tasks such as determining strategies and actions for the effective management of risks, participating in risk assessment studies and following up the risk management action plans. In addition, it is among the responsibilities of senior management to establish company-specific policies and procedures for risk management and to monitor the management of processes within the framework of these policies and procedures. Preparing risk management reports and analysing risk management data accurately, completely and in a timely manner and sharing them with the relevant parties are also among the duties of the management.

Risk management processes at Assan Panel are carried out in accordance with the ISO 31000 standard. Risk management units have competence in a wide range of risks, including social, environmental, ethical and human rights risks as well as financial risks. Human rights and ethical values are at the centre of Assan Panel's risk management approach. In risk management studies, all risks, including reputational risks, are assessed. Identified risks are analysed together with their impacts and consequences. The Corporate Risk Map is updated by taking into account changing internal and external factors through annual workshops attended by the representatives of relevant units. The development status of medium and high level risks is monitored quarterly and shared with the Company Risk Committee.

Follow-up studies for defined actions are carried out in six-month periods and necessary

updates are made. With monthly activity reports, key risk indicators (KRI) determined on specific subject and process basis are monitored. In addition, KRI values that are exceeded are presented to the committee at the Kibar Holding Risk Committee meetings on a quarterly basis.

Management of Environmental, Social and Governance Risks

The management of ESG risks is important for us to achieve our sustainability goals. We manage ESG risks within the framework of ISO 31000 standard. We evaluate these risks within the framework of environmental impact assessments, social responsibility projects and managerial transparency principles, and in this process, we identify and manage risks in cooperation with internal and external stakeholders.

We address the financial impacts of the climate crisis with a holistic approach and manage them effectively. We develop sustainability strategies to assess and cope with the financial impacts of climate change. This strategy starts with identifying the risks arising from climate change and analysing their financial impacts. We evaluate risk scenarios related to climate change as part of long-term strategic plans and integrate them into operational processes. These scenarios include factors such as managing operational costs, compliance with regulatory requirements and changing market dynamics.

Within the scope of strategic planning, we set energy efficiency and emission reduction targets by harmonising operational processes and structures with climate change. We create financial risk scenarios and plan investments using instruments such as green financing and sustainable investments. While increasing flexibility in operational processes, we develop risk monitoring and management processes using technological innovations and data analytics. We regularly communicate and report to internal and external stakeholders on climate change risks and measures taken. We regularly evaluate and update risk management strategies through continuous monitoring and improvement processes. We proactively manage reputational risks that may arise through effective communication, rapid response and monitoring activities.

Internal Audit and Control

At Assan Panel, internal audit and control activities are carried out to ensure compliance with the legislation, corporate policies and principles, and the strategic goals set. These processes are managed by the Internal Audit Department under the coordination of Kibar Holding on the basis of International Internal Audit Standards and Kibar Holding Code of Ethics. The audits conducted by the Vice Presidency of Internal Audit are carried out with a risk and process-oriented approach.

Internal audits include process audits, compliance audits, financial audits and information technology audits. Risks identified as a result of audit activities carried out in these areas are communicated to the relevant units and suggestions for improvement are presented. In all audits conducted in 2023, corruption and misconduct issues were taken into consideration There have been

no penalties for violations of the law or any cases of corruption and misconduct.

Business Ethics

Kibar Group Code of Ethics is the main reference document in business ethics studies at Assan Panel. The Code of Ethics defines the responsibilities of Kibar Group and Group companies towards the laws, internal and external stakeholders, the principles of behaviour for working life and the basic rights and responsibilities of employees. Kibar Group's understanding of business ethics is based on the values of integrity and honesty. The Code of Ethics requires Kibar Group employees to behave at the highest ethical standards and covers all company employees. The main objectives are to maintain accountability and transparency in business ethics at all levels and to take decisive steps in the fight against bribery and corruption. Efforts are planned for the adoption and implementation of ethical rules by all stakeholders.

Kibar Group Code of Ethics consists of seven main topics: Honesty, Confidentiality, Justice, Quality and Continuous Improvement, Conflict of Interest, Our Responsibilities and Accepting/ Giving Gifts. The Code of Ethics document includes case examples and examples of expected behaviour. Employees and business partners are trained to understand and implement the Code of Ethics.

OUR MANAGEMENT APPROACH



OUR MANAGEMENT APPROACH

“Do you think it’s ethical?”

“Do You Think It’s Ethical?” themed banners in common work areas aim to keep employees’ awareness of business ethics constantly up to date. These posters encourage employees to think about ethical dilemmas and examples of correct behaviour that are frequently encountered in daily working environments.

At Assan Panel, Code of Ethics Consultants have been assigned to support all kinds of needs and questions of employees regarding the implementation of ethical rules. An Ethics Hotline has been established to be contacted from within or outside the Group in case of a situation contrary to the ethical rules. Reports made through this line are directly forwarded to the Ethics Committee. All notifications received by the Ethics Committee via phone, e-mail and/or mail are evaluated confidentially, directed to the appropriate units and the necessary work is carried out meticulously.

During the recruitment process at Kibar Group Companies, employees are given an “Ethics Booklet” explaining and illustrating the ethical principles of Kibar Group. The last page of this booklet is filled in and signed by the employee to indicate that it has been read and understood by the employee and delivered to the Human Resources Department. Ethics trainings are given to all employees in certain periods.

Kibar Holding Code of Ethics Training, which is shared with employees both in the book and on the portal, includes the relevant rules and expectations from employees. Code of Ethics Training was carried out online in 2023.

The Ethics Committee takes the necessary measures to prevent any retaliation, pressure and intimidation that may occur against those who report ethical violations. [Click here for Kibar Holding Code of Ethics.](#)

Anti-Bribery and Corruption

Assan Panel does not tolerate bribery and corruption in any way due to its high business ethics. Our approach to combating bribery and corruption is clearly defined in the Kibar Holding Code of Ethics. Compliance with the code of ethics is the responsibility of all Assan Panel managers and employees. All Assan Panel employees are obliged to report any violation of ethical rules or suspicion of bribery and corruption. The anti-bribery and anti-corruption approach is binding not only for employees, but also for all relevant stakeholders, especially suppliers and business partners.

Kibar Group Code of Ethics also covers the area of anti-corruption and the Code of Ethics Booklet is reviewed every year. The risk of misconduct is included in the corporate risk map of our company and this risk is subject to evaluation. The effectiveness of the internal control environment for corruption risks is evaluated within the scope of process audits and during inspection and investigation activities and the results are reported. In addition, independent audit services are regularly obtained every year and the auditors present the risks they encounter and their recommendations. In line with these suggestions, our ways of doing business are continuously improved. In 2023, there were no confirmed cases of corruption.

Business Continuity and Emergency Preparedness

The development and implementation of business continuity plans is an important part of our sustainability strategy. In this context, business continuity plans are prepared and regularly updated to ensure that business processes continue without interruption in case of possible interruptions and crises.

Management of operational risks at Assan Panel

The Risk Engineering department, established within the Group's insurance and brokerage company, identifies and monitors the findings that create operational risks in production areas and presents its recommendations for the improvement of these risks.

Action plans determined for the effective management of operational risks are prepared with the participation of all relevant departments. The management of such risks at the time of the incident is communicated to all employees.

At Assan Panel, business continuity plans have been created and put into operation in order to ensure the continuity of business processes, products and services in case of interruption, crisis or disaster, and to return all business processes to normal working order within the planned periods.

Assan Panel implements procedures and assistance activities in accordance with ISO 31000 standard in the face of high-risk events such as natural disasters and epidemics. These procedures include emergency plans, risk scenarios and crisis management strategies. Necessary steps are taken to ensure the safety of employees and stakeholders, minimise operational disruptions and recover quickly. In addition, regular scenario studies and drills ensure preparedness against risks.

Assan Panel's business continuity management system is certified under TSE ISO 22301 standard.

It is aimed to increase the effectiveness of business continuity programmes through drills and trainings held on an annual basis. Our company has management procedures, plans and teams for emergencies. Drills are conducted within an annual plan. In order to ensure that the equipment to be used in possible emergencies is always ready, controls are carried out within the monitoring-measurement plan. Emergency teams have the necessary training and equipment. In 2023, business continuity management system practices were successfully maintained and business processes were ensured to continue without interruption.

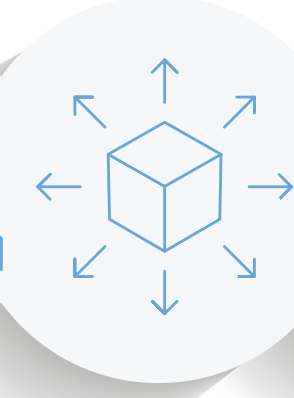
OUR MANAGEMENT APPROACH



Sector
leader in
Türkiye



Export to
85+
countries



22 million m²
annual production
capacity



5
manufacturing
facilities



+40%
export rate

ASSAN PANEL IN 2023

GOLDEN PLUMB AWARDS

Assan Panel won the Special Jury Award at the Golden Plumb Awards with “New Generation Insulation Technology SmartCore”. Assan Panel won the Special Jury Award at the Building Catalogue Golden Plumb Awards with “New Generation Insulation Technology SmartCore”.

ASIM KIBAR BLUE DROP AWARDS

In the 7th Asim Kibar Blue Drop Awards held in 2023, the Assan Panel project team won the second and third prizes with their projects in the “Value Adders with Efficiency” category.

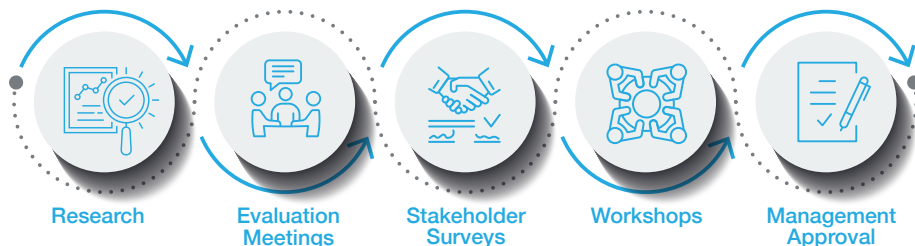


At Assan Panel, we strive to contribute to the construction of sustainable buildings and to become a preferred employer and business partner with our motto “We are building a sustainable future”. Considering the long-term social and environmental impacts of the construction industry, we aim to create sustainable living spaces with our products. We continue our efforts for the construction of safe and durable structures with low environmental impact.

At Assan Panel, our sustainability vision is shaped in line with Kibar Holding’s 2025 Sustainability Strategy. Sustainability is among our most important corporate values. We consider our economic, social and environmental impacts at every stage of our activities and include them in all our decision-making processes. We adopt a participatory, innovative, reliable, environmentally sensitive and people-oriented management approach.



How did we set our priorities?



With the R&D studies we carry out, we develop sustainable products with environmentally friendly methods and offer these products to the use of various sectors. With the efficiency projects we implement every year, we carry out our production with sustainable methods and produce products that provide savings for the efficient use of energy, which is one of the biggest losses in the economy. Within this framework, we aim to both minimise environmental impacts and increase energy efficiency.

We contribute to the construction of sustainable buildings and demonstrate our “Net Zero” vision. We manage all our business processes in accordance with sustainability principles and accelerate our efforts to realise social responsibility projects that will add value to society.

The sources we refer to when determining our sustainability priorities:

- Corporate Strategies
- Our Corporate Values
- Stakeholder Expectations
- Global Sustainability Trends
- Sectoral Requirements
- Kibar Group Sustainability Strategy
- Corporate Engagements
- UN Global Compact
- UN Sustainable Development Goals

SUSTAINABILITY AT ASSAN PANEL

SUSTAINABILITY AT ASSAN PANEL

What Are We Targeting?

At Assan Panel, we aim to listen to our customers, increase our sustainability performance and contribute to the UN Sustainable Development Goals with the targets we have set for the 2022-2030 period within the scope of “Building a Sustainable Future”.

We have set targets and performance indicators for our main performance areas within our sustainability strategy. You can access these targets and performance indicators on the pages of the relevant topics.

Sustainability Management

Assan Panel Sustainability Committee is responsible for monitoring the set targets and sustainability performance. The Committee also undertakes the tasks of increasing sustainability awareness and coordination within the company, monitoring external engagements and integrating best practices in the field of sustainability into company processes. Within this framework, the committee provides the strategic guidance required to achieve sustainability goals and establishes effective communication with relevant stakeholders.

The Sustainability Committee includes a representative from each department. At the weekly management meetings, Assan Panel Business Development and Marketing Director informs the agenda about sustainability.

Assan Panel is a member of Kibar Holding Sustainability Committee and Sustainability Working Group. The Committee, which is responsible for determining the sustainability strategy of Kibar Group and setting its goals, consists of Holding function managers and general managers of Group companies. This structure ensures that sustainability efforts are effectively implemented and coordinated throughout the company.

The Sustainability Working Group consists of managers responsible for Holding Human Resources, Financial Affairs, Strategy, Purchasing, Internal Audit, Information Technologies, Corporate Communications and the sales and marketing departments of the companies covered by the Kibar Holding Sustainability Report. The Working Group implements the action plan in line with the strategy determined by the Committee and coordinates sectoral sustainability activities. It also manages and integrates sustainability efforts on the basis of the functions they represent.

We support the United Nations Sustainable Development Goals and directly contribute to 10 goals that are in the area of weighted impact in line with our activities.

3 GOOD HEALTH AND WELL-BEING



Objective 3: We provide the safest possible working environment for our employees through our occupational health and safety practices. These practices aim to prevent occupational accidents and occupational diseases, minimise risks and support continuous improvement processes. We create a safe working environment by conducting regular trainings, audits and risk assessments to protect the health and safety of our employees.

4 QUALITY EDUCATION



Objective 4: We prepare our employees for the competencies of the future with programmes for their professional and personal development. We contribute to improving the quality of education in our country with our social benefit investments in the field of education.

5 GENDER EQUALITY



Objective 5: We implement practices that support and strengthen women's employment and increase the ratio of female employees and managers. We carry out various programmes and awareness-raising activities to encourage women's active participation in business life. Through these practices, we aim to support women's career development and ensure that they are more represented in the workforce.

7 AFFORDABLE AND CLEAN ENERGY



Objective 7: We work to reduce the negative impact of our activities on the environment and develop products that contribute to a low carbon economy. We offer sustainable modern energy solutions with sandwich panels and integrated skylight solutions in our product range, SmartCore sandwich panels that offer class-leading energy efficiency, solar-compatible sandwich panels that contribute to the construction of factories that produce their own energy, and rooftop solar energy systems (GES) applications.

8 DECENT WORK AND ECONOMIC GROWTH



Objective 8: In order to provide our employees with the working conditions they deserve, we take international standards as a guide and base our procurement procedures on the issues of not employing child labour and forced labour and ensuring fair working conditions. We provide full and productive employment for uninterrupted, inclusive and sustainable economic growth with our employees at our production facilities in Jordan and Azerbaijan.

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



Objective 9: While contributing to the construction of sustainable buildings, we carry out all of our production processes using environmentally friendly methods and technologies. With our innovative perspective, we develop sustainable products and protect the environment while saving energy in buildings. In this way, we both increase energy efficiency and reduce our carbon footprint.

10 REDUCED INEQUALITY



Objective 10: We ensure equal opportunities through a performance-based management system. We sign a framework agreement before starting to work with suppliers that different and unfair practices will not be allowed due to personal characteristics and preferences such as language, religion, race, gender.

11 SUSTAINABLE CITIES AND COMMUNITIES



Objective 11: We are the first and only sandwich panel manufacturer in Türkiye with Greenguard and Greenguard Gold Certificates. These certificates are an indication that we contribute to the construction of sustainable and environmentally friendly buildings. By adopting an integrated design approach with our insulated panels, we design high-performance buildings that consume less energy, emit less carbon dioxide and are environmentally responsible throughout their lifetime.

12 RESPONSIBLE CONSUMPTION AND PRODUCTION



Objective 12: We support low carbon economy and adopt a circular economy and innovation-based production model. We increase reuse through effective waste management and prefer environmentally friendly disposal methods. We help our customers choose the right products with the technical support we provide.

16 PEACE AND JUSTICE STRONG INSTITUTIONS



Objective 16: As a member of Kibar Group, we adopt the principles and objectives of the United Nations Global Compact. We do not compromise our business ethics and corporate governance principles. We determine our approach to combating bribery and corruption with written rules. We expect this understanding from all our stakeholders, including our employees, suppliers and business partners.

OUR CONTRIBUTION TO THE SUSTAINABLE DEVELOPMENT GOALS



OUR SUSTAINABLE DEVELOPMENT STRATEGY AND FUTURE VISION: VISION 2025

We have a sustainable development strategy developed in line with Kibar Holding's sustainability principles and prepared with an approach that integrates economic, social and environmental sustainability elements. In order to create our sustainability strategy, we first identified our sustainability priorities. In the first step of this process, we created a wide universe of issues and narrowed this universe of issues by evaluating it with the members of the Sustainability Working Group. We presented the issues we identified to the evaluation of our employees and external stakeholders. We asked the participants to evaluate these issues in terms of the impact, risk and opportunity they may create for Assan Panel. In addition, the participants also evaluated the global trends that may affect Assan Panel's business model and the UN Sustainable Development Goals that the company should contribute to.

We evaluated the survey results with a workshop. In the workshop, we identified our material issues, global sustainability trends that are likely to affect our business processes and the UN Sustainable Development Goals to which we contribute. The material issues identified in this way formed the basis of the Assan Panel Sustainability Strategy. With this comprehensive and participatory process, we aimed to create a solid foundation to achieve our sustainability goals.

After identifying our material issues, we created our sustainability roadmap based on the Kibar Group 2025 Sustainability Strategy, taking into account our sectoral priorities. Between 2022-2030, we defined the sustainability priorities and sustainability axis that we will focus on in our company. We have created our business plans to achieve the goals set within this strategy.

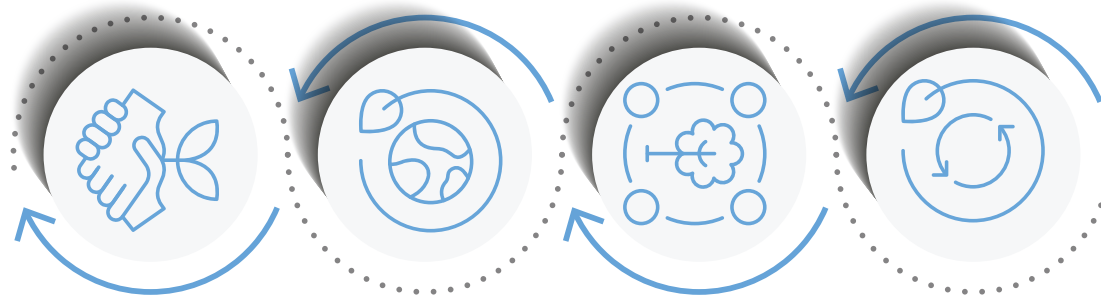
As part of our vision for the future, we are taking important steps in digital transformation and information security to achieve our sustainability goals. We develop strategic plans to combat climate change and manage climate-related risks with an environmentally sensitive production approach. We reduce our carbon footprint by investing in renewable energy sources. Furthermore, by adopting sustainable production and consumption models, we increase energy efficiency, support the protection of natural resources and minimise environmental impacts. By developing innovative products and services, we contribute to the circular economy and low-carbon production processes. In addition, we aim to spread sustainability awareness by collaborating with our stakeholders and contribute to society through social responsibility projects. We continue our efforts to achieve the concrete goals set within the framework of the "Kibar Group 2025 Sustainability Strategy" and to create a sustainable future.

Our Sustainability Strategy: Building a Sustainable Future

We have defined our “Building a Sustainable Future” strategy, which defines the sustainability priorities we will focus on in our company and our sustainability roadmap between 2022-2030. We focused this strategy on the axes “We are building a sustainable future for our employees and society”, “We are building a sustainable future with our products” and “We are building a sustainable future for our world”. We set our key performance indicators (KPIs) and targets to monitor our performance in these focus areas.



OUR SUSTAINABLE DEVELOPMENT STRATEGY AND FUTURE VISION: VISION 2025



Building a Sustainable Future with Our Products

- Customer Satisfaction
- Product Quality and Safety
- R&D and Innovation
- Environmentally Friendly Products

Building a Sustainable Future for Our World

- Waste Management
- Energy and Emissions Management
- Water Management

Building a Sustainable Future for Our Employees and Society

- Occupational Health and Safety
- Employee Development and Satisfaction
- Gender and Equal Opportunity
- Social Responsibility
- Supply Chain Management
- Digitalization

Our Management Approach

- Business Ethics
- Corporate Governance
- Business Continuity

OUR SUSTAINABILITY STRATEGY: VISION 2025



Communication with Our Stakeholders

We consider it our corporate responsibility to provide accurate and timely information to all our stakeholders, and we maintain two-way communication through numerous platforms specially prepared for different stakeholder groups. We increase our corporate know-how through the many non-governmental organisations, global and sectoral initiatives we are a member of and support.

Our sustainability report, fairs and other events, social media activities, our website, interviews and news published in the press and other media, one-to-one customer interviews, technical trainings and university meetings are among our most important communication activities. We aim to develop an image in line with our brand values and address sustainability in three main dimensions: governance, environmental and social. Accordingly, we carry out brand communication activities to comply with global sustainability principles.

Our key stakeholders



Customers



Suppliers



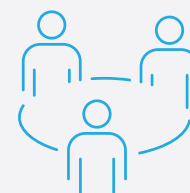
**Assan Panel
and Its Subsidiaries**



Employees



Regulatory Bodies




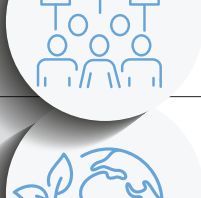




**Business
Partners**



Industrial Org.

Stakeholder Group Communication Methods

SUPPLIERS		<p>Inspections</p> <p>One-to-one meetings and visits</p> <p>Supplier Code of Ethics Booklet</p>
CUSTOMERS		<p>Business partners sharing meeting and product workshops (once a year)</p> <p>Social media communication</p> <p>Public relations, corporate communication activities (media and leader communication)</p> <p>Evaluation meetings with our domestic authorised dealers (once a year)</p> <p>General customer satisfaction survey conducted by independent research companies (once a year)</p> <p>Fairs (annual)</p> <p>One-to-one meetings and visitors</p>
MANAGEMENT		<p>Evaluation meeting with Kibar Holding senior management (monthly)</p> <p>Workshops with management staff</p> <p>Assan Panel Board of Directors Meeting (four times a year)</p>
EMPLOYEES		<p>Internal communication meetings with Assan panel employees (four times a year)</p> <p>Social media posts and other digital channel publications for employees</p> <p>Employee engagement survey (once a year)</p> <p>Training and webinars</p> <p>Code of Ethics Booklet</p>
SOCIETY		<p>Corporate website</p> <p>Social media communication</p> <p>Consultation meetings with local and general administrations as needed</p> <p>Factory visits</p>
PRESENTATIONS		<p>Sustainability report</p> <p>Interviews and articles via media channels</p> <p>Career events</p> <p>Internship programmes</p> <p>Annual reports</p> <p>Corporate social responsibility projects</p> <p>Public relations, corporate communication activities</p>

Initiatives We Support

We support the UN Global Compact (UNGC) and UN Women's Empowerment Principles (UN WEPs), to which Kibar Holding is a party, and the Business World Plastic Reduction Initiative.



United Nations
Global Compact



United Nations Entity for Gender Equality
and the Empowerment of Women



Organizations we are a member of



PRODUCTS

With our leading position in our sector, PIR and mineral wool filled panels that provide fire safety together with polyurethane filled panels are included in our product portfolio.

We contribute to the construction of sustainable and environmentally friendly buildings with our cold room, roof and facade sandwich panel products, panels ready for the installation of solar systems, project-specific accessories and polycarbonate skylight solutions.

Solar Capped Panel



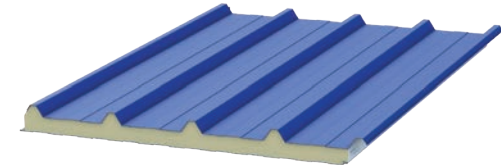
Multilight



N5T Roof Panel



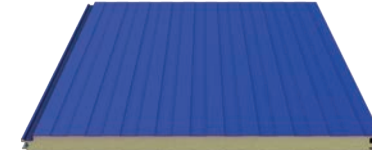
SmartCore



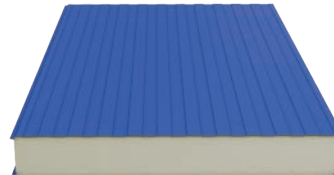
S5 Solar Capped Panel



W Facade Panel



Cold Store



WT Facade Panel



WE ARE BUILDING A SUSTAINABLE FUTURE WITH OUR PRODUCTS

Product safety, product quality and customer satisfaction are among our business priorities, which we manage at the highest standards. We follow international standards required by the sector and quality and safety standards that aim to meet customer expectations. We develop customer-oriented business processes based on effective and transparent communication and increase the added value of our products and services. With this approach, we aim to maximise customer satisfaction and maintain our leadership in the sector.



Customer Satisfaction

Listening to our customers and developing products and services according to their needs is an important business strategy. We develop systems to evaluate customer feedback in order to increase customer satisfaction and to provide high quality service at all times. We monitor and categorise customer complaints and follow up customer feedback in a systematic manner. We take steps to increase customer satisfaction in line with our customers' suggestions and complaints. We conduct customer satisfaction surveys at regular intervals. Based on the results of the surveys, we identify the most important areas of improvement and take the necessary actions to improve our performance.

We strive to resolve and finalise customer complaints as soon as possible. We finalise customer complaints within an average of 10 days, including the time it takes to examine the complaint, determine the actions and notify the customer. We provide stakeholder feedback via telephone, e-mail and field visits.

Number of customers: 100
Customer satisfaction survey score: 87.2
On-time and complete delivery rate: 72

We attach great importance to meeting customers' needs in a timely and complete manner. We focus on continuously improving our performance in this area. In 2023, our on-time and complete delivery (OTIF) performance was 72%.

Next Generation Customer Experience

As the most preferred brand in the sandwich panel market, we include three-dimensional and 360-degree visuals with the plug-in called "Dynamic 3D" on the website www.assanpanel.com in order to increase the product experience of our users.

With this feature, where our products are dynamically presented in 360 degrees with different angle, colour and proximity options, we enable technical teams and architects to get to know our products better in project-based products. This helps customers make the best decision without losing time and cost. This pioneering application that enhances product experience can be used in 6 different languages.

We transform all panels, products and accessories in our product portfolio into BIM (Building Information Modelling) objects and make them available to customers on digital platforms through the BIM Store portal and the "BIM Library" published on our website. With this digitalisation; we provide energy savings, universal access to information and communication technologies for collaboration and less resource consumption. BIM minimises the loss of time and cost due to the lack of simultaneous work and enables environmentally friendly buildings thanks to various energy simulations that can be integrated into its structure.



ENVIRONMENTALLY FRIENDLY PRODUCTS

The United Nations Sustainable Development Goals aim to increase resource efficiency and make industrial processes more sustainable with more environmentally sound technologies by 2030, with each country taking action in accordance with its own capacity. Supporting sustainable industries and investing in scientific research and innovation offer permanent solutions to economic and environmental problems with the advantages of creating new job opportunities and increasing energy efficiency as well as ensuring sustainable development.

As Assan Panel, we support sustainable development with the sustainable technologies and environmentally friendly products we develop and lead other manufacturers in the construction sector. In this context, we design products with high energy efficiency. We offer sustainable modern energy solutions with our polycarbonate products integrated with our sandwich panels in our product portfolio, SmartCore, a leader in energy efficiency, solar-compatible sandwich panels that contribute to the construction of factories that produce their own energy, and rooftop SPP applications. With high-performance insulation and building envelope solutions, we enable the increase of environmentally friendly buildings and the protection of natural resources.

Environmentally Friendly Insulation Material Project Improving Thermal Performance

The thermal performance of insulation materials used in industrial buildings contributes significantly to energy conservation. In our R&D laboratories, we redesigned the polymer filling material used in building insulation materials and developed a building material with improved thermal conductivity coefficient. Thanks to this material, we achieved 20% more heat efficiency than standard polyurethane-filled building material. Since the product does not contain HFC, CFC, HCFC gases, it also contributes to the reduction of greenhouse gas emissions with the use of environmentally friendly gas.

Polycarbonate Sheets

Our polycarbonate products are compatible with our sandwich panels and are used to maximise daylight utilisation. Our high-performance polycarbonate roof and wall light solutions are highly resistant to wear and tear caused by UV rays. Thanks to these properties, they offer excellent long-term light transmission and superior thermal and structural performance. This helps structures to maintain their structural integrity for many years and contribute to sustainability.

Solar Capped and S5 Solar Sandwich Panels

We continue to contribute to the dissemination of renewable energy as an important solution partner of SPP (Solar Energy Systems) projects with our Solar Kepli and S5 Solar Panels produced in our Tuzla and Iskenderun facilities. By offering energy-efficient building solutions, we support future generations in minimising the effects of climate change.

S5 Solar Panel eliminates the risks of corrosion and waterproofing by protecting the structural integrity of the roofs with its special clamp system that allows solar panels to be mounted on the sandwich panel surface without drilling holes. The special assembly system, which does not require additional equipment, minimises project design, planning and assembly times by reducing labour and assembly times. It also provides up to 50% gain in the cost of screws and fasteners. It provides cost advantage in steel construction with its design that allows installation at low slope. With its up to 20-year warranty, superior fire protection, high thermal efficiency and energy saving, it attracts attention. With this system, which offers a 100% sustainable solution, we aim to reduce the effects of climate change by encouraging electricity generation in buildings.

With our “Building a Sustainable Future” project covering solar panel products, we aim to reduce environmental pollution caused by fossil fuel-based energy production and to raise awareness about sustainable building solutions as the company with the widest solar-compatible sandwich panel product group.

ENVIRONMENTALLY FRIENDLY PRODUCTS

ENVIRONMENTALLY FRIENDLY PRODUCTS

New Generation Insulation Technology

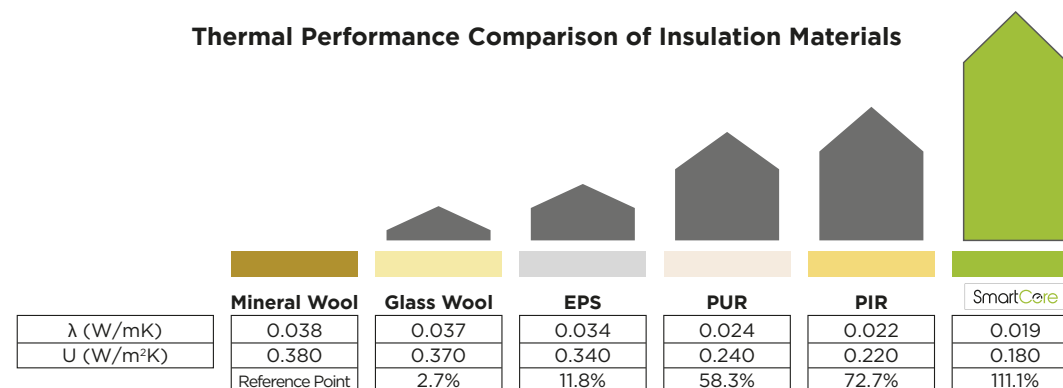
SmartCore

SmartCore new generation insulation technology developed in our AssanChem R&D laboratory helps to achieve better performance in “green building” systems. Thanks to SmartCore technology, we aim to provide more effective thermal insulation and reduce energy consumption in buildings.

With SmartCore, we offer one of the highest insulation performances of the industry globally. Panels produced with SmartCore technology provide up to 110% higher thermal efficiency than mineral wool and 22% higher thermal efficiency than PUR filling with a thermal conductivity coefficient of 0.019 W/mK, tested and certified by independent laboratories.

Having one of the lowest thermal conductivity coefficient values that any closed cell insulation filler in the world can offer, the panels offer higher thermal performance at lower thicknesses, resulting in less carbon emissions. Carbon emissions are reduced by using less raw materials in the production of roof and facade panels with SmartCore technology. Thanks to the advantage of providing the same thermal performance at thinner thicknesses compared to its equivalents, it also contributes to the environment by reducing the need for vehicles used in logistics processes.

Thermal Performance Comparison of Insulation Materials



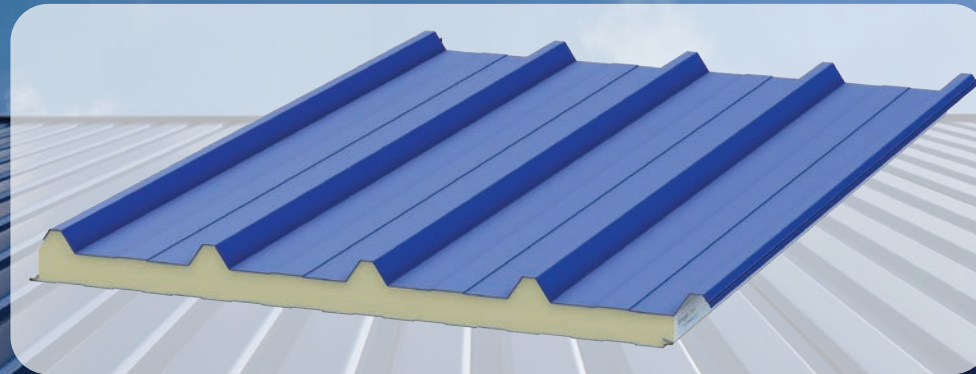
Reference Product Thickness: 100 mm

The SmartCore logo is positioned in the upper left quadrant of the page. It features the word "Smart" in a white sans-serif font and "Core" in a green sans-serif font, both enclosed within a thin white rectangular border. The background of the entire page is a photograph of a blue corrugated metal roof under a bright blue sky with scattered white clouds and a sun flare in the upper right corner.

SmartCore

UNIQUE ENERGY EFFICIENCY,
SUPERIOR FIRE SAFETY,
ADVANCED ENVIRONMENTAL
FEATURES AND LONGEST
PERFORMANCE GUARANTEE

By adopting an integrated design approach with SmartCore insulated panels, we design high-performance buildings that consume less energy, emit less carbon dioxide and are environmentally responsible throughout their lifetime.





PRODUCT QUALITY AND SAFETY

Product quality and safety are among our important priorities. We aim to meet customer demands by increasing product diversity in roof and facade coatings, which are called building envelope. In this regard, we offer solutions for all roof and facade systems by adding polycarbonate sheet materials compatible with sandwich panels to our product range.

In order to improve product quality and ensure customer safety, we continuously update and improve quality control processes. Our main objectives are to ensure compliance with product safety standards and to have international certifications. In addition, we continuously improve product performance and durability through R&D studies. We also take important steps to minimise the environmental impact of products and offer more sustainable product solutions.

In 2023, we successfully completed ISO 9001 Quality Management System audits and renewed our certification. We manage all our processes within the framework of this system. We regularly monitor product performances, closely follow every stage from the design of the product to its use with our relevant units, and develop rapid responses to customer needs that arise in the process. In 2023, we successfully completed the performance tests of new products developed by our R&D department and launched these products to the market.

In addition, we established the Artificial Intelligence Supported Camera-Based Quality Control System on the Continuous Panel Line, which instantly evaluates customer feedback in order to continuously monitor and improve product quality. As Assan Panel, we are proud to be the first and only sandwich panel manufacturer in Turkey with GREENGUARD and GREENGUARD GOLD certificates for 5 different product groups.

- UL GREENGUARD certificate is a registration that verifies that the chemical emission levels and indoor air quality of the products used in buildings comply with certain standards. In this way, it is aimed to improve indoor air quality by minimising the effects of the materials used on human health. As Assan Panel, we support clean air and healthy buildings thanks to our UL Greenguard certificate and low emission values.
- UL GREENGUARD Gold certificate registers the suitability of products used in places where especially sensitive individuals are located according to certain criteria. Sensitive individuals are usually children or people with health problems, and thanks to this certificate, it is aimed for these people to be in a healthier environment indoors. As Assan Panel, we meet all emission and content values specified in important international green building certification programmes such as LEED and BREEAM with our UL Greenguard Gold certificate.

We meticulously manage the life cycle of our products. In this process, we follow the trends in the market and work on new product designs by organising product workshops, making field visits and evaluating feedback from customers. After it is decided to launch the new product design, the technical details are finalised by our R&D department and the product is launched. We inform our customers about the product through communication tools such as press releases, social media and e-mail campaigns.

With our mineral filled sandwich panels, we have achieved REI 180, the best fire resistance result ever achieved in 100 mm thickness. We also have FM Approval Fire Safety Certificate and Gost-R Certificates, which are internationally recognised.

Certification is an integral part of the building materials design, production and sales process. We supply our products to the market with CE marking, which certifies the compliance of our products with EU and TR legislation.

As Assan Panel, we follow sustainability trends in the production of building materials and work on the legislation on production from recycled materials in the European Union standardisation working groups. With the new regulations expected to enter into force in the near future, the use of recycled sheets and filling materials in sandwich panels is expected to become mandatory. We carefully monitor this process and adopt a recycling-oriented approach in new product designs.

Our Certificates



PRODUCT QUALITY AND SAFETY



R&D AND INNOVATION

At Assan Panel, product quality and safety form the basis of our R&D and innovation strategy. This strategy focuses on increasing productivity, reducing resource use and waste generation, increasing product quality and diversity, developing new business models and technologies that will create value for stakeholders, and developing environmentally friendly and high added value products. In parallel with our sustainable growth strategy, we continue to increase the number of new clean and environmentally friendly products and projects.

We continuously improve our production facilities and processes to offer more innovative, more useful and distinctive products/services and approaches by using environmentally friendly methods and technologies. In 2023, our R&D activities brought significant innovations and improvements in production and quality control processes and contributed to our company's innovative and sustainable production processes.

We have 2 patents registered in 2023. We also made 2 new registration applications. We continue our R&D activities in our "Euronorm" standard laboratory, which has the equipment and software to perform all kinds of physical and mechanical tests of sandwich panels.

At the Assan Panel Polyurethane Production Facility, we carry out innovative activities for the development of polyurethane panel core filling raw materials and sandwich panel production. We manage all sub-processes from two-dimensional design, solid model drawing and prototype preparation with three-dimensional printing, design of the production process, trial productions, performance tests and transition to production within the scope of the main R&D process.

We aim for innovative, sustainable and standard-compliant production with the infrastructure development works carried out in our R&D laboratory. We are making new investments for more efficient use of resources. We aim to increase the number of people working in the field of R&D and to improve the technological competences of the company.

On the basis of our product development strategy, we aim to maintain the reputation of a company that is recognised in the sector. In this regard, we direct our financial, labour and machine park resources primarily to innovation/new product development projects in our projects, which we manage under three main headings: innovation/new product development, product improvement and cost improvement.

Our product development activities are mostly focussed on products that will generate added value on a global scale instead of country-specific needs. We carry out the first pilot productions and launches in our factories in Türkiye and then we carry out the launching works for the series in our factories in other countries.

Globally recognised quality certificates are important not only to meet sectoral requirements but also as a strategic goal to improve product quality and develop know-how. In this context, we aim to test and improve our products with certificates of conformity to various quality standards in different regions such as the USA, UK, EU, Asia, etc., making them more suitable for global competition.

Thanks to the chemicals we produce in-house, we reduce the number of raw material changes and minimise the amount of foam going to disposal. In 2023, we realised a 16% reduction in polyurethane foam scrap compared to 2022.

Chemical Recycling of Sandwich Panels

R&D studies for the chemical recycling of sandwich panel fillers have started as of 2024.

In this context, it is aimed to break down the foam filling chemically and bring it into a form that can be used as raw material again.





BUILDING A SUSTAINABLE FUTURE FOR OUR WORLD

We see it as our fundamental responsibility to leave a more livable world to future generations. We are constantly endeavouring to cope with the significant environmental problems created by climate change and diminishing world resources. As Assan Panel, we aim to contribute to the fight against climate change by reducing environmental impacts in all our processes from production to distribution.

We aim to be the leader in the construction industry by developing new technologies and energy-saving solutions. With our R&D studies, we offer sustainable products using environmentally friendly methods, and we are on our way to turning environmental challenges into opportunities. In our efforts to strengthen our leadership role in the sector, we develop innovative solutions to reduce environmental impacts and focus on creating social and economic value.

As a natural reflection of the importance we attach to our sustainability approach and our environmental sensitivity, we received the ISO 14001 Environmental Management System Standard certificate in 2012. As Assan Panel, we are committed to fulfil the requirements of the ISO 14001 standard in all our production facilities and to comply with all environmental rules and criteria at the highest level.

In 2023, efforts were made to ensure compliance of the chemicals used in sandwich panel production with the regulations on Registration, Evaluation, Authorisation and Restriction of Chemicals such as REACH.

Water Management

Water is one of the basic requirements for the continuation of life. However, this resource, which is necessary for the existence of all living things, is limited. Factors such as population growth and industrialisation increase the demand for water and necessitate the proper

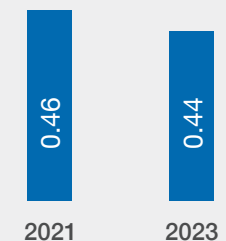
management of existing water resources. As Assan Panel, we adopt sustainable water use and effective management. We meticulously carry out the necessary work to improve water management.

We regularly analyse our past water consumption data and intervene quickly in cases of abnormal consumption. By continuing our projects and studies on water management, we plan our future investments in activities that reduce water use and projects involving risk management. In this way, we aim to ensure the sustainability of water resources and leave a healthy environment for future generations.

In the last 3 years (from 2021 to 2023), we have reduced water intensity by 5,2% on a production basis. All of the water consumed is municipal water, and there is no use of groundwater and industrial water within our company's operations.

We also consider the management of wastewater within the scope of water management. We discharge the wastewater of our Balıkesir and Iskenderun plants to the OIZ wastewater treatment plants. We discharge the Tuzla plant wastewater to the İSKİ line after the treatment plant on campus.

Water Consumption [$\text{m}^3/\text{production (m}^2\text{)}$]

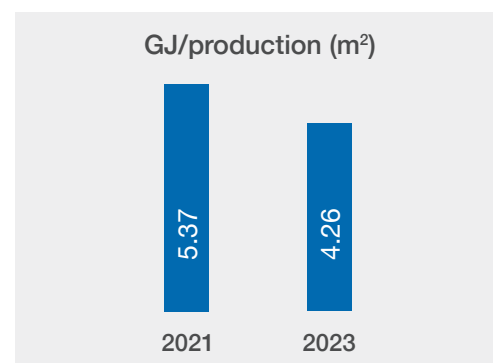


Energy and Emissions Management

Energy production is one of the main factors of climate change and 50-60% of the gases that create greenhouse effect originate from energy production. We meticulously continue our energy efficiency efforts to effectively combat climate change. Energy and emission management is critical not only for environmental sustainability but also for economic sustainability. It is vital to implement effective and sustainable energy policies for the long-term welfare of societies and the future of our planet. We aim to be effective in combating climate change and support economic sustainability at the same time, especially by reducing the share of energy costs in overall costs.

In line with our goals of reducing energy and emission intensity and increasing the use of renewable energy resources, we invest in energy efficiency projects and encourage the use of clean energy. Solar Energy Systems (SPP) infrastructure works were completed

at our Balıkesir facility in 2023. In 2024, we aim to increase the use of clean energy and make it widespread in our other facilities. As a result of the energy efficiency projects and improvement efforts we have implemented, we have reduced energy intensity on production basis by 20,6% in the last 3 years. Our energy intensity on production basis was realised as 4,26 GJ/m². By 2030, we aim to facilitate access to clean energy research and technologies, including renewable energy, energy efficiency and clean fossil fuel technologies. To this end, we believe in the importance of strengthening international co-operation, sharing innovative solutions and supporting technology transfer.



We continue our efforts to improve policy-making and investment climate to encourage investments in energy infrastructure and clean energy technologies. We closely monitor greenhouse gas-related regulations and comply with international standards.

We aim to minimise our environmental impact by investing in technologies that reduce carbon intensity and continuously improving our operational processes to achieve our emission reduction targets.

Support for Low Carbon Economy:

We carry out various activities to support the low carbon economy. In this regard;

- We certify our products within the scope of sustainability and thus reduce their environmental impact.
- We carry out studies on the production of raw materials with sustainable content and the use of these raw materials in sandwich panel production.
- We create a product portfolio with low thermal conductivity coefficient that provides higher energy savings.

For our Polyurethane/Polyisocyanurate filled thermal insulation products, we started certification studies within the scope of ISCC Plus at the Balıkesir facility and carried out alternative research studies on the supply of raw materials. Increasing the variety of products with ISCC Plus sustainability certification, which certifies that the products comply with international sustainability standards, and increasing the number of facilities that can produce products in this scope are among our 2030 targets.

Our Projects Adding Value with Efficiency

High Tonnage Coil Transfer Project is our project that will enable the transfer of coils over 7 tonnes to the front line in the facilities. With this project, we aim to minimise OHS risks and provide cost advantage.

Improvement of Mineral Wool Raw Material Injector System

We ensured the elimination of blockages that occur due to the structure of the injector in productions made with the injector system.



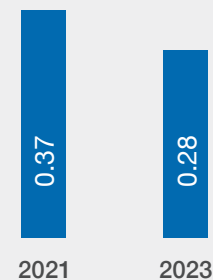


Waste Management

Our main goal in waste management is to ensure the sustainability of our production activities by producing less waste by 2030, to increase the recycling rate and to leave a more livable world for future generations. We are aware that effective waste management is critical for the protection and efficient use of natural resources. Accordingly, we aim to prevent waste generation and dispose of the waste generated by environmentally friendly methods.

As a result of the audit conducted by the Ministry of Environment, Urbanisation and Climate Change, we have certified our approach to waste management with Zero Waste Certificate with our Balıkesir, Tuzla and Iskenderun facilities.

Waste Density tonnes/production (m²)



Reducing, recovering and disposing of waste with environmentally friendly methods are among our priorities at Assan Panel. We have determined our recycling processes and waste management strategies according to the Environmental Impact-Dimension Analysis Form. We implement recycling and waste management policies in accordance with the Environmental Law No. 2872 and ISO 14001 standards. In line with the Assan Panel Occupational Health, Safety and Environment Policy, we aim to recycle and recover products at the end of their life cycle. In order to minimise the environmental impact of products, we ensure the reuse and recycling of materials. In the last 3 years, we have reduced waste density by 26.2% on a production basis.

In 2023, we started small-scale studies on landfill chemical conversion. In 2023, our total waste amount was 2,608 tonnes. In our facilities, 100% of the waste generated as a result of our operations was recycled. There were no significant leakage and spillage incidents at our facilities in 2023.

Within the scope of our effective waste management in our company, we carry out projects to reuse the wastes generated during polycarbonate production as input and to utilise polyurethane wastes generated during the cycle as styrofoam. We classify our waste in our office areas. We continue our efforts to gradually reduce the consumption of single-use plastics.

Our goal is to ensure long-term sustainability by increasing the welfare of both our employees and society. In this context, we offer our employees a work environment that supports trust and respect, continuous development, unity and a culture of working together. We fulfil our social responsibility through social responsibility projects. We adopt a way of doing business based on digitalisation and innovation and observing sustainability principles throughout the entire value chain.

Human Rights and Employer Approach

At Assan Panel, we offer our employees a work environment that respects people, is fair, participatory, supports diversity and attaches importance to continuous development. In order to ensure these conditions, we are guided by the provisions of the Labour Law as well as international agreements and standards such as the International Labour Organization Conventions and the UN Universal Declaration of Human Rights. We develop various systems to protect employee rights. We stand against all forms of violence and discrimination and are committed to providing equality in opportunities, rights and resources to our employees and stakeholders regardless of race, language, religion, gender, ethnic identity, disability, pregnancy, religious and political views or marital status. We adopt a transparent and fair approach at all stages, from recruitment processes to performance evaluations.

Gender and Equal Opportunity

We carry out practices that support and strengthen the employment of female employees in order to ensure gender equality. We support the Women's Empowerment Principles (WEPs) platform, one of the most important global initiatives of the private sector, established in partnership with UN Global Compact and UN Women, of which Kibar Holding is a signatory, which aims to empower women in order to ensure that women can take part in economic life in all sectors and at all levels.

Assan Panel has 44 female employees and the ratio of female managers is 15%.

2025/2030 Target

We have set various targets to ensure gender and opportunity equality in our company. Ensuring gender equality and eliminating gender discrimination through "We Are Equal" programmes are among our main priorities.

By taking part in Kibar Group's "WE Are Equal" project, we support efforts to raise awareness on gender equality and to ensure equality. Seminars and information guides for ensuring equality in communication and raising awareness against violence are among these activities. The Information Guidelines on Domestic Violence and Workplace Violence and the Corporate Responsibility Policy on Violence published within the scope of the project are guiding us on gender equality.

BUILDING A SUSTAINABLE FUTURE FOR OUR EMPLOYEES AND SOCIETY

Talent Management

In order to ensure that Assan Panel achieves its strategic goals, our human resources approach is based on attracting, retaining and developing talents. Our recruitment processes are designed to reach our potential candidates and ensure that the most suitable candidate is brought to Assan Panel by using objective selection factors. We aim to increase the competencies of our employees through our training and development programmes. These programmes offer individual and collective solutions by prioritising the development needs of the talents brought into our organisation for their current and future roles.

“Future from Within”

In Kibar Group, the “Future from Within” platform was established in order to ensure the visibility of the positions opened within the organisation and to give priority to current employees in career development. Positions opened in Group companies are shared on this platform and employees are informed about the opportunities. In this way, recognition and career mobility among Group companies are also possible.

“Power Is in US”

The “Power is in US Development Platform” was launched in 2020 to support the development of employees. This platform enables employees to follow their individual development and access different resources independent of time and place. Thanks to the platform, all training processes are managed from a single point, while social learning environments are created through information sharing and development needs are more clearly defined.

All employee development activities within the Group are carried out within the scope of “Power is in Us Development Programmes”. These programmes provide continuity in a wide range from leadership development to training internal trainers and mentors and aim to spread the culture of learning from each other. In 2023, 2,238 employees received 7,998 person * hours of training.

2025/2030 Target

We will continue to implement various programmes and performance evaluation systems to support the career development of our employees and increase their job satisfaction. We aim to contribute to the professional and personal development of our employees within the scope of “Power is in Us Development Programmes”.

“Power Is in Us” activities in Assan Panel for 2023

Managerial Development Program:

35



Expert Development Program:

39



Leadership Development Program:

33



Development Emissaries:

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Performance Management

At Assan Panel, our performance management approach includes a lean, focused, transparent and agile performance culture that encourages high performance. We conduct regular performance evaluations to support employee development and career journeys. In 2023, 82 employees participated in these evaluations.

With our Objectives and Key Results (OKR) system, we provide an agile and active performance management that supports employee development and a high-performance workforce by providing target and competency-based feedback throughout the year. We continue our efforts to keep this culture strong and popularise it through performance ambassadors and OKR coaches.

Employee Experience and Satisfaction

We believe that success in business life can be achieved with competent and satisfied employees. Accordingly, we carry out activities to improve employee experience and satisfaction.

BIZPLUS

An online appreciation and rewarding platform "BIZPLUS" was established within the Group in order to make the achievements of employees visible, appreciated and rewarded. During 2023, 138 employees were rewarded for their performance through BIZPLUS.

OUR Work OUR Life

The new generation working models called "OUR Work OUR Life" have been implemented in order to improve and enhance the experience of Kibar Group employees. These models, which focus on efficiency and flexibility, improve the employee experience. With the support of Assan Panel's strong digital infrastructure, it was able to work independently from the location throughout 2023.

We care about adapting to changing ways of doing business and protecting the work-life balance of our employees. However, the widespread use of the remote working model and the changing generations in working life pose risks such as the loss of qualified labour force, which is also on the agenda globally, or the inability to attract them to the company. In order to eliminate these risks, we conducted a multi-participant study involving both employees and managers. As a result of this study, three different working models were determined according to the structure of the job, regardless of the person:

- Hybrid working: Roles working 2/3 days remotely and other days from the office
- Remote working: Roles working 4 days remotely and 1 day from the office
- Working from the office: Roles working 4 days from the office and 1 day remotely

AVİTA

AVİTA, the employee support programme of Kibar Group, provides 24/7 free consultancy support to group employees and their families. Within the scope of the programme, consultancy services are provided on many subjects such as psychology, medicine, law, healthy nutrition, ergonomics, technology, veterinary, social life and general information services. When necessary, up to six sessions of free, face-to-face psychological support is available with the guidance of clinical psychologists at the call centre. Information confidentiality is essential in the programme, which can be accessed through different channels such as telephone, website and mobile application.

Social Life

We aim to increase employee loyalty by creating a happy and participatory work environment. We support practices that will enrich the social lives of our employees and strengthen the culture of sharing. We offer practices such as the Urgent Needs Advance System, AVİTA Employee Support Programme and Private Health Policy covering the whole family so that they can maintain the balance between work and private life and provide support in personal emergencies.

Occupational Health and Safety

Occupational Health and Safety (OHS) is one of the core values of our company. Our OHS system, designed with the aim of protecting the health and safety of our employees at the highest level, is based on full compliance with legal regulations as well as continuous assessment of risks and taking preventive measures. It is an integral part of our company's sustainability strategy and business processes to prevent all situations that adversely affect human health, to take precautions before accidents occur, and to ensure that our employees return home happy.

In our behaviour-oriented occupational health and safety management, we dynamically manage our risks for continuous improvement and regularly conduct internal audits. We carry out OHS processes in accordance with international standards and under the responsibility of OHS committees. We implement ISO 45001 Occupational Health and Safety Management System covering all our employees and contractor company employees. With this system, we ensure the prevention of injuries and health deterioration and the continuous improvement and development of OHS processes. We aim for zero work accidents.

We believe in the importance of employee awareness in improving OHS performance. We strive for our employees to acquire safe behavioural habits through training and awareness-raising activities. We continuously provide informative trainings to our employees. In 2023, we provided 5,177 hours of OHS training to 590 Assan Panel employees and 245 hours of OHS training to 283 contractor company employees.

As of 2023, Assan Panel has 6 OHS Committees with 10 members and 3 employee representatives. These committees play a critical role in ensuring the effective implementation of occupational health and safety policies.

We carry out the assessment of OHS risks with the participation of all stakeholders specified in the legislation using FineKinney methodology. As a result of the risk assessment studies, it has been determined that the risks that our employees are exposed to due to production processes are; chemical exposure, noise, vibration, manual lifting operations, crane and forklift use, risks that may occur during the use of hand tools. The elimination of these risks and the creation of a safe work environment is the common responsibility of all our employees and managers. In order to ensure a safe working environment, we carry out continuous inspection activities and supply the necessary tools, equipment and equipment.

In case of natural disasters and epidemics, relevant procedures, action plans, instructions and risk maps are constantly updated to monitor and prevent risks. Employees are informed about the measures to be taken against all risks through the Occupational Health and Safety Handbook, ISO 45001 Occupational Health and Safety Management System information, ISO 14001 Environmental Management System Information Booklet and trainings.

We offer our employees the right to refuse hazardous work, we ensure that they report risks through the Accident Coming System and that measures are taken against risks. All occupational accidents that occur despite the precautions taken are analysed in detail by occupational safety experts and relevant unit representatives, regardless of their size. Following the evaluations, necessary preventive and corrective measures are implemented.

Annual emergency drills and trainings



Field Life Cycle: It is a life cycle design project in which the competences and physical needs of employees are taken into consideration in order to ensure that they work in a healthy, safe and efficient manner.

Life Safety Leadership: It is a monitoring mechanism developed to ensure the active participation of field employees in occupational health, safety and environmental issues. This mechanism aims to ensure that the behaviours recorded are noticed by unit managers and necessary measures are taken. It also aims to increase individual awareness and develop team spirit by enabling field employees to look at their work and work areas from the outside.

Life Safety Coaching: Defines the procedure to be implemented to ensure the participation of the management team of executives, managers and higher positions in Occupational Health and Safety and Environmental surveillance, depending on the need. With the Life Safety Coach application, we aim to;

- Ensure that the management team conducts OHS & Environment focused surveillance targeting a specific time frame, demonstrate management commitment and raise employee awareness,
- Encourage and support safe behaviour through discussions with field workers,
- Ensure that non-operational units gain awareness of the impact of the processes they carry out on the field,
- Increase the speed of reaching a safe environment with action identification and deadline tracking.

Employee Health

Assan Panel offers holistic health support to its employees. Both private health insurance and complementary health insurance are available in our company. Each employee is covered by personal accident insurance with 100% employer contribution. We have a full-fledged health centre with full-time physicians and health officers at our Tuzla location.

We provide ergonomic working conditions to protect the health of our office workers. In this context, we provide laptop risers, ergonomic desks and chairs to make workspaces more comfortable and efficient.

We care not only about the physical health of our employees but also their psychological health. Accordingly, we provide psychological support and mentoring to employees who are new parents, going to military service or returning from military service.

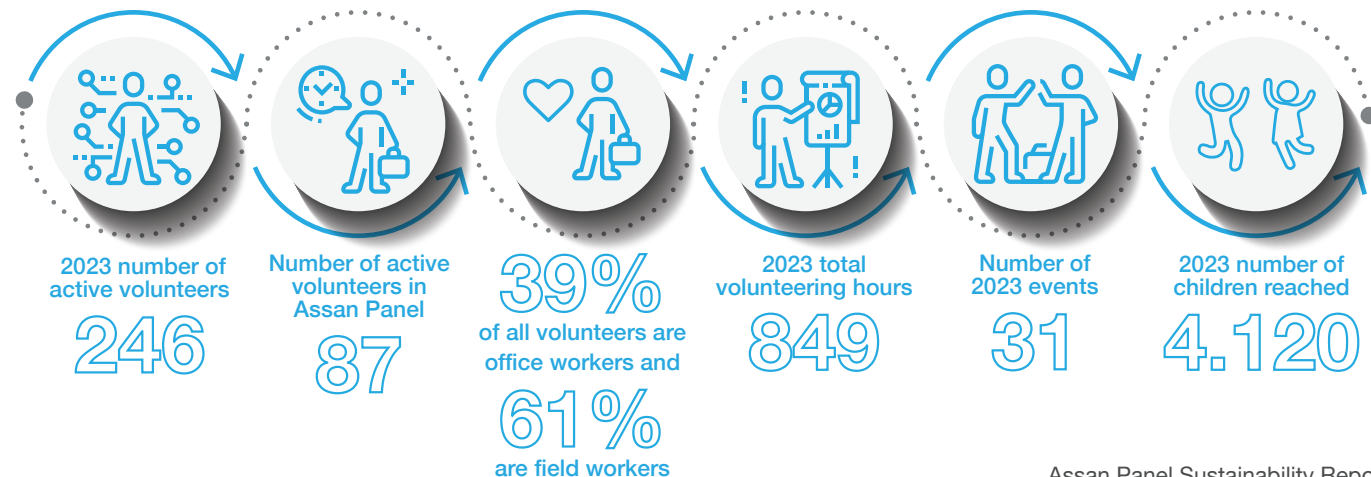
Social Responsibility

As Assan Panel, we continue our activities in 6 different areas: support for disadvantaged schools, company corporate social responsibility projects, volunteer projects, NGO volunteering, skill-based volunteering and in-house volunteering, which we carry out under the roof of “Kibar Volunteers”. To date, more than 8,500 children have been reached with the Kibar Volunteers project, which was implemented by Kibar Group and focuses on “children” and “education”. In 2023, after Tuzla, Izmit, Susurluk and Iskenderun regions, Dilovası region was included in the volunteering activity area and the area of influence was expanded. As Assan Panel, we support these activities with our 87 volunteers.

Our goal in the field of social responsibility is to increase the participation of our employees in social responsibility activities and reach 10,000 disadvantaged children. In 2023, 4,120 disadvantaged children were reached with 650 Kibar Volunteers under the roof of Kibar Holding and 849 hours of volunteering activities were carried out in total.

February 6 Earthquake Aid

Since the first day of the earthquake, Kibar Group has mobilised all its means and supported the earthquake region in cooperation with public and non-governmental organisations. In Iskenderun, a living space consisting of 76 containers and able to accommodate 850 people was established, where all the basic needs of earthquake victims were met. From the first day of the earthquake, aid trucks full of urgent needs were rapidly delivered to the region. In addition, with the in-kind donation campaign initiated within the community, emergency supplies such as blankets, clothes and hygiene products were delivered to the earthquake victims under the coordination of Kibar Volunteers. As Assan Panel, we supported all these efforts.



Digitalization

We act with the aim of integrating innovative technologies into our business processes, making business processes more efficient through digitalisation and increasing our competitiveness. We aim to provide time saving and error-free data exchange by eliminating manual processes, to ensure uninterrupted data exchange in production line industrial devices that were not previously recorded, and to enable advanced analytical inferences by creating large data pools. As a result of these studies, we aim to ensure production continuity at optimum efficiency and capacity thanks to digitalised processes, and material and energy savings by going beyond problematic production. We plan to prevent low quality production, scrap formation in production and chemical waste formation.

At Assan Panel, we manage our digitalisation efforts with a holistic approach and within the framework of a 5-year plan. Within the scope of this plan, we are updating our ERP systems with SAP at all our locations. Our operations in Türkiye are carried out with the latest technology SAP system, which has a high level of reliability and ensures better protection of company assets.

In 2023, direct communication was ensured by eliminating manual data entry between ERP and PLC systems, the expense entry process was digitised through the Axapta ERP system, and real-time monitoring and reporting of PLC data and energy use in our factories was ensured. With these projects, operational efficiency and traceability were increased.

Our digitalisation strategy is moving towards centralisation in line with our geographical expansion strategy.

We are subject to ISO 27001 certification to ensure information security and we undergo independent external audits within the scope of this certificate. We conduct information security risk analyses and eliminate the deficiencies we identify through Corrective and Preventive Actions. We regularly carry out awareness and awareness-raising activities for our employees. In addition to internal audit and audit activities, we are also audited by Assan Bilişim, from which we receive service.

Production Optimisation System Retmes

MMS is our project that enables reporting, controlling and real-time monitoring of PLC data and energy usage in our factories. The project aims to collect the data necessary for the factories to switch to the Production Execution System.

Cutting Unit PLC Integration Project

aims to digitise the manual input of the length and production quantity information entered into the Axapta ERP system from Sales Planning to the HMI screen in the PLC system and to provide direct communication from the ERP and PLC system.

Expense Module Management Project

It is our project that allows the expense entry process to be digitised with a process based on systematic approval and control through the Axapta ERP system instead of manual physical form filling and wet signature approval.

Digitalization highlights:

- We use a PLC-based monitor system that produces uninterrupted data on production lines.
- Our artificial intelligence-supported, camera-based quality control project continues.
- We use Robotic Process Automation so that our employees can spend time on more useful work per unit time. We are reducing manual labour force day by day.
- With the Production Management System projects we initiated together with İspak, we aimed to manage work orders and material flow by collecting instant data from the field, to provide data supply for Overall Equipment Effectiveness (OEE) and analytical studies, and to create an infrastructure for the objects of the industrial internet projects.

Sales Portal

Through the Sales Portal, our dealers can enter their offers and orders into the system themselves, and see their orders and account statements. Thanks to the portal, energy utilisation rates are reduced by ensuring traceability. The portal contributes to the improvement of customer satisfaction by increasing communication with dealers.

Data Analytics

With the data analytics project, we aim to perform data analytics in a user-friendly and fast way, to create automatic warnings with algorithms to be saved in the programme, to detect quality problems at the preliminary stages, to reduce internal failures and to increase productivity. With the project, we plan to invest in a data lake technology that can collect data. The project, which enables data to be collected in a single environment, facilitating data analysis and root cause detection, forms the basis for comprehensive projects involving artificial intelligence and machine learning technologies.

Information Security

In the digital age, uninterrupted and consistent access to data increases the continuity and efficiency of business processes. Preventing possible cyber-attacks, on the other hand, protects information systems and data against threats, prevents security breaches and creates a secure digital environment. For this reason, we carry out projects and studies in the fields of cyber security, system continuity, infrastructure and operational development every year at Assan Panel.

We protect information assets by managing information security risks in a comprehensive and effective manner. We manage information security risks in accordance with ISO 27001 and ISO 31000 standards covering the establishment, implementation, maintenance and continuous improvement of information security management systems. Within the scope of compliance with the Law on the Protection of Personal Data, we approach the processes of classifying, securing and anonymising data when requested with sensitivity.

We implement a systematic process to identify, analyse and assess information security risks, including risk assessment, identification of threats to the confidentiality, integrity and availability of information assets, and analysis of the financial, operational and legal impact of these threats. This process is structured according to the ISO 31000 standard and is regularly updated. We manage the identified risks with appropriate risk handling strategies. We implement various controls to ensure information security in accordance with the ISO 27001 standard.

Our information security performance is regularly monitored and measured. We conduct internal audits to ensure the effectiveness of ISMS and its compliance with standards. We continuously review and improve information security risk management. We organise regular trainings and awareness programmes to increase information security awareness. Assan Panel senior management also provides the necessary resources to ensure the effectiveness of the information security management system, supports the implementation of information security policies and taking the necessary steps to achieve information security targets. It ensures that employees' awareness of information security is raised.

In line with the joint work carried out with the Kibar Holding Risk Department, the information security risk map of the Group companies is determined on an annual basis. Action plans for the relevant risks are prepared and reported at certain intervals. In addition, risk analyses and forms are prepared throughout the Group in accordance with ISO 27001 certification processes. Special studies are planned for items with high risk scores.

Big Data Platform

Within the scope of the Big Data Platform, we have created a platform that will collect and analyse data from machines in a single environment, determine their relationships, identify root causes and take actions to reduce internal failures. In this way, the basic infrastructure of the big data environment required for data analytics studies was established.

Supply Chain Management

Assan Panel works to ensure that its corporate ethics and sustainability approach is widespread in its supply chain. For this reason, it prefers long-term business agreements. In Kibar Holding's joint purchasing structure, suppliers offering high-tech, energy-efficient products and services are preferred, and purchasing activities are carried out through a global supplier network. In our supply chain structure, there is a team that manages resource and production planning, supply planning, shipment and logistics planning and import operation processes. The main supply elements are sheet metal, chemical materials, mineral wool, and the materials that are mainly supplied in the auxiliary products sideband, sponge, protective film, styrofoam and wood materials.

Kibar Holding Purchasing Code of Ethics, which is defined by corporate documents and documents, has been developed in accordance with the United Nations Global Compact.

Kibar Group Purchasing Code of Ethics, which is binding for all suppliers, includes the rules that suppliers must comply with on issues such as corruption, bribery, forced labour, child labour, harassment, remuneration, working hours, discrimination, local community, occupational health and safety, environment, biodiversity, honesty, quality and continuous improvement, information security. In addition, all suppliers are made to sign the Kibar Group Framework Agreement in order to ensure that the Group's sustainability priorities are adopted by the suppliers.

Candidate supplier selection is carried out primarily in accordance with the rules set out in the Group Purchasing procedure. In the selection of the supplier company from the approved supplier list; development, future, stability and continuity, references, reputation and experience, flexibility and support, assurance in terms of quality, financial structure, authorisation certificates such as licence, distributorship, agency, technological competence, partnership structure and other factors required by the relevant business area are taken into consideration.

Audit activities are carried out for candidate suppliers. Audit activities also cover information security risks. Candidate suppliers are evaluated in terms of information security criticality. As a result of these studies, the Group Purchasing Code of Ethics, Framework Agreement and Confidentiality Agreement are shared with the suppliers approved by the Purchasing Manager and Purchasing Management and their compliance with these rules is monitored. Suppliers who complete these processes are registered as approved suppliers.

For procurement items that may affect production, candidate suppliers are ensured to have a preliminary meeting with the relevant company units before being added to the approved supplier list. Quality and Supply Chain departments carry out audits for suppliers that can respond to the needs, or suppliers are requested to fill out a Supplier Evaluation Form. The sample production and testing phase is initiated with the companies that have sufficient points. Suppliers who successfully pass all these processes are included in the approved supplier list.

Assan Panel attaches importance to working with local suppliers in order to support the economic development of the regions where it operates and to create a sustainable supply chain. Local procurement refers to purchases made from suppliers in the countries where the Kibar Group operates.

For 2023, our local supplier ratio was realized as 86%.

Sustainability in the Supply Chain

Purchasing operations at Assan Panel are managed in an integrated manner with Kibar Group. Kibar Group prefers high-tech suppliers that offer energy efficient products and services in order to ensure the adoption of corporate ethics and sustainability principles in the supply chain. The sustainability performance of the Group's extensive supply network is constantly monitored and improved. As Assan Panel, our goal is to disseminate our understanding of sustainability throughout our supply chain and manage our relations with suppliers in accordance with sustainability principles. In 2023, in line with this goal, we developed sustainability management practices in the supply chain and initiated S&OP studies. We carry out our supply chain processes in a transparent and accountable manner.

Supplier Audits

Suppliers are regularly subjected to a supplier risk assessment, which includes environmental and social risks in the performance evaluation. As a result of the assessments, supplier audits and site visits are organised. Within the scope of the audits, suppliers are expected to document full compliance with all legal regulations and their certificates are reviewed accordingly. Supplier audits also cover the compliance of suppliers with the titles included in the Kibar Group Purchasing Code of Ethics and the Kibar Group Framework Agreement. Audits are carried out at different frequencies depending on the risk level of the supplier. High-risk suppliers are subjected to audit processes once a year, medium-risk suppliers once every 2 years and low-risk suppliers once every 3 years.

Supplier audits cover the following topics: Social Performance: Occupational health and safety, human rights, working conditions and social responsibility criteria.

- Environmental Performance: Waste management, energy use, water consumption and impacts on biodiversity.
- Legal Compliance: Compliance with local and international environmental, health and safety regulations.
- Anti-Bribery and Ethics: Compliance with business ethics, corruption and anti-bribery policies.

Supplier performance evaluations include commercial, quality and environmental issues. Environmental impacts in the supply chain are regularly monitored and evaluated. Suppliers that do not comply with environmental standards are given warnings and improvement plans are implemented. In 2023, no supplier who did not comply with environmental standards and whose contract was terminated was reported.

Negative social impacts in the supply chain are evaluated in terms of human rights, working conditions and social criteria. In 2023, there were no suppliers whose non-compliance with social criteria was detected and whose contracts were terminated for this reason.

Following the performance evaluation process, the performance card is shared with suppliers and suppliers are informed about areas open to improvement in order to make the necessary improvements. As of 2023, the total number of suppliers was 6,644. In 2023, 75% (4,983) of our suppliers were subjected to audit processes.

Supplier Sustainability Programme - K-Star

In the K-Star Programme, which is a project with a wide impact area that will ensure that Kibar Group's supplier ecosystem of more than 5,000 suppliers from different sectors and sizes progresses in parallel with the group's sustainability goals, suppliers are regularly provided with sustainability trainings. The programme has been designed by taking into account the wide and diverse supplier network of Kibar Group and sectoral differences. With the trainings, it is aimed to increase the environmental and social sustainability performance of suppliers.

K-Star, whose preliminary studies started in 2022, was commissioned in 2023. With this programme, it is aimed to disseminate the principles and objectives of sustainability within the Kibar ecosystem and to transform responsible purchasing principles into a way of doing business. Training programmes for suppliers include topics such as legal compliance, anti-bribery and corruption, business development, working conditions and the environment. 875 suppliers participated in the training programmes held in 2023. Suppliers received a total of 30,000 hours of training.



The K-Star Supplier Sustainability Programme, which is carried out under the principle of “we encourage our stakeholders”, one of the 6 sustainability principles of the Kibar Group, is the most comprehensive programme ever carried out in terms of supplier scope, sectoral dimensionality and the value chain it touches.

In the project, sustainability is addressed not only in the environmental dimension but also in all its dimensions and integrated into the Group’s extensive supplier ecosystem. In this context, the products and services provided by our suppliers are evaluated in terms of their environmental, social and governance performances.

Key stages of the work carried out in the project:

- Analysing the needs of Kibar Group suppliers within the framework of sustainable purchasing
- Determination of sustainable procurement principles, evaluation criteria, process steps and programme monitoring structure,
- Designing a supplier reward and incentive approach,
- Commissioning, monitoring and evaluation of the programme.

In the project, after the maturity levels and action plans of suppliers are clarified, development plans are created and monitored under the headings of governance, social and environment according to category and sector structures.



ASSAN PANEL SUSTAINABILITY REPORT 2023-REPORTING PRINCIPLES

This reporting principles (the “Reporting Principles”) provides information on the data preparation and reporting methodologies of indicators within the scope of the limited assurance in the Assan Panel Sanayi ve Ticaret A.Ş. (the “Company” or “Assan Panel”) Sustainability Report 2023 (the “Sustainability Report 2023”).

These indicators include social indicators and environmental indicators. It is the responsibility of the Company’s management to ensure that appropriate procedures are in place to prepare the indicators mentioned above in line with, in all material respects, the Principles.

The information included in this principles is for the FY 23 fiscal year ending December 31, 2023 (January 1 - December 31, 2023) and as detailed in the “Key Definitions and Reporting Scope” section comprises only the relevant operations of the Assan Panel that are the responsibility of the Company by excluding information about subcontractors.

General Reporting Principles

In preparing this guidance document, consideration has been given to following principles:

- Information Preparation – to highlight to users of the information the primary principles of relevance and reliability of information; and
- Information Reporting – to highlight the primary principles of comparability / consistency with other data including prior year and understandability / transparency providing clarity to users.

Key Definitions and Reporting Scope

For the purpose of this report, the Company defines:

Type	Indicator	Scope
Social Indicators	Human Resources: Employees	
	Total number of employees	It means the total number of employees working in Assan Panel during the reporting period. Intern employees are not included in the total number of employees.
	Total number of female white-collar employees	It refers to the number of employees classified as female office workers in the total number of employees in Assan Panel during the reporting period.
	Total number of male white-collar employees	It refers to the number of employees classified as male office workers in the total number of employees in Assan Panel during the reporting period.
	Total number of female blue-collar employees	It refers to the number of employees classified as female field workers within thse total number of employees in Assan Panel in the reporting period.
	Total number of male blue-collar employees	It refers to the number of employees classified as male field workers within thse total number of employees in Assan Panel in the reporting period.
	Total number of female employees	It means the number of employees classified as female in the total number of employees in Assan Panel during the reporting period.
	Total number of male employees	It means the number of employees classified as male in the total number of employees in Assan Panel during the reporting period.
	Human Resources: Number of Employees by Age Groups	
	Number of employees under 30 years of age	It means the number of employees who are classified as being under 30 years of age within the total workforce of Assan Panel during the reporting period.
	Number of employees aged 30-50	It means the number of employees who are classified as being between the ages of 30 and 50 within the total workforce of Assan Panel during the reporting period.
	Number of employees aged 50 and over	It means the number of employees who are classified as being 50 years of age or older within the total workforce of Assan Panel during the reporting period.
	Total number of senior managers	
	Number of female managers	It means the number of employees classified as female in managerial positions within the total workforce of Assan Panel during the reporting period.
	Number of male managers	It means the number of employees classified as male in managerial positions within the total workforce of Assan Panel during the reporting period.
	Ratio of Female Managers (%)	It means the proportion of female employees in managerial positions, calculated as a percentage of the total number of managers within Assan Panel during the reporting period.

Type	Indicator	Scope
Social Indicators	Maternity Leave	
	Number of female employees on maternity leave	It means the number of female employees who took maternity leave within the scope of the Regulation on Part-Time Work to Be Done After Maternity Leave or Unpaid Leave.
	Number of male employees on paternity leave	It means the number of male employees who took paternity leave within the scope of Labor Law No. 4857 in the reporting period.
	Number of female employees returning from maternity leave	It means the number of female employees who returned from maternity leave within the scope of the Regulation on Part-Time Work to Be Done After Maternity leave
	Number of male employees returning from paternity leave	It means the number of male employees who returned from paternity leave within the scope of Labor Law No. 4857 in the reporting period.
	Employee Development: Trainings	
	Employee Trainings - Number of Participants (person)	
	Female	It refers to the number of female employees who participated in employee trainings, which were tracked and recorded on the training tracking platform of Assan Panel Human Resources during the reporting period.
	Male	It refers to the number of male employees who participated in employee trainings, which were tracked and recorded on the training tracking platform of Assan Panel Human Resources during the reporting period.
	Employee Trainings - Total Hours (hours)	
	Female	It refers to the total number of training hours attended by female employees who participated in employee trainings, which were tracked and recorded on the training tracking platform of Assan Panel Human Resources during the reporting period.
	Male	It refers to the total number of training hours attended by male employees who participated in employee trainings, which were tracked and recorded on the training tracking platform of Assan Panel Human Resources during the reporting period.
	Number of Employees Participating in Performance Evaluation	
	Female	It refers to the number of female employees who participated in performance evaluations, which were tracked and recorded on the performance evaluation platform of Assan Panel Human Resources during the reporting period.
	Male	It refers to the number of male employees who participated in performance evaluations, which were tracked and recorded on the performance evaluation platform of Assan Panel Human Resources during the reporting period.
	Total	It refers to the total number of employees, including both women and men, who participated in performance evaluations, which were tracked and recorded on the performance evaluation platform of Assan Panel Human Resources during the reporting period.
	Occupational Health & Safety	
	Injury Rate: Direct Employment	
	Female (%)	It is calculated by multiplying the ratio of the total number of accidents involving female employees during the reporting period to the total number of working hours by one million. Injury Rate, Accident Frequency Rate (LTI), and Accident Frequency Rate (KSO) refer to the same thing.
	Male (%)	It is calculated by multiplying the ratio of the total number of accidents involving male employees during the reporting period to the total number of working hours by one million. Injury Rate, Accident Frequency Rate (LTI), and Accident Frequency Rate (KSO) refer to the same thing.
	Accident Severity Ratio: Direct Employment	
	Female (%)	Represents the total number of days lost due to occupational accidents involving directly employed female employees during the reporting period, calculated as a percentage of total working time.
	Male (%)	Represents the total number of days lost due to occupational accidents involving directly employed male employees during the reporting period, calculated as a percentage of total working time.

Type	Indicator	Scope
Social Indicators	Occupational Disease Rate: Direct Employment	
	Female	It means the ratio found by multiplying the ratio of the number of directly employed female employees who fall under the definition of "occupational disease" within the scope of the Occupational Health and Safety Law No. 6331 to the total working time during the reporting period, by the value of a thousand.
	Male	It means the ratio found by multiplying the ratio of the number of directly employed male employees who fall under the definition of "occupational disease" within the scope of the Occupational Health and Safety Law No. 6331 to the total working time during the reporting period, by the value of a thousand.
	Occupational Disease Rate: Direct Employment	
	Female	It means the ratio found by multiplying the ratio of the number of contractor company-employed female employees who fall under the definition of "occupational disease" within the scope of the Occupational Health and Safety Law No. 6331 to the total working time during the reporting period, by the value of a thousand.
	Male	It means the ratio found by multiplying the ratio of the number of contractor company-employed male employees who fall under the definition of "occupational disease" within the scope of the Occupational Health and Safety Law No. 6331 to the total working time during the reporting period, by the value of a thousand.
	Number of Work-Related Deaths: Direct Employment	
	Female	It refers to the number of directly employed female employees during the reporting period who fall under the definition of "death work accident" within the scope of the Occupational Health and Safety Law No. 6331.
	Male	It refers to the number of directly employed male employees during the reporting period who fall under the definition of "death work accident" within the scope of the Occupational Health and Safety Law No. 6331.
	Number of Work-Related Deaths: Contractor Company Employee	
	Female	It refers to the number of female employees employed by contractor companies during the reporting period who fall under the definition of "death work accident" within the scope of the Occupational Health and Safety Law No. 6331.
	Male	It refers to the number of male employees employed by contractor companies during the reporting period who fall under the definition of "death work accident" within the scope of the Occupational Health and Safety Law No. 6331.
	Occupational Health and Safety Trainings	
	Total number of employees participating in OHS trainings	It refers to the total number of directly employed employees, who participated in OHS Trainings and were followed and recorded on the training tracking platform of Assan Panel Human Resources during the reporting period.
	Total number of contractor employees attending OHS trainings	It refers to the total number of contractor company employees who participated in OHS Trainings and were tracked and recorded on the training tracking platform of Assan Panel Human Resources during the reporting period.
	Total hours of OHS training provided to employees	It refers to the total hours of training given to the total number of directly employed employees who participated in OHS Trainings, followed and recorded on the training tracking platform of Assan Panel Human Resources during the reporting period.
	Total hours of OHS training given to contractor employees	It refers to the total hours of training provided to contractor company employees who participated in OHS Trainings, followed and recorded on the training tracking platform of Assan Panel Human Resources during the reporting period.
	Occupational Health and Safety Management	
	Number of OHS committees established	It refers to the number of Occupational Health and Safety Committees formed by Assan Panel in the reporting period, in accordance with the Regulation on Occupational Health and Safety Committees No. 28532, to work on issues related to occupational health and safety at work.
	Total Number of Members in Board OHS Committees	It refers to the total number of members in board of the Occupational Health and Safety Committee, which was formed by Assan Panel to work on occupational health and safety issues in the workplace in accordance with the Regulation on Occupational Health and Safety Boards No. 28532.
	Number of Employee Representatives in Board OHS Committees	It refers to the number of employee representatives in board of the Occupational Health and Safety Committee, which was formed by Assan Panel to work on occupational health and safety issues in the workplace in accordance with the Regulation on Occupational Health and Safety Boards No. 28532.

Type	Indicator	Scope
Environmental Indicators	Energy Consumption	
	Direct Energy Consumption (GJ)	
	Natural Gas	It means the total amount of natural gas purchased during the reporting period and used in heating, kitchen and other operations requiring natural gas in the relevant locations. It is reported in gigajoule (GJ).
	Diesel	It means the total amount of diesel fuel purchased during the reporting period and used at the relevant locations for generator fuel, forklift fuel and vehicles belonging to the Company. It is reported in gigajoule (GJ).
	Gasoline	It means the total amount of gasoline type fuel purchased during the reporting period and used in the vehicles belonging to the Company at the relevant locations. It is reported in gigajoule (GJ).
	Total Direct Energy Consumption	It refers to the total amount of direct energy consumption from all sources, including natural gas, diesel, gasoline, and other fuels, used at the relevant locations during the reporting period. It is reported in gigajoule (GJ).
	Indirect Energy Consumption (GJ)	
	Electricity	It means the total amount of electricity purchased during the reporting period and used in air conditioning, lighting, electrical appliances and other operations requiring electricity. It is reported in gigajoule (GJ).
	Total Energy Consumption	
	Total Energy Consumption (GJ)	It means the sum of the Total Direct Energy Consumption and the Total Indirect Energy Consumption consumed by the Company during the reporting period.
	Emissions	
	Scope 1 emissions (tonnes CO ₂ e)	It means greenhouse gas emissions due to Total Direct Energy Consumption at the relevant locations of the Company during the reporting period. The company calculates its Scope-1 emissions in accordance with the standard “TS EN ISO 14064-1:2018 Greenhouse Gases-Part 1: Guidance and Specifications for the Establishment Level Calculation and Reporting of Greenhouse Gas Emissions and Removal”.
	Scope 2 emissions (tonnes CO ₂ e)	It refers to the greenhouse gas emissions resulting from the Company's Total Indirect Energy Consumption at the relevant locations during the reporting period. The Company calculates its Scope-2 emissions in accordance with the standard “TS EN ISO 14064-1:2018 Greenhouse Gases-Part 1: Guidance and Specifications for the Establishment Level Calculation and Reporting of Greenhouse Gas Emissions and Removals.”
	Scope 3 emissions (tonnes CO ₂ e)	It means the greenhouse gas emissions arising from the air travel and personnel shuttle services of the Company employees for business purposes during the reporting period.
	Water Management	
	Amount of municipal water consumed (m ³)	It refers to the total municipal consumption used by the Company at the relevant locations during the reporting period. It is reported in m3.
	Total Water Consumption (m ³)	It refers to the total water consumption (municipal water and well water) used by the Company at the relevant locations during the reporting period.
	Waste Management	
	Total amount of hazardous wastes (tonnes)	It refers to the amount of hazardous waste generated by the Company, which is tracked by the MOTAT (Mobile Waste Tracking System) available on the Ministry of Environment portal (Integrated Environmental Information System) during the reporting period.
	Recovery (tonnes)	It refers to the amount of waste, hazardous, that is recovered at the Company's relevant locations during the reporting period. The data is tracked and reported through the MOTAT (Mobile Waste Tracking System) available on the Ministry of Environment portal (Integrated Environmental Information System).
	Other (tonnes)	In the reporting period, it refers to the amount of hazardous waste that is tracked by the MOTAT (Mobile Waste Tracking System) available on the Ministry of Environment portal (Integrated Environmental Information System), and that processes other than energy recovery, recycling, landfill and waste incineration are generated by the Company.
	Total amount of non-hazardous wastes (tonnes)	It refers to the amount of hazardous waste generated by the Company and sent for recycling, followed by the MOTAT (Mobile Waste Tracking System) available on the Ministry of Environment portal (Integrated Environmental Information System) during the reporting period.
	Recovery (tonnes)	It refers to the amount of non-hazardous waste generated by the Company and sent for recycling, followed by the MOTAT (Mobile Waste Tracking System) available on the Ministry of Environment portal (Integrated Environmental Information System) during the reporting period.
	Other (tonnes)	In the reporting period, it refers to the amount of non-hazardous waste that is tracked by the MOTAT (Mobile Waste Tracking System) available on the Ministry of Environment portal (Integrated Environmental Information System), and that processes other than energy recovery, recycling, landfill and waste incineration are generated by the Company.
	Total Waste (tonnes)	It refers to the total amount of hazardous waste and non-hazardous waste generated by the Company during the reporting period.
	Waste Recovery (tonnes)	It refers to the total amount of hazardous and non-hazardous waste recovered at the Company's locations during the reporting period. The data is tracked and recorded through the MOTAT (Mobile Waste Tracking System) available on the Ministry of Environment portal (Integrated Environmental Information System).
	Waste Recovery (%)	It refer to the ratio of the total amount of hazardous and non-hazardous waste recovered in the locations where the operations of the Company were realized during the reporting period to the total amount of waste. It is reported as %.

Data Preparation

Social Indicators

Distribution of Female Executives

In the reporting period, the ratio of the number of female employees and the ratio of the number of female employees with the titles of “CEO, CFO, Vice President, General Manager, Assistant General Manager, Director, Consultant and Manager”, which

Company defines as “senior level”, to the total number of employees with these titles is calculated according to the formula below:

- Ratio of Female Senior Executives (%) = Number of Female Senior Executives/Total Number of Senior Executives

Occupational Health and Safety Data

- The number of accidents and fatalities are tracked by Company breakdown and direct employment & contractor classification through tables listing Social Security Institution notifications.
- No occupational disease was encountered during the relevant period.
- There were no fatal accidents during the relevant period.
- The following definitions and formulas are used in the calculation of occupational health and safety indicators.

Formulas:

Injury Rate = Number of Lost Time Accidents (3 Day and Over Accidents)*1,000,000/Total Hours Worked (including overtime)

Accident Severity Rate (ASR) = Total Number of Days Lost in Accidents*1,000/Total Hours Worked (including overtime) ASR = LDR (due to lack of occupational disease)

Total Number of Days Lost in Accidents*1,000/Total Hours Worked (including overtime)

Working hours are calculated based on the payroll, which is an official document periodically prepared by the employer every month, recording the wages paid by the Company to employees along with all applicable taxes and deductions. Overtime, short-time working allowance, paid and unpaid leave, paid and unpaid rest, annual leave, marriage leave, paid and unpaid maternity/paternity leave hours are not included in the total working hours.

The total number of accidents with lost working days includes accidents resulting in 3 or more lost working days, in reference to the International Labour Organization (ILO).

Environmental Indicators

Water Consumption

It refers to the total mains water consumption.

Waste Recovery (%)

The Recycled/Recovered Waste Ratio corresponds to the amount of recycled/recovered hazardous and non-hazardous waste within the total waste generated and is calculated using the following formula:

- Recycled/Recovered Waste Ratio (%) = Amount of Recycled/Recovered Waste (ton) / Total Waste Amount (ton)

Direct Energy Consumption by Fuel Type

Natural Gas

The natural gas supply unit is invoiced in “m3” and the natural gas activity data is converted into gigajoule (GJ) units. The following formula is used for conversion. The monthly average “Net Calorific Value (NKD)-Lower calorific value” data is obtained in terms of “kcal/m3” and from the natural gas distribution companies that supply natural gas and the general directorates of the relevant organized industrial zone.

[Activity Data (m3)*NKD (kcal/m3)*4184 (joules/kcal)*0.000000001 (GJ/joules)]

Diesel

The diesel supply unit is invoiced in terms of “tons” and “liters”. The following formula is used in the conversion of diesel oil activity data in “tons” to gigajoules (GJ). The NKD value is taken from the “2006 IPCC Guidelines for National Greenhouse Gas Inventories/Volume 2 Energy/Chapter 1 Introduction”.

$$[\text{Activity Data(ton)} \times 0.001(\text{Gg/ton}) \times \text{NKD(TJ/Gg)} \times 1000(\text{GJ/TJ})]$$

The following formula is used in the conversion of diesel fuel activity data in “liters” into gigajoules (GJ). Annual average “density” value in “kg/liter” is taken from the company that supplies diesel oil. The NKD value is taken from the “2006 IPCC Guidelines for National Greenhouse Gas Inventories/Volume 2 Energy/Chapter 1 Introduction”.

$$[\text{Activity Data (liter)} \times \text{Density(kg/liter)} \times 0.000001 (\text{Gg/kg}) \times \text{NKD(TJ/Gg)} \times 1000(\text{GJ/TJ})]$$

Gasoline

Gasoline supply unit is invoiced in “liter” and the following formula is used in converting gasoline activity data to gigajoule (GJ). The annual average “density” value in “kg/liter” is taken from the company that supplies gasoline. The NKD value is taken from the “2006 IPCC Guidelines for National Greenhouse Gas Inventories/Volume 2 Energy/Chapter 1 Introduction”.

$$[\text{Activity Data (liter)} \times \text{Density(kg/liter)} \times 0.000001 (\text{Gg/kg}) \times \text{NKD(TJ/Gg)} \times 1000(\text{GJ/TJ})]$$

Indirect Energy Consumption

The amount of electrical energy is reported as “kWh” and the conversion factor of “1 kWh electricity=0.0036 GJ” of the International Energy Agency is used in its conversion to “GJ” unit.

Greenhouse Gas Emissions (Scope 1, Scope 2 and Scope 3 Emissions)

Scope-1 Emissions

- Among the energy consumption sources for Assan Panel, natural gas, diesel, and gasoline are reported as primary fuel sources. The data is obtained through the meter readings, invoices, receipts, and vehicle identification system breakdowns provided by service providers.

- Diesel consumption for generators and fire pumps is obtained from the invoices of service providers. Gasoline and diesel consumption for company vehicles is derived from the invoices issued by the vehicle identification service provider.

- The following formula is used to calculate emissions (Scope 1) from direct fuel combustion:

$$[\text{Fuel Emission (Efuel)} = \text{Activity Data (FV)} \times \text{Emission Factor (EF)} \times \text{Oxidation Factor (YF)}]$$

- Scope 1 emissions are calculated with reference to the “2006 IPCC Guidelines for National Greenhouse Gas Inventories/Volume 2 Energy/Chapter 2 Stationary Combustion.”

- For all Scope 1 emissions calculations (natural gas, diesel), the oxidation factor has been applied with reference to the “Communiqué on Monitoring and Reporting of Greenhouse Gas Emissions.”

Scope-2 Emissions

- Electricity consumption data for Assan Panel is reported as the total electricity consumption of the company’s locations. The data is obtained through the company’s monthly breakdown tracking and invoice statements provided by location-based electricity distribution companies.

- Scope-2 emissions have been calculated based on the Monthly Electricity Production-Consumption Reports of 2022 published by Turkish Electricity Transmission A.Ş. (TEİAŞ, <https://www.teias.gov.tr/tr-TR/aylik-elektrik-uretim-tuketim-raporlari>) and the “IPCC Climate Change 2014 Mitigation of Climate Change-Chapter 7 Energy Systems.”

Scope-3 Emissions

Scope-3 emissions cover the data of the flights and personnel services made by company employees for Assan Panel. The data is obtained by companies, detailed flight logs and itineraries of personnel services. Scope 3 emissions are calculated with reference to UK DEFRA 2021 Emission Factors.

Restatement

The measuring and reporting of sustainability-related data inevitably involves a degree of estimation. Restatements are considered where there is a change in the data of greater than 5 percent at the Company level.

GRI Services for Content Index - Essentials Service reviewed that the GRI content index is presented in a manner consistent with the reporting requirements of the GRI Standards and that the information in the index is clearly presented and accessible to stakeholders. The service was performed on the Turkish version of the report.

GRI CONTENT INDEX

Declaration of Use	Assan Panel has prepared its report covering the period January 1, 2023 - December 31, 2023 in accordance with GRI Standards.				
GRI 1 Use	GRI: Basic 2021				
GRI Sector Standard	/				
GRI STANDARD / OTHER SOURCE	EXPLANATION	SECTION	EXCLUDED		
			Excluded Requirements	Reason	Description
General Explanations					
GRI 2: General Disclosures 2021	2-1 Details of the organisation	About Kibar Holding, page: 6 About Assan Panel, page: 7			
	2-2 Organisations included in sustainability reporting	About the Presentation and Report, page: 3			
	2-3 Reporting period, frequency and contact information	About the Presentation and Report, page: 3			
	2-4 Restatement of information	GRI Content Index: There is no restated information in the report.			
	2-5 External audit	GRI Content Index: No external audit received			
	2-6 Activities, value chain and other business relationships	About Assan Panel, page: 7			
	2-7 Employees	Employee Demographics, page: 41			
	2-8 Non-employee workers	GRI Content Index: Work such as cleaning, security and catering, which are not our core activities, are carried out through subcontracted employees. At the end of 2023, the number of subcontracted employees was 35.			
	2-9 Management structure and composition	Corporate Governance, page: 12-16			
	2-10 Nomination and election of the highest governance body	Corporate Governance, page: 12-16			
	2-11 Chairperson of the highest governance body	Corporate Governance, page: 12-16			
	2-12 Role of the highest governance body in overseeing the management of impacts	Sustainability Management, page: 18-20			
	2-13 Delegation of responsibility for managing impacts	Sustainability Management, page: 18-20			
	2-14 Role of the highest governance body in sustainability reporting	Sustainability Management, page: 18-20			
	2-15 Conflict of interest	Business Ethics, page: 14			
	2-16 Communication of critical concerns	Introduction and About the Report, page: 3; Business Ethics, page: 14			
	2-17 Collective knowledge of the highest governance body	Sustainability Management, page: 18-20			
	2-18 Evaluation of the performance of the highest governance body	Corporate Governance, page: 12-16			
	2-19 Remuneration policies	Kibar Holding 2023 Sustainability Report, Remuneration Policy, page: 72			
	2-20 Wage determination process	Kibar Holding 2023 Sustainability Report, Remuneration Policy, page: 72			
	2-21 Annual total remuneration rate	GRI İçerik İndeksi: Assan Panel rekabet nedeniyle ücret açıklamamaktadır.	2-21 a; 2-21 b; 2-21 c	Privacy restrictions	The Company’s remuneration rates are considered as confidential and sensitive information due to the competition in the market; therefore, they are not disclosed.
	2-22 Statement on sustainable development strategy	CEO Message, page: 4; Our Sustainable Development Strategy and Future Vision: Vision 2025 page: 21-22			

GRI CONTENT INDEX					
Declaration of Use	Assan Panel has prepared its report covering the period January 1, 2023 - December 31, 2023 in accordance with GRI Standards.				
GRI 1 Use	GRI: Basic 2021				
GRI Sector Standard	/				
GRI STANDARD / OTHER SOURCE	EXPLANATION	SECTION	EXCLUDED		
			Excluded Requirements	Reason	Description
General Explanations					
GRI 2: General Disclosures 2021	2-23 Policy commitments	Initiatives We Support, page: 26			
	2-24 Embedding policy commitments	Sustainability Management, page: 19			
	2-25 Processes to remediate negative impacts	Our Sustainable Development Strategy and Future Vision: Vision 2025 page: 21-22			
	2-26 Mechanisms for seeking advice and raising concerns	Introduction and About the Report, page: 3; Business Ethics, page: 14			
	2-27 Compliance with laws and regulations	Internal Audit and Control, page: 14; Business Ethics, page: 14			
	2-28 Memberships	Organisations we are a member of, page: 26			
	2-29 Stakeholder engagement approach	Communication with Our Stakeholders, page: 24-25			
	2-30 Collective Labour Agreements	There is no signed collective labour agreement in the Kibar Group.			
Priority Issues					
GRI 3: Priority Issues 2021	3-1 Process of identifying priority issues	Sustainability at Assan Panel, pages: 18-19			
	3-2 Priority issue list	Our Sustainability Strategy: Vision 2025, page: 23			
Customer Satisfaction					
GRI 3: Priority Issues 2021	3-3 Management of the priority issue	Customer Satisfaction, page: 28			
Ürün Kalitesi ve Güvenliği					
GRI 3: Priority Issues 2021	3-3 Management of the priority issue	Product Quality and Safety, page: 33-34			
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of categories of products and services	Product Quality and Safety, page: 33-34			
	416-2 Violations of legal regulations and voluntary principles and codes for the health and safety effects of products and services	GRI Content Index: No such non-compliance was experienced during the reporting period.			
R&D and Innovation					
GRI 3: Priority Issues 2021	3-3 Management of the priority issue	R&D and Innovation, page: 35-36			
Environmentally Friendly Products					
GRI 3: Priority Issues 2021	3-3 Management of the priority issue	Environmental Products, page: 31-32			
Waste Management					
GRI 3: Priority Issues 2021	3-3 Management of the priority issue	Waste Management, page: 40			
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related effects	Waste Management, page: 40			
	306-2 Management of significant waste-related impacts	Waste Management, page: 40			
	306-3 Waste produced	Performance Tables, page: 63			
	306-4 Waste diverted (recycled) from disposal	Performance Tables, page: 63			
	306-5 Waste diverted to disposal	Performance Tables, page: 63			

GRI CONTENT INDEX					
Declaration of Use	Assan Panel has prepared its report covering the period January 1, 2023 - December 31, 2023 in accordance with GRI Standards.				
GRI 1 Use	GRI: Basic 2021				
GRI Sector Standard	/				
GRI STANDARD / OTHER SOURCE	EXPLANATION	SECTION	EXCLUDED		
			Excluded Requirements	Reason	Description
Energy and Emissions Management					
GRI 3: Priority Issues 2021	3-3 Management of the priority issue	Energy and Emission Management, page: 38			
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	Performance Tables, page: 64			
	302-3 Energy density	Performance Tables, page: 64			
	302-4 Reduction of Energy Consumption	Energy and Emission Management, page: 38			
GRI 305: Emissions 2016	305-1 Direct (Scope 1) greenhouse gas emissions	Performance Tables, page: 64			
	305-2 Indirect (Scope 2) greenhouse gas emissions	Performance Tables, page: 64			
	305-3 Other (Scope 3) greenhouse gas emissions	Performance Tables, page: 64			
	305-4 Greenhouse gas intensity	Performance Tables, page: 64			
	305-5 Reduction of greenhouse gas emissions	Energy and Emissions Management, page: 38			
Water Management					
GRI 3: Priority Issues 2021	3-3 Management of the priority issue	Water Management, page: 37-38			
GRI 303: Water and Wastewater 2018	303-1 Interactions with water as a shared resource	Water Management, page: 37-38			
	303-2 Management of impacts related to water discharge	Water Management, page: 37-38			
	303-3 Water withdrawal	Water Management, page: 37-38			
	303-5 Total water consumption	Water Management, page: 37-38			
Occupational Health and Safety					
GRI 3: Priority Issues 2021	3-3 Management of the priority issue	Occupational Health and Safety, page: 43-44			
GRI 403: Occupational Health and Safety 2018	403-1 Occupational Health and Safety Management System	Occupational Health and Safety, page: 43-44			
	403-2 Hazard identification, risk assessment and incident investigation	Occupational Health and Safety, page: 43-44			
	403-3 Occupational health services	Occupational Health and Safety, page: 43-44			
	403-4 Worker participation, consultation and communication on occupational health and safety	Occupational Health and Safety, page: 43-44			

GRI CONTENT INDEX					
Declaration of Use	Assan Panel has prepared its report covering the period January 1, 2023 - December 31, 2023 in accordance with GRI Standards.				
GRI 1 Use	GRI: Basic 2021				
GRI Sector Standard	/				
GRI STANDARD / OTHER SOURCE	EXPLANATION	SECTION	EXCLUDED		
			Excluded Requirements	Reason	Description
Occupational Health and Safety					
GRI 403: Occupational Health and Safety 2018	403-5 OHS Trainings provided to employees	Occupational Health and Safety, page: 43-44; Performance Tables, page: 62			
	403-6 Promotion of workers" health	Occupational Health and Safety, page: 43-44			
	403-7 Prevention and mitigation of occupational health and safety impacts directly related to labour relations	Occupational Health and Safety, page: 43-44			
	403-8 Workers covered by the occupational health and safety management system	Occupational Health and Safety, page: 43-44			
	403-9 Work-related injuries	Occupational Health and Safety, page: 43-44; Performance Tables, page: 62			
	403-10 Work-related diseases	Occupational Health and Safety, page: 43-44; Performance Tables, page: 62			
Employee Development and Satisfaction					
GRI 3: Priority Issues 2021	3-3 Management of the priority issue	Employee Experience and Satisfaction, page: 43			
GRI 404: Education and Training 2016	404-1 Annual Training Hours per Employee	Performance Tables, page: 55			
	404-2 Talent management and lifelong learning programmes	Talent Management, page: 42			
	404-3 Percentage of employees receiving regular performance and career development reviews	Performance Management, page: 43			
Gender and Equal Opportunity					
GRI 3: Priority Issues 2021	3-3 Management of the priority issue	Gender and Equal Opportunity, page: 41			
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Employee Demographics, page: 41			
	405-2 Ratio of basic salaries and wages for men and women	GRI Content Index: Equal remuneration policy is applied. Different dynamics such as competences and seniority are taken into consideration while conducting salary studies of employees and candidates.			
Toplumsal Sorumluluk					
GRI 3: Priority Issues 2021	3-3 Management of the priority issue	Social Responsibility, page: 45			

GRI CONTENT INDEX					
Declaration of Use	Assan Panel has prepared its report covering the period January 1, 2023 - December 31, 2023 in accordance with GRI Standards.				
GRI 1 Use	GRI: Basic 2021				
GRI Sector Standard	/				
GRI STANDARD / OTHER SOURCE	EXPLANATION	SECTION	EXCLUDED		
			Excluded Requirements	Reason	Description
Supply Chain Management					
GRI 3: Priority Issues 2021	3-3 Management of the priority issue	Supply Chain Management, page: 47-48			
GRI 204: Procurement Practices 2016	204-1 Proportion of expenditure on local suppliers	Performance Tables, page: 62			
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers screened using environmental criteria	Supply Chain Management, page: 47-48			
	308-2 Adverse environmental impacts in the supply chain and measures taken	Supply Chain Management, page: 47-48			
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers screened using social criteria	Supply Chain Management, page: 47-48			
	414-2 Negative social impacts in the supply chain and measures taken	Supply Chain Management, page: 47-48			
Digitalization					
GRI 3: Priority Issues 2021	3-3 Management of the priority issue	Digitalization, page: 46			
Business Ethics					
GRI 3: Priority Issues 2021	3-3 Management of the priority issue	Business Ethics, page: 14			
Corporate Governance					
GRI 3: Priority Issues 2021	3-3 Management of the priority issue	Corporate Governance, page: 12			
Business Continuity					
GRI 3: Priority Issues 2021	3-3 Management of the priority issue	Business Continuity and Emergency Preparedness, page: 16			

PERFORMANCE INDICATORS

Employee Demographics	2021	2022	2023	
Employees				
Total number of employees	194	204	242	✓
Total number of female white-collar employees	31	28	38	✓
Total number of male white-collar employees	38	43	54	✓
Total number of female blue-collar employees	0	1	6	✓
Total number of male blue-collar employees	125	132	144	✓
Total number of female employees	31	29	44	✓
Total number of male employees	163	175	198	✓
Number of employees by age groups				
Number of employees under 30 years of age	18	25	46	✓
Number of employees aged 30-50	160	163	186	✓
Number of employees aged 50 and over	16	16	10	✓
Total number of senior managers				
Number of female managers	4	2	3	✓
Number of male managers	14	13	17	✓
Ratio of female managers (%)	28.6%	15.38%	15.00%	✓
Maternity Leave				
Number of female employees on maternity leave	0	1	0	✓
Number of male employees on paternity leave	9	6	7	✓
Number of female employees returning from maternity leave	0	0	0	✓
Number of male employees returning from paternity leave	9	6	6	✓

Employee Development	2021	2022	2023	
Trainings				
Employee Trainings - Number of Participants (person)	6.108	642	2.238	
Blue Collar	4.449	299	1.116	
White Collar	1.659	343	1.122	
Female	766	134	571	✓
Male	5.342	508	1.667	✓
Total	6.108	642	2.238	
Employee Trainings - Total Hours (hours)	10.248	3.274	7.998	
Blue Collar	6.605	2.125	3.925	
White Collar	3.643	1.149	4.073	
Female	1.813	465	2.183	✓
Male	8.435	2.809	5.814	✓
Total	10.248	3.274	7.998	
Training Hours per Person	468.31	274.02	3,6	
Number of Employees Participating in Performance Evaluation				
Female	32	30	36	✓
Male	43	49	46	✓
Blue Collar	0	0	0	
White Collar	75	79	82	
Total	75	79	82	

*The data in the field Employee trainings - Number of participants (person) are not reported on the basis of individual persons. Each training*person is calculated as duplicate persons.






Occupational Health and Safety				
Injury Rate	2021	2022	2023	
Direct Employment				
Female	0.00	0.00	0.00	✓
Male	14.35	9.04	15.93	✓
Accident Severity Ratio				
Direct Employment				
Female	0.00	0.00	0.00	✓
Male	0.30	0.02	0.38	✓
Occupational Disease Rate				
Direct Employment				
Female	0	0	0	✓
Male	0	0	0	✓
Contractor Company Employee				
Female	0	0	0	✓
Male	0	0	0	✓
Number of Work-Related Deaths				
Direct Employment				
Female	0	0	0	✓
Male	0	0	0	✓
Contractor Company Employee				
Female	0	0	0	✓
Male	0	0	0	✓

Occupational Health and Safety Trainings	2021	2022	2023	
Total number of employees participating in OHS trainings	429	34	590	✓
Total number of contractor employees attending OHS trainings	75	79	283	✓
Total hours of OHS training provided to employees	4,122	528	5,177	✓
Total hours of OHS training given to contractor employees	37.5	37.0	245	✓

Occupational Health and Safety Management	2021	2022	2023	
Number of OHS Committees Established	1	5	1	✓
Total Number of Members in Board OHS Committees	12	8	10	✓
Number of Employee Representatives in Board OHS Committees	3	1	3	✓

Supply Chain Management	2021	2022	2023	
Number of Suppliers	1,746	1,946	6,644	
Local Supplier Ratio (%)	97.8	97.4	86	

✓ Confirmed by the 2023 Limited Assurance Report.

Environmental Performance Indicators			
	2021	2022	2023
Total Amount of hazardous wastes (tonnes)	546	481	881 
Energy recovery	1	0	0
Recovery	545	480	881
Rate of recovery	%100.0	%99.7	%100.0
Waste collection site	0	1	0
Waste Incineration	0	0	0
Other	0	0	0
Total Amount of non-hazardous wastes (tonnes)	1,859	1,684	1,727 
Energy recovery	10	0	0
Recovery	1,847	1,683	1,726
Rate of recovery	%99.9	%99.9	%99.9
Waste collection site	1	1	0
Waste Incineration	0	0	0
Other	0	0	0
Total Waste (tonnes)	2,405	2,165	2,608 
Waste density (tonnes/m²)	0.37	0.33	0.28
Waste Recovery (tonnes)	2,404	2,162	2,607 
Waste Recovery (%)	%100	%100	%100 

Combating Climate Change	2021	2022	2023
Direct Energy Consumption (GJ)			
Natural Gas	16,361	26,431	18,850 ✓
Diesel	1,955	2,455	2,768 ✓
Gasoline	1,211	1,455	1,447 ✓
Total Direct Energy Consumption	19,527	30,340	23,065 ✓
Indirect Energy Consumption (GJ)			
Electricity	14,925	13,397	17,125 ✓
Total Energy Consumption			
Total Energy Consumption (GJ)	34,452	43,737	40,191 ✓
Energy Density (GJ/m ²)	5.37	6.65	4.26
Renewable Energy Production			
Renewable Energy Production (GJ)	0	0	0
Emissions			
Scope 1 Emissions (tonnes CO ₂ e)	1,147	1,766	1,363 ✓
Scope 2 Emissions (tonnes CO ₂ e)	1,966	1,708	2,198 ✓
Scope 3 Emissions (tonnes CO ₂ e)	125	124	144 ✓
Greenhouse Gas (GHG) Emission Intensity (tonnes CO ₂ e/m ²)	0.50	0.55	0.39
Environmental Trainings (hours)			
Environmental Training Provided to Group Employees	406	208	1,103
Environmental Training Given to Contractor Personnel	37.5	78.5	106
Water Management (m ³)			
Amount of Well Water Consumed (m ³)	0	0	0
Amount of Municipal Water Consumed (m ³)	2,960	9,029	4,120 ✓
Total Water Consumption (m ³)	2,960	9,029	4,120 ✓
Water Density (m ³ /ton)	0.46	1.37	0.44

✓ Confirmed by the 2023 Limited Assurance Report.


DECLARATION OF ASSURANCE



Independent Limited Assurance Report to the Board of Directors of Assan Panel Sanayi ve Ticaret A.Ş.

We have been engaged by the Board of Directors of Assan Panel Sanayi ve Ticaret A.Ş. (the "Company" or "Assan Panel") to perform a limited assurance engagement in respect of the Selected Sustainability Information (the "Selected Information") stated in the Assan Panel Sustainability Report 2023 (the "Sustainability Report 2023") for the year ended 31 December 2023 and listed below.

Selected Information

The scope of the Selected Information for the year ended 31 December 2023, which is subject to our limited assurance work, set out in the pages 61, 62, 63, 64 and 65 of the Sustainability Report 2023 with the sign  is summarized below:

Social Indicators

Human Resources

- Total number of employees (#)
- Number of employees by gender (#)
- Total number of white-collar employees by gender (#)
- Total number of blue-collar employees by gender (#)
- Number of employees by age groups (#)
- Number of senior managers by gender (#)
- Ratio of female managers (%)
- Number of employees on maternity/paternity leave by gender (#)
- Number of employees returning from maternity/paternity leave by gender (#)

Training

- Employee Trainings - Number of Participants by gender (person)
- Employee Trainings - Total Hours by gender (hours)

Employee Under Performance Review

- Number of employees participating in performance evaluation by gender



Occupational Health & Safety

- Injury rate by gender (%) (direct employment)
- Accident severity ratio by gender (%) (direct employment)
- Occupational disease rate by gender (%) (direct employment)
- Occupational disease rate by gender (%) (contractor company employee)
- Number of work-related deaths by gender (#) (direct employment)
- Number of work-related deaths by gender (#) (contractor company employee)
- Total number of employees participating in OHS trainings (#)
- Total number of contractor employees attending OHS trainings (#)
- Total hours of OHS training provided to employees (hours)
- Total hours of OHS training given to contractor employees (hours)
- Number of OHS committees established (#)
- Total number of members in Board OHS committees (#)
- Number of Employee representatives in Board OHS committees (#)

Environmental Indicators

Energy Consumption

Direct Energy Consumptions

- Natural Gas (GJ)
- Diesel (GJ)
- Gasoline (GJ)
- Total direct energy consumption (GJ)

Indirect Energy Consumption

- Electricity (GJ)

Total Energy Consumption

- Total energy consumption (GJ)

Emissions

- Scope 1 emissions (tonnes CO₂e)
- Scope 2 emissions (tonnes CO₂e)
- Scope 3 emissions (tonnes CO₂e)




Water Management

- Amount of municipal water consumed (m³)
- Total water consumption (m³)

Waste Management

- Total amount of hazardous wastes (tonnes)
- Total amount of non-hazardous wastes (tonnes)
- Total waste (tonnes)
- Waste Recovery (tonnes)
- Waste Recovery (%)

Our assurance was with respect to the year ended 31 December 2023 information only and we have not performed any procedures with respect to earlier periods or any information other than Selected Information marked with  in the Sustainability Report 2023 and, any other elements included in the Sustainability Report 2023 and, therefore, do not express any conclusion thereon.

Criteria

The criteria used by the Company to prepare the Selected Information is set out in section “Assan Panel Sustainability Report 2023 –Reporting Principles” (the “Reporting Principles”) on pages 50, 51, 52, 53, 54 and 55 of the Sustainability Report 2023.

The Company’s Responsibility

The Company is responsible for the content of the Sustainability Report 2023 and the preparation of the Selected Information in accordance with the Reporting Principles. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of Selected Information that is free from material misstatement, whether due to fraud or error.

Inherent Limitations

Non-financial performance information is subject to more inherent limitations than financial information, given the characteristics of the subject matter and the methods used for determining such information.



The absence of a significant body of established practice on which to draw to evaluate and measure non-financial information allows for different, but acceptable, measures and measurement techniques and can affect comparability between entities. The precision of different measurement techniques may also vary. Furthermore, the nature and methods used to determine such information, as well as the measurement criteria and the precision thereof, may change over time. It is important to read the Selected Information in the context of the Reporting Principles.

In particular, the conversion of different energy measures to GJ and energy used to carbon emissions is based upon, inter alia, information and factors generated internally and/or derived by independent third parties as explained in the Reporting Principles. Our assurance work has not included examination of the derivation of those factors and other third-party information.

Our Independence and Quality Management

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Our firm applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our Responsibility

Our responsibility is to form a limited assurance, based on limited assurance procedures, on whether anything has come to our attention that causes us to believe that the Selected Information has not been properly prepared in all material respects in accordance with the Reporting Principles. We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised), *Assurance Engagements other than Audits or Reviews of Historical Financial Information*¹, and, in respect of greenhouse gas emissions, International Standard on Assurance Engagements 3410, *Assurance Engagements on Greenhouse Gas Statements*, issued by the International Auditing and Assurance Standards Board.

A limited assurance engagement is substantially less in scope than a reasonable assurance engagement under ISAE 3000 and ISAE 3410. Consequently, the nature, timing and extent of procedures for gathering sufficient appropriate evidence are deliberately limited relative to a reasonable assurance engagement.

The procedures we performed were based on our professional judgment and included inquiries, observation of processes performed, inspection of documents, analytical procedures, evaluating the appropriateness of quantification methods and reporting policies, and agreeing or reconciling with underlying records.



Given the circumstances of the engagement, in performing the procedures listed above we:

- made inquiries of the persons responsible for the Selected Information;
- understood the process for collecting and reporting the Selected Information. This included analyzing the key processes and controls for managing and reporting the Selected Information;
- evaluated the source data used to prepare the Selected Information and checked the mathematical accuracy of certain calculations;
- performed limited testing on a sample basis for the compilation and preparation of the Selected Information prepared by the Company and;
- undertook analytical procedures over the reported data.

Limited Assurance Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that Company's Selected Information for the year ended 31 December 2023, is not properly prepared, in all material respects, in accordance with the Reporting Principles.

Restriction of use

This report, including the conclusion, has been prepared for the Board of Directors of the Company as a body, to assist the Board of Directors in reporting Company's performance and activities related to the Selected Information. We permit the disclosure of this report within the Sustainability Report 2023 for the year ended 31 December 2023, to enable the Board of Directors to demonstrate they have discharged their governance responsibilities by commissioning a limited assurance report in connection with the Selected Information. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Board of Directors of Assan Panel as a body and Assan Panel for our work or this report save where terms are expressly agreed and with our prior consent in writing.

PwC Bağımsız Denetim ve
Serbest Muhasebeci Mali Müşavirlik A.Ş.

Eftim Koçaridis, SMMM
Independent Auditor

Istanbul, 12 December 2023

