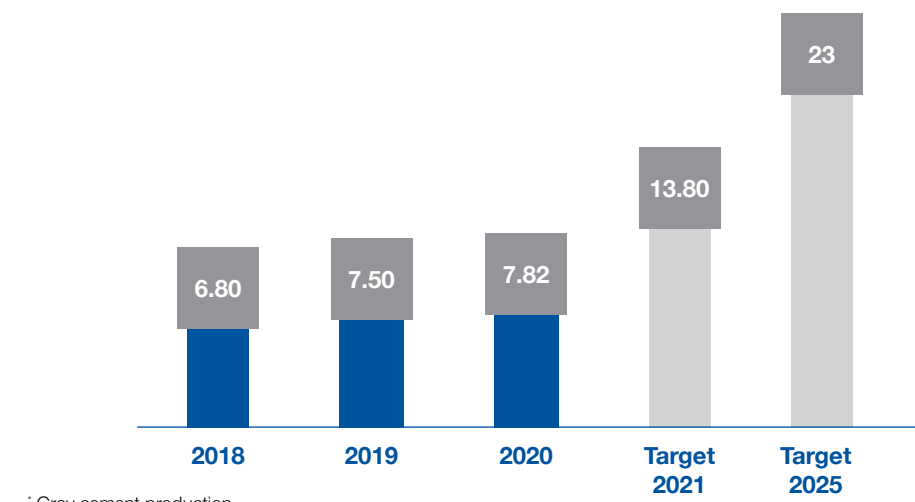


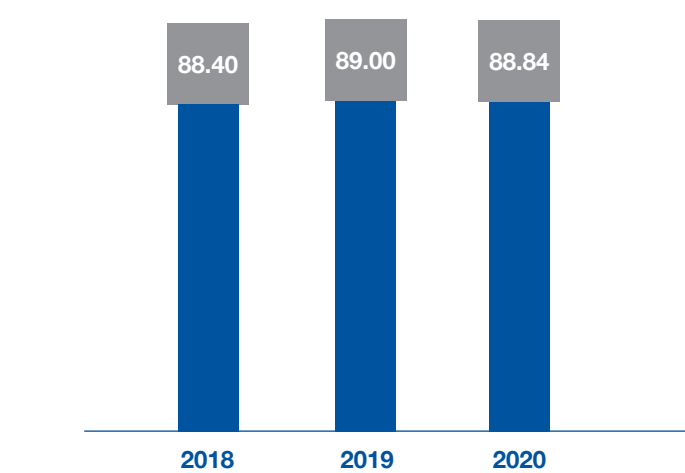
Natural Capital Performance Highlights

ALTERNATIVE FUEL RATE IN ÇİMSA FACTORIES* (%)



* Gray cement production

CLINKER / CEMENT FACTOR* (%)



* Gray cement, white cement ve CAC production



Zero Waste Management System

By fulfilling the requirements of the Zero Waste Regulation, Çimsa established the Zero Waste Management System at its five plants and the Ankara Grinding Packaging Facility (ready-mixed concrete can be added if available) and has been awarded the Zero Waste Certificate.

All five of Çimsa's integrated plants hold a "Waste Incineration License" within the scope of Çimsa's targets to increase the use of alternative fuels and reduce greenhouse gas emissions, Çimsa's grey cement production co-incineration rate, which stood at 6.8% in 2018 and 7.5% in 2019, increased to 7.82% in 2020. The Company's objective is to achieve an alternative fuel rate of approximately 13.8% by 2021.

DUST EMISSIONS

In order to reduce dust emissions, which is one of the main types of emissions occurring in the raw materials and production processes of the cement industry, Çimsa uses bag filtering, covered conveyor and stock hall applications.

Pollutant Emissions	2019	2020
Total Dust Emissions (ton/year)	74.46 ⁵	72.55 ⁵
Specific Dust Emissions (g/ton clinker)	14.26 ⁵	11.44 ⁵
Total NO _x Emissions (ton/year)	7,765.23 ⁵	8,278.45 ⁵
Specific NO _x Emissions (g/ton clinker)	1,486.62 ⁵	1305.09 ⁵
Total SO ₂ Emissions (ton/year)	153.34 ⁵	110.82 ⁵
Specific SO ₂ Emissions (g/ton clinker)	29.36 ⁵	20.75 ⁵
Total Toxic Heavy Metal Emissions (ton/year)	0.22 ⁴	2.69 ⁴
Specific Toxic Heavy Metal Emissions (g/ton clinker)	0.04 ⁴	0.44 ⁴
Total Volatile Organic Compound (VOC) Emissions (ton/year)	68.36 ⁵	167.14 ⁵
Specific Volatile Organic Compound (VOC) Emissions (g/ton clinker)	13.09 ⁵	26.35 ⁵
Total Dioxin-Furan Emissions (g/year)	0.02 ⁴	0.08 ⁴
Specific Dioxin-Furan Emissions (µg/ton clinker)	0.004 ⁴	0.02 ⁴
Total Mercury Emissions (ton/year)	0.005 ⁴	0.005 ⁴
Specific Mercury Emissions (g/tonclinker)	0.001 ⁴	0.001 ⁴
Total Cd+TI Emissions (ton/year)	0.01 ⁴	0.05 ⁴
Specific Cd+TI Emissions (g/ton clinker)	0.002 ⁴	0.0082 ⁴
Total HCl Emissions (ton/year)	2.85 ⁴	4.69 ⁴
Specific HCl Emissions (g/ton clinker)	0.55 ⁴	0.95 ⁴
Total HF Emissions (ton/year)	0.75 ⁴	1.64 ⁴
Specific HF Emissions (g/ton clinker)	0.14 ⁴	0.33 ⁴
Scope 1 Cementitious Gross Specific CO ₂ Emission (kg CO ₂ /ton)	823 ³	802 ³
Grey Cementitious Gross Specific CO ₂ Emission	800	772
White Cementitious Gross Specific CO ₂ Emission	897	911
CAC Cementitious Gross Specific CO ₂ Emission	836	838

¹ Grey, ² Grey + White, ³ Grey + White + CAC, ⁴ Spot Measurement, ⁵ Continuous Measurement

In addition to cement production, Çimsa contributes to the national economy by achieving energy recovery, acting as a pioneer in its sector.

Çimsa is moving towards a low carbon future to reduce emissions of CO₂, a greenhouse gas which can cause climate change.

Çimsa aims to continuously increase the use of alternative fuels and alternative raw materials in the production process.

Energy management is a priority issue at Çimsa along with its sustainability strategy.

In 2020, Çimsa received a "B-" rating in the CDP Climate Change Report and "B" in the Water Report.

WE SHAPE THE PRESENT FOR THE FUTURE

From the Management

"Ranking second in the world on the basis of exports, our industry successfully managed the challenges of the pandemic, exporting a total of USD 1 billion of cement during the year. The US, Middle East and West Africa stood out as our largest export destinations, with our exports exceeding 30 million tons."

Dr. Tamer SAKA
Çimsa Chairman of the Board of Directors



"2020 was also a year in which we achieved some important progress towards globalization. In a step which will greatly contribute to our company in operational and financial terms, we established Cimsa Sabanci Cement BV in the Netherlands, which combines the financial strength of our main shareholder Sabanci Holding with Çimsa's operational competency. By acquiring the Buñol White Cement Plant through this strong platform, we will develop our export network in North African and South American markets in addition to Europe. Our goal in this process is to consolidate our place among the leaders of the global white cement league."

Umut ZENAR
CEO

Targeting a 20% Reduction in Water Consumption

Çimsa aims to reduce its water consumption per tonne of clinker by 20% by 2030 compared to its 2020 level. In 2020, 0.38 m³ of water was consumed per tonne of clinker produced; the company aims to reduce this to 0.30 m³ by 2030.

CO₂ Emissions Reduction

Reducing total gross CO₂ emissions in grey clinker by 5% by 2025, taking 2017 as the base year.

Reducing CO₂ emissions per tonne of clinker produced by 1.95% by 2025, taking 2015 as the base year

Çimsa's Covid-19 Pandemic Strategy

The priority of keeping all stakeholders safe and healthy

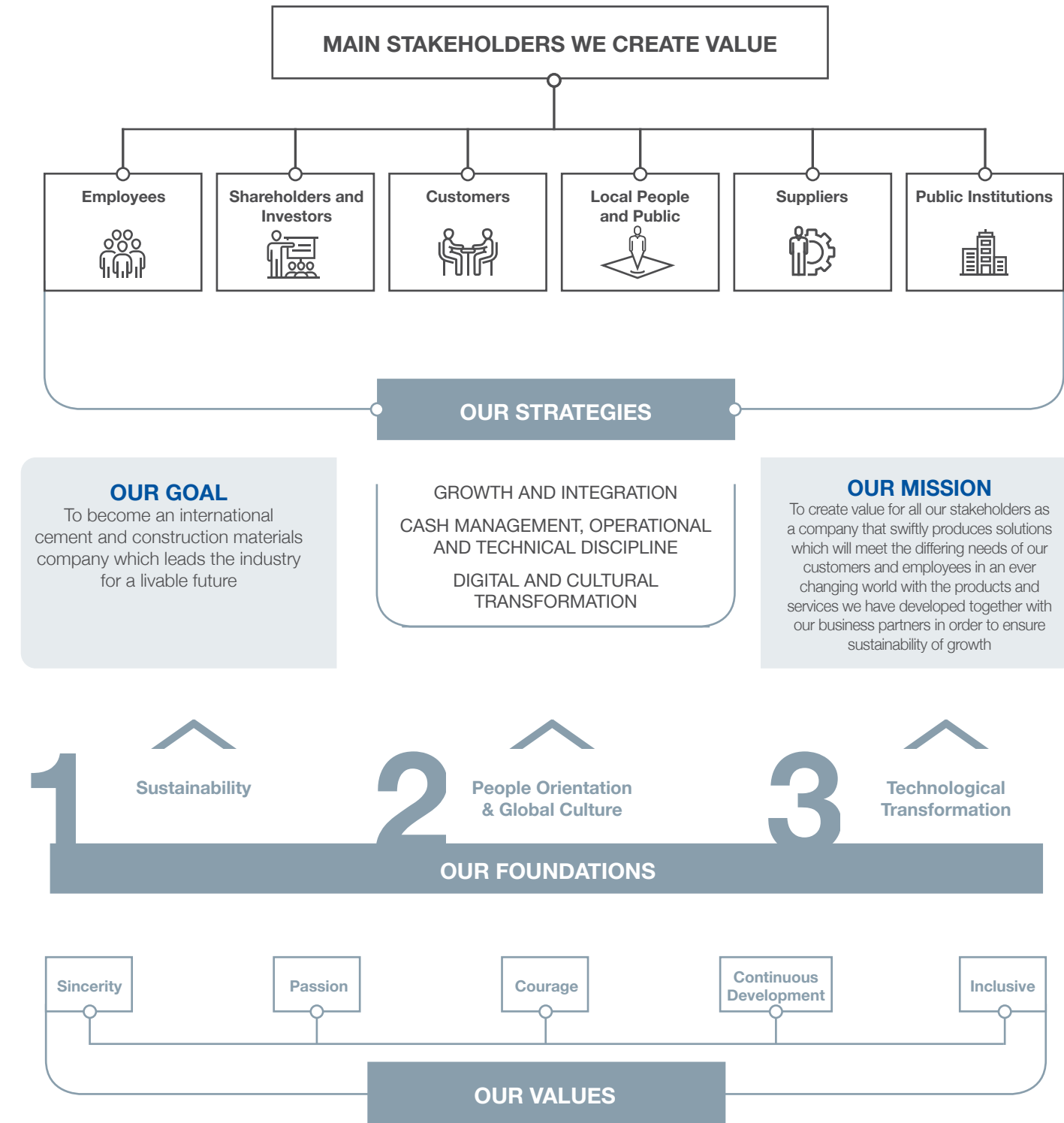
Having prioritized keeping all its stakeholders safe and healthy in line with the "care culture" it has adopted, Çimsa has closely followed the developments regarding the Covid-19 outbreak since the first days they were reflected to the public, and established the Emergency Action Committee within the company. Çimsa has taken the necessary steps urgently to protect the health and safety of its employees by gradually implementing the necessary measures at the highest level from the first day, in line with the public health guidelines announced by the World Health Organization and the Ministry of Health.

For detailed information please see pages 90-91 of the 2020 Integrated Annual Report.



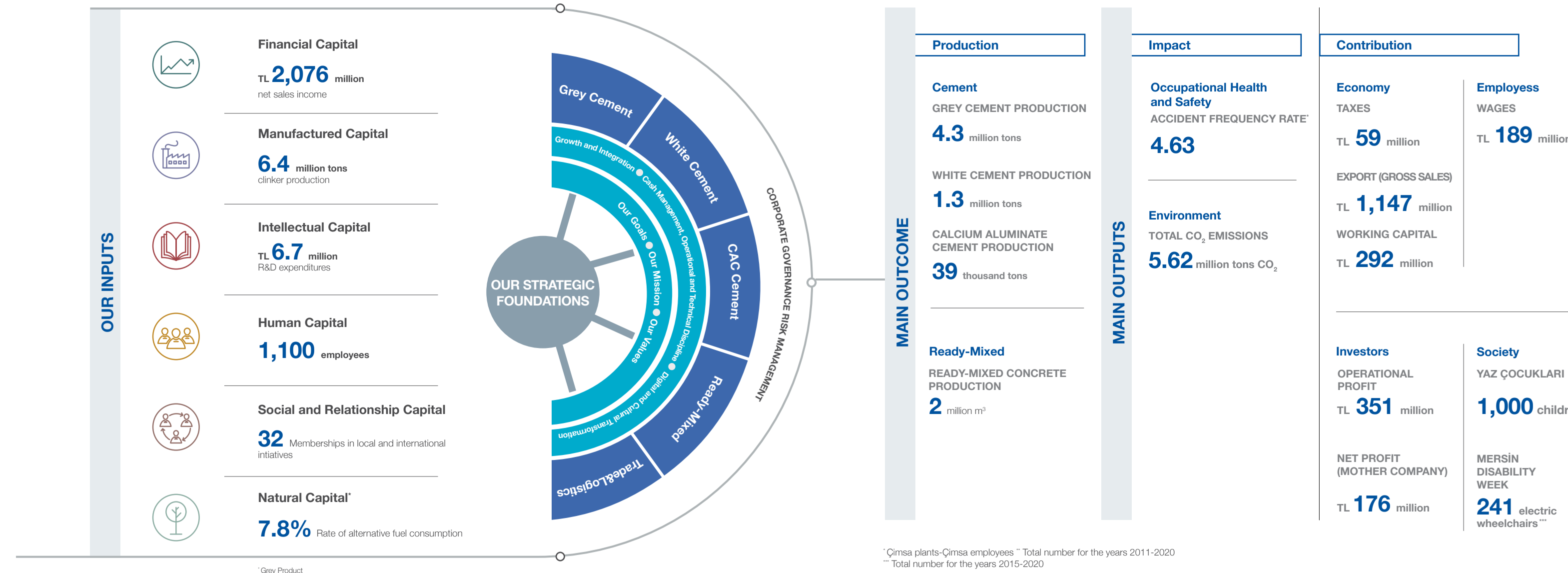
2020 Integrated
Annual Report

Çimsa Business Model



Çimsa's fundamental strategy is to generate sustainable stakeholder value by handling the business opportunities offered by domestic and international markets with a balanced and risk-sensitive approach.

The Business Model - 2020 Performance



Çimsa's Goals and Contribution to the Sustainable Development Goals

MAIN GOAL	Base Year	KPI	2019	2020	TARGET	TARGET YEAR	SDGs
To decrease the accident frequency ratio (AFR) for Çimsa employees, with respect to 2018 figures, by 2025	2018	8.73	6.15	4.63	< 3	2025	8 9 11
To decrease the accident severity ratio (ASR) for Çimsa employees, with respect to 2018 figures, by 2025	2018	188.06	212.5	118.48	< 150	2025	8 9 11
To develop and extend the Yaz Çocukları Project, which is organized for the children - Çimsa's main theme in terms of social responsibility projects - and to increase the realization ratio in the provinces where Çimsa is operative	2011	20%	50%	**	100%	2025	10
To decrease the gross CO ₂ ratio for grey clinker, with respect to 2017 figures, by 2025	2017	4,148,165 tons	3,499,109 tons	4,216,503 tons	5%	2025	9 11 13
To reduce the CO ₂ ratio for clinker per tonne, with respect to 2015 figures, by 2025	2015	872 kg CO ₂ /ton grey clinker	885 kg CO ₂ /ton grey clinker	857 kg CO ₂ /ton gri grey clinker -1.72%	1.95%	2025	9 11 13
With the completion of the required investments, to meet at least 10% of the total thermal power of Çimsa plants with alternative fuels	2018	6.80%	7.50%	7.82%	10%	2025	8 9 11 13
To reduce total water consumption by 40%, with respect to 2016 levels, by 2020	2016	1,662,358 liters	1,671,757 liters	2,382,167 liters 43.3%	40%	2020	9 11 12
To increase employee satisfaction	2020	Employee Satisfaction Ratio	49%	62%	70% and above	2025	8 5
To continue training for the development of employees	2020	Vocational and Personal Development Training Attendance Ratio	Vocational Training 89% Personal Training 37%	Vocational Training 92% Personal Training 39%	Vocational and Personal Trainings reach 100%	2025	8 5 10

* Only grey cement production
** It could not be implemented in 2020 due to the pandemic.