



SERVICE-QUALITY-RELIABILITY

# HABAS 2024 SUSTAINABILITY REPORT







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# ABOUT THE REPORT

This document, the third sustainability report of Habaş Demir Çelik Sanayi ve Ticaret A.Ş., aims to establish transparent and accountable communication with our stakeholders by presenting our company’s environmental, social, and governance (ESG) performance through a holistic approach.

This report covers HABAŞ’s sustainability focused management approaches, operational practices, targets, and progress in these areas. It includes performance data for the reporting period from January 1, 2024, to December 31, 2024, and, where relevant, provides comparative data and development trends from previous years.

The data presented primarily reflects our iron and steel production activities and is derived from the company’s main production facilities. Our sustainability report has been prepared in alignment with the Global Reporting Initiative (GRI) Standards 2021 Edition. The content of the report has been structured based on GRI’s recommended materiality assessment process and designed to reflect the company’s impacts on its material topics. Sustainability indicators are presented on a performance-based basis, aligned with relevant GRI disclosures.

The strategic focus areas defined through the materiality assessment conducted in 2023 have been maintained using the same methodological framework in the 2024 sustainability report. Efforts toward the sustainability goals set last year are progressing in a planned manner; performance indicators are regularly monitored and evaluated with a continuous

improvement mindset. In this way, our sustainability approach has become a functional management practice integrated across the organization, rather than a periodic reporting activity alone.

HABAŞ aims to report its sustainability performance annually. In this context, the reports we publish serve as key evaluation tools for tracking our progress and ensuring continuity in our sustainability management practices.

We continuously reassess and enhance our sustainability approach in light of evolving global standards, industry dynamics, and stakeholder expectations. In this regard, we would be pleased to receive any feedback, suggestions, or questions you may have regarding this report via e-mail at [surdurulebilirlik@habas.com.tr](mailto:surdurulebilirlik@habas.com.tr).





## MESSAGE TO OUR STAKEHOLDERS

**Dear Stakeholders,**

In 2024, a year marked by global uncertainty, issues such as energy security, the climate crisis, geopolitical developments, and financial fragilities have continued to exert profound effects on industrial sectors. As the backbone of modern life, the iron and steel industry stands at the heart of these impacts, playing a key role in building today's world while also requiring transformation to enable sustainable solutions for the future.

At HABAŞ, we do not merely acknowledge this responsibility, we place it at the core of our strategic decision making.

Our first sustainability report, published in 2022, was the initial step in this journey. Following this pioneering effort, which defined our corporate sustainability approach, we established a comprehensive and structured reporting system in 2023 to clarify our sustainability strategy, material topics, and performance indicators.

Our 2024 report represents the continuity and advancement of this approach. Based on the materiality matrix and sustainability goals we developed in 2023, we have continued to move forward in alignment with the same strategic direction. We have taken tangible steps in key areas such as energy efficiency, emissions management, and waste recovery to reduce our environmental impact. Through our electric arc furnaces, we continue to contribute to the circular economy by giving new life to scrap steel.

The rising prominence of international climate policies, particularly mechanisms such as the European Union's Carbon Border Adjustment Mechanism (CBAM), has made managing the carbon footprint of our sector not only an environmental responsibility but also a commercial imperative. HABAŞ is actively working not just to comply with this new regulatory landscape but to build the infrastructure necessary to transform it into a competitive advantage.

This report serves as a vital monitoring and evaluation tool that reflects our principles of transparency, accountability, and continuous improvement. We would like to extend our gratitude to all stakeholders who accompany us on our sustainability journey; together, we believe we can build a more resilient, more responsible, and more sustainable future.

Sincerely,  
**HABAŞ Executive Management**





## 2024 HIGHLIGHTS AT A GLANCE

### Ranked 86th Among the World's Largest Steel Producers



As of 2024, HABAŞ has climbed six positions in the global producers list published by the **World Steel Association**, reaching the rank of the **86<sup>th</sup> largest steel producer** worldwide thanks to its consistent performance in crude steel production. Despite a 3.1% decrease in crude steel output, totaling 3.80 million tonnes, this upward movement in the ranking demonstrates HABAŞ's resilience and ability to maintain its position in the global market. Among only five steel producers from Türkiye included in the list, HABAŞ's continued presence is a strong indicator of the company's competitiveness, capacity management, and strategic positioning.

### Intensive Preparation for IATF 16949 Certification

In 2024, HABAŞ focused on the certification process for the IATF 16949 Automotive Quality Management System with the aim of enhancing its competitiveness by aligning with international quality standards in the automotive industry. This process represents more than just acquiring a certificate; it carries strategic value in improving process efficiency, managing risks more effectively, fully meeting customer expectations, and promoting a culture of continuous improvement across the organization. The efforts carried out throughout the year reflect HABAŞ's commitment to quality excellence and its vision for sustainable growth in the automotive sector.



### Sustainable Transformation



As of 2024, HABAŞ's **seawater desalination plant** has become fully operational and is actively in use. This investment has **significantly reduced the need for groundwater extraction**, representing a strong step toward protecting natural water resources and **achieving sustainability in water management**.

### 2024 Career Days: Building the Future with Youth

In 2024, HABAŞ participated in the Career Days event held at Hamdi Başaran Vocational and Technical Anatolian High School, continuing its support for the professional development of young talents. Final year students (12th grade) were informed about career paths and employment opportunities, while mock interviews were conducted to help prepare them for the business world. Internship opportunities were also introduced to lower grades. This event reflects not only HABAŞ's commitment to attracting qualified talent but also its alignment with its mission of social responsibility and regional development.



### Employee and Community Focused Feedback System



In 2024, HABAŞ launched a comprehensive "Complaint and Suggestion Notification System" to enable employees and external stakeholders to share their feedback and recommendations effectively. Accessible through multiple channels, including QR code, online forms, corporate e-mail, and internal phone lines, this system reinforces our commitment to transparency and accountability. It enhances employee engagement and strengthens our communication with the community. All incoming feedback is regularly reviewed and addressed with prompt and effective actions.



# HABAŞ: THE NAME BEHIND STEEL



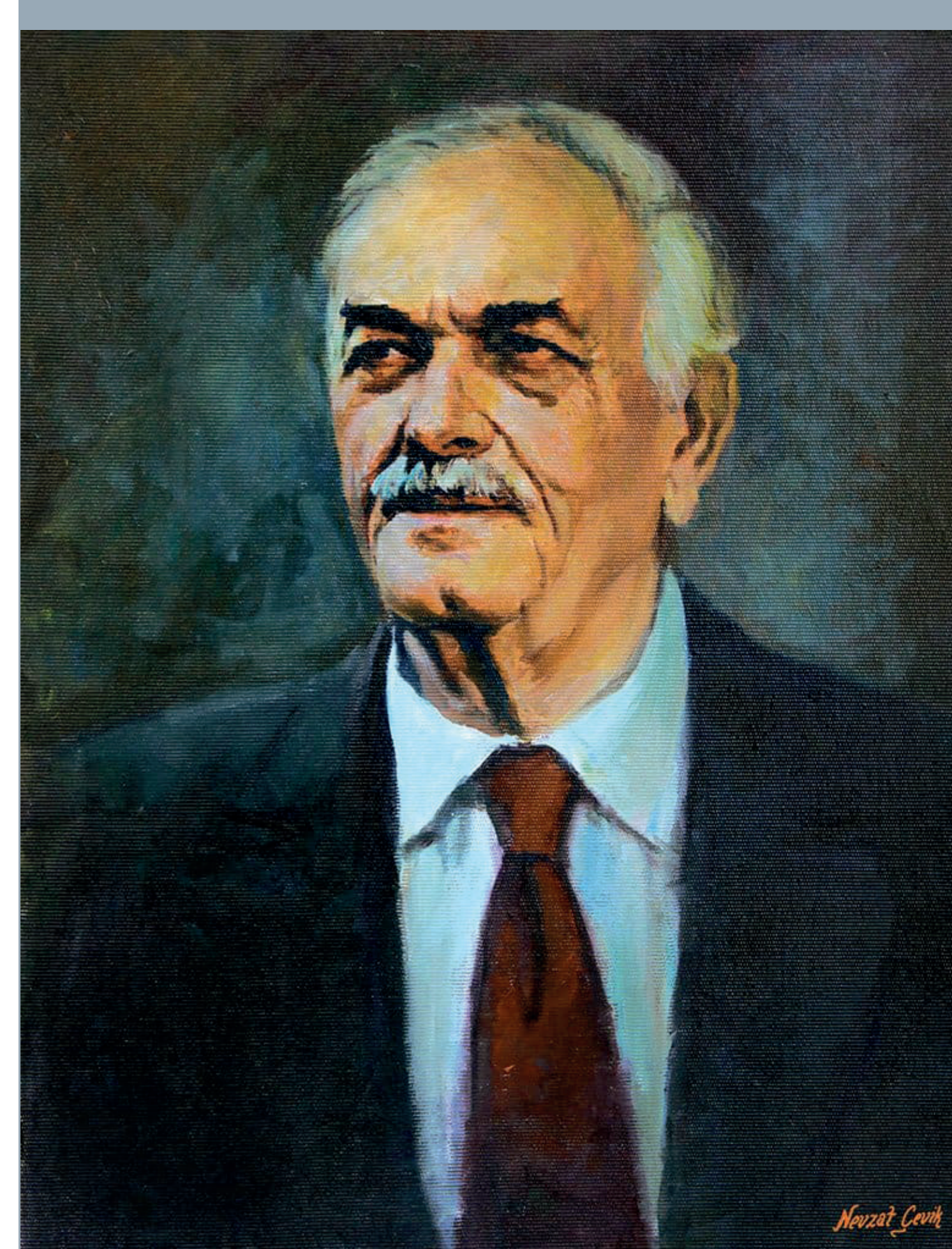
## Our Founding Philosophy

The HABAŞ Group was built upon the principles of **"Service, Quality, and Trust"** which were embraced throughout the lifetime of our founder, Hamdi Başaran.

In his own words: *"We can only achieve success through hard work. To make our success lasting, we will never compromise on the quality of our service, and we will continue investing without interruption. We are fully aware of our responsibility to maintain and strengthen the trust placed in us."*

This philosophy continues to guide and shape HABAŞ's operations today.

\*(1913 Kemaliye – 1987)



Hamdi BAŞARAN (Nevzat Çevik 2010)  
45x63 oil on canvas.



# CORPORATE PROFILE



HABAŞ:  
A distinguished  
industrial pioneer,  
shaping the future  
with integrated  
solutions  
grounded in a rich  
legacy.

HABAŞ is not merely a steel producer; it is a vertically integrated industrial group operating across a wide range of sectors, from industrial gases to energy generation, from logistics to financial services. This integrated structure enables:

- **Supply chain control** through in-house sourcing of key production inputs such as energy and gases, providing cost advantages and supply security,
- **Financial diversity and resilience** via group-level financing solutions, particularly through institutions like Anadolubank,
- **Logistics integration through shipbuilding and port operations**, facilitating independent access to international markets via exports and maritime services.

This structure not only **enhances industrial resilience** but also offers strong potential for circular business models from a sustainability perspective.

Founded in 1956 with industrial gas production, HABAŞ has become one of Türkiye’s leading industrial enterprises, pioneering numerous practices in the sector.

Today, the company operates in a wide array of fields including industrial and medical gases, steel production, electricity generation, heavy machinery manufacturing, cylinder and cryogenic tank production, LNG, CNG, and LPG distribution, as well as port services and maritime transportation.

HABAŞ is currently Türkiye’s largest producer of industrial and medical gases, and a market leader in LNG and CNG distribution. With its extensive dealer network, marine terminals, filling and storage facilities, the company also holds a robust infrastructure in LPG transportation.

With an annual steel production capacity of 4.5 million tonnes, HABAŞ ranks among Türkiye’s top steel producers. Through exports to five continents and a diversified product portfolio, the company continues to strengthen its competitive edge on a global scale.

In the energy sector, HABAŞ ranks among the top private sector energy producers in Türkiye with an installed capacity of 871.435 MW, and is committed to expanding its presence through new power plant investments.

The company’s product range includes storage tanks, steam boilers, gasifiers, heat exchangers, high-pressure gas cylinders, spiral pipes, and a variety of light and heavy machinery. HABAŞ provides end-to-end solutions for turnkey process plants; including engineering, design, manufacturing, and installation phases.

In 1997, HABAŞ entered the financial sector by acquiring Anadolubank from the Privatization Administration. Having started with just three branches, the bank now operates 97 branches across Türkiye.

Additionally, HABAŞ continues to diversify its operations through strategic investments in the automotive and shipyard sectors.

Operating with 100% domestic capital, HABAŞ Group prioritizes customer satisfaction in every sector it serves, driven by its unwavering focus on quality, trust, and service. With its innovative solutions, integrated business model, and sustainable growth strategy, HABAŞ remains one of the most prominent representatives of Türkiye’s industrial strength on the global stage.



## CORPORATE PROFILE

**HABAŞ, an established, deeply rooted, and production-focused player in Turkey's industrialization history, has a value creation process dating back to its founding year of 1956, while its steel production activities began in 1987.**

As one of Türkiye's most prominent and well established industrial companies, HABAŞ offers high-quality steel products not only domestically but also across various global markets, with an annual liquid steel production capacity of 4.5 million tonnes. Located in İzmir, our state-of-the-art production facilities and strategic infrastructure are designed to deliver innovative, high quality, and sustainable solutions to our customers; this is our core priority.



### OUR VISION

At HABAŞ, our goal is to produce top-quality steel through a sustainable production approach. With our continuously evolving manufacturing mindset and innovative technologies that optimize energy use, we go beyond merely producing steel, we prioritize environmental sustainability at every stage of the production process. Through this approach, we support local employment and embrace the principle of creating economic and social value for our country.



### OUR MISSION

At HABAŞ, we take pride in our mission to produce steel, an indispensable material in all areas of life, by generating economic and social value within the framework of circular economy principles.





# OUR CORPORATE VALUES

The core values of the HABAŞ Group form the foundation not only of our business processes, but also of our sustainability journey. Our sense of responsibility toward our customers, the engagement of our employees, integrity, occupational safety, and our commitment to the environment empower us to create lasting and positive impact at every step.

Thanks to these values, HABAŞ, continues on its path as a company that grows in a balanced manner, economically, socially, and environmentally, and looks to the future with confidence. Our values are an essential guide for ensuring sustainable success and fulfilling our responsibilities toward society.

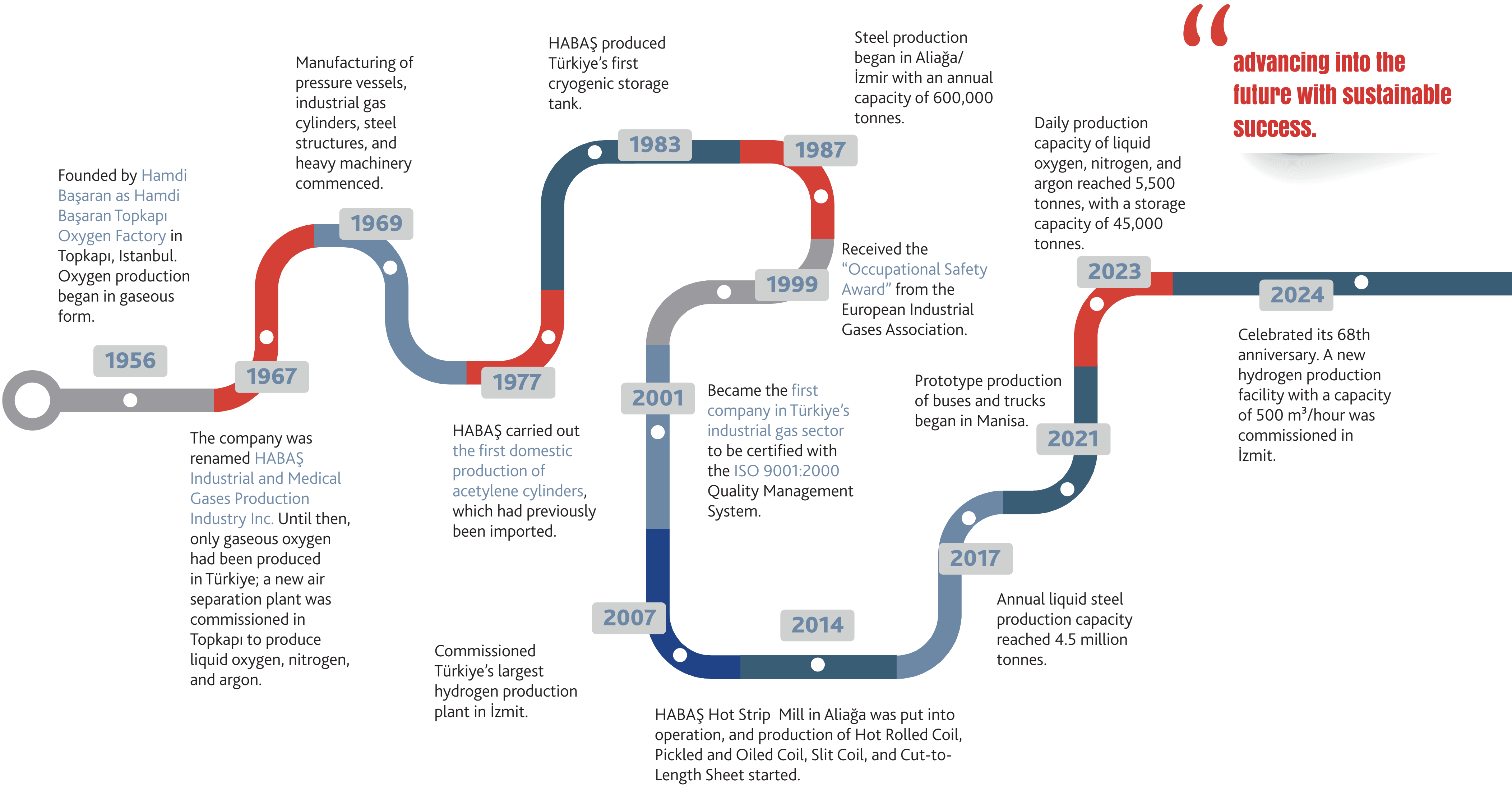




# MILESTONES | THE HABAŞ's JOURNEY

Every milestone reflects HABAŞ's commitment to innovation, sustainability, and people.

While building yesterday, shaping today, HABAŞ continues to be the architect of tomorrow.



“advancing into the future with sustainable success.”



## OUR CORE ACTIVITIES

### Value-Driven Activities Powered by Our Steel Production Strength



With 100% domestic capital, a high-tech production infrastructure, and a strong focus on sustainability, we continue to work toward being an influential part of the global value chain.

HABAŞ conducts its steel production operations within an integrated and high-capacity structure, covering liquid steel, flat products, and long product groups. Thanks to its modern, technology-equipped infrastructure, the company stands out in the industry with both its product variety and quality standards.

Our steel plant, located in Aliğa, İzmir, operates with an annual liquid steel **production capacity of 4.5 million tonnes**. The facility also houses a wire rod rolling mill and two bar rolling mills. Since the commissioning of the hot strip mill (HSM) in 2014, a wide range of products has been manufactured, including, hot rolled coils (HBR), slit coils (HBRD), plates (HBPLR) and Pickled Coils (HBRPD).

All of our production lines are equipped with **modern dust collection systems** designed to minimize environmental impacts and are continuously upgraded.

The plant's strategic proximity to the port, combined with nearby facilities (including gas production, pipe and cylinder plants, and a natural gas combined cycle power plant), enhances **logistical and operational efficiency**. This contributes to HABAŞ's position as an **integrated, sustainable, and competitive actor within the value chain**.

You can visit our website to explore our full range of products.

MORE AT  
HABAŞ Steel Products





# OUR CORE ACTIVITIES

## Strengthening Competitive Advantage through Product and Market Expansion

In line with its export-oriented growth strategy, HABAŞ continues to expand the number of countries in which it operates, while also diversifying its product range to meet the needs of various end-user industries and broaden its customer base.

With its high production capacity in steel, a quality-focused production approach, and strategic positioning, HABAŞ maintains a strong presence not only in the domestic market but also globally. As of 2024, HABAŞ exports to 68 different countries and regions, continuing to serve as one of Türkiye’s leading global representatives in the steel industry.

The company maintains its competitiveness in both domestic and international markets with products in its production portfolio, including ribbed construction steel, billets, hot-rolled flat steel, tempered, pickled, oiled flat products, patterned sheets, slit coils, and steel plates.

HABAŞ is currently investing in a cold rolling mill to produce cold-rolled and galvanized flat steel, targeting especially the automotive and construction sectors. At the same time, capacity expansion projects are underway at the steel mill to ensure a direct supply of slab raw material to the hot strip mill, supporting its strategic positioning and entry into new markets.

Export to  
**52**  
Countries

In the long products group, the company has supplied products to both developed and developing markets, including Italy, Croatia, Jamaica, Peru, Tanzania, the United Arab Emirates, and Libya.

Export to  
**24**  
Countries

In the flat products group, the European Union countries, as well as North Africa and the Balkans, have stood out as key export destinations.





## HABAŞ GROUP AFFILIATES

Our strong position in the steel industry extends far beyond production processes. We also reinforce our presence through affiliates that integrate our sustainability goals into every stage of the value chain.

HABAŞ's affiliates play a strategic role across multiple industries related to steel production.

Operating in areas such as industrial and medical gases, energy management, and heavy machinery manufacturing, our affiliates generate environmentally and economically sustainable solutions.

In addition, our activities in LPG, natural gas, automotive, shipbuilding, and banking contribute to enhanced innovation and efficiency at every link of our value chain.





## HABAŞ GROUP AFFILIATES

### Industrial and Medical

Since 1956, HABAŞ has achieved numerous milestones in the sector and has established itself as Türkiye's traditional leader in the production of industrial and medical gases.

Anticipating not only today's needs but also those of the future, the company has continuously expanded its production capacity. As of 2023, HABAŞ has reached a **daily production capacity of 5,500 tonnes of liquid oxygen, nitrogen, and argon**, positioning itself to meet Türkiye's projected demand for industrial and medical gases well into the 2030s.

HABAŞ has a broad gas portfolio that includes liquid carbon dioxide, liquid helium, hydrogen, nitrous oxide, and acetylene, as well as ethylene oxide, ammonia, and propylene. These products are delivered safely and without interruption to hundreds of customers and distributors across the country every day, thanks to the company's strong logistics network.

Operating with a quality and safety-focused production approach, HABAŞ was the first company in the sector to implement the ISO 9001 Quality Management System. It is a member of EIGA (European Industrial Gases Association) and has been recognized with numerous international awards.

The sustainable growth strategy of the industrial and medical gases segment is focused on generating added value for the industrial and healthcare sectors.



**Strong Leadership  
and sustainable  
Growth in  
Industrial and  
Medical gases**



## HABAŞ GROUP AFFILIATES

### A Strong Financial Affiliate: Anadolubank

Acquired by the HABAŞ Group from the Privatization Administration in 1997, Anadolubank has established itself as a reliable and respected institution in the Turkish banking sector, thanks to its strategy of sustainable and profitable growth. With 100% domestic capital and a highly experienced human resource base, the bank provides integrated solutions in retail, corporate, commercial, SME, business, and agricultural banking.

Operating through **97 branches** across Türkiye, Anadolubank also offers **factoring and investment services** through its financial subsidiaries and maintains a global presence through its international affiliate in the Netherlands.

Driven by a customer-centric business model, Anadolubank continuously invests in digital banking and advanced technologies, and is distinguished by its commitment to trust, transparency, and ethical values. The bank delivers personalized financial advisory and wealth management solutions to individual clients, while also developing financial instruments that support sustainable growth for its corporate customers.

Representing the financial strength of the HABAŞ Group, this affiliate continues to generate long-term added value for the Turkish economy through its **efficient, modern, and responsible banking approach**.

Anadolubank, the financial affiliate of the HABAŞ Group, provides financial services through its own subsidiaries in addition to its core banking operations. Among these affiliates, a wide range of financial solutions beyond traditional banking is offered, including factoring, investment, and leasing services. This broad service network strengthens Anadolubank's strong position in the sector and enables the provision of versatile solutions tailored to customer needs.





## HABAŞ GROUP AFFILIATES

### Domestic Power for Sustainable Mobility: HABAŞ Automotive Investments

With over 68 years of industrial experience, HABAŞ is strengthening its presence in the automotive sector through strategic investments, supported entirely by domestic capital and engineering expertise.

The **Heavy/ Light Commercial Vehicles and Bus Factory**, located in the Manisa Organized Industrial Zone, is a concrete manifestation of HABAŞ's vision for sustainable mobility. The facility has commenced production of its first models, which feature forward-thinking designs and are built with customer satisfaction at their core, offering a diverse product range capable of creating new market segments.

Supported by a strong R&D and product development infrastructure, these activities contribute to enhancing the global competitiveness of domestic production through environmentally conscious, low operating cost, and high-tech solutions. With this approach, HABAŞ is steadily progressing toward its goal of becoming a **"Global Brand."**

Additionally, with the acquisition of **Honda Turkey's passenger car factory**, the company has expanded its presence in the sector to include automobile manufacturing activities.

Through official representation of **Kawasaki**, **Harley-Davidson**, and **SYM** brands in Türkiye, HABAŞ is also providing innovative and sustainable mobility solutions in the motorcycle segment.





## HABAŞ GROUP AFFILIATES

### Efficiency and Sustainability-Oriented Approach in Energy Production

Recognizing the strategic importance of energy production processes early on, HABAŞ has been active in the electricity generation sector since 2002 and contributes to Turkey's energy needs with its highly efficient facilities.

With its **871.435 MW capacity Natural Gas Combined Cycle Power Plant** in Aliğa, Izmir, HABAŞ meets more than 2% of the country's total electricity production, while maintaining an environmentally conscious and advanced technological production approach.

Utilizing **high-efficiency turbine-generator systems** in plant investments, HABAŞ prioritizes modern technologies and environmental responsibility in energy production. By offering flexible solutions to free consumers in the electricity market, the company has positioned itself as a reliable energy supplier and plays a significant role in ensuring energy supply security.

To support the transition to sustainable energy, HABAŞ has initiated an investment in a **Solar Power Plant (SPP) with a capacity of 200 MWp** in Polatlı, Ankara.

This project is a key step in the company's strategy to increase its green energy capacity to meet its own energy needs.





## HABAŞ GROUP AFFILIATES

### Widespread Service and Strong Logistics Infrastructure in LPG Operations

Within the HABAŞ Group, LPG activities are carried out through the **LPG Group** formed by ASGAZ Anadolu Sınai Gazlar A.Ş., HABAŞ Petrol Ürünleri A.Ş., and PEGAGAZ A.Ş.

The group entered the sector in 1972 with the sale and supply of bottled LPG through ASGAZ. In the 1990s, with strategic expansions, the group established a strong service network across Turkey.

HABAŞ LPG Group has one of the largest logistics infrastructures in the sector, with **360 bottled LPG dealers**, 200 autogas dealers, 28,000 m<sup>3</sup> of storage capacity, a 5,000 m<sup>3</sup> LPG tanker ship, and maritime terminals in Yarımca and Aliğa. The group ensures uninterrupted supply in different regions of Turkey with filling facilities in Yarımca, Aliğa, Ankara, Bursa, Çerkezköy, and Sultanköy.

Sales and technical support engineers working in regional offices provide customer-oriented and efficiency-based solutions.

In its LPG operations, HABAŞ continues to grow by adhering to the principles of **"Service, Quality, Trust"** prioritizing environmental responsibility and safe supply systems.





## HABAŞ GROUP AFFILIATES

### Innovative and Reliable Supply in Natural Gas: LNG & CNG

In 2002, HABAŞ became the first private company in Turkey to start the **supply and sale of liquefied natural gas (LNG) and compressed natural gas (CNG)** after obtaining a license from the Energy Market Regulatory Authority (EPDK), expanding its service portfolio in the energy sector.

Carrying its long-standing leadership in the industrial and medical gas sector into the natural gas field, HABAŞ is positioned as a **reliable and competitive solution provider** in the market, with expertise and infrastructure in this area.

HABAŞ delivers **LNG** or **CNG** natural gas to customers who do not have access to pipelines, providing uninterrupted service 24/7, 365 days a year.

With its advanced logistics infrastructure, widespread customer network, and commitment to high-quality service, HABAŞ prioritizes **safety, environmental sensitivity, and economic efficiency** in natural gas supply.

Looking ahead, HABAŞ continues to invest in sustainable growth in natural gas supply, aiming to expand the use of alternative and environmentally friendly energy sources. LNG and CNG services are a crucial part of the company's vision to produce energy solutions in harmony with the environment.





## HABAŞ GROUP AFFILIATES

### Integrated Manufacturing Power in Heavy Industry: HABAŞ Industrial Facilities Inc.

Founded in 1969, **HABAŞ Industrial Facilities Inc.** represents the engineering and manufacturing strength of the HABAŞ Group in heavy industry, with its production facilities covering a total of 11,000 m<sup>2</sup> of enclosed and 22,000 m<sup>2</sup> of open space, a wide machinery park, and a team of specialists.

The company designs, manufactures, and assembles a wide range of products, from steel production facilities to power plants, including cryogenic tanks, LPG storage and transportation tanks, spiral pipes, high-pressure gas cylinders, pressure vessels, steel constructions, and special machinery.

Supporting the production infrastructure of the group's industrial gas, steel, and energy investments, the facility also plays an active role in **turnkey projects**, modernization, and renovation works, often in collaboration with national and international partners.

The facility, which was relocated to the Gebze Organized Industrial Zone in 2008, increased its capacity with a new **32,000 m<sup>2</sup> production area** commissioned in Gebze GEBKİM OSB in 2024.





## HABAŞ GROUP AFFILIATES

### Integrated Manufacturing Power in Shipbuilding: Yıldız Shipyard

In 2021, HABAŞ Group made a strategic investment in the shipbuilding sector by acquiring Yıldız Shipyard.

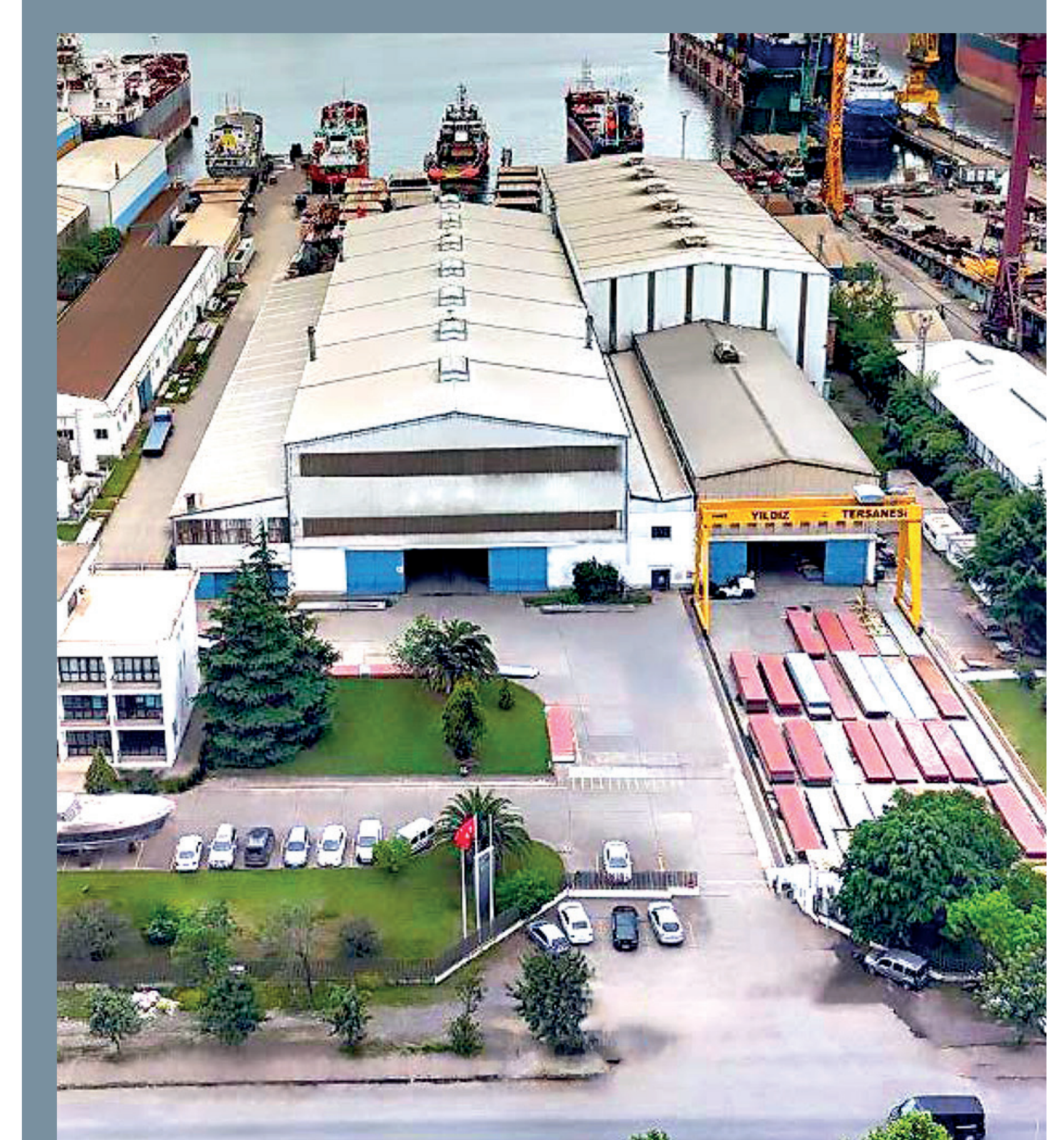
Located in Tuzla, Istanbul, the shipyard operates in areas such as new ship and yacht construction, maintenance and repair, conversion, and refit projects. With a **total area of 44,100 m<sup>2</sup>**, the facility boasts an annual **construction capacity of 100,000 DWT and a steel processing capability of 15,000 tons**, making it one of Turkey's leading private shipyards.

Yıldız Shipyard is **the only private shipyard that integrates cost, quality, and supply advantages** in the shipbuilding industry, thanks to the locally produced ship plates, industrial gases, and electrical infrastructure provided by HABAŞ.

The shipyard possesses high technical equipment for building commercial and military ships, mega yachts, and special steel construction projects, enabling it to compete effectively in both national and international markets.

Serving as a model in occupational safety and environmental management, Yıldız Shipyard holds **ISO 9001, ISO 14001, and ISO 45001** certifications.

Investing in both technology and people, the shipyard contributes significantly to HABAŞ's growth vision with its sustainable production approach.





# HABAŞ GROUP AFFILIATES

## Integrated Logistics Advantage with Strategic Location: HABAŞ Port

HABAŞ Port is located near the southern entrance of the Nemrut Bay, just 7 km away from the HABAŞ Steel Plant.

Used primarily for the unloading of scrap steel and loading of finished steel products in connection with HABAŞ’s steel production, the port holds strategic importance for **logistics and value chain optimization**. It also provides services to other organizations.





# SUSTAINABILITY GOVERNANCE



## Tomorrow's Resources, Today's Responsibility

The time has come, not only to produce, but to question how we produce.

Today, steel is not only the basic material of industry, but also of **energy, infrastructure, transportation, and transformation**. What makes it sustainable is not just its durability, but its ability **to be reshaped, to be reintroduced into the cycle**.

At HABAŞ, we are at the very center of this cycle. **In our electric arc furnaces, we carry used steel into the future, giving it a new life**. Each piece of steel that is remelted means **billions of kilowatt-hours of energy saved, tons less carbon emissions, and a breath that will be passed on to future generations**.

**The global energy crisis, the rising cost of carbon, and the threat of climate change** make a radical transformation in production inevitable. It is no longer just about production; it's about **producing with low emissions, producing without generating waste, producing without harming the future**.

**sustainability is  
not a goal: it is the  
production itself.**

That is why the path HABAŞ has chosen is not only an economic model but **a roadmap for a carbon-free future, a circular world, and responsible industrialism**.

Because we know:  
**Sustainability is not a goal; it is the production itself.**

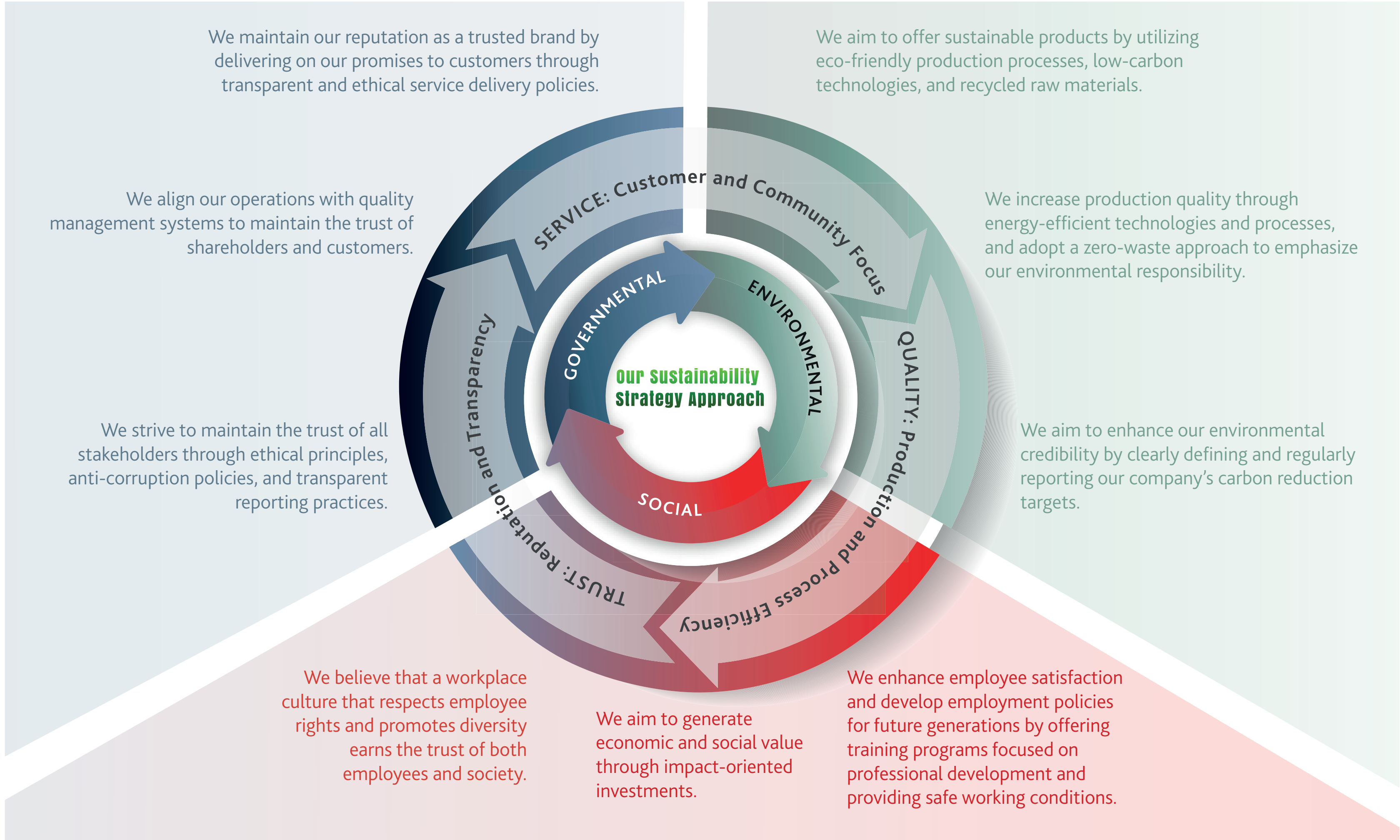




# OUR SUSTAINABILITY STRATEGY APPROACH

As a result of our 2023 Sustainability Strategy efforts, we have developed and continue to shape, enhance, and improve our processes with the Sustainability Strategy Approach that we have created based on HABAŞ's founding philosophy of Quality, Trust, and Service.

Our Sustainability Strategy Approach is the starting point of our holistic approach, which has been systematically shaped by integrating long-established, developed, and improved **quality, OHS, and environmental management systems with elements such as the reality of global warming and climate change, the limited availability of natural resources, creating social value, and ensuring the continuity of economic stability.**





# HABAŞ SUSTAINABILITY COMMITTEE

At HABAŞ, we embrace sustainability not only as an environmental necessity but also as a lasting and meaningful responsibility that secures the future of our company. With this belief, we established our Sustainability Committee, which, in alignment with our corporate values, manages our commitment to nature, society, and the economy with a holistic perspective.

Our committee provides **guidance in many critical areas, from the efficient use of resources to energy and carbon management, circular economy practices, sustainable supply chains, and digital transformation.** We do not just set goals; we develop **strategies to achieve them and take an active role at every stage of implementation.**

For us, sustainability is a journey; **building strong connections with our stakeholders at every step, raising awareness through transparent communication, and growing together** is our greatest motivation. Our committee, with this mindset, touches the heart of our corporate culture, ensuring that sustainability awareness spreads to all our employees and our surroundings.

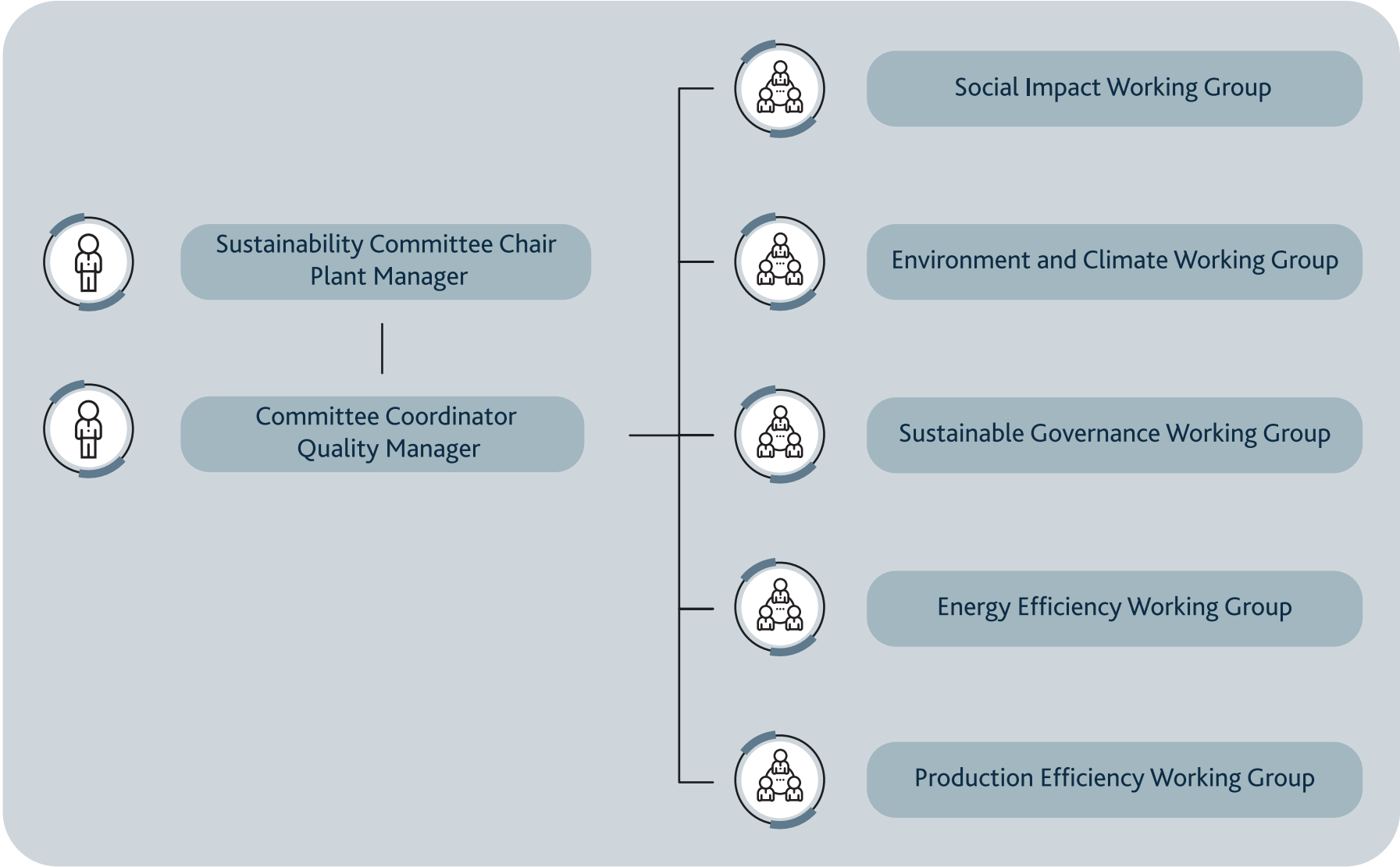
In line with this vision, our **Sustainability Committee**, established in 2022 under the leadership of our Factory Manager, was restructured in 2023 to align with increasing expectations, global trends, and sectoral transformation areas. In 2024, it continued its work with a more inclusive operating model.

On the path of sustainability, which is becoming increasingly important every day, our Sustainability Committee **goes beyond legal requirements, guiding our ethical values** and driving HABAŞ towards a more resilient, environmentally conscious, and socially strong future **with innovative and inclusive solutions.**

Working in full alignment with our corporate strategy, this structure plays an active role in the preparation of annual sustainability reports and leads HABAŞ’s development as a **more resilient, environmentally responsible, and socially impactful organization.**

For us, success lies not only in creating value for today but also for tomorrow. That’s why sustainability is our indispensable priority, and our committee is the heart that brings this priority to life.

The sustainability strategy we have developed with this understanding aims to strengthen our competitiveness in the current business environment while managing our social and environmental responsibilities in a holistic manner.





# HABAŞ SUSTAINABILITY COMMITTEE

The HABAŞ Sustainability Committee supports long-term corporate resilience and value creation by managing the company’s environmental, social, and governance (ESG) impacts. It positions itself as a leading structure in the processes of defining, implementing, and continuously improving sustainability strategies.

Working in full alignment with our Integrated Management System (IMS) Policy, the Committee defines key sustainability areas and develops concrete action plans accordingly. Based on alignment with the United Nations Sustainable Development Goals (SDGs), it ensures the efficient use of resources and the integration of sustainability perspectives into corporate risk and opportunity analyses.

Moreover, by monitoring environmental, social, and governance performance indicators, it coordinates compliance with legal regulations and manages

[MORE AT Integrated Management Systems](#)

## PURPOSE

- To define the company’s sustainability vision, develop strategies and targets, monitor and report progress

## SCOPE

- Defining, monitoring, and evaluating the company’s sustainability strategy and objectives
- Monitoring projects and practices related to environmental, social, and governance (ESG) issues
- Coordinating working groups on priority areas such as carbon management, energy efficiency, and circular economy
- Conducting training and communication activities to raise sustainability awareness among stakeholders
- Supporting compliance with national and international sustainability regulations

## CHAIR and MEMBERS

- Committee Chair: Plant Manager
- Committee Coordinator: Quality Manager
- Members: Focus Working Group Leaders



# HABAŞ SUSTAINABILITY COMMITTEE

## Our Perspective on Risks and Opportunities from a Sustainability Viewpoint

The HABAŞ Sustainability Committee is not only the creator of policies and goals but also a strategic stakeholder in all decision-making processes based on environmental, social, governance, and financial factors.

One of the Committee’s core functions is to systematically analyze all external developments that could impact our business areas and address them with a sustainability focus.

Global climate change, increasing expectations in regulations, energy transformation, and vulnerabilities in supply chains are no longer just environmental issues; they are **strategic risk factors** that directly affect corporate sustainability. Therefore, at HABAŞ, we view risks not only as threats to be mitigated but also as **precursors to new opportunities**.

In this context, our Committee directs our sustainability strategies towards key areas such as carbon management, resource efficiency, renewable energy use, and circular economy practices, aiming to enhance the long-term resilience of our company.

At the same time, by closely monitoring national and

international developments, the Committee fosters **a management approach that anticipates climate and sustainability-related risks and opportunities at an early stage**.

Through this approach, HABAŞ is not only resilient to risks but also builds **an agile and proactive structure** to create **new business models, efficient processes, and innovative solutions** in line with sustainable development goals.





# MANAGEMENT of CORPORATE RISKS AND OPPORTUNITIES

## Corporate Risks and Opportunities: A Sustainability-Focused Strategic Resilience Model

Today, sustainability is not only about environmental and social responsibilities; it is also a fundamental determinant of a company’s strategic governance capabilities, market resilience, and long-term value creation potential.



At HABAŞ, with this awareness, we approach **our corporate risk and opportunity management** with a multidimensional perspective under the guidance of our Sustainability Committee.

The risk and opportunity analyses we shaped in 2023, evaluated through our annual reviews and committee meetings, are positioned not only to sustain current operational success but also to serve **as a guide in achieving HABAŞ’s vision, mission, and long-term strategic objectives.**

In this context, topics such as **the climate crisis, resource scarcity, international carbon regulations (CBAM, etc.), access to green finance, currency fluctuations, digitalization, and global supply chain vulnerabilities** have been thoroughly analyzed at all functional levels.

**The steel industry**, due to its high energy demand, intensive raw material usage, and carbon emission profile, is directly at the focus of climate policies. In this regard, **HABAŞ’s electric arc furnace production infrastructure** offers a strategic advantage in reducing risks and converting opportunities.

However, sustaining this advantage requires continuous proactive approaches in areas such as **transitioning to renewable energy, developing digital carbon monitoring infrastructures, and resource management.**

We address our risks and opportunities within **the environmental, social, and governance** categories, assessing developments in these areas with their short, medium, and long-term impacts. Our goal is not only to eliminate risks but **to know, understand, and manage them with strategic decisions.**

Through this, HABAŞ positions itself as an organization that develops **corporate resilience** against not only today’s but also future uncertainties, turning crises into **solutions and innovation opportunities**, and continues its commitment to creating **long-term value** for all stakeholders.



# STAKEHOLDER ENGAGEMENT

## Sustainability Processes Shaped by Stakeholder Needs

Sustainability is not only a process shaped by the company's strategic objectives and values but also one that takes into account the expectations and needs of all stakeholders.

This approach forms the foundation of HABAŞ's sustainability vision.

Through transparent, inclusive, and continuous communication with its stakeholders, our company has developed a careful and systematic structure that not only understands these expectations but also integrates them into strategic decision-making processes.





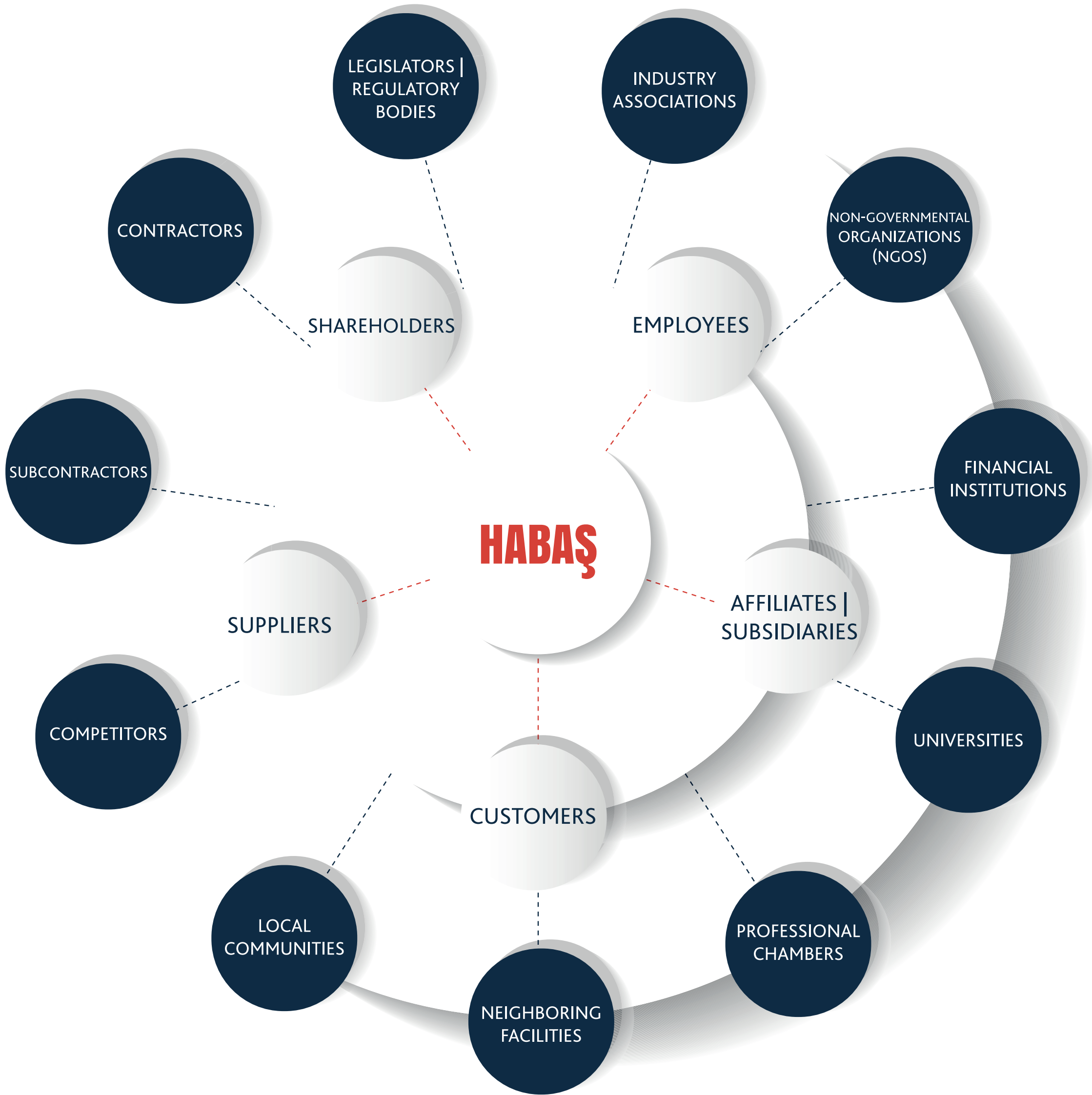
# STAKEHOLDER ENGAGEMENT

## Identification of Critical Stakeholders

Our stakeholders consist of all individuals, groups, and organizations that affect or are affected by HABAŞ’s operations. Employees, customers, suppliers, shareholders, subsidiaries, local communities, neighboring facilities, institutions, lawmakers, and non-governmental organizations play significant roles in our company’s value chain.

In the process of identifying critical stakeholders, the following criteria are considered:

- Their impact on the company (e.g., lawmakers),
- The degree to which they are affected by the company’s operations (e.g., neighboring facilities),
- Their interdependence with the company (e.g., subsidiaries).





# STAKEHOLDER ENGAGEMENT

## Our Stakeholder Analysis and Materiality Approach

At HABAŞ, we consider our stakeholder analysis process not only as a management tool but also as **one of the key components of our long-term value creation vision**. In this process, we aim to deeply understand the needs, expectations, and priorities of different stakeholder groups, systematically identifying and classifying all of our stakeholders.

To achieve this, we collected expectations from our stakeholders regarding sustainability through **surveys, focus group meetings, and one-on-one interviews**. In light of this data, we analyzed the relationship between the impact of our stakeholders on HABAŞ and their expectations from the company.

With this approach, we not only establish **a transparent and strong stakeholder dialogue** but also effectively use the feedback we receive to shape our sustainability strategies.

The analysis results are concretized through tools such as **materiality assessments and materiality matrices**, transforming them into a transparent and measurable structure in our reporting process.

One of the cornerstones of our goal to create meaningful impact in environmental, social, governance, and economic areas is **the trust-based, continuous interaction we have with our stakeholders**.







STAKEHOLDER ENGAGEMENT

HABAŞ Stakeholder Mapping

TOPICS   STAKEHOLDERS	EMPLOYEES UNION INTERNS VISITORS	CUSTOMERS	SHAREHOLDERS	SUPPLIERS DISTRIBUTORS	SUBCONTRACTORS CONTRACTORS SERVICE PROVIDERS	AFFILIATES	LOCAL COMMUNITIES NEIGHBORING FACILITIES	INSTITUTIONS INDUSTRY ASSOCIATIONS NGOs FINANCIAL INSTITUTIONS UNIVERSITIES LEGISLATORS	COMPETITORS
KEY TOPICS OF INTEREST FOR OUR STAKEHOLDERS	Occupational Health and Safety		Return on Investment	Fair Contract Terms	Occupational Safety				
	Training and Career Development	Product Quality Customer Services	Sustainable Company Performance	Prompt Payment Processes	Wages and Payment Terms	Return on Investment Strategic Guidance	Environmental Impacts Health and Safety	Sectoral Collaborations Education and Research Partnerships	Competitive Conditions Innovation
	Working Conditions and Job Security	Environmentally Friendly Products	Minimal Impact of and from Climate	High-Quality Collaboration	Business Processes and Operational Efficiency	High-Quality Collaboration	Social and Community Responsibility	Regulatory Compliance	Market Share
METHODS OF ENGAGEMENT	Training Programs								
	Performance Evaluations	Customer Surveys Plant Visits	Shareholder Meetings Reports and Announcements	Supplier Meetings Performance Evaluations	Contract Negotiations Business Visits	Joint Projects Performance Reports	Community Meetings Environmental Reports (EIA Meetings)	Joint Projects Seminars and Conferences	Sectoral Meetings Market Research
	Occupational Health & Safety Meetings	Product Launches   Fairs   Events	Conferences	Business Visits	Workplace and Safety Seminars	Social Events	Social Events	Audit Reports	Trade Fairs
WHY OUR STAKEHOLDERS ARE IMPORTANT TO US	Business Continuity	Providing Feedback for Growth and Development	Financial Support		Operational Support	Financial Support	Building Strong Reputation in Society	Regulatory Compliance	Understanding Market Trends
	Productivity		Strategic Guidance	Continuity of Supply Chain	Improved Production Quality	Company Growth		Public Trust	
	Innovation	Brand Loyalty	Sustainable Growth	Quality Assurance	Expertise Contribution	Strategic Management	Building Strong Reputation in Society	Innovation	Creating Competitive Differentiation
WHY WE ARE IMPORTANT TO OUR STAKEHOLDERS	Providing a Healthy and Safe Working Environment	Providing High-Quality Products and Services	Profitability and Return on Investment	Business Continuity and Growth	Continuous Job Opportunities	Profitability and Return on Investment	Environmental Sensitivity and Social Responsibility Projects	Providing Economic and Social Contributions	
	Career Development Opportunities	Innovation	Company Growth	Fair Trade Conditions	Safe and Transparent Working Conditions	Economic and Social Contributions	Security	Environmental Sustainability	Providing Competitive Business Models and Innovation



# MATERIALITY ASSESSMENT

## Shaping a Sustainable Future with Informed Priorities

Sustainability is not merely an approach focused on environmental issues; it is a **multidimensional and dynamic journey** that requires companies to manage their economic, social, and governance responsibilities in alignment with stakeholder expectations. In this context, materiality analysis plays a **critical role in the healthy design, implementation, and monitoring of sustainability strategies**.

At HABAŞ, when shaping our strategic approach to sustainability, we consider **not only the importance of the issues but also their long-term impacts**. In this regard, we decided to continue with the strategic priorities we identified based on the outputs of the materiality analysis we conducted in 2023.

The insights gained from this analysis represent a holistic approach that considers not only short-term trends but also long-term effects. Therefore, our decision to continue with these strategies is **a reflection of our determination and stability in the field of sustainability**.

The analysis process was carried out in a participatory structure, considering the priorities of all stakeholders affected by HABAŞ’s operations and those who have an impact on HABAŞ. This approach enabled us to identify the key areas that will shape our business strategies while fostering **a more aligned and inclusive relationship with our stakeholders**.

By focusing on the most efficient use of resources, effective sustainability management, and creating lasting impact, we clearly express why we prioritize certain issues, thus maintaining **our commitment to transparency and accountability**.





# MATERIALITY ASSESSMENT

## Our Materiality Assessment Roadmap

At HABAŞ, we shaped our materiality analysis through the studies we conducted in 2023, in line with **the AA1000 Stakeholder Engagement Standard** (AA1000SES), a complementary framework to the internationally recognized AA1000 Accountability Standard. In this process, we comprehensively evaluated both the expectations of our stakeholders and our company’s strategic priorities.

To understand stakeholder expectations, we conducted a comprehensive survey in 2023. The outputs of this survey formed the basis of our materiality analysis, through which we identified and prioritized the environmental, social, economic, and governance topics most valued by our stakeholders. Throughout the process, we placed special emphasis on the views of our most important stakeholders, our employees, alongside input from our customers, suppliers, shareholders, and other key stakeholder groups.

In determining our company’s strategic priorities, the HABAŞ Corporate Sustainability Committee and senior management evaluated our strategic goals, corporate risks, and opportunities with a holistic perspective and clarified **our sustainability-oriented priorities**. During

this process, inputs such as **our business activities, market dynamics, and sectoral trends** were taken into consideration, along with our corporate risk and opportunity analysis.

By combining **stakeholder priorities with our strategic corporate objectives**, we created a materiality matrix tailored to HABAŞ. This matrix serves as **a roadmap**, highlighting the issues that must be prioritized throughout our sustainability journey.

At HABAŞ, we view materiality assessment not merely as a reporting tool, but as a strategic guide that supports the improvement of our business processes and informs key decision-making. This analysis enables us to establish strong communication and collaboration with our stakeholders, to direct our resources (both internal and natural) towards the most critical topics, and to advance our long-term sustainability goals.

With this approach, we not only meet today’s sustainability expectations, but also continue to take **strong steps toward our ambition of industry leadership**. We firmly believe that **materiality analysis** serves as a cornerstone for shaping our **strategic playbook** and is a powerful tool for generating sustainable value for the future.

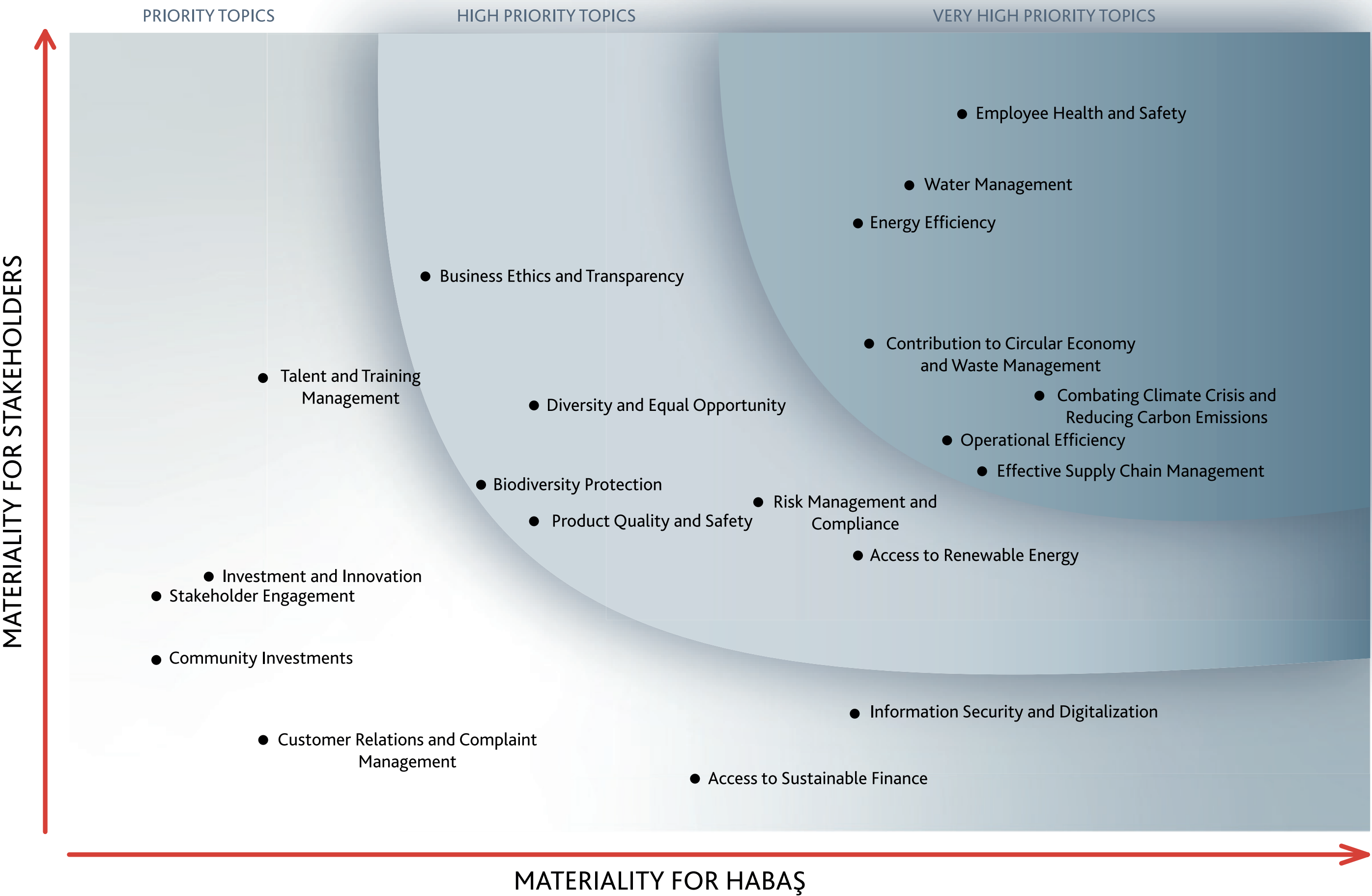






# MATERIALITY ASSESSMENT

## Materiality Matrix and HABAŞ’s Material Topics



- **VERY HIGH PRIORITY TOPICS**
  - Employee Health and Safety
  - Combating Climate Crisis and Reducing Carbon Emissions
  - Energy Efficiency
  - Water Management
  - Contribution to Circular Economy and Waste Management
  - Effective Supply Chain Management
  - Operational Efficiency
- **HIGH PRIORITY TOPICS**
  - Access to Renewable Energy
  - Risk Management and Compliance
  - Product Quality and Safety
  - Diversity and Equal Opportunity
  - Biodiversity Protection
  - Business Ethics and Transparency
- **PRIORITY TOPICS**
  - Stakeholder Engagement
  - Information Security and Digitalization
  - Talent and Training Management
  - Investment and Innovation
  - Community Investments
  - Access to Sustainable Finance
  - Customer Relations and Complaint Management



# HABAŞ’s STRATEGIC TARGETS in ALIGNMENT WITH THE UN SDGs

## Material Topics, Our Strategic Objectives, and Their Relationship with the United Nations Sustainable Development Goals (SDGs)

The United Nations Sustainable Development Goals (SDGs) are an international framework accepted by the United Nations in 2015. They aim to increase global welfare and ensure environmental sustainability, guiding businesses in critical areas such as eradicating poverty, reducing inequalities, protecting natural resources, and combating climate change. The SDGs consist of 17 global goals that direct efforts toward these objectives.

At HABAŞ, we are aware that the goals we **set to implement our sustainability strategies** serve the United Nations Sustainable Development Goals (SDGs) and that it is our collective responsibility to participate in this global action.

The contribution of strategic objectives to global sustainability is **not only a social responsibility** but also a necessity to secure companies’ **long-term success, gain a competitive advantage, and build a sustainable future.**

Therefore, we treat the SDGs as an integral part of our strategic planning and decision-making processes.





# HABAŞ’s STRATEGIC TARGETS in ALIGNMENT WITH THE UN SDGs

“  
  
These strategic objectives are also planned in alignment with the United Nations sustainable Development Goals (SDGs), aiming not only to create environmental value but also to achieve lasting and meaningful value on a societal level.

We develop our sustainability strategies with an approach that not only addresses today’s needs but also considers the realities of the future. At the core of these strategies lie **the very high and high priority topics identified through our materiality assessments.**

Issues such as combating the climate crisis, reducing carbon emissions, enhancing energy efficiency, advancing the circular economy, and ensuring employee health and safety are not merely environmental or social responsibility topics; they are the cornerstones of **long-term business model transformation and corporate resilience.**

The strategic goals we have shaped around these topics form the roadmap of HABAŞ’s vision for a sustainable future.

We make these strategies measurable through sub-targets that are reviewed every two years. We monitor, evaluate, and improve our performance without compromising our principle of transparency. For us, **continuous improvement** is not just a method, but a **deeply rooted institutional value.**

These strategic goals are also aligned with **the United Nations Sustainable Development Goals (SDGs)**, aiming to create lasting and **meaningful value** not only on environmental but also on social grounds.





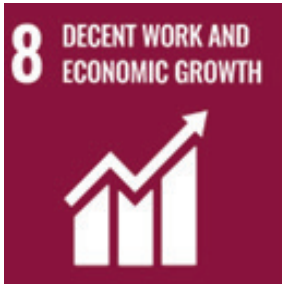








HABAŞ’s sustainability strategy is **an integral part of our ambition to create a long-term, multi-stakeholder, and inclusive value chain;** embedded within our commitment to operational excellence. The regular monitoring and reporting of this performance not only fulfills our responsibility but also offers **a valuable opportunity to engage transparently, reliably, and effectively** with our stakeholders.







# HABAŞ's STRATEGIC TARGETS in ALIGNMENT WITH THE UN SDGs

HABAŞ Strategic Sustainability Goals			
Topics of Very High Priority		Topics of High Priority	
<div>Combating Climate Crisis and Reducing Carbon Emissions</div> <div><div><div>13</div><div>CLIMATE ACTION</div><div></div></div><div>Reduce carbon emission intensity per ton of product by 48% by 2030, and become carbon neutral by 2050 (base year: 2022).</div></div>	<div>Contribution to Circular Economy and Waste Management</div> <div><div><div>12</div><div>RESPONSIBLE CONSUMPTION AND PRODUCTION</div><div></div></div><div>2030 yılına kadar sağlanacak işbirlikleri ile en az 1 endüstriyel simbiyoz projesi yapmak.</div></div>	<div>Access to Renewable Energy</div> <div><div><div>7</div><div>AFFORDABLE AND CLEAN ENERGY</div><div></div></div><div>Ensure that 50% of the energy consumed is supplied from renewable energy sources by 2030.</div></div>	<div>Risk Management and Compliance</div> <div><div><div>16</div><div>PEACE, JUSTICE AND STRONG INSTITUTIONS</div><div></div></div><div>Ensure 100% compliance with legal and other requirements (including all standards and quality certificates).</div></div>
<div>Employee Health and Safety</div> <div><div><div>8</div><div>DECENT WORK AND ECONOMIC GROWTH</div><div></div></div><div>Establish a culture of occupational health and safety and reduce accident frequency rate by 100% by 2030.</div></div>	<div>Energy Efficiency</div> <div><div><div>7</div><div>AFFORDABLE AND CLEAN ENERGY</div><div></div></div><div>Reduce energy consumption per ton of product by 20% by 2030.</div></div>	<div>Product Quality and Safety</div> <div><div><div>12</div><div>RESPONSIBLE CONSUMPTION AND PRODUCTION</div><div></div></div><div>Reduce process-related errors by 50% and minimize the risk of faulty production to ensure product consistency and quality.</div></div>	<div>Diversity and Equal Opportunity</div> <div><div><div>5</div><div>GENDER EQUALITY</div><div></div></div><div>Increase the ratio of female employees by 100% and implement equality policies by 2030.</div></div>
<div>Effective Management of the Supply Chain</div> <div><div><div>12</div><div>RESPONSIBLE CONSUMPTION AND PRODUCTION</div><div></div></div><div>Implement a supplier development program and ensure that 60% of suppliers comply with sustainability criteria by 2030.</div></div>	<div>Water Management</div> <div><div><div>6</div><div>CLEAN WATER AND SANITATION</div><div></div></div><div>Reduce groundwater usage by 50% by 2030.</div></div>	<div>Biodiversity Protection</div> <div><div><div>15</div><div>LIFE ON LAND</div><div></div></div><div>Launch biodiversity projects to improve local ecosystems in operational areas by 2030.</div></div>	<div>Business Ethics and Transparency</div> <div><div><div>16</div><div>PEACE, JUSTICE AND STRONG INSTITUTIONS</div><div></div></div><div>Ensure 100% compliance with the 'Supplier Code of Ethics' by 2050.</div></div>
<div>Operational Efficiency</div> <div><div><div>9</div><div>INDUSTRY, INNOVATION AND INFRASTRUCTURE</div><div></div></div><div>Improve operational efficiency and achieve 15% reduction in energy consumption through energy optimization by 2030.</div></div>			



# CORPORATE GOVERNANCE



The steel industry, which forms the backbone of economic development and industrialization worldwide, is today evaluated not only by its production capacity but also by its **responsible management approach, commitment to ethical principles, sensitivity to stakeholder expectations, and digital transformation capabilities.**

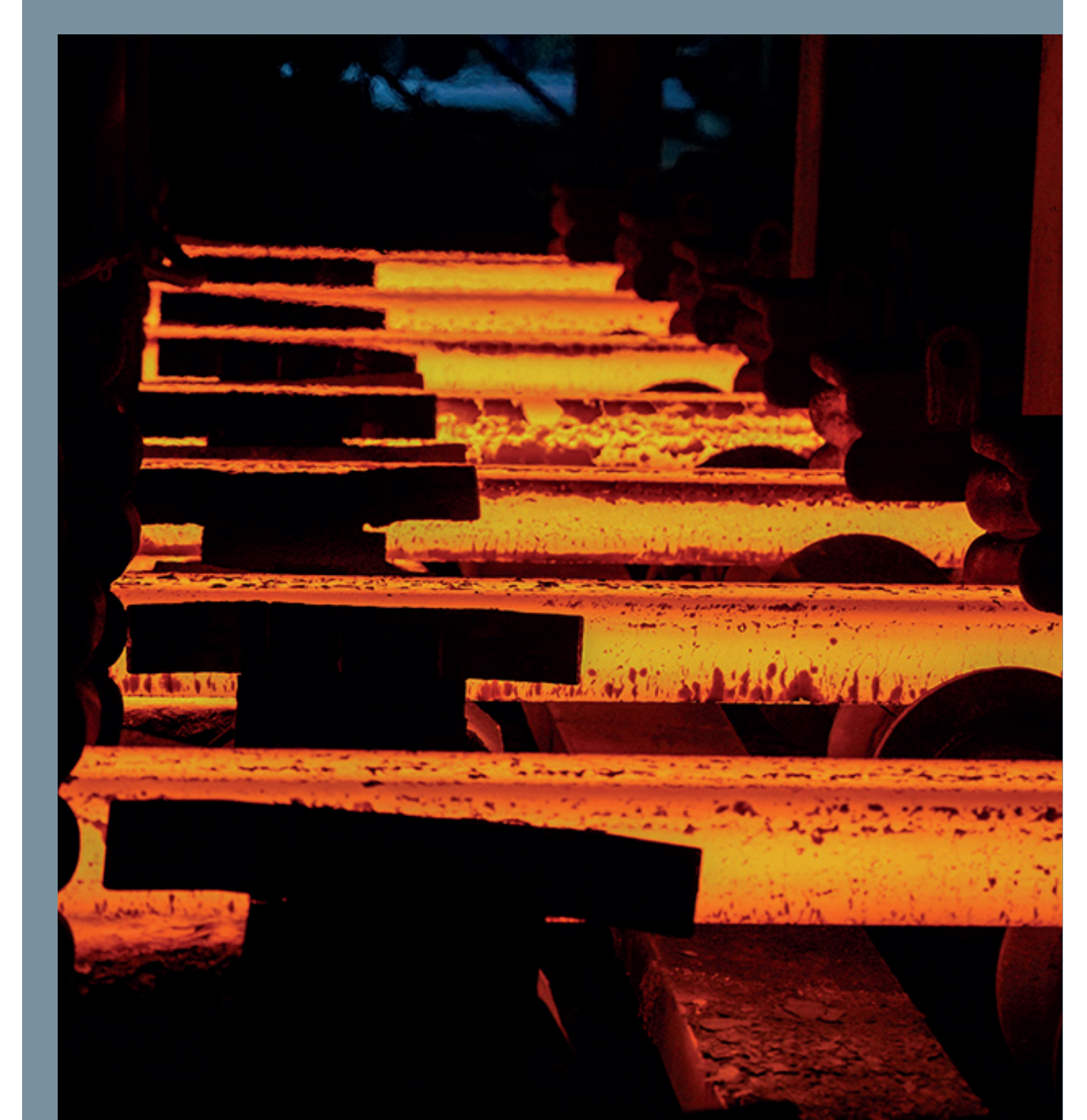
Increasing environmental and social risks on a global scale make it mandatory for our industry to strengthen itself with more resilient, transparent, and accountable structures. Corporate governance is a practical approach that **removes sustainability goals from being an abstract commitment** and places them at the heart of **decision-making processes.**

In today's world, **the effective design of management systems** plays a decisive role not only in increasing operational efficiency but also in managing environmental and social impacts. Likewise, **the internalization of ethical values and ensuring corporate compliance** creates an atmosphere of trust within a broad ecosystem, from employees to suppliers.

The multi-stakeholder nature of the steel industry makes **the effectiveness of customer relationship management and complaint mechanisms** increasingly important. These elements ensure not only the quality of service but also the sustainability of corporate reputation.

On the other hand, digitalization is transforming all of our business practices, from production to governance. Smart systems, data-driven decision-making mechanisms, and digital traceability solutions not only provide a competitive advantage but also open the doors to a new era of sustainability.

In this section, we share with you **the key components of corporate governance**, HABAŞ's ethical approach, its relationships with stakeholders, and its digital transformation journey.





# CORPORATE GOVERNANCE, SYSTEM- BASED APPROACH and REGULATORY ALIGNMENT

As a company that exports to over 40 countries across five continents, we prioritize our reliability and corporate reputation with all our stakeholders. In this regard, we continuously improve our management systems. We certify the systems we have been applying for many years with internationally recognized certifications and undergo periodic independent third-party audits.

Since 2012, at HABAŞ, we have adopted international management systems as a cornerstone of continuously developing our corporate structure and managing our sustainability performance with a holistic approach. In our integrated management systems, following the common framework provided by **Annex SL (High-Level Structure)**, we address all our processes with **a risk-based thinking approach**, thereby managing environmental, social, and governance (ESG) issues in a unified manner.

Systems with the Annex SL structure form the foundation of our sustainability strategies in various areas, from planning and leadership to stakeholder engagement, customer and supplier management, and performance monitoring. This systematic approach not only enables us to monitor our current performance but also empowers us to proactively shape our strategic decisions for the future.

At this stage, thanks to our integrated management systems, we are reducing our environmental impacts, fulfilling our social responsibilities more effectively, and institutionalizing the transfer of knowledge and culture within our value chain. This structure guarantees the applicability and continuity of our sustainability strategies while also supporting our global competitiveness.

These certification processes represent not only compliance with specific quality standards but also integrated compliance with environmental, social, and economic sustainability criteria. Certifications obtained through independent evaluation mechanisms enhance the reliability of our products and services, strengthening our brand’s competitiveness in the global market. Thus, HABAŞ continues to take tangible steps that contribute to sustainable development in areas beyond quality management, such as environmental impact reduction, social contribution, and governance responsibilities.

MORE AT  
ISO 9001:2015 Quality Management System Certificate





# CORPORATE GOVERNANCE, SYSTEM-BASED APPROACH AND REGULATORY ALIGNMENT

## Sustainable Quality with Scientific Assurance

“  
TS EN ISO/IEC 17025,  
is an international  
standard  
that defines  
the technical  
competence of  
laboratories and  
their ability to  
produce reliable  
results.”

At HABAŞ, we continue to make a difference in our sector not only with our production capacity but also with our approach focused on transparency in process management, scientific accuracy, and quality. In this regard, the laboratory activities conducted within the company are structured in accordance with the **TS EN ISO/IEC 17025 - General Requirements for the Competence of Testing and Calibration Laboratories** standard.

The principles of impartiality, independence, and confidentiality in service delivery, combined with technical competence, guarantee both the safety of our employees and the satisfaction of our customers. The equipment used in our laboratories and the methods applied are based on systems proven to be valid at both national and international levels. Thus, the results are both reliable and applicable for decision-makers.

### Continuous Improvement in Quality Management Systems

Quality is not just an output, but a holistic process. With this understanding, **our quality management system practices are carried out with the active participation of all our employees** and are **continuously updated** in line with technological developments and industry needs. Thanks to investments in training, digitalization, and technical infrastructure, our quality level is not only maintained but also advanced each year.

### Efficient Resource Use and Environmental Responsibility

Our quality policy addresses not only technical competence but also **reducing environmental impact, using resources efficiently, and protecting the natural environment**, all from a sustainability perspective. This holistic approach enables the company to create lasting value in its environmental, social, and governance (ESG) performance.

MORE AT ISO 17025 Certificate

### National Leadership, International Integration

HABAŞ plays **a leading role at the national level** with its quality assurance and sustainable service approach, while also creating a globally recognized practice and cooperation platform by working **in alignment with international standards**.

This systematic approach, built on accuracy in service, systematic risk management, and legal compliance, is one of the cornerstones of HABAŞ’s sustainable corporate governance understanding.





# CORPORATE GOVERNANCE, SYSTEM-BASED APPROACH and REGULATORY ALIGNMENT

## Contributions of IATF 16949: A Systematic Step for Quality, Trust, and Sustainability

At HABAŞ, we evaluate our understanding of quality not only through product results but also through processes integrated into every stage of production. In this regard, **the IATF 16949:2016 Automotive Quality Management System**, which we initiated in 2023 with the aim of completing the certification process by 2025, is not only an integration into the automotive sector but also an infrastructure transformation that advances our product quality, process reliability, and continuous improvement culture.

Especially within the structure of our **Electric Arc Furnace (EAF)** plants, the natural variances introduced by scrap-based production require high-quality standardization. IATF 16949 integrates **quality control, traceability, and risk-based thinking systems into our corporate structure at all stages, from raw material acceptance to final product performance.**

The contributions of this system can be summarized as follows:

- **Process control and traceability** systems ensure consistent product quality despite varying raw materials.
- **Core Tools applications (FMEA, SPC, MSA, PPAP)** prevent defects before they occur and establish a culture of continuous monitoring.
- Products offered to automotive customers meet **technical specifications and are produced within narrow tolerance ranges.**
- **Internal audits, risk analyses, and competency matrices** enhance employee capabilities, ensuring that quality is not only controlled but also embraced as a value.
- **Continuous improvement and data-driven decision-making processes** ensure that quality management goes beyond meeting standards, becoming an ingrained culture within the organization.

The IATF 16949 certification process is a strategic step taken by HABAŞ in terms of **customer satisfaction, corporate reliability, and sustainable competitive advantage.** The high quality understanding brought by this system will not only meet today's expectations but will also provide a strong response to future market conditions.







HABAŞ:  
The Name  
Behind Steel

Sustainability  
Governance

Corporate  
Governance

Financial  
Performance

Environment  
& Climate

Our People &  
Communities

Key Performance  
Indicators



# CORPORATE GOVERNANCE, SYSTEM-BASED APPROACH and REGULATORY ALIGNMENT

As a result of our commitment to certifying our sustainability and quality management efforts at an international level, we are pleased to hold the **UK CARES certification**, one of the most respected standards in the steel industry.

UK CARES offers a comprehensive evaluation system that focuses not only on product quality but also on **environmental, social, and governance (ESG)** performance. The certification we have received demonstrates that HABAŞ’s efforts **to reduce its carbon footprint, increase energy efficiency, and manage its supply chain according to sustainability principles** have been internationally recognized.

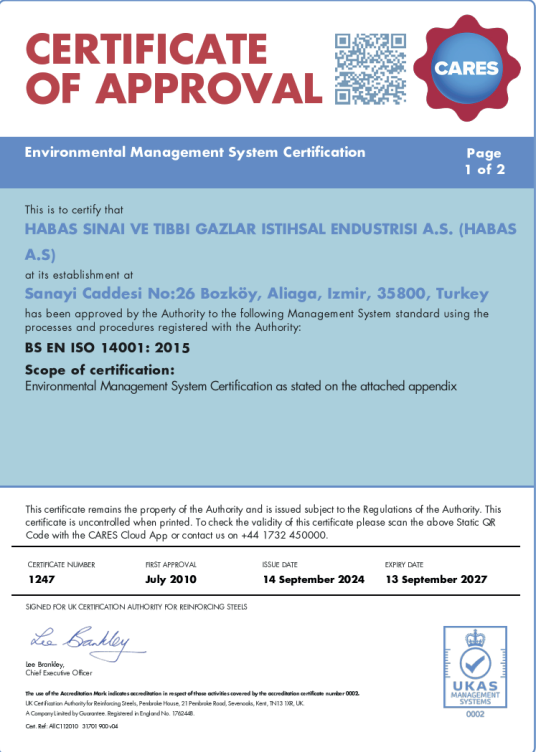
UK CARES is not only a quality standard but also provides a sustainability framework that encourages the effective integration of **circular economy practices, environmental impact reduction, and social responsibility principles**. This ensures that our company’s operational processes not only meet today’s needs but also address the expectations of future generations.

With the certification process, we are offering **our customers, business partners, and all stakeholders** tangible assurance of our sustainable production approach. **While enhancing our competitiveness in global markets**, we are building a more responsible and resilient structure throughout our value chain.

At HABAŞ, with UK CARES, we are securing not only quality but also sustainability for a more livable future.



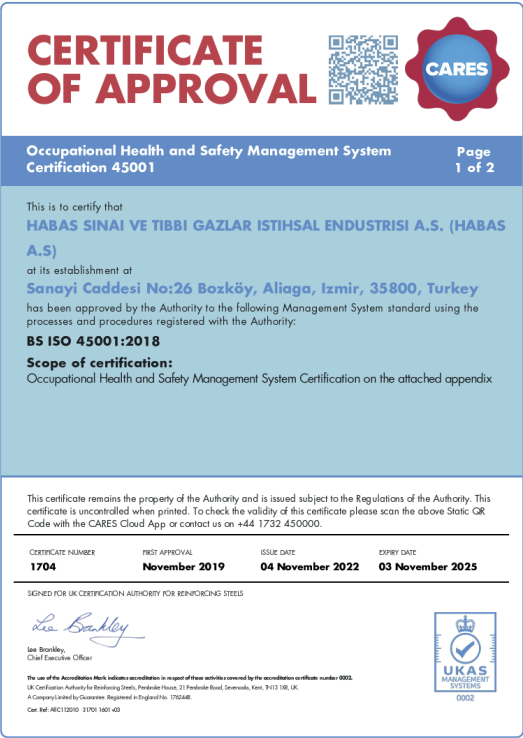
BRE BES 6001



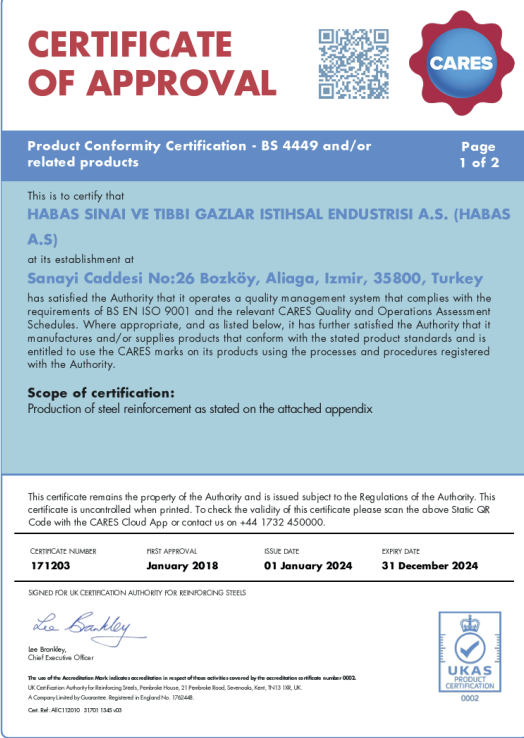
BS EN ISO 14001:2015



BS EN ISO 9001:2015



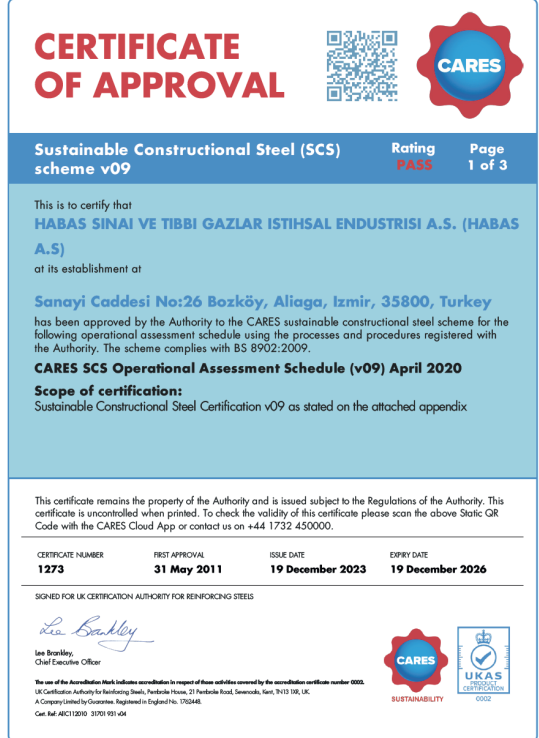
BS ISO 45001:2018



BS 4449



CARES SCS Sustainable Constructional Steel (Production of continuously cast steel bi lets Production of hot rolled steel wire rod and hot rolled steel bar for the reinforcement of concrete)



CARES SCS Sustainable Constructional Steel (Production of continuously cast steel bi lets Production of hot rolled steel wire rod and hot rolled steel bar for the reinforcement of concrete)



# ETHICAL PRINCIPLES and COMPLIANCE

## Our Ethical Values and Compliance Culture

At the core of our way of doing business are the principles of **honesty, transparency, and accountability**. Our determination to carry out all our activities in full compliance with ethical rules goes beyond fulfilling legal obligations; it is an integral part of our company culture and our sustainability approach.

Our ethical approach serves as a fundamental guide that shapes our relationships with all stakeholders, from our employees to our suppliers, business partners to customers. Within this framework, our corporate values reflect not only our internal processes but also **our social responsibility awareness and environmental sensitivity**.

### Cornerstones of Our Corporate Ethics Policy

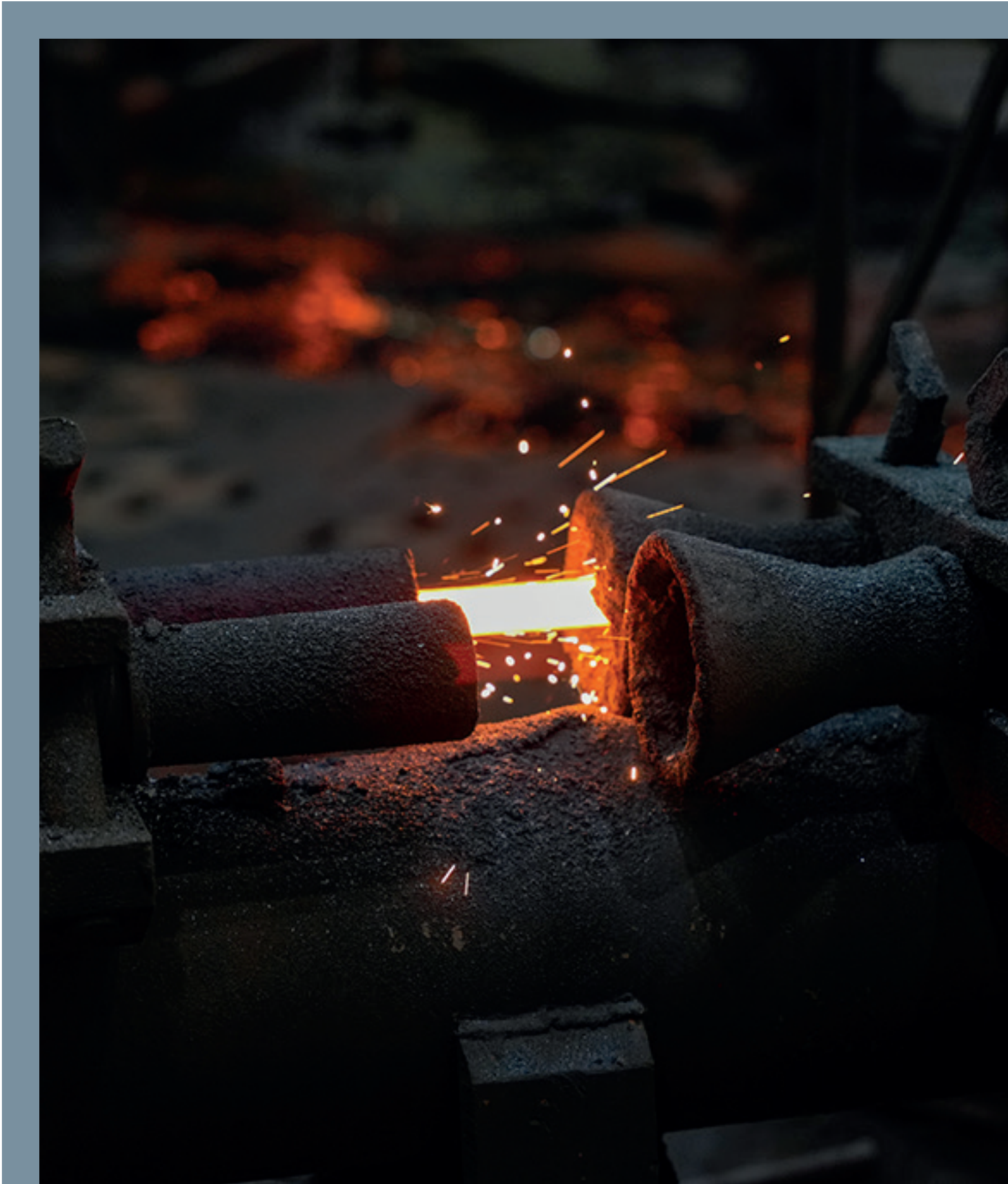
Our ethical principles of conduct are defined in line with the **'Business Ethics and Working Principles Policy'** implemented across the company and supported by a system that is easily accessible to all our employees. Accuracy and impartiality are the foundation of all decision-making and implementation processes, and we ensure open and trust-based communication with our stakeholders.

Information security, the protection of confidentiality, and the avoidance of conflicts of interest are indispensable parts of our ethical principles system. In this regard, **the Ethics Hotline and Ethics Committee** mechanisms have been strengthened, and practices to raise awareness among all employees have been implemented.

At HABAŞ, we not only fulfill our legal responsibilities, but also uphold **our responsibility to all stakeholders, the industry, society, and the planet** with deep awareness. With this understanding, we continue to strengthen our ethical, fair, and responsible business culture, and remain committed to creating sustainable value.

Ethics Hotline Contact Information:  
[AAetikiHbar@habas.com.tr](mailto:AAetikiHbar@habas.com.tr)

MORE AT  
[Business Ethics and Working Principles Policy](#)





# ETHICAL PRINCIPLES and COMPLIANCE

## Anti-Corruption and Anti-Bribery

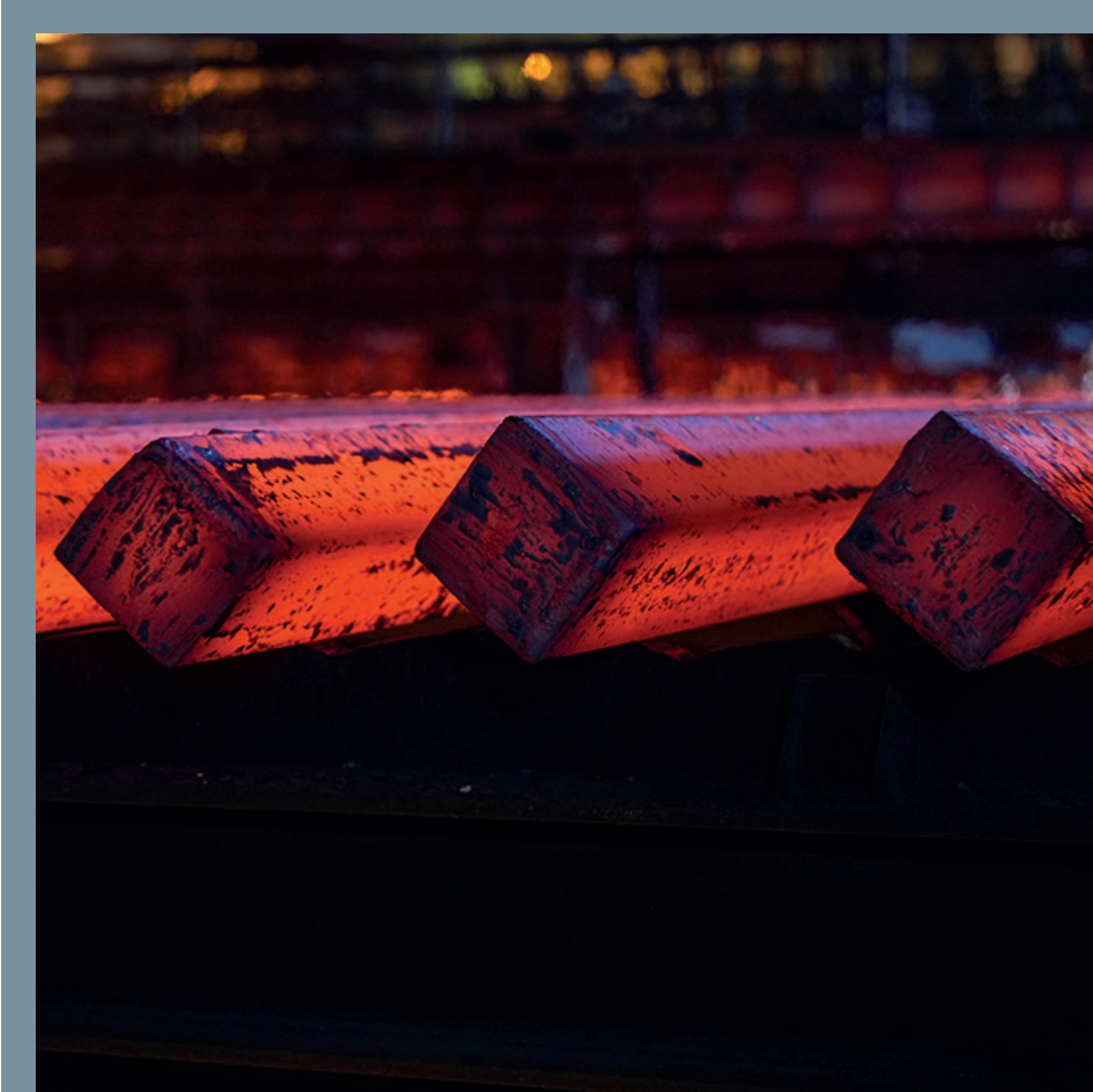
At HABAŞ, we adopt a strict zero-tolerance policy toward corruption and bribery. It is explicitly stated within our company that such unethical behaviors will not be accepted in any form, and we expect the same sensitivity from all of our stakeholders.

Our fundamental principle is full compliance with the anti-corruption and anti-bribery legislation in force in every country where we operate. In this regard, our commercial relationships include contractual clauses that guarantee adherence to ethical rules, and if any violation is detected, our relationships with business partners are terminated.

## Sustainability and Compliance with Ethical Principles

For HABAŞ, ethical principles are one of the key building blocks in achieving the sustainability goals we have set in the environmental, social, and governance areas. Values such as respect for human rights, preventing discrimination, and contributing to society are integral parts of our sustainable business model. This approach strengthens both the work culture within the company and enhances HABAŞ’s reputation in national and international arenas.

Demonstrating unwavering commitment to ethical values and compliance, HABAŞ reaffirms its dedication to being a reliable, transparent, and sustainability-driven business partner to all its stakeholders.





# CUSTOMER ENGAGEMENT & GRIEVANCE MECHANISM

## HABAŞ: Customer Satisfaction-Focused Approach

We are aware that one of the cornerstones of long-term success is establishing strong communication and solid business relationships. Therefore, we place our customers at the center of all our activities and develop comprehensive processes to maintain the highest level of customer satisfaction. We rigorously evaluate feedback obtained through regular customer satisfaction surveys as part of our quality management systems. Based on this data, we guide our continuous improvement goals and optimize our processes.

One of our primary focus areas in enhancing the customer experience is the continuous improvement of product quality and reliability. To achieve this, we place great importance on P&D (product development) activities to enhance the quality and reliability of our products. In customer relations, we prioritize clear and effective communication, managing our processes through dedicated teams structured to respond quickly to inquiries and feedback. Through active information sharing between our sales and quality departments, we strive to enhance the efficiency and effectiveness of our relationships with customers.

To maintain a high level of service quality and ensure timely delivery to our customers, we professionally manage our production and inventory control processes with ERP systems. Additionally, in the event of customer dissatisfaction, we adopt a solution-oriented approach, addressing complaints quickly and efficiently. If necessary, we conduct customer visits and aim to achieve the desired final product through joint efforts.

At HABAŞ, by prioritizing customer satisfaction, we not only maintain our strong position in the industry but also continue to create value for all our stakeholders while contributing to our sustainable growth objectives.





## CUSTOMER ENGAGEMENT & GRIEVANCE MECHANISM

We consider customer satisfaction to be the cornerstone of our business processes and implement a comprehensive complaint evaluation system aimed at effectively addressing customer complaints in order to continuously improve the quality of our products and services. Our Complaint Evaluation Procedure structured around quality, environmental, and occupational health and safety (OHS), ensures that we manage all types of complaints in a systematic and comprehensive manner.

Quality-related complaints from our customers are evaluated quickly and effectively within the framework of relevant procedures, and our processes are developed in line with the principle of continuous improvement. Complaints are recorded through the Customer Complaint Evaluation Form and are thoroughly examined by the Quality Control Department. This process also involves subjecting samples obtained from customers to laboratory testing.

In cases of identified non-conformities, alternative solutions are offered to the customer, and continuous communication with customers is maintained throughout the process. In situations where no non-conformities are found, customers are provided with information on the correct usage methods. All complaint processes are rigorously monitored, and corrective and preventive actions are planned based on the data obtained.

Complaints related to environmental and occupational health and safety are carefully evaluated based on feedback from both employees and external stakeholders. Special teams are formed for managing complaints in this area, and the content of the complaints is thoroughly examined. Necessary improvements are systematically recorded. In meetings led by top management and supported by the OHS Board, these complaints are reviewed by the management, and action plans are developed.





# CUSTOMER ENGAGEMENT & GRIEVANCE MECHANISM

## Customer Relations in the Context of Sustainability

At HABAŞ, we regard the effective management of customer complaints not only as an operational necessity but also as a significant component of our sustainability strategy. Transparent and reliable communication is among our core principles in customer relations. We rigorously document and report all complaint processes and provide our customers with regular and transparent feedback.

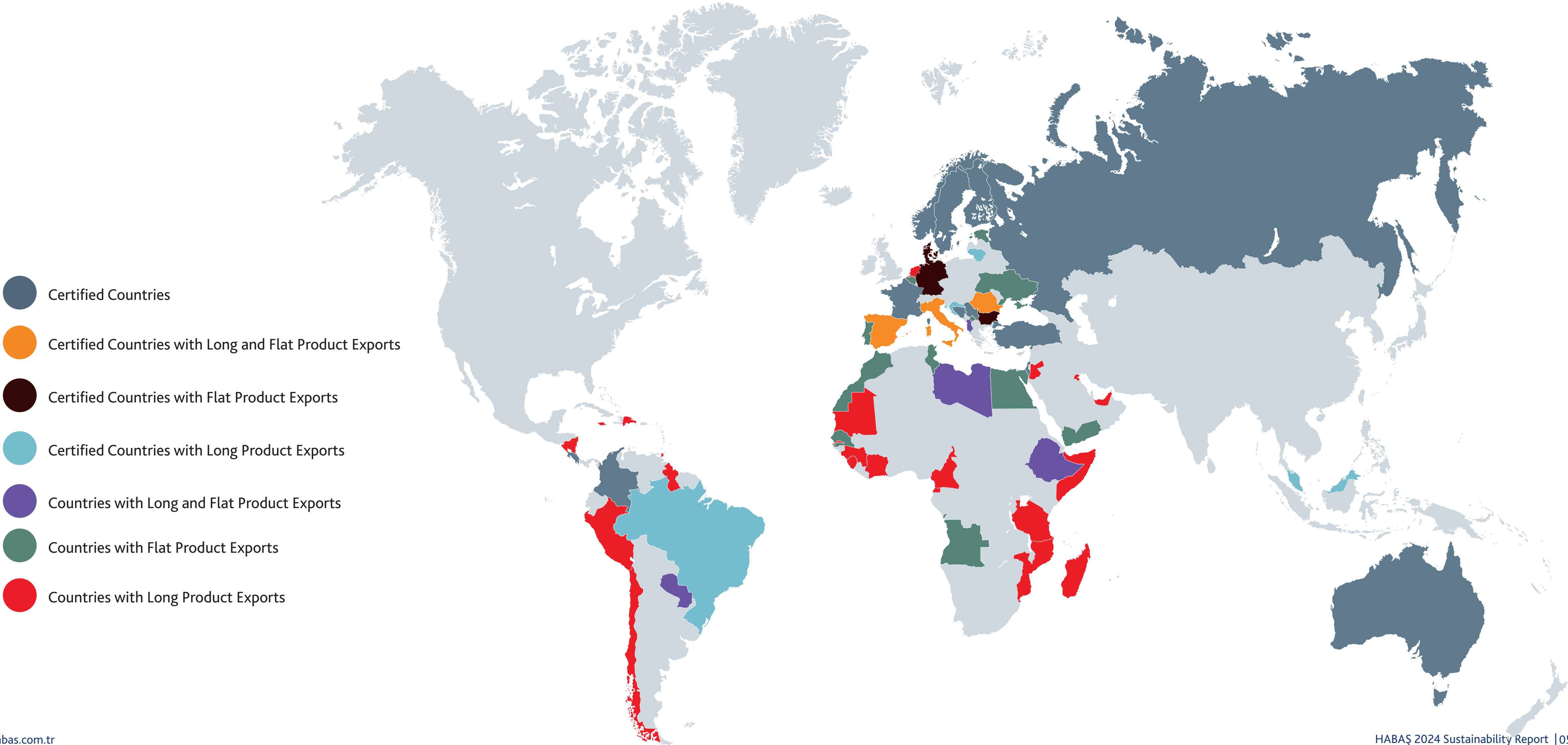
In particular, we handle complaints arising in specific product categories such as nuclear structural steel in accordance with international standards and carry out periodic reporting to the relevant certification bodies.

At HABAŞ, through our systematic approach developed to resolve customer complaints, we aim both to continuously improve our business processes and to establish a sustainable business model that creates added value for our stakeholders.





# 2024 CERTIFICATION and EXPORT ACHIEVEMENTS





# DIGITALIZATION

## Digitalization and Sustainability: Designing the Future from Today

We view digital transformation not only as a technological development but also as a strategic driving force in achieving our sustainability goals. In this regard, by integrating digital solutions into our processes, we reduce our environmental impacts, increase our efficiency, and strengthen the implementation of sustainability principles across every link in our value chain.

### Digital Transformation in Processes, Sustainable Impact

Our digitalization efforts in various areas, from smart manufacturing systems to data-driven decision mechanisms, not only enhance our operational efficiency but also contribute in multiple ways, such as more efficient resource use, emission reduction, and strengthening our workplace safety performance.

## Responsible Investments Powered by Technology

By continuously developing our digital infrastructure, we manage our environmental and social impacts more effectively and build transparent and trust-based relationships with our stakeholders. Our strategic investments in digitalization are designed to contribute to our long-term sustainability performance and guide HABAŞ’s transformation journey.

Through this holistic approach, HABAŞ not only reinforces its leadership position in the sector but also maintains its vision of being a company that increases its competitive strength, aligns with the environment, and uses technology responsibly.





# DIGITALIZATION

## HABAŞ Next Level Program in Digitalization

At HABAŞ, we adopted an innovative approach to process management through our custom-designed Next Level Program, launched in 2013 as part of our digitalization journey. Developed in collaboration with CTS Software, this program elevates transparency and traceability to the highest level in HABAŞ's steel production and logistics processes.



### A Digital Guide for the Journey of Steel

The HABAŞ Next Level Program enables real-time tracking of all stages in the journey of steel, from production to shipment. Every detail, from casting time to chemical analyses, mechanical test results to inventory management, is made accessible to users. This digital tool not only ensures product traceability but also plays a critical role in optimizing quality management and supporting the achievement of sustainability goals.

### Transparency and Data-Driven Decisions

The program enables transparent monitoring of production and shipment data, allowing departments to set more specific and measurable targets. It helps assess performance and clearly identify continuous improvement opportunities.

Managing product traceability with such precision not only enhances operational excellence but also supports the optimization of HABAŞ's environmental and social impacts.

## Where Digitalization Meets Sustainability

The Next Level Program is fully aligned with HABAŞ's sustainability objectives. Ensuring traceability throughout the entire product lifecycle increases resource efficiency and minimizes waste generation.

This system is also a key enabler in managing the company's carbon footprint and advancing circular economy goals.

### The Factory of the Future Vision

HABAŞ Next Level is not limited to optimizing current operations, it also unlocks new opportunities offered by digitalization. Smart data management empowers the company to strengthen its business units and deliver more innovative and sustainable solutions to its stakeholders.

This key component of HABAŞ's digitalization journey reflects the company's forward-looking vision.

The Next Level Program continues to differentiate itself in the sector as an innovative model that enhances the impact of sustainability strategies by integrating them with digital tools.



# DIGITALIZATION

## Strip Rolling Mill Automation System: Transforming Digitalization into Quality

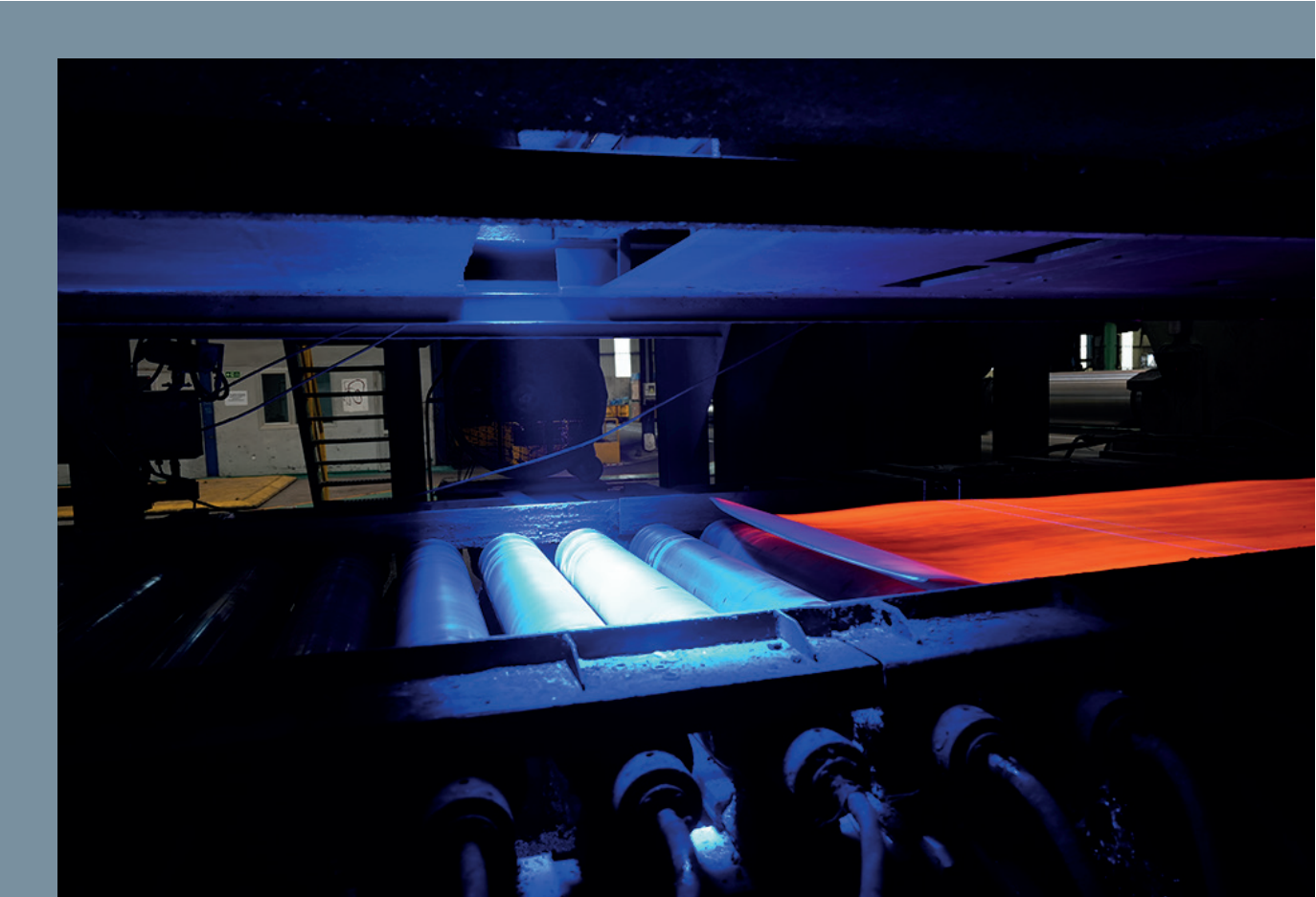
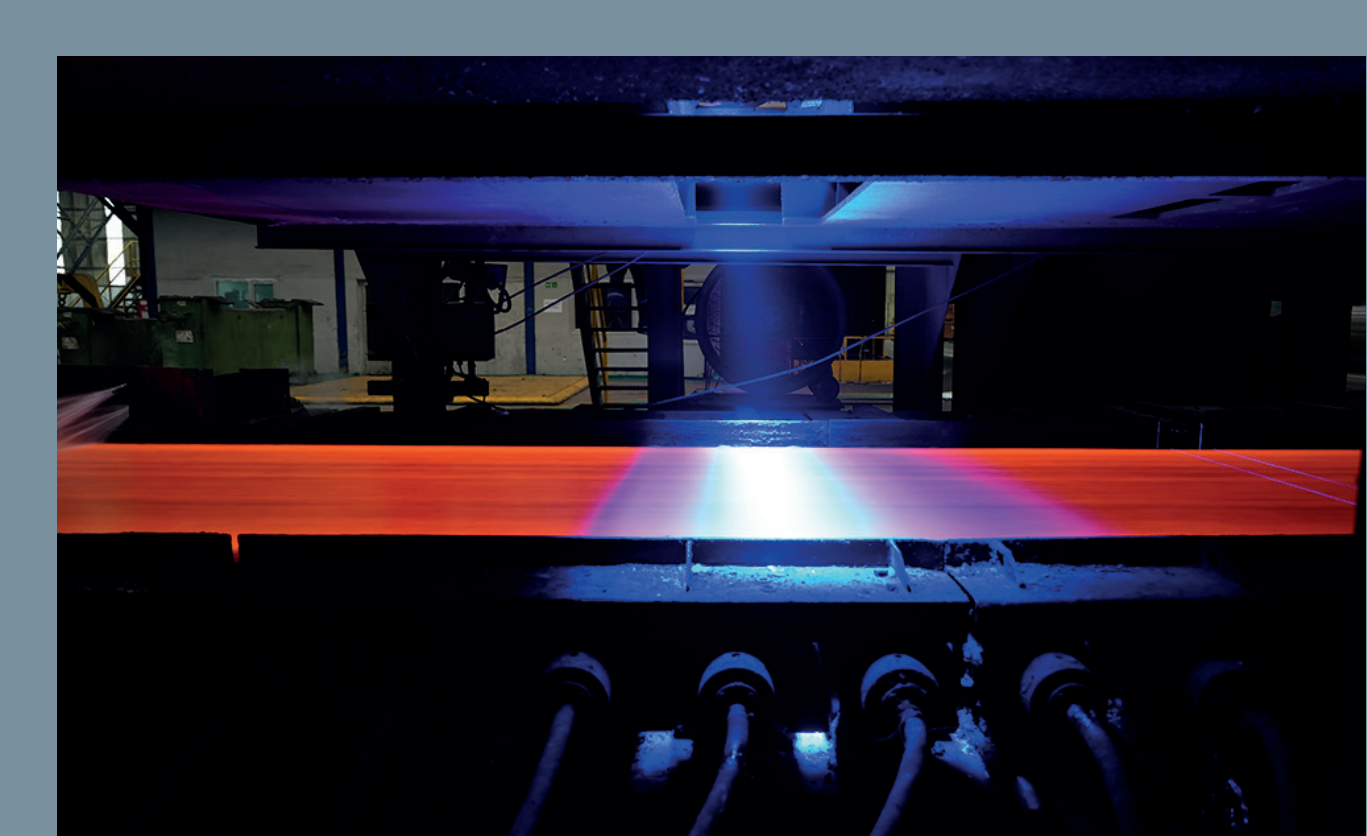
At HABAŞ, through our digitalization-focused investments, we are redefining industry standards by integrating advanced technology with engineering expertise in our production processes. A key component of this transformation, **the Strip Rolling Mill Automation System**, offers a groundbreaking approach to production with a focus on high precision and efficiency.

## A System That Integrates Technology with Process Excellence

The automation system used in the strip rolling mill not only optimizes production processes but also makes a strategic contribution to quality control. By monitoring every stage of the hot rolling process in detail, the system ensures that products meet exact dimensions and possess optimal material properties.

Advanced automation mechanisms such as Automatic Gauge Control and Automatic Flatness Control instantly detect deviations in tolerances, enabling automatic adjustment of the rolling stands.

This innovative approach not only minimizes deviations during production but also establishes a reliable quality standard throughout the process.





## DIGITALIZATION

### Processes Empowered by Precision Measurement Technologies

The automation system is equipped with integrated IMS measurement technologies. Through this system, critical variables in the strip rolling process—such as plate dimensions, width, thickness, temperature, and surface quality—are precisely measured and monitored. Thickness and temperature tolerances are maintained along the entire length of the strip, ensuring full compliance with the most stringent geometric standards.

### Investing in the Future through Sustainability and Digitalization

The Strip Rolling Mill Automation System demonstrates how digitalization creates tangible advantages in sustainability strategies. Thanks to advanced control mechanisms and precision measurement systems, resource efficiency is maximized while production waste is minimized. This system also contributes to reducing the carbon footprint by optimizing energy consumption, directly supporting sustainable production targets.

As a key element of HABAŞ's digitalization strategy, the Strip Rolling Mill Automation System represents an innovative model that strengthens the company's commitment to quality and sustainability. This system not only meets today's production standards but also embodies the flexibility and capacity to respond to the needs of the future. Through such technological investments, HABAŞ reinforces its pioneering role in the industry while significantly contributing to its environmental and social sustainability goals.





## DIGITALIZATION

### Integrating Efficiency and Sustainability

At HABAŞ, we aim to more effectively achieve our goals of efficiency, transparency, and sustainability by integrating the opportunities offered by the ever-evolving digital age into our business processes. In this respect, **QDMS – Quality Document Management System**, a foundational pillar of our long-standing digital transformation efforts, plays a strategic role in the digitalization and holistic management of our operations.

QDMS provides a systematic structure across the organization by consolidating documentation, traceability, and risk management processes of management systems such as quality, environment, and occupational health and safety onto a single platform. This enables the secure and controlled management of document flows while allowing operational risks to be anticipated earlier and addressed through proactive actions.

Throughout 2024, system improvements and user-friendly features implemented on the platform have not only simplified process management but also established **a data infrastructure that supports efficient resource use, reduced operational errors, and contributes to environmental sustainability.**

We do not consider QDMS merely a software tool; we position it as an integrated solution that reinforces HABAŞ's quality-oriented management approach, sustainability goals, and digitalization vision. We continue to provide a strong foundation for transparent, traceable, and high-standard process management in the complex structure of the industry.





# FINANCIAL PERFORMANCE



## Strengthening the Financial Structure and Sustainability-Oriented Transformation

The year 2024 has been a period marked by growing global uncertainties and resource-related risks, during which the responsibility of the business world to establish more resilient, agile, and sustainable structures has come to the forefront. In this challenging yet instructive process, we at HABAŞ once again experienced **the importance of maintaining our financial soundness and keeping our strategic priorities up to date.**

Our transformation efforts focused on sustainability were not limited to environmental or social areas alone; they also **required a reassessment of our corporate financial structure** from this perspective. Various external factors, such as energy costs, vulnerabilities in the supply chain, and fluctuations in global markets, motivated us to make **more conscious decisions, use resources more efficiently, and manage risks with greater foresight.**

Within this framework, we developed practices across various functions, from production to logistics, from procurement to customer relations, that **increased efficiency, created long-term value, and strengthened financial resilience.** These practices not only improved our current performance but also enabled us to move forward into the future with greater confidence.

We still have much ground to cover. Yet we know that **a sustainable future is shaped not by short-term achievements, but by long-term responsibilities.**

In this respect, we aim to maintain our financial structure **in a balanced way** that aligns not only with growth, but also with **our social and environmental impacts.**





# FINANCIAL CONTRIBUTIONS & VALUE CREATION

## Strong Economic Contribution through Sustainable Growth

The year 2024 was marked by continued volatility in the global economy and persistent geopolitical risks, alongside elevated energy, logistics, and raw material costs. At the same time, environmental regulations became increasingly influential across sectors. Despite these challenging conditions, HABAŞ delivered strong performance, supported by its long-term vision, robust financial structure, and integrated sustainability approach. The company not only maintained its economic growth, but also succeeded in increasing the total value delivered to its stakeholders.

In 2024, the economic value we created reached **115.6 billion TL**. A significant portion of this value was allocated to strategic areas aimed at enhancing operational efficiency and fulfilling our social responsibilities. Payments made during the year included **12.6 billion TL for operating expenses, 3.4 billion TL in employee wages and benefits, 1.3 billion TL in contributions to the state, and 15.5 billion TL in value delivered to capital investors.**

### Strategic Impact on the Regional Economy and Supply Chain

In addition to this strong financial performance, we achieved a notable rise in export markets along with our contributions to the local economy and supply chain. While we **exported to 68 countries in 2023**, this number **increased to 110** in 2024, and **our steel export revenues reached 921 million USD**. This success is a clear indication of our commitment to sustainable growth despite the intensifying competition in global markets.

Moreover, within the scope of **financial incentives received from the government**, we benefited from a total of 1.16 billion TL in tax reductions and similar supports in 2024. These incentives played a key role particularly in accelerating new investments and modernizing our production capabilities.

### A Future Vision Built on Strong Foundations

In 2024, we did not evaluate economic value solely through financial indicators. **The well-being of our employees, our contributions to public welfare, our community-focused projects, and the trust-based relationships** we built with our suppliers all played a vital role in making this value sustainable.

At HABAŞ, we continue to prioritize **ethical principles, social responsibility, and environmental sensitivity** in our value creation processes. By aligning our financial growth with **the principles of responsible production and inclusive development**, we aim to generate lasting impact **across our value chain, from the local economy to global markets.**







# FINANCIAL CONTRIBUTIONS & VALUE CREATION

## Strategic Investments and Sustainable Production Infrastructure in 2024

The year 2024 represented a significant investment period for HABAŞ, not only in terms of increased production capacity, but also in the redesign of infrastructure based on environmental, logistical, and operational integration. The investments carried out are tangible reflections of our company’s vision to strengthen its competitive advantage and accelerate the transformation toward sustainable industry.

## Desalination Facility and Transformation in Water Management

The desalination (seawater treatment) facility was fully commissioned and put into active operation in 2024. With this investment, **the need for groundwater usage was reduced**, marking a major step toward **the sustainable management of water resources**.

## Port and Dock Infrastructure

The port investment completed in 2024, along with **the additional dock construction**, has enhanced the company’s logistics capacity and enabled the supply chain to operate faster and with a lower carbon footprint. This development supports HABAŞ’s **transformation in logistics toward greater sustainability and efficiency**.

## Capacity and Technology-Oriented Expansion in Production Infrastructure

- The capacity of **the hot strip rolling mill** was increased to **4.5 million tons/year** with the investment made in 2024. This increase marked a key milestone in terms of efficiency and product diversification.

- **The wire rod rolling mill investment** was completed, and commissioning works are ongoing as of the end of 2024.
- Within the scope of **the new steel plant and cold rolling mill projects**, feasibility studies, infrastructure development, and partial construction phases are underway. **Significant technical progress was achieved** in these projects in 2024, with high standards set for environmental and energy efficiency in the coming years.

These investments are strategically important not only for capacity enhancement but also for **industrial modernization, energy efficiency, emissions reduction, and environmental impact management**. With all these steps, HABAŞ has moved closer to achieving **a more resilient production infrastructure, a reduced environmental footprint, and high value-added manufacturing**.

Ongoing or Newly Initiated Investment Projects in 2024	Total Investment Budget (TL)	Amount Paid in 2024 (TL)
İskenderun Rolling Mill Investment	600,000,000.00	568,033,922.18
Steel Plant Investment	13,600,000,000.00	4,582,839,736.90
Cold Rolling Mill Investment	22,400,000,000.00	1,511,474,634.69
Zinc Enrichment Facility Investment	1,200,000,000.00	184,307,840.02
Wire Rod Rolling Mill Investment	1,300,000,000.00	79,130,917.44
Total Investment		6,925,787,051.23



## FINANCIAL CONTRIBUTIONS & VALUE CREATION

### Creating Value for the Regional Economy and Supply Chain through Strategic Investments

In 2024, HABAŞ stood out not only with its expanded production capacity, but also with strategic investments that **enhanced its logistics capabilities and regional economic impact**.

#### Strengthening the Aliğa–Payas Logistics Network: Investment in 2 Vessels

HABAŞ added two vessels to its fleet to enable **faster, more cost-effective, and lower-carbon transfers of raw materials and semi-finished goods** between its Aliğa and Payas facilities. This investment has improved **the efficiency of port operations, reduced reliance on road transportation**, and strengthened a logistics infrastructure **aligned with environmental sustainability goals**.

#### Rolling Mill Investment in Payas: Contribution to the Economy and Employment

In 2024, HABAŞ incorporated **İlhanlar Rolling Mill, located in the Payas region and inactive for a long period**, into its operations. Following **comprehensive maintenance and modernization efforts** after the acquisition, the facility resumed **production and began to meet** domestic market demand.

The Modernized Facility:

- Has resumed operations **with a daily production capacity of 1,500 tons**.
- Obtained the **TSE 708 Product Conformity Certificate**, affirming its quality and reliability.
- Aims to provide **social contribution** to the regional economy with a **new employment target of 250 people**.

This investment not only increased our production capacity but also aligns directly with our sustainable development goals by revitalizing **unused industrial infrastructure, creating employment, and supporting regional development**.





## SUSTAINABLE PRODUCTION and PROCESS IMPROVEMENTS

### Transition to New Processes: Zinc Facility

In 2024, **all official permitting processes for the Zinc Facility were successfully completed.**

This development represents one of HABAŞ's strategic steps toward increasing process diversity and **producing higher value-added products.**

### From Dust to Value: Zinc Recovery Facility

As of 2024, HABAŞ reached a significant milestone in the realization of a strategically important investment for **the recovery of dust emissions** generated during steel production.

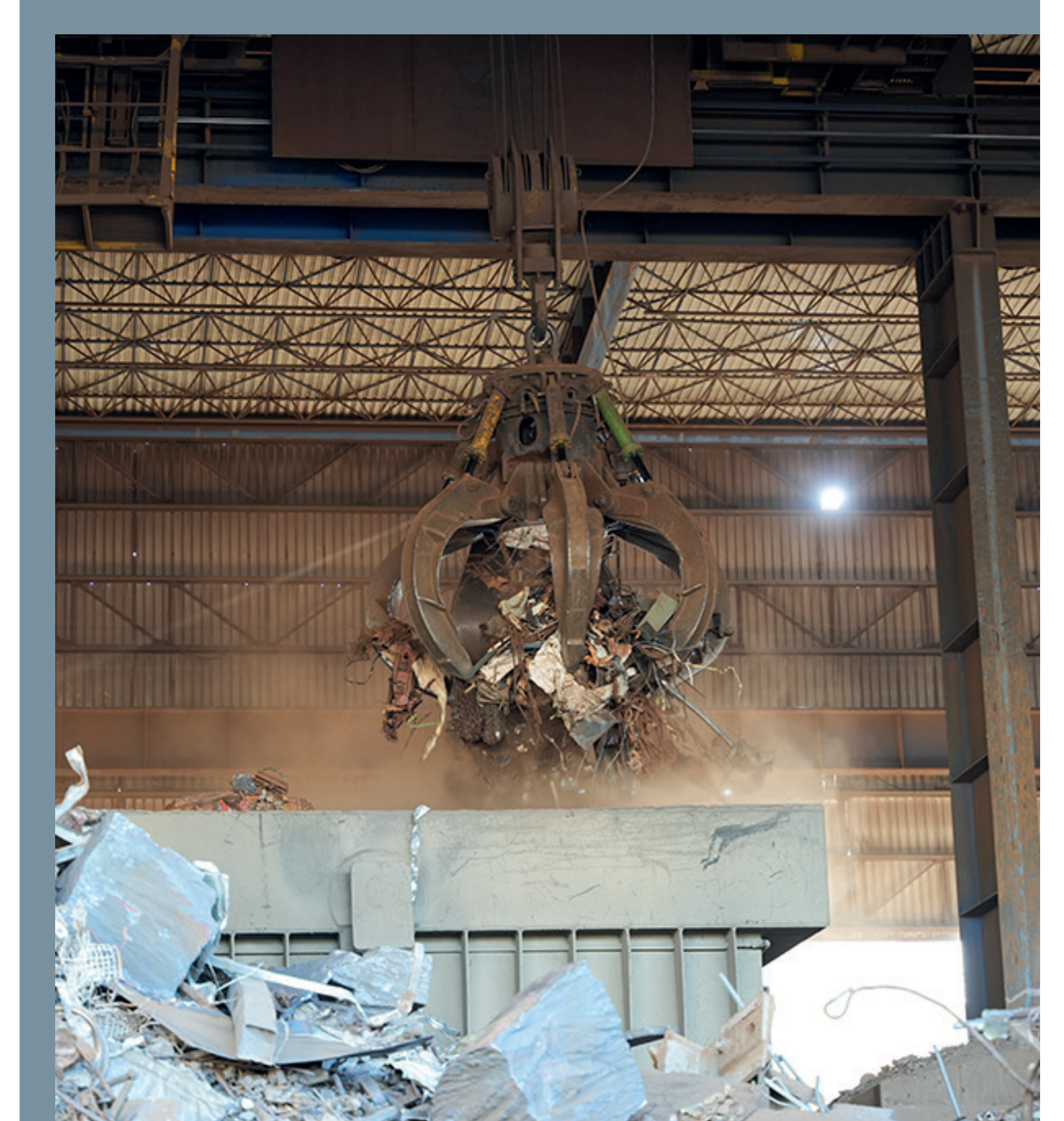
In steelmaking, particularly in electric arc furnace operations, dust emissions are classified as hazardous waste due to their high environmental impact. Recovering the valuable metals contained in these emissions is of critical importance for both reducing environmental liabilities and enhancing resource efficiency.

**The Zinc Recovery Facility**, planned with this vision, aims to extract **zinc and other metallic compounds** from the dust and convert them into high-value raw materials. In 2024, **all regulatory approval processes for the facility were successfully completed**, and **preparations for pilot production were initiated.**

With this investment:

- **The disposal burden of hazardous waste** is reduced, and environmental risks are minimized.
- Reintegrating waste into the production cycle brings **circular economy principles to life and reduces dependency on virgin raw materials.**
- The introduction of recovery processes contributes to **the indirect reduction of greenhouse gas emissions and optimizes energy and resource consumption.**

Through this investment, HABAŞ has developed not only a production infrastructure but also a robust model for the transition **to environmentally friendly technologies and sustainable industry.** This approach clearly reflects the company's commitment to the **perspective of 'waste as a resource'** and its determination to transform industrial processes into **a field of innovation that minimizes environmental impact.**





## OPERATIONAL EFFICIENCY

The iron and steel industry is characterized by high energy consumption and intensive use of raw materials. For this reason, operational efficiency holds critical importance in terms of sustainability. Improving operational efficiency provides significant environmental and economic benefits.

Optimizing resource use enables achieving the same production volume in steel manufacturing with less raw material and energy, thereby contributing to the conservation of natural resources. This approach supports sustainable development by allowing the more effective use of finite resources. Energy efficiency is one of the fundamental components of operational efficiency in the sector. Productivity gains make it possible to produce more output with less energy input, thereby reducing carbon emissions and reinforcing environmental sustainability. These developments are also essential for compliance with the Green Deal and other environmental regulations.

In addition, operational efficiency enhances waste management. Effective handling and recycling of waste contribute to minimizing environmental impacts and support the implementation of circular economy principles. The iron and steel industry aims to minimize environmental impacts through waste recovery and the more efficient reuse of materials within production processes.





## OPERATIONAL EFFICIENCY

Operational efficiency also provides a significant advantage for the iron and steel industry in terms of cost management. More streamlined production processes enable more efficient use of resources such as raw materials, energy, and labor, contributing to the reduction of operating costs. This, in turn, allows businesses to maintain their competitive strength and enables long-term and sustainable growth.

Reducing the carbon footprint and emissions is another critical benefit provided by operational efficiency. In a sector such as iron and steel, which generates high carbon emissions, it becomes possible to significantly reduce emissions through efficient production methods. This supports the sector's environmental goals and accelerates progress toward carbon neutrality.

Labor productivity is also directly related to operational efficiency. Effective process management ensures more efficient utilization of the workforce, while also contributing to the enhancement of occupational health and safety practices and increased employee satisfaction. These factors strengthen the sector's social sustainability.

In summary, enhancing operational efficiency in the iron and steel industry plays a critical role in achieving both environmental and economic sustainability. Efficient use of resources, reduced energy consumption, improved waste management, and minimized carbon emissions are all key enablers that support the industry's progress toward a sustainable future.





## OPERATIONAL EFFICIENCY

### Operational Efficiency and Alignment with the Sustainability Strategy

At HABAŞ, we manage the potential risks and opportunities related to climate change within our operations and activities through a proactive approach. By closely monitoring economic developments in Türkiye and around the world, we adapt our economic operations to these dynamics. In doing so, we effectively keep under control the risks and opportunities that may lead to significant changes in income and expenditures.

Climate-related risks and opportunities are among the key pillars of our sustainability strategy. To minimize these risks and seize potential opportunities, we take timely precautions against financial risks, strengthen interdepartmental coordination, and implement decisions rapidly. Throughout the process, we maintain regular communication with senior management and perform periodic reporting to continuously improve our operational efficiency.

By closely monitoring the financial impacts of risks and opportunities, we analyze the changes in our annual financial position. These data play a critical role in managing climate-related risks. Through strategic actions such as mitigating foreign exchange risk, making timely and advantageous procurements, and utilizing our existing resources efficiently, we ensure the continuity of our operational efficiency and financial resilience, thereby securing our sustainable growth.

At HABAŞ, we remain committed to effectively managing climate-related risks and opportunities in order to enhance our operational efficiency and achieve our sustainability goals. This approach reinforces the strength and flexibility of our financial management and strategic decision-making processes.





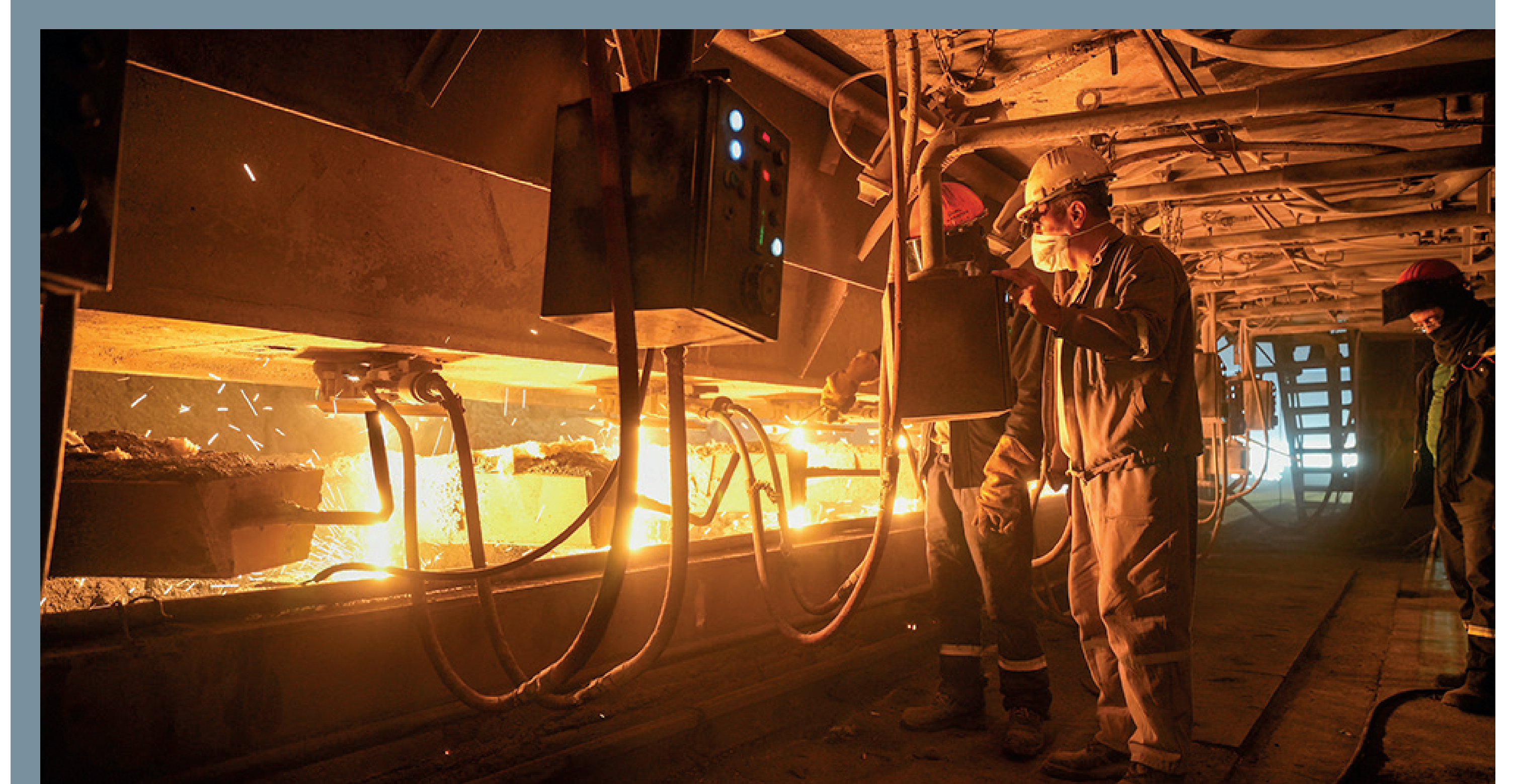
# SUSTAINABLE SUPPLY CHAIN MANAGEMENT

## Our Sustainable Supply Chain Approach

HABAŞ is a leading steel producer on the international stage, committed to ethical values, full compliance with legal regulations, and operating with a strong sense of social responsibility. Our company not only upholds these principles within its own operations but also encourages all stakeholders with whom it engages commercially to adopt the same sustainability and ethical standards. In line with our sustainability approach, we aim for continuous improvement in our operations and product quality, while promoting and encouraging our suppliers to adopt and implement sustainability principles as well. This approach is designed to enhance the environmental, social, and governance (ESG) performance of our supply chain.

HABAŞ's Supplier Code of Ethics covers a strict rejection of corruption and bribery, full compliance with international standards for social and working conditions, a complete prohibition of child labor, and adherence to all environmental regulations. These principles are not limited to the direct activities of our suppliers, but must also be adopted by their employees, subcontractors, and business partners.

Our objective is to support full compliance of our suppliers with these ethical and sustainability criteria, and to contribute to the integration of these principles into the business processes of all suppliers providing goods or services to HABAŞ.





# SUSTAINABLE SUPPLY CHAIN MANAGEMENT

## Supplier Compliance Expectations

At HABAŞ, we expect our suppliers to fully comply with all applicable national and international laws, regulations, and industry standards. In this context, the conventions of the International Labour Organization (ILO), the Universal Declaration of Human Rights, and other relevant international standards serve as our primary references.

We require our suppliers to conduct their activities in adherence to ethical principles and to strictly avoid corruption, bribery, fraud, and unfair business practices.

Respect for employee rights is a fundamental priority for HABAŞ. We expect our suppliers to treat their employees based on principles of human rights, universal dignity, and mutual respect. Forced labor, child labor, and any form of non-voluntary employment are strictly prohibited. It is essential that employees' wages and benefits meet at least the legal minimum wage and are sufficient to cover their families' basic needs. In addition, working hours must be arranged in accordance with applicable labor laws; overtime must be based on voluntary participation; and every employee must be granted their right to weekly rest.

HABAŞ strongly opposes all forms of discrimination. We expect our suppliers not to discriminate in hiring or working conditions based on ethnicity, religion, age, gender, sexual orientation, physical disability, health status, or political opinion.

Moreover, we emphasize as a core requirement that suppliers respect employees' rights to join trade unions and engage in collective bargaining, and that no tolerance is shown for harassment or ill-treatment in the workplace.





# SUSTAINABLE SUPPLY CHAIN MANAGEMENT

## Supplier Compliance Expectations

At HABAŞ, we prioritize that our suppliers provide their employees with healthy and safe working environments. In this context, we expect the complete provision of basic working conditions, including access to potable water, availability of healthcare units, emergency medical support services, and proper lighting and ventilation.

Environmental responsibilities are another critical area of expectation from our suppliers. We require full compliance with applicable environmental legislation in areas such as industrial water usage, air emission control, sustainable waste management, promotion of recycling practices, and management of chemical substances. In addition, obtaining the necessary permits, regularly reporting environmental performance, and adopting sustainability-oriented practices are of great importance to our company.

We also expect our suppliers to develop their product design, services, and implementation processes in accordance with the environmental conditions specified in their contracts and in alignment with HABAŞ’s sustainability objectives.

Our collaboration with suppliers is built on a commitment to uphold and improve these compliance standards. Creating a responsible and sustainable business environment together with suppliers who adhere to these principles is among our top priorities.

In 2024, we reviewed the distribution of scrap suppliers for whom accessibility was available, based on ISO management system certifications. The proportion of certified suppliers was recorded as 40.16% for ISO 9001 (Quality), 20.30% for ISO 14001 (Environment), and 18.57% for ISO 45001 (Occupational Health and Safety). Additionally, corporate supplier compliance declarations were signed by suppliers representing 38.28% of the total procurement volume by weight.

Certification Type	Percentage of Certified Suppliers (%)
ISO 9001 (Quality)	40.16%
ISO 14001 (Environment)	20.30%
ISO 45001 (Occupational Health and Safety)	18.57%





# SUSTAINABLE SUPPLY CHAIN MANAGEMENT

## Supplier Code of Conduct

We expect all our suppliers and business partners to demonstrate responsible and sustainable business practices that align with high ethical standards. In this context, it is our priority that suppliers effectively communicate the Code of Conduct to their employees and take the necessary measures to ensure full compliance. Additionally, we expect our suppliers to establish the necessary documentation and request compliance from their subcontractors and other stakeholders in their supply chain.

We consider it essential that all records related to supplier operations and supply chain processes are accessible to us. To ensure compliance with the established rules, we expect our suppliers to conduct regular internal assessments and we reserve the right to carry out unannounced audits. In cases of non-compliance, we reserve the right to terminate business relationships with the respective suppliers. This approach is part of our commitment to promoting and maintaining a culture of responsible business conduct.

Each supplier is deemed to have agreed to comply with the principles and requirements outlined in the current version of the Supplier Code of Conduct Declaration upon accepting a purchase order from HABAŞ. This commitment is a concrete expression of our suppliers' dedication to ethical and sustainable business practices.

In line with our sustainability goals, we regularly review and update our Supplier Code of Conduct. Any revisions made are communicated to our suppliers, and the integration of the updated rules into their business processes is requested. Acting in mutual understanding and collaboration with our suppliers, we aim to promote sustainability principles across the business world and foster a more responsible corporate culture.

MORE AT [Supplier Code of Conduct and Compliance Declaration](#)







# SUSTAINABLE SUPPLY CHAIN MANAGEMENT

## Supplier Code of Conduct

### BES 6001: Our Responsible Sourcing Certification and Sustainability Commitment

At HABAŞ, we embrace the principles of responsible sourcing in construction products and demonstrate our compliance with the BES 6001 standard through third-party certification.

We first obtained the BES 6001 certificate in 2016, and we continue to maintain it successfully in line with our continuous improvement and development approach.

### Scope of Certification and Assessment Process

The BES 6001 standard is based on the management of responsible sourcing practices in the production of construction-related products. At HABAŞ, we hold this certification for the following production processes:

- Continuously cast steel billets and slabs
- Hot rolled steel bars and coils
- Hot rolled steel wire used in concrete reinforcement
- Hot rolled flat steel products

The assessment and certification processes are conducted by **BRE Global**, an internationally recognized body, in alignment with the highest responsibility standards of the industry.

### Our Responsible Sourcing Policy and Practices

Our responsible sourcing approach is grounded in the principles of **minimizing environmental impacts, fulfilling social responsibilities, and acting in accordance with ethical business practices.**

The systematic practices we implement under the BES 6001 framework generate tangible results under the following pillars:

- **Environmental Responsibility**

We regularly monitor environmental indicators such as greenhouse gas emissions, energy and water consumption, and waste management; we promote efficient and environmentally friendly practices throughout our supply chain to reduce environmental impact.

- **Social and Ethical Responsibility**

Our occupational health and safety practices, engagement with local communities, and employee training programs form the core of our social sustainability approach. We also collaborate with our suppliers to elevate ethical business standards across the value chain.

- **Supply Chain Management**

Our management system encompasses supplier assessments, material traceability, and compliance tracking, which not only meet legal requirements but also ensure that all our supply chain stakeholders operate in a responsible and sustainable manner.

### Strategic Value of Our Certification

Our BES 6001 certification not only documents our international-level responsibilities, but also serves **as a key pillar of HABAŞ’s overarching sustainability strategy.** The practices under the scope of this certification increase our competitiveness in **green construction** and **sustainable building materials**, while reinforcing our leadership position in the sector.

In line with our responsible sourcing principles, our BES 6001 certification reflects not only our commitment to product quality and environmental performance, but also our determination to foster an **ethical, transparent, and responsible business culture across all stakeholder relationships.**

MORE AT  
Responsible Sourcing of Constructional Products





# SUSTAINABLE SUPPLY CHAIN MANAGEMENT

## Global Supply Chain Integration and Local Impact Balance

Since 2021, the uncertain and unstable market conditions observed both in global trade dynamics and national production processes have led HABAŞ to adopt a protective policy, helping to maintain balance across various operations.

In line with our growing production volume over the years and our expansion strategies in global markets, there has been a significant increase in material procurement through imports. While the import volume stood at approximately 22.3 billion TL in 2021, it reached nearly 96.3 billion TL by the end of 2024.

This increase aligns with our objectives of ensuring supply security, meeting quality standards, and supporting operational continuity.

However, in 2024, there was a notable decline in domestic procurement volume compared to previous years. The amount of local sourcing, which was approximately 13.8 billion TL in 2023, dropped to around 467 million TL in 2024. This situation has been influenced by external factors such as exchange rate fluctuations, price competitiveness in global supply chains, and limited raw material availability in the domestic market.

At HABAŞ, our long-term goal is to reduce import dependency and strengthen our cooperation with the local supplier ecosystem in order to enhance the resilience of our supply chain. Particularly within the framework of sustainability criteria, strategic focus areas for the coming period include, increasing the capabilities of local suppliers, reducing carbon footprint, and expanding economic value creation on a regional scale.

In this regard, supply chain sustainability is managed not only through economic indicators, but also via a holistic approach shaped by ethical, environmental, and social criteria. For 2025 and beyond, we plan to implement training, auditing, and sustainability integration programs aimed at developing local suppliers.





# ENVIRONMENT & CLIMATE



## Environment and Climate: Our Shared Responsibility for the Future

In the face of the planet's limited resources, we carry an unlimited responsibility.

The climate crisis is not merely an environmental threat; it is a global reality that is reshaping our production models, patterns of resource use, and the way we envision the future.

At HABAŞ, we regard the reduction of our environmental and climate-related impacts as a cornerstone of our sustainability strategy. With the mindset of giving back to nature with respect for what we take from it, we are taking concrete steps in areas such as reducing carbon emissions, improving energy efficiency, and managing water and waste effectively.

This approach not only fulfills our environmental responsibilities, but also guides our aspiration to leave a more livable world for future generations.

We are making decisions today, taking action today, and transforming today, for the future of our planet.





# ENVIRONMENTAL MANAGEMENT

## Ensuring Nature-Aligned Production: Systematic Environmental Management

At HABAŞ, we take environmental responsibility into account at every stage of production, acting with the awareness that we are not only building today, but also shaping tomorrow. Since 2010, we have continuously improved our environmental management processes, supported by independent audits, to systematize environmentally conscious production.

Our practices, structured in accordance with the ISO 14001 Environmental Management System standard, aim not only to ensure legal compliance but also to achieve measurable, traceable, and continuously improvable environmental performance.

**In managing our environmental impacts, we:**

- Identify, reduce, and prevent risks by developing targeted processes,
- Adopt a holistic approach in areas such as energy efficiency, water consumption, emission control, and waste management,
- Improve resource efficiency and contribute to the circular economy.

**As part of our proactive environmental management approach, we:**

- Increase recycling rates through waste reduction programs,
- Reduce our carbon footprint with energy efficiency projects,
- Minimize our environmental impact through sustainable supply chain practices.

The environmental policies we implement at our production sites reflect our commitment to nature-respecting manufacturing. All our processes are regularly evaluated and improved in line with the principles of traceability and transparency.

At HABAŞ, environmental management is not just a system, it is an integral part of our business. Every piece of steel we produce contributes not only to durable structures but also to a sustainable future.

[More at ISO 14001:2015  
Environmental Management System Certificate](#)

### Environmental Management: Strategic Integration Beyond Compliance

At HABAŞ, environmental management is not limited to regulatory compliance; it is handled as a strategic and inseparable component of our operations.

We have built a proactive culture and systematic improvement process that goes beyond legal requirements to minimize environmental impacts and enhance sustainability.

In 2024, we remained committed to managing environmental risks effectively within production processes, using resources efficiently, and minimizing waste. We continued to implement regular training programs to raise environmental awareness among employees. Additionally, we carried out monitoring and analysis activities supported by advanced technologies to evaluate the environmental performance of our processes on-site.

This approach not only ensures the continuity of our environmental management systems but also allows us to prioritize our responsibility to nature at every step. Our goal is not merely to remain within legal limits, but to leave behind a livable world for both today and future generations, through exemplary practices that set new standards for environmental sustainability in the industry.



## CARBON AND ENERGY STRATEGY & CLIMATE RESILIENCE

Global climate change has evolved beyond being a mere environmental issue for industrial sectors; it now constitutes an economic and structural transformation imperative. The European Green Deal and the accompanying **Fit for 55 Package**, including the implementation of the **Carbon Border Adjustment Mechanism (CBAM)**, are reshaping the production models of energy-intensive industries based on carbon reduction. CBAM, in particular, has become a decisive factor not only environmentally but also commercially, especially for carbon-intensive sectors such as iron and steel, **directly impacting competitiveness**.

The European Union's commitment to achieving **carbon neutrality by 2050** has brought forth a strategic transformation requirement for steel producers in Türkiye, a country highly integrated into the EU market. As one of the EU's largest steel suppliers, Türkiye is directly affected by these regulations. Reducing carbon intensity, ensuring traceability, and enhancing supply chain transparency have become vital for maintaining foreign trade continuity within the sector.

Nevertheless, this transformation is not without its challenges. In 2023 and 2024, **the Turkish steel industry** has faced **multiple structural difficulties**, including **a contraction in global demand, high energy costs, and a lack of preparedness for carbon regulations**. Capacity utilization rates declined, production was temporarily reduced or suspended at certain facilities, and several investment projects were postponed. The emission monitoring systems, digital data infrastructure, and transition-related investments required for CBAM compliance have created a significant financing bottleneck across the industry.

Despite these challenges, **the Electric Arc Furnace (EAF)** production model offers a key advantage due to its significantly lower carbon footprint compared to traditional methods. The presence of EAF facilities alongside integrated plants in Türkiye could serve as a **technological leap point** in the decarbonization journey. However, to fully leverage this advantage, there is a need to ensure **access to green electricity**, improve **availability of low-carbon raw materials**, and **effectively mobilize incentive mechanisms**.

At HABAŞ, we view this transformation not solely as a legal obligation but as an opportunity to rebuild our competitiveness through the lens of sustainability. Through carbon and energy management, adoption of low-carbon production technologies, implementation of energy efficiency practices, and development of robust emission monitoring systems, we adopt a proactive approach to combating the climate crisis.

As of 2024, we continue to strengthen our efforts to reduce greenhouse gas emissions across our production processes, while ensuring **transparent tracking and reporting of product-level carbon footprints**. Our objective is to minimize environmental impacts and to lead the sector in sustainable growth by swiftly adapting to evolving climate-related regulations.







# CARBON AND ENERGY STRATEGY & CLIMATE RESILIENCE

## Greenhouse Gas Emissions Performance and Assessment for Steelmaking and Rolling Mill Operations

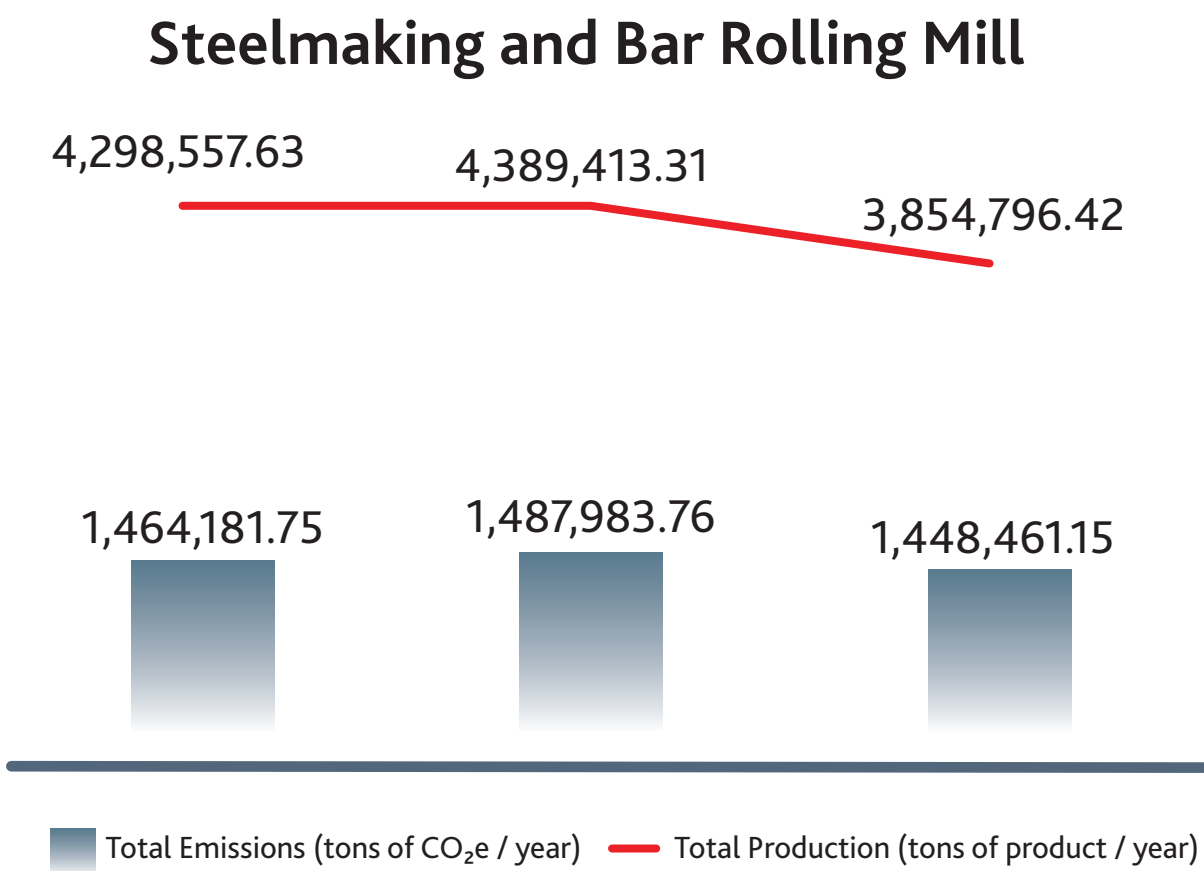
Since 2015, we have been regularly monitoring and reporting our emissions in line with the requirements of the **Greenhouse Gas Monitoring and Reporting Regulation**. We regard this process not merely as a legal obligation, but as **a fundamental element of our corporate responsibility in combating climate change**. In addition, to enhance **our sectoral benchmarking and performance tracking capabilities**, we also conduct greenhouse gas calculations in accordance with the ISO 14064-1:2018 standard. This enables us to develop data-driven strategies aligned with industry trends and future climate expectations.

In contrast, there was a slight increase in our **Scope 2 emissions** (indirect emissions from purchased electricity), which reached 812,084 tons of CO<sub>2</sub>e in 2024. This increase highlights the influence of the carbon intensity of purchased electricity on our overall greenhouse gas performance, **underlining once again the importance of transitioning to lower-carbon and preferably renewable energy sources in electricity procurement**.

Based on emission data covering HABAŞ’s steelmaking and bar rolling mill operations, **our Scope 1 emissions** (direct emissions) in 2024 decreased by approximately **7.4%** compared to 2022, reaching **636,377 tons of CO<sub>2</sub>e**. This positive development reflects the impact of energy efficiency measures, process improvements, and enhanced operational controls.

Steelmaking + Bar Rolling Mill		2022	2023	2024
Scope 1*	ton CO <sub>2</sub> e / year	687,229.61	683,280.18	636,377.21
Scope 2	ton CO <sub>2</sub> e / year	776,952.14	804,703.58	812,083.94
<b>Total Emissions</b>	<b>ton CO<sub>2</sub>e / year</b>	<b>1,464,181.75</b>	<b>1,487,983.76</b>	<b>1,448,461.15</b>
Total Production	ton product / year	4,298,557.63	4,389,413.31	3,854,796.42
<b>GHG Intensity</b>	<b>ton CO<sub>2</sub>e / ton</b>	<b>0.34</b>	<b>0.34</b>	<b>0.38</b>

\* Value calculated solely based on steelmaking and bar rolling mill operations.







# CARBON AND ENERGY STRATEGY & CLIMATE RESILIENCE

## Greenhouse Gas Emissions Performance and Assessment for Flat Rolling Mill Operations

HABAŞ, which adopts a sustainable production approach on a process basis, monitors its operations not only through total emission values but also through emission intensity associated with production volume. The greenhouse gas emission assessment specific to the Flat Rolling Mill enables the monitoring of environmental performance from a sustainability perspective.

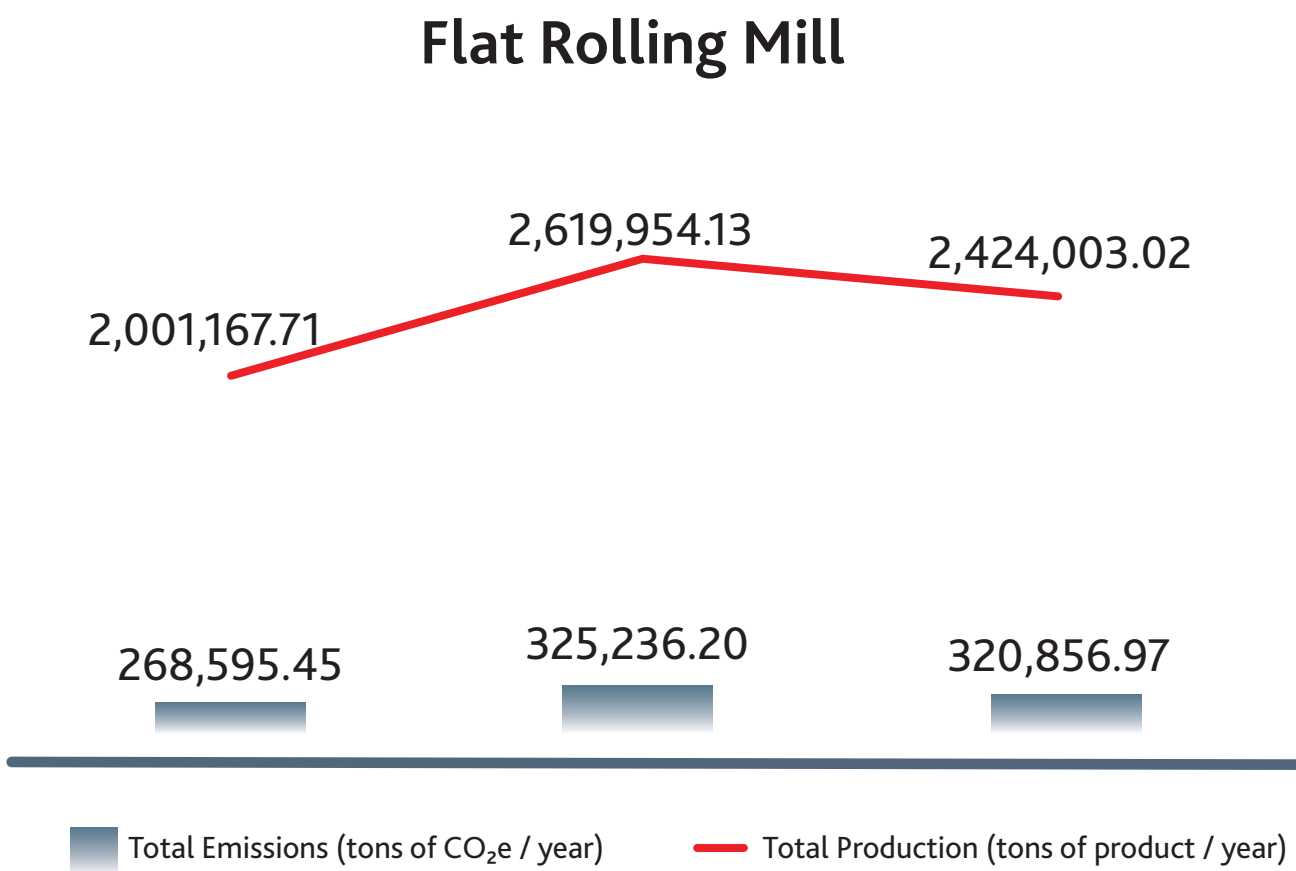
As of 2024, the total greenhouse gas emissions from the Flat Rolling Mill have been calculated as **320,856 tons of CO<sub>2</sub>e**. This value represents **a decrease of approximately 1.3%** compared to 2023. The decline is primarily driven by a limited reduction in Scope 1 emissions; direct emissions, which were 198,664 tons of CO<sub>2</sub>e in 2023, decreased to **193,961 tons of CO<sub>2</sub>e** in 2024. This reduction reflects the impact of energy optimization and efficiency practices in production processes.

On the other hand, a slight increase was observed in Scope 2 (indirect) emissions compared to 2023, rising from 126,572 tons of CO<sub>2</sub>e to 126,896 tons of CO<sub>2</sub>e. The stable course of electricity consumption relative to total production volume prevented this increase from exerting pressure on emission intensity.

Meanwhile, **greenhouse gas intensity (tons of CO<sub>2</sub>e / ton of product)** rose **from 0.12 in 2023 to 0.13 in 2024**. The main reason for this increase is the 7.5% decrease in production volume, despite a slight decline in total emissions. This indicates that when production decreases, the impact of fixed and semi-fixed emission sources per unit of product increases.

In light of these data, while the Flat Rolling Mill’s carbon management performance is **progressing in controlling absolute emissions**, it also highlights the need for additional strategic investments and diversification of energy sources to meet the emission intensity reduction target. Going forward, areas such as energy efficiency projects, the transition to alternative energy sources, and production optimization will play a key role in improving environmental performance.

Flat Rolling Mill		2022	2023	2024
Scope 1	ton CO <sub>2</sub> e / year	172,461.15	198,664.11	193,960.68
Scope 2	ton CO <sub>2</sub> e / year	96,134.30	126,572.09	126,896.29
<b>Total Emissions</b>	<b>ton CO<sub>2</sub>e / year</b>	<b>268,595.45</b>	<b>325,236.20</b>	<b>320,856.97</b>
Total Production	ton product / year	2,001,167.71	2,619,954.13	2,424,003.02
<b>GHG Intensity</b>	<b>ton CO<sub>2</sub>e / ton product</b>	<b>0.13</b>	<b>0.12</b>	<b>0.13</b>







# CARBON and ENERGY STRATEGY & CLIMATE RESILIENCE

## Energy Efficiency and Resource Management

We consider improving energy efficiency not only as an environmental objective but also as a **strategic element that supports competitiveness**. In line with rising energy costs, carbon-neutral production targets, and regulatory frameworks such as the European Green Deal, we focus on reducing our energy consumption and using our resources more efficiently.

## Equipment Selection Based on Energy Performance

In 2024, we continued to prioritize **the selection of equipment with high energy performance** in our new investments. In particular, we accelerated the transition to technologies that deliver higher efficiency with lower energy consumption in motor and pump systems. Additionally, **rehabilitating existing systems to improve their energy efficiency and ensuring traceability through automation systems** were among the key steps taken to reduce energy intensity.

## Optimization of Process-Related Consumption

In the iron and steel industry, one of the most energy-intensive sectors, **process-related energy consumption** constitutes a significant portion of total usage. In this context, HABAŞ has been working on optimizing the consumption of **anthracite and other carbon-based inputs** used in steelmaking and rolling processes. **Fuel and raw material-related control systems** implemented in 2024 have made consumption monitoring and efficiency measurement more precise.

## Transition to Renewable Energy

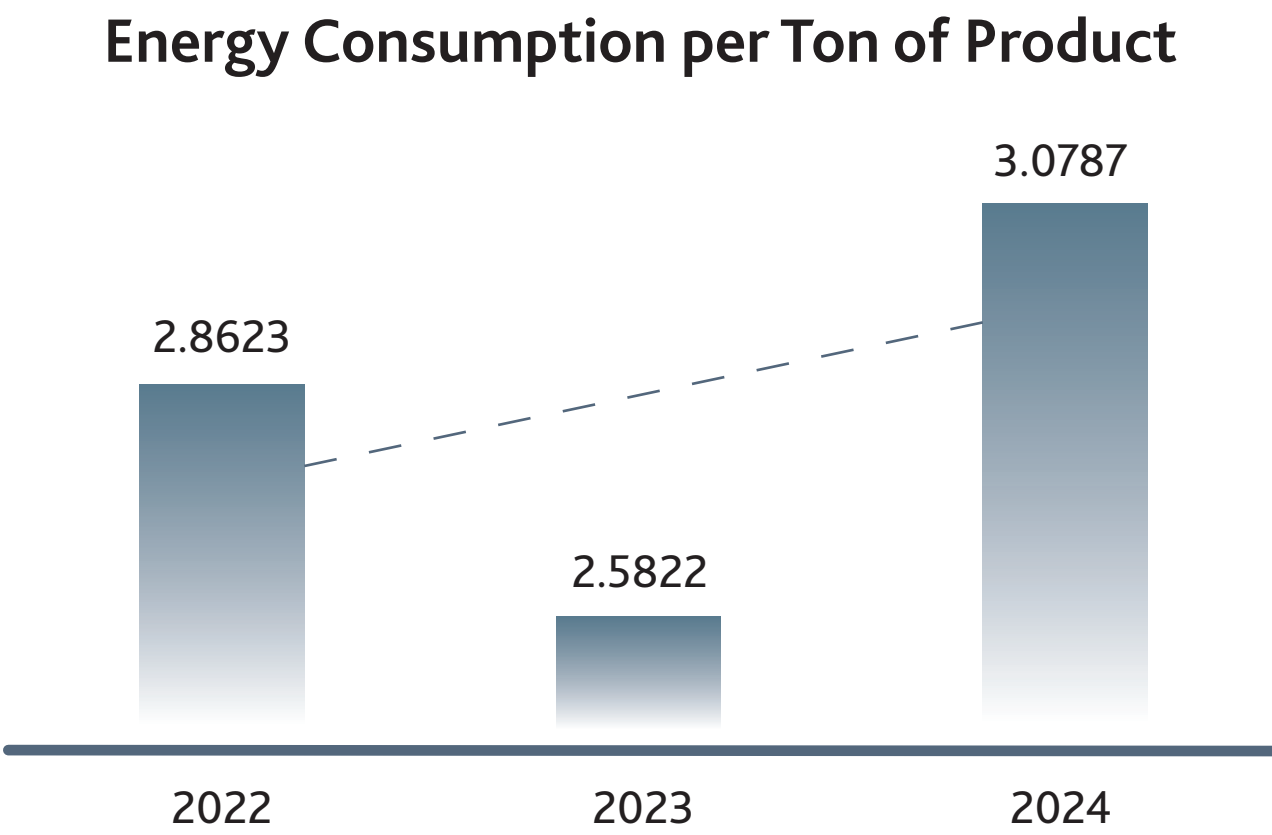
Reducing the carbon intensity of energy supply is an integral part of our greenhouse gas reduction strategies. In this regard, feasibility studies are ongoing for **the integration of renewable energy sources into the production system**, and **mechanisms such as solar energy and green electricity procurement** are being evaluated. As of 2024, the applicability of **green-certified electricity purchasing models** within our electricity supply chain has been reviewed, and a target has been set to increase this share in our medium-term energy portfolio.

## Integrated Management Approach

To ensure the sustainability of success in energy and resource management, **integrated management systems** are being implemented, allowing energy consumption, carbon emissions, and operational efficiency data to be evaluated together. Through this approach, we aim not only to **reduce consumption but also to move toward a structure with lower carbon intensity**.

Renewable Energy	Indicator	Unit	2023*	2024*
	Renewable Energy Consumption	GJ	3,186,843.29	3,564,023.63
Billet	Renewable Energy Ratio	%	46.80	45.00
	Renewable Energy Consumption	GJ	3,557,809.53	3,738,857.63
Slab	Renewable Energy Ratio	%	40.40	45.00

\*Energy consumption for billet and slab production in the steelmaking plant has been considered. The renewable energy ratio has been calculated based on the share (%) of renewable energy in the national electricity grid mix (using data from EPDK- Energy Market Regulatory Authority).





# CARBON and ENERGY STRATEGY & CLIMATE RESILIENCE

## Transparent and Accountable Production Approach Through Environmental Product Declarations (EPDs)

We consider environmental sustainability not only as a responsibility but also as a competitive advantage. In this regard, we systematically monitor, document, and publicly disclose the environmental impacts of our production processes. Reducing the carbon footprint, utilizing circular raw materials, and improving energy efficiency are critical for the continuous improvement of product-based environmental performance.

Accordingly, we continue to prepare and publish **Environmental Product Declarations (EPDs)** for our products. EPD reports are prepared in accordance with **ISO 14025** and **EN 15804** standards and present transparent environmental performance data based on Life Cycle Assessment (LCA) methodology.

### Hot Rolled Flat Steel Products

According to current EPD report data, a high proportion of recycled scrap steel is used in the production of our hot rolled flat steel products. Over the product life cycle:

- **79.4% recycled raw materials** are used,
- **92% recyclability potential** is identified,
- Thanks to Electric Arc Furnace (EAF) technology, the products are manufactured with significantly **lower carbon emissions compared to primary production sources**.

Operational practices that enhance energy efficiency contribute to carbon reduction, while also optimizing waste generation and raw material consumption.

### Rebar Products

Our rebar products are typical examples of low-carbon production models, heavily relying on recycled scrap. According to the latest EPD data:

- They are produced with **89.1% recycled content**,
- They have a **92% recycling rate** at end-of-life, enabling re-entry into industrial use.

This high recycling capacity significantly contributes to both reducing environmental impacts and supporting the transition to a circular economy.

Our EPD reports not only allow us to monitor past environmental performance but also function as a **strategic data source** for making future production decisions more sustainable. Through these efforts:

- We better identify areas for improvement within our energy management systems,
- We concretize product-based carbon intensity reduction targets,
- We provide measurable and comparable data to support climate change mitigation.

Our EPD practices are also critical for ensuring **our products are accepted in global markets**, achieving full compliance with environmental regulations, and **preparing for carbon-based trade mechanisms such as CBAM**.

EPD Report for Carbon Steel Reinforcing Bar



EPD Report for Hot Rolled Flat Steel

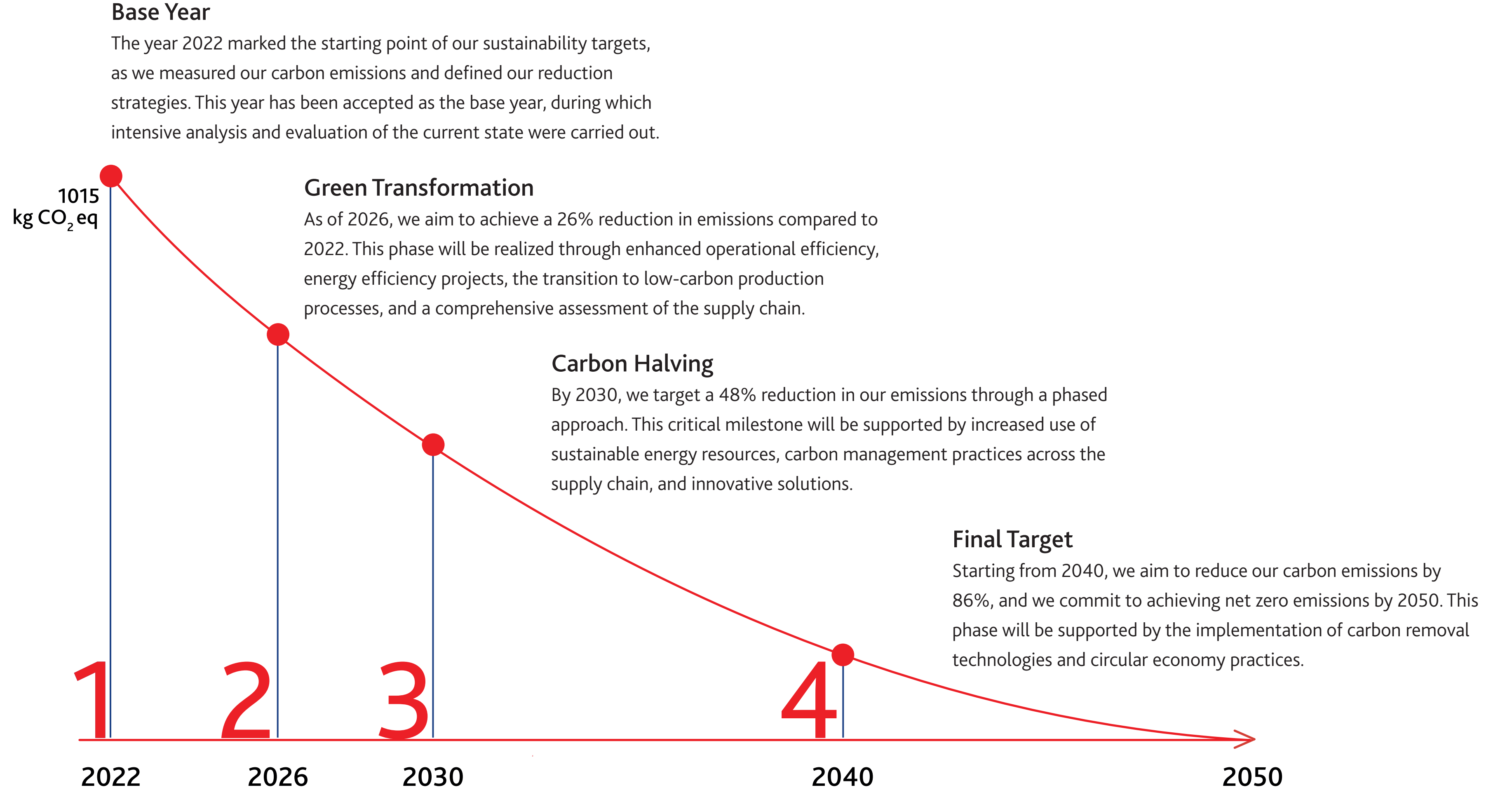




# CARBON and ENERGY STRATEGY & CLIMATE RESILIENCE

## Net Zero Emissions Journey and Roadmap

At HABAŞ, we are committed to building a sustainable future and are taking concrete steps toward our net-zero emissions goal. We have designated 2022 as our base year for this journey and aim to reach net-zero emissions by 2050 by reducing our carbon footprint through short-, medium-, and long-term targets. Our roadmap to net-zero emissions consists of four key phases:





# WATER and WASTEWATER MANAGEMENT

## Water and Wastewater Practices

The efficient and responsible use of water resources in our operational activities constitutes one of the fundamental pillars of HABAŞ’s commitment to environmental sustainability. Our approach to water management is shaped by the **Integrated Management Systems** Policy, which aims not only to meet today’s needs but also to conserve natural resources for future generations.



## Process Water Recovery and Systematic Improvement

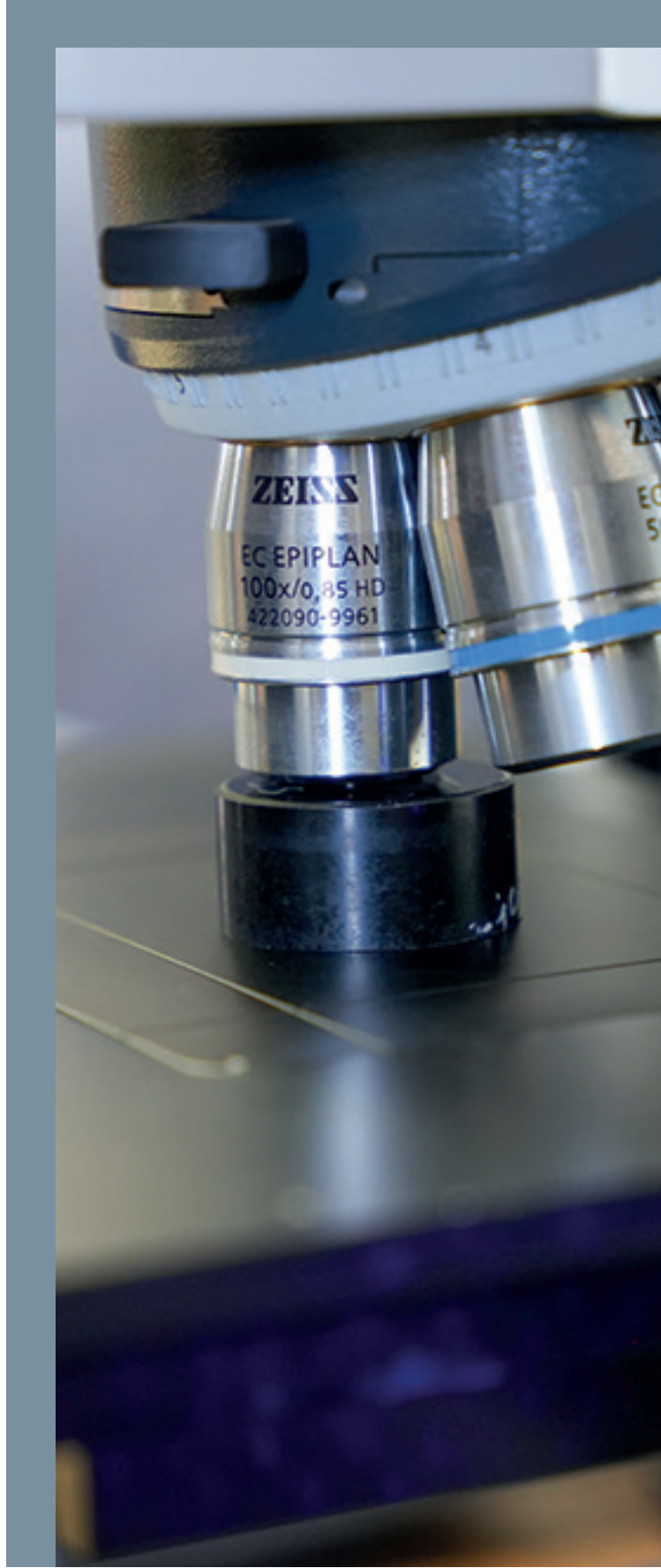
The recovery and reuse of process water is a core component of our water management strategy. This system, supported by technical feasibility analyses, expert consultations, and compliance evaluations conducted by universities, enables us to maintain process water quality at a sustainable level.

In particular, our **desalination** facility, which treats seawater for use in process cooling systems, has played a transformative role in reducing the consumption of groundwater. This application has both reduced pressure on underground water reserves and ensured the integration of alternative water sources into our production processes.

## Monitoring, Measurement, and Reporting Approach

Our performance in water consumption and wastewater management is monitored through regular measurement and analysis. Water consumption across our production sites is systematically tracked, and the quality of wastewater is periodically analyzed to ensure compliance with environmental standards. Moreover, analytical results related to wastewater discharge parameters are reported monthly to the system of the Ministry of Environment, Urbanization and Climate Change, in line with our transparency-based reporting approach.

This comprehensive water management approach continues to support HABAŞ’s sustainability strategy by reducing environmental impact, improving resource efficiency, and contributing to climate change mitigation efforts.





# WATER and WASTEWATER MANAGEMENT

## A Performance-Oriented Transformation in Water Resource Management

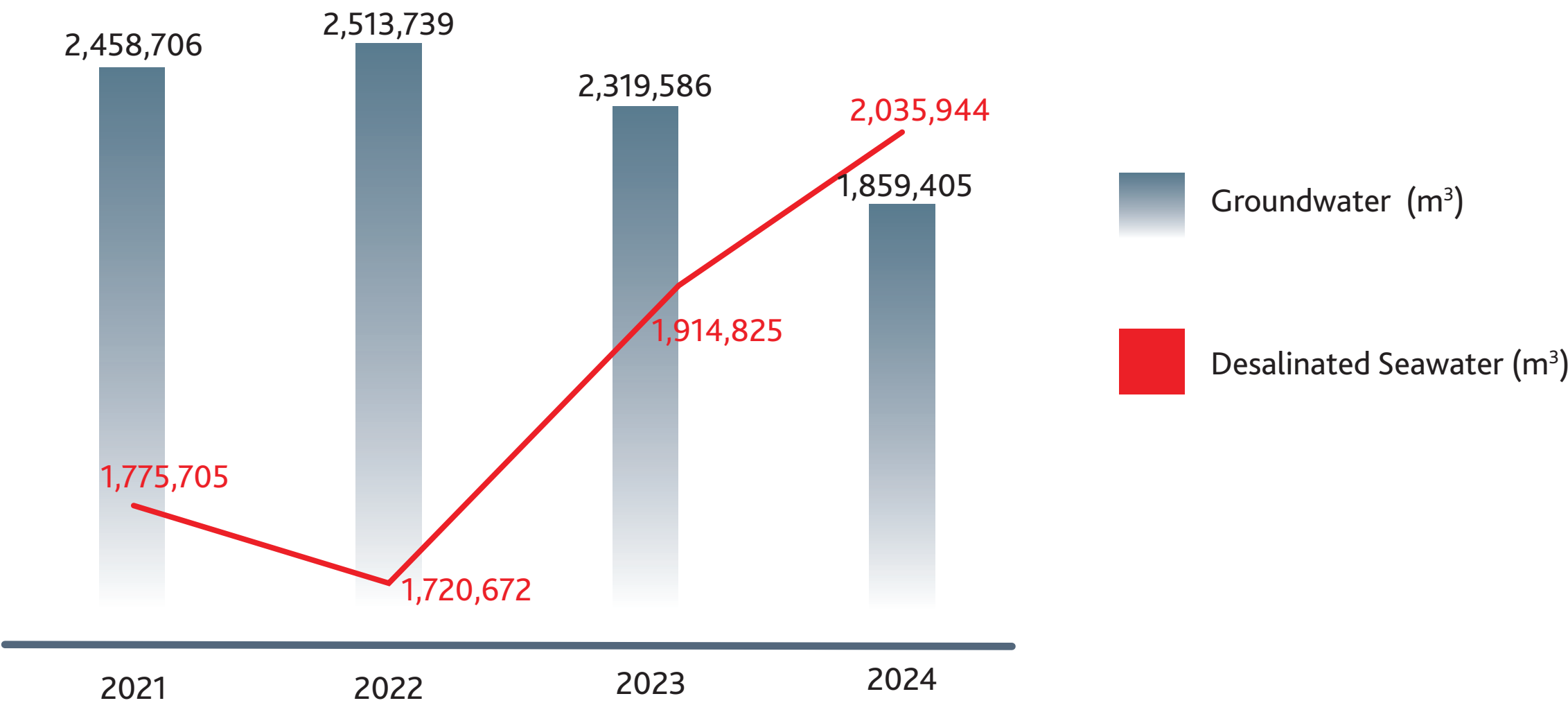
We continue to translate our long-term goals regarding the sustainable management of water resources into tangible outcomes. The water consumption data for the 2021–2024 period clearly demonstrate the performance-driven success of our integrated water management strategy.

In 2024, groundwater consumption decreased to **1,859,405 m³**, representing an approximate **24% reduction** compared to 2021. This decline was not only the result of reduced consumption but also the implementation of **a systematic water substitution strategy aimed at preserving freshwater resources**.

During this period, **the integration of treated seawater into production processes** enhanced the diversity of our water sources and contributed to our goal of minimizing environmental impact. In 2024, desalinated seawater usage reached **2,035,944 m³**, marking a **15% increase** compared to 2021. This increase is directly linked to technical upgrades in our desalination plant, improvements in process water recovery rates, and enhanced system efficiency.

These results reflect the successful implementation of HABAŞ’s **integrated policies shaped by the principles of circularity, resource efficiency, and environmental impact reduction in water management**. In particular, the broader shift from groundwater to seawater use is seen not only as an operational improvement but also as a strategic advancement from an ecological standpoint.

This comprehensive transformation confirms that our water conservation policies are yielding measurable outcomes and making **a strong contribution to our environmental sustainability goals**.





# CIRCULAR ECONOMY and WASTE MANAGEMENT

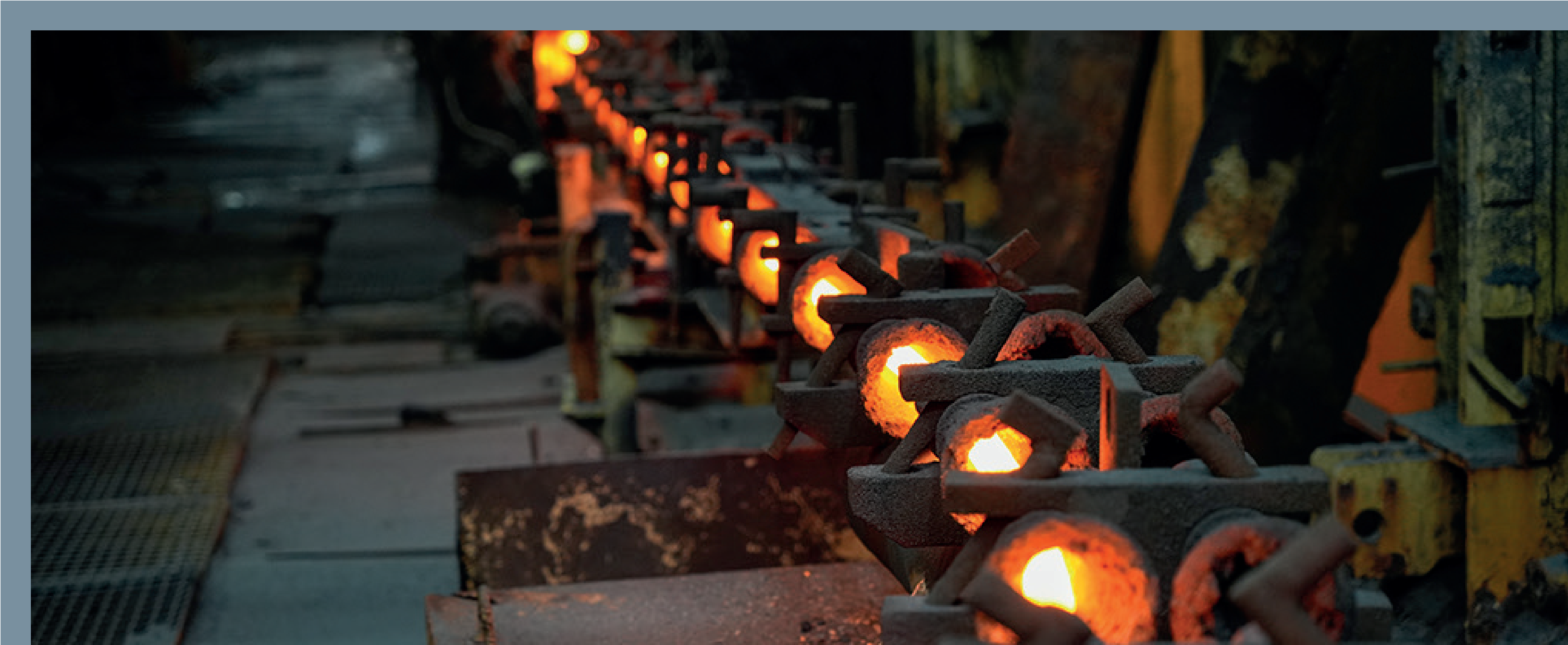
One of the cornerstones of our environmental management approach is a waste management system based on the principles of the circular economy. Minimizing waste generation at the source and reintegrating the resulting waste into the economy through recycling are central to our operational processes.

## Our Priorities in Waste Management

The segregation of waste in accordance with its type, the reduction of total waste volume, and the reintegration of recyclable materials into the circular economy are among our core priorities. To achieve these objectives, we define waste reduction targets every six months and enhance awareness and responsibility among all employees through regular training programs. Our waste management practices are supported by policies and procedures defined within our integrated management systems and are continuously improved.

## Reducing Environmental and Social Impacts

We continue to develop processes that reduce the use of natural resources and transform waste into secondary raw materials in order to minimize the environmental and social impacts of waste streams. In this context, mill scale and metal-containing waste generated from our flat rolling operations are reused at our main production facility, which shortens waste logistics and contributes to the conservation of natural resources. In accordance with our environmental permits and licenses, non-recyclable wastes that have not yet reached the end of their economic life are directed to authorized recycling facilities, and these processes are carefully monitored.





# CIRCULAR ECONOMY and WASTE MANAGEMENT

## Strategies for Reducing Waste Generation and Flow

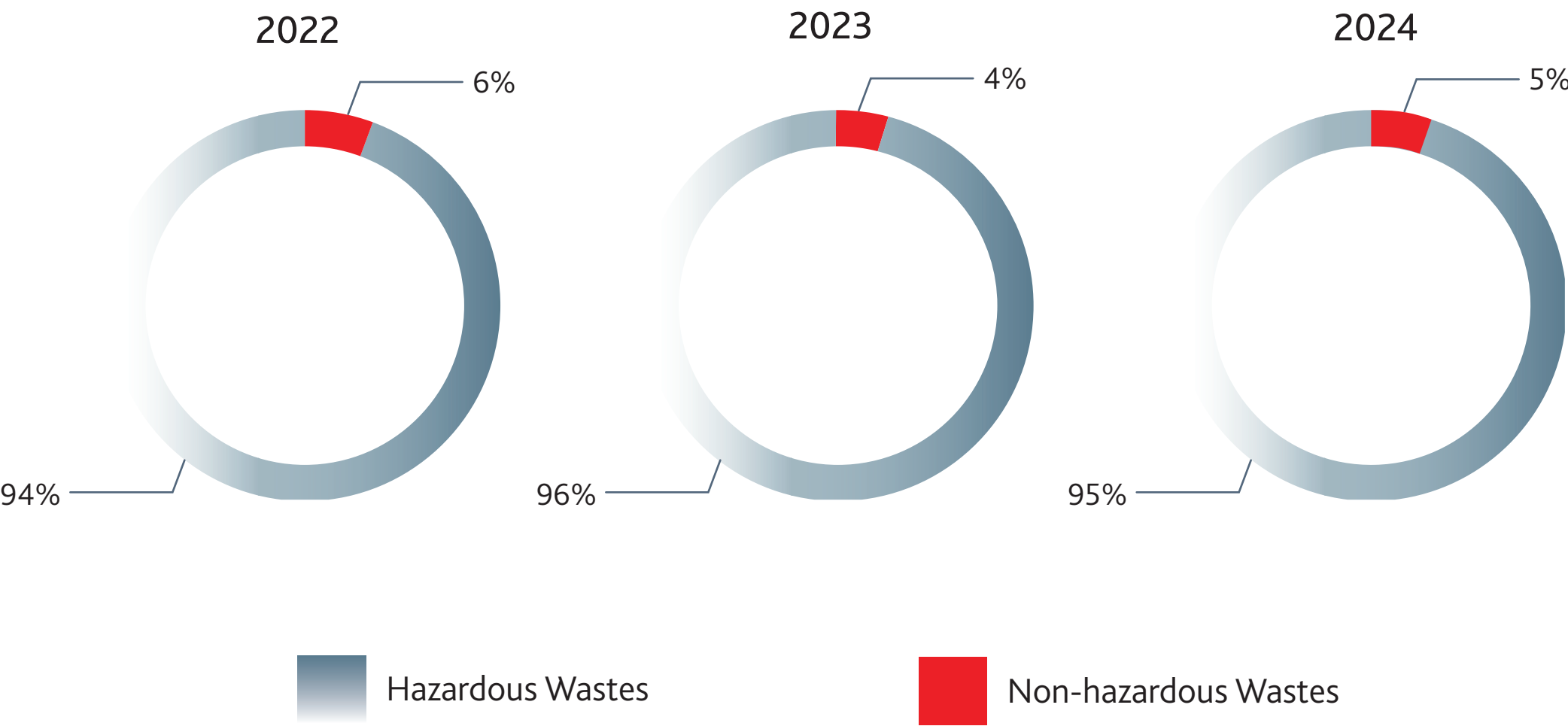
In 2024, we continued to implement our waste management strategies with the goal of minimizing waste generation and using resources efficiently. Through the use of higher-quality scrap in our production processes, we reduced waste generation and prioritized the proper segregation of waste at its source to ensure inclusion in recycling processes.

Within the scope of our waste management strategies, the classification, temporary storage, and transfer of waste generated from production processes, auxiliary operations, and maintenance activities to licensed facilities have been continuously monitored, ensuring full compliance with applicable legal regulations.

## Waste Management Performance and Improvement Efforts

While some waste types increased compared to previous years, 2024 waste management performance data indicate that overall waste generation has been kept under control. Within the scope of the Zero Waste initiative, related efforts, improvements, training, and awareness-raising activities have been carried out rigorously.

Throughout 2024, HABAŞ actively contributed to the circular economy through practices aimed at reducing, reusing, and recovering waste, and continued to implement its waste management strategies with a strong focus on minimizing environmental impact and ensuring the efficient management of resources.





# CIRCULAR ECONOMY and WASTE MANAGEMENT

## Contribution to the Circular Economy: Transforming EAF Dust into Resource Value

During steelmaking operations, particularly in Electric Arc Furnace (EAF) processes, **dust** is generated and carried along with process gases, eventually accumulating as fine particles in filter systems. This EAF dust **contains valuable metals such as zinc, lead, cadmium**, iron, and **manganese**, and therefore holds significant economic and environmental potential when properly recovered. At the same time, due to its content of heavy metals, it is classified as hazardous waste; however, with the appropriate recovery methods, it becomes a valuable secondary raw material.

To date, HABAŞ has managed EAF dust by **transferring it to licensed recovery facilities** in accordance with environmental regulations. However, this practice incurred both higher operational costs and increased environmental impacts due to the **logistics involved in transportation**. To eliminate these negative externalities and enhance its internal waste management capabilities, HABAŞ has made **a strategic investment decision to establish an in-house recovery solution**.

The primary objective of this facility is to extract zinc and other metallic compounds from EAF dust using environmentally compatible technologies, thereby reintroducing them into the economy as secondary resources.

With this investment, external dependence in the disposal of EAF dust is eliminated, and environmental risks are significantly reduced. Recovery of hazardous waste on-site not only **minimizes the environmental impact** of transportation but also **increases operational efficiency**. This process enables the integration of circular economy principles into production systems and facilitates a more sustainable management of energy and raw material consumption. The commissioning of recovery processes contributes to the reduction of natural resource usage required for raw material production, which in turn supports the reduction of greenhouse gas emissions and strengthens the infrastructure for sustainable manufacturing.





# OUR PEOPLE & COMMUNITIES



## We Take Responsibility for Our Employees and Society

At HABAŞ, we adopt a holistic approach to sustainability that goes beyond environmental impacts and places people at its core.

Our corporate culture is built on creating a safe, respectful, and inclusive working environment, providing conditions in which every individual can realize their full potential. We view diversity as a strength and equality as a non-negotiable principle, and we establish systems that continuously support the development of our employees.

In this context, our policies on training, competency development, and fair remuneration are considered strategic investments not only for individual growth but also for societal well-being.

We firmly believe that sustainable development can only be achieved through a human-centered perspective, and we remain committed to creating value for both our colleagues and the society in which we operate.





# OCCUPATIONAL HEALTH and SAFETY

At HABAŞ, we consider employee health and safety to be one of the fundamental priorities across all our operations. With a strong commitment to valuing human life above all else, we are firmly progressing toward our “zero accident” goal. To achieve this objective, we adopt a proactive, innovative, and continuous improvement-oriented management approach.

We integrated our Occupational Health and Safety (OHS) Management System into our corporate structure by obtaining its first certification in 2011. Since then, we have continuously reviewed and updated the system in line with national legislation and international developments.

Structured in accordance with the ISO 45001 standard, our OHS Management System enables the anticipation of risks, their effective control, and the implementation of preventive measures. In this regard, we not only meet legal obligations but also follow global best practices, embedding a culture of safety as an organizational reflex.

HABAŞ ensures a safe working environment for all employees and considers the protection of the health of every individual—whether in the field or in the office—as an integral part of its sustainability commitment.

[MORE AT ISO 45001:2018 Certificate](#)





## OCCUPATIONAL HEALTH and SAFETY

### Risk Management and Safety Culture

We implement systematic risk assessment processes at every stage of our operations, adopting the principle of controlling hazards at their source. We regularly evaluate our work environments, continuously improve safety standards, and consistently implement structural measures to prevent occupational accidents.

We value employee participation, one of the key foundations of a strong safety culture and actively include our employees' ideas and suggestions in the development of occupational health and safety (OHS) policies. We believe this inclusive approach is fundamental to establishing a lasting culture of safety.

### Training and Awareness

To enhance the effectiveness of our occupational health and safety practices, we regularly conduct training sessions and awareness programs for all employees. These efforts help ensure that safe behaviors become habitual and empower our employees to identify potential risks proactively and take preventive measures.

With the awareness that every individual shares responsibility for a safe workplace, embedding a safety-oriented mindset as a corporate reflex remains one of our top priorities.

### Continuous Improvement and Performance Monitoring

We regularly monitor our performance related to employee health and safety, identifying areas for improvement based on collected data. Thanks to this cyclical structure, we are able not only to address existing risks but also to anticipate potential future threats.

In addition to physical safety, we are expanding our initiatives to support the psychosocial well-being of our employees. Our goal is to build a work environment where every employee feels safe and valued.

### Safe Steel, Sustainable Future

At HABAŞ, we view safety not merely as a target, but as an essential process for achieving sustainable success. With an approach that places employee well-being at the center, we aim to lead the industry in safe production and raise our standards year after year.





# OCCUPATIONAL HEALTH and SAFETY

## Occupational Health and Safety Services and Employee Engagement

At HABAŞ, we consider the health and safety of our employees a top priority and deliver occupational health services through a comprehensive and integrated approach. All employees regularly undergo periodic health examinations, and medical screenings are systematically repeated to detect potential risks at an early stage. Through this process, we aim to preserve and enhance the quality of life of our employees.

Our facilities are equipped with two ambulances and experienced medical teams, ready to respond to emergencies at any moment. Rapid and effective solutions are implemented to ensure health security in the workplace. Additionally, regular hygiene and health training sessions are conducted to embed hygiene awareness into the corporate culture.

To enhance the effectiveness of our occupational health and safety practices, our employees receive OHS training upon recruitment and at scheduled intervals thereafter. In addition, targeted training is provided on specialized topics such as working at heights, confined space entry, fire safety, and LOTO (Lockout-Tagout) procedures. The level of knowledge gained from these sessions is objectively measured through pre- and post-training tests, while feedback mechanisms are used to continuously monitor and improve training quality.

We actively support the engagement of our employees to integrate their knowledge and experience into our processes, and we promote two-way communication on health and safety matters. HABAŞ believes that building a safe working environment is only possible with the full participation of its employees.





# OCCUPATIONAL HEALTH and SAFETY

## Stakeholder Engagement Through Feedback Mechanisms

We shape our corporate development with a continuous improvement approach, taking into account the opinions, complaints, and suggestions of all our stakeholders, primarily our employees.

Throughout 2024, a total of 135 feedback entries were received through the actively functioning “Complaint and Suggestion Reporting System.”

Of these, **79.3% (107 entries)** were classified as complaints, while **20.7% (28 entries)** were suggestions.

Among the complaints, **90.7% (97 entries)** were resolved, while **only 10** remained under evaluation.

Of the suggestions, **13 were accepted and implemented**, while 15 were declined based on feasibility assessments and prevailing conditions.

An analysis of the feedback content reveals that most entries were related to essential services and safety topics such as **cafeteria operations, employee transportation, and occupational health and safety (OHS)**. In addition, feedback was received regarding **unit-specific operational processes such as dispatch department** as well as **governance-related** suggestions and critiques.

Through this system, we have reinforced our principles of transparency and accountability not only in operational processes but also in corporate governance. This has enabled a more inclusive approach to stakeholder engagement, built on open dialogue with all our stakeholders.

Feedback Type	Total Received	In Progress	Resolved	Accepted	Rejected
Complaint	107	97	10	-	-
Suggestion	28	-	-	13	15
Total	135	97	10	13	15





# OCCUPATIONAL HEALTH and SAFETY

## Participatory and Proactive Approach in Occupational Health and Safety

In line with our sustainability goals, HABAŞ considers its employees and all stakeholders as fundamental pillars of its corporate structure. With this perspective, we foster a participatory culture in the field of occupational health and safety (OHS), establishing mechanisms where our employees, contractors, and other stakeholders can actively contribute.

Through regularly held Contractor OHS Committee Meetings and Plant Safety Committee Meetings, we work collectively to maintain safe working environments. To enhance interdepartmental synergy, we organize consultation meetings and collect suggestions, requests, and complaints through accessible platforms open to all employees, sharing these inputs directly with top management. This system enables prompt actions and effective planning, thereby making OHS-related decision-making processes more inclusive and efficient.

To systematically monitor and improve our OHS performance, we regularly present indicators such as incident frequency and severity rates and unsafe condition/behavior statistics during committee meetings with managers. Additionally, through processes initiated in the QDMS system, we conduct current state analyses, monitor performance indicators, and promote a culture of continuous improvement.

All visitors, interns, and subcontractors entering our facilities are subject to controlled access in compliance with safety procedures approved by the Technical Safety Department. This process is carried out in integration with the Work Permit System and Visitor Information Booklet, contributing to the safety of operations in the field.

Our OHS training programs aim to strengthen behavior-based safety awareness among all employees, ensuring that individuals gain not only technical knowledge but also an internalized understanding of workplace safety.

At HABAŞ, we regard OHS management not merely as incident tracking, but as a proactive process of identifying and managing risks in advance. This mindset is a key implementation pillar of our sustainability strategy. Our firm commitment to creating a safe and healthy work environment directly contributes to the establishment of a strong OHS culture and to the long-term success of our company.





## DIVERSITY, INCLUSION and EQUAL OPPORTUNITY

We regard our human capital as our most valuable asset, and position diversity, inclusiveness, and equal opportunity as fundamental elements of our corporate culture. In line with our Human Resources and Human Rights Policies, we are committed to creating a respectful, fair, participatory, and supportive working environment for all our employees.

### Equal Opportunity and Prevention of Discrimination

We maintain zero tolerance for any form of discrimination in all our human resources practices—including recruitment, placement, compensation, career planning, training, and promotion—on the basis of gender, age, ethnic origin, disability, religious belief, political opinion, marital status, or sexual orientation. At HABAŞ, decisions are made solely on the basis of individual performance, competencies, and experience.

We have a zero-tolerance policy against harassment, bullying, discrimination, and exclusionary behavior, aiming to ensure a fair and safe working environment. We recognize the provision of equal rights to all employees and respect for personal differences as a corporate responsibility.

### Our Diversity Policy

HABAŞ believes that a workforce comprised of individuals with different talents, backgrounds, and perspectives supports innovation and organizational success. We continue to implement practices such as increasing the employment of women and strengthening their representation in leadership positions, promoting the inclusion of individuals with disabilities, and prioritizing recruitment from different regions of Türkiye to enrich our organization with cultural diversity. Our diversity policy is the foundation of our vision to build a structure that maximizes the potential of our employees, encourages diverse perspectives, and produces holistic solutions.

### Inclusive Working Culture

One of our core priorities is to create a workplace where our employees feel valued, safe, and a sense of belonging, and where they can express their ideas freely. Our corporate culture, shaped around values such as leadership, participation, continuous improvement, and quality orientation, is aimed at supporting the personal and professional development of our employees.

Accordingly, our policies and practices are regularly reviewed and improved through feedback received from our employees to enhance inclusivity. As HABAŞ, we remain committed to building a business environment where everyone has equal opportunities and diversity is embraced as a strength.

[MORE AT Human Resources Policy](#)

[MORE AT Human Rights Policy](#)





## DIVERSITY, INCLUSION and EQUAL OPPORTUNITY

We regard respect for fundamental human rights in the workplace as an integral part of our corporate responsibility. In line with this understanding, we strive to provide our employees with a safe, healthy working environment that supports work-life balance.

We ensure that all our operations are conducted in full compliance with the standards of the International Labour Organization (ILO) and relevant national legislation. We maintain a strict zero-tolerance policy against practices that violate human rights, such as child labor, forced labor, and human trafficking. We consider diversity and inclusion as core elements of our human resources policy and attach great importance to providing equal opportunities for all our employees. Accordingly, we continue to strengthen our practices aimed at improving gender balance each year.

When analyzing the gender distribution of employees between 2021 and 2024, a steady increase in the number of female employees is observed: The number of female employees rose from 9 in 2021 to 14 in 2022, then to 22 in 2023, and reached 28 in 2024.

This increase represents a growth of 211% over the four-year period. In the heavy industry sector, where female employment remains limited, this development demonstrates our firm commitment to promoting diversity as an organization.

On the other hand, while the number of male employees increased between 2021 and 2023, it declined to 1,953 in 2024. This is noteworthy in terms of both workforce optimization and the relative increase in the proportion of female employees.

As of 2024, female employees account for 1.4% of our total workforce. Although this ratio remains low, the year-over-year growth trend reflects a positive trajectory. Planned actions aimed at supporting female employment particularly target increasing the representation of women in technical and managerial roles.

In this context, we plan to further strengthen our recruitment policies, training and development programs, mentorship initiatives, and career support mechanisms to increase female employment in the coming period.







# TRAINING, TALENT and COMPENSATION MANAGEMENT

In 2024, we accelerated our investments in training and development to support the professional and personal growth of our employees. In line with our continuous improvement approach, we implemented comprehensive training programs in technical areas such as integrated management systems, occupational health and safety, environmental management, and waste management. At the same time, we focused on strengthening individual competencies through programs on leadership, teamwork, and personal development.

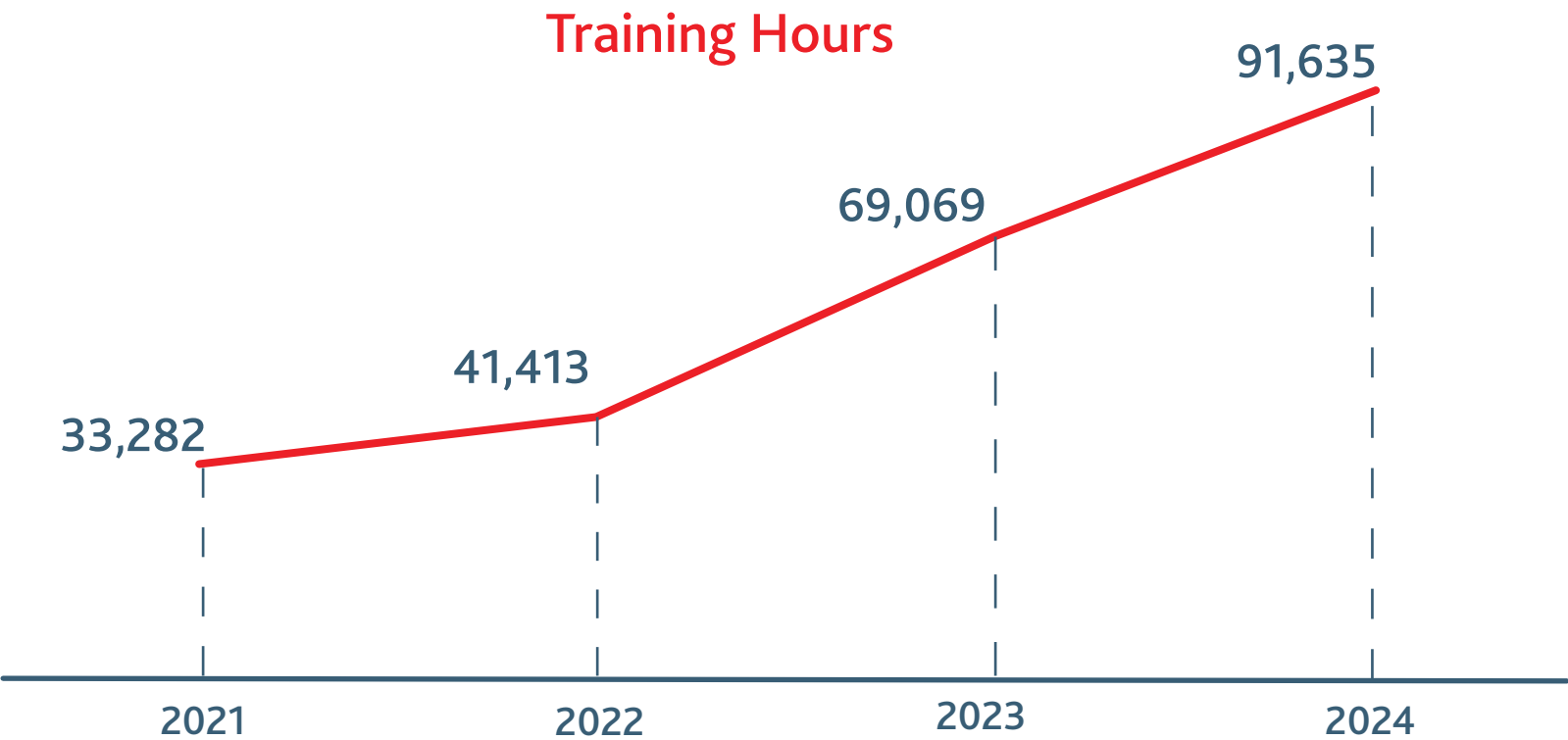
By planning trainings based on role-specific needs, we aimed to enhance both the operational and managerial skills of our employees. Throughout 2024, we delivered a total of **91,635 hours of training**, marking an **approximate 33% increase** compared to the previous year. The majority of these trainings were concentrated in occupational health and safety, environmental and waste management, and professional development. We also significantly increased the duration of personal development trainings to 1,390 hours, compared to 2023.

Within our onboarding programs for newly hired colleagues, we introduce our corporate culture and provide training on **ethical principles** and business ethics to ensure the internalization of our core values.

To increase the effectiveness of our training programs, we implement assessment and evaluation processes, collect regular feedback, and analyze the impact of the trainings on employees through both short-term and long-term evaluations.

We believe that by continuously developing the knowledge and competencies of our employees, we contribute not only to their individual development but also to the achievement of our corporate sustainability goals.

[MORE AT Compensation Policy](#)





# TRAINING, TALENT and COMPENSATION MANAGEMENT

## Compensation Policy

At HABAŞ, while ensuring the optimal use of our employees’ knowledge, skills, and competencies, we continued to implement a fair, transparent, and competitive compensation policy in line with our business volume and market conditions. In accordance with the principle of “equal pay for equal work,” we maintained a clear and sustainable compensation structure based on internal equity, regardless of gender, disability status, or type of contract.

In 2024, in order to increase employee satisfaction and support motivation, our compensation policy was reviewed and improved twice in line with economic conditions.

- Compensation for blue-collar employees was determined within the framework of the Collective Bargaining Agreement.
- Salaries for white-collar employees were set based on internal salary scales and market data.
- The remuneration of senior executives was structured fairly and competitively in accordance with their roles and responsibilities.

In addition, employees were provided with supplementary benefits such as **company cars, fuel allowances, and communication expenses**, depending on their job descriptions.

At HABAŞ, we view our compensation system not merely as a salary practice but as a strategic management tool that supports employee engagement, internal satisfaction, and sustainable growth. In this regard, we continued to closely monitor sectoral trends and economic developments throughout 2024 to keep our compensation structure up to date and to provide added value to our employees.

[MORE AT Employee Severance Policy](#)





## SOCIAL INVESTMENTS and CONTRIBUTION to DEVELOPMENT

HABAŞ regards its sustainability approach as encompassing not only environmental and economic dimensions, but also its social responsibilities as an integral component. Building strong connections with society and contributing to social development are among our key priorities.

In line with this understanding, we adopt an approach that values contributing to regional development by promoting local employment. As of 2024, 69% of the total workforce at our Aliğa plant was recruited from nearby villages and towns. With a sensitivity to the needs of local communities, we offer vocational training programs and internship opportunities for young people, aiming both to increase local employment rates and to provide sectoral experience for youth.

Through our investments, we prioritize contributing to the local economy by enhancing employment opportunities. As HABAŞ, we aim to further increase our regional contributions in the coming period through a more systematic and strategic approach, and to implement broader projects in the fields of social investment and development. In this context, we continue to pursue social responsibility initiatives, educational support programs, and new opportunities that generate social value as an essential part of our sustainability vision.





# SOCIAL INVESTMENTS and CONTRIBUTION to DEVELOPMENT

## Hamdi Başaran Vocational and Technical Education Center

One of the prominent examples of HABAŞ’s commitment to regional and local development is the **Hamdi Başaran Vocational and Technical Education Center**, established in line with the vision of Hamdi Başaran himself. During his lifetime, Hamdi Başaran dreamed of contributing to the national education system by founding a vocational school, which has evolved into today’s modern vocational and technical training institutions. Although he could not realize this vision himself, the HABAŞ Group of Companies brought it to life, making a significant contribution to addressing the shortage of skilled labor in Türkiye’s vocational education landscape. Hamdi Başaran’s contribution to the country’s economic development continues to inspire hope among both students and educators for a better future.

The center, built on a 30,000 m<sup>2</sup> plot with a 14,400 m<sup>2</sup> indoor area, has the capacity to serve 2,400 students. With its modern infrastructure and well-equipped laboratories, it stands as a model institution in the field of vocational and technical education nationwide. The facility includes 40 classrooms, 8 laboratories, and 26 workshops. The disciplines offered have been carefully selected in alignment with Hamdi Başaran’s belief in the importance of training qualified intermediate staff and enhancing domestic industrial production.

The school is also designed to be inclusive and accessible for students with disabilities, enabling equal access to vocational training. Through internship support provided by the HABAŞ Group of Companies, students have the opportunity to put their theoretical knowledge into practice. In this respect, the center not only imparts technical skills but also equips young people with opportunities to actively participate in industry.

Energy efficiency principles were taken into consideration in the architectural design and landscaping of the center, distinguishing it from other educational institutions in the sector. In addition, its sports and social activity areas contribute to the physical development of students. Hamdi Başaran’s visionary outlook and significant role in the economic development of the country live on through the values embodied in this institution and are remembered with deep respect and admiration by all who benefit from its legacy.

As HABAŞ, we are committed to strengthening our support for education, drawing inspiration from Hamdi Başaran’s legacy. We aim to continue offering opportunities for younger generations to develop vocational skills. In this regard, we are planning to implement long-term projects that promote equal access to education across all segments of society. We also remain dedicated to developing and supporting social responsibility projects in alignment with the evolving needs of the communities we operate in.

In line with our commitment to enhance our local and societal contributions, our future objectives include expanding our initiatives beyond vocational training to also address environmental sustainability and social equity. HABAŞ is dedicated to embracing local and community development as an integral part of its business model and to working collaboratively with all stakeholders to achieve sustainable success.





# SOCIAL INVESTMENTS and CONTRIBUTION to DEVELOPMENT

In 2024, HABAŞ took numerous significant steps that strengthened our social responsibility and generated meaningful social impact. We implemented sustainable and inclusive practices across various areas including education, feedback mechanisms, community relations, and the professional development of young individuals.

## Employee- and Community-Centered Feedback System

We have implemented a comprehensive Complaint and Suggestion Notification System to enable our employees and external stakeholders to easily communicate their opinions and suggestions. Through multiple communication channels such as QR codes, online forms, corporate email, and internal telephone lines, we have made feedback submission more accessible for everyone. With information posters placed in three different areas within the HABAŞ campus, we have established an open and responsive structure not only for our employees but also for visitors and members of the community. This practice reflects our transparent, accountable, and participatory corporate culture, and aims to enhance both employee engagement and public trust.

## Communication with Stakeholders and Citizens Around the Plant

In line with our goal of building sustainable relationships with local communities, we initiated a regular dialogue program in 2024 with stakeholders residing around the plant. During these meetings, we discussed environmental impacts, social expectations, and issues concerning our shared living environment through mutual dialogue. By listening directly to suggestions from local residents, we aimed to enhance social awareness and strengthen trust-based collaboration at the local level. Suggestion and complaint posters placed in meeting areas further improved the accessibility of our feedback mechanisms.



## Engaging with Young Talent: Career Days

We continue to support local education to help prepare young people for the business world. In 2024, we participated in the Career Days event held at Hamdi Başaran Vocational and Technical Anatolian High School. We provided senior students with interview simulations and information on career opportunities and introduced summer and long-term internship programs for lower grades. This event, which contributed to promoting the iron and steel industry, was a strategic step for both human resource development and regional advancement.

## Raising Scientific Awareness and Supporting Education

As part of TÜBİTAK’s 4004 Nature Education and Science Schools Program in 2024, we took part in the exhibition organized by the Mehmet Rüştü Başaran Science and Art Center, where we observed the projects of young scientists on-site. We met with students to share knowledge on environment, sustainability, technology, and science. By supporting their interest in science and creativity, we aimed to inspire the next generation of changemakers.

Through these efforts, HABAŞ remains committed to developing its human capital while contributing lasting value to the society in which it operates. We view our community investments as an integral part of our long-term vision to generate social impact and support sustainable development.



## CORPORATE MEMBERSHIP and COLLABORATIONS





# KEY PERFORMANCE INDICATORS



# FINANCIAL PERFORMANCE INDICATORS

Financial Performance	2021 (Million TL)	2022 (Million TL)	2023 (Million TL)	2024 (Million TL)
Economic Value Generated	38,275	69,631	83,851	115,573
Operating Expenses	33,550	61,496	66,526	12,662
Financial Contributions to Employment	-	-	2,417	3,379
Capital Investments	-	-	1,043	1,319
Total Steel Export	-	-	11,329	15,507
Toplam Çelik İhracatı	-	-	21,046	28,110
Supplier Relations	2021 (Million TL)	2022 (Million TL)	2023 (Million TL)	2024 (Million TL)
Import Volume	22,388	34,360	47,641	96,372
Domestic Procurement Volume	36,809	7,105	13,829	467
Ongoing or Newly Started Investment Projects in 2024	Total Investment Budget (TL)		Amount Paid for the Project in 2024 (TL)	
İskenderun Rolling Mill Investment	600,000,000.00		568,033,922.18	
Steel Mill Investment	13,600,000,000.00		4,582,839,736.90	
Cold Rolling Mill Investment	22,400,000,000.00		1,511,474,634.69	
Zinc Enrichment Facility Investment	1,200,000,000.00		184,307,840.02	
Wire Rod Rolling Mill Investment	1,300,000,000.00		79,130,917.44	
<b>Total Investment</b>			6,925,787,051.23	





## ENVIRONMENTAL PERFORMANCE INDICATORS

Steel Mill + Bar Rolling Mill	Unit	2022	2023	2024
Scope 1*	ton CO <sub>2</sub> e / year	687,229.61	683,280.18	636,377.21
Scope 2	ton CO <sub>2</sub> e / year	776,952.14	804,703.58	812,083.94
Total Emissions	ton CO <sub>2</sub> e / year	1,464,181.75	1,487,983.76	1,448,461.15
Total Production	ton product / year	4,298,557.63	4,389,413.31	3,854,796.42
GHG Intensity	ton CO <sub>2</sub> e / ton product	0.34	0.34	0.38
Sac Haddehanesi	Unit	2022	2023	2024
Scope 1	ton CO <sub>2</sub> e / year	172,461.15	198,664.11	193,960.68
Scope 2	ton CO <sub>2</sub> e / year	96,134.30	126,572.09	126,896.29
Total Emissions	ton CO <sub>2</sub> e / year	268,595.45	325,236.20	320,856.97
Total Production	ton product / year	2,001,167.71	2,619,954.13	2,424,003.02
GHG Intensity	ton CO <sub>2</sub> e / ton product	0.13	0.12	0.13

\* Scope 1 value includes only emissions from steel mill and bar rolling mill operations.





# ENVIRONMENTAL PERFORMANCE INDICATORS

## Energy Consumption

Energy Consumption per Ton of Product	Unit	2022	2023	2024
Total Energy Used / Product Produced	GJ/ ton	2.86	2.58	3.08

## Water Consumption

Water Consumption per Ton of Product	Unit	2022	2023	2024
Groundwater	m³/ton product	0.40	0.33	0.30
Seawater	m³/ton product	0.27	0.27	0.32

## Wastewater Management

Amount of Wastewater	Unit	2022	2023	2024
Amount of Wastewater Discharged to Recipient Environment	m³	695,324.70	691,306.80	697,985.10

## Waste Management

By Waste Type	Unit	2022	2023	2024
Hazardous Waste Amount	ton	58,332.68	42,098.91	56,568.01
Non-Hazardous Waste Amount	ton	985,937.50	982,097.78	985,154.05
By Disposal Method	Unit	2022	2023	2024
Waste Sent for Energy Recovery	ton	128.63	194.52	-
Waste Recovered for Recycling	ton	1,043,375.05	1,023,301.46	985,399.80
Waste Disposed	ton	895.12	895.23	1,017.90





SOCIAL PERFORMANCE INDICATORS

Number of Employees by Gender		2021	2022	2023	2024
Number of Female Employees		9	14	22	28
Number of Male Employees		1,914	2,074	2,082	1,953
		1,963	2,088	2,104	1,981
By Type of Employment, Working Hours, and Gender		2021	2022	2023	2024
White Collar – Female	Full-time	9	14	21	27
	Part-time	-	-	-	-
White Collar – Male	Full-time	737	752	738	694
	Part-time	-	-	-	-
Blue Collar – Female	Full-time	-	-	1	1
	Part-time	-	-	-	-
Blue Collar – Male	Full-time	1,217	1,322	1,344	1,259
	Part-time	-	-	-	-
		1,963	2,088	2,104	1,981
By Contract Type and Gender		2021	2022	2023	2024
Indefinite-Term – Female		9	14	22	28
Indefinite-Term – Male		1,945	2,066	2,072	1,944
Fixed-Term – Female		-	-	-	-
Fixed-Term – Male		9	8	10	9
		1,963	2,088	2,104	1,981





## SOCIAL PERFORMANCE INDICATORS

Employees Covered by Collective Labour Agreement		2021	2022	2023	2024
Number of Female Employees		-	-	1	1
Number of Male Employees		1,217	1,322	1,344	1,259
		1,217	1,322	1,345	1,260
Percentage of Total Employees		62%	63%	64%	64%
By Age and Gender		2021	2022	2023	2024
Under 30	Female	5	7	16	23
	Male	496	505	436	495
30–50	Female	4	7	6	5
	Male	1,258	1,318	1,341	1,183
Over 50	Female	-	-	-	-
	Male	200	251	305	275
		1,963	2,088	2,104	1,981
By Seniority and Gender		2021	2022	2023	2024
0–5 Years	Female	8	12	18	24
	Male	1,298	1,367	1,289	1,188
5–10 Years	Female	1	2	4	4
	Male	359	402	571	512
10+ Years	Female	-	-	-	-
	Male	297	305	222	253
		1,963	2,088	2,104	1,981





SOCIAL PERFORMANCE INDICATORS

By Management Category and Gender		2021	2022	2023	2024
Senior Management	Female	1	1	1	1
	Male	44	43	39	42
Mid-Level	Female	8	12	18	20
	Male	610	627	618	582
Other	Female	-	1	3	8
	Male	1,300	1,404	1,425	1,328
		1,963	2,088	2,104	1,981
By Age and Gender – Managers		2021	2022	2023	2024
Under 30	Female	-	-	-	-
	Male	2	-	-	-
30–50	Female	-	1	1	1
	Male	22	21	20	22
Over 50	Female	-	-	-	-
	Male	20	22	19	20
		44	44	40	43
Employees Benefiting from Parental Leave		2021	2022	2023	2024
Number of employees benefiting from parental	Female	1	-	-	1
	Male	99	88	101	85
Returned to work after parental leave	Female	1	-	-	1
	Male	99	88	101	85
Returned to work and employed for at least 12	Female	1	-	-	1
	Male	99	88	101	85
		100	88	101	86





# SOCIAL PERFORMANCE INDICATORS

Employment and Turnover		2021	2022	2023	2024
New Hires	White Collar	66	77	181	122
	Blue Collar	198	266	509	298
		264	343	690	420
Leavers	White Collar	38	51	96	103
	Blue Collar	137	144	259	197
		175	195	355	300
New Hires	Female	2	3	11	10
	Male	261	340	498	410
		263	343	509	420
Leavers	Female	-	2	2	4
	Male	175	195	353	296
		175	197	355	300
Number of Subcontracted Employees		2021	2022	2023	2024
Full-Time Employees		13,555	14,688	13,723	8,624
Part-Time Employees		-	-	-	-
		13,555	14,688	13,723	8,624
Training Investments		2021	2022	2023	2023
Number of Employees Trained		3,698	4,597	10,097	5,606
Total Training Expenditure (including subcontractors) TL		64,674.78	248,634.40	164,014.44	443,503.85





SOCIAL PERFORMANCE INDICATORS

Training Hours		2021	2022	2023	2024
Vocational Development	hour	-	1,795	15,110	10,635
Personal Development	hour	-	-	47	1,390
Orientation Trainings	hour	-	-	528	736
Quality Trainings	hour	-	-	66	46
Information Security Trainings	hour	-	-	66	46
Environmental and Waste Management Trainings	hour	3,698	4,402	5,012	4,070
OHS Trainings	hour	29,584	35,216	40,096	65,700
Other	hour	-	-	8,144	9,012
		33,282	41,413	69,069	91,635

Number of Employees by Educational Background		2021	2022	2023	2024
Primary Education	Female	0	0	0	0
	Male	206	210	212	196
Secondary Education	Female	0	0	0	0
	Male	245	274	284	279
Vocational High School	Female	1	3	9	9
	Male	215	221	226	220
University	Female	7	9	12	18
	Male	343	378	387	349
Master's Degree	Female	0	0	0	0
	Male	5	5	5	4
PhD	Female	0	0	0	0
	Male	0	0	0	0
Intern	Female	58	50	49	48
	Male	253	151	201	158
		1,333	1,301	1,385	1,281





## SOCIAL PERFORMANCE INDICATORS

Number of Employees with Disabilities		2021	2022	2023	2024
Female		-	-	-	-
Male		52	55	66	34
		52	55	66	34
Turnover Rates		2021	2022	2023	2024
New Hires	White Collar	66	77	181	122
	Blue Collar	198	266	509	298
Leavers	White Collar	38	51	96	103
	Blue Collar	137	144	259	196
New Hires	Female	2	3	11	10
	Male	261	340	498	368
Leavers	Female	0	2	2	4
	Male	175	195	353	296
Leavers	Under 30	123	153	192	187
	Age 30-50	73	110	278	205
	Over 50	13	23	96	28
Employee Turnover Rate		2021	2022	2023	2024
Percentage (%)		-	11%	30%	23%
Average Seniority by Gender (Years)		2021	2022	2023	2024
Female		2	2	2	2
Male		6	6	5	5
Senior Management		2021	2022	2023	2024
Female		-	-	-	-
Male		7	7	7	6
		7	7	7	6
Orta Düzey Yönetici		2021	2022	2023	2024
Kadın		4	4	5	7
Erkek		156	165	170	181
		160	169	175	188





# SOCIAL PERFORMANCE INDICATORS

Occupational Health and Safety (OHS) Records		Unit	2021	2022	2023	2024
Fatal Work Accidents	Company Employee	incident/year	0	0	0	0
	Subcontractor Employee	incident/year	0	0	0	0
Lost Time Injuries*	Company Employee	incident/year	109	81	121	109
	Subcontractor Employee	incident/year	33	48	44	38
Occupational Disease	Company Employee	incident/year	0	0	0	0
	Subcontractor Employee	incident/year	1	0	0	0

\* Lost Time Injury (LTI): Refers to work accidents resulting in injury where the injured employee is unable to return to work the day after the incident and therefore

OHS Statistics		Unit	2021	2022	2023	2024
Working Hours	Company Employee	hour/year				
	Subcontractor Employee	hour/year	6,692,397.00	6,782,769.00	6,798,909.00	6,843,222.00
Lost Time Injury Frequency Rate (LTIFR)*	Company Employee	rate				
	Subcontractor Employee	rate	21.22	19.02	24.27	21.48
Occupational Disease Rate	Company Employee	rate	0.00	0.00	0.00	0.00
	Subcontractor Employee	rate	1.00	0.00	0.00	0.00

\* Lost Time Injury Frequency Rate (LTIFR): (Number of Lost Time Injuries during the reporting period x 1,000,000) / Total working hours in the reporting period.

OHS Trainings		Unit	2021	2022	2023	2024
Basic OHS Training	Company Employee	person/year	1,055	1,284	1,110	846
	Subcontractor Employee	person/year	264	373	248	269
On-the-Job Training	Company Employee	person/year	569	741	948	959
	Subcontractor Employee	person/year	653	850	971	994
Working at Heights Training	Company Employee	person/year	176	328	365	254
	Subcontractor Employee	person/year	31	134	83	60
Confined Space Training	Company Employee	person/year	154	189	199	161
	Subcontractor	person/year	19	17	19	22
Training with Screen-Equipped Devices	Company Employee	person/year	1,624	2,025	2,058	1,805
	Subcontractor Employee	person/year	917	1,223	1,219	1,263
Other Trainings	Company Employee	person/year	225	493	454	286
	Subcontractor Employee	person/year	110	403	69	57





SUSTAINABILITY MATURITY MATRIX

Reporting Period		01.01.2024-31.12.2024		
Sustainability Principle	Application	Starting Level	Intermediate Level	Advanced Level
		Sustainability awareness is limited. Related policies and strategies are absent or at a very basic stage. Most activities focus on meeting legal requirements.	Sustainability strategies and practices have been developed but are still largely implemented at the regional or departmental level. Monitoring and reporting systems are not yet sufficiently mature. The company's sustainability performance is monitored; however, there is no clear plan for improvement.	Sustainability is integrated into the company's business strategies. Monitoring, evaluation, and reporting processes are robust. Continuous improvement processes are implemented and results are shared company-wide.
INCLUSIVITY	Stakeholder analysis and identification of key stakeholders		Stakeholder Engagement (See HABAŞ 2024 Sustainability Report, p.30).	
	Defining open engagement approaches (multiple formats) and material topics for diverse		HABAŞ Stakeholder Mapping (See HABAŞ 2024 Sustainability Report, p.32). Materiality assessment structured in line with AA1000 and GRI principles (See HABAŞ 2024 Sustainability Report, p.34).	
	Determination of stakeholder priorities		Materiality assessment structured in line with AA1000 and GRI principles (See HABAŞ 2024 Sustainability Report, p.34).	
	Communicating the organization's response to issues raised			Customer Engagement & Grievance Mechanism (See HABAŞ 2024 Sustainability Report, p.48). Stakeholder Engagement Through Feedback Mechanisms (See HABAŞ 2024 Sustainability Report, p.90). Participatory and Proactive Approach in Occupational Health and Safety (See HABAŞ 2024 Sustainability Report, p.91). Complaint & Suggestion Reporting System (See HABAŞ 2024 Sustainability Report, p.98).
	Implementation of engagement plans with local communities		Stakeholder Mapping (See HABAŞ 2024 Sustainability Report, p.32). Materiality assessment structured in line with AA1000 and GRI principles (See HABAŞ 2024 Sustainability Report, p.34). Complaint & Suggestion Reporting System (See HABAŞ 2024 Sustainability Report, p.98).	
	Targeted initiatives to support the participation of women, youth and employees with disabilities (equity-focused stakeholder engagement)	Diversity, Inclusion & Equal Opportunity (See HABAŞ 2024 Sustainability Report, pp.92–93). Social Investments and Contribution to Development (See HABAŞ 2024 Sustainability Report, p.98).		





# SUSTAINABILITY MATURITY MATRIX

Reporting Period01.01.2024-31.12.2024

Reporting Period		01.01.2024-31.12.2024	
Sustainability Principle		Application	
INTEGRITY	<b>Starting Level</b> Sustainability awareness is limited. Related policies and strategies are absent or at a very basic stage. Most activities focus on meeting legal requirements.		<b>Intermediate Level</b> Sustainability strategies and practices have been developed but are still largely implemented at the regional or departmental level. Monitoring and reporting systems are not yet sufficiently mature. The company's sustainability performance is monitored; however, there is no clear plan for improvement.
	Demonstrating leadership and defining clear responsibilities		Message to Our Stakeholders (See HABAŞ 2024 Sustainability Report, p.2) HABAŞ Sustainability Committee (See HABAŞ 2024 Sustainability Report, pp. 25–26)
	Building a holistic sustainability strategy approach		Our Sustainability Strategy Approach (See HABAŞ 2023 Sustainability Report, p.24)
	Adoption of the Code of Conduct		Supplier Code of Conduct (See HABAŞ 2024 Sustainability Report, p.68)
	Identification and management of ethical risks		Ethical Principles and Compliance (See HABAŞ 2024 Sustainability Report, p.45)
	Defining the company's climate change commitments		HABAŞ's Strategic Targets in Alignment with the UN SDGs (See HABAŞ 2024 Sustainability Report, p.38) Net Zero Emissions Journey and Roadmap (See HABAŞ 2024 Sustainability Report, p.79)
	Implementation of an integrated management system		Corporate Governance, System Based Approach and Regulatory Alignment (See HABAŞ 2024 Sustainability Report, p.41)
	Linking material topics with strategic objectives		Materiality Assessment (See HABAŞ 2024 Sustainability Report, pp.34–35) HABAŞ's Strategic Targets in Alignment with the UN SDGs (See HABAŞ 2024 Sustainability Report, p.38)
	Establishing an independent grievance mechanism for ethical breaches and misconduct		Ethical Principles and Compliance (See HABAŞ 2024 Sustainability Report, pp.45–46)
		<b>Advanced Level</b> Sustainability is integrated into the company's business strategies. Monitoring, evaluation, and reporting processes are robust. Continuous improvement processes are implemented and results are shared company-wide.	





SUSTAINABILITY MATURITY MATRIX

Reporting Period01.01.2024-31.12.2024				
Sustainability Principle	Application	Starting Level	Intermediate Level	Advanced Level
GOVERNANCE		Sustainability awareness is limited. Related policies and strategies are absent or at a very basic stage. Most activities focus on meeting legal requirements.	Sustainability strategies and practices have been developed but are still largely implemented at the regional or departmental level. Monitoring and reporting systems are not yet sufficiently mature. The company's sustainability performance is monitored; however, there is no clear plan for improvement.	Sustainability is integrated into the company's business strategies. Monitoring, evaluation, and reporting processes are robust. Continuous improvement processes are implemented and results are shared company-wide.
	Establishing a culture of sustainable development		About the Report (See HABAŞ 2024 Sustainability Report, p.1) HABAŞ's Strategic Targets in Alignment with the UN SDGs (See HABAŞ 2024 Sustainability Report, p.38) Net Zero Emissions Journey and Roadmap (See HABAŞ 2024 Sustainability Report p.79)	
	Identification of corporate risks and opportunities		Management of Corporate Risks and Opportunities (See HABAŞ 2024 Sustainability Report, p.28)	
	Establishment of a Sustainability Committee		HABAŞ Sustainability Committee (See HABAŞ 2024 Sustainability Report, pp.25–26)	
	Adoption of Responsible Sustainable Supply Chain Approach		Sustainable Supply Chain Management (See HABAŞ 2024 Sustainability Report, p.69)	
	Sustainable Supply Chain Management		Supplier Code of Conduct (See HABAŞ 2024 Sustainability Report, p.68) Sustainable Supply Chain Management (See HABAŞ 2024 Sustainability Report, p.69)	
			Environmental Management (See HABAŞ 2024 Sustainability Reportp.73) Carbon and Energy Stragetgy & Climate Resilience (See HABAŞ 2024 Sustainability Report pp.74–75, 76–77, 78) Water and Wastewater Management (See HABAŞ 2024 Sustainability Report, pp.80–81) Circular Economy and Waste Management (See HABAŞ 2024 Sustainability Report, pp.82–83–84)	
	Systematic Environmental Management (carbon, water, waste)			
	Systematic Social Management		Diversity, Inclusion and Equal Opportunity (See HABAŞ 2024 Sustainability Report, p.92)	
	Systematic Financial Management		Financial Contributions & Value Creation (See HABAŞ 2024 Sustainability Report, pp.58–59–60)	
	Talent and Education Management	Training, Talent and Compensation Management (See HABAŞ 2024 Sustainability Report, pp.93–94)		
	Career Development	Training Procedure Training, Talent and Compensation Management (See HABAŞ 2024 Sustainability Report, pp.93–94)		





# SUSTAINABILITY MATURITY MATRIX

Reporting Period		01.01.2024–31.12.2024		
Sustainability Principle	Application	<b>Starting Level</b> Sustainability awareness is limited. Related policies and strategies are absent or at a very basic stage. Most activities focus on meeting legal requirements.	<b>Intermediate Level</b> Sustainability strategies and practices have been developed but are still largely implemented at the regional or departmental level. Monitoring and reporting systems are not yet sufficiently mature. The company's sustainability performance is monitored; however, there is no clear plan for improvement.	<b>Advanced Level</b> Sustainability is integrated into the company's business strategies. Monitoring, evaluation, and reporting processes are robust. Continuous improvement processes are implemented and results are shared company-wide.
	Definition of relevant metrics/KPIs		Training, Talent and Compensation Management (See HABAŞ 2024 Sustainability Report, pp.93–94)	
	Monitoring and review of performance		Training Procedure Training, Talent and Compensation Management (See HABAŞ 2024 Sustainability Report, pp.93–94)	
	Public disclosure of management practices and performance			About the Report (See HABAŞ 2024 Sustainability Report, p.1) Publication of the sustainability report in accordance with GRI Standards
	Clear and simple sustainability communication for all stakeholders	Stakeholder Mapping (See HABAŞ 2024 Sustainability Report, p.32) Ethical Principles and Compliance (p.45)		
TRANSPARENCY				





# GRI CONTENT INDEX

**Statement of Use** Habaş Demir Çelik has reported for the period 01.01.2024–31.12.2024 in accordance with the GRI Standards.

**GRI Used** GRI 1: Foundation 2021



CONTENT INDEX  
ESSENTIALS SERVICE

2024

GRI Standard	Disclosure	Explanation and Page Numbers
General Disclosures	2-1 Organizational details	Corporate Profile, 6; Our Corporate Values, 8
	2-2 Entities included in the organization’s sustainability reporting	About the Report, 1
	2-3 Reporting period, frequency and contact point	About the Report, 1
	2-4 Restatements of information	No restated information available
	2-5 External assurance	No external assurance included in the report
	2-6 Activities, value chain and other business relationships	Our Core Activities, 10; Habaş Group Affiliates, 12; Sustainable Supply Chain Management, 65
	2-7 Employees	Our People ve Communities , 85; Social Performance Indicators, 104
	2-8 Workers who are not employees	Sustainable Supply Chain Management, 65
	2-9 Governance structure and composition	Habaş Sustainability Committee, 25
	2-10 Nomination and selection of the highest governance body	Due to confidentiality policies, the company reserves the right to withhold this information.
	2-11 Chair of the highest governance bo	Message to Our Stakeholders, 2; Our Sustainability Strategy Approach, 24
	2-12 Role of the highest governance body in overseeing the management of impacts	Management of Corporate Risks and Opportunities, 28
	2-13 Delegation of responsibility for managing impacts	Management of Corporate Risks and Opportunities, 28
	2-14 Role of the highest governance body in sustainability reporting	Management of Corporate Risks and Opportunities, 28
	2-15 Conflicts of interest	Ethical Principles and Compliance, 45
	2-16 Communication of critical concerns	Management of Corporate Risks and Opportunities, 28
	2-17 Collective knowledge of the highest governance body	Due to confidentiality policies, the company reserves the right to withhold this information.
	2-18 Evaluation of the performance of the highest governance body	Due to confidentiality policies, the company reserves the right to withhold this information.
	2-19 Remuneration policies	Training, Talent and Compensation Management, 94
	2-20 Process to determine remuneration	Training, Talent and Compensation Management, 94
	2-21 Annual total compensation ratio	Due to confidentiality policies, the company reserves the right to withhold this information.
	2-22 Statement on sustainable development strategy	Our Sustainability Strategy Approach, 24
	2-23 Policy commitments	Habaş Sustainability Committee, 25
	2-24 Embedding policy commitments	Habaş Sustainability Committee, 25
	2-25 Processes to remediate negative impacts	Management of Corporate Risks and Opportunities, 28





# GRI CONTENT INDEX

GRI Standard	Disclosure	Explanation and Page Numbers
<b>General Disclosures</b>		
GRI 2: General Disclosures 2021	2-26 Mechanisms for seeking advice and raising concerns	Ethical Principles and Compliance, 45
	2-27 Compliance with laws and regulations	Habaş Sustainability Committee, 25; Corporate Governance, System Based Approach and Regulatory Alignment, 41
	2-28 Membership associations	Corporate Memberships and Collaborations, 99
	2-29 Approach to stakeholder engagement	Stakeholder Engagement, 29
	2-30 Collective bargaining agreements	Social Performance Indicators, 104
<b>GRI 3: Material Topics 2021</b>		
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Management of Corporate Risks and Opportunities, 28; Materiality Analysis, 33
	3-2 List of material topics	Materiality Assessment, 33
	3-3 Management of material topics	Materiality Assessment, 33; HABAŞ’s Strategic Targets in Alignment with the UN SDGs, 36
<b>Financial Performance (Sustainable Growth)</b>		
GRI 3: Material Topics 2021	3-3 Management of material topics	Financial Performance, 56
GRI 201: Financial Performance 2016	201-1 Direct economic value generated and distributed	Financial Performance, 56; Financial Performance Indicators, 101
	201-2 Financial implications and other risks and opportunities due to climate change	Management of Corporate Risks and Opportunities, 28; Operational Efficiency, 62
<b>Sustainable Supply Chain</b>		
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainable Supply Chain Management, 65
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	Financial Performance, 56
<b>Business Ethics and Compliance</b>		
GRI 3: Material Topics 2021	3-3 Management of material topics	Ethical Principles and Compliance, 45
GRI 205: Anti-Corruption 2016	205-2 Communication and training about anti-corruption policies and procedures	Ethical Principles and Compliance, 45
<b>Energy Management</b>		
GRI 3: Material Topics 2021	3-3 Management of material topics	Carbon and Energy Stragetgy & Climate Resilience, 74
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Environmental Performance Indicators, 102
	302-4 Reduction of energy consumption	Water and Wastewater Management, 80





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	303-1 Interactions with water as a shared resource	Water and Wastewater Management, 80
GRI 303: Water and Effluents 2018	303-2 Management of water discharge-related impacts	Water and Wastewater Management, 80
	303-3 Water withdrawal	Water and Wastewater Management, 80
	303-4 Water discharge	Water and Wastewater Management, 80
	303-5 Water consumption	Water and Wastewater Management, 80; Environmental Performance Indicators, 102
<b>Carbon Management</b>		
GRI 3: Material Topics 2021	3-3 Management of material topics	Water and Wastewater Management, 80
	305-1 Direct (Scope 1) GHG emissions	Environmental Performance Indicators, 102
GRI 305: Emissions 2016	305-2 Energy indirect (Scope 2) GHG emissions	Environmental Performance Indicators, 102
	305-4 GHG emissions intensity	Environmental Performance Indicators, 102
	305-5 Reduction of GHG emissions	Environmental Performance Indicators, 102
<b>Waste</b>		
GRI 3: Material Topics 2021	3-3 Management of material topics	Circular Economy & Waste Management, 82; Environmental Management
GRI 301: Materials 2016	301-2 Recycled input materials used	Circular Economy & Waste Management, 82
	301-3 Reclaimed products and their packaging materials	Circular Economy & Waste Management, 82
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Circular Economy & Waste Management, 82
	306-2 Management of significant waste-related impacts	Circular Economy & Waste Management, 82
	306-3 Waste generated	Circular Economy & Waste Management, 82; Environmental Performance Indicators, 102
	306-4 Waste diverted from disposal	Circular Economy & Waste Management, 82; Environmental Performance Indicators, 102
	306-5 Waste directed to disposal	Circular Economy & Waste Management, 82; Environmental Performance Indicators, 102
<b>Employment and Workforce</b>		
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	401-3 Parental leave	Social Performance Indicators, 104





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	403-2 Hazard identification, risk assessment, and incident investigation	Social Performance Indicators, 104
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	403-4 Worker participation, consultation, and communication on occupational health and safety	Occupational Health and Safety, 87
	403-5 Worker training on occupational health and safety	Occupational Health and Safety, 87
	403-8 Workers covered by an occupational health and safety management system	Occupational Health and Safety, 87
	403-9 Work-related injuries	Social Performance Indicators, 104
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<b>Employee Satisfaction / Training / Equality and Inclusion / Human Rights</b>		
GRI 3: Material Topics 2021	3-3 Management of material topics	Diversity, Inclusion and Equal Opportunity, 92
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Social Performance Indicators, 104
	404-2 Programs for upgrading employee skills and transition assistance programs	Social Performance Indicators, 104
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	No discrimination incidents reported during the reporting period
<b>Community Development</b>		
GRI 3: Material Topics 2021	3-3 Management of material topics	Social Investments and Contribution to Development, 96
GRI 413: Local Communities 2021	413-1 Operations with local community engagement, impact assessments, and development programs	Stakeholder Engagement, 29
<b>Customer Satisfaction</b>		
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<b>Corporate Governance</b>		
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<b>Grievance Management</b>		
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<b>Digital Transformation</b>		
GRI 3: Material Topics 2021	3-3 Management of material topics	Digitalization, 51





#### Reporting Consultant

S4S Solutions for Sustainability



#### Photography Support

Muhammet GİRGIN

#### Legal Disclaimer

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