

Limak Group of Companies
SUSTAINABILITY REPORT

2014 | 2015



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About the Report



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With this second sustainability report we have published as the Limak Group of Companies; we have intended to share our activities regarding our priorities in the economic, environmental and social areas with our stakeholders in light of the collaborative, open and transparent management principles of our group.



ABOUT THE REPORT

The report comprises the data of our companies in the fields of construction, tourism, cement, infrastructure and energy investments and food, constituting our group, regarding the two years' period during 01.01.2014-31.12.2015. In addition, the 2013 data provided in our first sustainability report are also included in a part of the subjects, in order to ensure that our stakeholders are able to monitor our performance over the years. However, only the data for 2015 have been included in the report for Yeniköy Kemerköy Electricity Generation and Trade Corp., since it has been taken over by our group in 2014.

Our report has been prepared so as to meet the content requirements of the “core” compliance option of G4, which is the current version of the Sustainability Reporting Guidelines developed by the Global Reporting Initiative (GRI). Furthermore, it also includes our practices regarding compliance with the principles of the United Nations Global Compact that we have signed in 2014. The GRI G4 Contents Index compatible with the GRI G4 core compliance option and the UN Global Compact List are provided in the final section of the report.

CONTACT INFORMATION

We aim to continuously improve our activities and performance in the field of sustainability in line with the expectations and opinions of our stakeholders. Our contact details are provided below for all types of feedback:

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Message from the Board of Directors



Our Valued Stakeholders, as Limak Group of Companies, we are delighted to share with you our second sustainability report comprising our progress in our sustainability journey and our future plans. We observe this report as an instrument that supports the corporate development of our group, unites our sustainability initiatives and assists our stakeholders in evaluating and monitoring the development we have displayed.



Ebru Özdemir
Chairperson of the Board

OUR SUSTAINABILITY APPROACH

We believe that global problems such as the world resources remaining limited in face of the rapidly increasing world population, climate change of greenhouse gas origin, and poverty and social injustice may be overcome by working in unity and solidarity. In this context, we aim to create a positive impact for our society and world with a holistic sustainability approach everywhere and in all areas we operate, in the awareness of our environmental and social responsibilities as the Limak Group of Companies.

INTERNATIONAL STANDARDS & SUPPORTED INITIATIVES

Our group, moving one step ahead of compliance with legal legislations, implements international management standards in the fields of quality, environment, energy and occupational safety in an integrated manner in all areas it operates, as a part of its sustainable

production and development approach. Besides, by signing the United Nations Global Compact in 2014, we have carried our commitments to our social responsibilities over to international dimensions. In addition, we have also become a member of the Business World and Sustainable Development Association (SKD Turkey), and a business partner and Turkish representative of the World Business Council for Sustainable Development (WBCSD), which continues its activities to extend the sustainable development concept throughout the business world and contribute in policy development in Turkey in this respect.

OUR CORPORATE SOCIAL RESPONSIBILITY

We carry out numerous social responsibility projects in order to generate social benefit everywhere we operate. Among these, the “Turkey’s Engineer Girls” which we have initiated in 2015, is of different significance for our group. With this project; we aim to reveal the engineers among us, and support school

girls who are and will be receiving engineering education from many respects throughout their education, in order to ensure that our girls take more part in this area and to invest in the bright future of Turkey.

OUR PERFORMANCE & PRACTICES

The areas where we operate, such as energy, infrastructure, construction, cement and tourism, play very important roles in the sustainable growth of our country and the ability to maintain a strong economic structure. We carry out our activities and generate our future plans in this field, within the scope of our mission of “creating value for our stakeholders as led by the sustainable development, operational efficiency and continuous improvement principles” that we have adopted. In this context, we carry out environment friendly, advanced technology modernization investments at all generation sites and plants that we have taken over, in order to increase generation efficiency, reduce operational costs and decrease our environmental impacts.

Message from the Board of Directors



“With our sensitivity regarding the use of environment friendly and clean energy technologies, we have taken Low NOx emission calciner rotary kilns into operation in our Balıkesir and Trakya cement factories, as a first in the Turkish cement sector.”

We would like to share with you several of our achievements that stand out regarding our sustainability performance, the details of which you will find in our report, on fields of activity basis:

Limak Construction

Limak Construction, rising to the 145th rank in the “World’s best 250 international contractors” list prepared by the international construction sector magazine Engineering News-Record (ENR) by its deep rooted past and successful construction projects, has implemented and appended its signature under major domestic and international infrastructure projects such as dams, tunnels, airports, ports, expressways, hydroelectric power plants, treatment plants, food production plants; and various superstructure projects such as the construction of mixed-use focused buildings and hotels. Acting with a perspective that respects the environment while performing these services, Limak Construction evaluates occupational health and safety as its priority by its human focused approach. The construction sites belonging to Limak Construction hold internationally recognized ISO 9001 Quality Management, ISO 14001 Environment Management and OHSAS 18001 Occupational Health and Safety Management System certificates and implement an Integrated Management System.

Limak Tourism

Limak Tourism, which has hosted over 300,000 guests from 40 different countries as of 2015 by its 1,634 employees and “warm hospitality and perfect service” philosophy, has brought its customer satisfaction to a level as high as 96% with this approach. In addition, the “Sustainable Tourism Award” that the Arcadia Hotel has been found worthy of and the “International Environment Sensitive Travelife Gold” Awards received by the Limra, Lara and Atlantis Hotels in 2014, have been motivation boosting factors in our sustainability journey.

Limak Cement

Limak Cement, with the second largest production capacity in Turkey, has accomplished modernization investments during 2005-2015 in line with its nature friendly and sustainable production understanding, and has reduced its unit clinker production specific heat consumption by 10.92% and unit cement production specific electricity consumption by 21.03%. By taking low NOx emission calciner rotary kilns into operation at the Balıkesir and Trakya factories as a first in the Turkish cement sector, Limak Cement has demonstrated our sensitivity to use environment friendly and clean energy technologies with this pioneering application.

Limak Energy

In Turkey, where energy imports constitute one fourth of the total imports, Limak Energy commercially operates plants that generate energy from different sources such as hydroelectric, natural gas and coal, and serves to meet the electrical energy need of 3,689,295 persons annually by its electricity generation plants of approximately 3,000 MW capacity. In addition to the current portfolio, it will be ensured that the natural gas imports of our country are reduced, with generation plants based on solar and geothermal sources, and by reaching 61% efficiency at the modernization studies we are conducting at the Hamitabat Natural Gas Combined Cycle Power Plant (HEAŞ). On the other hand, significant steps have been taken in line with the objective to reduce flue gas and sound emissions and ensure water savings with this renovation project.

Limak Energy, together with its partners, distributes over 52 billion kWh of electricity to 11 million domestic and international subscribers in total, through the Akdeniz, Boğaziçi, Çamlıbel, Uludağ and the Kosovo electricity distribution companies. Our companies, including the Boğaziçi and Akdeniz electricity distribution companies, which serve with loss-illegal use ratios and operating expenses below the country

Message from the Board of Directors



“The high customer satisfaction level of 96% of the Tourism Group, and the “Sustainable Tourism Award” received by Arcadia Hotel and the “International Environment Friendly Facility Travelife Gold” awards received in 2014 by the Limra, Lara and Atlantis Hotels have made us proud in our sustainability journey.”

averages in the operations in Turkey, continue their investments to increase efficiency, service quality and customer satisfaction even further. While the “Integrated Information Systems” (EIS) investments are continued in this context, many modules, primarily ERP and invoicing, have already started to be used.

Meanwhile, in energy sales and trade, it has expanded its commercial operations by almost 100% as compared to the previous year and reached a wholesale and retail energy sales volume over 6 billion kWh. Limak Energy continues to expand its retail sales portfolio, acting with a customer focused service understanding and the win-win principle.

Airport and Port Management

Pristine International Adem Jashari Airport

Pristine International Adem Jashari Airport, the sole airport of Kosovo that has flights to the Europe and Turkey hinterland and has reached a passenger capacity of almost 1.6 million, stands out by its environment friendly operations aimed to use less energy and resources and the conducted social responsibility projects. The airport has caused us to burst with pride by receiving 14 awards, including the “Stevie Silver Award” in the social responsibility projects Europe category and the “International Green Apple Awards” in the field of best environment practices.

LimakPort

At the Iskenderun Port, which has been taken over at the end of 2011 for a period of 36 years, comprehensive modernization and capacity increase investments have been realized in compliance with the Equator Principles with respect to environmental and social impacts. The Port, as a result of the first phase of the investments totaling 250 million US dollars, has evolved into a modern container port with 1 million TEU container handling capacity. With the last phase investment that will be completed in the future, the port capacity will reach 3 million TEU.

Food

The Limkon Fruit Juice Concentrate Facilities took its place among the top ranks in citrus processing in Turkey in 2015, and also continued to process many other fruits, primarily led by pomegranates, apples and cherry varieties. The organic concentrate production is continued by increasing every year in order to be able to meet the organic concentrate demands especially abroad. In addition to the increase in the organic production quantities, we are very happy to observe that the product range is expanded further with the organic fruit diversity and the sales figures are also increased even further in this context.

OUR FUTURE PLANS

Our domestic and international employees over 45 thousand in total constitute the foundation of our achievements. To create employment for the local community in all regions where we operate, conduct studies to improve their living qualities and encourage our employees to also volunteer in these type of practices are our unswerving efforts. We are committed to develop our initiatives and performance in the field of sustainability considering the feedback we may receive from our stakeholders and to continue to inform our stakeholders transparently.

We would like to extend our thanks to our employees, who contribute in all our activities with their zealous work, our customers and all our stakeholders on behalf of the Limak Group of Companies.

Yours sincerely,

Ebru Özdemir

Chairperson of the Board

About Limak



ABOUT LIMAK

LIMAK AT A GLANCE

GLOBAL COLLABORATIONS

VISION, MISSION AND CORE VALUES

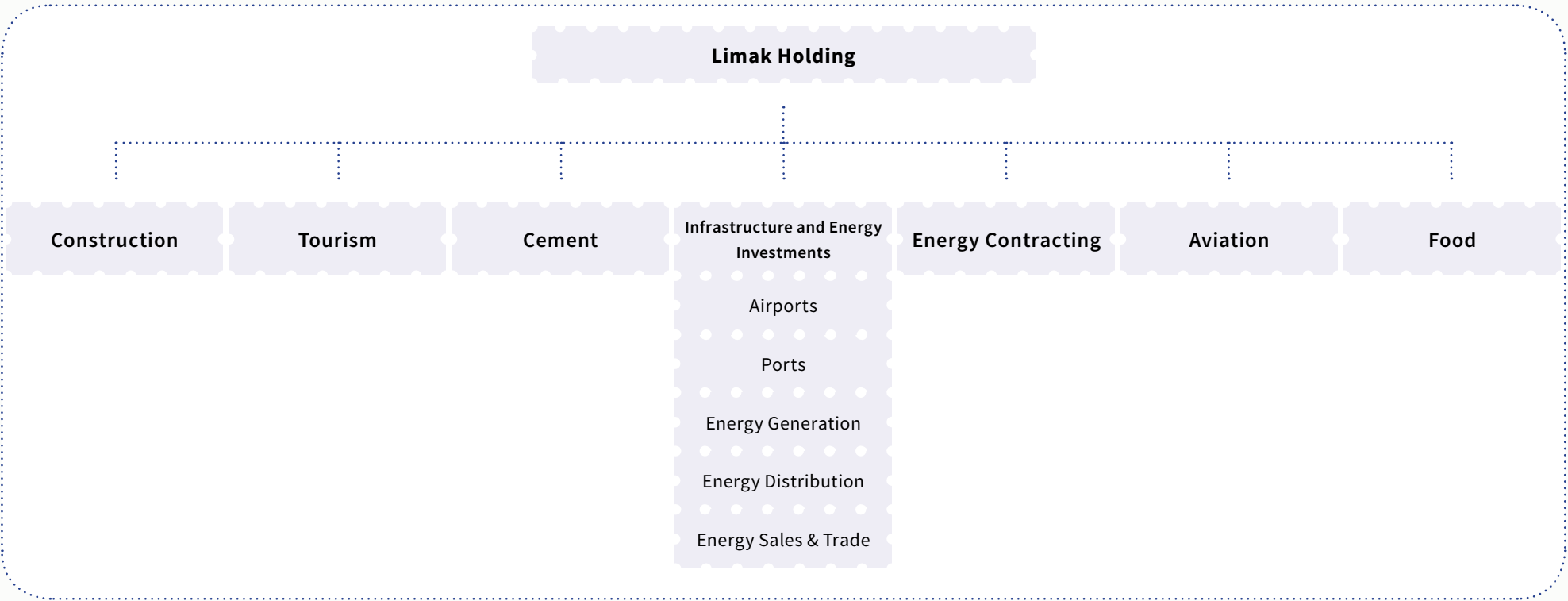


LİMAK GROUP OF COMPANIES AT A GLANCE

Limak Group of Companies, the foundations of which have been laid in 1976 with Limak Construction, continues its activities in the fields of construction, tourism, cement, infrastructure and energy investments, energy contracting, aviation and food in 13 countries with over 45 thousand employees, including its partnerships, as of 2015. Outside Turkey, the Group conducts the management of the Pristine International Adem Jashari Airport and electricity distribution activities in Kosovo. In addition to the cement facility investments in Mozambique and the Ivory Coast in Africa, there are ongoing construction projects in Albania, Macedonia, Cyprus, Egypt, Kuwait, Iraq and Mali.



GROUP STRUCTURE



About Limak



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1976



Establishment
Year

8



Number of Sectors
Operated in

45.555



Number of
Employees

3.8



Annual Turnover
(Billion Dollars)

13



Number of Countries
Operated in

| Revenue | 2015 | 2014 | EBITDA | 2015 | 2014 | Assets | 2015 | 2014 | Equity | 2015 | 2014 |
|----------------|-------|-------|----------------|------|------|----------------|-------|-------|--------|-------|-------|
| Construction | 869 | 547 | Construction | 126 | 45 | Construction | 1.245 | 1.125 | Group | 879 | 1.133 |
| Cement | 439 | 511 | Cement | 148 | 159 | Cement | 957 | 1.112 | Other | 202 | 230 |
| Energy | 2.257 | 1.976 | Energy | 379 | 314 | Energy | 3.415 | 4.076 | | | |
| Infrastructure | 69 | 187 | Infrastructure | 27 | 91 | Infrastructure | 1.102 | 892 | | | |
| Tourism | 93 | 108 | Tourism | 32 | 43 | Tourism | 173 | 187 | | | |
| Other | 28 | 24 | Other | 5 | 2 | Other | 32 | 33 | | | |
| Total | 3.754 | 3.353 | Total | 716 | 655 | Total | 6.926 | 7.425 | | 1.081 | 1.363 |

Unit: Million US Dollars



GLOBAL COLLABORATIONS



China Major
Road Bridge





OUR VISION



To be one of the top three most successful companies in all sectors where we operate.



OUR MISSION



To create value for our stakeholders, as led by the principles of sustainable growth, operational efficiency and continuous development.



CORE VALUES



- We are employees who are informed, skillful, diligent
- Honest and loyal
- Continuously developing
- Respect each other
- Adopt team spirit
- Do not compromise from quality
- Always protect the establishment's reputation
- Are open to learning and innovation
- Share the decisions and objectives of the establishment
- Respect the environment
- Are able to make quick decisions in a flexible and horizontal organization structure
- Believe that we can be successful in every sector we operate.

Our Sustainability Roadmap



OUR SUSTAINABILITY ROADMAP

OUR SUSTAINABILITY APPROACH

SUSTAINABLE BUSINESS MANAGEMENT

GROUP COMPANIES SUSTAINABLE MANAGEMENT PRACTICES

OUR OBJECTIVES

DIALOGUE WITH OUR STAKEHOLDERS

IDENTIFYING PRIORITY SUSTAINABILITY ISSUES

Our Sustainability Roadmap



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OUR SUSTAINABILITY APPROACH

Our objective to be among the firsts in all sectors we operate is built on the foundations of creating sustainable value for our stakeholders. We handle the creation of sustainable value in three basic dimensions.



Responsible Economic Activity



Respect for the Environment



Creating Social Value

SUSTAINABLE BUSINESS MANAGEMENT

We have adopted a sustainable business management model that is effective in all decision making processes, with the vision and leadership of the senior management, starting from our headquarters and covering all group companies.

The principles forming the foundations of sustainable business management at Limak Group of Companies are the following:

- To implement the sustainability approach in all activity groups and integrate it in all business processes
- To evaluate the risks and opportunities created by climate change with respect to the activities
- To define the environmental and social dimensions of the activities in addition to their economic impacts and to take measures to minimize adverse impacts
- To be in bidirectional, participatory and continuous communication with stakeholders
- To expand the scope and scale of our efforts and initiatives aimed for the development of the society
- To provide healthy and safe work environments for all employees within the scope of sustainable workplace practices
- To establish and develop sustainable business partnerships
- To support and act as a leader to expand national and international sustainability principles and initiatives
- To monitor, report and improve sustainability performance with systematic and effective data collection processes.

Our Sustainability Roadmap



LİMAK GROUP OF COMPANIES SUSTAINABLE BUSINESS MANAGEMENT PRACTICES

All Limak Companies continue their activities by a sustainable growth approach based on responsible economic activity, respect to the environment and creating social value. The sustainability practices in our companies in line with this approach are provided below:



RESPONSIBLE ECONOMIC ACTIVITY

Compliance with the Laws: The relevant national and international legal legislations are complied with in all operated areas.

Corporate Management: Good corporate management principles are adopted and responsibility, accountability, equity culture and climate are supported. As a result of the conducted “Corporate Management Project”, the “Board of Directors Regulations” has been generated for Limak Group Companies. These regulations draw the governance framework of the companies, and define the performance evaluations of the board of directors’ members, roles of the independent board members and the internal processes of the board.

Anti-corruption Policy: “Compliance and Anti-Corruption Policy” has been prepared for Limak Group Companies as compatible with the American Anti-corruption Practices Law, British Bribery Law and the relevant Turkish laws. The generated policy is a clear and strong expression of the commitment of all Limak com-

panies to conduct their business in compliance with local and international anti-corruption laws, within the scope of ethics rules and in a consistent manner.

In addition, the internal audit teams of the group review the internal audit, risk management and governance processes and systems continuously and recommend appropriate measures to reduce the available risks.

Sustainable Workplace Practices: It is aimed to increase the motivations and performances of our employees by providing a work environment that respect human rights and offers equal opportunities, and contributing in their professional development with various training and development programs. More detailed information on these practices is provided in the “Sustainable Workplace Practices” section of the report.

International Management Standards: Going beyond compliance with legal legislations, international management standards are implemented in an integrated manner. In this context; the international stan-

dards that are applied in the companies on subject basis are provided in the table on the right.

Supply Chain: Limak strives to build long-term collaborations with its suppliers and subcontractors, takes care to create employment in the regions it operates and prefers to work with local suppliers. Our suppliers and subcontractors are obliged to comply with all relevant laws such as labor and social security arrangements.

| Subjects | International Standards & Certificates |
|------------------------------|--|
| Quality Management | ISO 9001 |
| Environment Management | ISO 14001 |
| Energy Management | ISO 50001 |
| Occupational Health & Safety | OHSAS 8001 |
| Customer Satisfaction | IO 10002 |
| Food Safety Management | ISO 22000 |
| Food Safety | IFS (International Food Standard) |
| Food Safety | BRC (British Retail Consortium) |
| Carbon Emission Reduction | VCS (Verified Carbon Standard) |

Our Sustainability Roadmap



RESPECT FOR THE ENVIRONMENT

We continue our activities with an approach to protect our planet and the environment in order to leave a livable world for the future generations. Although the priority environmental matters vary as based on the activity group due to the diversity of the areas where we operate, the environmental dimensions of all activities managed by the group are defined and studies are conducted to minimize the adverse impacts. Our practices associated with the adopted method of doing business as respectful to the environment are provided below:

- All activities and made decisions are in compliance with the local and national environmental legislations and the relevant arrangements that are in force. As aimed for our activities, extreme care is taken to ensure compliance with the environmental impact assessment (EIA) regulation, environmental permits etc. and all other relevant legislations.
- Policies have been generated regarding quality, environment and energy management, and the activities are conducted within the scope of the procedures and instructions prepared as aimed for the implementation of these policies.
- The performance indicators have been defined with the understanding of “anything that cannot be measured cannot be managed” and the data are monitored regularly.
- Performance is monitored as based on annual objectives, with the principle of operational efficiency and continuous improvement.
- The environmental dimensions of our activities are determined and actions are taken with the approach to primarily eliminate adverse impacts. In the second stage, measures are taken to minimize such impacts.
- Operational costs are minimized and environmental impacts are reduced by investments in environment friendly, cutting edge technology.
- Projects are developed continuously to increase energy efficiency.
- Activities are planned and decisions are made with an approach to prevent waste formation. Recycling practices are supported.
- Studies are conducted to ensure that water use is at the lowest level in our activities in order to protect the water sources. Water use and discharge is monitored on source basis, and actions are taken to reduce water consumption by recovering and recycling water.
- Within the scope of combatting with climate change, environment investments are made to reduce greenhouse gas emissions and dust, NOx and other emissions.
- As a result of the importance we attach on protecting and maintaining biological diversity, which is the common wealth of the whole world and our country, risks associated with biodiversity are identified within the scope of our environmental impact assessment studies. Furthermore, protection and support studies are conducted as aimed for the animal and plant species that are becoming extinct in regions close to our areas of activity.
- Contribution is made in combatting with climate change by forestation activities.

Our Sustainability Roadmap



CREATING SOCIAL VALUE

Local Contribution: We focus on education, infrastructure and healthcare services within the scope of the needs and expectations of the local community in the areas where our facilities are located, and carry out practices to improve the life quality of the local community.

Social Responsibility Projects: We continue and expand the scope of our efforts and initiatives as aimed for the development of the society where we operate.

More detailed information regarding our social responsibility projects may be found in the “Corporate Social Responsibility” section of the report.



Our Sustainability Roadmap



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OUR OBJECTIVES

As Limak Group of Companies, we have defined our objectives for 2016-2017 as follows within the scope of sustainable business management principles:



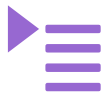
→ Establishing the Organization Structure in Sustainability Management

To establish an effective organizational structure that incorporates representatives for all activity branches of the group in order to integrate sustainability in the decision making mechanisms in all activity branches and to effectively manage the data collection processes.



→ Developing Dialogue with Stakeholders

To develop interaction channels with key stakeholders on activity groups basis.



→ Reviewing Priorities

To review the priorities identified on activity groups basis considering the trends in the world, expectations of the stakeholders and the risks and opportunities.



→ Optimization in Data Collection Processes

To examine and optimize the data collection processes of all activity branches.



→ Compliance with the Updated Environment Management Standard

The Group implements the international management standards in the areas of environment, energy, quality, occupational health and safety. To ensure the compliance of the facilities with the ISO 14001 Environment Management Standard, the updated version of which has been published in 2015.



→ Occupational Health and Safety

The “zero accident, zero death” objective that is always adopted with the importance we attach on the health and safety of our employees and subcontractor employees.

Our Sustainability Roadmap



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DIALOGUE WITH OUR STAKEHOLDERS

As Limak Group of Companies, we take care to get the opinions of our key stakeholders while we make future plans that encourage sustainable development by supporting positive economic, environmental and social results, and conduct studies to shape the future together with our stakeholders.

We define our stakeholders as individuals, institutions and organizations that are influenced by the activities of Limak Group of Companies and have the potential to influence the group in achieving its long-term objectives. The Group that operates in a variety of business branches has a wide stakeholder range. In this context, we have defined our stakeholders as follows in two main groups:



INTERNAL STAKEHOLDERS



- Employees
- Union
- Senior Management



EXTERNAL STAKEHOLDERS



- | | |
|-----------------------|----------------------------------|
| → Customers | → Local Society |
| → Business Partners | → Non-governmental Organizations |
| → Funders / Creditors | → State, Local Authorities |
| → Suppliers | → Society |
| → Dealers | → Media |

Our Sustainability Roadmap



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DIALOGUE PLATFORMS WITH STAKEHOLDERS

We continuously receive the opinions and expectations of our stakeholders through various communication channels. The dialogue platforms we have defined on stakeholder groups basis is provided below:

WE ARE DETERMINED
TO DEVELOP OUR
SUSTAINABILITY STRATEGY
EVEN FURTHER BY THE
FEEDBACKS RECEIVED FROM
OUR STAKEHOLDERS

| Stakeholder Group | Dialogue Platform | Dialogue Frequency |
|---------------------------------|--|--|
| Employees | Limak corporate portal | Continuous |
| | Performance evaluation meetings | Once a year |
| | Social events | At least twice a year |
| | Occupational health and safety meetings | Monthly |
| | Satisfaction survey and sustainability evaluation survey | Once a year |
| Customers | Satisfaction survey | Once in every two weeks in the Tourism group |
| | Call center | Continuous |
| | E-mail | Continuous |
| | Seminars, congresses and fairs | Several times a year |
| Suppliers / Subcontractors | Surveys | Once a year |
| | Face to face meetings | When demanded |
| | E-mail | Always |
| Dealers | Meetings | At least once a year |
| | Face to face discussions | When demanded |
| Local Community | Environmental Impact Assessment (EIA) Report process | Prior to investment and during the construction period |
| | Social projects | During the project |
| Funders / Creditors | Follow-up reports and site visits | At least once a year |
| Public Organizations | Meetings | When demanded |
| | Forms, briefing reports | At least once a year |
| | Audits | At least once a year |
| Sectorial Organizations / NGO's | Membership meetings | Always |
| | Seminars and fairs | Several times a year |
| | Surveys | Once a year |
| Universities | Collaborations in the field of education | During the project |
| Society and Media | Social responsibility projects | During the project |
| | Press releases and bulletins | When needed |
| | Interviews | When needed |

Our Sustainability Roadmap

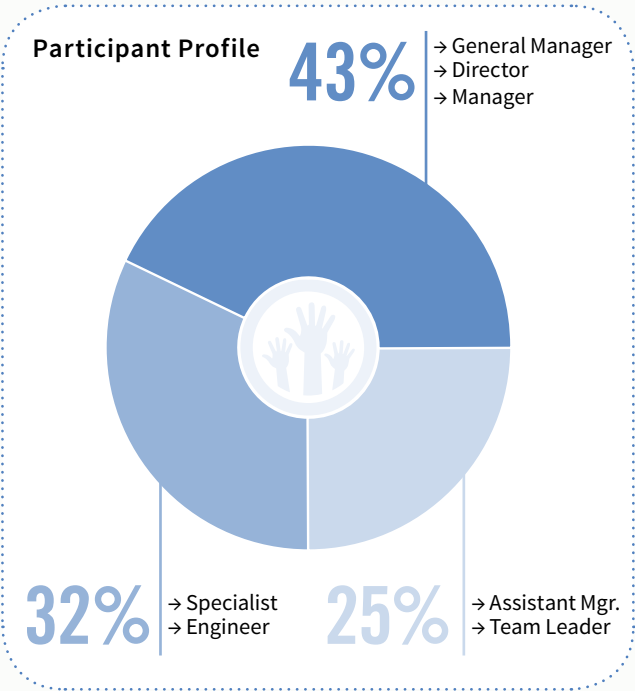


SURVEY APPLICATIONS

We got feedback from many stakeholder groups by applying various surveys and holding face to face discussion while defining our priorities during the preparation of the 2014-2015 sustainability report. We continue to define action plans aimed for improvement and development in line with the feedback from our stakeholders.

Sustainability Activities Evaluation Survey Aimed for the Employees

The high participation rate in our 2013 sustainability report evaluation survey that we have conducted in 2015 as aimed for all employees in our group and the diversity of the participants' positions have motivated us in our sustainability journey.



Survey Results and Taken Actions

Our employees who have participated in the survey have stated that the 2013 sustainability report preparation process had developed them professionally; however they expected more effective data collection methods to be defined and briefing meetings to be held.

It has been aimed to increase the process efficiency by holding sustainability workshops aimed for our sustainability reporting team in 2015.

Our employees have defined the first three issues of top priority within the scope of sustainability as sustainable growth, employee health and safety and training and development.

2016 objectives have been defined for the employee health and safety and training and development subjects.

Sustainability Activities Evaluation Survey Aimed for External Stakeholders

Customers, suppliers, business partners and representatives from sectorial organizations have participated.

Survey Results and Taken Actions

According to the survey results, the top priority is "energy efficiency" to Limak Companies

We are endeavoring to support energy efficiency activities and increase the number of our facilities holding the international ISO 50001 Energy Management System certificate.

Our Sustainability Roadmap

Our Sustainability Approach
Sustainable Business Management
Group Companies Sustainable Management Practices
Our Objectives
Dialogue with Our Stakeholders
Identifying Priority Sustainability Issues



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SOME NON-GOVERNMENTAL ORGANIZATIONS AND ASSOCIATIONS WE ARE MEMBERS OF





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CERTAIN INTERNATIONAL PRINCIPLES AND INITIATIVES WE ARE SIGNATORIES OF

United Nations Global Compact (UNGC)

Within the scope of our corporate responsibility approach as Limak Group of Companies, we have signed the United National Global Compact (UNGC), the vision of which is sustainable and comprehensive global economy, in 2014. We have thus pledged in the international arena that we support the 10 principles of UNGC on human rights, working standards, environment and combatting with anti-corruption, Information on our policies in compliance with the UN Global Compact and the practices we have implemented are shared in our report. The places where the information regarding each principle can be found in the report are provided in the UNGC Index table at the end of the report.

United Nations Women’s Empowerment Principles

We have once more concretized our support for the empowerment of women in the society, in business life and economic life, by signing the Women’s Empowerment Principles) developed in 2010 with the collaboration of the UN Global Compact and the United Nations Entity for Gender Equality and the Empowerment of Women (UN Women).



Women’s Empowerment Principles provide guidance for the steps to be taken as aimed to ensure development in gender equality and to empower women in the society, business life and economic life.

Principles

1. Establish high-level corporate leadership for gender equality
2. Treat all women and men fairly at work - respect and support human rights and non-discrimination
3. Ensure the health, safety and well-being of all women and men workers
4. Promote education, training and professional development for women
5. Implement enterprise development, supply chain and marketing practices that empower women
6. Promote equality through community initiatives and advocacy
7. Measure and publicly report on progress to achieve gender equality.

<http://www.weprinciples.org/>

Our Sustainability Roadmap



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IDENTIFYING PRIORITY SUSTAINABILITY ISSUES

Our priorities have been identified on activity group basis due to the diversity of the areas where Limak Groups of Companies operates and distribution of the stakeholder groups over a wide range.

Environmental, economic and social impacts of our activities and the stakeholder expectations reaching the group through surveys and face-to face discussions have been taken into consideration in identifying the priorities.

In 2015, various survey applications and face-to-face discussions have been carried out as aimed for our employees, suppliers and customers. A prioritization workshop has been organized in order to prioritize the activity branches of our Group, with the participation of the sustainability reporting team. The survey and workshop results have been presented to the senior management and the board of directors, and the process of identifying our priorities has been finalized. The priorities will be reviewed once more during the next reporting period.

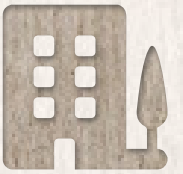
The prioritization matrices prepared as based on the activity branches are provided on the relevant pages in the “Activity Groups” section.



Our Workplace



OUR WORKPLACE
OUR SUSTAINABLE WORKPLACE PRACTICES



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OUR SUSTAINABLE WORKPLACE PRACTICES

Our human focused approach that we have concretized by establishing principles regarding working life rest at the heart of our sustainable growth mission.

Principles Forming Our Human Focused Approach

- To fully comply with the legal framework and legislations organizing human rights and working life everywhere we operate
- To take the International Labor Organization (ILO) Conventions, and UN Universal Declaration of Human Rights as reference
- To provide a healthy and safe working environment for our employees
- Not to force anyone to work and not to employ child labor, in compliance with the legal legislations and the UN Global Compact
- To assign the right persons on the right job
- To bring in employees who adopt our corporate values into our team
- To offer equal opportunities in all career planning starting from employment
- To offer performance based career development opportunities
- To offer personal and professional development opportunities and promote continuous learning
- To respect the right of our employees to unionize and offer the relevant means
- To ensure the continuity of employee satisfaction

Our core values and ethics principles constitute the basis of our management understanding.

Our human focused sustainable business management understanding is implemented by our human resources practices established along the axes of “*equal opportunities*”, “*professional development*” and “*customer satisfaction*”.



Equal Opportunities

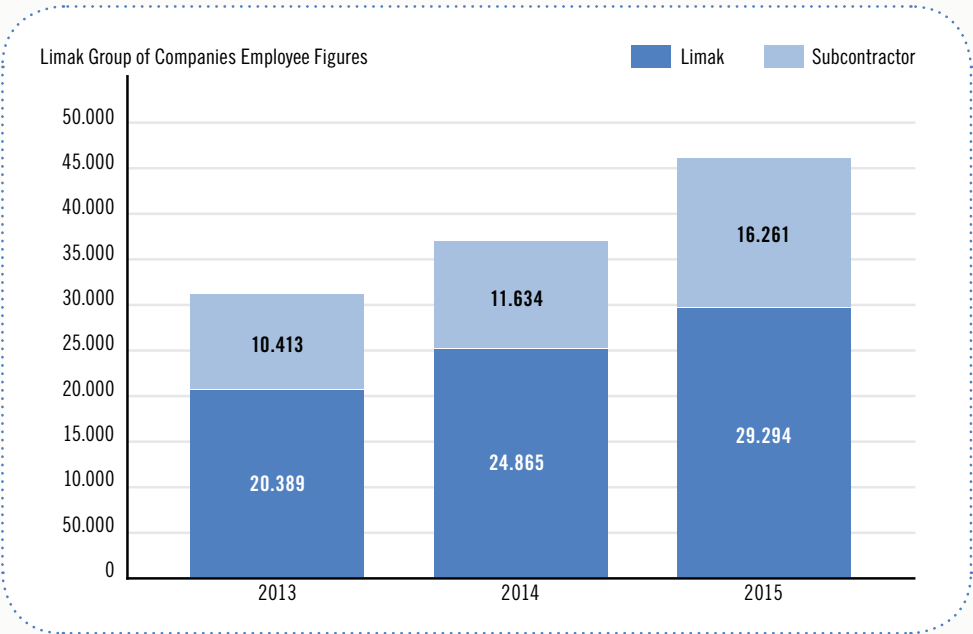
Our human resources policy that respects human rights and is based on equality of opportunities includes a fair and equitable approach that does not make race, religion, language, gender discrimination. Our respect for differences and bidirectional communication approach are the most important aspects of our sustainable success.

We adopt practices that promote the participation of women employees in business life in our companies. Although construction and production (cement, energy, etc.) constitute our main activity groups, 10% of the Limak employees are women. The ratio of woman managers in the Group also maintains the same level by 10%. In order to increase the continuity and sustainability of our women employees, we care about

both the health and the careers of our women employees who are on maternity leave. The ratio of returning and continuing to work is quite high among our women employees who have used unpaid leave following childbirth. In addition, as a requirement of our equal wage for equal job and performance based waging policies, we do not create any wage differences based on gender between our women and men workers.

Along with these applications, we have concretized our support for the empowerment of women in our society by signing the United Nations Women’s Empowerment Principles and have supported non-governmental organizations in their projects in this area.

80% OF OUR PERMANENT
EMPLOYEES ARE BLUE COLLAR



Employee Profile

In 2015, our total number of employees has increased by 48% as compared to 2013 and reached **45.555**, as 29,294 permanent employees, and 16,261 subcontractor personnel. Such a rapid growth requires us to make good planning regarding working life and conduct the process of selecting and placing new personnel who will join us, very meticulously.



Limak International Employment

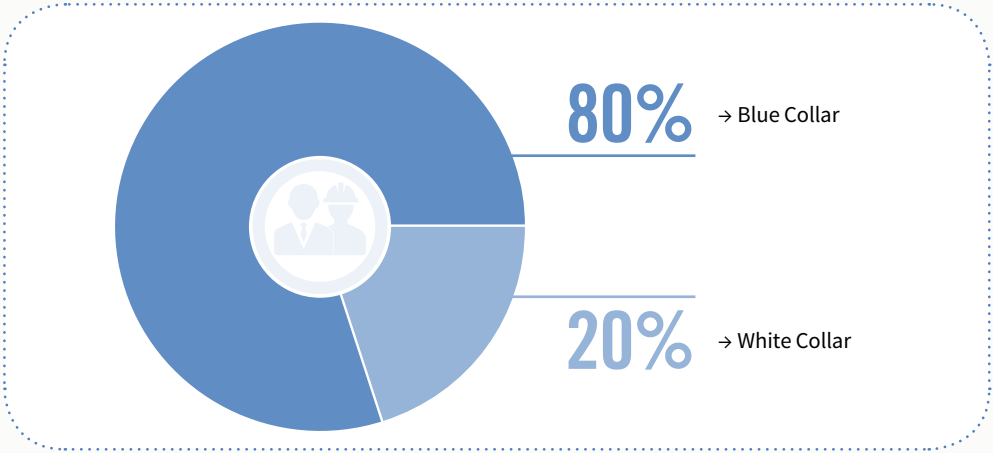
| 31.12.2015 | Field of Activity | Number of Limak Employees | Number of Subcontractor Employees | Total Number of Employees |
|------------------------------|---------------------|---------------------------|-----------------------------------|---------------------------|
| KEDS-Kosovo | Energy Distribution | 2.421 | 169 | 2.590 |
| Cairo Airport | Construction | 763 | 1.761 | 2.524 |
| Albania (Dam) | Construction | 1.125 | 406 | 1.531 |
| Rostov Airport | Construction | 824 | 190 | 1.014 |
| Kosovo International Airport | Management | 647 | 0 | 647 |
| S. Arabia | Construction | 188 | 0 | 188 |
| Pakistan | Construction | 1 | 184 | 185 |
| North Iraq | Construction | 62 | 50 | 112 |
| Limak Kosovo | Investment | 26 | 0 | 26 |
| Pristine Construction | Construction | 10 | 0 | 10 |
| Limak Bulgaria | Energy Trade | 0 | 3 | 3 |
| | Total | 6.067 | 2.763 | 8.830 |

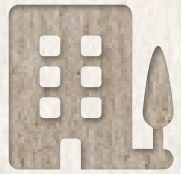
38% OF OUR EMPLOYEES
ARE UNIONIZED

Employee Distribution

Distribution of Limak employees (excluding subcontractor employees) is as provided below:

| | |
|---------------------|--------|
| Permanent Employees | 29.294 |
| White Collar | 5.965 |
| Blue Collar | 23.329 |
| Men | 26.505 |
| Women | 2.789 |
| Unionized | 11.034 |
| Unionization Ratio | %38 |





As a group, which accepts that service and product quality depend on qualified employees, we manage our recruitment processes by preferring candidates who have adopted the following principles.

→ **Honesty, Reliability, Responsibility**

To abide by the laws and ethics rules in all activities and relationships; to act honesty and openly and keep the made promises; to serve as a leader and example in reliability and consistency virtues.

→ **Leadership**

To have a strong and leading structure in the fields of corporate management, business management and business development, and to lead in the sector being worked in.

→ **Innovativeness, Creativity and Openness to Change**

To follow up on the changes/developments in the markets where we operate. To assume the principles of continuous learning, innovativeness and improvement, and promote the development of creativity skills and ensure the company's progress.

→ **Efficiency and Effectiveness**

To transform opportunities into achievements by acting proactively in all activities; to be a profitable and efficient company where resources are used effectively.

→ **Quality and Result Focus**

To offer products and services at universal standards, at the planned time, quality and costs. To achieve the defined objectives by correlating with work results through parameters that can be measured, monitored.

→ **Transparency**

To adopt the democratic management style and ensure effective and competent participation of the employees in the management and decision making processes. To ensure openness in decisions and transparency in practice as a result of this approach.

→ **Employee and Customer Satisfaction**

To observe customers as the reason for own presence, ensure customer satisfaction by offering them added-value and qualified services. To be an establishment that the employees are proud of and look to the future with confidence.

→ **Teamwork**

To work harmoniously, sharingly and agreeably, as aware of its responsibilities according to the good governance principles within an entirety, in line with defined common objectives and values, and always protecting the benefits of the country and the company.



Professional Development and Training

To contribute in the professional developments of our employees, develop their personal and professional skills are one of our priority issues in line with our continuous development mission. We aim to build a talent and performance development focused culture by the trainings and corporate development programs we organize.

During 2014-2015, in addition to the orientation programs organized for those who have newly joined us, we have organized trainings in many different areas such as personal development and professional skill development, technical and operational knowledge, information systems, professional safety and work force management.

| Year | Number of Limak Permanente Employees | Number of Training Participants | Total Training Hours | Average Training Hours per Employee |
|------|--------------------------------------|---------------------------------|----------------------|-------------------------------------|
| 2014 | 24.865 | 24.393 | 290.333 | 11,7 |
| 2015 | 29.310 | 28.065 | 270.903 | 9,2 |

Collaborations in the Field of Education

We regularly collaborate with universities and academic institutions in the field of education, both domestically and abroad. The KEDS Academy, which has been implemented through the collaboration of the Kosovo Electricity Distribution Company (KEDS), conducting the electricity distribution activities in Kosovo, and the Kosovo Ministry of Education, Science and Technology, Boğaziçi University Life-Long Learning Center and Pristine University, is one of the most important examples. With this project, we aim to bring in qualified staff to the energy and electricity sector, while supporting the development of young engineers. We have also accomplished a project similar to this valuable project, for the Pristine International Airport Enterprise in Kosovo. With the Limak ASI project we have accomplished again in collaboration with the Boğaziçi University Life-Long Learning Center and Pristine University, we offer intensive training programs regarding airport management in compliance with the European Union regulations to university students.



Employee Satisfaction

We believe that increasing the motivation of our employees and ensuring the continuity of their satisfaction is the most important key to sustainable success.

In this context, providing a healthy and safe working environment for our employees is included among our most important priorities. We implement a regular internal reporting and monitoring system and organize evaluation meetings. We offer regular trainings for our employees and continue our work with the zero accident objective.

In our HR processes conducted with an equalitarian and fair approach, to reveal the potentials of our employees by offering performance based career opportunities and ensure that they are prepared for their future careers are included among our most important goals. Accordingly, we regularly measure performance with the performance evaluation system aimed for our white and blue collar employees and provide them feedback.

We believe that volunteer activities develop teamwork and reinforce communications. We encourage the voluntary and effective participation of our employees in our social responsibility projects and enjoy the pleasure of collective achievement.

Group Structure/Sectors



GROUP STRUCTURE/SECTORS

CONSTRUCTION

TOURISM

CEMENT

INFRASTRUCTURE & ENERGY INVESTMENTS

AIRPORTS

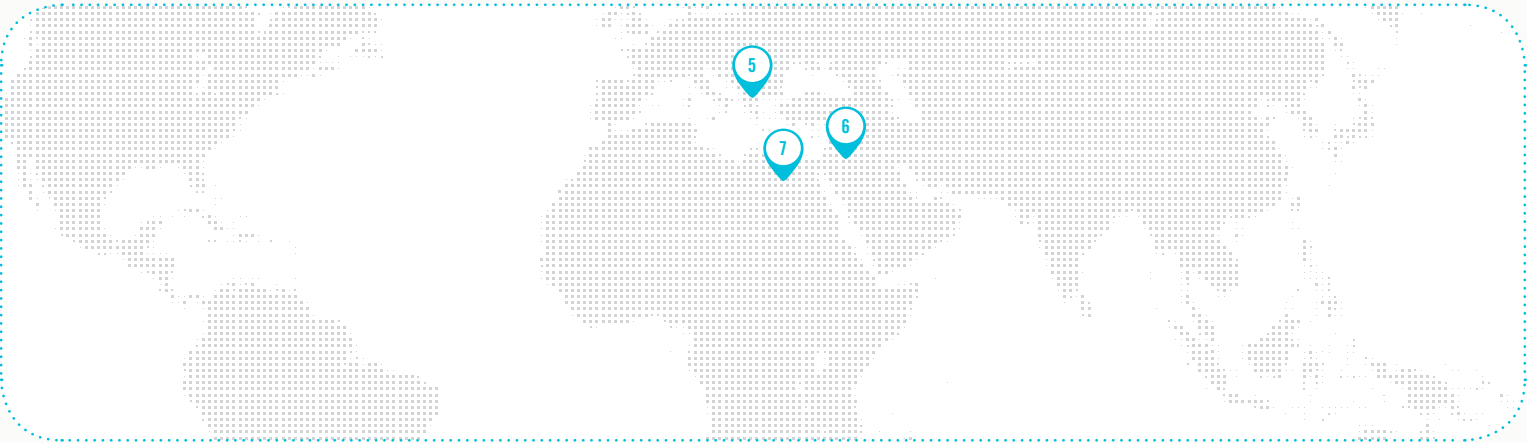
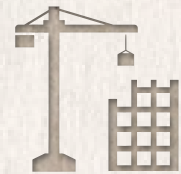
PORTS

ENERGY GENERATION

ENERGY DISTRIBUTION

ENERGY SALES & TRADE

FOOD



Projects Completed in 2014

Domestic

- 1 Arkun Dam & HEPP Project
- 2 LimakPort İskenderun Modernization & Capacity Increase Project

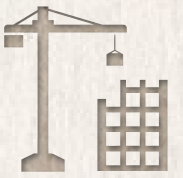
Projects Continued in 2015

Domestic

- 3 Yusufeli Dam & HEPP Project
- 4 Kargı Dam & HEPP Project

International

- 5 Devoll HEPP Project
- 6 Gali-Zakho Tunnel
- 7 Cairo International Airport Renovation & Expansion of Terminal Building No. 2 (TB2)
- 8 Limak Babylon Hotel & Resort



AT A GLANCE

Limak Construction, established in 1976, has risen to the 145th rank as of 2015 in the “Top 250 international contractors of the world” list published by the international construction sector magazine Engineering News-Record (ENR), by its deep rooted past and successful construction projects. The company has appended its signature under significant investments by implementing major infrastructure projects such as dams, tunnels, airport, ports, expressways, hydroelectric power plans (HEPP), treatment plants, food facilities and various superstructure projects such as construction of mixed-use focused buildings and hotels, both domestically and abroad.

*LİMAK CONSTRUCTION
HAS RISEN TO THE 145th
RANK AMONG THE TOP
250 INTERNATIONAL
CONTRACTORS LIST IN 2015*

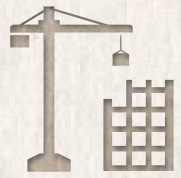
In the aviation sector, the company has completed two major international airport projects such as İstanbul Sabiha Gökçen International Airport and Pristine Adem Jashari International Airport. In 2013, it has been awarded the tender and has signed the contract for the İstanbul New Airport Project, together with its partners, and has started to develop the project. During the same year, it has also started the construction of the Ankara High-Speed Train Station, which the first high-speed train station of the country, together with its partners.

Limak Construction will continue to work for a sustainable future from now on, just as in the past. By the superior performance it demonstrates in the areas of safety, quality and environmental standards, it will continue to undertake large scale energy, infrastructure and superstructure construction projects in the developed and developing countries, primarily in Africa, Middle East, Europe and Balkans.

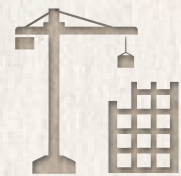
The data regarding eight construction sites, including three international projects, all of which are conducted by Limak Construction have been included in this report. These projects are at different stages (mobilization, construction and completion) in years 2014 and 2015, which is the reporting period. Considering the dynamic structure of construction projects and the density of the construction works that differentiate over time, it might be told that an accurate comparison with the following year is not possible. Brief information regarding the construction projects, all of which are conducted by Limak Construction, in 2014 and 2015 is provided in the table on the following page



Construction Group



| Project Title | Location | Projects Active in 2014 | Projects Active in 2015 | About the Project |
|--|---|-------------------------|-------------------------|---|
| Domestic Projects | | | | |
| Arkun Dam & HEPP Project | On Çoruh River, within the borders of the Artvin and Erzurum provinces | ✓ Completed in 2014 | — | It is a sand-gravel fill dam, with a concrete face, and a dam embankment height of 140 meters from the foundation. The body fill volume is 6 million m³. Installed power is 238 MW. |
| LimakPort İskenderun Modernization and Capacity Increase Project | İskenderun-Hatay | ✓ Completed in 2014 | — | The project has been intended to transform İskenderun port into a modern container port and increase the capacity to 1.3 million TEU. Accordingly; the dock structures, fields, port gates and warehouses have been reconstructed, port dredging works have been conducted, and all infra- and superstructures have been made compatible with container handling. Further detailed information is provided in the “LimakPort” section of the report. |
| Yusufeli Dam & HEPP Project | On Çoruh River, 70 km to the southwest of Artvin | ✓ | ✓ | By its height of 270 meters, it will be Turkey’s highest and the world’s third highest dam in the double curvature concrete arch dam type. The total water storage capacity of the dam is 2.2 billion m³. At the power plant with an installed capacity of 540 MW, approximately 1.8 billion kWh electrical energy will be generated annually. The project is foreseen to be completed in 2019. |
| Kargı Dam & HEPP Project | On Sakarya River, in the vicinity of Ankara province Beypazarı district | — | ✓ | This is a hydroelectric power plant that is designed with a cylinder compacted embankment of 534 thousand 220 m³, 820 meters long derivation and sluice tunnel on the left bank and power plant building with 2 units. The total installed power of the power plant is 100 MW, and the average annual generation capacity will be 254 million kWh. |
| Yurt Dışı Projeler | | | | |
| Devoll HEPP | Albania | ✓ | ✓ | <p>This project is comprised of the Banja and Moglice dams and hydroelectric power plants.</p> <p>Banja Dam & HEPP Banja Dam & HEPP has a clay core, sand-gravel fill body. Its height from the foundation will be 80 meters, and the installed power will be 63.4 + 7 MW. The project has been started in June 2013 and is targeted to be completed in November 2016.</p> <p>Moglice Dam & HEPP Moglice Dam & HEPP has an asphalt core, rock fill body. The height from the foundation will be 150 meters, and the installed power will be 177 + 1.2 MW. The project, which has been started in June 2014, is targeted to be handed over in August 2018.</p> |
| Gali-Zakho Tunnel | Iraq | ✓ | ✓ | The Gali Zakho Tunnel Project is the design and construction of a double-lane, double-way highway tunnel within the borders of the Duhok province, on the route connecting Duhok to Zakho. The tunnel will consist of two separate tubes of 3,590 meters. Within the scope of the project, the fabrications of the electromechanical, ventilation, lighting, fire extinguishing and various control systems will also be realized. |
| Cairo International Airport Renovation & Expansion of Terminal Building No. 2 (TB2) | Egypt | ✓ | ✓ | <p>The passenger capacity of Terminal Building No. 2, which is 3.5 million annually, will be increased to 7 million by renovation, while the total capacity of the Cairo International Airport will reach 25 million passengers. At the same time, the terminal will be designed as capable of serving large body passenger planes.</p> <p>The project, in addition to being a technology and prestige project with Turkey-Egypt collaboration, is also of high importance due to being the first project in the transportation field that is realized at international scale and funded by the World Bank, following the revolution in Egypt.</p> |
| Limak Babylon Hotel & Resort | Cyprus | — | ✓ | At the Limak Babylon Hotel & Resort, the construction of which is continued in Cyprus at the Bafra İskele locality, there will be 518 rooms, 1,100 beds, 4 outdoor and one indoor swimming pools, aqua park, 6 à la carte restaurants, 7 meeting halls with a total capacity of 4,200 persons, and an indoor animation hall for 500 persons. In addition to these, the project includes a SPA center of 2,350 square meters, Turkish bath, sauna, 2 steam baths, night club, football field, volleyball and basketball courts and 2 tennis courts. |



Limak Construction makes significant contributions to economic and social development by the created added value and employment in the regions where it operates. It acts with a perspective that respects the environment while performing these services and takes measures to reduce environmental impacts.

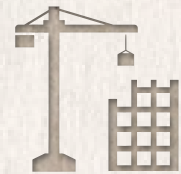


BASIC SUSTAINABILITY INITIATIVES

- Energy savings have been determined as one of the main objectives, the energy consumption amounts are monitored on monthly basis at all sites, including the Limak Construction corporate office.
- Motion sensor lighting and energy saving bulbs are used as all sites.
- A comprehensive internal reporting and management system is applied in order to monitor health, safety and environment (HSE) matters. As a part of this system, the performance data related with the basic HSE indicators are collected from all sites and are regularly reported to the senior management. During the evaluation meetings, the performance is evaluated according to these basic indicators, the necessary follow-up actions, delivery dates, duties and responsibilities are defined.
- Studies are conducted to improve the HSE performance continuously. Internal objectives are defined accordingly for the HSE performance.
- Trainings on the efficient use of energy and occupational health and safety are organized periodically for the Limak Construction employees at all construction sites.
- Limak Construction conducts its activities with the “zero work accident involving death” objective in line with the occupational health and safety priority. All sites are certified with the **OHSAS 18001 Occupational Health and Safety System Certificate**. The “Corrective and Preventive Actions Procedure” has been established with a continuous improvement approach. It is aimed to thus eliminate the causes of potential nonconformities and take measures to prevent their recurrences.
- In order to be able make a reliable performance analysis, density indicators (per person consumption) are always monitored also along with the total figures within the scope of the relevant elements. The per person energy, water consumption and greenhouse gas emissions of Limak Construction, as based on the total manpower throughout the year, have been included in the report accordingly.

NUMBERS OF EMPLOYEES

| 2015 | 2014 | 2013 |
|--------|--------|--------|
| 68.676 | 38.039 | 45.496 |



G4-19 G4-20



PRIORITY SUSTAINABILITY ISSUES

Limak Constriction has defined its priorities in the field of sustainability, considering the expectations of its stakeholders and the company strategy. The defined priority issues are provided in the sustainability matrix.

COMPLIANCE WITH THE LAWS

Limak Construction takes all measures for compliance with the legal legislations and the commitments in the Environmental Impact Assessment (EIA) Report received prior to construction, continuously monitors and reports all environmental and social impacts that may arise due to its activities. These reports are shared with the relevant ministries and approvals are received.

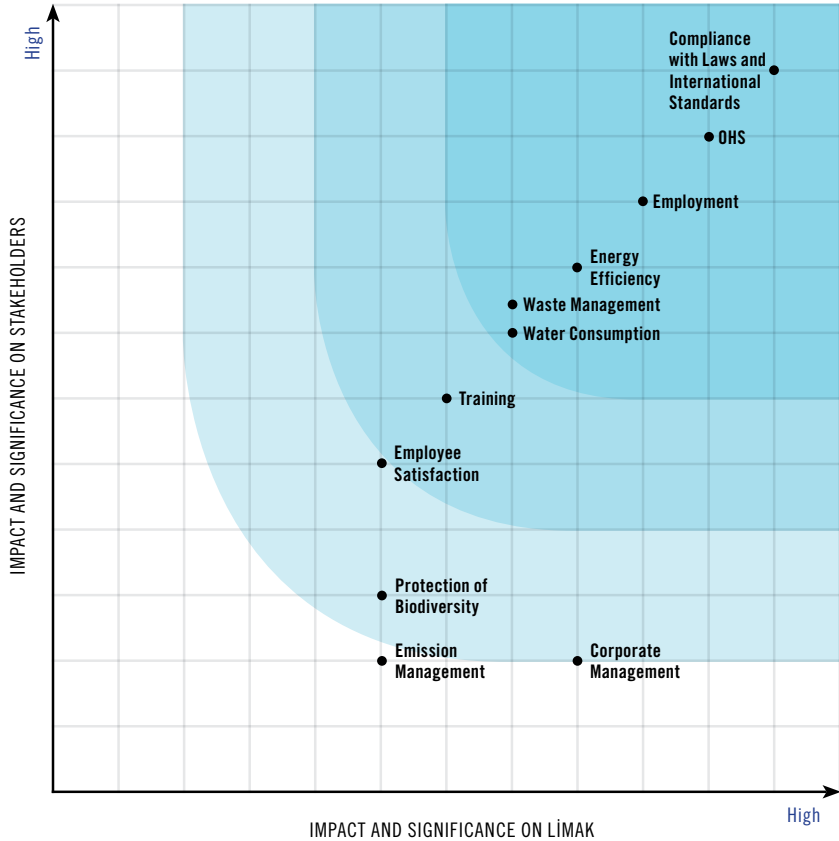
CERTIFICATES
(QUALITY, ENVIRONMENT & OCCUPATIONAL HEALTH AND SAFETY)

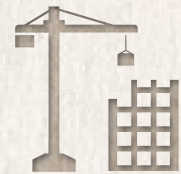
| | ISO 9001 | ISO 14001 | OHSAS 18001 |
|------------------------|----------|-----------|-------------|
| All construction sites | ✓ | ✓ | ✓ |

All construction sites of Limak Construction are certified with the internationally recognized ISO 9001 Quality Management, ISO 14001 Environment Management and OHSAS 18001 Occupational Health and Safety System certificates, and apply the Integrated Management System. In this context, impacts on the environment are taken into consideration when fuel and electricity consumption decisions are made.

ALL LIMAK CONSTRUCTION
SITES, HOLD ISO 9001,
ISO 14001 & OHSAS
18001 CERTIFICATES

2014-2015 Limak Construction Group
Sustainability Aspects Prioritization Matrix





ENERGY

Direct Energy Consumption (GJ)

| | 2015 | 2014 | 2013 |
|---|---------|---------|---------|
| LNG (liquefied natural gas-by tanker) | 23.340 | 16.685 | 12.801 |
| Diesel fuel | 496.775 | 470.104 | 447.765 |
| Fuel oil (Fuel oil No:4) | 2.393 | 0 | 3.163 |
| LPG+Propane | 1.754 | 5.238 | 1.134 |
| Gasoline | 6.376 | 6.768 | 113 |
| Petroleum | 1.965 | 3.698 | 1.195 |
| Total | 532.604 | 502.493 | 466.171 |
| Per employee direct energy consumption (GJ/person.day) | 0,26 | 0,44 | 0,34 |

PER EMPLOYEE WATER CONSUMPTION HAS BEEN REDUCED BY 22% IN 2015

Electricity Consumption

| | | 2015 | 2014 | 2013 |
|---|----------|--------|--------|--------|
| Total electricity (GJ) | Domestic | 41.232 | 24.682 | 28.964 |
| | Abroad | 18.910 | 8.491 | 3.097 |
| | Total | 60.142 | 33.173 | 32.061 |
| Per employee electricity consumption (GJ/person.day) | | 0,03 | 0,03 | 0,02 |

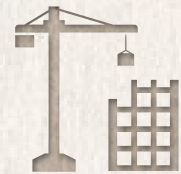
Upon the inclusion of the Cyprus Babylon Resort construction site in 2015, in addition to the Egypt, Albania and Iraq foreign sites in 2014, and entering into denser project stages in the domestic and international projects, the total electricity consumption has increased as compared to the previous years and has been 60.142 GJ. However, the per employee electricity consumption has been the same both in 2014 and 2015 and has materialized as 0,03 GJ/person.day. The energy consumption per employee has been higher as compared to 2013 because these projects are in stages where the works are more intensified.

WATER USE

Although the total water consumption increases depending on the number of construction sites being worked in, the water consumption per employee has displayed a decreasing trend. The per employee water consumption in 2015 has been reduced by 22% as compared to 2014 and has materialized as 32 m³/person.day. Meanwhile, the source of the water used varies depending on the location of the construction site.

Water Consumption (m³)

| | 2015 | 2014 | 2013 |
|--|---------|---------|---------|
| Municipal (mains) water | 187.618 | 193.730 | 223.851 |
| Surface water (wetland, including river, lake and sea waters) | 282.800 | 208.800 | 434.756 |
| Underground water | 174.059 | 52.024 | 62.558 |
| Water supplied by tanker | 7.700 | 6.580 | 1.750 |
| Total water consumption | 652.177 | 461.134 | 722.915 |
| Per employee water consumption (m³/person.day) | 0,32 | 0,40 | 0,53 |



WASTE CONSUMPTION (tons)

| | 2015 | 2014 | Disposal Method |
|-----------------------------|------------|------------|-----------------|
| Packing Wastes | | | |
| Metal | 493 | 386 | Recycling |
| Glass | 4 | 6 | Recycling |
| Plastic | 7 | 6 | Recycling |
| Paper | 4 | 4 | Recycling |
| Total | 507 | 402 | |
| Liquid Wastes | | | |
| Waste vegetable oil | 0,2 | 0,5 | Recovery |
| Hazardous Wastes | | | |
| Battery | 3 | 3 | Recovery |
| Medical waste | 0,6 | 0,4 | Incineration |
| Contaminated waste | 7 | 14 | Incineration |
| Contaminated packing wastes | 0,4 | 3 | Incineration |
| Oil – fuel filter | 6 | 18 | Incineration |
| Waste tire | 54 | 68 | Recovery |
| Fluorescent lamp | 0,001 | 2 | Recovery |
| Scrap cable | 0,06 | 0 | Recovery |
| Insulation material | 0 | 3 | Incineration |
| Electronic waste | 0,3 | 2 | Recovery |
| Waste oil | 124 | 118 | Recovery |

507 TONS OF PACKING
WASTE IN TOTAL HAVE BEEN
SENT TO RECYCLING IN 2015

The wastes are collated and disposed as based on the waste classes provided in the legislations. In 2015, 507 tons of packing wastes in total have been sent for recycling. Meanwhile, the hazardous wastes have been disposed of by recovery and incineration methods.

ENVIRONMENTAL & SOCIAL IMPACT ASSESSMENT, PROTECTION OF BIODIVERSITY

Limak Construction takes all measures for compliance with the legal legislations and the Environmental Impact Assessment (EIA) Report or, if any, Environment and Social Impact (ESIA) Report received prior to construction and continuously monitors and reports all environmental and social impacts that may emerge as a result of its activities. All these reports are prepared in order to determine whether the project location is adjacent to any area that is under protection and/or has high biodiversity, to evaluate the environmental and social impacts and the necessary reduction measures to eliminate or minimize such impacts. These reports are subject to the approval of T.R. Ministry of Environment and Urbanization or the relevant institution abroad. According to these reports, there are no construction steps that are adjacent to any areas that are under protection and/or have high biodiversity.



7 Hotels

Guests from **40** Countries

308.323 Guests

1.634 Employees

Limak Resort Hotels

- 1 Arcadia Hotel & Resort
- 2 Limra Hotel & Resort
- 3 Atlantis De Luxe Hotel & Resort
- 4 Lara De Luxe Hotel & Resort

Limak City Hotels

- 5 Ambassade Hotel, Ankara
- 6 Yalova Thermal Boutique Hotel, Yalova
- 7 Eurasia Luxury Hotel, İstanbul

Ongoing Hotel Investments

- 8 Babylon Hotel & Resort, Cyprus (in construction stage)
- 9 Tarsus De Luxe Hotel and Tarsus Golf Hotel, Mersin (in project design stage)



OUR AWARDS

Limak Limra Hotel & Resort

- 2015** → TripAdvisor Certificate of Excellence (2013-2015)
 - HolidayTest Winner of Award
 - Thomas Cook Proven Quality Certificate (2014-2012-2015)
 - HolidayCheck Recommended Hotels
 - TopHotels.ru Certificate of Excellence, Top 10 Conference Hotels in Turkey (2013-2014-2015)
 - Zoover Award Silver
 - Zoover Award Bronze (Limra Park)
 - Travelife Gold
 - Booked.net Best Value For Money Accommodation in Turkey (Limra Park)
 - Ayda.ru Quality Certificate
 - OtelPuan.com Guest Satisfaction Award
- 2014** → International Environment Friendly Facility Travellife Gold
 - HolidayCheck Recommended Hotels
 - Otelpuan
 - Booking.com Certificate of Excellence
 - Corendon Most Children Friendly Award
 - Zoover Highly Recommended Hotel
 - Travelife Gold
 - Zoover Highly Recommended Hotel (2013-2014)
- 2013** → Zoover Highly Recommended Hotel
 - Holidaycheck Quality Selection
 - Corendon World's Best Hotel (Food Quality Category)

Limak Arcadia Golf & Sport Resort

- 2015** → Travellife Gold Sustainable Tourism (2012-2014-2016)
 - HolidayCheck Recommended Hotel
 - TripAdvisor Travellers Choice, Turkey's Number 1 and the World's 5th Family Hotel (2014-2015)
 - Thomas Cook Proven Quality
 - Zoover Award Silver
- 2014** → TripAdvisor Travellers Choice
 - Holidaycheck TopHotel
 - Zoover Highly Recommended Hotel (2011-2012-2013-2014)
 - Booking.com Certificate of Excellence
 - HolidayCheck Top Hotel Selection
 - TopHotels.ru Certificate of Excellence, Top 1000 Hotels of the World (2012-2014)
- 2013** → HolidayCheck Quality Selection (2012-2013)
 - TripAdvisor Certificate of Excellence (2011-2012-2013)
 - Ministry of Tourism Environment Friendly Accommodation Facility
 - Voyager Best Holiday Hotel
 - Tui-12fly- Pet Friendly Hotel Certificate
 - Corendon Best Price / Quality Award
 - Coral Travel Starway Award
 - TopHotels.ru Certificate of Excellence, Turkey's Leader Family Friendly Hotel

Limak Lara De Luxe Hotel & Resort

- 2015** → TripAdvisor Travellers Choice
 - TripAdvisor Top 25 Family Hotels
 - ThomasCook Certificate of Excellence (2004-2012-2015)
 - Zoover Award Silver
 - Travelife
 - Holidaytest Winner
 - OtelPuan.com Guest Satisfaction Award
 - Kids Holiday Top Quality
 - Ayda.ru Quality Certificate
 - Booked.net Most Recommended Hotel in Turkey
- 2014** → International Environment Friendly Facility Travelife Gold
 - Booking.com Certificate of Excellence
 - HolidayCheck Top Hotel (2013-2014)
 - Zoover Recommended Hotel (2013-2014)
- 2013** → TripAdvisor Certificate of Excellence
 - TopHotels.ru Certificate of Excellence, Leading Honeymoon Hotel in Turkey
 - Coral Travel World's Top 100 Hotels



OUR LIMRA, LARA, ATLANTIS,
ARCADIA, EURASIA
AND YALOVA THERMAL
HOTELS HOLD GREEN
STAR CERTIFICATES

Limak Atlantis De Luxe Hotel & Resort

- 2014 → TripAdvisor Certificate of Excellence (2013-2015)
- TripAdvisor Top 25 Family Hotels of Turkey
- TripAdvisor Top 25 Hotels of Turkey
- International Environment Friendly Facility Travelife Gold
- Booking.com Certificate of Excellence
- HolidayCheck Top Hotel (2013-2014)
- Zoover Recommended Hotel
- TopHotels.ru Certificate of Excellence, Hospitality
- Corendon Children Friendly Hotel of the Year
- Otelpuan Award
- 2013 → HolidayCheck Quality Selection

Limak Thermal Boutique Hotel

- 2015 → TripAdvisor Certificate of Excellence (2013-2014-2015)
- 2014 → Best Managed Boutique Hotel of Turkey
- 2013 → HolidayCheck Quality
- Skalite Award for Contribution in Keeping Cultural Values Alive

Limak Ambassadors Hotel

- 2015 → TripAdvisor Certificate of Excellence (2014-2015)
- 2014 → Booking.com Guest Evaluation Certificate of Excellence
- 2013 → TripAdvisor Recommended Hotel (2012-2013)

Limak Eurasia Luxury Hotel

- 2014 → Booking.com Guest Evaluation Certificate of Excellence
- 2013 → TripAdvisor Certificate of Excellence (2012-2013)





G4-22



AT A GLANCE

Limak Tourism, after having entered the tourism sector in 1995 with the Arcadia Hotel, has grown rapidly since 2000 under the Limak International Hotels & Resort brand and hosts 308.323 guests from 40 countries approximately every year with a warm hospitality and perfect service philosophy. Services are offered throughout the year at the facilities, which have over 19 thousand employees and a bed capacity of 5 thousand, and the occupancy ratio is kept above 80% in general.

Within the scope of the sustainability approach adopted in the rapidly growing hotel chain, many practices have been implemented as aimed to reduce the environmental impacts and unit costs.

IN 7 HOTELS WITH 5 THOUSAND BEDS' CAPACITY AND OVER 19 THOUSAND EMPLOYEES, MORE THAN 300 THOUSAND GUESTS ARE HOSTED EVERY YEAR WITH A "WARM HOSPITALITY AND PERFECT SERVICE" PHILOSOPHY

Practices within the scope of Hotels Sustainability Approach

- Energy and water consumption amounts are regularly monitored and projects are developed for reduction.
- LED lighting fixtures are preferred.
- Solar energy is used to supply hot water. (Limra and Atlantis Hotels)
- Fixtures with sensors (photocell) are preferred in order to reduce water consumption.
- Fan coils (air-conditioning) that contribute in reducing energy consumption by producing hot water using hot air and energy saving card system are used.
- Fireworks are not used and measures are taken so that there is no noise due to music close to the beach at night.
- Feedbacks are received from the customers by customer surveys and measures are taken for continuous improvement.
- 10 thousand tree saplings have been planted at the 100 acres' area allocated by the Ministry of Forestry and Water Affairs. Within the scope of the "Memorial Forest Project" started in 2011, it is aimed to leave a lasting heritage to Antalya on behalf of the hotel customers by planting 100 thousand saplings over a period of 10 years.

Employee Figures

| | 2015 | | | 2014 | | | 2013 |
|---------------------|-------|-------|-------|-------|-------|-------|-------|
| | Women | Men | Total | Women | Men | Total | Total |
| Resort Hotels Total | 450 | 1.161 | 1.611 | 383 | 1.125 | 1.507 | 1.524 |
| City Hotels Total | 7 | 16 | 23 | 6 | 17 | 24 | 24 |
| Total | 457 | 1.177 | 1.634 | 389 | 1.142 | 1.531 | 1.548 |

* Yalova Thermal Hotel has been handled in the city hotels category in this report, as different from the 2012-2013 sustainability report.



G4-19 G4-20 G4-21



PRIORITY SUSTAINABILITY ISSUES

Limak Tourism has defined its priorities in the field of sustainability, considering the expectations of its stakeholders and the company strategy. The defined priority issues are provided in the sustainability matrix.

CUSTOMER SATISFACTION

Customer satisfaction is the keystone of the Limak Tourism hotel management understanding. The guests who prefer Limak hotels and the awards received every year are the biggest indicator of the importance attached to customer satisfaction. In addition, feedbacks are received from the customers by the applied surveys. Although it varies depending on the number of customers in each hotel, 200 to 1,000 surveys are being responded per month. According to the surveys filled in during 2015, the customer satisfaction ratio is approximately 96%.

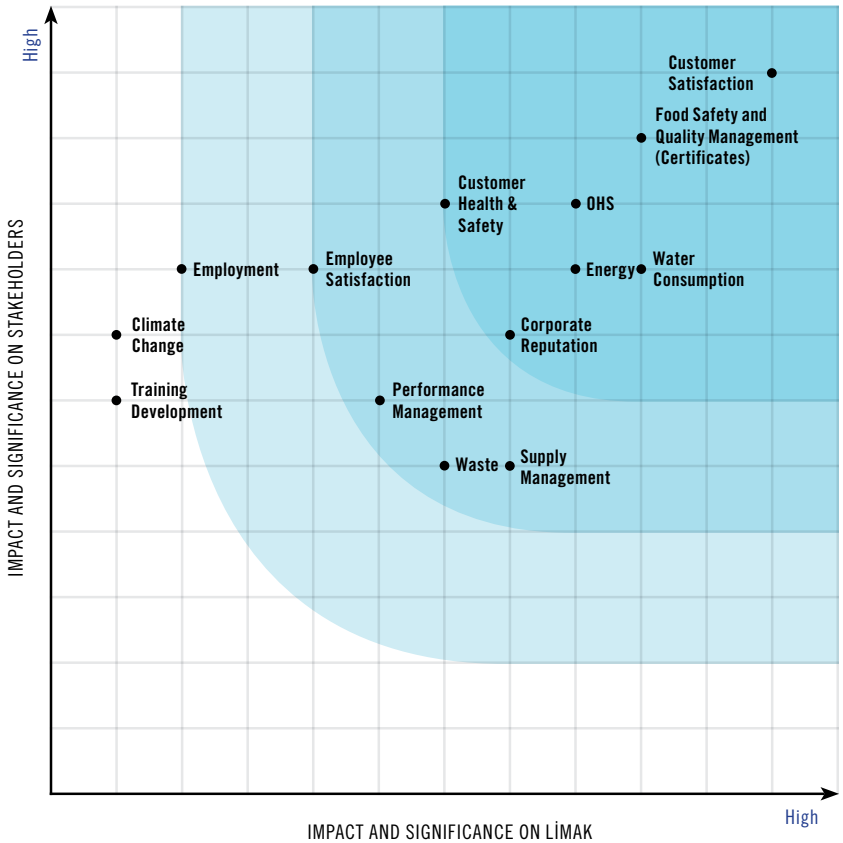
In 2015, Arcadia Hotel with the “**Sustainable Tourism**” award and in 2014, the Limra, Lara, Atlantis, Arcadia Hotels with the “**International Environment Friendly Facility Travelife Gold**” awards, have filled us with pride, as the Limak Group of Companies, and have increased our motivation in our sustainability journey.

INTERNATIONAL CERTIFICATES (QUALITY MANAGEMENT & FOOD SAFETY)

As a result of the qualified service understanding, Limak Tourism has been certified with the ISO 9001 Quality Management Certificate. The certification process of four hotels has been completed, while the studies are continued for the certification of the other hotels in the coming years. In the meantime, as an indicator of the importance attached to health and hygiene, the international food safety management systems are implemented in all Limak hotels. The number of Limak hotels holding the ISO 22000 Food Safety Management System Certification increases every day.

ACCORDING TO THE
SURVEYS MADE IN 2015,
LİMAK TOURISM GROUP
CUSTOMER SATISFACTION
IS APPROXIMATELY 96%

2014-2015 Limak Tourism Group
Sustainability Aspects Prioritization Matrix





G4-22



OCCUPATIONAL HEALTH AND SAFETY (OHS)

The health and safety of its customers and employees (OHS) are among the highest priorities of Limak Tourism. Regular trainings are given to the personnel within this scope. These trainings are led by the OHS training organized as aimed for personnel who newly start to work. In addition, trainings are also organized regarding hygiene, waste oil, use of chemicals, emergency procedure generator safety measures and operation, food safety and hygiene, elevator safety measures and human rescue, hazardous wastes and waste sorting, earthquake and fire drills, quitting smoking , first aid (as one person in every 20 persons), legionella, prevention of work accidents.

In addition, risk assessments are made and reports are prepared regularly. Decisions are made at OHS board meetings as aimed for the risks identified as a result of the monthly risk determination studies and the risk assessment survey forms handed out to the employees, and improvement activities are conducted.



Customer Satisfaction Best Practice Example

The Limak Group Hotels have started a new practice and give Turkish training to its foreign guests. Limak Group Hotels, adding yet another new one to the studies conducted to introduce Turkish culture, aims to contribute in the sustainability of tourism with this study.



WATER CONSUMPTION

Water Consumption (m³/year)

| | 2015 | 2014 | 2013** |
|---------------|---------|---------|---------|
| Resort Hotels | 603.476 | 617.201 | 589.603 |
| City Hotels* | 80.289 | 82.119 | 77.221 |
| Total | 683.765 | 699.320 | 666.824 |

Water consumption in 2015 has been reduced by 2% as compared to the previous year and has materialized as 683.765 m³. The majority of the water consumption (88%) arises from the resort hotels.

ENERGY MANAGEMENT

Electricity Consumption (GJ)

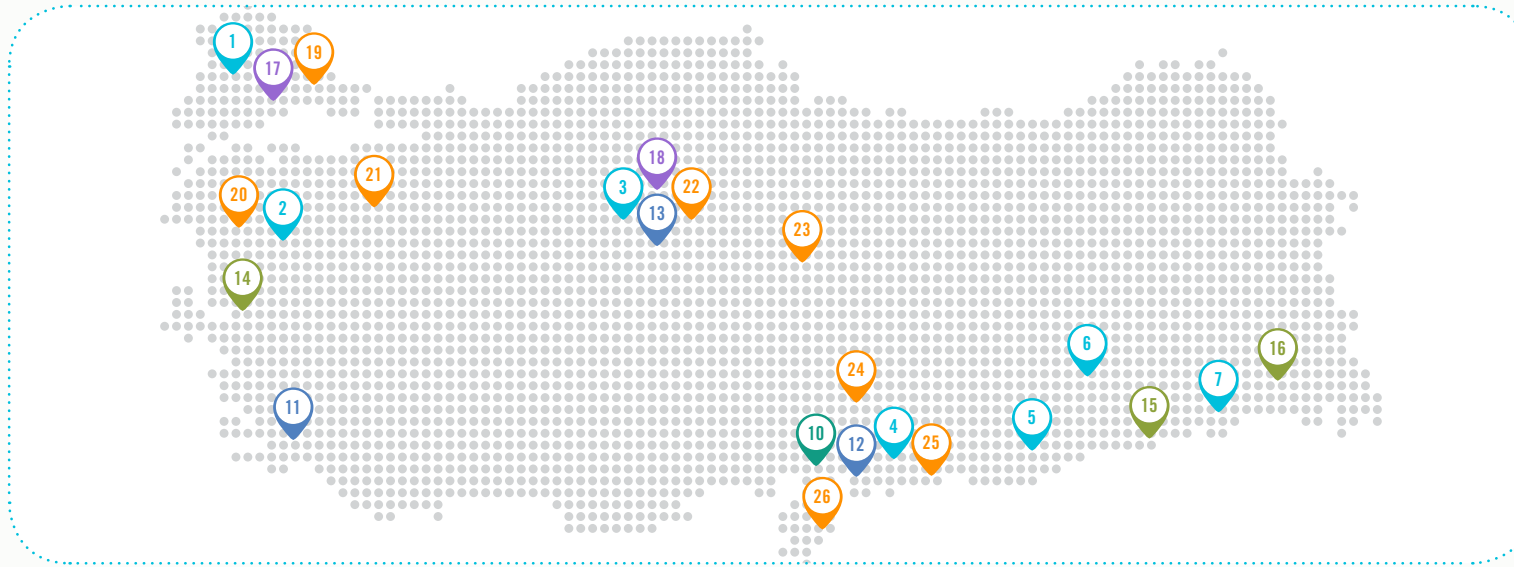
| | 2015 | 2014 | 2013 |
|---------------|--------|--------|--------|
| Resort Hotels | 82.144 | 83.076 | 83.810 |
| City Hotels* | 14.856 | 14.365 | 14.576 |
| Total | 97.001 | 88.787 | 98.386 |

Due to the purchased electricity, energy consumption has increased by 9% in 2015, as compared to 2014 and has materialized as 97.001 GJ. 85% of this consumption arises from the resort hotels.

* Yalova Thermal Hotel has been removed from the resort hotel category and included in the city hotels category, as different from the previous 2013 sustainability report.

** 2013 data have been provided as updated in the table.

WATER CONSUMPTION OF
LİMAK HOTELS HAS BEEN
REDUCED BY 2% IN 2015



Integrated Factories

- 1 Trakya Cement, Kırklareli
- 2 Balıkesir Cement
- 3 Ankara Cement
- 4 Gaziantep Cement
- 5 Şanlıurfa Cement
- 6 Ergani Cement, Diyarbakır
- 7 Kurtalan Cement, Siirt

Factories under Investment

- 8 Africa Cement Abidjan, Ivory Coast
- 9 Mozambique Cement

Bims Facility

- 10 Kilis Bims Facility

Integrated Factories under Investment

- 11 Muğla Cement
- 12 Kilis Cement
- 13 Anka Cement, Ankara

Grinding Facilities

- 14 Ege Cement, Manisa
- 15 Mardin Cement
- 16 Bitlis Cement

Limak Ready-Mixed Concrete Plants

- 17 Yenibosna, İstanbul
- Ataköy (Mobile), İstanbul
- 18 Güvercinlik, Ankara
- Balgat (Mobile), Ankara
- İncek, Ankara

Franchising Ready-Mixed Concrete Plants

- 19 Selimpaşa, İstanbul
- Ayazağa, İstanbul
- Velimeşe, İstanbul
- 20 Bandırma, Balıkesir
- Manyas, Balıkesir
- Altıntaş, Balıkesir
- 21 Teknik Concrete, Bursa
- 22 Yaprıcak, Ankara
- Şaşmaz, Ankara
- 23 Arkar, Kırıkkale
- Arkar-2, Kırıkkale
- 24 Limas, Kahramanmaraş
- Limas, Pazarcık
- Limas, Türkoğlu
- 25 Limsa, Gaziantep
- Limsa-2, Gaziantep
- 26 Nas Concrete, Hatay



1st Energy efficiency project application of World Bank and EIB* origin

2nd Largest production capacity in Turkey

7 Integrated Cement Factories

3 Grinding Facilities

22 Ready-Mixed Concrete Plants

* European Investment Bank



Limak Cement Group, which has the second largest production capacity in Turkey today, focuses on capacity increase, modernization and energy efficiency at its factories with a sustainable production understanding that respects nature and rapidly continues its environment friendly production activities.



AT A GLANCE

Limak Cement Group, by completing its capacity increase and new line investments at the Trakya and Balıkesir Cement Factories in 2014, has risen to the second rank in clinker and cement production capacity in Turkey and has increased its market share to 12%. In 2015, cement production has increased by 12% as compared to 2013 and has materialized as 8,6 million tons. Furthermore, the Group contributes in regional development and employment also by its 1.309 permanent employees at the cement factories, 98% of whom are registered in the local community, as of 2015.

12% INCREASE IN
CEMENT PRODUCTION

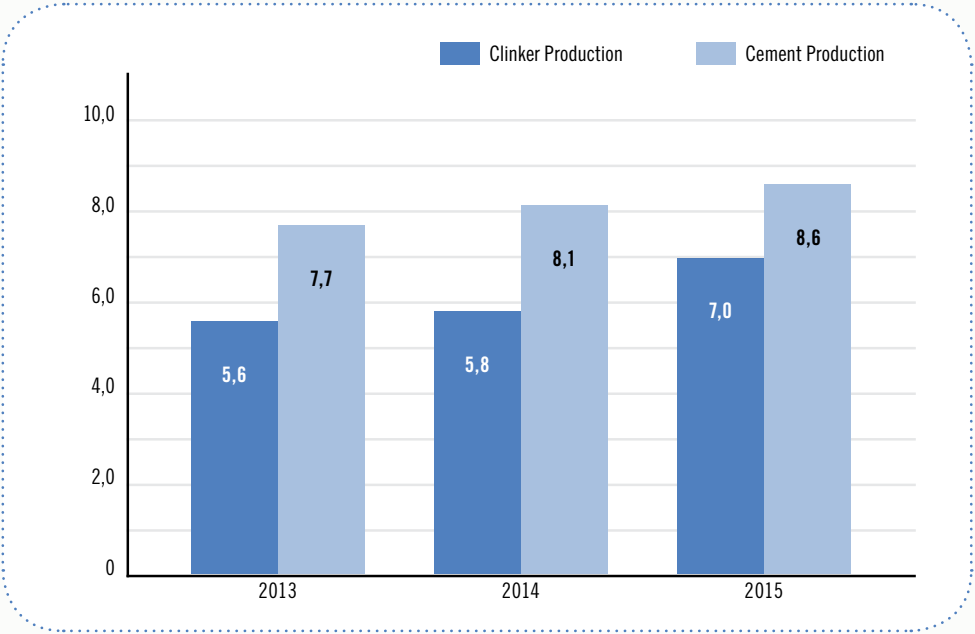
While Limak Cement continues its economic growth, it also continues capacity increase, modernization, clean technology and energy efficiency studies at the factories rapidly with the awareness of its environmental responsibilities.

The Limak Cement data provided in this report cover seven integrated cement factories and three cement grinding facilities that continue their operations as of the end of 2015.

Clinker and Cement Production Amount (ton/year)

| | 2013 | 2014 | 2015 |
|---------------------------|-----------|-----------|-----------|
| Clinker Production Amount | 5.636.755 | 5.802.252 | 7.032.150 |
| Cement Production Amount | 7.650.169 | 8.148.518 | 8.590.877 |

Clinker and Cement Production Amount (million ton/year)





Cement Factories Numbers of Employees

SUPPORT TO REGIONAL
DEVELOPMENT BY 98%
LOCAL EMPLOYEES

| | 2015 | | | | | 2014 | | | 2013 |
|-----------|-------|-------|-------|---|-------------------------------|-------|-------|-------|-------|
| | Women | Men | Total | Number of Employees with Domiciles Registered in the Local Region | Local Employee Percentage (%) | Women | Men | Total | Total |
| Ankara | 9 | 162 | 171 | 171 | 100 | 9 | 156 | 165 | 142 |
| Trakya | 9 | 202 | 211 | 211 | 100 | 11 | 177 | 188 | 146 |
| Urfa | 4 | 197 | 201 | 197 | 98 | 4 | 185 | 189 | 186 |
| Gaziantep | 8 | 157 | 165 | 165 | 100 | 8 | 164 | 172 | 164 |
| Kurtalan | 5 | 203 | 208 | 205 | 99 | 6 | 195 | 201 | 194 |
| Ergani | 7 | 184 | 191 | 172 | 90 | 6 | 174 | 180 | 178 |
| Balıkesir | 7 | 155 | 162 | 162 | 100 | 7 | 149 | 156 | 143 |
| Total | 49 | 1.260 | 1.309 | 1.283 | 98 | 51 | 1.200 | 1.251 | 1.153 |

MAIN SUSTAINABILITY INITIATIVES

A FIRST IN THE TURKISH
CEMENT SECTOR: USE
OF ROTARY KILN WITH
LOW NOx EMISSION

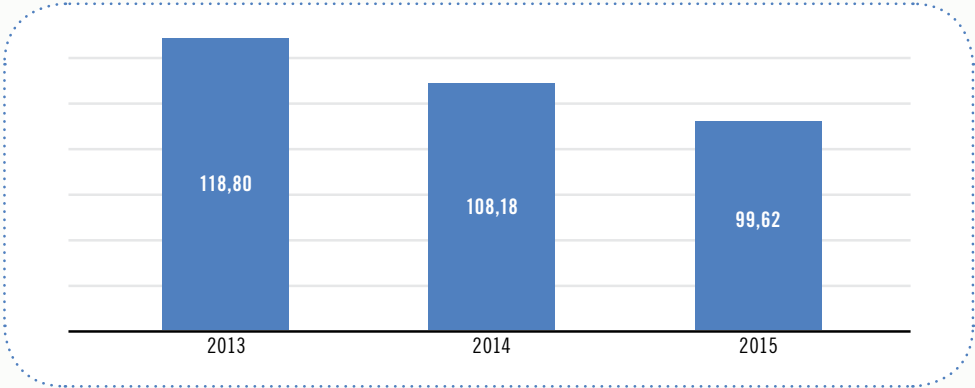
Limak Cement Group has carried out modernization, energy efficiency, capacity increase and environment investments in all of its factories in the eastern region during 2005-2011.

While the Group, setting off with “total re-development” understanding in each of the cement factories in the western region purchased in 2011, has ensured the satisfaction of the regional communities and the supply chain within a very short time by the sustainable investment projects it has developed and its operational innovations, it has also introduced the Turkish cement sector for the first time with a credit agreement covered by the energy efficiency and clean technology funds of the World Bank and the European Investment Bank. Limak Cement, in addition to implementing the Equator Principles with success at all stage of investment and operation, has also enjoyed the well-deserved pride of the Turkish cement sector with the low NOx emission calciner rotary kilns (low-NOx calciner) it has installed in Balıkesir and Trakya as another first.



At the **Ankara Cement Factory**, which has received credit by the funds provided by the European Investment Bank, the cement specific energy has been reduced by 16% in 2015, as compared to 2012, and has been 99,62 kWh/ton cement.

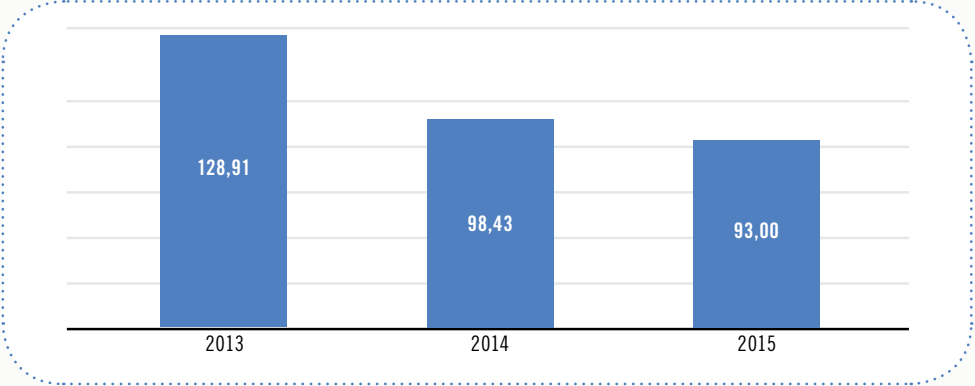
Ankara Cement Factory Specific Energy Consumption (kWh/ton cement)



16% energy savings per unit ton cement produced

At the **Trakya Cement Factory**, which has received credit by the funds provided by the World Bank, old generation rotary kilns and mills have been disassembled and replaced by the country's first low NOx emission rotary kilns and low energy consuming, new generation vertical mill units. As compared to pre-investment 2012, the fossil fuel consumption has been reduced by 15%, electricity consumption by 28% and dust emission by 50% per unit ton cement production at the Trakya Cement Factory as of 2015. Thus, the facility has been one of the most technological and environment friendly facilities of the Marmara Region, the heart of Turkey.

Trakya Cement Factory Specific Energy Consumption (kWh/ton cement)

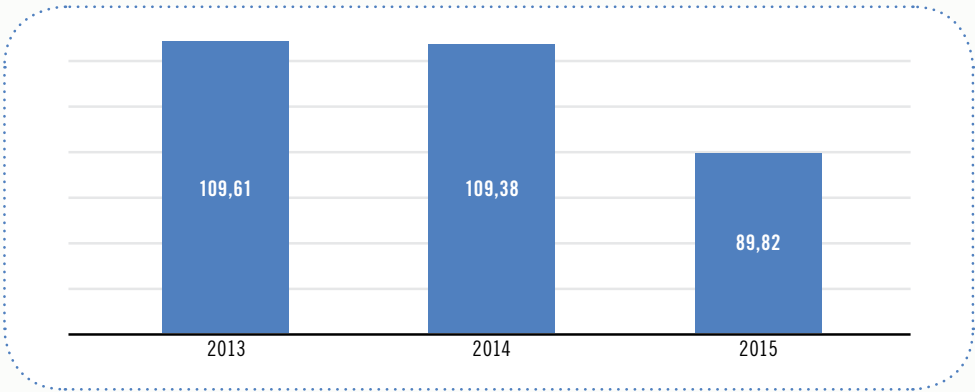


28% energy savings per unit ton cement produced



At the **Balıkesir Cement Factory**, which has received credit by the funds provided by the European Investment Bank (EIB), while the old generation rotary kiln has been transformed into a low NOx technology kiln, the old generation mills have been disassembled and replaced with low energy consuming, new generation vertical mill units. Balıkesir Cement Factory, where fossil fuel consumption has been reduced by 6%, electricity consumption by 18% and dust emission by 89% per unit ton cement production, continues to serve in the Aegean Region with an environment friendly production understanding.

Balıkesir Cement Factory Specific Energy Consumption (kWh/ton cement)



18% energy savings per unit ton cement produced

As a result of all these investments, Limak Cement has entered the second half of 2015 with 10 factories that have been fully modernized and completed their environmental and social investments, each serving as examples for the sector.

Forestation Activities

In addition to these investments, all Limak Cement factories apply a forestation program. The numbers of saplings planted in 2015 and 2014 are provided in the following table:

Numbers of Planted Saplings

| Cement Factories | 2015 | 2014 |
|------------------|-------|-------|
| Ankara | 60 | 385 |
| Balıkesir | 1.233 | 300 |
| Ergani | 660 | 400 |
| Kurtalan | 610 | 305 |
| Şanlıurfa | 85 | 176 |
| Total | 2.648 | 1.566 |



PRIORITY SUSTAINABILITY ISSUES

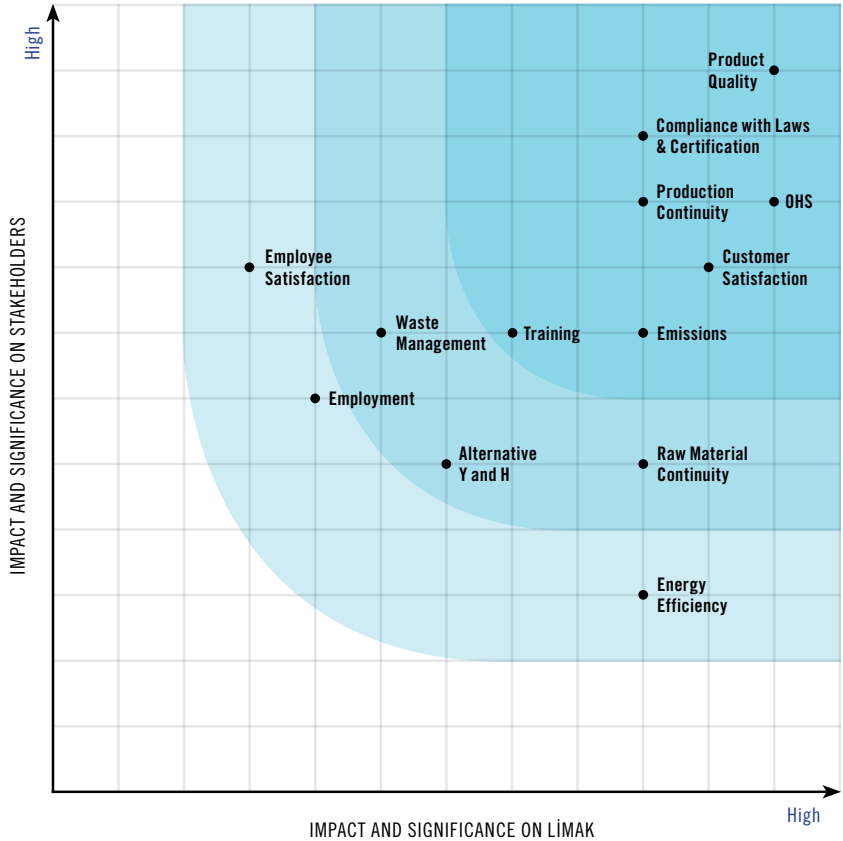
Limak Cement Group has defined its priorities in the field of sustainability, considering the expectations of its stakeholders and the company strategy. The defined priority issues are provided in the sustainability matrix.

INTERNATIONAL MANAGEMENT CERTIFICATES AT THE FACTORIES
(COMPLIANCE WITH THE LAWS, OCCUPATIONAL HEALTH
AND SAFETY AND QUALITY CERTIFICATES)

For Limak Cement Group, compliance with the legal legislations, occupational health and safety and qualified production are included among the top priorities. The Group has taken one step further than compliance with the legislations, and applies the international management standards in the areas of occupational health and safety, quality and environment, in an integrated manner as a part of its production and development approach. All factories hold ISO 9001, ISO 14001 and OHSAS 18001 certificates within the scope of the integrated management system. Furthermore, the Şanlıurfa Factory has received the ISO 50001 Energy Management System Certificate in 2013 and has acquired the title of being the first Gold certified facility of Limak Cement. Meanwhile, the Trakya factory has also acquired a Gold Certificate by receiving the ISO 50001 Energy Management System Certificate in 2015. The preparations within this scope are continued also in the other factories. Current information regarding the ISO 50001 Energy Management System Certification is provided in detail in the energy efficiency section.

| International Management System Certificates in Our Cement Factories | | | | | | | | |
|--|--------------------------------|--------|-----------|--------|----------------|---------------|--------|----------------|
| Standard | Subject | Ankara | Balıkesir | Ergani | Gazi- antep | Kurt- alan | Trakya | Şanlı- urfa |
| ISO 9001 | Quality Management | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| ISO 14001 | Environment Management | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| OHSAS 18001 | Occupational Health and Safety | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| ISO 50001 | Energy Management | | | | | | ✓ | ✓ |

2014-2015 Limak Cement Group
Sustainability Aspects Prioritization Matrix





PATENTED ENVIRONMENT FRIENDLY PRODUCT

Within the scope of environment friendly production understanding, Limak Cement Group has received a patent for the cement product developed in its R&D laboratories and reduced its carbon footprint thanks to the mineral additive content, from the Turkish Patent Institute under the name of Limak CEM PLUS+. The Limak CEM PLUS+ product is being produced at the Ankara, Balıkesir and Gaziantep factories and used in high concrete class products.

OCCUPATIONAL HEALTH & SAFETY (OHS)

The Group pledges to take all measures to prevent any type of diseases and work accidents that may emerge as a result of the activities at the workplace by its OHS policy. The Occupational Health and Safety policies of the Limak Cement factories can be accessed from the website: <http://www.limakcimento.com/fabrikalar.aspx>

An Integrated Management System including the OHSAS 18001 Occupational Health and Safety Standard is implemented at all cement factories. The Group aims to go one step beyond compliance with the requirements of legal legislations, and to improve its OHS performance continuously by the applied international management systems and conducting risk assessments, drills and regular trainings. The objective is zero deadly work accidents. Supervisor reports, risk notifications, near-miss incidents and work accidents are recorded at the factories in general, and action plans are generated and communicated to the factory employees. Performance is reviewed at the OHS Board meetings held regularly once a month, with the participation of personnel within scope and outside of scope

and contractors' representatives. Care is taken to ensure that at least one third of the meeting attendants are blue collar. These individuals are elected unanimously by the other blue collar personnel by open voting. The risk notification and near-miss incident notification of the month and the risk notification and near-miss incident notification of the year are selected and the relevant personnel are rewarded at the end of the year for purposes of encouragement.

The top priority agenda item at the management review meeting held every year as chaired by the Factory General Manager is the OHS issues. Annual objectives and evaluation criteria are defined for the units at the meeting and the resolutions are recorded by meeting minutes. The performances of the units regarding the objectives defined at this meeting are evaluated once in every six months.

Theatrical activities with the occupational safety theme have been organized in 2014 and 2015 in collaboration with the Cement Industry Employers Union (ÇEİS) in order to keep the occupational health and safety culture alive at all times. Events focused on awareness development and communicating the legal legislations are continued.

SUSTAINABLE PRODUCTION

Limak Cement Group aims to reduce the amount of clinker used in cement production in order to reduce energy consumption and carbon footprint because clinker production requires high amounts of energy. Therefore, studies are conducted as aimed to increase the alternative raw materials usage ratio. The ratios of clinker use in cement production over the years are provided in the following tables.



Clinker Usage Ratio in Cement Production (%)

| | 2015 | 2014 | 2013 |
|-------|------|------|------|
| Total | 80,0 | 80,0 | 80,2 |

Alternative Raw Material Usage Ratio in Cement Production (%)

| | 2015 | 2014 | 2013 |
|-------|------|------|------|
| Total | 2,30 | 1,56 | 0,37 |

ENERGY EFFICIENCY

Energy efficiency is extremely important both for the development of our country and for reducing production costs and the emissions, because cement is an energy intense sector and there is an increasing energy demand in our country that is developing.

Limak Cement has started to implement the ISO 50001 Energy Management System at the Şanlıurfa and Trakya Factories in order to systematically monitor the energy efficiency studies that enable the establishment of the necessary systems and processes in order to improve the energy performance, so as to cover energy effectiveness, use and consumption. The studies to establish this system also at the other factories are continued. It is thus planned to reduce greenhouse gas emissions, other associated environmental impacts and energy costs with systematic energy management.

Limak Cement Direct Energy and Electricity Consumption (TJ)

| | 2015 | | 2014 | | 2013 | |
|-------------------------------------|---------------|-------------|---------------|-------------|---------------|-------------|
| | Direct Energy | Electricity | Direct Energy | Electricity | Direct Energy | Electricity |
| Factories Total | 15.622 | 2.785 | 13.189 | 2.513 | 19.600 | 2.565 |
| Grinding Facilities Total | 11 | 128 | 10 | 161 | 12 | 145 |
| Total | 15.633 | 2.913 | 13.199 | 2.673 | 19.612 | 2.710 |
| Direct Energy and Electricity Total | 18.545 | | 15.872 | | 22.322 | |

Direct energy arises from burning coal, lignite and petroleum coke type fossil fuels used in cement kilns. Limak Cement reduces total fossil fuel consumption by using alternative fuel produced from waste instead of the traditional fossil fuels, as far as it is available.

Electricity consumption has materialized as 2.913 TJ in 2015. Although clinker production has increased by 25% and cement production by 12% in 2015 as compared to 2013, the electricity consumption has increased by only 7%.

LİMAK CEMENT HAS BEEN THE FIRST COMPANY TO SIGN THE ENERGY EFFICIENCY PROJECT IN TURKEY WITH THE LOAN PROVIDED BY THE DEVELOPMENT BANK



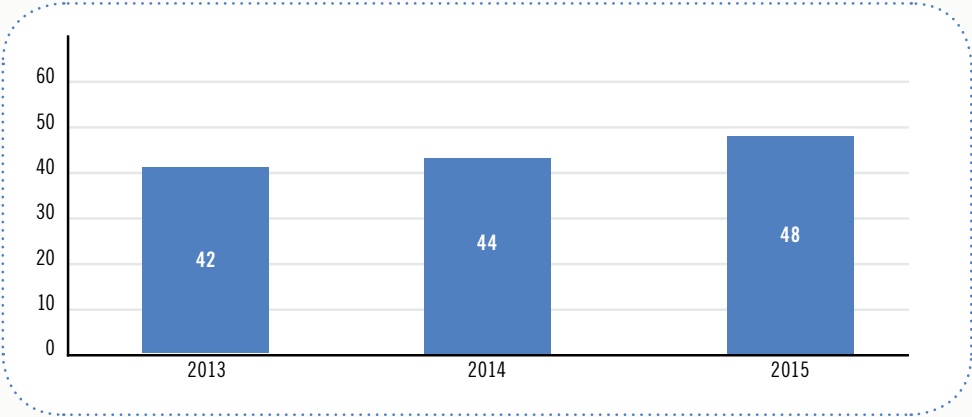
WASTE MANAGEMENT

| | 2015 | 2014 | 2013 | Disposal Method |
|---------------------------------|------|------|-------|--------------------------------|
| Non-hazardous Wastes (ton/year) | | | | |
| Packing waste | 45 | 79 | 28 | Recycling |
| Domestic waste | 443 | 573 | 368 | Landfill |
| Total | 488 | 652 | 2.850 | |
| Hazardous Wastes (ton/year) | | | | |
| Waste oil | 73 | 65 | | Recovery |
| Medical waste | 0,08 | 0,11 | | Sterilization/ Incineration |
| Waste vegetable oil | 1 | 0,13 | | Recovery |
| Contaminated packing wastes | 7 | 6 | | Incineration |
| Contaminated textile wastes | 24 | 16 | | Incineration |
| Batteries and Accumulators | 2 | 0,49 | | Recovery |
| Waste cartridge and toner | 0,03 | 0,04 | | Recycling |
| Electronic wastes | 2 | 2 | | Recovery |
| Other | 13 | 12 | | Recovery |
| Total | 122 | 102 | 80 | |

The wastes are collected separately depending on their types within the scope of the ISO 14001 Environment Management System, in compliance with the legal legislations; and they are ensured to be recovered or disposed of by licensed facilities. In 2015, the total of non-hazardous wastes have been 488 tons and hazardous wastes have been 122 tons.

In addition, the packing wastes generated by Limak Cement are being recovered at higher ratios every year.

Packing Waste Recovery Ratios (%)



| Packing | | Packing Waste | | |
|----------------------|----------------|-----------------|-----------------------|----------------|
| Placed on the Market | | Reclaim Ratio % | Reclaimed from Market | |
| Year | Quantity (ton) | | Year | Quantity (ton) |
| 2013 | 3.915 | 44 | 2014 | 1.708 |
| 2014 | 4.689 | 48 | 2015 | 2.230 |
| 2015 | 4.285 | 52 | 2016 | - |



TRAINING & DEVELOPMENT

The subject of the trainings are defined according to the needs of the employees, within the scope of the Limak Cement Group’s training policies, as primarily led by occupational health and safety and environment management. In-house applied trainings are given by in-company instructors of adequate qualifications within the group; while trainings requiring specialization and advanced application are provided through affiliated organizations, the union and supplier companies. The trainings realized in the group are evaluated by various methods and the qualification of the training is measured. New trainings are planned and applied in line with the received feedbacks.

In 2015, 29.377 hours of trainings have been organized in total.

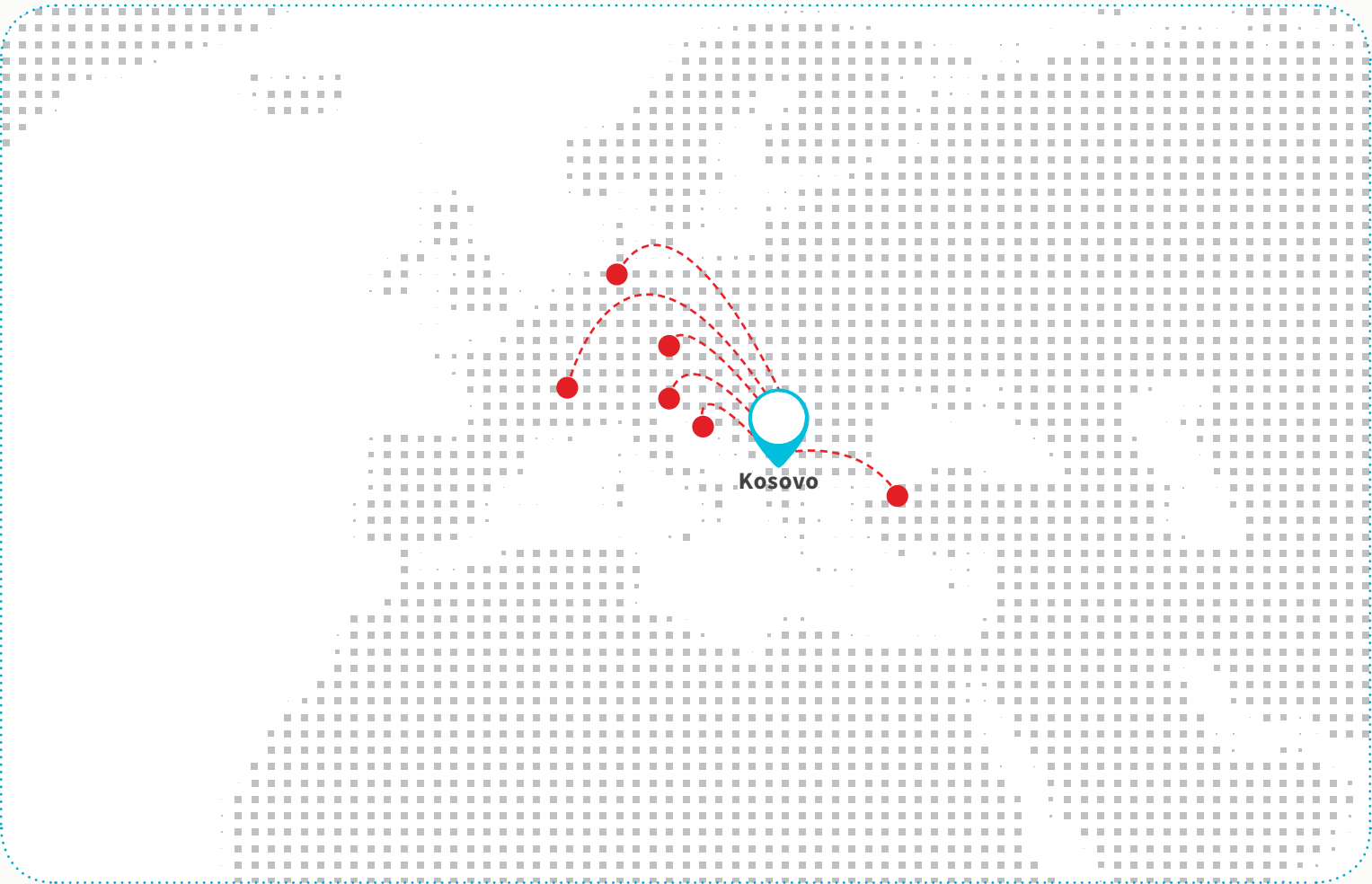
Training Hours

| | 2015 | | | 2014 | | | 2013 | | |
|-----------------------|-------|--------|--------|-------|--------|--------|-------|--------|--------|
| | Women | Men | Total | Women | Men | Total | Women | Men | Total |
| Number of employees | 49 | 1.260 | 1.309 | 55 | 1.216 | 1.271 | 44 | 1.117 | 1.161 |
| Training hours | 9.692 | 19.686 | 29.377 | 1.211 | 17.609 | 18.820 | 696 | 13.873 | 14.569 |
| Per employee training | 198 | 16 | 22 | 22 | 14 | 15 | 16 | 12 | 13 |
| Training Hours | 5.920 | 12.900 | 5.827 | 8.742 | 4.307 | 16.146 | | | |

Infrastructure & Energy Investments



Pristine International Adem Jashari Airport



1.549.198 Passengers

Regular Flights on Switzerland, Germany, Slovenia, Austria, Croatia and Turkey Routes

14 Awards

Pristine International Adem Jashari Airport



OUR AWARDS

→ Stevie Award Bronze

Europe: Social Responsibility Project of 2015

→ Stevie Award Bronze

2015 Transportation Sector Company of the Year

→ Stevie Award Silver

Manager of the Year in the Transportation Sector
General Manager & Board of Directors' Member Haldun Firat Köktürk

→ Green World 2015 Best Environment Practices Awards

Green World Second Prize

→ International Green Apple Awards

2015 Best Environment Practices
Europe: Green Champion
Sustainable Water Management

→ International Green Apple Awards

2015 Best Environment Practices - Europe: Bronze
Award Water Management Qualification

→ International Social Responsibility Excellence Awards

Europe: 2015 Gold Prize
Environment Protection Initiative Category

→ International Corporate Social Responsibility Excellence Awards

Europe: 2015 Gold Prize
Employee Benefit Sector, Training & Internship Category

→ International Social Responsibility Excellence Awards

Europe: 2015 Gold Prize
Employee Benefit Sector, Equal Opportunity Category

→ International Social Responsibility Excellence Award

Awards for Companies with a Heart
Social Responsibility Project
Supreme Champion Award

→ Hermes Creativity Awards

2015 Platinum Prize
Professional &
Technical Education
Unmatched Value
Recommendation

→ IPRA Gold World Awards

Professional &
Technical Education
Unmatched Value Recommendation

→ Communitas Awards 2015

Preparing Kosovo Work Force to the Future Award

→ World Travel Awards

Europe's Best Airport Category 2015 Second Prize



PRISTINE INTERNATIONAL
ADEM JASHARI AIRPORT
HAS RECEIVED BEEN
FOUND WORTHY OF 14
AWARDS IN 2015

Pristine International Adem Jashari Airport



AT A GLANCE

The Pristine International Adem Jashari Airport (PIA) has been taken over by Limak for 20 years with the build-operate-transfer model in 2011. At the Pristine International Adem Jashari Airport, in addition to the terminal and parking lot management, Limak Kosovo also conducts the management of the ground operations, cargo and PAT (runway, apron, taxiways) operations and their maintenance and repair. Limak, acquiring 90% shares of the airport with this transfer, has taken the new terminal building and ancillary facilities into operation within a short period as two years within the scope of an investment totaling 140 million Euros.

In addition to the new terminal building with an indoor area of 42 thousand square meters, implemented in the international norms, equipped with environment friendly and smart building technology, the construction of the 110 thousand m² apron and the new air traffic control tower, rehabilitation of the airport transportation roads, construction of the parking lot with a capacity of 1.750 vehicles, fuel tanks and connection roads have been realized.

At the airport that had 1.404.730 passengers in 2014, a passenger figure of 1.549.198 has been reached in 2015, by an increase of 11% as compared to the previous year. At the airport, which has flights to the Europe and Turkey hinterland, regular flights are available on the Switzerland, Germany, Slovenia, Austria, Croatia and Turkey routes.

CONTRIBUTIONS IN ECONOMIC & SOCIAL DEVELOPMENT

Pristine International Adem Jashari Airport (PIA), serving a territory with a population of 2,5 million and the neighboring Balkan countries, both adds value to Kosovo since it is the sole international airport of the rapidly growing Kosovo and contributes in the aviation sector in the Balkan region and organizations providing services to this sector. In addition, the investment we have made in the field of aviation education, as Limak, also contributes in the socio-economic development of Kosovo.

Within the scope of the mission to be a safe, efficient and passenger focused airport, contributions are made in the private and public sector and the social and cultural life of the country and meeting the military needs. Limak Kosovo, acting with the awareness of corporate social responsibility and leading many projects from education to culture, from sports to the environment, also appears in the international arena in that sense. As a result of these efforts, it has been found worthy of 14 internationally acknowledged awards in 2015.

Number of Employees

| 2015 | | | 2014 | | |
|-------|-----|-------|-------|-----|-------|
| Women | Men | Total | Women | Men | Total |
| 481 | 176 | 657 | 494 | 193 | 687 |



IN 2015, BY AN INCREASE OF 11% AS COMPARED TO THE PREVIOUS YEAR, A FIGURE OF 1.549.198 PASSENGERS HAS BEEN ACHIEVED

Pristine International Adem Jashari Airport



G4-19



PRIORITIES

The priorities in the field of sustainability have been identified, considering the expectations of its stakeholders and the company strategy. The defined priority issues are provided in the sustainability matrix.

AVIATION SAFETY

At the Pristine International Adem Jashari Airport, which is a passenger focused airport, ensuring high security standards is included among the priority responsibilities. In this line, a comprehensive security program defined by the Kosovo Civil Aviation Institution and all measures are taken to ensure the life and property safety of the passengers and employees.

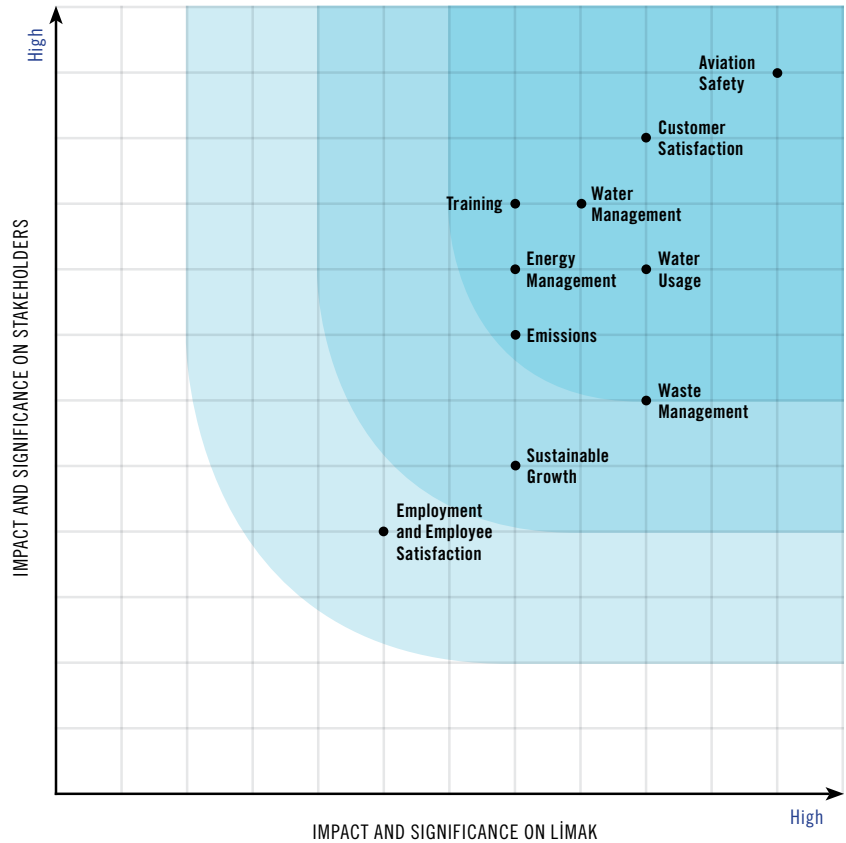
INTERNATIONAL STANDARDS

International standards are implemented at the Pristine International Adem Jashari Airport in customer satisfaction, quality, environment and energy management. **The airport holds ISO 9001 Quality Management, ISO 14001 Environment Management, SO 50001 Energy and ISO 10002 Customer Satisfaction Management System Certificates.**

As per the ISO 9001 certificate regarding the quality management process in meeting passenger requirements, all processes and operations except aircraft fuel supply and bar-restaurant management are conducted by Limak Kosovo. The complete process, instructions, forms and operations have been developed as based on the ISO standards, in compliance with the Kosovo Civil Aviation Authority and Kosovo legislations.

HIGH SECURITY STANDARDS
DEFINED BY KOSOVO CIVIL
AVIATION INSTITUTION ARE
APPLIED AT THE AIRPORT

2014-2015 Pristine International Adem Jashari Airport
Sustainability Aspects Prioritization Matrix





INTERNATIONAL CUSTOMER
SATISFACTION AND QUALITY,
ENVIRONMENT AND ENERGY
MANAGEMENT STANDARDS
ARE IMPLEMENTED
AT THE AIRPORT

CUSTOMER SATISFACTION - ISO 10002:2014

Meeting passenger and customer requirements, and keeping passenger satisfaction at the highest level are among the priorities and responsibilities of the Pristine International Airport. It is aimed to be one of the most preferred airports in this region. Offering the most qualified services to the passengers, airline companies and all other stakeholders it the priority responsibility of Limak Kosovo personnel.

Feedbacks are received from the customers at the airport according to the SO 10002 Customer Satisfaction Standard. Customer demands and complaints are made over the follow-up forms and may be delivered to the airport management by mail, telephone, e-mail, though the website or personally. Under circumstances where the customer is dissatisfied or has complained, a two-stage process is applied and isn continued until customer satisfaction is achieved.

ENVIRONMENT MANAGEMENT - ISO 14001:2014

The Environment Management - ISO 14001 certificate received as of 2012 is an indicator of Limak’s environment friendly, sustainable development focused approach. Using less energy and resources by protecting the environment, and noise and waste management are among the airport’s environmental priorities.

In this context, a noise management system has started to be applied considering the noise impact of the operations at the airport. Noise sources on the land and air side have been identified, the identified noise source has been assessed, a data analysis and noise control methods as based on this analysis have been prepared.

A “Solid Waste Management System” has been established as aimed to ensure the recovery of wastes, reduce the solid waste transportation expenses and, when necessary, use transfer centers equipped with the compatible technology. Every day, the wastes emerging from the passengers and the airport activities are sorted and disposed of at certain facilities in compliance with the ISO 14001 Environment Management System. Waste sorting containers are available at the terminal. In addition, there are eight waste landfill facilities in total at the airport. The landfills are comprised of hazardous wastes, metal, plastic, wood, rubber, glass, electrical-electric wastes and paper/cardboard.

Waste Quantity (ton/year)

| 2015 | | 2014 | | 2013 | |
|---------------------|-----------------|---------------------|-----------------|---------------------|-----------------|
| Non-hazardous Waste | Hazardous Waste | Non-hazardous Waste | Hazardous Waste | Non-hazardous Waste | Hazardous Waste |
| 214.369 | 12.944 | 246.941 | 9.394 | 280.852 | 4.631 |

Pristine International Adem Jashari Airport



ENERGY MANAGEMENT - ISO 50001:2011

Pristine International Airport has received the ISO 50001:2011 “Energy Management System” certificate in June 2015. The airport conducts all processes and operations in compliance with energy management and intends to ensure energy savings by reducing the amount of consumed energy. Products that ensure energy efficiency are preferred for all devices, equipment, building and energy services to be procured.

Fuel Consumption (diesel, liter)

| 2015 | 2014 | 2013 |
|---------|---------|---------|
| 543.615 | 475.563 | 396.765 |

Electricity Consumption (kWh)

| 2015 | 2014 | 2013 |
|-----------|-----------|-----------|
| 7.408.506 | 6.752.304 | 6.489.718 |

GREEN AIRPORT STUDIES - ISO 14064

The share of the transportation sector in the total CO₂ emission in the world is approximately 14%, and 5% of this arises from airport operation activities. Pristine International Airport acts with the awareness of its responsibilities against climate change and attaches great importance to the effective management of carbon emissions.

The following have been intended by carbon emission management:

- To calculate, monitor and report emissions emerging from the activities
- To reduce the available emission every year as compared to the base year
- To ensure reduction in the whole process in effective collaboration with business partners

It is aimed to receive the green airport certificate as a result of the studies to be conducted in this context. Within this scope, the studies for the ISO 14064-1 certificate application process, which may be deemed as the first step, will be started as of 2016. In addition to the studies aimed for carbon emission with the green airport projects handled within the scope of this objective, there are also plans to build a Solar Power Plant - Solar Farm.

The “Solar Farm” project studies will start in 2016, and the facility is planned to be installed over an area of 9000-10.000 m² on the west side of the airport, with a capacity of 1.500 kWh. Upon the implementation of the project, it will be possible to meet approximately 25% of the daily electrical energy consumption of the airport by solar energy and thus the carbon footprint will be reduced also.

WITH THE SOLAR FARM
STUDIES TO BE STARTED
AT THE AIRPORT IN 2016,
APPROXIMATELY 25%
OF THE DAILY ENERGY
CONSUMPTION WILL BE
MET BY SOLAR ENERGY

Pristine International Adem Jashari Airport



TRAINING

Projects are conducted in order for the employees to be equipped with the necessary knowledge and skills by receiving training in compliance with international aviation legislations. Within this scope, in collaboration with the Boğaziçi University Life-long Learning Center and Pristine University, “Limak Airport Services Institute” (Limak-ASI) has been implemented. With this project, employment opportunities are offered for the students in Kosovo where unemployment reaches the levels of 50%.

Within the scope of the project, 30 senior class students at the Pristine University have so far received theoretical and applied trainings on aviation and airport management for 6 months within the scope of the project. LimakASI students, following their training, have been entitled to receive four different certificates from the international certification center Edexcel and the Boğaziçi University, which will allow them to work at over 100 airports in more than 70 countries compatible with the European Union aviation legislations.

The project is continued in 2015 and 2016, in collaboration with the French National Civil Aviation School (ENAC-Ecole Nationale de l’Aviation Civile), which is one of the best aviation schools of Europe.

POTABLE & UTILITY WATER TREATMENT SYSTEM

One of the systems that has been equipped with new technology together with the opening of the new terminal at the airport is the potable and utility water treatment system. Since there is no city mains in Kosovo, the airport supplies the water itself by deriving it from wells. Other than the airport facilities, the Vrela Village with approximately 2.000 households also benefits from these water wells free of charge. Within this scope, Limak Kosovo also feels responsible for the reliability and the safety of the water it supplies. Therefore, it is ensured that the water is treated by the reverse osmosis system, which is known as the most advanced water treatment of our time. In addition, chemical and bacterial analyses of samples collected from five different spots are made at the Kosovo Health Institution every month, in compliance with the Kosovo legislations. Furthermore, the complete system is monitored online.

Water Consumption (m³/year)

| 2015 | 2014 | 2013 |
|---------|---------|---------|
| 111.835 | 159.889 | 185.348 |

Waste Water Treatment System

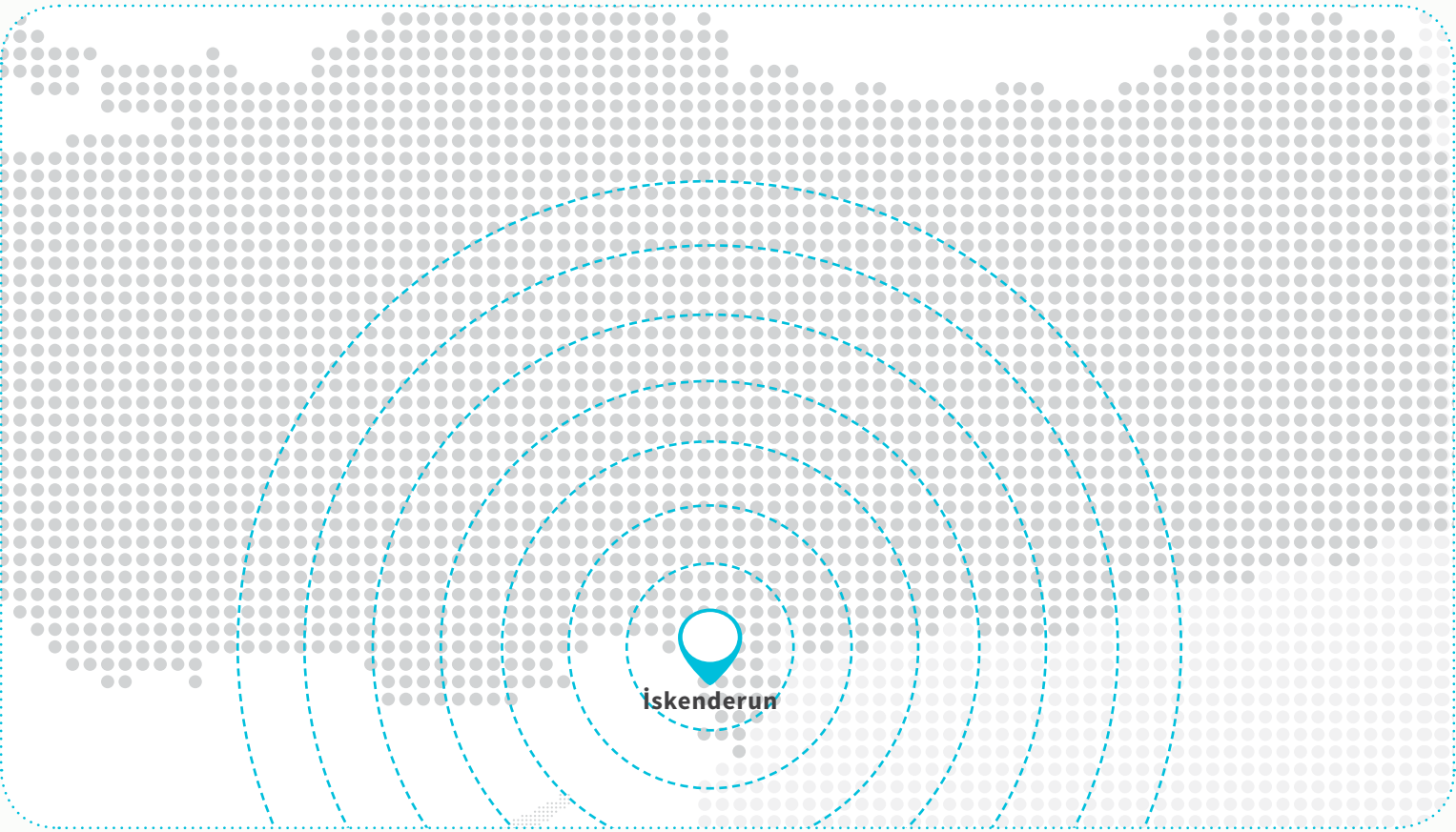
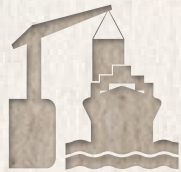
The domestic waste water generated at the terminal is treated in a closed system (package treatment). The waste water discharge parameters values are in compliance with the Kosovo legal legislations. In 2014, approximately 14.355 m³/year waste water has been treated. This figure has reached 16.346 m³/year in 2015.

In the meantime, the water collected by a system with rain water sensor is used for garden irrigation in order to ensure water savings.

Quantity of Discharged Water (m³/year)

| 2015 | 2014 |
|--------|--------|
| 16.346 | 14.355 |

2.000 HOUSEHOLDS
BENEFIT FROM THE
WATER DERIVED
FROM THE WELLS
AT THE AIRPORT,
FREE OF CHARGE



1 Million TEU/year
Container Capacity

1.000.000 m²
Port Area

8 Berths

15,5 Meters Container
Berth Water Depth

920 Meters Container
Berth Length

OFFERED SERVICES

- Container Service
- Project Cargo Service
- Bulk/General Cargo Handling Service
- Ro-Ro/Ro-Pax Service
- CFS and Storage Service
- Railway Car Loading/Unloading Service
- Pilotage and Towage Service
- Waste Collection Service



AT A GLANCE

Limak Group of Companies has taken over the operating rights of the Republic of Turkey State Railways (TCDD) İskenderun Port for a period of 36 years, on December 30, 2011. Then, as compatible with the vision of LimakPort “to create a change of potential in the Turkish Maritime and Port Operation sector and transform it into service, to serve as a pioneer and guide for the sector, offer services at world quality by protecting health and the environment”, Limak Construction has started modernization and capacity increase works at the port. The first phase of the project has been completed and the port has been transformed into a modern container port that currently has 1 million TEU (Twenty Foot Equivalent Unit) container handling capacity. With the investment that will be made in the next stage, the capacity will be increased to 1,3 million TEU, and when the third stage is subsequently completed, the port capacity will reach 3 million TEU. An investment of 250 million US dollars has been made since the takeover date in order to transform the port into a modern container terminal.

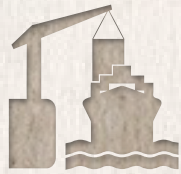
Our investments have transformed LimakPort İskenderun into an intermodal deep water container terminal. When evaluated with this feature, the port is unique in Turkey. In addition to container handling, LimakPort İskenderun also offers significant amounts of bulk, general cargo, project cargo handling, CFS (Container Freight Station) and storage and Ro-Ro services. Furthermore, considerable investments have also been made for non-container operations. With its strategic location and wide hinterland, LimakPort İskenderun has virtually re-written the rules of ship carriage in East Mediterranean.

Moreover, all our investments with respect to environmental and social impacts, are carried out in compliance with the Equator Principles led by the International Finance Corporation (IFC), which is the organization of the World Bank in the private sector. These principles have been taken into account at all stages of the investment such as planning, construction and operation.

LimakPort İskenderun has evolved into a port that is important and advantageous for the industrialists and exporters of a wide area expanding from Mersin to Şırnak, from Malatya to Kilis. In addition, it is also of great significance for the transit trade of the Middle East, and primarily Northern Iraq.



*LİMAKPORT İSKENDERUN
IS THE GATE OF EAST AND
SOUTHEAST ANATOLIA
OPENING TO THE WORLD*



G4-19



PRIORITIES

LimakPort conducts its activities in the awareness of its responsibilities to the environment, society and all its stakeholders, and has adopted sustainable development as the guarantee of the future, as its indispensable principle. The sustainability aspects defined in this context are provided in the prioritization matrix.

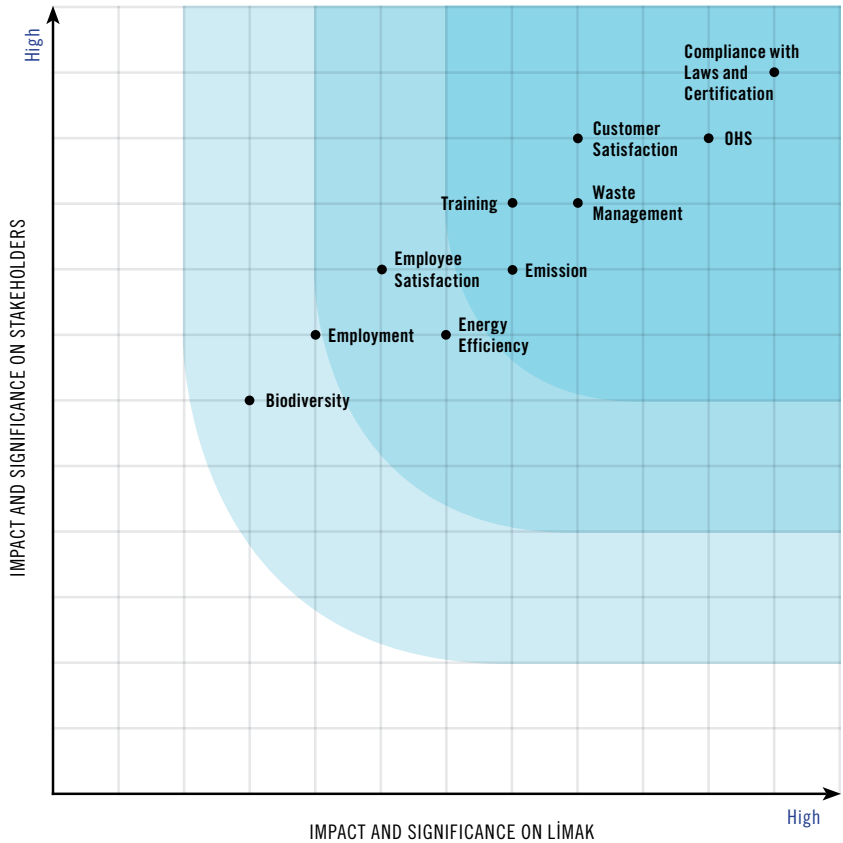
COMPLIANCE WITH THE LAWS & CERTIFICATES (QUALITY, ENVIRONMENT & OCCUPATIONAL HEALTH AND SAFETY)

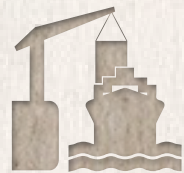
Compliance with the legal legislations is the primary priority of LimakPort. There are no fines for nonconformity with the laws and regulations aimed for environmental compliance in the reporting period.

LimakPort, establishing a quality, environment and occupational health and safety integrated Management system, with an understanding that goes beyond compliance with the laws, holds an “Integrated Management System” comprised of ISO 9001-14001 and OHSAS 18001. The management policy regarding quality, environment and occupational health and safety can be accessed through the website: <http://www.limakports.com.tr/limakports/kalite-ve-sec-politikalarimiz-ve-degerlerimiz>.

LİMAKPORT HOLDS AN
INTEGRATED MANAGEMENT
SYSTEM CERTIFICATE
COMPRISED OF
ISO 9001-14001 AND
OHSAS 18001

2014-2015 LimakPort İskenderun
Sustainability Aspects Prioritization Matrix





OCCUPATIONAL HEALTH AND SAFETY (OHS)

LimakPort manages occupational health and safety effectively within the scope of the integrated management system. The relevant procedures and instructions have been prepared, decisions are made and implemented by holding OHS Board meetings periodically. All sub-employers also attend the board meetings. All personnel are represented in the OHS Committee.

A specialized occupational safety team has been set up, and there are occupational safety specialist and technical safety officers in each shift. With a proactive approach, necessary measures are taken before work accidents occur, trainings are given to the employees within the scope of the annual training plans. All accidents are examined and reported, root cause analyses are made, detailed statistical reports are generated and discussed at the OHS board meetings, and measures are taken to prevent their recurrence. At LimakPort, there are no workers involved in professional activities with frequent accident ratios or high risk with respect to acquiring certain diseases.

At the end of the year, the number of recommendations made to the management and how many of these recommendations have been implemented, and man/hour trainings are evaluated and planning is made for the future.

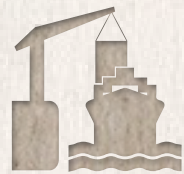
OCCUPATIONAL HEALTH AND SAFETY (OHS) TRAININGS (Man/hour)

| | 2015 | 2014 |
|----------|-------|-------|
| Training | 4.698 | 2.954 |

WASTE MANAGEMENT

Waste management plans are prepared and effectively implemented by the company. The priority objective is to minimize wastes. All wastes are categorized, suitably stored, and then those that can be recycled are sent to licensed recycling companies, while those that cannot be recycled are sent to licensed disposal companies. Relevant teams are set up within the port organization and environmental studies and measurements are periodically made and reported. Periodical measurements and analyses are made within the scope of the relevant regulations and improvements are focused on. All measures are taken against fuel leaks to the sea and are supported by drills.

| | 2015 | 2014 | Disposal Method |
|------------------------------------|-----------|------------|-----------------|
| Packing Wastes (ton/year) | | | |
| Glass | 1 | 6 | Recycling |
| Metal | 7 | 103 | Recycling |
| Wood | 59 | 5 | Recycling |
| Total | 68 | 114 | |
| Liquid Wastes | | | |
| Waste vegetable oil | 0,16 | 0,19 | Recovery |
| Hazardous Wastes (ton/year) | | | |
| Toner-Cartridge | 0,04 | 0,08 | Recovery |
| Medical waste | 0,04 | 0,06 | Landfill |
| Contaminated wastes | 8 | 16 | Recovery |
| Motor and other lubricating oils | 17 | 65 | Recovery |
| Bilge | 58 | 88 | Recovery |
| Sludge | 670 | 377 | Recovery |
| Distribution transformer | 0 | 17 | Recovery |
| Electronic waste | 1 | 10 | Recovery |
| Fluorescent | 0,04 | 0,05 | Recovery |
| Cables | 0,00 | 0,16 | Recovery |
| Treatment sludge | 3,86 | 4 | Recovery |



PREVENTION OF DUST & REDUCTION OF EMISSIONS

Many measures are taken to prevent dust formation and reduce emissions. The perimeter of the bulk load site has been enclosed by wind curtains and the site has been equipped with a sprinkler system.

Latest technology electrical systems have been preferred in order to reduce air pollution from the work equipment used at the facility. The cranes have been equipped with regenerative systems, so that they generate electrical energy while they are spending energy on the other hand.

Lighting systems with sensors that operate when it gets dark are used.

TRAINING

LimakPort prioritizes training in order to develop the skills of its employees. Orientation program is applied for personnel who newly start work, are assigned at a new place or sent to a different unit on temporary assignment. Depending on the employee performance evaluation results, the relevant training-development plans are prepared and implemented.

In 2015, trainings have been given as 30.134 man/hours to personnel who work in shifts, and 18.460 man/hours to those who work as shiftless.

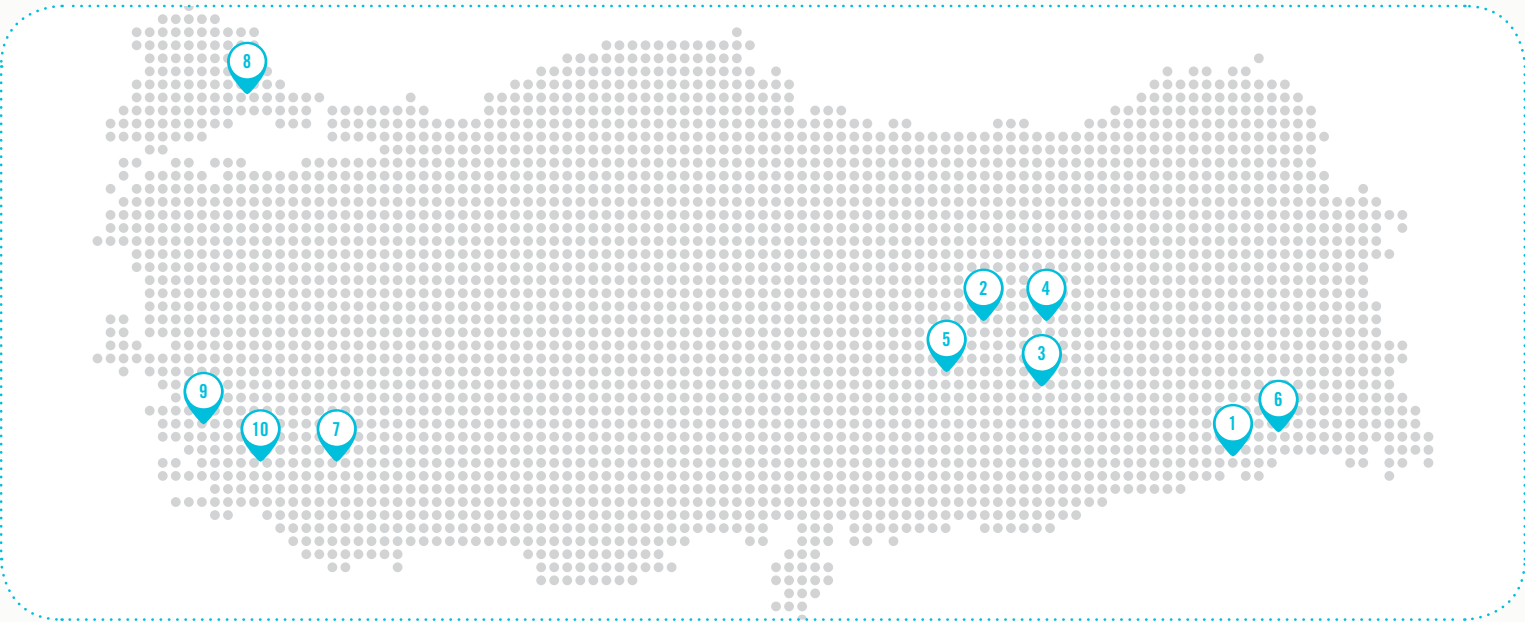
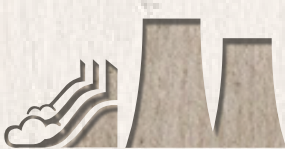
ENERGY & ELECTRICITY CONSUMPTION

| | 2015 | 2014 | 2013 |
|--------------------------------|--------|--------|--------|
| Direct Energy Consumption (GJ) | 13.828 | 10.954 | 14.749 |
| Electricity Consumption (GJ) | 34.355 | 28.754 | 18.210 |
| Total (GJ) | 48.183 | 39.708 | 32.959 |

Electricity consumption has materialized as 34.355 GJ in 2015. The reason for the increase in electricity consumption over the years is the increase in the annual load handling amount and the work volume. In 2015, direct energy consumption has been reduced by 6% as compared to 2013 and has materialized as 13.828 GJ.

LATEST TECHNOLOGY
ELECTRICAL SYSTEMS
HAVE BEEN PREFERRED
IN ORDER TO REDUCE AIR
POLLUTION EMERGING
FROM WORK EQUIPMENT

Energy Group - Generation



10

Active Power Plants

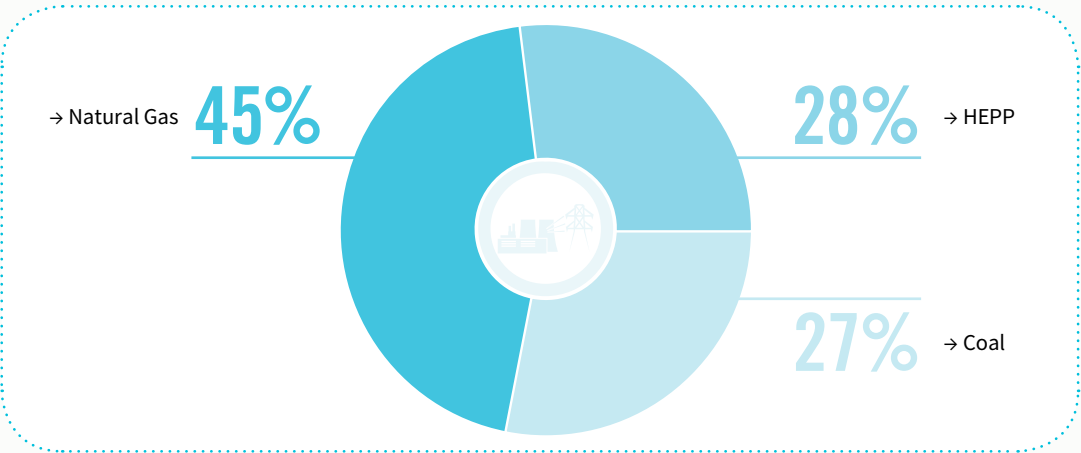
2.925

MW
Total Installed Power

10.073.905

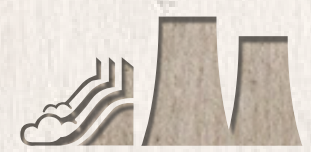
MWh
Electricity Generation

Limak Energy Installed Power* Distribution on Source Basis



* Distribution of energy generation amount of Limak shares.

- 1 Alkumru Dam and HEPP, Siirt
- 2 Uzunçayır Dam and HEPP, Tunceli
- 3 Pembelik Dam and HEPP, Elazığ
- 4 Seyrantepe Dam and HEPP, Elazığ
- 5 Tatar Dam and HEPP, Elazığ
- 6 Kirazlık Dam and HEPP, Siirt
- 7 Çal HEPP, Denizli
- 8 Hamitabat Thermal Power Plant, Kırklareli
- 9 Kemerköy Thermal Power Plant, Muğla
- 10 Yeniköy Thermal Power Plant, Muğla



AT A GLANCE

Limak Energy Group is one of the biggest energy groups operating in four main business branches of the Turkish electricity sector, namely in the generation, trade, retail and distribution area. Limak Energy that is capable of adapting to the competition conditions by its know-how in these business branches that are integrated with each other but at the same time have unique dynamics, experienced personnel and a management understanding that can make decisions quickly, aims to offer added value to all its stakeholders and the society.

Limak Energy, leading the development of the Turkish energy market that is highly dynamic, works with representatives of all sectors, and takes part among the pioneers of development by supporting sectorial associations and work groups. Limak Energy, which has taken an active part in the activities to establish the energy exchange in Turkey, is a founding partner and shareholder of Energy Markets Operation Inc. (EPIAŞ).

Limak Energy, which has significant experience in the commercial operation of facilities that generate electricity from different resources such as hydroelectric, wind, natural gas and coal, performs the management of a major balancing group that also includes other generation and trade companies, in addition to its generation plants with an approximate capacity of 3.000 MW, Limak Energy that adds new plants to its generation portfolio every year and gives priority to renewable energy projects within this scope, is also able to undertake the operation and commercial activities of plants outside of its own portfolio, within the scope of power plant operation agreements.

ENERGY GENERATION PROFILE

| Plant Name | Limak Share | Province | Type | Installed Power (MW) | 2015 Generated Electricity (MWh) |
|--------------------------------------|-------------|------------|---------------|----------------------|----------------------------------|
| Alkumru Dam and HEPP | % 100 | Siirt | Hydroelectric | 275,52 | 725.642 |
| Uzunçayır Dam and HEPP | % 100 | Tunceli | Hydroelectric | 82 | 245.869 |
| Pembelik Dam and HEPP | % 50 | Elazığ | Hydroelectric | 127,34 | 339.939 |
| Seyrantepe Dam and HEPP | % 50 | Elazığ | Hydroelectric | 56,84 | 155.910 |
| Tatar Dam and HEPP | % 50 | Elazığ | Hydroelectric | 128,22 | 367.378 |
| Kirazlık Dam and HEPP | % 45 | Siirt | Hydroelectric | 46,11 | 118.271 |
| Çal HEPP | % 100 | Denizli | Hydroelectric | 2,5 | 12.882 |
| Hamitabat Thermal Power Plant | % 75 | Kırklareli | Natural Gas | 1.156 | 1.056.606 |
| Kemerköy Thermal Power Plant | % 50 | Muğla | Lignite | 630 | 4.187.391 |
| Yeniköy Thermal Power Plant | % 50 | Muğla | Lignite | 420 | 2.864.017 |

Energy Group - Generation

RENEWABLE ENERGY PLANTS IN CONSTRUCTION STAGE



Hydroelectric Energy

Kargı Dam and HEPP, 100 MW

Construction works are continued at the Kargı Dam, planned within the borders of Ankara province Beypazarı district, on Sakarya River, with a generation capacity of 254 million kWh. Within the scope of the project, meetings have been organized in order to brief the local community and receive their opinions and recommendations about the project. The environmental impact is monitored by EIA observation inspections that are made at six months' periods.



Geothermal Energy

Buharkent Geothermal, 10 MW

Preliminary permits have been received and the studies have been started for the investment that will be made at an area of 10 km² located in Aydın province, Buharkent district. There is a capacity to go up to 15 MW..

RENEWABLE ENERGY PLANTS IN DEVELOPMENT STAGE



Wind Energy

For the 3.000 MW capacity announced in the April 2015 WPP preliminary license applications, Limak Energy is developing projects for six areas with an installed power of 440 MW in total. The areas for which applications have been made in this process are provided below:

Applied projects:

Karaman-Mersin, 180 MW

Kırklareli, 70 MW

Tekirdağ, 60 MW

Burdur-Denizli-Uşak, 50 MW

Edirne, 40 MW

Tokat, 40 MW



Solar Energy

Applied projects:

Konya Apa, 13.1 MW

In addition, within the scope of unlicensed solar energy project, there are 5 MW unlicensed SPP projects in the Isparta region, for which an invitation letter has been received from Akdeniz Edaş in October.

Hydroelectric Power Plants (HEPP)



7 Hydroelectric Power Plants

2 VCS Voluntary Greenhouse Gas Reduction Certificates

1.965.890.197 kWh Electricity Generation

- 1 Alkumru Dam and HEPP, Siirt
- 2 Uzunçayır Dam and HEPP, Tunceli
- 3 Seyrantepe Dam and HEPP, Elazığ
- 4 Tatar Dam and HEPP, Elazığ
- 5 Kirazlık Dam and HEPP, Siirt
- 6 Pembelik Dam and HEPP, Elazığ
- 7 Çal HEPP, Denizli

- Power Plants under Construction:**
- 8 Kargı Dam and HEPP

Hydroelectric Power Plants (HEPP)



AT A GLANCE

When the current energy portfolio of our country is examined, we encounter an energy management that is foreign dependent and import based to a large extent. In the meantime, Turkey poses as a country whose electrical energy demand has increased the most in the world following China over the last 15 years. In the coming period, depending on the growth in the GDP, the electricity demand is expected to increase around 3-3.5% on an annual basis. When all these conditions are taken into account, providing energy from renewable sources is of great significance with respect to both the world and our country's economy.

Hydroelectric power plants transform the power of water, which is a renewable and domestic source, into electricity. Limak Energy conducts its activities with the principle of sustainable future by carrying out environment friendly energy generation by the hydroelectric power plants in its portfolio.

Limak Energy has generated 1.965.890.197 kWh electricity in total in 2015 through its seven power plants in operation, namely Alkumru, Uzunçayır, Seyrantepe, Tatar, Kirazlık, Çal hydroelectric power plants and the Pembelik Hydroelectric Power Plant that has been taken into operation in 2015. This value corresponds to 2,93% of the total 66.897 billion kWh hydroelectric energy generation of our country in 2015, and 6,15% of the total 31.945 billion kWh total annual hydroelectric electricity generation of the private sector.

Limak Energy Hydroelectric Power Plant Portfolio

| | Share Ratio (%) | Operation Start Date | Installed Power |
|--------------------------------|-----------------|----------------------|-----------------|
| Alkumru Dam and HEPP | 100 | 2011 | 275,52 |
| Uzunçayır Dam and HEPP | 100 | 2009 | 82 |
| Seyrantepe Dam and HEPP | 50 | 2008 | 56,84 |
| Tatar Dam and HEPP | 50 | 2013 | 128,22 |
| Kirazlık Dam and HEPP | 45 | 2013 | 46,11 |
| Pembelik Dam and HEPP | 50 | 2015 | 127,34 |
| Çal HEPP | 100 | 2001 | 2,2 |

Hydroelectric Energy Generation (kWh)

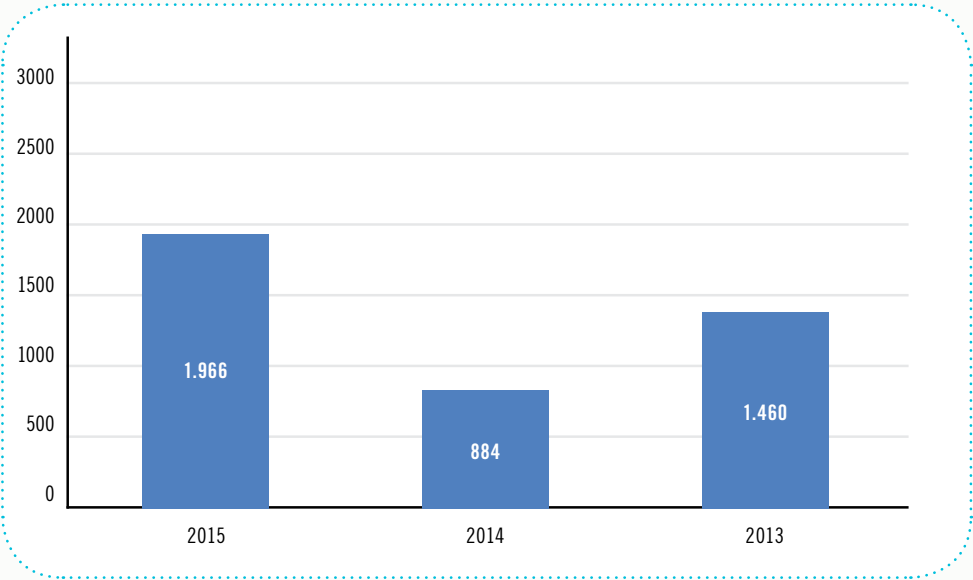
| | 2015 | 2014 | 2013 |
|--------------------------------|---------------|-------------|---------------|
| Alkumru Dam and HEPP | 725.642.332 | 508.728.901 | 875.361.841 |
| Uzunçayır Dam and HEPP | 245.868.750 | 140.952.260 | 279.580.000 |
| Seyrantepe Dam and HEPP | 155.909.870 | 41.727.283 | 174.544.041 |
| Tatar Dam and HEPP | 367.377.980 | 110.695.692 | 43.237.390 |
| Kirazlık Dam and HEPP | 118.270.700 | 77.460.750 | 3.189.913 |
| Pembelik Dam and HEPP | 339.938.665 | - | - |
| Çal HEPP | 12.881.900 | 4.133.134 | 11.230.746 |
| Total | 1.965.890.197 | 883.698.020 | 1.459.676.816 |

Hydroelectric energy generation in 2015 has increased by 122% as compared to 2014.

Hydroelectric Power Plants (HEPP)



Total Hydroelectric Energy Generation (GWh)



HYDROELECTRIC ENERGY GENERATION IN 2015 HAS INCREASED BY 122% AS COMPARED TO 2014

Numbers of Employees

| | 2015 | | | 2014 | 2013 |
|-------------------------|-------|-----|-------|-------|-------|
| | Women | Men | Total | Total | Total |
| Alkumru Dam and HEPP | - | 81 | 81 | 91 | 91 |
| Uzunçayır Dam and HEPP | - | 57 | 57 | 56 | 54 |
| Seyrantepe Dam and HEPP | 1 | 52 | 53 | 51 | 51 |
| Tatar Dam and HEPP | - | 57 | 57 | 55 | 55 |
| Kirazlık Dam and HEPP | - | 62 | 62 | 59 | 54 |
| Pembelik Dam and HEPP | 1 | 69 | 70 | - | - |
| Çal HEPP | - | 5 | 5 | 6 | 6 |
| Total | 2 | 383 | 385 | 318 | 311 |

MAIN SUSTAINABILITY INITIATIVES

Alkumru and Uzunçayır HEPP projects have received **Carbon Emission Reduction Certificates** in compliance with the International Carbon Standards in the voluntary markets (VCS-Voluntary Carbon Standard). The annual greenhouse gas reductions of the power plants are 475.143 ton and 151.211 ton CO₂e respectively. In addition, Uzunçayır HEPP has also received a Social Carbon Validation Certificate due to its social contributions in the project area.

Hydroelectric Power Plants (HEPP)



G4-19



PRIORITIES

The priorities have been defined considering the expectations of the stakeholders and the impacts of the company’s activities.

WATER MANAGEMENT & COMPLIANCE WITH THE LEGISLATIONS

The “Regulation on the Methods and Principles Regarding the Water Use Right Agreement” has made it compulsory for water equal to 10% of average flow of the last ten years serving as basis for the project to be returned to the stream bed for the continuity of natural life. While this requirement is complied with at all Limak HEPP establishments, voluntary practices that go a step beyond compliance with the law are applied at certain HEPP’s where the conditions are convenient. At the Alkumru HEPP establishment, which is one of the best examples for this, a life water unit with a flowrate of 14 m3/s has been established, the life water is returned to the stream bed from this unit and thus the energy of the life water is also included in the generation.

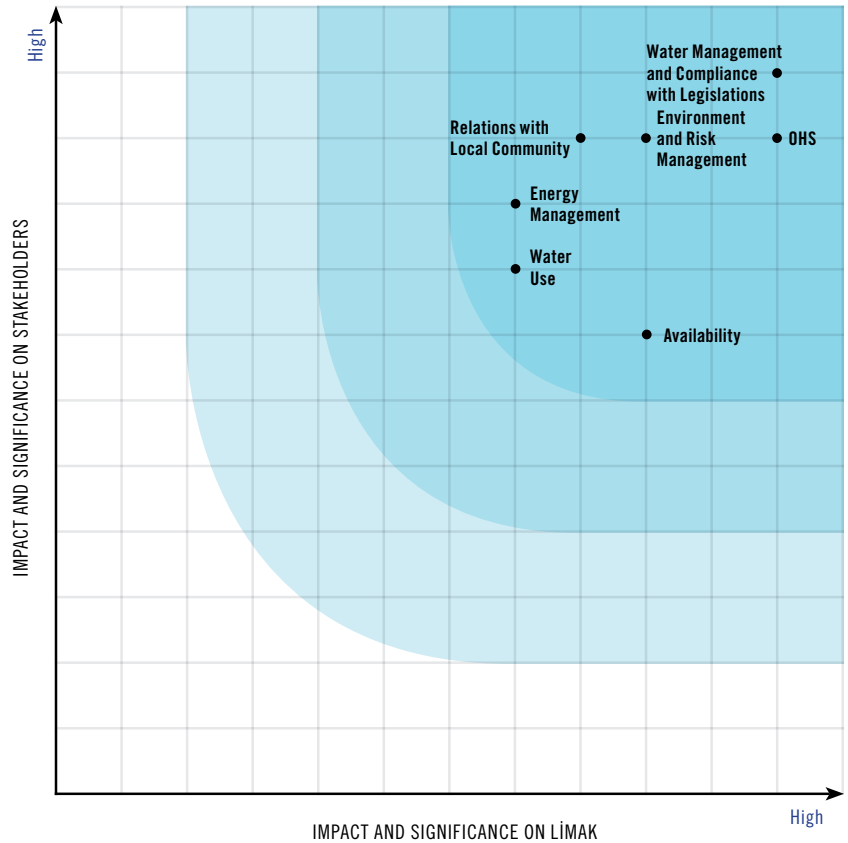
On the other hand, “catchment water management” studies are conducted by the DSI General Directorate regarding water management. Establishments make annual operation plans according to the DSI catchment study with the water values from the previous years. And, commercial electricity sales are carried out in the free market in line with this program.

OCCUPATIONAL HEALTH AND SAFETY (OHS)

Training process is continued at all power plants as aimed for the OHSAS 18001 Occupational Health and Safety, TS ISO 50001 Energy Management System, TS ISO 27001 Information Security Management System, TS ISO 14001 Environment Management System and TS ISO 9001 Quality Management System certification studies. The trainings on occupational health and safety have been decided to be repeated at regular intervals within the scope of the zero work accident objective.

Numerous measures have been taken at all dams and hydroelectric power plants to maintain the life and property safety of the local community living in the region.

2014-2015 Hydroelectric Power Plants (HEPP)
Sustainability Aspects Prioritization Matrix



Hydroelectric Power Plants (HEPP)



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Certain Measures taken at Dams

- Notification of AFAD, Gendarmerie and DSI by the control operator, when the units are taken into operation
- Patrolling the river bank by two motorized teams during the summer months and warning the citizens at the bank edge
- Enhancing the siren system and to make announcements in three languages in addition to the siren
- Increasing the warning signs at the bank edge and making them both written and visual
- Training elementary school students about dams
- Ensuring that warning announcements and briefings are made by the Mufti Offices and Municipalities

ENVIRONMENT & RISK MANAGEMENT

Certain environment and risk management measures taken at the HEPP establishments are as follows:

- Assigning occupational safety specialist, workplace physician and other health-care personnel within the scope of OHS and the meeting of the OHS Board once a month as chaired by the Establishment Manager
- Giving OHS basic trainings once a year, provided that these are not less than 20 hours, carrying out fire drills, preparing and implementing emergency action and contingency plans
- Forming waste sites for the regular collection of wastes and signing contracts with authorized companies for their disposal

- Periodically making the necessary water analyses
- Preparing operating instructions for all equipment and making their periodical maintenances, training the technical personnel
- Ensuring that risk analysis and risk assessment are made once in every two years by the risk assessment team
- Receiving the ISO 27001 Information Security Management System Certificate and implementing security policies accordingly

ENERGY USE

The energy use at the Limak HEPP establishments arises from the consumption of diesel fuel used in the generators. The total diesel fuel consumption in 2015 has been 13.800 liters.

Diesel Fuel Consumption (Liter)

| | 2015 | 2014 |
|-------------------------|--------|--------|
| Alkumru Dam and HEPP | 500 | 500 |
| Uzunçayır Dam and HEPP | 5.486 | 6.400 |
| Seyrantepe Dam and HEPP | 5.603 | 5.551 |
| Tatar Dam and HEPP | 270 | 350 |
| Kirazlık Dam and HEPP | 991 | 1.200 |
| Pembelik Dam and HEPP | 800 | - |
| Çal HEPP | 150 | 120 |
| Total | 13.800 | 14.121 |

Hydroelectric Power Plants (HEPP)



WATER USE

Water is used after being passed through the treatment systems at the power plants. The 2015 total water consumption has materialized as 27.267 m³.

Water Use (m³)

| | 2015 | 2014 | 2013 |
|-------------------------|--------|--------|--------|
| Alkumru Dam and HEPP | 2.160 | 2.920 | 3.650 |
| Uzunçayır Dam and HEPP | 15.280 | 15.280 | 13.000 |
| Seyrantepe Dam and HEPP | 1.275 | 1.200 | 1.250 |
| Tatar Dam and HEPP | 1.533 | 1.478 | 448 |
| Kirazlık Dam and HEPP | 5.475 | 3.000 | 465 |
| Pembelik Dam and HEPP | 1.400 | - | - |
| Çal HEPP | 144 | 144 | 144 |
| Total | 27.267 | 24.022 | 18.957 |

RELATIONS WITH THE LOCAL COMMUNITY

Continuous communication is established with the local community both through governorships and village mukhtars. The local community is able to file their demands and complaints by petitions to these offices or directly to the Power Plant Management. The filed demands and complaints are evaluated and feedback is provided rapidly, and it is ensured that communication with the local community is active and continuous.

AVAILABILITY

It is very important for the power plant to be always available in order not to suffer any commercial losses. Therefore, periodical maintenances and controls are made throughout the year so that the equipment is in operating state continuously.

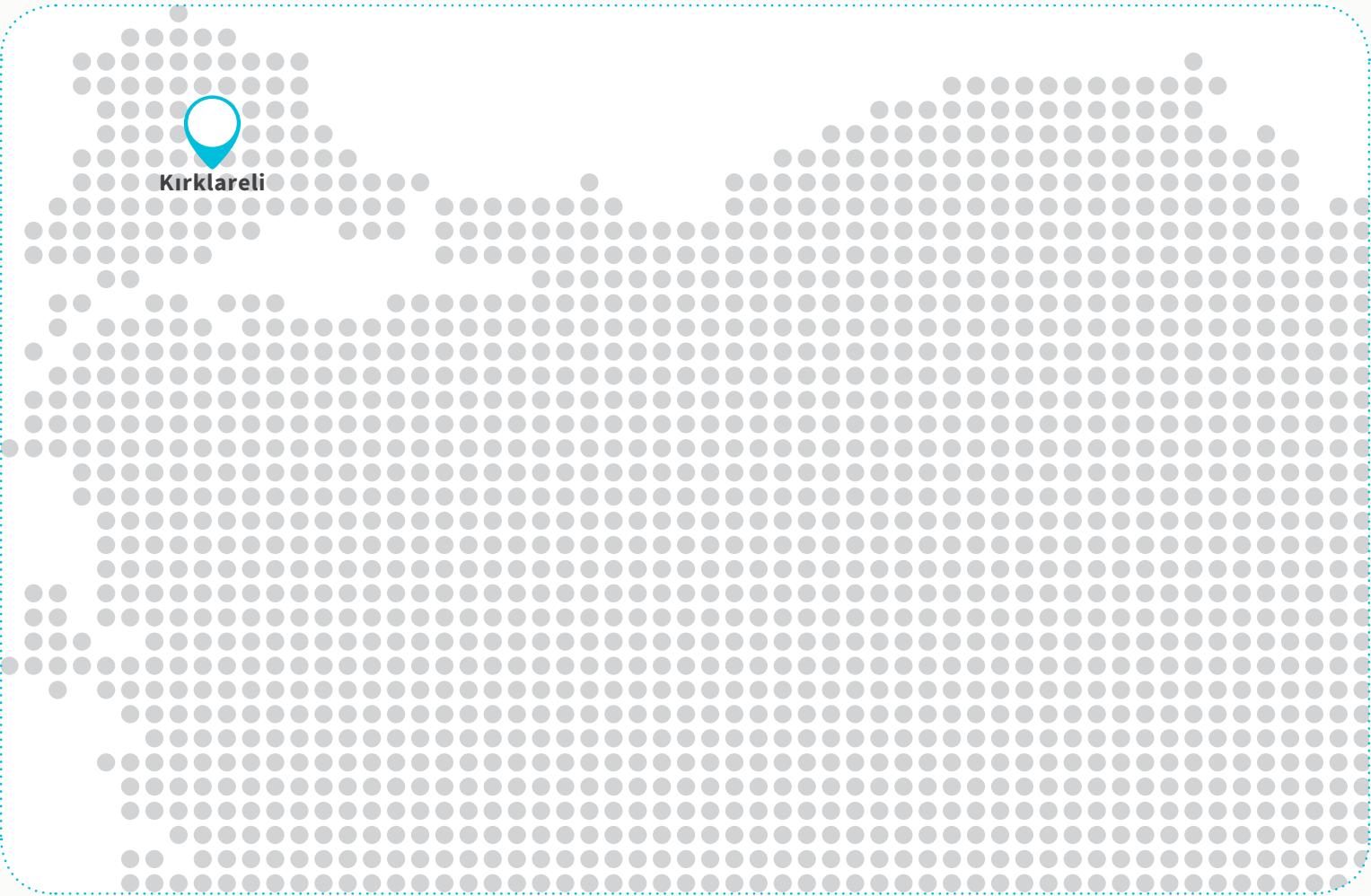


Alkumru Fish Passage Best Practice Example

The fish passage built at the Alkumru Hydroelectric Power Plan is included among the firsts with respect to dam height within the scope of the State Hydraulic Works (DSİ) application and is shown as an example for successful practices.



Hamitabat Power Generation Plant (HEAŞ)



1st Turkey's first natural gas combined cycle power plant

5th Turkey's largest natural gas power plant

1.156 MWh
Installed Power

1.057 GW
Electricity Generation*

* Production in 2015.

Hamitabat Power Generation Plant (HEAŞ)



AT A GLANCE

Hamitabat Power Generation Plant (HEAŞ), with a total installed capacity of 1.156 MW, is the first natural gas combined cycle power plant of Turkey. At HEAŞ, which has been taken over by Limak Energy as a result of the privatization tender in 2013, it is aimed to carry out activities with a management understanding that is sensitive for human and environmental health, and achieve increase in efficiency by the conducted renovation studies. Many operational innovations have been carried out since the transfer of the power plant to Limak Energy. Some of these innovations are:

- The used chemicals have been replaced and improvements have been made in steam and water chemistry.
- Hydrazine use has been suspended due to its carcinogenic effect.

MAIN SUSTAINABILITY INITIATIVES

Renovation Studies

Within the scope of the renovation studies, 4 steam and 8 gas turbines that are old and have low efficiency will be replaced by state of the art turbines where 2 steam and gas turbines are on the same shaft. The two cooling towers that are currently available will continue to be used following the renewal operations. The total installed power will not change as a result of these renovation studies and will remain as 1.156 MW.

Minimizing Environmental Impacts

Within the scope of the renovation project, it is aimed to minimize the environmental impacts by considering the maximum measures required for human and environmental health in the selection of all technologies that will be used in the construction and operation stages. For example, almost 2.000 trees have been carried to areas designated by the Kırklareli Forestry Directorate during the project preparation studies. The power plant has been designed so that it will be able to meet the requirements of international standards as well as legal legislations.

The environmental improvements aimed with the renewed power plant are as follows:

- For the NOx and CO emission, the limit values for which have been defined as 75 ppm and 100 ppm in the national legislations, to be quite below these limits
- Consuming one third less fuel per generated unit electrical energy that is generated by the new generation gas turbines and the total combined cycle efficiency to be derived from the power plant to reach 61%
- Reducing sound emission by 15%
- Keeping flue gas emissions at the lowest level
- Not impacting water sources thanks to the use of dry type cooling system
- Reducing steam and water losses thanks to the advanced technology and high efficiency power generation process, and thus reducing water wastage
- Keeping the used chemicals at minimum level by renewing the water treatment plant

WITH THE RENOVATION
PROJECT, ENVIRONMENT
FRIENDLY POWER
GENERATION WITH HIGH
ENERGY EFFICIENCY WILL
BE ACCOMPLISHED

Hamitabat Power Generation Plant (HEAŞ)



Economic and Social Contributions

When the renovation investments of the plant, which was listed among the most efficient power plants in the world when it was established in 1985, are completed, it is aimed for the power plant to operate once more at high efficiency after 32 years and consume less natural gas per unit generation. Thus, natural gas imports of our country of approximately 250 million dollars in total every year will also be prevented.

A large majority of the HEAŞ employees are employed from the local community. The unionization rights of the employees are respected. The ratio of employees within the scope of collective labor agreements to the total number of employees has been 51% in 2015, 52% in 2014 and 67% in 2013. The table showing the numbers of employees has been provided below:

Numbers of HEAŞ Employees

| 2015 | | | 2014 | | | 2013 |
|-------|-----|-------|-------|-----|-------|-------|
| Women | Men | Total | Women | Men | Total | Total |
| 14 | 78 | 92 | 12 | 87 | 99 | 124 |

LARGE MAJORITY OF
HEAŞ EMPLOYEES ARE
EMPLOYED FROM THE
LOCAL COMMUNITY

In addition, extreme care is also taken to meet the goods and material purchases from the region. HEAŞ, just like in the past, will support the economic and social development of the surrounding provinces and districts and continue to be an important symbol of Lüleburgaz.

Stakeholder Participation

Continuous dialogue is built with the local community during the operation and renovation project of HEAŞ. A community participation meeting has been organized during the Hamitabat Natural Gas Combined Cycle Power Plant Renovation Project pre-construction EIA studies. The project has been introduced at the meeting, and the attendants have been briefed on what the environmental impacts will be following the renovation studies and what type of measures will be taken during the project activities. Opinions and recommendations of the community have been noted.

In the meantime, with the beginning of the renovation project studies, briefing meetings are made with the village mukhtars, community council members and different groups. At these meetings, briefings are made regarding the social impacts of the project, the impacts that may occur during the project period are relayed, and field visits are organized. During these meetings, the stakeholders are informed about the complaint and recommendation system of HEAŞ and it is expressed that we will act in collaboration with the community during the project.

Hamitabat Power Generation Plant (HEAŞ)



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PRIORITIES

HEAŞ has defined the stakeholders that are impacted by its activities and have the potential to impact the strategic objective of HEAŞ. It has defined its priorities considering the reasonable expectations of its stakeholders and the impacts of its activities, and the risks and opportunities.

ENVIRONMENT MANAGEMENT

HEAŞ Environment Vision

The commitments of HEAŞ concerning the protection of the environment are equally important as its commitments for financial profitability and therefore generation as respectful to the environment is an integral part of its activities.

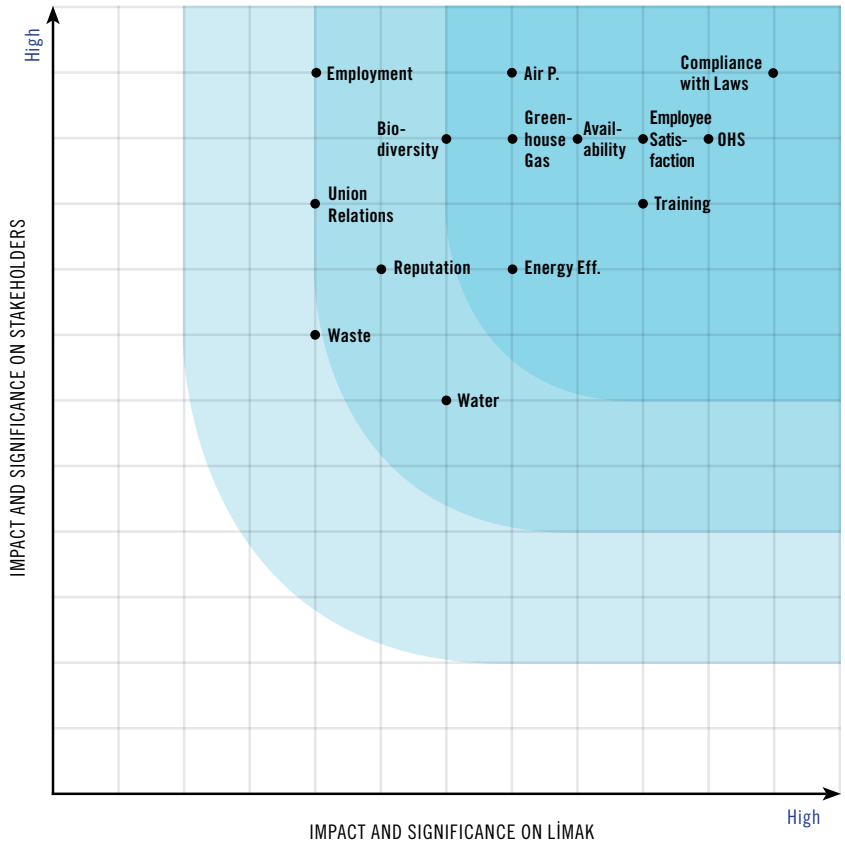
Environment Policies

The Environment Policy of HEAŞ includes the following commitments:

- To incorporate environmental requirements into the business development process
- To endeavor for the continuous improvement of environmental performance, especially in new projects where development may be technically and economically possible
- To review the compliance of the activities with the environmental requirements periodically and investigate all opportunities that are technically and economically feasible
- To evaluate and respond to the opinions and concerns of the local community, non-governmental organizations and all other stakeholders that may be impacted by the activities
- To build positive and constructive relations with state enterprises and local authority units, to inform them regularly regarding the activities and ensure the continuity of the relations
- To ensure that environment policies and objectives are communicated to all employees and stakeholders
- To ensure that all employees and stakeholders participate in the processes in order to achieve environmental objectives

ONE OF THE MOST
IMPORTANT OBJECTIVES
OF THE HEAŞ RENOVATION
PROJECT IS TO INCREASE
ENERGY EFFICIENCY

2014-2015 Hamitabat Power Generation Plant (HEAŞ)
Sustainability Aspects Prioritization Matrix



Hamitabat Power Generation Plant (HEAŞ)



DURING THE REPORTING PERIOD, NOx EMISSIONS FORMED BY THE GENERATION ACTIVITIES OF THE POWER PLANT HAVE BEEN MEASURED TO BE BELOW LEGAL LIMITS

Environmental Objectives

- HEAŞ has defined its main environmental objectives as follows:
- To meet all legal environmental obligations and commitments
 - To identify and minimize environmental risks
 - To prevent pollution at the source
 - To ensure the re-use, recycling or recovery of wastes that cannot be prevented
 - To ensure that wastes that cannot be recovered or recycled are disposed of by environment friendly methods
 - To discharge the waste waters formed during the activities after being treated in compliance with the legislation
 - To ensure the efficient use of natural resources and energy
 - To minimize greenhouse gases, waste water and noise formed during the activities by using the best techniques that are available
 - To keep the environmental impacts from subcontractor activities under control
 - To expand the environment protection awareness and responsibility among all employees and stakeholders
 - To continuously improve the environment management system

COMPLIANCE WITH THE LAWS

To operate in line with the legal legislations is the top priority for HEAŞ. This aspect is being worked on with care. In 2015, any fines regarding environmental compliance or social compliance, such as discrimination at the workplace, corruption have not been received.

ENERGY EFFICIENCY

Energy efficiency is a part of the environmental policies and objectives of HEAŞ. Numerous practices have been started in this line. In addition, one of the most

important objectives of the renovation project is to increase energy efficiency. In 2015, 1.076.947 MWh electricity has been generated. Generation is made by consuming natural gas at the power plant. During 2015, diesel fuel has been used as fuel when natural gas has been limited.

Energy Figures

| | 2015 | 2014 | 2013 | 2012 |
|--------------------------------|-----------|-----------|------------|------------|
| Direct Energy Consumption (TJ) | 8.383.170 | 9.510.933 | 25.470.334 | 50.796.036 |
| Used Electricity (GJ) | 73.228 | 77.458 | 190.530 | 346.316 |
| Generated Electricity (MWh) | 1.076.947 | 1.244.417 | 3.198.525 | 6.383.920 |
| Generated Electricity (GJ) | 3.877.009 | 4.479.901 | 11.514.690 | 22.982.112 |

AIR EMISSIONS

HEAŞ generating energy as based on the supply-demand balance, monitors the flue gas emissions formed during generation instantaneously and reports these on monthly basis. The most important emission among flue gas emissions is NOx emission for HEAŞ. Therefore, the NOx and CO parameters are continuously monitored throughout the period when there is generation. During the reporting period, the NOx emissions at ground level, caused by the power plant as a result of the generation activities, have remained below the limit values defined in the legal legislation. In addition to the continuous measurements, emission measurements are made in compliance with the Regulation on the Control of Air Pollution of Industrial Origin at two years' period and the records are retained.



OCCUPATIONAL HEALTH AND SAFETY (OHS)

OHS Vision

The occupational health and safety of its employees is an indispensable priority for HEAŞ, and it aims to be an exemplary employer by its performance and practices in this respect.

OHS Policies

The commitments of HEAŞ concerning OHS are provided below:

- To provide a healthy and safe working environment by complying with all laws, regulations and technical standards related with OHS
- To develop procedures and practices that will enhance the OHS culture
- To identify the potential hazards throughout the complete work site and to establish programs and systems to eliminate these
- To train the employees on protection from hazards
- To update risk assessments continuously and develop the working environment and conditions continuously
- To organize regular trainings for employees and other stakeholders and expand and develop the OHS culture
- To relay to all employees that occupational health and safety is the common responsibility of all managers and employees working at HEAŞ and this is the most important part of the OHS culture

OHS Objectives

- To follow up on all legal legislations and standards and fulfill the requirements thereof on time
- To eliminate and minimize any hazards and risks that the employees and visitors may be exposed to

- To follow up on and implement best OHS practices in our country and the world
- To ensure the continuity and improvement of the OHS system with the participation of the employees
- To evaluate potential emergencies and prepare the necessary contingency plans
- To update risk assessments continuously and improve the occupational health and safety conditions at the power plant continuously
- To ensure that there are zero work accidents, zero injuries and zero occupational diseases in all activities carried out within the borders of the power plant

OHS Management and Performance

The OHS board, formed by the employer's representative on behalf of the management, union employee representative, employee representatives and employees, meets at monthly periods. There are two employee representatives, as one per every 50 employees, one employee chief representative and union employee representative at the plant. Thus, the representation level of the employees is over 100%. The meetings are open to the attendance of all employees and all employees may attend the board meetings and express their opinions, recommendations and, if any, their complaints.

The health statuses of the employees are checked annually, within the scope defined by the workplace physician, the healthcare personnel and the occupational safety specialist considering the working conditions and exposures of the employees, and reports are issued. Any occupational diseases have not been diagnosed in 2015.

Internal monitoring and control is made by making objective-performance comparisons at the monthly meetings. As a result of 308.586 hours of work in 2015, three minor injuries, three injuries resulting in first aid and five near miss incidents have occurred.

OCCUPATIONAL HEALTH AND SAFETY OF ITS EMPLOYEES IS AN INDISPENSIBLE PRIORITY FOR HEAŞ

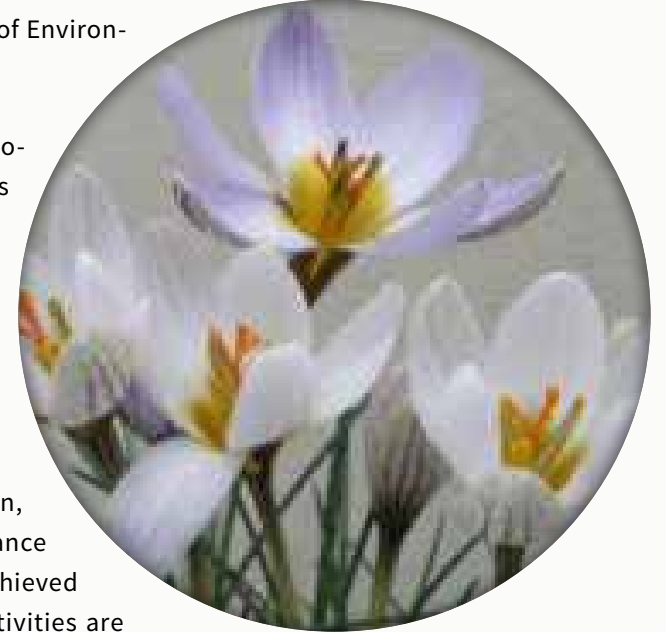
Hamitabat Power Generation Plant (HEAŞ)



BIODIVERSITY

It has been certified by the General Directorate of Protecting Natural Heritages and the Provincial Directorate of Environment and Urbanization that there are no special environment or nature protection areas in the region.

From the plant species identified during the study conducted at the project site and the surroundings, only “Crocus Biflorus” is evaluated under the “Endangered” (EN) species according to the Plants of Turkey Red List. It has been observed that the population density of this species, identified outside of the project site, is high (shown on the right). Other than this species, there are no species at the project site and the immediate surroundings, which are included in the “Flora Species Taken Under Absolute Protection” provided in Annex List “ within the scope of the Convention on the Conservation of European Wildlife and Natural Habitats (Bern Convention).



AVAILABILITY

HEAŞ, generating at the market conditions established by the supply-demand balance of power generation, prepares its generation program so as to be continuous. Ensuring generation continuity by continuous maintenance activities, HEAŞ reports this ratio as the availability factor. HEAŞ, completing 2013 with 73,8% availability, has achieved 90,65% availability in 2014 as a result of the revisions made following privatization. Planned maintenance activities are carried out by the qualified and experienced maintenance staff in order to increase the availability ratio every year, as compared to the previous year, and meet the country’s energy requirement at all times.



TRAINING

Trainings are organized for the employees on many subjects such as raising occupational health and safety and environment awareness and the management of wastes that are formed as a result of the maintenance, generation activities. In compliance with the period defined in the Labor Law, trainings on occupational health and safety have been given under various headings for at least 16 hours to every employee during 2015. It has been aimed to increase environment awareness by a three hours’ environment training that has been given additionally. During 2015, 3.452 man/hours of trainings in total have been organized for the employees, under 30 different occupational safety and five different environment headings.

Hamitabat Power Generation Plant (HEAŞ)



WASTE MANAGEMENT

There are two waste water treatment plants, as one being for the treatment of domestic waste water and the other for the treatment of the waste water formed during generation. The treated waste water is discharged to the local watercourse (Tatarköy Creek) in compliance with the Water Pollution Control Regulation. The samples taken from the discharged waste water are regularly analyzed at monthly periods in an authorized laboratory. During the reporting period, there have been no conditions in the waste water samples that are in breach of the water parameters. During 2015, total 139.454 tons of waste water meeting the waste water discharge criteria defined in the relevant legislation has been discharged to the creek.

The wastes are disposed of in compliance with the regulation. The amount of packing wastes that have been sent to recycling in 2015 is 13.560 tons, and the total amount of non-hazardous wastes is 686.895 tons. The total amount of the hazardous wastes has been 52.840 tons. The amounts of wastes based on the disposal methods are provided in the following table:

Waste Consumption (ton)

| | 2015 | 2014 | Disposal Method |
|-----------------------------|---------|---------|---------------------------|
| Non-hazardous Wastes | | | |
| Packing wastes | 13.560 | 4.875 | Recycling |
| Domestic wastes | 64.605 | 64.605 | Recycling |
| Other | 608.730 | 87.920 | Recycling |
| Total | 686.895 | 157.400 | |
| Hazardous Wastes | | | |
| Total | 52.840 | 88.890 | Incineration and Recovery |

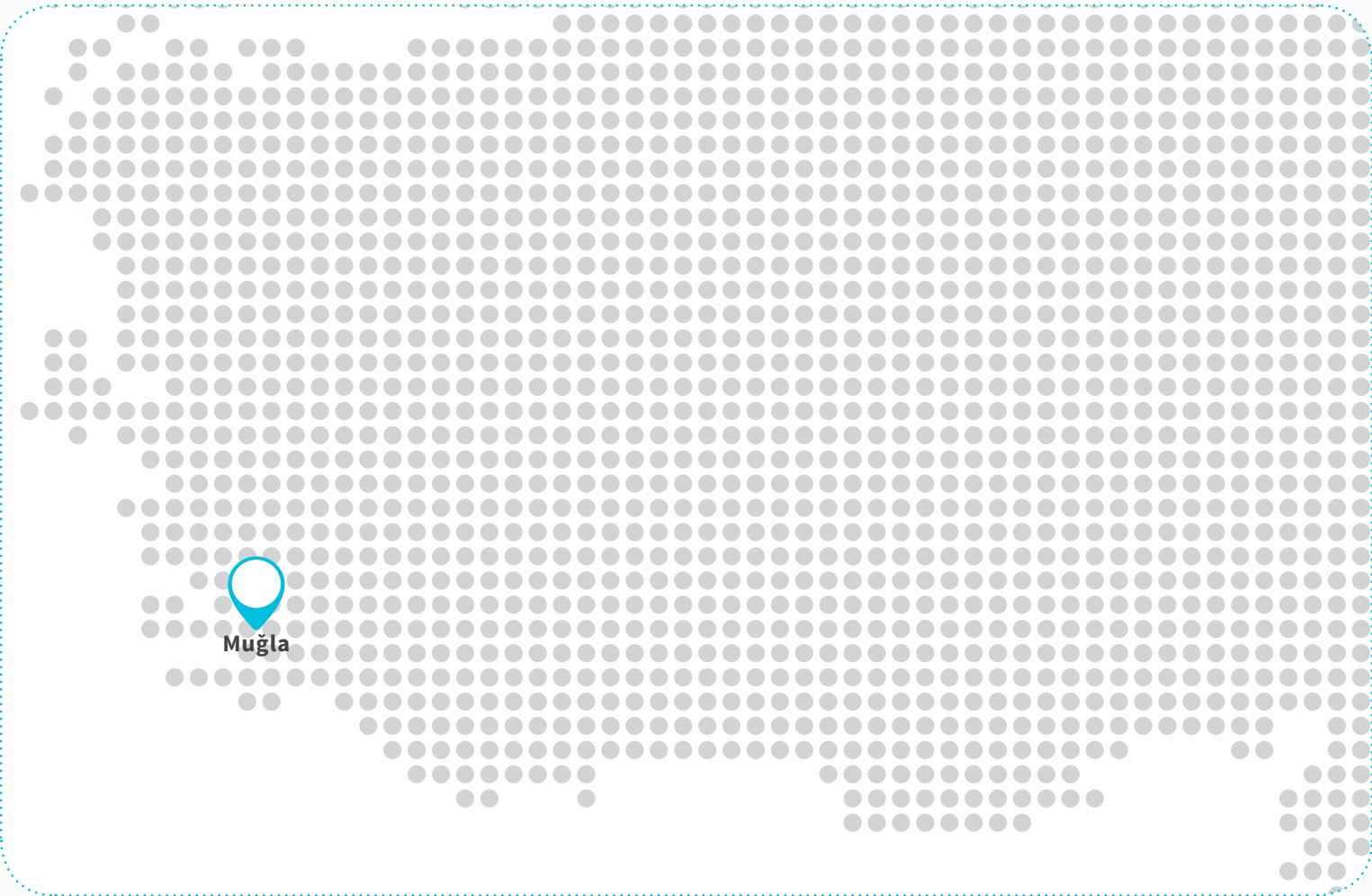
WATER USE

Underground water is used at the plant and the 2015 consumption is 221.570 m³.

Water Consumption (m³)

| 2015 | 2014 |
|---------|---------|
| 221.570 | 211.661 |

Yeniköy & Kemerköy Thermal Power Plants



630 MW
Installed Power (Kemerköy)

4.187.391 MWh* Electricity
Generation (Kemerköy)

420 MW
Installed Power (Yeniköy)

2.864.017 MWh* Electricity
Generation (Yeniköy)

9.334.088 Ton
Coal Production

1.172 Total Employees

* 2015 gross generated electricity amount.

Yeniköy & Kemerköy Thermal Power Plants



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AT A GLANCE

Yeniköy Kemerköy Electricity Generation and Trade Corp. (YK Energy) operates in the fields of electricity generation and trade and the exploitation of coal mine sites. The Yeniköy and Kemerköy Thermal Power Plants, rising at the center of the Gökova Bay have been taken into operation respectively in 1987 and 1995 in order to generate electricity using domestic lignite coal, and have been taken over by IC İçtaş Energy Investments Holding Inc. and Limak Energy Generation Operation Services and Construction Inc. as a result of the privatization tender in 2014. The two companies have equal share ratios.

Currently, the Yeniköy Thermal Power Plant with two units of 420 MW and the Kemerköy Thermal Power Plant with three units of 630 MW, and thus total 1.050 MW installed power, meet approximately 5% of the electricity need of Turkey.

In addition to the power plants that are operated in compliance with the technical and environment standards, there also is an establishment formed by the combination of the coal mines supplying coal within a single organization.

PRIORITY SUSTAINABILITY ISSUES

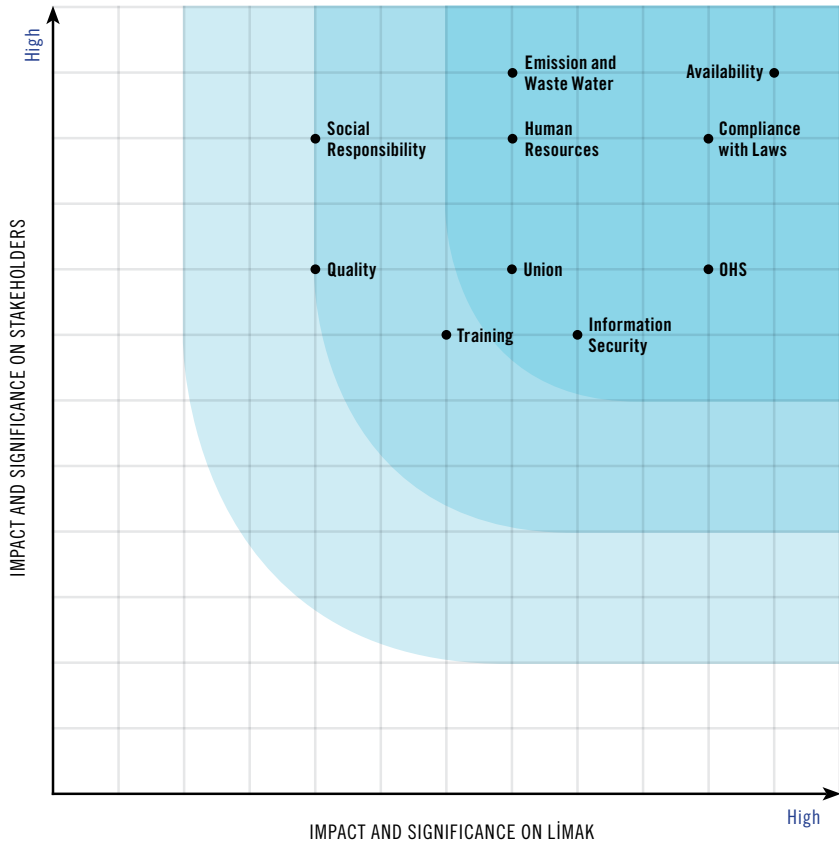
YK Energy has identified its priorities in the field of sustainability, which are provided in the sustainability matrix.

COMPLIANCE WITH THE LAWS

Compliance with the legal legislations is one of the top priorities for YK Energy, and it carefully conducts the follow-up of legislations to that end. It continuously monitors and reports all environmental and social impacts that may arise due to its activities. The said reports are shared with the relevant public units and the necessary approvals are obtained.

YENİKÖY & KEMERKÖY
THERMAL POWER
PLANTS, WITH 1.050 MW
INSTALLED POWER, MEET
APPROXIMATELY 5% OF THE
ELECTRICITY NEED IN TURKEY

2014-2015 Yeniköy & Kemerköy Thermal Power Plants
Sustainability Aspects Prioritization Matrix



Yeniköy & Kemerköy Thermal Power Plants



QUALITY MANAGEMENT POLICY

- YK Energy, in line with the relevant legal arrangements and the implemented quality management system, has adopted a quality approach in order;
- To produce qualified and uninterrupted electrical energy at all times,
 - To allow the improvement and continuous development of all processes by using the most current technologies,
 - To offer professional and personal development opportunities to all employees in order to evaluate human resources most effectively,
 - To define and communicate feasible and measurable system objectives with a sustainable system understanding, and ensure the achievement of the objectives with full participation,
 - To monitor compliance with the objectives and raise corporate performance to the top level by improving the system continuously by proactive approaches.

OCCUPATIONAL HEALTH AND SAFETY

At YK Energy, measures and practices aimed for occupational health and safety (OHS) are regarded as an indispensable aspect of the work and generation process.

Occupational Health and Safety Policy

The commitments of YK Energy with respect to occupational health and safety (OHS) have been listed below:

- To comply with the standards foreseen by organizations that it is a member of, as well as the OHS legislation in force
- To ensure that hazards are identified and eliminated beforehand by making timely and accurate risk analyses
- To raise the awareness of employees regarding OHS
- To meet the resource requirements determined concerning OHS on time and in full
- To follow up on technological developments regarding OHS and steer the investments accordingly
- To measure the performance of the OHS management system, conduct studies to increase and improve the performance continuously.

Yeniköy & Kemerköy Thermal Power Plants



OHS Management and Performance

Risk analyses are conducted in all operation areas in order to ensure the effective implementation of these activities and measures are taken to minimize the identified risks. All types of equipment are reviewed in order to eliminate potential hazards and risks at the source and all relevant periodical tests and measurements are made on time.

The annual trainings regarding OHS practices are renewed every year and thus, continuous improvement, development and personal awareness of the employees are ensured. In addition, OHS trainings are also given to employees who are newly employed, in addition to on the job trainings. Another training program arranged in this field covers the trainings given to the relevant personnel on matters requiring expertise, such as first aid.

At YK Energy, which is within the scope of “very hazardous works” according to the classification in the legal legislations, there are seven employee representatives and OHS board meetings are held every month. Depending on the nature of their jobs, working clothes and other personal protective equipment are provided to the employees, it is ensured that the employees benefit from comprehensive healthcare services and studies are conducted along this line. YK Energy accordingly undertakes to continue its studies in order to provide a healthy working environment at the establishments.

OHS activities are completely fulfilled by occupational safety specialists and workplace physicians. Periodical health controls are made at the workplaces considering the working conditions and exposures of the employees and the results are recorded in their files.

During 2015, total 1.842.105 man/hours of work have been performed in the two power plants and any accidents resulting in death or loss of limbs have not occurred. Two near miss incidents and 14 minor scale work accidents have been experienced in total. Any occupational diseases have not been diagnosed during the year.

EMISSION

The emissions released from the stack at the YK Energy establishments are monitored online by the Ministry of Environment and Urbanization in line with the provisions of the environment legislations. The results of the measurements made by the Continuous Emission Measurement System installed at the emission outputs are transferred for the database on 7/24 basis.

Yeniköy & Kemerköy Thermal Power Plants



WASTE MANAGEMENT

Industrial waste management plans are prepared and effectively implemented at the YK Energy establishments. All hazardous and non-hazardous wastes generated by the operation activities are sent for 100% disposal or recycling through licensed companies. There are three temporary waste storage areas within the company. All wastes at the waste storage areas are categorized and stored appropriately, then those that can be recycled are set to licensed recycling companies, while those that cannot be recycled are sent to licensed disposal companies.

In the meantime, a Continuous Waste Water Monitoring System has been set up at the cooling water discharge output at the YK Energy establishments in line with the environment legislations, and the measurements are transferred to the Ministry of Environment and Urbanization database on 7/24 basis.

AVAILABILITY

Availability ratios at the Yeniköy and Kemerköy Thermal Power Plants are important parameters that are monitored closely. The generation program is planned so as to ensure continuity.

Availability ratios of 86% at the Kemerköy and 83% at the Yeniköy Thermal Power Plants have been achieved in 2015. As a result, 2,72% of the electricity generation of Turkey has been met, with a generation increase by 26% as compared to the period before privatization. With rehabilitation investments, in addition to planned maintenances conducted by a qualified and experienced maintenance team, higher availability ratios and generation figures are aimed for the following period.

HUMAN RESOURCES MANAGEMENT

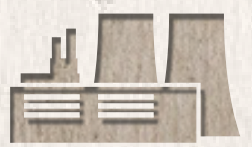
YK Energy follows a policy that respects man and the environment, values its employees and their interests, and is aimed to ensure the most effective use of the resources by an approach open to innovation. It is aimed to provide a working environment that is in compliance with the laws and environment, occupational health and safety matters. Studies are conducted with the vision to be preferred by the qualified work force operating in the sector and bring in human resources that unite around corporate values and culture, like and adopt their jobs and are able to work efficiently.

At YK Energy, care is taken to ensure that at least 65% of the employment consists of those who reside in the local community. In this way, contribution is made to the young population of the region where employment other than tourism is limited. Acting on the “Right job, qualified individual” approach, the employees are supported by “personal skills” and “technical” trainings.

The YK Energy personnel fulfill their social security obligations in two groups, as white collar and unionized blue collar employees. There are 1.171 employees in total, as 152 white collar and 1.018 blue collar.

| Estab- lishment Name | White Collar | | | Blue Collar | | | General Total | | |
|------------------------------------|--------------|-----|-------|-------------|-------|-------|---------------|-------|-------|
| | Women | Men | Total | Women | Men | Total | Women | Men | Total |
| Yeniköy Thermal Power Plant | 23 | 62 | 85 | 9 | 390 | 399 | 32 | 452 | 484 |
| Kemerköy Thermal Power Plant | 7 | 27 | 34 | 4 | 509 | 513 | 11 | 536 | 547 |
| Lignite Establ. | 4 | 30 | 34 | 0 | 106 | 106 | 4 | 136 | 140 |
| Total | 34 | 119 | 153 | 13 | 1.005 | 1.018 | 47 | 1.124 | 1.171 |

Yeniköy & Kemerköy Thermal Power Plants



Union Relations

Unionization and union rights of the employees are respected at YK Energy. Concerning the blue collar employees;

- Within the scope of the thermal power plant establishments, “1st Term Establishment Collective Labor Agreement” covering the 01.03.2015 - 28.02.2017 period has been signed with TES-İŞ (Turkish Energy, Water and Gas Workers Union).
- Within the scope of the Lignite-Mine establishment, “1st Term Establishment Collective Labor Agreement” covering the 01.01.2015 - 31.12.2016 period has been signed with MADEN-İŞ (Turkish Mine Workers Union).



TRAINING

By the trainings organized in different areas within the company, it is intended to increase the performances of the employees, improve their knowledge and skills and ensure their career development. Within YK Energy, 15 man/hours of training activities, primarily on occupational safety, environment and professional qualifications, etc. are organized regularly. The trainings carried out within the establishment are evaluated effectively and the feedbacks are examined carefully.

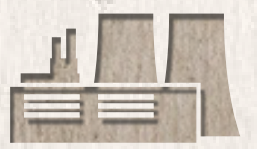
In compliance with the period set forth in the Labor Law, minimum 16 hours of training have been given to each employee under various headings and on occupational health and safety considering the characteristics and risks of the workplace.

INFORMATION SECURITY POLICY

At YK Energy, which holds an ISO 27001 certificate, a management system is implemented as aimed for the protection of information assets and to assure the relevant parties. A process approach is adopted in order to establish, implement, monitor, review, maintain and improve the information security system according to this standard. YK Energy, in line with the Information Security Management System, undertakes;

- To provide secure access to the information assets of the establishment and the stakeholders,
- To protect the availability, integrity and confidentiality of the information,
- To assess and manage the potential risks on the information assets of the establishment and the stakeholders,
- To protect the reliability and brand image of the establishment,
- To apply the necessary sanctions in case of information security breach,
- To meet the information security requirements arising from the national, international and sectorial regulations it is subject to, by meeting the requirements of relevant legislations and standards, fulfilling obligations arising from agreements, and corporate responsibilities aimed for internal and external stakeholders,
- To reduce the impact of information security threats on work/service continuity and ensure work continuity and sustainability,
- To maintain and improve the level of information security by the established control infrastructure,
- To provide the trainings to develop competences in order to increase information security awareness.

Yeniköy & Kemerköy Thermal Power Plants



Information Technologies Work Continuity Management

The practices of YK Energy within the scope of Information Technologies (IT) work continuity are as follows:

- Critical processes are identified and important system requirements are backed up for continuity in these processes.
- The validity of the work continuity management system is audited by internal audits in compliance with the internal audit procedure and its validity is kept under control.
- The information security team reviews the critical processes at the management review meetings and the added, cancelled or revised critical processes are kept under control.
- Any necessary revisions, problems or deficiencies in critical processes, intervention instructions or work continuity plan are communicated to the information security team leader by internal communication. The information security team leader examines the circumstance with the relevant employees and if it is found to be appropriate, requests a corrective action.



SOCIAL RESPONSIBILITY

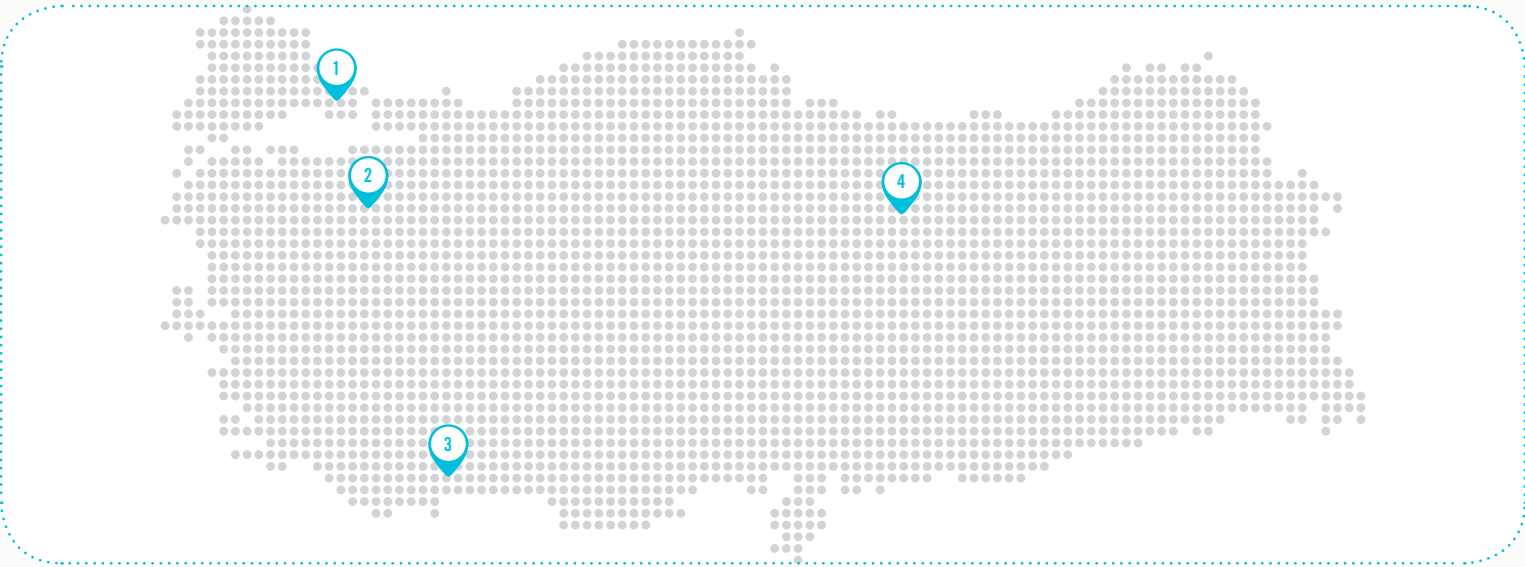
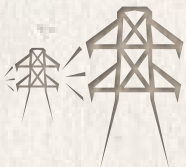
YK Energy conducts various activities in order to integrate with the social community it is in and protect and transfer the cultural heritage to the future generations.

The primary social responsibility projects realized by YK Energy consist of supporting institutions such as schools, mosques in the region, as well as organizing courses aimed to develop hand skills, archeological excavation, museum support and forestation projects.

Construction, Landscaping, Exhibition and Arrangement of New Museum Building in Milas

The monument that rises in a wide green area in the Gümüşlük quarter of the Milas district center is a small Roman period specimen of the Mausoleum in Halicarnassus (Bodrum), which is accepted as one of the seven wonders of the world in the antique age by its architectural features. The monument that dates back to the 2nd century A.D. is the most spectacular Necropolis of that period. It has been deemed suitable to build the New Milas Museum at this area.

Energy Group - Distribution



- 1 **BEDAŞ**
İstanbul (European Side)

2 **UEDAŞ**
Çanakkale
Balıkesir
Bursa

3 **AEDAŞ**
Isparta
Burdur
Antalya

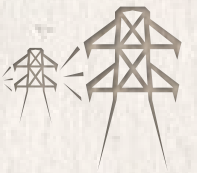
4 **ÇEDAŞ**
Sivas
Yozgat
Tokat

5 **Kosovo**
Electricity Distribution Company



11.000.000 Subscribers

52.000.000.000 kWh Electricity Distribution



AT A GLANCE

Limak Energy Group through the companies it is a shareholder of, carries out more than 52 billion kWh electricity distribution and retail sales to approximately 11 million subscribers in the Akdeniz, Boğaziçi, Çamlıbel and Uludağ regions domestically and Kosovo abroad. The distribution and retail sales activities of Limak Energy in Turkey is conducted by the CLK Energy Company that it has established with its partners. CLK Energy, in addition to being the largest private electricity distribution and retail sales company of Turkey, is also included among the largest electricity distribution companies of the world.

At CLK Energy, significant investments are made in information technologies for continuity in service quality and the effective management of the resources, within the scope of a transparent and on-site management understanding.

MAIN SUSTAINABILITY INITIATIVES

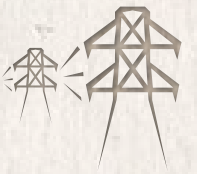
Information Technologies Investments

The Integrated Information Systems (EIS) program is intended to increase the available potential of CLK Energy through effective process management and the use of advanced technology. The program consists of more than one project, carried out in order to take the technical and operational efficiency, customer satisfaction and service quality of the retail and distribution companies within the CLK Energy organization to higher levels.

The EIS program has been developed in order to increase grid traceability, reduce loss/illegal use ratio, monitor costs by effective investment management and meet the EMRA requirements. With this program, it is aimed to increase efficiency and traceability in invoicing/collection management, and support marketing and customer services infrastructure and processes.

Within the scope of the EIS Program, the processes of the retail and distribution companies, which have over eight million active customers in 11 provinces and an annual 46 billion kWh consumption capacity, with all their stakeholders are analyzed, designed and implemented. In this way, an integrated system that is flexible, measurable is formed to conduct and collectively operate the work processes.

*LİMAK ENERGY GROUP
CARRIES OUT ELECTRICITY
DISTRIBUTION AND SALES
OF OVER 52 BILLION kWh TO
11 MILLION SUBSCRIBERS*



PRIORITIES

CLK Energy has defined its priorities considering the expectations of its stakeholders and impacts of its activities. The priorities of CLK Energy within the scope of sustainability are led by employee safety, compliance with the laws and customer satisfaction.

OCCUPATIONAL HEALTH AND SAFETY (OHS)

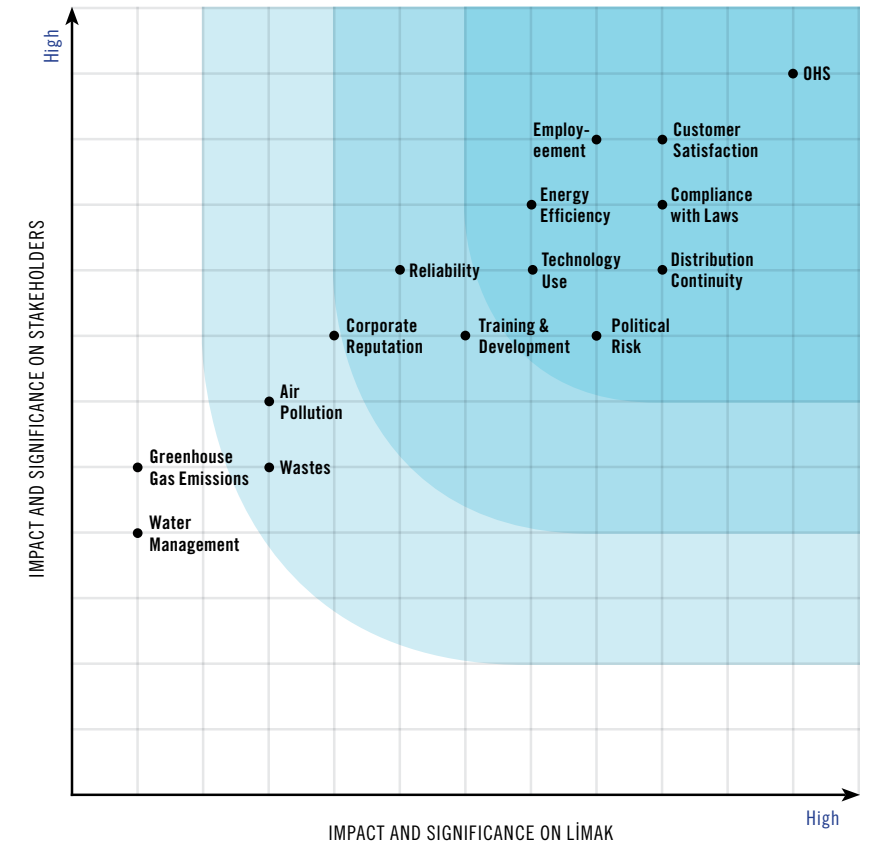
CLK Energy significantly contributes in employment by approximately 10 thousand employees within its organization. Since electricity distribution business is a service that is provided in a wide geography, the majority of the employees work in the field. Especially the employees working in the area of failure, maintenance and repair are exposed to a variety of risks because they work on low and medium voltage lines. The distribution companies aim for all employees to work in a safe working environment and for zero accidents and injuries.

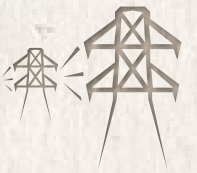
Numerous measures have been taken to achieve this objective:

- OHS management standards and procedures have been established concerning the activities.
- Occupational Health and Safety (OHS) departments that work actively and effectively have been formed.
- Risks have been identified for every work group and the measures to be taken to eliminate these risks have been defined. Contingency plans have been prepared.
- The risk assessments are updated periodically so that they are compatible with the changes in the work conditions and the laws.
- Trainings are organized under 11 headings regarding occupational health and safety. EKAT and EKAT renewal, occupational safety in electrical installations, use of personal protective equipment, fire safety and first aid are included among the training topics.
- In addition, discussions and meetings are held with the other distribution companies operating in our country so that the best practices are followed and adapted.

PRIORITIES OF CLK ENERGY ARE LED BY THE SAFETY OF EMPLOYEES, COMPLIANCE WITH THE LAWS AND CUSTOMER SATISFACTION

2014-2015 Limak Energy Group - Distribution Sustainability Aspects Prioritization Matrix





COMPLIANCE WITH THE LAWS

CLK Energy is subject to many legal arrangements because it is the sole operator of the distribution grid in the regions it operates. The Energy Markets Regulatory Authority (EMRA), T.R. Ministry of Natural Resources and Energy and Turkish Electricity Distribution Corp. (TEDAŞ) are among the most important institutions that make these arrangements. CLK Energy has established legislation and law departments in order to ensure compliance with all relevant laws and regulations. In addition, the distribution companies, which are active members of the Electricity Distribution Services Association (ELDER), participate in the studies and meetings organized through the association, and are both informed on the new developments and participate in shaping the new legislations.

CUSTOMER SATISFACTION

The retail companies, based in İstanbul, Bursa, Antalya and Sivas, continue their activities without interruption in order to create perfect customer experience and increase satisfaction. The majority of the practices are first implemented at the Boğaziçi Retail Company based in İstanbul, on the European Side, and the successful practices are expanded over to the other companies.

Actions aimed for Customer Satisfaction:

→ To recognize the Customer

The study aimed to recognize and differentiate customer in order to ensure differentiation in organization and channel management are continued.

→ Multiple Integrated Channel Management

While services were provided solely by the establishment directorates and the 186 call center in the past, customers are contacted through 13 different channels today.

→ Products and Solutions

Customers are able to benefit from special discounts and special services for the residence, workplace and industry segments, changing according to the customer segments.

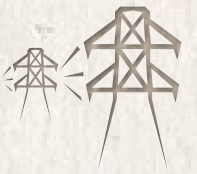
→ Technology

With the CRM system where customer demands and complaints are measured end-to-end with state of the art technology systems and digital archiving methods, the demands of the customers in all channels are monitored and managed in the digital environment.

→ Measurement and Evaluation

Customer contacts in all channels are measured under 40 different headings with “mystery shopper” studies, and performance is monitored. Within a short time, it is aimed to expand the scope of the study with customer satisfaction researches.

*VISION: TO CREATE ADDED
VALUES TO THE BENEFITS
OF CUSTOMER'S LIFE
AND DEVELOP CUSTOMER
FOCUSED NEW PRODUCTS
AND SYSTEMS*



ENERGY EFFICIENCY

A part of the energy entering into the distribution system is lost and a part that is less than the energy supplied into the system can be distributed to the subscribers. One of the main objectives of CLK Energy is to minimize these losses and ensure energy efficiency.

Studies are continued non-stop by the loss units formed to determine subscribers using energy as unauthorized and illegally, in order to reduce commercial losses. The necessary procedures of the identified subscribers are made and their use is made official. In the meantime, technical loss units have also been formed in order to reduce technical losses. These units regularly determine causes that lead to technical losses and make the necessary interventions.

As a result of these studies, the losses that were already below the Turkey average have been reduced even further. While the energy entering into the system in four regions, with a distribution line length over 200 thousand km, increased by 6,5% in kWh during 2011-2014, the lost energy amount has decreased by 8,8% in kWh.

With the Integrated Information Systems (EIS) Program, identification of factors creating technical loss will become more effective.

RELIABILITY - DISTRIBUTION CONTINUITY - TECHNOLOGY USE

The primary objective of CLK Energy is to transmit the total electrical energy that enters into the operated distribution system to all subscribers continuously, without interruption or quality loss (voltage fluctuations). The reliability of the companies will be increased if this distribution continuity is ensured. In order to achieve and maintain this, to follow up on and use all types of technological developments in the field of electricity distribution is one of the matters that the companies especially are careful about.

With the SCADA module of the Integrated Information Systems (EIS) project, it will be possible to monitor the grid elements in the field electronically. In case of any overload or failure, it will also be possible to intervene and correct the failure remotely, or if an alternative line is available, to transfer the energy flow from the defective line to the alternative line and thus continue distribution without interruption. The installation of this system, which requires large amounts of investment, has been started. This system that will be installed at centers with priority, will also be expanded to less populated areas over time.

EMPLOYMENT - TRAINING AND DEVELOPMENT

CLK Energy, with approximately 10.000 employees together with its subcontractors, creates significant employment. In order for such a large human resource to perform most efficiently and achieve employee satisfaction, "choosing the right person for the right job" principle has been adopted. In addition to the studies made in this area, a pilot project called EIS Academy has been started. Within the scope of the project, 50 individuals who have newly graduated from university have been employed, and their trainings have been started by subjecting them to rotation within CLK Energy. In addition, training programs under 42 headings in total have been organized as aimed for all employees.

ONE OF THE MAIN
OBJECTIVES OF CLK ENERGY
IS TO MINIMIZE ENERGY
LOSSES, AND ENSURE
ENERGY EFFICIENCY



G4-19



Limak Energy, which attaches particular importance to sustainable growth, has increased its commercial operations in 2015 by 100% approximately as compared to the previous year and has reached a wholesale and retail electricity sales volume over 6 billion kWh. Approximately half of this trade volume has been achieved by the energy that Limak Energy has procured from commercial business partners outside of its own generation portfolio. Limak Energy, trading in Turkey and Europe within the scope of bilateral agreements with more than 60 business partners, actively operates in the Over the Counter Markets (OTC), Day Ahead Market, Day Market and the Derivative and Option Market. Limak Energy that has evolved into a major natural gas consumer with the addition of the Hamitabat Natural Gas Combined Cycle Power Plant to its generation portfolio, for which it makes short, medium and long term commercial planning, has also received an LNG import license and has started to follow up closely on the opportunities that may develop in the natural gas market.

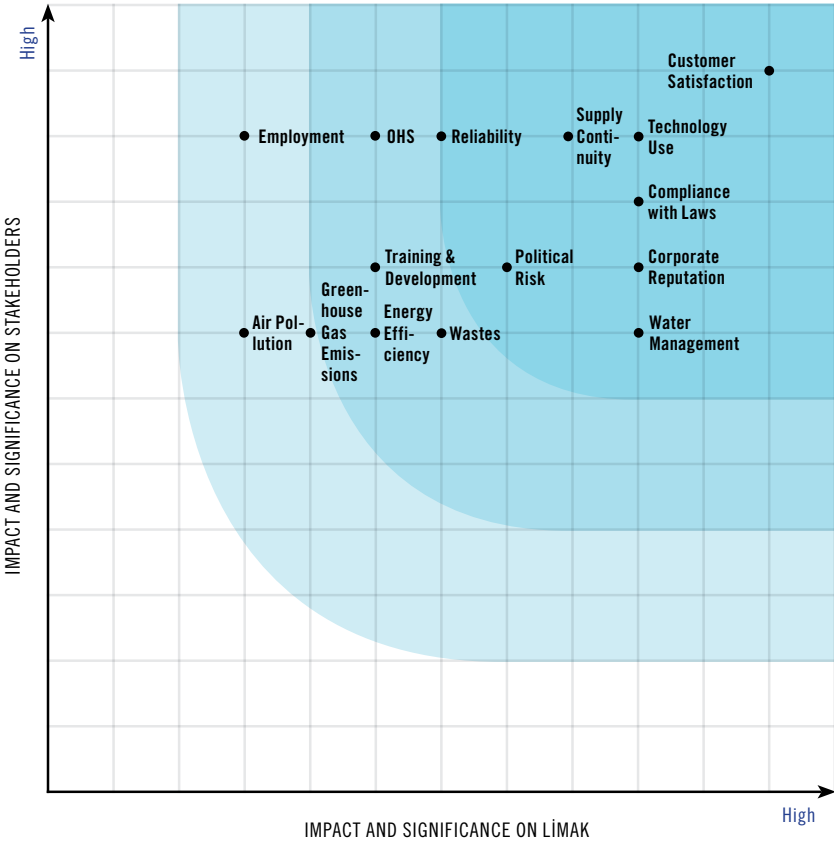
Expanding its activities in the Southeast Europe Region from Kosovo to Turkey, with the new energy trade company established in Serbia, Limak Energy is increasing its cross border energy trade volume and plans to strengthen its position in Europe even further by the new investments it will make in the region.

Meanwhile Limak Energy Europe, which has been established in order to achieve the vision of becoming an important actor also abroad like in Turkey, continues its operations as based in Bulgaria. After the commercial registration procedures in Romania are completed, Limak Energy Europe will actively start its commercial activities in this country also.

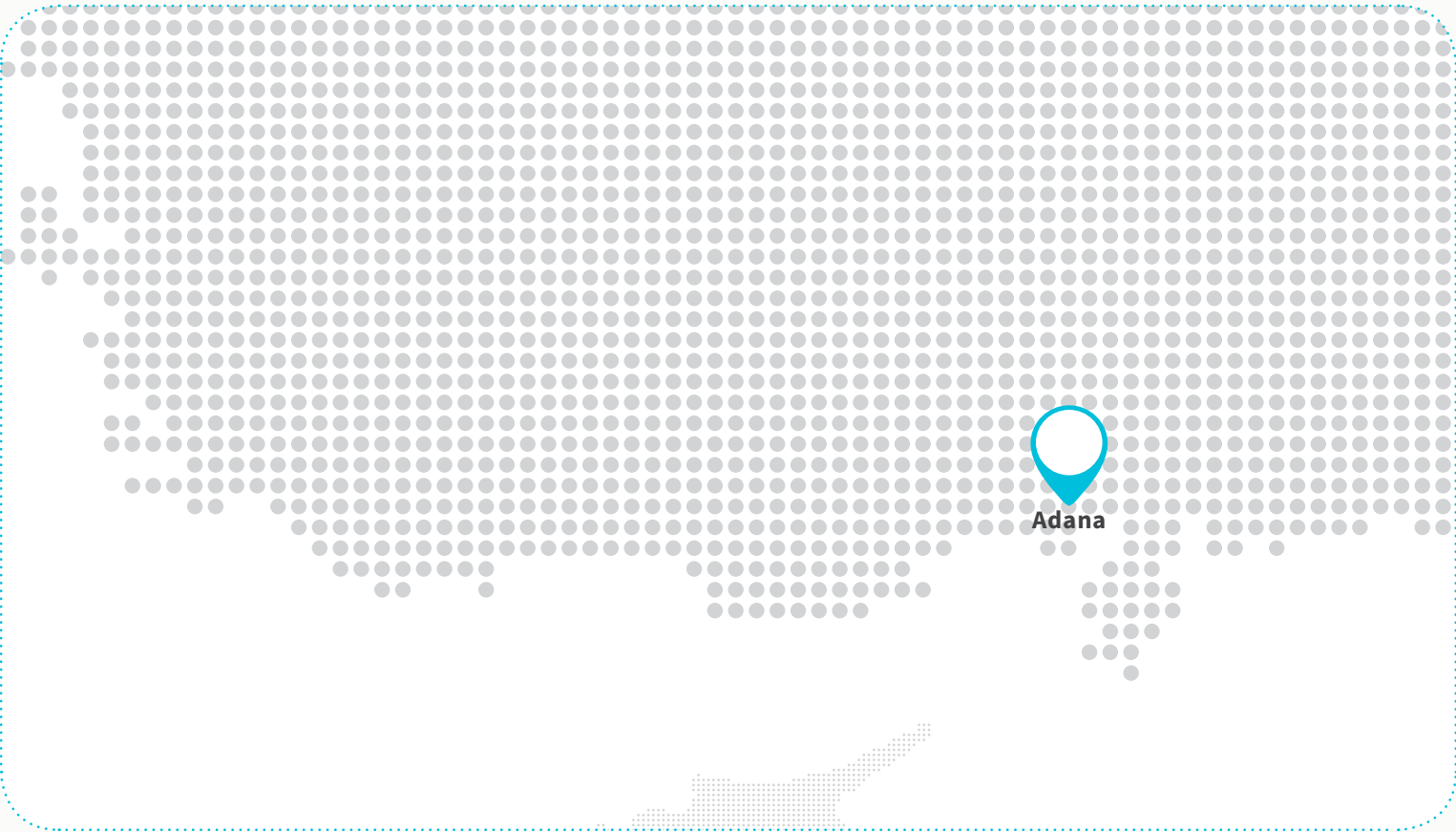
Limak Energy, by its central sales team in İstanbul and Ankara and representations in the other regions, carries out retail energy sales activities throughout Turkey. Thanks to the specialized operation team and the online operations center, customer satisfaction is kept at the maximum level in after sales services. Limak Energy, adopting a customer focused service understanding and the win-win principle, continues to expand its retail sales portfolio.

Limak Energy aims for sustainable growth in sales, trade, generation and distribution activities and continues to work consistently along this line, both within the country and also abroad with the goal of becoming a global actor.

2014-2015 Limak Energy Group - Sales and Trade
Sustainability Aspects Prioritization Matrix



Limak Food - Limkon Fruit Juice Concentrate Facilities



32 Exports to Countries

40.000 m² Activity Area

85.000 Ton/Year Fruit Processing Capacity

10.000 Ton/Year Concentrate Production

65.000 Ton/Year Raw Material Fruit

| 2015 | 2014 | 2013 |
|--------|--------|--------|
| 65.000 | 60.000 | 60.500 |

* Apple, sour cherry, pomegranate, peach, orange, lemon, tangerine, tomato, grapefruit, cherry, apricot

OUR BRANDS



Limak Food - Limkon Fruit Juice Concentrate Facilities



AT A GLANCE

Limkon Fruit Juice Concentrate Facilities operates at the Adana Ömer Sabancı Organized Industrial Zone, over a total area of 40 thousand square meters, 13 thousand square meters of which is indoor area. The company produces freshly squeezed fruit juices and squash under the registered “Pomona” trademark and sells through dealers. 60 thousand tons of raw materials have been processed in 2014 and 65 thousand tons in 2015. Limkon portfolio includes conventional fruit juice concentrates, organic fruit juice concentrates and non-concentrated, freshly squeezed and squash type products.

Products

Conventional fruit juice concentrates, fruit pulps and pulp concentrates, organic fruit juice concentrates, tomato paste, freshly squeezed fruit juices and squash are produced at the Limkon Fruit Juice Concentrate Facilities. Limkon has taken its place among the top ranks in citrus fruit processing also in 2015. In addition, it has continued to process many fruits, and primarily pomegranates, apples, and cherry varieties. It continues to increase organic concentrate production every year, especially in order to be able to meet the organic concentrate demands from abroad. In addition to the increase in the organic production quantities, the product range is expanding and the sales figures are increasing with the organic product diversity.

Strategic Partnership

Limak Food has a joint investment with the ADM-Wild company, which is the world leader in fruit juice, aroma and mixture products. The line investment totaling 5 million euro made at the first stage, with the partnership of Wild, will subsequently be completed to 20 million euro.

Support to Local Development

Number of Employees

| 2015 | | | 2014 | | | 2013 |
|-------|-----|-------|-------|-----|-------|-------|
| Women | Men | Total | Women | Men | Total | Total |
| 17 | 83 | 100 | 15 | 82 | 97 | 95 |

All of the Limkon employees are registered at the local civil registry. In the meantime, Limkon works with contracted local farmers in tomato paste production and supports local development.

Limkon has worked with 16 farmers and 16 technical personnel for tomato plantation. 160 individuals have worked during the two months’ planting period and weed cleaning operations and employment has been provided to 3.200 individuals during the 2 months harvest period.

65.000 TONS OF RAW
MATERIAL HAS BEEN
PROCESSED AT LIMKON
FACILITIES IN 2015

Limak Food - Limkon Fruit Juice Concentrate Facilities



G4-19



PRIORITIES

Limak Food has defined its priorities in the field of sustainability considering the expectations of the stakeholders and the company strategy. The defined priority issues are provided in the sustainability matrix.

COMPLIANCE WITH THE LAWS & PRODUCT RESPONSIBILITY

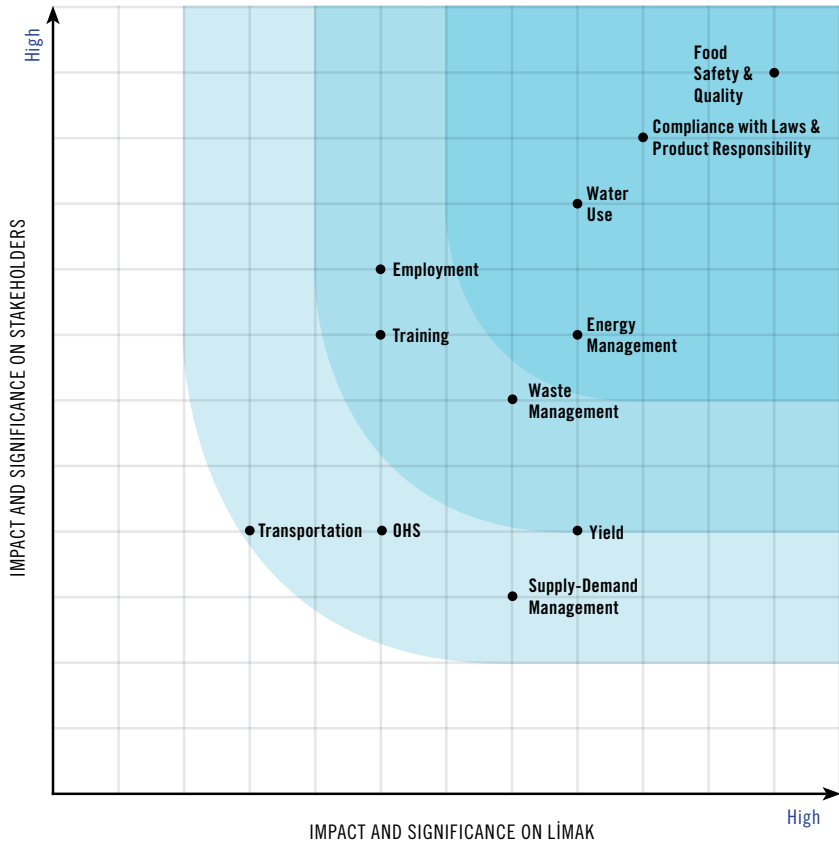
Limkon Fruit Juice Concentrate Facilities produces in full compliance with the legal legislations, international product standards and food safety practice rules.

Quality and Food Safety Certificates

Limkon, in compliance with its sustainable production and qualified food philosophy, moves one step beyond compliance with the legal legislations and operates in compliance with international standards. These standards and certificates are listed below:

| Subjects | Uluslararası Standartlar ve Sertifikalar |
|--|--|
| Quality Management System | ISO 9001 |
| Food Safety Management | ISO 22000 |
| Food Safety | IFS Food Standard (International Food Standard) |
| Food Safety | BRC Food Standard (British Retail Consortium) |
| Organic Production | Organic Production Certificate |
| Production at Halal Standards | Halal Certificate |
| Production at Kosher Standards | Kosher Certificate |
| Sure Global Fair-Authentic Food Compliance Certificate | SGF Certificate |
| American Food and Drug Administration Compliance Certificate | FDA Certificate |

2014-2015 Limak Food - Limkon Fruit Juice Concentrate Facilities Sustainability Aspects Prioritization Matrix



Limak Food - Limkon Fruit Juice Concentrate Facilities



WATER USE

Water Consumption (m³/year)

| 2015 | 2014 | 2013 | 2012 |
|---------|---------|---------|---------|
| 417.501 | 312.944 | 325.615 | 326.846 |

The consumption of water supplied from the organized water facility has materialized as 417.501 m³/year in 2014. Limkon uses micro-irrigation systems at the planted lands in line with the sustainable production understanding, and thus, it both increases product yield and also supports the protection of water resources by using water efficiently.

ENERGY MANAGEMENT

Energy Consumption (GJ)

| 2015 | 2014 | 2013 |
|---------|---------|--------|
| 104.820 | 104.775 | 89.578 |

Natural gas is used as fuel at the facilities. Energy consumption in 2015 has been 104.820 GJ. The increase in energy consumption as compared to 2013 arises from intermittent production due to the gaps in product passages.

Electricity Consumption (GJ)

| 2015 | 2014 | 2013 |
|--------|--------|--------|
| 23.134 | 22.841 | 18.189 |

The amount of electricity consumption has been 23.134 GJ in 2015. The reason for the increase in electricity consumption over the years arises from intermittent production due to the gaps in product passages, as is also the case in energy consumption.

The total energy consumption arising from fuel and electricity use has materialized as 127.954 GJ in 2015 and 127.616 GJ in 2014.

WASTE MANAGEMENT

The organic wastes emerging at Limkon are used as livestock feed and fertilizer. Other wastes are delivered to licensed companies under contract coverage.

ORGANIC CONCENTRATE
PRODUCTION IS CONTINUED
BY INCREASING EVERY YEAR
ESPECIALLY TO MEET THE
ORGANIC CONCENTRATE
DEMANDS FROM ABROAD

Limak Food - Limkon Fruit Juice Concentrate Facilities



TRAINING

Regular trainings are given to all personnel at Limkon on subjects such as quality, food safety, occupational safety, hygiene, food defense, cleaning, within the scope of the training program defined on annual basis.

Materialized Training Hours

| 2015 | 2014 | 2013 | 2012 |
|------|------|------|------|
| 64 | 55 | 39 | 32 |

Trainings are also given to the farmers in the field, and monitored. Training subjects cover areas such as pesticide use, product varieties to be planted, prevention of diseases.

TRANSPORTATION

Limkon works with forwarders that will ensure shipment to the customers in compliance with the storage conditions of each product, defined in the specifications for all products, and has a system that is capable of taking all measures in this respect.

YIELD

Limkon is in continuous contact and guides the farmers on variations that may be experienced in raw material yield, their impacts on production, measures that will be taken and the improvements that may be made.

OCCUPATIONAL HEALTH AND SAFETY (OHS)

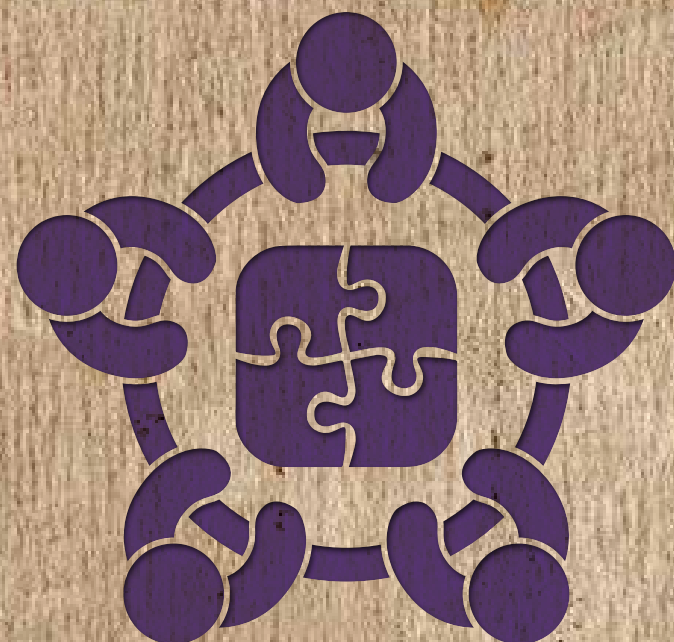
Limkon continues its activities with a zero work accident objective, within a work order that is in compliance with its occupational health and safety principles. In this line, all occupational health and safety measures defined in the legislations are taken in order to ensure that all employees work in healthy environments and to protect their physical and mental health.

SUPPLY-DEMAND

All concentrates, pulps and fruit juices produced at Limkon are prepared from products that are grown naturally in fields and orchards. The materials are purchased when they are in season, and are processed as fresh without being stored.

RAW MATERIALS ARE
PURCHASED FRESH AT
LİMKON FACILITIES AND
ARE PROCESSED WITHOUT
BEING STORED

Corporate Social Responsibility



CORPORATE SOCIAL RESPONSIBILITY

EDUCATION

SPORTS

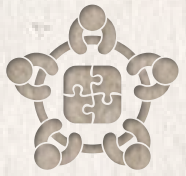
CULTURE & ART

MICRO-CREDIT & ENVIRONMENT

SOME OF OUR SOCIAL RESPONSIBILITY PROJECTS

Corporate Social Responsibility

Contributions to Education
Contributions to Sports
Contributions to Culture & Art
Contributions to Micro-Credit & Environment
Some of Our Social Responsibility Projects



As Limak Group of Companies, we continue to contribute in social life by various social responsibility projects in the fields of culture-arts, sports and the environment and micro-credit supports.

CONTRIBUTIONS TO EDUCATION

We are All Hand-in-Hand for the Turkey's Engineer Girls!

The participation of women, who constitute half of our society, in the work force is 32% and according to The Union of Chambers of Turkish Engineers and Architects (UCTEA-TMMOB) member figures, only 21% of the engineers in our country are women. However, a country where the women work force is high is also at higher ranks in income.

As Limak, we aim to raise engineers who perform their profession best and add value to Turkey by science, in order to contribute in the correction of the imbalanced work force distribution.

In line with this objective, we have prepared a project that aims to support school girls, who are or will be receiving engineering education, from many respects throughout their education. Turkey's Engineer Girls project starts with tempting school girls from all four corners of our country to engineering education, and continues with numerous support activities. The project consists of two separate activity groups as aimed for high schools and universities.

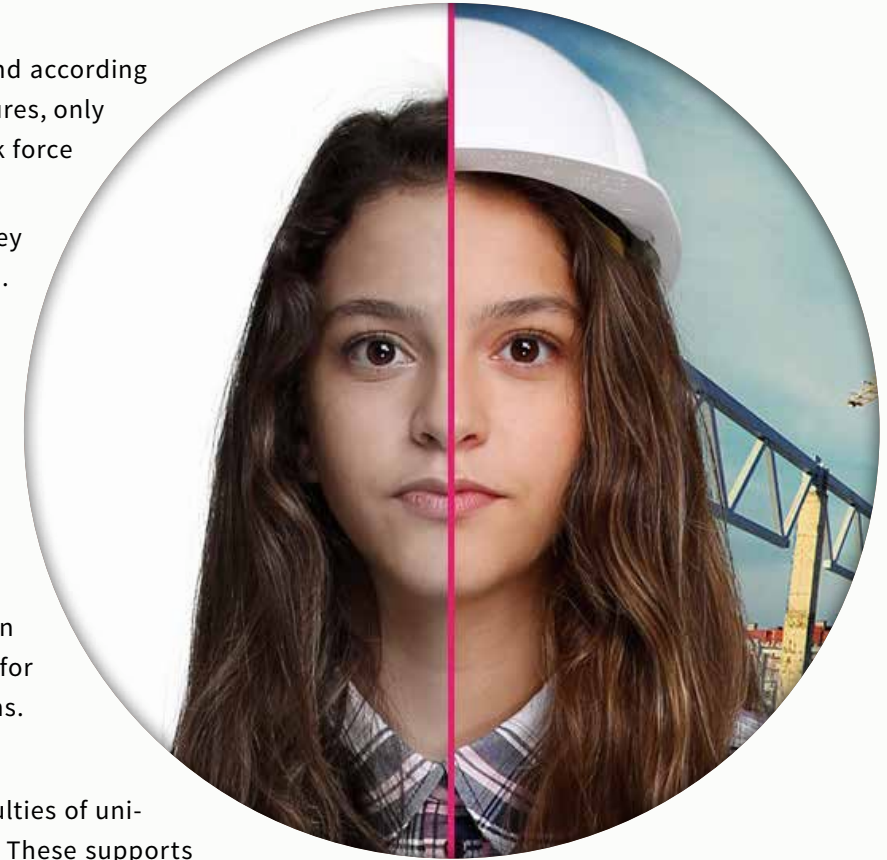
High-school Students

Within the scope of the project, we inform school girls studying at the science and Anatolian high schools regarding the engineering profession by different events. In this way, we aim for them to feel close to engineering and include engineering more in their profession selections.

University Students

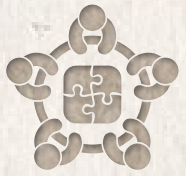
Meanwhile, we support our successful young girls who are studying at the engineering faculties of universities and need financial support, throughout their education lives in various respects. These supports include;

- Education scholarship throughout university education,
- Opportunity for internship in Limak and other organizations in the sector,



Corporate Social Responsibility

Contributions to Education
Contributions to Sports
Contributions to Culture & Art
Contributions to Micro-Credit & Environment
Some of Our Social Responsibility Projects



- Mentoring support through our volunteer female engineers,
- Social engineering certificate program,
- Opportunity of employment in Limak and different organizations in the sector, within the scope of the requirements.

The voluntary education and mentoring program is conducted by the female engineers working in Limak and other female engineers that stand out in this field. With the training given by professionals in the field, thanks to the collaboration with the Private Sector Volunteer's Association, the mentors are in a communication network based on experience transfer with the scholars.

Mentoring is composed of 5 modules. The module titles are;

- What volunteering is, what volunteering brings to us, examples of volunteering,
- Corporate volunteering,
- Examples from the World and in Turkey,
- Volunteering studies conducted with the youth,
- Studies concerning mentoring the youth,
- Workshop and implementation examples.

During the first year of our project, the scholarship program and mentoring program have been started, and events aimed to inform school girls studying at science and Anatolian high schools on the engineering profession by different events will be started in 2016.

Further details regarding the project may be accessed through the following website and followed through social media accounts:

<http://www.turkiyeninmuhendiskizlari.com>



/turkiyeninmuhendiskizlari



/muhendis_kizlar

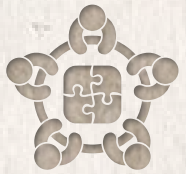


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Corporate Social Responsibility

Contributions to Education
Contributions to Sports
Contributions to Culture & Art
Contributions to Micro-Credit & Environment
Some of Our Social Responsibility Projects



LimakASI Received 14 Awards in One Year

LIMAK AIRPORT
SERVICES INSTITUTE

The Limak Airport Services Institute (LimakASI) project that our Group has implemented in Kosovo, where it operates the airport, in collaboration with the Boğaziçi University Life-Long Learning Center and the Pristine University, in order to offer new career opportunities to the young and talented labor force, has been entitled to receive the IPRA Golden World Award, which is noted as one of the most prestigious PR awards of the world.

The program initiated in 2014, has created hope for the youth in Kosovo, where unemployment is very high, and has set an example. In the program, where 30 candidates in their senior year, studying at the different departments of the Pristine University, from law to engineering faculties, were accepted by a two-stage exam and interview, The students served as interns for 3 months, following the theoretical and applied training that lasted 6 months. Those who completed the training program received BTEC certificates, which allow them to work at more than one hundred airports in 70 countries and in the relevant sector organizations, as well as the Pristine International Adem Jashari Airport. From the students who received training in areas from airport management to ground services at LimakASI, those who were successful also found the opportunity to work at the Pristine International Adem Jashari Airport.

LimakASI has finally signed a memorandum of understanding for collaboration with ENAC in Toulouse, France, which is one of the oldest civilian aviation schools in the world. The project, in addition to the IPRA Golden World Award, received 14 awards in total in 2015, as Stevie in three categories, Green Apple in four categories, International CSR Excellence Awards in four categories, Hermes Creative Awards and Communitas Awards.

Limak's Miracle Youth Becomes a Comic Book

The story of the Limak Airport Services Institute (LimakASI) project implemented in collaboration with the Boğaziçi University Life-Long Learning Center and the Pristine University, in order to offer new career opportunities to the young and talented labor force in Kosovo, has been printed as a comic book under the title of “Yeni Başlangıçlar” (New Beginnings). The story of LimakASI, the project consultancy and editorship of which was conducted by Dr. Aylin Löle, has been put down on paper by Kaan Demirçelik.

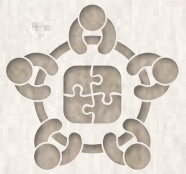
The “Yeni Başlangıçlar” book offers the LimakASI project and the story of the youth at this institute struggling against unemployment in Kosovo, to the readers in the form of a comic book.

The LimakASI project, which created a difference by not only investing in the economy but also the youth of the country, in Kosovo where young unemployment is 50 percent, has been found worthy of numerous awards in the international arena such as the Stevie Business Awards and the IPRA Golden Awards over the last two years.



Corporate Social Responsibility

Contributions to Education
Contributions to Sports
Contributions to Culture & Art
Contributions to Micro-Credit & Environment
Some of Our Social Responsibility Projects



KEDS Academy Gave its Second Graduates



The KEDS Academy, established by the Kosovo Electricity Distribution Company (KEDS), under the partnership of Limak and Çalık, conducting electricity distribution activities in Kosovo, in order to contribute in the solution to the unemployment problem, gave its second graduates.

The students who were successful following the training they received at the KEDS Academy, implemented with the collaboration of the Kosovo Ministry of Education, Science and Technology, Boğaziçi University Life-Long Learning Center and Pristine University, received the BTEC certificate that is also valid in the European Union. Employment opportunities are also offered to the students who are successful in their training at the KEDS Academy, which lasts approximately 9 months as theoretical and practical training. Within the scope of the training, the students also visit the Limak companies and are briefed regarding the field applications. Thanks to the applied training, approximately 50 students, as 20 university and 30 electrical technical high school students, receive both technical and applied trainings related with their fields.

The KEDS Academy, which returned home from the Stevie Business Awards with 4 awards in 2014, has been included in the short list in the European Excellence Awards 2015 and Ethical Corporation Responsible Business Awards 2015. Meanwhile, it has been found worthy of an award in the Social Good category in the PR News' CSR Awards.



Corporate Social Responsibility

Contributions to Education
Contributions to Sports
Contributions to Culture & Art
Contributions to Micro-Credit & Environment
Some of Our Social Responsibility Projects



CONTRIBUTIONS TO SPORTS

LimakPort İskenderun Wheelchair Basketball Team Sponsorship

The Iskenderun Wheelchair Basketball Team, supported by LimakPort, was promoted to the first league last year and became the champion by completing the play-off games as undefeated.

The Iskenderun Wheelchair Basketball Team that continues its effort successfully also in the new season, aims to complete the second half of the league among the top 4 and be promoted to the Super League.



CONTRIBUTIONS TO CULTURE & ART

Turkish Jazz Week Pristine

Limak supports the Turkish Jazz Week organized by the Pristine Embassy of Turkey, in order to contribute in the development of cultural activities between Kosovo-Turkey and to evolve this into a traditional art event, being repeated every year.

Within the scope of the Turkish Jazz Week, which has been organized for the fourth time in 2015, concerts were given in the cities of Pristina, Prizren and Yakova.

“Lights of the City” Photography Contest

Total 836 photographs have participated in the “Lights of the City” national photography contest organized for the third time in 2015 by the Uludağ Electricity Distribution Corp., and the photographers attempted to capture the most beautiful city light by their photographs. The photographers who won the contest received their awards with a ceremony.



CONTRIBUTIONS TO MICRO-CREDIT & ENVIRONMENT

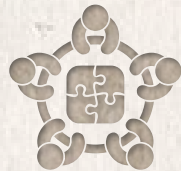
Micro-credit

Limak has supported micro-credit by making a donation to the first micro-credit branch opened at Siirt Kurtalan on November 21, 2008.

As of January 25, 2016, the Branch has provided 1,929,937.13 TL of micro-credit to 900 women.

Limak Memorial Forest

Limak Tourism Group, deciding to establish a “Memorial Forest” in order to restore the burnt forest areas in the Mediterranean region, has planted 10 thousand saplings at the 100 acres of land allocated by the Ministry of Forestry and Hydraulic Works. Limak Tourism Group will plant 100 thousand trees at the Memorial Forest over a period of 10 years, and leave a lasting heritage to Antalya on behalf of its guests.



SOME OF OUR SOCIAL RESPONSIBILITY PROJECTS

Education

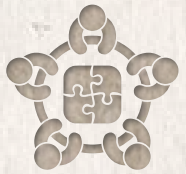
- 2015** → Turkey’s Engineer Girls
 - UEDAŞ Classroom Uludağ University
- 2014** → Limak Airport Services Institute
 - Siirt Education Center
- 2013** → KEDS Academy
 - Future of Electricity, Professionals of the Future
 - Limkon Youth Zone
- 2012** → “100 Fundamental Works” Hatay Book Campaign
 - “There’s Something in This Youth”
- 2011** → Kurtalan Limak Kindergarden, Siirt
- 2010** → Şuhut Limak Girls’ Vocational High School & Kindergarden, Afyon
- 2008** → Limak-Türker Elementary School, İstanbul
 - Turkish Civil Engineering Students Meeting, Ankara
- 2006** → Limak Kurtalan Cement Girls’ Dormitory, Siirt
 - Anıttepe Indoor Swimming Pool, Ankar
- 2002** → Belek Limak Elementary School, Antalya
- 1991** → Baklan Limak Hüsametlin Tuyji Multi-Program High School, Denizli

Culture & Art

- 2015** → Turkish Jazz Week Pristine
 - Dokufest, International Documentary Film Festival
- 2014** → 17th Ankara International Jazz Festival
 - 17th Flying Broom International Women’s Films Festival
 - “Art Knows No Holdbacks” Theater Sponsorship
 - Lights of the City National Photography Contest
 - Eye Wonder
 - Bank of America Collection Women Photography Artists Exhibition
- 2013** → LimakPort Theater Sponsorship
 - Turkish Jazz Week Pristine
- 2012** → Mardin Biennial
 - Gordion Excavation Project
 - Turkish Jazz Week Pristine
- 2011** → 9th International Kosovo Waking-up with Art Festival
 - İstanbul Modern Sponsorship
 - International Adem Jashari Boxing Tournament, Pristine
- 2010** → Flying Broom Traces of Women in Democracy
 - Harem Ballet to the Benefit of Lösev
 - 13th Flying Broom Women’s Films Festival
- 2008** → 11th Flying Broom Women’s Films Festival
 - “Turkish Kids’ Pieces” Music CD
 - Limak Tourism Group “Introducing Our Culture” Book Project
- 2007** → Limak 18th International Film Festival
 - “Beyaz Melek” Movie
 - 13th European Films Touring Festival
 - Fest-i Kült Ankara 3rd Inter-cultural Film Festival
- 2006** → 17th Ankara International Film Festival
 - Touring Film Festival

Corporate Social Responsibility

Contributions to Education
Contributions to Sports
Contributions to Culture & Art
Contributions to Micro-Credit & Environment
Some of Our Social Responsibility Projects



Presidential Symphony Orchestra Sponsorship

- 2013** → Swingle Singers New Year's Concerts
→ Alexander Markov Concerts
→ Alexander Rudin Concerts
→ Katia Skanavi Concerts
- 2012** → Mikhael Simonyan Concerts
→ Antonio Meneses Concerts
→ Philippe Aiche Concerts
- 2011** → Klazz Brothers & Cuba Percussion Concert
→ Anatolian Sopranos Esin Talınlı, Çiğdem Önel, Funda Ateşoğlu and
Bülent Bezdüz Concerts
→ Vanya Milanova Concerts
→ Elina Vahala Concerts
- 2010** → Robert Cohen Concerts
→ Trio Jean Paul Concerts
→ Russian State Artists New Year's Concert
→ Roby Lakatos Concert
→ David Geringas Concerts
- 2009** → Simona Baldolini and Enrique Ferrer New Year's Concerts
→ İdil Biret Concerts
→ Fazıl Say Concerts
→ Natalia Gutman Concerts
→ Patricia Kopatchinskaja Concerts
- 2008** → Soprano Elmira Veda, Tenor Emil Ivanov New Year's Concert
→ Sholomo Mintz Concerts

Anaçev - İnönü Foundation Events to the Benefit of Martyr Families & Scholarship Students

- 2009** → Stories to 2023-XVIII
→ Erol Erdinç - Leyla Çolakoğlu Concert
→ A Night in Venice Ankara State Opera and Ballet
→ Frantisek Brikcius and Anna Brikciusova Cello Duo
→ Yeşim Gökalp Concert

Sports

- 2015** → Streetball Pristine
→ Pristine Basketball Club Balkan League & European League Basketball Team
→ KTV Carting Event Kosovo GoCart Races
- 2014** → İskenderun Handicapped Basketball Team Sponsorship
→ 2nd Bursa Bicycle Festival Sponsorship

Environment

- "Grow Tour Memories" Plant See Campaign
→ "One Sapling Changes the World" Limak Kids Forest
→ Limak Memorial Forest
→ Limak Cement Forestation Activities

Micro-credit

- Siirt Kurtalan Micro-credit Branch

UN Global Compact Index



UN GLOBAL COMPACT INDEX

| Principles of UN Global Compact | Performance Statements’ Page in Report |
|---|--|
| HUMAN RIGHTS | |
| Principle 1. Businesses should support and respect the protection of internationally proclaimed human rights; | Our Sustainability Roadmap: 14-21; Principles Forming Our Human Focused Approach p:26; Our Workplace 27-30; Construction Group Social Impacts p:38; HEPP p:76; HEAŞ p:79 |
| Principle 2. and make sure that they are not complicit in human rights. abuses. | Our Sustainability Roadmap p:15 |
| WORKING STANDARDS | |
| Principle 3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining; | Our Workplace p:28; Yeniköy & Kemerköy Power Plants, Union Relations p:90 |
| Principle 4. the elimination all forms of forced and compulsory labor; | Our Sustainability Roadmap p:15; Principles Forming Our Human Focused Approach p:26; Our Workplace 27-30; |
| Principle 5. the effective abolition of child labour; | Our Sustainability Roadmap p:15; Principles Forming Our Human Focused Approach p:26; Our Workplace 27-30; |
| Principle 6. and the elimination of discrimination in respect of employment and occupation. | Our Sustainability Roadmap p:23; Our Workplace p:26-30; Tourism Group p:42; Cement Group p:47,54; Pristine International Adem Jashari Airport p:58; HEAŞ p:79,83; Yeniköy & Kemerköy Power Plants p:89,90; Energy Group-Distribution p:96; Limkon p:99,102 |
| ENVIRONMENT | |
| Principle 7. Businesses should support a precautionary approach to environmental challenges; | Our Sustainability Roadmap p:14,15 |
| Principle 8. undertake initiatives to promote greater environmental responsibility; | Our Sustainability Roadmap p:14,16,18; Construction Group p:37; Cement Group p: 48,49,52,53; LimakPort p:67; HEPP p:75 |
| Principle 9. and encourage the development and diffusion of environmentally friendly technologies . | Respect for the Environment p:16; Construction Group p: 37; Tourism Group p:42; Cement Group p:48,49,51,52; LimakPort p:67; HEPP p:75; HEAŞ p:78; Energy Group-Distribution p:96 |
| ANTI-CORRUPTION | |
| Principle 10. Businesses should work against corruption in all its forms, including extortion and bribery. | About Limak p:12; Our Workplace p:26-30 |

GRI G4 Contents Index According to the Core Compliance Option



GENERAL STANDARD DISCLOSURES

| Indicator | General Standard Disclosures | Page | Omissions | External Assurance |
|-----------------------|--|---|-----------|--------------------|
| STRATEGY AND ANALYSIS | | | | |
| G4-1 | Statement from the most senior decision-maker of the organization (such as CEO, chair, or equivalent senior position) about the relevance of sustainability to the organization and the organization's strategy for addressing sustainability | Messages from the Management p:5-7 | - | No |
| KURUMSAL PROFİL | | | | |
| G4-3 | Name of the organization | About Limak p:9 | - | No |
| G4-4 | Primary brands, products, and services | About Limak p:9-12 | - | No |
| G4-5 | Location of the organization's headquarters | Contact Information p:4 | - | No |
| G4-6 | Names of countries where either the organization has significant operations or that are specifically relevant to the sustainability topics covered in the report. | About Limak p:9,10 | - | No |
| G4-7 | Nature of ownership and legal form | About Limak p:9 | - | No |
| G4-8 | Markets served (including geographic breakdown, sectors served, and types of customers and beneficiaries). | About Limak p:9,10; Construction Group p:32-34; Tourism Group p:39; Cement Group p:45,46; Pristine International Adem Jashari Airport p:56; LimakPort p:63; Energy Group-Generation p:68-70; Hydroelectric Power Plants (HEPP) p:71,72; Hamitabat Power Generation Plant (HEAŞ) p:77; Yeniköy & Kemerköy Thermal Power Plants p:85; Energy Group Distribution p:92,93; Energy Group-Sales & Trade p:97; Limak Food-Limkon Fruit Juice Concentrate Facilities p:98;99 | - | No |
| G4-9 | Scale of the organization, including: * Total number of employees * Total number of operations * Net sales (for private sector organizations) or net revenues (for public sector organizations) * Total capitalization broken down in terms of debt and equity (for private sector organizations) * Quantity of products or services provided | About Limak p:9,10; Construction Group p:32-34; Tourism Group p:39; Cement Group p:45,46; Pristine International Adem Jashari Airport p:56; LimakPort p:63; Energy Group-Generation p:68-70; Hydroelectric Power Plants (HEPP) p:71,72; Hamitabat Power Generation Plant (HEAŞ) p:77; Yeniköy & Kemerköy Thermal Power Plants p:85,89; Energy Group Distribution p:92,93; Energy Group-Sales & Trade p:97; Limak Food-Limkon Fruit Juice Concentrate Facilities p:98;99 | - | No |

GRI G4 Contents Index According to the Core Compliance Option

| Indicator | General Standard Disclosures | Page | Omissions | External Assurance |
|-----------|---|--|-----------|--------------------|
| G4-10 | a. Report the total number of employees by employment contract and gender b. Report the total number of permanent employees by employment type and gender. c. Report the total workforce by employees and supervised workers and by gender. d. Report the total workforce by region and gender. e. Report whether a substantial portion of the organization's work is performed by workers who are legally recognized as self-employed, or by individuals other than employees or supervised workers, including employees and supervised employees of contractors. f. Report any significant variations in employment numbers (such as seasonal variations in tourism or agricultural industries). | Our Workplace p:27,28; Tourism Group p:42; Cement Group p:47; Pristine International Adem Jashari Airport p:58; HEAŞ p:79; Yeniköy & Kemerköy Power Plants p:89; Limkon p:99 | - | No |
| G4-11 | Percentage of total employees covered by collective bargaining agreements | Our Workplace p:28 | - | No |
| G4-12 | The organization's supply chain | Supply Chain p:15 | - | No |
| G4-13 | Report any significant changes during the reporting period regarding the organization's size, structure, ownership, or its supply chain, including: * Changes in the location of, or changes in, operations, including facility openings, closings, and expansions * Changes in the share capital structure and other capital formation, maintenance, and alteration operations (for private sector organizations) * Changes in the location of suppliers, the structure of the supply chain, or in relationships with suppliers, including selection and termination | Activity Report p:7; About the Sustainability Report p:4; Construction Group p:34; Tourism Group p:39; Hydroelectric Power Plants p:72; Energy Group p:97 | - | No |
| G4-14 | Report whether and how the precautionary approach or principle is addressed by the organization | Our Sustainability Approach p:14,15 | — | No |
| G4-15 | List externally developed economic, environmental and social charters, principles, or other initiatives to which the organization subscribes or which it endorses | Certain International Principles and Initiatives We Are Signatories of p:23 | — | No |
| G4-16 | List memberships of associations (such as industry associations) and national or international advocacy organizations in which the organization: * Holds a position on the governance body * Participates in projects or committees * Provides substantive funding beyond routine membership dues * Views membership as strategic | Some Non-Governmental Organizations and Associations We Are Members of p:22 | - | Hayır |

GRI G4 Contents Index According to the Core Compliance Option

| Indicator | General Standard Disclosures | Page | Omissions | External Assurance |
|--|---|---|-----------|--------------------|
| IDENTIFIED MATERIAL ASPECTS AND BOUNDARIES | | | | |
| G4-17 | a. List all entities included in the organization’s consolidated financial statements or equivalent documents. b. Report whether any entity included in the organization’s consolidated financial statements or equivalent documents is not covered by the report. | About Limak p:10; About the Sustainability Report p:4 | - | No |
| G4-18 | Process for defining the report content and the Aspect Boundaries | Identifying Priority Sustainability Issues p:24; Survey Applications p:21 | - | No |
| G4-19 | All the material Aspects identified in the process for defining report content | Priority Sustainability Issues p:36,43,50,59,65, 74,80,86,94,97,100 | - | No |
| G4-20 | For each material Aspect, report the Aspect Boundary within the organization | All aspects in the prioritization matrices, except “Supply Chain Management, Transportation, Yield, Supply-Demand” are internal aspects of to the organization. | - | No |
| G4-21 | For each material Aspect, report the Aspect Boundary outside the organization | Supply Chain Management, Transportation, Yield, Supply-Demand are aspects external to the organization. | - | No |
| G4-22 | Report the effect of any restatements of information provided in previous reports | Tourism Group p:42,44 | - | No |
| G4-23 | Report significant changes from previous reporting periods in the Scope and Aspect Boundaries | About the Sustainability Report p:4 | - | No |
| STAKEHOLDER ENGAGEMENT | | | | |
| G4-24 | List of stakeholder groups engaged by the organization | Our Sustainability Roadmap p:19-22 | – | No |
| G4-25 | Basis for identification and selection of stakeholders with whom to engage | Our Sustainability Roadmap p:19-21 | – | No |
| G4-26 | The organization’s approach to stakeholder engagement | Our Sustainability Roadmap p:14,18-24 | – | No |
| G4-27 | The responses of the organization to the key topics and concerns that have been raised through stakeholder engagement | Our Sustainability Roadmap p:21, Certain Measures Taken at the Dams p:75 | – | No |

GRI G4 Contents Index According to the Core Compliance Option

| Indicator | General Standard Disclosures | Page | Omissions | External Assurance |
|----------------------|---|--|-----------|--------------------|
| REPORT PROFILE | | | | |
| G4-28 | Reporting period (such as fiscal or calendar year) for information provided | About the Sustainability Report p:4 | – | No |
| G4-29 | Date of most recent previous report (if any) | Statement: 2013 Sustainability Report, p:115 | – | No |
| G4-30 | Reporting cycle (such as annual, biennial) | Statement: Once in every two years, p:115 | – | No |
| G4-31 | The contact point for questions regarding the report or its contents | Contact Information p:4 | – | No |
| G4-32 | The ‘in accordance’ option the organization has chosen, the GRI Content Index for the chosen option and external assurance report, if any. | About the Sustainability Report p:4; GRI G4 Contents Index According to the Core Compliance Option p:112 | – | No |
| G4-33 | The organization’s policy and current practice with regard to seeking external assurance for the report | Statement: Financial data declared in the report have been audited by independent audit organizations. External audits have not been conducted for indicators other than the financial indicators, p:115 | – | No |
| GOVERNANCE | | | | |
| G4-34 | The governance structure of the organization, including committees of the highest governance body. Identify any committees responsible for decision-making on economic, environmental and social impact | Our Sustainability Roadmap p:15,16,17,18 | – | No |
| ETHICS AND INTEGRITY | | | | |
| G4-56 | The organization’s values, principles, standards and norms of behavior such as codes of conduct and codes of ethics | About Limak p:12; Our Workplace p:26-30 | – | No |

GRI G4 Contents Index According to the Core Compliance Option

SPECIFIC STANDARD DISCLOSURES

| Indicator | Specific Standard Disclosures | Page | Omissions | External Assurance |
|---|--|---|-----------|--------------------|
| CATEGORY: ECONOMIC | | | | |
| Material Aspect: ECONOMIC PERFORMANCE | | | | |
| G4-DMA | Management approach | Activity Report 2015 p:4,5, http://www.limak.com.tr/holding/faaliyet-raporlari ; Sustainability Report 2014-2015 Message from the Board of Directors: 5-7 | - | No |
| G4-EC1 | Direct economic value generated and distributed | About Limak p:10 | - | No |
| Material Aspect: INDIRECT ECONOMIC IMPACTS | | | | |
| G4-DMA | Management Approach | Activity Report 2015 p:4,5,11 http://www.limak.com.tr/holding/faaliyet-raporlari | - | No |
| G4-EC7 | Development and impacts of infrastructure investments and services supported | Activity Report 2015 p:4,5,11-37 http://www.limak.com.tr/holding/faaliyet-raporlari Sustainability Report 2014-2015 Construction Group p: 32,33,34; Pristine International Adem Jashari Airport p:58,62; Corporate Social Responsibility p:109 | - | No |
| G4-EC8 | Significant indirect economic impacts, including the extent of impacts | Statement: To encourage, enable or limit direct foreign investment; Activity Report 2015 p:14, http://www.limak.com.tr/holding/faaliyet-raporlari ; Sustainability Report Pristine International Adem Jashari Airport p:58; HEAŞ p:79 | - | No |
| CATEGORY: ENVIRONMENTAL | | | | |
| Material Aspect: ENERGY | | | | |
| G4-DMA | Management approach | Our Sustainability Roadmap p:16; Construction Group p:35; Tourism Group p:42; Cement Group p:47,50,52; Pristine International Adem Jashari Airport p:59-61; LimakPort Iskenderun p:67; HEPP p:74; HEAŞ p:80,81; Energy Group Distribution p:96; Limkon p:101 | - | No |
| G4-EN3 | Energy consumption within the organization | Construction Group p: 37; Tourism Group p:44; Cement Group p:52; Pristine International Adem Jashari Airport p: 61; LimakPort p:67; Energy Group-Generation p:68,69; HEPP p:72,73,75; HEAŞ p:77,81; Yeniköy & Kemerköy Power Plants p:85,86; Energy Group Distribution p:92,93; Limkon p:101 | - | Hayır |

GRI G4 Contents Index According to the Core Compliance Option

| Indicator | Specific Standard Disclosures | Page | Omissions | External Assurance |
|--|--|--|-----------|--------------------|
| G4-EN5 | Energy intensity | Construction Group p: 37; Cement Group p:48,49 | - | No |
| G4-EN6 | Reduction of energy consumption | Construction Group p: 37; Cement Group p:48,49,52; LimakPort p:67; HEPP p:75 | - | No |
| Material Aspect: WATER | | | | |
| G4-DMA | Management approach | Our Sustainability Roadmap p:16, HEPP p:74 | - | No |
| G4-EN8 | Total water withdrawal by source | Construction Group p:37; Tourism Group p:44; Pristine International Adem Jashari Airport p:62; HEPP p:74,76; HEAŞ p:84; Limkon p:101 | - | No |
| Material Aspect: BIODIVERSITY | | | | |
| G4-DMA | Management approach | Our Sustainability Roadmap p:16, Construction Group p:30 | - | No |
| G4-EN11 | Operational site owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas | Construction Group p:30; HEAŞ p:83 | - | No |
| Material Aspect: EFFLUENTS AND WASTES | | | | |
| G4-DMA | Management approach | Our Sustainability Roadmap p:16; Construction Group p:36,38; Cement Group p:50,53; Pristine International Adem Jashari Airport p:60; LimakPort p:66; HEPP p:75,76; HEAŞ p:80,81,84; Yeniköy & Kemerköy Thermal Power Plants p:89; Limkon p:101 | - | No |
| G4-EN23 | Total weight of waste by type and disposal method | Construction Group p:38; Tourism Group p:44; Cement Group p:53; Pristine International Adem Jashari Airport p:60; LimakPort p:66; HEPP p:75,76; HEAŞ p:84; Yeniköy & Kemerköy Thermal Power Plants p:89; Limkon p:101 | - | No |
| Material Aspect: PRODUCTS AND SERVICES | | | | |
| G4-DMA | Management approach | Our Sustainability Roadmap p:14,16; Cement Group p:46; | - | No |
| G4-EN27 | Extent of impact mitigation of environmental impacts of products and services | Tourism Group p:42; Cement Group p:51; Pristine International Adem Jashari Airport p:61, HEAŞ p:78; Energy Group Distribution p:96 | - | No |
| G4-EN28 | Percentage of products sold and their packaging materials that are reclaimed by category | Cement Group p:53 | - | No |

GRI G4 Contents Index According to the Core Compliance Option

| Indicator | Specific Standard Disclosures | Page | Omissions | External Assurance |
|--|--|---|-----------|--------------------|
| Material Aspect: COMPLIANCE | | | | |
| G4-DMA | Management approach | Our Sustainability Roadmap p:16; Energy Group-Distribution p: 95 | - | No |
| G4-EN29 | Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations | Statement: Any environment law violations have not been determined. | - | No |
| CATEGORY: SOCIAL | | | | |
| SUB-CATEGORY: LABOR PRACTICES AND DECENT WORK | | | | |
| Material Aspect: EMPLOYMENT | | | | |
| G4-DMA | Management approach | Our Sustainability Roadmap p:14,15; Our Workplace p:26-30 | - | No |
| G4-LA1 | Total number and rates of new employee hires and employee turnover by age group, gender and region | Our Workplace p:27,28 | - | No |
| Material Aspect: OCCUPATIONAL HEALTH AND SAFETY | | | | |
| G4-DMA | Management approach | Our Sustainability Roadmap p:14,15,18; Our Workplace p:26; Construction Group p:35,36; Cement Group p:50,51; LimakPort p:65,66; HEPP p:74; HEAŞ p:82; Yeniköy & Kemerköy Power Plants p:87,88; Energy Group Distribution p:94; Limkon p:102 | - | No |
| G4-LA8 | Occupational health and safety topics covered in formal agreements with trade unions | Statement: Occupational health and safety matters are within the scope of the official contracts made with the labor unions. | - | No |
| Material Aspect: TRAINING AND EDUCATION | | | | |
| G4-DMA | Management approach | Our Workplace p:26,30; Pristine International Adem Jashari Airport p:62 | - | No |
| G4-LA9 | Average hours of training per year per employee by gender, and by employee category | Our Workplace p: 30; Cement Group p:54; HEAŞ p:83; Yeniköy & Kemerköy Plant s: 90; Energy Group Distribution p:96; Limkon p:102 | - | No |
| Material Aspect: DIVERSITY AND EQUAL OPPORTUNITY | | | | |
| G4-DMA | Management approach | Our Workplace p:26-30; Our Sustainability Roadmap p:23 | - | No |
| G4-LA12 | Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity | Our Workplace p:27,28 | - | No |

GRI G4 Contents Index According to the Core Compliance Option

| Indicator | Specific Standard Disclosures | Page | Omissions | External Assurance |
|---|--|---|-----------|--------------------|
| Material Aspect: EQUAL REMUNERATION FOR WOMEN AND MEN | | | | |
| G4-DMA | Management approach | Our Workplace p:26-30; Our Sustainability Roadmap p:23 | - | No |
| G4-LA13 | Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation | Our Workplace p:27 | - | No |
| SUB-CATEGORY: HUMAN RIGHTS | | | | |
| Material Aspect: FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING | | | | |
| G4-DMA | Management approach | Our Workplace p:26 | - | No |
| G4-HR4 | Operations and suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and measures taken to support these rights | Our Workplace p:26-28 | - | No |
| SUB-CATEGORY: SOCIETY | | | | |
| Material Aspect: LOCAL COMMUNITIES | | | | |
| G4-DMA | Management approach | Our Sustainability Roadmap p:14,17,20,23; Construction Group p:38; HEPP p:76; HEAŞ p:79; Corporate Social Responsibility p: 103-110 | - | No |
| G4-SO1 | Percentage of operations with implemented local community engagement, impact assessments, and development programs | Construction Group p:38; HEPP p:76; HEAŞ p:79 | - | No |
| SUB-CATEGORY: PRODUCT RESPONSIBILITY | | | | |
| Material Aspect: PRODUCT AND SERVICE LABELING | | | | |
| G4-DMA | Management approach | Our Workplace p:29; | - | No |
| G4-PR5 | Results of surveys measuring customer satisfaction | Tourism Group p:43; Pristine International Adem Jashari Airport p:60; Energy Group Distribution p:95 | - | No |

GRAPHIC DESIGN & APPLICATION

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