

SUSTAINABILITY REPORT 2010
From today for the future



çimsa

About the Report

We present here our first sustainability report in order to inform our stakeholders about the economic, environmental and social performance of Çimsa Çimento Sanayi ve Ticaret A.Ş. (Çimsa) for 2007 - 2010 period. As Çimsa, while conducting our everyday businesses and operational activities, we take the utmost care to meet our stakeholders' sustainability needs and expectations. Thus, in a sense, this report is one of the most important tools through which we can, first, review our stakeholders' sustainability priorities and then share the solutions that we develop.

The Purpose and Boundary of This Report

This report addresses the economic, environmental and social impacts of Çimsa, a Turkish company operating in cement, ready-mixed concrete and aggregate sectors. We aim to fully inform our stakeholders about all of the actions that we commit to undertake in order to minimize any potential impacts, which might result from any of our activities. Thus, our stakeholders can follow the measuring, monitoring and improving steps of the sustainability performance in Çimsa's triple bottom line reporting process.

During the process of identifying each strategic issue and then collecting the relevant data, we have investigated each one of Çimsa's cement plants as well as selected aggregate and ready-mixed concrete facilities. Except for the logistics

activities with international terminals and suppliers, all of Çimsa's operations are covered in this report.

Global Reporting Initiative (GRI) conformance

We prepared this Çimsa Sustainability Report in accordance with the core and additional indicators of internationally accepted GRI Sustainability Reporting Guideline (G3) to meet GRI B level. (See page 64-70 and inside back cover). This guideline provides a framework for reporting on the economic, environmental and social impacts of companies in terms of sustainability, their target and activities undertaken in relation to these impacts and the results of these activities.

In addition to the GRI, we have also taken into account the principles of the World Business Council for Sustainable Development's (WBCSD) Cement Sustainability Initiative (CSI).

www.globalreporting.org
www.wbcscement.org

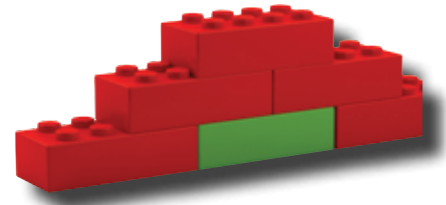
Definition of the report content and the dialogue with our stakeholders

In determining the scope of this report, and throughout its preparation, we remained focused on GRI's materiality, stakeholder inclusiveness, completeness and sustainability context principles. The report's headings were determined from workshops and surveys of employees, the most important stakeholder group of Çimsa, and subsequently approved through workshops and meetings held with senior management.

After collecting feedback from the senior managers, we then solicited input from the important representatives of the sector, such as the Turkish Cement Manufacturers' Association (TÇMB), the Turkish Green Building Association (ÇEDBİK) and the Cement Industry Employers' Association (ÇEİS). During the activities where we received our stakeholders' opinions and suggestions, we addressed Çimsa's sustainability-related economic, environmental and social impacts for the entire company. We present each heading in proportion to its importance and its priority supported by the appropriate data of the reporting period.

The Period and Cycle of the Report

This report covers Çimsa's 2007 - 2010 operating period. In 2012, we intend to publish the subsequent volume of our sustainability report covering the operating period of 2011.





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Chairman's Message

With this sustainability report, Çimsa plans to improve the economical, social and environmental impacts that may arise along its value chain and shares its future objectives with its stakeholders.



Dear Stakeholders,

Çimsa board is obliged to fulfill the expectations of all stakeholders, today and in the future. The board shall ensure satisfying and continuous return of investment for the equity funds of the stakeholders. Regarding any environmental and social responsibilities, Çimsa aims to fulfill the expectations of its employees, suppliers, clients and particularly the community it is active in.

With this sustainability report, Çimsa plans to improve the economical, social and environmental impacts that may arise along its value chain and shares its future objectives with its stakeholders.

With the vision of 'becoming the most valuable cement and ready mixed concrete company' and we have been focused on the process of sustainability management since the year 2010. We started to set our sustainability goals and to initiate all required actions for all stakeholders of our company.

This report is a summary of all our projects related to sustainability in the period of 2007-2010 and our long term and short term objectives in this regard.

Those principles were formed with the aim of conducting our social and environmental responsibilities with the communities on all geographic locations where we are active, in cooperation with our employees, stakeholders, suppliers, clients, local neighbors, public and non governmental organizations as well as our other stakeholders.

- Our primary stakeholder is our human resources. We approach our employees in an honest and fair nature, ensuring a working environment that is nondiscriminatory, safe and healthy. We encourage you to review our management approach on work health-safety as well as the

personnel rights of both our employees and the employees of our sub contractors as outlined in this initial sustainability report.

- We manage the environmental impacts that may arise from our activities in consideration of corporate citizenship. Beyond the scope of legal obligations, we also support the development of the best environmental implementations and environment friendly technologies and initiatives that increase the environmental awareness. Our management approach on matters of energy efficiency, alternative fuel consumption and the fight against climate change, as well as the initiatives we implemented for the protection of the environment is included within this report in detail.

- We take the culture and traditions of the countries we conduct activities at into account and we act in compliance with all legal regulations. As a member of the Sabancı Community, our way of doing business is guided by SA-Etik, which is prepared and implemented in accordance with Corporate Social Responsibility Principles. The main subjects of this report also include our product responsibility management approach and business ethics implementations.

Managing the strategic sustainability matters as an integral part of our business, we believe that we will create the highest value for our stakeholders. With this belief, we shall continue our journey with straight and solid steps.

Through our existing and prospective communication channels, we expect our stakeholders to submit the ideas and suggestions that might improve the economical, social, and environmental aspects of our business. The feedback we receive from you will help us attain the objective of constructing a sustainable future.

We thank in advance to all our employees, partners, clients, and stakeholders who support us with devotion in attaining our objectives.

Mehmet Göçmen
Chairman

General Manager's Message

Our objective in the next reporting period is to establish dialogue platforms with our external stakeholders in strategic sustainability issues, to ensure various stakeholder groups contribute to the sustainability performance of our corporation, and to receive their support.



Dear Stakeholders,

As Çimsa, we have achieved another milestone through our leading approach in the Turkish cement industry and we present you with this report, which demonstrates our four years of sustainability performance in the operating period of 2007-2010.

Standing as a sustainable construction materials company is one of the primary objectives of Çimsa over the period of next 10 years. For that purpose, we focused on understanding and improving both the social and environmental impacts that arise or may arise with the activities we conduct today, conducted in the past, or will conduct in the future, in consideration with the complete value chain, from resource gathering to the final usage process of our products.

In the year 2010, we established a Sustainability Committee at Çimsa, which consists of production, financial affairs and human resources functions under the leadership of our General Manager at the first half of 2011. Determining our corporate objectives within the frame of sustainability for 2012 and 2020 was the first initiative implemented by the Committee for this reporting period. For the following period, it shall be the committee's task to better understand the major environmental and social impacts of our corporation and to identify the risks, develop recuperative solutions and set new objectives in order to improve the corporate sustainability performance. Realizing the delicacy of the industry we are active in, we shall continue to improve our communications with the stakeholders.

I would like to highlight a few essential topics that will form an integral part of our sustainability strategy and may affect us economically.

Occupational Health and Safety

As a member of such a harsh industry with so many potential occupational hazards, our primary social commitment is to protect the health and safety of our most important assets: our employees, the employees of our contractors in our plants

and facilities, and our other visitors. For our both business lines, we aim to reduce the number of total accidents by 50%, eventually achieve the goal of '0' accidents, and maintain this standard.

Product Responsibility: One of our most important social commitments is to guarantee the safety of our products. We consider our customers and the end users of our products as our stakeholders who are directly or indirectly affected by the performance of our products.

Use of Alternative Fuel and Raw Materials: In the cement industry, which extensively relies on energy and raw materials, utilizing the natural resources in the most efficient way possible and substituting nonrenewable primary fuels and natural raw materials with alternatives are important for us. By increasing the use of alternative fuels and alternative raw materials even further, we aim to create a sustainable world for future generations, reduce the carbon dioxide emission while preserving our natural resources, and provide a solution to a significant environmental and societal problem: the disposal of waste materials.

Energy Efficiency: At Çimsa, we aim to reduce emissions from energy consumption by implementing modern production processes that consume less energy, and by recycling energy from waste heat to ensure that less fossil fuel resources are utilized in order to reduce the reliance on external resources.

Biodiversity and Local Environmental Impacts: We strive to ensure our mining activities, initiated with the purpose of procuring raw materials, to be conducted with respect to the environment, and we prepare rehabilitation plans with the aim of rejuvenating the damaged natural areas.

Our objective in the next reporting period is to establish dialogue platforms with our external stakeholders in strategic sustainability issues, to ensure various stakeholder groups contribute to the sustainability performance of our corporation, and to receive their support.

Mehmet Hacıkamiloğlu
General Manager





CORPORATE PROFILE

Çimsa is one of the leading players in the Turkish and international cement sector.



OUR PRODUCTS AND MARKET POSITION

With a 5 million ton clinker capacity, we are one of Turkey's biggest cement producers. In the ready-mixed concrete sector, we provide concrete to Turkey's largest infrastructure and energy projects, through a network of facilities comprising a total capacity of over 3.5 million cubic meters. 32% of Çimsa's shares are traded in Istanbul Stock Exchange.

Çimsa leads the Turkish cement and ready-mixed concrete sector in product diversity and innovation with white and calcium aluminated cement as well as grey cement. The company was first established in 1972 with production at its Mersin plant starting in 1975. Çimsa now has cement plants and ready-mixed concrete facilities and aggregate quarries in each of Mediterranean, Central Anatolia and Marmara regions.

As the leading force behind the growth and development of Turkish cement industry at the international level, Çimsa now markets its self-branded products in 46 countries with its companies and

terminals in Seville in Spain, Trieste in Italy, Emden in Germany, Constanta in Romania, Novorossiysk in Russia and Famagusta in the Turkish Republic of Northern Cyprus (TRNC).

OUR PRODUCTS

Cement is a material acquired by grinding gypsum and other additives together with clinker, which itself is acquired by the heating of limestone and a special clay mixture in high temperature ovens.

Ready-mixed concrete is produced by mixing cement with aggregate, sand, water and, selected additives. Due to its durability and mold ability, concrete

Key Indicators of 2010 (as of 12/31/2010)

Net Sales	708,480,015 TRY
Employees	998 (7% of the employment in cement plants in Turkey)
Production	4.6 million tons of clinker and 5.4 million tons of cement (9% of total clinker production and 9% of Turkey's total cement production)
Export	1.4 million tons (7% of Turkey's total cement and clinker export)



is intensively used in the construction sector.

Aggregate is a building material produced with raw materials such as limestone and basalt after they are reduced in size and graded during crushing and sieving processes. Aggregate is used as a raw material for concrete and asphalt production.

More information on our production processes, standards, cement, ready-mixed concrete, aggregate product range and on the sector as a whole is available at www.cimsa.com.tr.

Cement and Clinker (2010)

Market Position: Çimsa holds an important place in Turkish industry, with its 5 million tons clinker capacity and being one of world's three largest players in the white cement market. It is the only producer of calcium aluminated cement in Turkey - and one of the few in the world.

Production Centers: Çimsa operates four integrated cement plants in Mersin,

Niğde, Eskişehir and Kayseri; it has a cement grinding and packaging facility in Ankara; and cement packaging facilities in Malatya and on the Marmara Rota Harbor

Number of Employees: 864

Net Sales: 589,281,469 TRY

Ready-Mixed Concrete and Aggregate (2010)

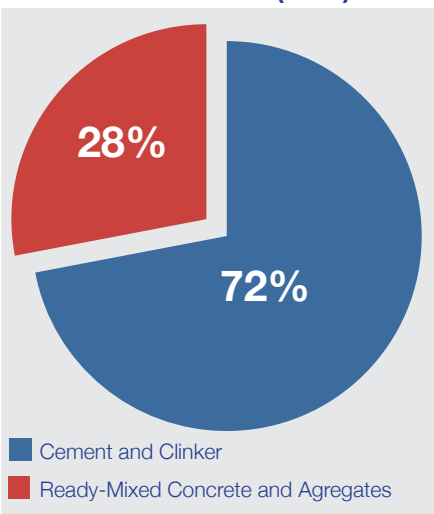
Market Position: With a capacity of 3.5 million cubic meters, Çimsa provides concrete to Turkey's largest infrastructure and energy projects.

Production Centers: Çimsa operates forty-one ready-mixed concrete facilities in Adana, Adapazarı, Aksaray, Antalya, Bilecik, Bursa, Eskişehir, Kahramanmaraş, Karaman, Kayseri, Konya, Kütahya, Mersin, Niğde, Nevşehir and Osmaniye. It also owns five aggregate quarries: three in İnegöl-Eskişehir region and two in Mersin

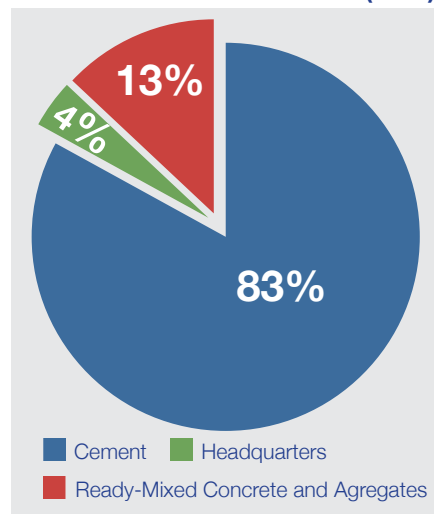
Number of Employees: 134

Net Sales: 206,141,756 TRY

SALE BREAKDOWN (2010)

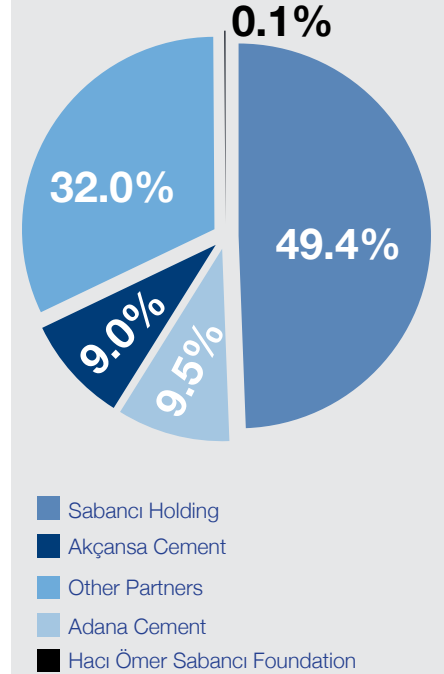


WORKFORCE BREAKDOWN (2010)

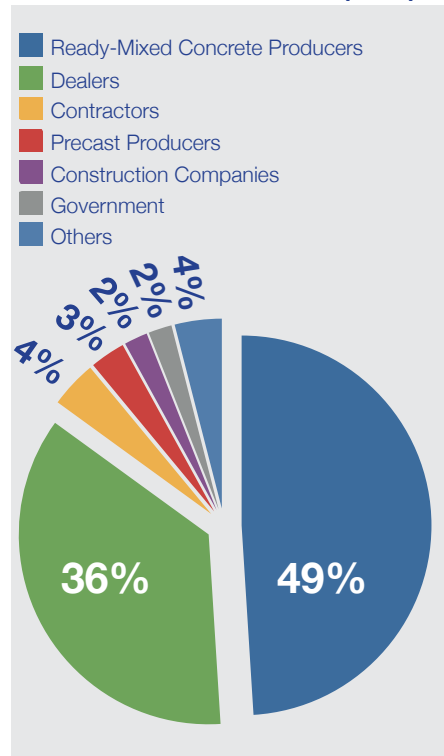


ÇİMSA SHAREHOLDER STRUCTURE

(As of 12/31/2010)



LOCAL CUSTOMER BREAKDOWN - CEMENT (2010)



ÇİMSA'S SUSTAINABILITY ISSUES ALONG ITS VALUE CHAIN

RAW MATERIAL EXTRACTION (Quarries)



PRODUCTION (Plants)



- Health & Safety
- Dust Emissions
- Biodiversity
- Rehabilitation of quarries
- Noise pollution and vibration
- Local community relations

- Health & Safety
- Dust Emissions
- GHG and other gas emissions
- Usage of alternative fuels and raw materials
- Energy efficiency
- Use of natural resources
- Water usage/Waste water
- Local community relations



Operation

- Drilling • Blasting
- Excavation/Loading
- Transportation

Raw Materials: Limestone, Clay/Shale

Operation

- Alternative Raw Materials
- Crushing • Homogenization
- Grinding • Heating • Cooling • Storage

Intermediate Product: Clinker

Operation

- Grinding
- Stocking
- Bagging

Product: Cement

SALE (Ready Mixed and Agregates)



CUSTOMERS

- Health & Safety
- Dust Emissions
- Local community relations

- Product Safety and Responsibility
- Dialogue with customers and end users

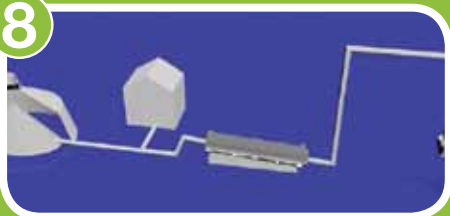
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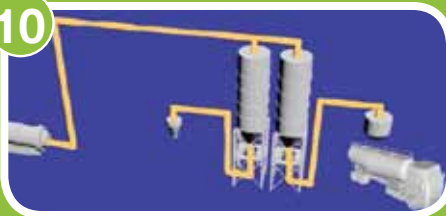
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Bagged Cement

- Packages of 50 kg and 25 kg (domestic and export)
- 1000 kg and 1500 kg big-bags (domestic and export)
- 1,500 kg sling-bags (export)
- 1950 kg palletless packages (export)
- 1500 kg 1600 kg 2000 kg pallets (domestic and export)
- Packages are loaded to customer vehicles, to ships, to containers or wagons
- Transported to warehouses or to the end users of the products.

Bulk Cement

- Bulk cement is loaded to carriers' or customers' silobuses or silowagons in the domestic market, and to ships from carriers' silobuses to be exported.
- Bulk cement is transported to our RMC facilities by carriers' silobuses.

Operation

- Loading
- Transportation

Customers

- Dealers
- Ready Mixed producers
- Construction companies/Contractors
- Precast producers
- Refractory producers
- Public





VISION AND STRATEGY

We defined 'being a sustainable organization' as one of our four primary targets for the next 10 years.



OUR VISION OF SUSTAINABILITY

We focused on integrating the principles of sustainability within our business model, with a vision of being Turkey's most valuable cement and concrete company, aligned with our target of growing through creating value for all of Çimsa's key stakeholders.

The integration of a triple bottom line approach to sustainability, that is the management of our economic, environmental and social impacts as a whole, with all of the company's functions will improve our corporate innovative power and help us to reach our targets. Considering our company's value chain, our aim is to understand and improve the social and environmental impacts that may result directly, or indirectly, from our activities in the past, today and in the future.

Since 2010 our focus became sustainability management, and we began working on making this an integral part of our culture, with the support of our main shareholder

Sabancı Holding. We defined 'being a sustainable organization' as one of our four primary targets for the next 10 years.

OUR PRIMARY TARGET

1. Ensure operational excellence:

Set target for every function in our value chain processes, including management, production, sales and delivery; follow these targets with key performance indicators; make continuous improvements in the performance of our processes; establish a corporate information database; take each necessary measure identified by scenario-based detailed follow-up of our cash flow forecasts; deliver operational excellence by managing each of these under the discipline of a "system approach".

2. Be a sustainable organization:

Starting with our stakeholders who are mostly affected by our social and environmental impacts and effectively managing our communication with all our stakeholders; create long term value for our stakeholders and for our company; integrate an understanding of sustainable development into the daily life of all of the Çimsa family, firstly our employees, then our customers, suppliers and our local neighbors.

3. Be customer and market oriented:

Listen to and understand the needs and requests of our customers by making the market and our customers the focal point of all of our activities; thus create added value for our customers and be our customers' most preferred business partner.

4. Be profitable and grow smart:

Make investments in new and attractive markets that will create synergies with Çimsa's current operations; make investments in such a way that they



will create added value to support the company's other primary goals; make investments that will help the company to grow sustainably.

To identify our strategically important sustainability issues we organized surveys and workshops with the participation of our employees and with Çimsa's senior management. Our next step in the process of defining our sustainability strategy will be establishing platforms for communication with our other external stakeholders, firstly our customers, non-governmental organizations and local administrations. We will continue to construct our sustainability action plans within the framework of the strategic sustainability issues that we focus on.

Our Economic Focus Points

- Corporate governance
- Dialogue with our customers and suppliers

Our Social Focus Points

- Occupational health and safety
- Product liability and safety
- Dialogue with our stakeholders
- Business ethics

Our Environmental Focus Points

- Compliance with all laws and regulations
- Dust emissions
- CO₂ and other emissions
- Alternative raw materials and fuels
- Energy efficiency

PRINCIPLES OF ÇİMSA'S MANAGEMENT APPROACH

Our balanced scorecard, used across all functions and business units, is a strategic management tool that underlies Çimsa's strategy execution, and monitoring. With the balanced scorecard, Çimsa has successfully integrated its

scenario-based planning, performance monitoring and initiative management practices into its balanced scorecard application.

The only steps not covered by the scope of the balanced scorecard application are strategy review, development, operational translation and adaptation. These important components are implemented through annually held review and strategy development meetings, as well as by monitoring the results of the balanced scorecard.

As Çimsa's management, we have replaced the traditional "target oriented" strategy management approach, with a modern "scenario based" approach that incorporates prioritization and resource allocation functions, in accordance with the discussions and ideas developed during the "Future Forums" meetings that we held during 2009. With scenario based strategic planning, we now determine possible future scenarios, develop the most efficient strategy to support each scenario, perform action and resource planning accordingly. We maintained this approach through our "Strategy Reviewing" meetings, held during 2010 with the full participation of managers from all of the company's functions. Following these we then prioritized our action plans for 2010 and beyond.

The changes that we have made for our transition to an integrated sustainability approach include a new transparency developed for our employees, for society and for all of our stakeholders. First we outlined to our employees, customers, society and other stakeholders the strategic target that form the backbone of Çimsa's strategy. We then defined many key performance indicators related to each of the most basic parameters of these targets. We will continue to

assess the strategic performance of our company in both functional and general terms, by openly monitoring these indicators.

SUSTAINABILITY MANAGEMENT AT ÇİMSA

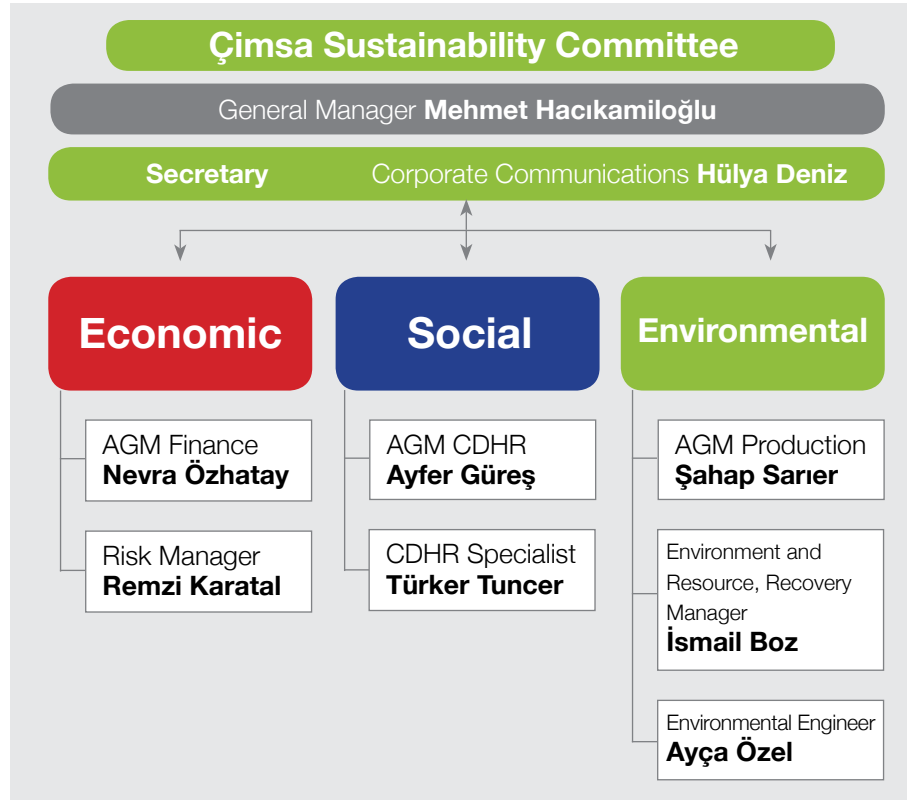
We are aware of the fact that we can improve the issues that we actively manage. During this reporting period, we started out to construct a three - dimensional management approach that incorporates environmental and social factors, as well as the economic point of view.

In 2010, we established a Sustainability Committee with representation from each of the production, finance and human resources functions. In 2011, this committee will start to work under the leadership of our General Manager. This committee's first task was to determine the corporate sustainability targets for 2012 and for 2020, in accordance with its recently specified responsibilities and targets. (See page 15-19)

Associating our sustainability targets with our corporate responsibilities, and then incorporating the related performance indicators into our tracking systems are both integral parts of our sustainability management system. As we make our corporate decisions, although taking all these sustainability criteria into account may seem like a demanding process, the management systems that we have adopted, such as TSE-ISO EN 14001, 9001 and TSE ISG-OHSAS 18001, as well as our other initiatives, all help us to continuously improve our performance. Scrutinizing our existing systems and then bringing them into conformity with our sustainability principles, while monitoring them through our corporate performance indicators are among our most important targets.

OVERSEEING SUSTAINABILITY

Çimsa's Board of Directors gathers at least once a month to track the company's sustainability performance. All risks are identified and risk maps are prepared in accordance with the framework of the existing reporting formats stipulated by Sabancı Holding and by the Board of Directors. The higher potential and certain risk factors are identified, the required decisions are made and action is then taken accordingly. The Executive Committee, affiliated to the Board of Directors, is responsible for determining and tracking the Company's sustainability targets. The personal targets of the members of the Executive Committee, assessed under the performance management system, are directly linked to sustainability targets.



CORPORATE GOVERNANCE

At Çimsa, corporate governance under our sustainability approach is being transparent and accountable in our decision-making. As a publicly traded company, we comply with the Corporate Governance Principles of the Capital Markets Board of Turkey. Our Corporate Governance Principles Compliance Report can be viewed on page 72 of our 2010 annual report.

MANAGEMENT STRUCTURE - COMMITTEES

The Audit Committee reports to the Board of Directors and it is composed of two members. The official roles of these members are; appointing of an independent auditor, ensuring the functionality of inter-company control systems, reviewing the internal audit reports and providing feedback to the Board of Directors. All complaints are

conveyed to the committee, after being collected by the Audit Department. The Audit Committee also reviews reports on the company that are prepared by external auditors, and it manages the performance of the company accordingly. (See page 15)

The Executive Committee meets monthly, and it is the mechanism that manages all general executive issues including human resources, marketing, production, technical issues and credit risk. The Technical Committee reports to the General Manager and it takes decisions involving production and investment, with the participation of Plant Managers, the Process Manager and the Vice General Manager responsible for investments. The Credit Risk Committee manages many issues including market developments and the follow up of customer related debts.

PARTICIPATION IN PUBLIC POLICY MAKING ACTIVITIES

Çimsa's General Manager is a Member of the Board of the Turkish Cement Manufacturers' Association (TÇMB) and the Chairman of its Standing Committee on Ready-Mixed Concrete. Via the TÇMB, he participates in activities related to the development of public policy concerned with cement issues, as he does via the TÇMB's ready-mixed concrete committee for concrete. Within the TÇMB, information activities are undertaken to support the development of concrete roads and concrete barriers as alternatives to asphalt roads and steel barriers. Policies not directly related to the sector are managed through feedback provided to Sabancı Holding. The issues related to the participation in public works are managed and monitored by the General Manager.

OUR BUSINESS ETHICS

Business ethics are the foundation of our business execution methods. The ethical rules that Çimsa employees must comply with are classified under the main headings of 'integrity', 'privacy', 'conflict of interest' and 'responsibility'. These form part of the Human Resources Directive, chapter III, and are announced to all employees via the company's intranet. All (100%) of Çimsa's white-collar employees receive training on the rules of corporate ethics during their first month of employment. All employees receive this training every year, when they must reread and sign an ethical commitment document. This process is managed by the Human Resources function. The Sabancı Ethical Rules can be viewed at www.sabanci.com.tr

AUDIT COMMITTEE

Çimsa pays the utmost attention to compliance with all laws and regulations in order to completely prevent corruption and anti-competitive behaviors; its senior management levels manage and track all

related issues. Çimsa's auditing universe covers all departments (including its international terminals), excluding the production units of its cement plants. Audits related to executive and commercial issues are undertaken for all of the company's ready-mixed concrete operations. These units are audited every two years by the Audit Unit, which reports to the Audit Committee appointed by Çimsa's Board of Directors. This is as stipulated in the company's Internal Audit Regulations.

The Audit Unit executes several tasks and responsibilities under the authorization of the Board of Directors. These are related to the protection of Çimsa's rights and benefits, risk management, internal audit and the improvement of the efficiency of the company's corporate management. Some of these are;

- Regarding the company's regulations, procedures, circulars and unit-specific instructions: controlling their application,

ensuring that they remain in force, the collection of suggestions for improvement;

- Monitoring the operations and transactions of all units to make sure that they are in accordance with all laws, regulations, company procedures, circulars and instructions;
- Keeping the Audit Committee continuously informed about its auditing activities and about the efficiency of its internal control system; processing all related requests and suggestions; and undertaking advisory studies for the Board of Directors and senior management. These studies can be related to any issues that add value, including the achievement of the company's target, increasing the value of its stock, improving corporate procedures and operations, increasing service quality, increasing customer satisfaction, and providing general consultancy and support services in relation to these issues.

OUR SUSTAINABILITY TARGETS

OUR SOCIAL TARGETS

Occupational Health & Safety								
Cement	Unit	2007	2008	2009	2010	2012	2020	GRI
Fatality (Çimsa)	Number	0	0	0	1	0	0	LA7
Accident Frequency* (Çimsa)	Rate	28.25	21.37	7.38	11.16	5	0	LA7
Lost Days** (Çimsa)	Days	619	381	91	7770	(-) 50%	0	LA7
Absentee Days (Çimsa)	Days	0	3606	2742	3845	(-) 50%	0	LA7
Ready-Mixed Concrete and Agregates	Unit	2007	2008	2009	2010	2012	2020	GRI
Fatality (Çimsa)	Number	n.a.	0	0	0	0	0	LA7
Fatality (Contractor)	Number	n.a.	0	0	1	0	0	LA7
Fatality (3rd Party)	Number	n.a.	0	2	3	0	0	LA7
Accident Frequency* (Çimsa)	Rate	n.a.	33.56	48.66	40.46	5	0	LA7
Lost Days** (Çimsa)	Days	n.a.	128	142	73	(-) 50%	0	LA7
Absentee Days (Çimsa)	Days	n.a.	201	97	233	(-) 50%	0	LA7
Human Rights Audits								
Corporate	Unit	2007	2008	2009	2010	2012	2020	GRI
Contractors	Percentage	100	100	100	100	100	100	HR2

n.a. = not available

*Accident frequency: The number of accidents per million worker-hours

**Lost days: Days lost per 1,000 working hours

- 1 fatal accident=7,500 lost days
- Each year the number of lost working days is aimed to be reduced by 50% with respect to the previous year.

OUR ENVIRONMENTAL SUSTAINABILITY TARGETS FOR ALL CEMENT PLANTS

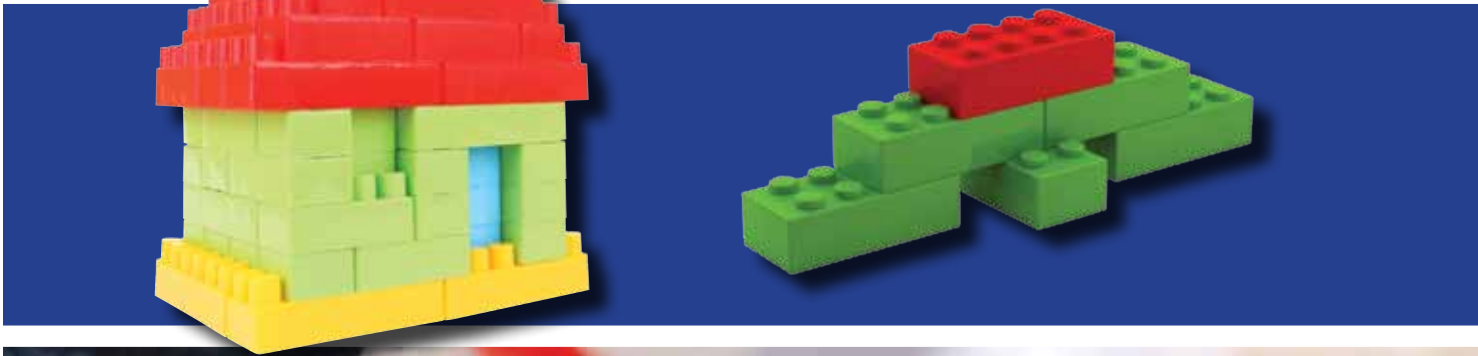
OUR ENVIRONMENTAL SUSTAINABILITY TARGETS FOR ALL CEMENT PLANTS						
Systematic collection and monitoring of environmental data						
INCREASING THE USE OF ALTERNATIVE FUELS						
Target Definition	Key Performance Indicator	Unit	Realized 2010	Target 2011	Target 2012	Target 2020
Reducing the use of fossil fuels	The substitution rate of fuel by waste (calorific based)	%	3.36	3.5	4.7	10.6
Action Plan for Increasing the Use of Alternative Fuels						
The Installation of a Hotdisc Automatic Waste Feeding System in the Eskişehir Plant in 2012 and in the Kayseri Plant in 2020						
MANAGEMENT AND REDUCTION OF EMISSIONS						
Target Definition	Key Performance Indicator	Unit	Realized 2010	Target 2011	Target 2012	Target 2020
Complying with environmental regulations by monitoring our emissions continuously under control	Dust level	mg/Nm³	21	"< 50 (new facilities) < 120 (old facilities)"	"< 50 (new facilities) < 120 (old facilities)"	2020 Environmental Regulations' Limit Values
	NOx level	mg/Nm³	733	< 1300	< 1300	2020 Environmental Regulations' Limit Values
	Volatile organic compounds	mg/Nm³	23	< 300	< 300	2020 Environmental Regulations' Limit Values
	Heavy Metals (Hg + Cd + Tl)	mg/Nm³	0.011	< 0.05	< 0.05	2020 Environmental Regulations' Limit Values
	Dioxin/Furan	µg/Nm³	0.011	< 0.1	< 0.1	2020 Environmental Regulations' Limit Values
Online monitoring of dust, NO _x values	The proportion of rotary kilns free from dust, NO _x values can be monitored online	%	—	29	57	100
Replacement of electrofilters with bag type filters	The rate of replacement of rotary kiln electrofilters with bag type filters	%	—	14	57	100
REHABILITATION OF QUARRY AREAS AND REDUCING LOCAL IMPACTS						
Target Definition	Key Performance Indicator (Cumulative)	Unit	Realized 2010	Target 2011	Target 2012	Target 2020
Rehabilitation of quarries	Rehabilitated area	ha	8.5	9.5	11	16
CLIMATE CHANGE MITIGATION AND PROTECTION OF CLIMATE						
Target Definition	Key Performance Indicator	Unit	Realized 2010	Target 2011	Target 2012	Target 2020
CO ₂ emission	As Çimsa, we will comply with all the international agreements that Turkey signs and with all decisions taken by the Turkish Cement Manufacturers' Association (TCMA), when setting our CO ₂ emission reduction targets for the years following 2012.					
ENERGY EFFICIENCY						
Production of electric energy from waste heat at Mersin Plant in 2012						

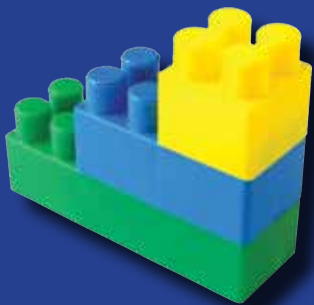
OUR ENVIRONMENTAL SUSTAINABILITY TARGETS FOR OUR READY-MIXED CEMENT PLANTS

TARGETS FOR ENVIRONMENT AND QUALITY MANAGEMENT					
Target Definition	Unit	Realized 2010	Target 2012	Target 2020	
TS EN ISO 9001 quality management system certified plants	%	75	100	100	
TS EN ISO 14001 environmental management system certified plants	%	45	85	100	
TS 18001 (OHSAS) certified plants	%	85	85	100	
G-KGS (Quality assurance system) certified plants	%	88	100	100	
WATER					
Target Definition	Unit	Realized 2010	Target 2011	Target 2012	Target 2020
The rate of the plants which record the amount of recycled water data that recycles water	%			100	100
The rate of the plants which recycle water	%	52		100	100
Action Plans Related to Increasing Water Use Efficiency					
The rate of the plants that use a moisture recycling system	%	26	66	100	100
ELECTRICITY					
Target Definition	Unit	Realized 2010	Target 2011	Target 2012	Target 2020
Airborne dust emissions	%	92	100	100	100
MANAGEMENT AND REDUCTION OF EMISSIONS					
Target Definition	Unit	Realized 2007-2010	Target 2011	Target 2012	Target 2014
Airborne dust emissions	mg/Nm ³	1.21	—	1.03	—
Action Plans Related to Reducing the Emissions of Fugitive Dust					
The rate of the plants which have closed stockholls for aggregate stocking	%	8	31	58	100
OVERALL					
Target Definition	Unit	Realized 2010	Target 2011	Target 2012	Target 2013
	TRY	459,125	2.2 million	2.1 million	1.8 million
Note: We have 27 ready-mixed cement production facilities. Project facilities are not included.					

OUR ENVIRONMENTAL SUSTAINABILITY TARGETS FOR OUR AGGREGATE FACILITIES

ENVIRONMENTAL AND QUALITY MANAGEMENT SYSTEM						
Target Definition		Unit	Realized 2010	Target 2012	Target 2020	
TS EN ISO 9001 quality management system certified facilities		%		75	100	
TS EN ISO 14001 environmental management system certified facilities		%		75	100	
TS 18001 (OHSAS) certified facilities		%			100	
TSE certified facilities		%	50	75	100	
CE certified facilities		%		75	100	
REDUCTION OF OTHER NEGATIVE ENVIRONMENTAL IMPACTS						
Definition of our Target	Key Performance Indicator	Unit	Realized 2010	Target 2011	Target 2012	Target 2020
Dedusting of our production environment	The rate of our facilities where dedusting has been implemented	%	—	20	50	100
Facilities Covered	The rate of our Facilities that are covered	%	—	10	100	100





OUR DIALOGUE WITH OUR STAKEHOLDERS

As Çimsa, we are aware of the sensitivities of our sector and aim to continuously improve our dialogue with our stakeholders.

OUR PRIMARY STAKEHOLDERS



To ensure both sustainable and profitable growth, our aim is to deliver sustainable benefits to each of our stakeholders.

For this aim we identified our key stakeholders that have the most intensive economic, social and environmental interactions with Çimsa. This analysis was conducted on the basis of a number of surveys and workshops undertaken with the extensive participation of Çimsa employees who have direct interactions with our external stakeholders.

During our annual Sabancı Holding Cement Group Coordination meeting held in Hatay in November 2010, we evaluated the communication platforms that we use for interaction with our

primary stakeholders. One output of this investigation was that we saw that our dialogue with all of our external stakeholders needed to be improved, particularly when it came to the subject of sustainability. Subsequently, our aim is to achieve each of the following in our next reporting period: improve each of our existing platforms in this respect; open new channels to conduct dialogues specific to each of our external stakeholders; and regularly process each request and idea that concerns our business' sustainability, from any stakeholder. The feedback received can make an appropriately significant contribution to the actions planned for the following period.

GROUP OF STAKEHOLDERS	DEFINITION	CURRENT PLATFORMS
Employees	Employees are listed first among our primary stakeholders.	Learning Organization workshops, Idea Factory suggestion system, annual feedback meetings, 'Family' Magazine, corporate portal
End Users of our Products	This group represents all individuals and institutions using our products.	Customer engagement survey, Çimsa's and Sabancı Holding's websites
Resellers	Resellers are our most significant partners as they enable our products reach to our end users.	Customer engagement survey, Training meetings
Local communities and local authorities	The communities, municipalities and government officials residing in the regions in which our facilities are located.	One to one meetings with local government officials
Our suppliers and subcontractors	These are our business partners, from which we procure goods and services in order to provide our basic input.	Notifications and instructions regarding compliance with labor laws
Non-Governmental Organizations	This can include organizations working in any area of the community in general.	ÇEDBİK (Turkish Green Building Association), TBCSD (Business Council for Sustainable Development Turkey) and TURMEPA (Turkish Marine Environment Protection Association) Membership Platforms

IDENTIFYING OUR STRATEGIC SUSTAINABILITY ISSUES

The cement sector is considered to be one of the most challenging and dangerous lines of business in terms of labor legislation. As Çimsa, we demonstrate a great deal of sensitivity in dealing with issues related to occupational safety and health or related to the environment in all our activities. During the reporting period, we took heed of the ideas and suggestions that came from our employees, from the industry's representative institutions and from non-governmental organizations concerned with sustainability. We went through this process not just to better understand our impacts, but also to then be able to take the necessary subsequent actions, at the proper times and in the proper places. Through a series of initiatives that we undertook in cooperation with our senior management, we identified the subjects of the highest strategic significance to Çimsa and we have included each of these, in detail, in our report.

OUR DIALOGUE WITH OUR EMPLOYEES

During the reporting period, we conducted our "Journey to Sustainability: From Individual Responsibilities to Corporate Responsibilities" training, with the participation of forty-one Çimsa employees. Following on from this training, we conducted "strategy of sustainability" workshops, with the participation of managers from a wide range of different of roles and functions. We then held workshops with representatives of all of our employees, and we surveyed 171 of them. Thus, we were able to identify each issue or impact concerning Çimsa that is in any way related to sustainability. During the process of identifying these strategic issues, we also evaluated the effects that each of these might have on our stakeholders' evaluations of Çimsa. In addition to the platforms that we

established to conduct face-to-face communication, such as our annual strategic review meetings and our yearly feedback meetings, other significant platforms include our Idea Factory and Learning Organization implementation team meetings and the Learning Organization feedback day during which extensive communication and interactions are conducted. These platforms ensure that our interactions with our employees are both efficient and continuous.

Since December 2007 we have held, at the end of each year, a series of organizational climate improvement workshops, with the participation of white and blue collar employees from each of our workplaces. During these workshops, conducted under the leadership of our General Manager, we shared the actions that we took on the basis of the comments, evaluations and suggestions provided by our employees during surveys and group studies.

During October 2009, we commissioned an independent institution to conduct employee engagement surveys, completed by all of our employees, and we shared the surveys' results with our employees during our annual feedback meetings. Since then we have periodically tracked the implementation of selected actions on a functional basis, based on the responses and feedback received from these surveys.

Learning Organization Projects

Initiated in 2004, the "Learning Organization Implementation Teams Workshop" is a very significant platform that reinforces teamwork, cooperation and the development of permanent solutions to problems, which in turn facilitates the implementation of our strategic plan in



Idea Factory

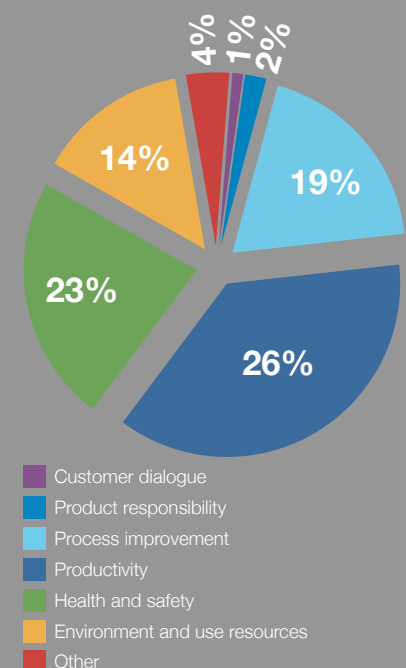
Since 2008, we have been effectively using our "Idea Factory" suggestion system that we established with the contributions of our employees with purpose of supporting the improvement and development activities utilizing the ideas and thoughts of the personnel.

The Idea Factory is the platform on which we collect all sorts of innovative and remedial suggestions, particularly in the domains of occupational health and safety, customer service, quality and efficiency. Soon after they are collected each suggestion is evaluated and possibly rewarded, following which the possible improvements are implemented, thus ensuring the establishment of continuous communication between Çimsa's management and the company's employees.

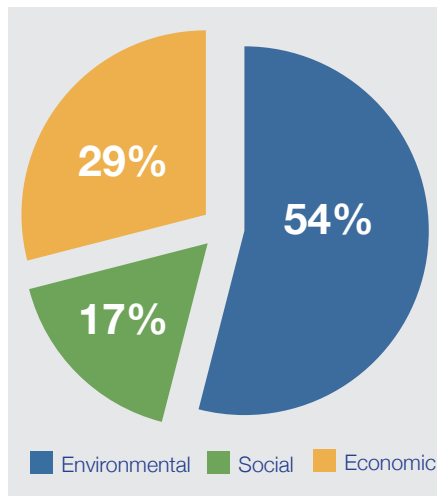
During the period 2008-2010 a total of 2.363 ideas were received by the Idea Factory, 545 of which were duly implemented, a ratio of 27%. Of the ideas received during the reporting period 25% were related to product responsibility and occupational health and safety, 14% were related to the environment and 1% were stakeholder-related suggestions; other categories of suggestions covered the remaining 60%.



Idea Factory Suggestion Breakdown



LEARNING ORGANIZATION PROJECTS



Being reliable is the most important of Çimsa's top three values. Our "You're in Safe Hands" motto embraces also our local neighbours.

alignment with our vision of "Being Turkey's Most Valuable Cement and Ready Mixed Company". The team works conducted in development and improvement of subjects such as seamless cost management throughout the company's corporate activities, improvements in its operational efficiency, the provision of a large number of savings and environment were made more systematic and humanized through our "Learning Organization Implementation Teams" program.

While for the 2004 year, during the election period, cost efficiency and base-criteria productivity were selected as the company's focuses, the areas for special attention during each of the last three years were selected in accordance with a 3P (People-Planet-Profit) evaluation system. While identifying the subjects to be worked on, our purpose is to ensure that one team is assigned to environmental issues during each period. The majority of the projects conducted during the 2007-2010 reporting period were related to sustainability, as we will discuss throughout this report, including occupational health and safety, power savings and dedusting.

To date, Çimsa has made tangible gains of 2,000,000 TRY through the work conducted by our learning organization teams. When we look at the subjects targeted by the 45 learning organization teams (352 employees) since 2004, we can easily see that we have achieved quite significant results related to improving Çimsa's processes, making cost savings, and supporting the environment. Furthermore, Çimsa's Learning Organization works were held to be "Best Practice" at the 2010 conference in Greece organized as part of the Money Forum.

OUR DIALOGUE WITH OUR CUSTOMERS

Resellers are one of our most significant business partners. During the reporting period we undertook many actions to ensure that the demands of this stakeholder group are better understood, and that particular products and services are

provided to this group. We implemented a wide range of technical support activities in order to improve customer satisfaction and engagement, and to fulfill customer requirements before and after sales, both in the central cement implementation labs and in the field. We conducted customer engagement surveys throughout the domestic market and market research both domestically and internationally. Completed every year, our 2010 customer engagement index was determined to be 76, based on the results obtained from our customer engagement surveys.

Further, we established a customer and market infrastructure that enables up-to-date tracking and monitoring of market dynamics, as well as the implementation of related action plans. We held customer feedback meetings concerning the current status and possibilities for improvement in the construction industry, during which Çimsa's activities and the company's innovative implementations were discussed.

The existing communications platforms used to interact with our customers were developed further, particularly focusing on the achievement of the company's economic targets. Our target for the next reporting period is to extend the channels through which our customers can speak their minds and present, without constraint, their sustainability suggestions.

OUR DIALOGUE WITH OUR LOCAL NEIGHBOURS

Being reliable is the most important of Çimsa's top three values. Our "You're in Safe Hands" motto embraces also our local neighbours. As Çimsa, we always have open communication channels with local communities and governmental agencies, thus ensuring that trust in Çimsa is sustained without interruption. We promptly inspect each request and suggestion received from our local neighbours, following which we take necessary improvement actions. While at all times maintaining full compliance

with all laws and regulations, we are also sensitive to both the protection of the local population's rights as well as to the handling of any complaints that we may receive from them.

Regarding our production plants, only very limited complaints were received from the members of local communities, and taking into consideration the content of the complaints, there was no inclusion of any breach of human rights. The complaints received by Çimsa plants through the Provincial Environmental Directorate are handled by the Manager of Administrative Affairs and by the appropriate Plant Manager. In response to the complaints that we did receive, the necessary notifications and instructions were provided, and on site monitoring was offered when appropriate. Personal complaints are usually submitted via e-mail, through Çimsa's website or directly to Çimsa's security or information desk personnel. When the required inspections are undertaken and the source of the issue is determined to be related to a Çimsa activity, then the required remedial actions are implemented and feedback is provided to the owner of the complaint. All complaints received by Çimsa's plants are appropriately recorded and processed.

We contribute to society by supporting both formal and informal education, increasing professional competencies, and increasing the public's awareness of our cultural heritage in the regions that we operate in.

During the reporting period, in addition to sponsoring, in the regions in which operate, a wide range of activities for public organizations and societies, particularly those activities related to education and culture, we also planted thousands of saplings with the purpose of rejuvenating the environment. During 2010, as part of the Earth Day organization conducted in cooperation with the Mersin Hilton Hotel, we provided support for rubbish removal initiatives

in the coastal region through the participation of thirty employees from Çimsa's Mersin plant.

In cooperation with the University of Niğde, we organized several conferences for the students on subjects associated with "Environmental Management Systems" and "the Kyoto Protocol". Çimsa also contributed to initiatives related to the protection and promotion of the cultural heritage of the geographical region in which the Çimsa Kayseri plant is located by supporting the Mimar Sinan Festival organized every year in Ağırnas, which is the birth place of Mimar Sinan and contributing to the publishing of "Koramaz Vadisi" (Valley of Koramaz) written by Hüseyin Cömert. The book presents research into the region's settlements particular to the period during which Mimar Sinan, one of the most prominent masters of Turkish and worldwide architecture, was born. Further, we provide support for the "Mimar Sinan Memorial Days" organized in Ağırnas and the Summer Workshop conducted in the town.

In cooperation with the Eskişehir's Metropolitan Municipality, we made the initial investments in the establishment of Turkey's first planetarium.

During the next reporting period, one of our primary corporate goals will be the establishment of a communication platform through which our local neighbours can submit and exchange their ideas and suggestions to do with sustainability, and via which they can improve their awareness of the environment. Management of the Entering, Operating, and Exiting Processes of our Facilities. We currently have no written policy available that is directly related to the management of entering, operating and exiting processes of our cement facilities. Excluding the Mersin plant established in 1972, all of Çimsa's other plants have been merged into our company upon their acquisition, at different times in our corporate history. Upon the completion of each plant's acquisition, it

Cooperation with the University of Niğde

One of Çimsa's Learning Organization projects was designed to improve our dialogue with our local neighbors. In order to enhance cooperation between Çimsa and the University of Niğde, the most esteemed educational institution in the region of the Niğde cement plant, the Learning Organization project team "EQ" set themselves the tasks of arranging a number of conferences and training sessions, arranging technical visits to the plant, and offering internships to the plant to 12 students from members of a group of 1.500 people, including students and academics. To meet these target, multiple meetings, surveys, conferences and open door activities were organized, joint project works were undertaken, specialized training was given to the Niğde plant's employees by academics from the University of Niğde and books and magazines were collected from employees of the Niğde plant to be added to the university's library. Further contributions were also made by the Niğde plant's employees through their delivery to the university's students of a number of informative presentations and seminars. As a consequence of these initiatives, a long term dialogue was established with an esteemed local stakeholder.

Our Approach regarding the Mersin Quarry

In Mersin's Puğkaracadağ district, during the establishment of processes at one of our six properly licensed and positioned open quarries in the area, the population of the Esenli Village, and a poultry farm owner in particular, issued a complaint against the quarries. Although all of Çimsa's conduct had been agreed by all parties to be correct and legitimate during the process of submitting all of mines' required documentation, such as licenses and permits, following inspections by a specialist delegation assigned by the Directorate of the Special Provincial Administration, we unilaterally opted to suspend all process at the mine, as a demonstration of our good intentions with respect to the village's population. Following these developments, a public meeting was arranged that included the Çimsa Mersin plant Managers and the village's residents. During these discussions, the residents pointed out their concerns about the water flowing out of their wells as a result of the quakes caused by the blastings.

Following these negotiations, Çimsa requested the help of the Çukurova University's Mining Engineering Department, and committed to conducting an extensive inspection regarding the environmental impacts caused by the blastings. Consequently, it was found and demonstrated that the environmental impacts of the blastings were all within the permitted noise and vibration limits. Next, the results obtained were delivered to the village residents and the staff of the poultry farm. In conclusion, in response to the complaint, we took an active responsibility for the impacts caused by our mine, following which the concerns of our neighbors were fully addressed and remedied.

was introduced to the local government through meetings, and the local population was notified. Since Çimsa was founded, no Çimsa cement plant has been terminated. Regarding the closure of the quarries, our processes are detailed under the title of “The Mersin Quarry” on and “The Eskişehir Habitat Area Project” in this report.

Ready mixed concrete facilities usually continue to operate on the location on which they were founded as long as their company continues to exist. Under the management of Çimsa, no ready mixed concrete facility has closed down, of course excluding mobile facilities. As we have covered the subject of our compliance with all laws and regulations, there is no particular further foundation/operation/termination policy extant for Çimsa’s ready mixed concrete facilities. Following the legislative changes that came into force during July 2008, Turkish regulations now allow ready mixed concrete facilities to only be established in industrial areas. Upon the request of the Provincial Environmental Directorate, before a facility is founded, a Project Introduction File is prepared by specialists assigned by the Ministry of Environment. This file includes the methods under which the project will be conducted, as well as the social and environmental aspects of its operation. The Provincial Environmental Directorate conducts inspections of each specific site and the area in which the facility is to be established, and it exchanges written opinions with a wide range of public organizations, including with the Provincial Health Directorate and the Mukhtar (the village or town’s registrar). The permits required to establish such a facility can only be finalized upon the presentation of an Environmental Impact Evaluation Certificate, issued by the Provincial Environmental Directorate. Furthermore, the Project Introduction File includes a written commitment that the area on which the facility is sited shall be returned to its original ecological state on the event that the facility ever closes down.



OUR DIALOGUE WITH THE INDUSTRIAL REPRESENTATIVES

While determining the strategic issues to be reported here, we took into account the opinions of the industry’s leading representatives. The corporate target based on feedback from these industry bodies will be communicated to our stakeholders in the subsequent reporting period.

The management of the Cement Industry Employers Association (ÇEİS) submitted their opinions and suggestions concerning occupational health and safety, a hugely important strategic target amongst our social commitments. The input from ÇEİS is summarized in the “Occupational Health and Safety” section. (Please see Page 33)

The management of the Turkish Cement Manufacturers’ Association (TÇMB) said that the active participation of Çimsa’s managers in the TÇMB’s working committees is beneficial, adding that Çimsa does not have any negative impact on the environment or, in terms of our internal stakeholders, on the social domain. Concerning the reduction of greenhouse gas emissions, the feedback from TÇMB is summarized in “Production of electric power from waste heat” section. (Please see Page 52)

The Turkish Green Building Association (ÇEDBİK) has noted its approval of Çimsa’s effective implementation of the ISO 14001 and the OHSAS 18001 quality systems in the company’s manufacturing systems. Providing detailed information

Our Other Community Projects

Aware of the responsibility that comes with being the industry leader, Çimsa has accepted, as its primary duty, the ongoing provision of support for the improvement of the societies that it is affiliated with. In cooperation with local governments, academic institutions and leading non-governmental organizations nationwide, Çimsa continues to support such social investments.

For almost nine years now the Archiprix-Turkey National Architecture Students’ Dissertations Contest and Exhibition has been held under the primary sponsorship of Çimsa. The prominent target achieved here include the creation of opportunities for young and promising architects, the increase of competition in Turkey’s architectural education, the introduction and demonstration of the value of the profession of architecture to the public, and a strengthening of the reciprocal relationships between educational institutions and industry.

Further, Çimsa is constantly sharing the latest improvements in cement and concrete improvements with the academic world, for example through its contributions to the symposiums and seminars held at the Erciyes University’s Faculty of Architecture. Considering that our country contains major fault lines, Çimsa conducts integrated professional information and education initiatives concerning its main areas of activity as part of its work towards a ensuring a fundamental level of public awareness about safe construction practices, to deliver constant improvements to the safety of our community’s living-areas, as well as to enable improvements in aesthetic practices. During 2010, the Betonart Architecture summer school was held at our Mersin plant, again under the sponsorship of Çimsa.

Through the 2007-2010 reporting period, Çimsa donated around 3,69 million TRY to a wide range of institutions and organizations, including to the Sabancı Foundation and its affiliated educational institutions. During the subsequent years, our aim is now to not only sustain but to increase these investments.

on how Çimsa can ensure sustainability within the construction and building industry, ÇEDBİK's feedback is included in the "Product Responsibility" section. (Please see Page 35)

OUR DIALOGUE WITH NON-GOVERNMENTAL ORGANIZATIONS

In our initial sustainability report, we discussed the improvements suggested by Turkey's Business Council For Sustainable Development (TBCSD) and by the Cement Sustainability Initiative (CSI) around the strategical issues determined with our internal stakeholders. We determined that Çimsa's primary sustainability focuses are each properly aligned with one or more of the

sustainability issues determined by CSI for the cement industry: Climate Preservation, Oil and Raw Materials, Occupational Health and Safety, Reducing Emissions, Local Impacts and Concrete Recycling.

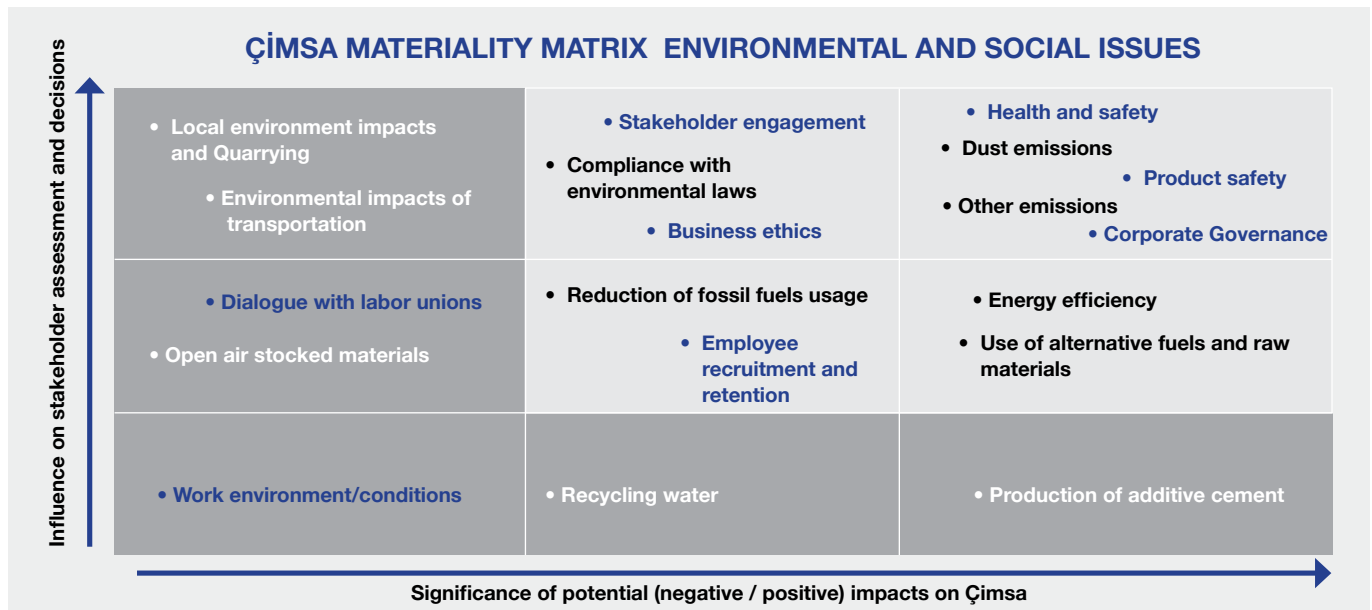
One of our target for this next period is to closely following up on the suggestions and practices put forward by the Cement Sustainability Initiative (CSI), a body with extensive international knowledge and experience.

OUR STRATEGIC SUSTAINABILITY ISSUES

A number of strategic issues came to the forefront following the employee survey and the plant workshops, and these were



then discussed again in meetings with the sector's representatives. Next, these identified issues were each evaluated through a five-phased importance test with the participation of Çimsa's senior managers and divided into two groups. We separately analyzed the economic, environmental and social issues, leading to the creation of the "Çimsa Strategic Sustainability Matrix".



Impacts	Our Strategic Issues	Employees	Customers	Local Neighbours	Suppliers	NGO's
Economic	Corporate governance	Δ				
	Dialogue with customers and suppliers		Δ		Δ	
Social	Health and safety	Δ		Δ	Δ	
	Product responsibility		Δ			
	Business ethics	Δ	Δ		Δ	
	Dialogue with labor union	Δ				
	Dialogue with local neighbors	Δ		Δ		
Environmental	Dust and other emissions	Δ		Δ		Δ
	Alternative fuels and raw materials usage		Δ	Δ	Δ	Δ
	Material stocking methods	Δ		Δ		
	Energy efficiency		Δ	Δ	Δ	Δ
	Biodiversity			Δ		Δ

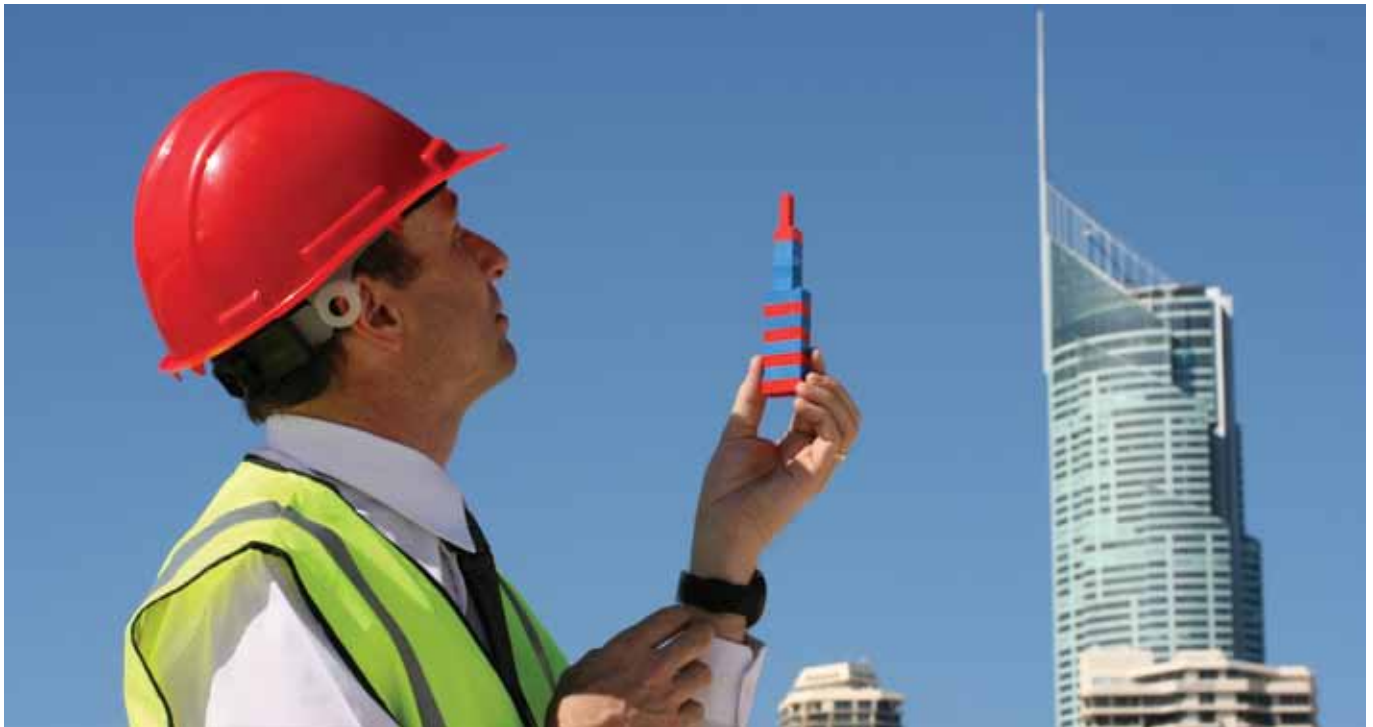




Our Economic Impacts

As Çimsa, we continue to fulfill our social and environmental commitments, and we invest in improvements in the course of actualizing our economic target.

MANAGING OUR ECONOMIC IMPACTS



Çimsa, in terms of its financial performance, is a leader of Turkey's cement sector. Our widespread production network, multiple lines of business lines, operations in many different geographical environments and our efficient cost management practices are some of the features that make our company resistant to financial crises.

The years 2008 and 2009, included in this reporting period, were difficult periods, both for our country and for the world due to the global economic crisis and recession. Capacity use ratios, production levels and employment rates all decreased significantly. We quickly took measures against the impacts of the economic crisis as it began to influence the world during the second half of 2008; we managed to overcome the impacts of the crisis successfully due to our efficient marketing, efficient cost structure, our working capital and cash management, and because of the strategies we developed accordingly.

During early 2009 Çimsa began developing its plans for the future based on detailed analyses of multiple scenarios. As a result, in the second half of 2009 we could utilize the opportunities that appeared with the initial recovery: we could focus on profitably growing our overall performance, our degree of sustainability and our employment levels, without being lured into any false promise of "the crisis is over."

Today, from its strongly balanced position, Çimsa constantly assesses its increasing alternatives, while remaining prepared for any future legal regulations concerning sustainability.

Each month, utilizing market profitability analyses and our cost control tools, we monitor and report on our key performance indicators, the company's financial performance, and on each of its business lines. Throughout the reporting period, to help eliminate the risk of input cost increases for our raw materials or

for energy, we continuously improved our technical performance levels, we invested in the use of alternative raw materials and fuels, and we produced electric power from our waste heat.

In both the short term and the long term we plan to maximize both our operational profitability (EBITDA), and likewise increase the value created by our invested capital and by our source materials (ROIC and ROE). Growing our profitability is one of our main target. The main risks to our company's financial performance are a reduction in demand and commodity and energy price fluctuations, especially increases, due to any economic crisis.

In 2010, we made improvements in our information technology systems so that we can now monitor the company's performance in a much improved manner, and we planned some fundamental changes in the company's organizational structure that will come into effect during 2011.

THE ECONOMIC VALUE THAT WE CREATED AND DISTRIBUTED

We made direct contributions to the economy through our payments to suppliers, tax payments to the state, dividends to shareholders and financial institutions, and through the salaries that we paid to our employees.

In 2007 Çimsa was Turkey's 50th highest taxpaying company, the 99th in 2008 and the 84th in 2009.

OUR CONTRIBUTIONS TO OUR SUPPLIERS

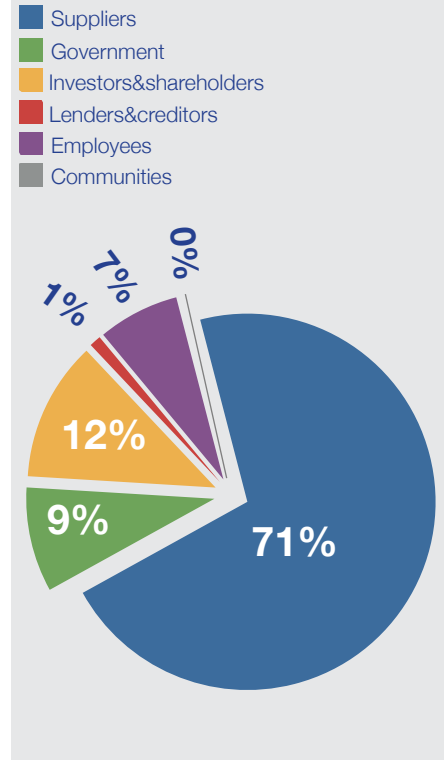
Çimsa cooperates with many suppliers operating in a wide variety of sectors, including raw materials, electric power, cleaning services, catering and many others. Energy (petroleum coke, coal, electric power), raw materials (calcareous, aggregate, etc.), transportation costs, operating supplies (marble, plate), and production, maintenance, sales, management and labor costs (labor and outsourced services) were Çimsa's most important expenditure items during 2010.

At Çimsa, there are no procedures implementing any preference for local suppliers. As petroleum, coke and coal are all sourced internationally, the company is not in a position to procure them domestically. We are fully aware of the importance of working with local suppliers as a part of the company's approach to sustainability, and we aim to cooperate further with local suppliers for the company's short term procurement needs.

SUPPORT FROM PUBLIC FUNDS

Although Çimsa's export operations are not covered in this report, our total tax deductions resulting from the company's exports reached nearly 1.000.000 TRY for 2010. We report other relevant data in this report's economic performance table (See page 58). We also benefited from credit extended by the Export Credit Bank of Turkey. Detailed information about the export credits that we received, and about the company's financial results, have all been publicly announced.

ECONOMIC VALUE WE DISTRIBUTED TO OUR STAKEHOLDERS (2010)



OUR INVESTMENTS IN SUSTAINABILITY

During this reporting period, Çimsa implemented a number of important activities and investments related to sustainable development, one of the most important issues for the cement sector, both today and for the future. Our primary investments are listed here:

- The Mersin plant's "Producing Electric Power from Waste Heat" project
- The "Hot Disc" investment project to increase the use of alternative fuels in our Eskişehir plant
- The completion of our "Trass Drying"

investment that increased the energy efficiency of our Kayseri plant. (The investment qualified for R&D support from TÜBİTAK.)

- Our investments in our closed clinker stock hall (dedusting) works, started in 2010 and that will be completed during 2011
- The modernization of the Mersin Nr. 1 krin completed during 2010, that resulted in a significant decrease in the plant's fuel consumption
- The installation of modern electrofilters in our Eskişehir plant during 2007 and 2008

The details of our environmental investments are presented in more detail in the "Our Environmental Performance" chapter of this report. The company's financial results for the reporting period are presented in its 2010 Annual Report, available at www.cimsa.com.tr





OUR SOCIAL IMPACTS

Taking into account all of our processes and activities, we have identified our most important social impacts: our employees' "health and safety", our "responsibility for the quality of our products", and our "contributions to our employees".



OCCUPATIONAL HEALTH AND SAFETY

At Çimsa, our senior managers represent the company's OHS functions.

As a member of such a difficult industry, and one with so many occupational hazards, our primary social commitment is to protect the health and safety of our employees who are our most important asset, likewise of the employees of our contractors in our plants and facilities, and of all visitors. To attain this goal, with measures and actions taken during the reporting period, in our ready-mixed concrete business line we succeeded in decreasing our accident frequency by 17%, and we decreased our lost work days by 49%.

In our cement business line, although from 2007 to 2009 we made a great decrease in our accident frequency of 74%, there was a subsequent increase of 34% during 2010. In this section of the report we will discuss the actions that we have already taken, and those that we are planning to take.

The most important challenge to our success is that in the cement industry the labor turnover rate is high, while the general quality of this labor is low. The secret behind our successes in occupational health and safety all stem from our decision to move beyond complying with health and safety laws and regulations.

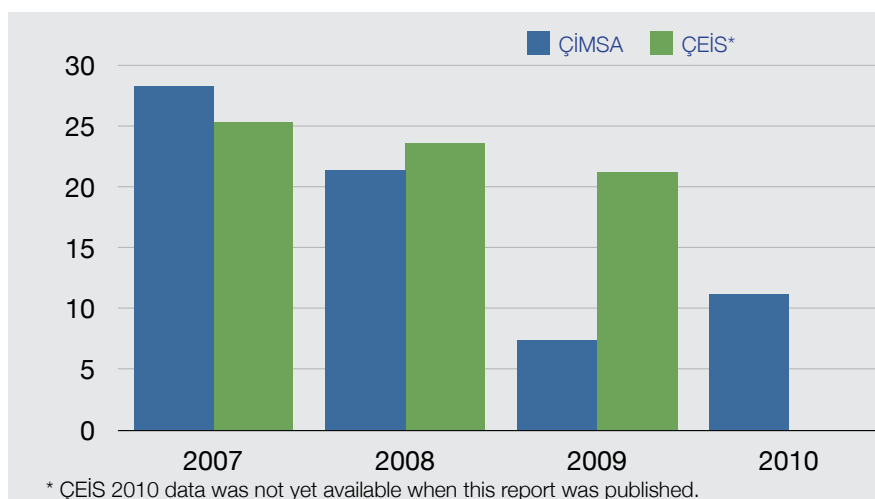
MANAGEMENT OF OCCUPATIONAL HEALTH AND SAFETY (OHS) IN THE CEMENT INDUSTRY

We manage our OHS processes as part of our management system, in compliance with TS-18001 specifications, so as to be able to identify what is needed to increase occupational safety awareness, and to be able to control occupational health and safety (OHS) risks across our company. In 2011, our aim is to obtain OHSAS certification for our Eskişehir Plant. We could not obtain this earlier due to this plant only becoming part of the Çimsa group during the reporting period and because of the continued investments being made there. All of our other plants have been certified as compliant with the OHSAS 18001 Occupational Health and Safety system. We support our OHS management system through training, information, auditing and through studies conducted to further improve related practices.

At Çimsa, our senior managers represent the company's OHS functions. The reports prepared by plant and facility managers and their management teams are shared with the General Manager during their monthly technical coordination meetings, and any necessary action is taken within the shortest possible time. The first item on the agenda of each and every executive committee meeting is occupational health and safety.

We see the most important component of meeting our OHS performance targets as sharing our short and long term targets with our employees. It is the duty of each of our employees, including contractor personnel, to comply with all OHS instructions, and to notify the company of all risks, near-miss incidents and work accidents. Our most important methods for achieving our target are systematic field controls, the reporting of all near-misses, and results of field control. In addition, annual internal audits for compliance with

ACCIDENT FREQUENCY (CEMENT)



the OHSAS 18001 system, external audits by organizations for certifications including the TSE (Turkish Standards Institution), and our external insurance audit for Sabancı Holding all further monitor and evaluate our OHS system. Our routine stipulates taking improvement actions within the shortest possible time in response to any variation identified by any monitoring.

Our short and long term performance targets for our cement business line

Our targets are to decrease our number of accidents by 50% and, in the long term, to obtain and then maintain a target of “zero” accidents. Structural improvements, increasing employee awareness of occupational safety and decreasing work-related musculoskeletal disorders are our sub-targets.

OHS Programs in the Cement Industry

Field Responsibility:

This is an application that we first adopted under the scope of our “Nine-Month Business Excellence” project that ran between 2003 and 2004, originally in our Mersin plant. The Field Responsibility project was then implemented across all of Çimsa’s locations following a notice published by the General Manager during April 2008. It is a system under which engineers and specialist divide up the entirety of their fields of industry expertise, following which they first teach selected employees about their duties, authorities and responsibilities, after which this information and teaching is continuously kept up to date. Based on this arrangement, all relevant staff including contractors evaluate every risk and all studies in their area of responsibility, particularly those related to the work of their own teams, and these staff then implement the measures seen to be necessary.

Behavior Audits:

First the company organized auditing teams of two or three people under members of the management team. These teams then studied the operational activities and behaviors seen in the field,

following a set plan. They also reminded employees about safe working practices and, if work was observed to be outside of the company’s rules or if there was any potential danger, the auditors stopped the work immediately and ensured that safe behaviors were implemented. Çimsa set the number of field and audit officers based on the size of each plant. The company began its behavioral audits during March, 2008. From May 2010 on, behavioral audits were extended to cover all plants.

Çimsa’s Occupational Safety Scorecard began to be widely used during 2010, and its use will be spread to cover all of our plants during 2011. At the same time we are working on the development and implementation of operational control mechanisms such as Lock Out Tag Out (LOTO) in our all facilities.

Local Practices:

Our employees have now internalized the importance of OSH, while we continue to integrate it further into company culture through local practices such as our “First Comes Bekir” campaign at our Kayseri plant, our “OSH Employee of the Month” at our Ankara plant and our “Show exemplary behaviors and enjoy safer workplaces” program at our Mersin plant.

OCCUPATIONAL HEALTH AND SAFETY (OHS) MANAGEMENT IN OUR READY-MIXED CONCRETE DIVISION

The construction and the ready-mixed concrete industries are domains in which serious work accidents frequently occur. In terms of Turkey’s “Regulation on Heavy and Dangerous Works”, our ready-mixed concrete business’s risk category is in the “dangerous” class.

Of the accidents during the reporting period for Çimsa’s ready-mixed concrete operations, including contractor employees, 18% of these occurred on-site, 62% of them were highway accidents, and 20% of these occurred in construction areas. Given

“Çimsa, a member of our union, holds a significant share in the national cement market with its four integrated cement plants and one grinding facility. Çimsa’s sensitivity to occupational health and safety can be easily seen the first moment one sets foot in any one of their plants. The single most important factor that helped Çimsa develop such sensitivity to occupational health and safety is the studies of their occupational health and safety management system that they undertook at their Mersin Cement Plant, a long time ago now, and then introduced into their other plants. The value of these studies was proven with the performance awards received in 2007 by their Niğde plant and in 2009 by their Kayseri plant.

Our suggestion to further improve Çimsa’s already well-established occupational health and safety culture would be to improve their employees’ habits related to behaving in a safe manner, an important factor in occupational health and safety. “Behavior Oriented Field Controls” are the best way to improve behavior in this industry. Both the continued maintenance and improvement of the methods already used by Çimsa are very important. Lastly, implementing the internal and external controls stipulated by the OHSAS 18001 management system, in the most sensitive way, is also very important. Such audits should be carefully conducted.”

ÇEİS Cement Industry Employers Association

The Awards Received by Our Plants and Facilities for our OHS Successes

Cement:

In 2010 our Kayseri plant was awarded first place for Turkey among the forty-one member plants of ÇEİS, based on its OHS performance as judged by the members of the Cement Industry Employers’ Association. In the same evaluation our Niğde plant was fifth, our Mersin plant was seventh and our Eskişehir plant was fourteenth. In 2008, our Niğde plant won the first-place prize.

Ready-Mixed Concrete:

In the Turkey-wide “Blue Helmet Work Safety Competition” organized by the Turkish Ready Mixed Concrete Association as one part of its efforts to prevent work accidents, inform, support ready-mixed facilities in their occupational safety activities, and to measure the competency of the industry’s facilities, our İnegöl Ready-Mixed Concrete Facilities was awarded the first-place prize. Our Adana - Zeytinli Ready-Mixed Facility, which conducts its operations to high standards, was granted the “International Representation Award”.

Our Social Impacts

this information, throughout its ready-mixed concrete activities and cement businesses, Çimsa conducts awareness-raising studies and develops internal auditing systems beyond those required by laws and regulations. (See the Green and Safe Facilities Project.)

All accidents in Çimsa's ready-mixed concrete operations, including those affecting contractors' employees, were taken into account.

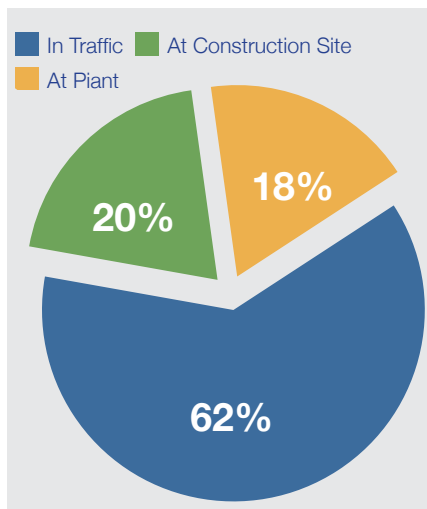
Our most important difficulty in the industry is finding qualified staff. We try to overcome this difficulty by regularly and continuously holding detailed OHS training sessions, prepared for both Çimsa and for its contractor employees. Within the scope of these training programs we educate our workforce about OHS, first aid, our staff's share in the responsibility for accidents, economic use of vehicles, the operation of pump-mixers, switchboard operations, LOTO (Lock Out Tag Out) processes, and in the use of personal protective equipment (PPE). This training was given to approximately 500 people, including contractor employees, during 2009 and 2010. In 2011, we are planning to deliver traffic and safe driving technique training sessions to our contractors' employees as we did to our employees. We aim to increase our annual per-employee OHS training to 60 hours, from its current 45 hours.

Our short and long term performance targets for the ready-mixed concrete business line. Our targets are to decrease the number of accidents by 50%, and in the long term, obtain and maintain our target of "zero" accidents.

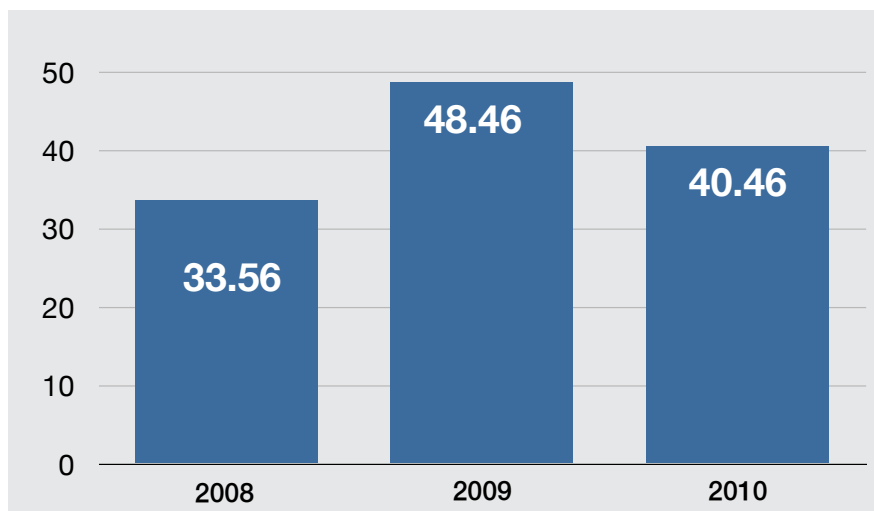
As industry-wide accident statistics are not available from the Turkish Ready Mixed Concrete Association, a comparison with industry figures could not be performed.

In 2011, all Çimsa Ready-Mixed Concrete Facilities began the process of obtaining both their OHSAS Occupational Health and Safety system certificates, and of obtaining their environmental certification (TS 18001:2008 and ISO 14001).

2007 - 2010 ACCIDENTS



ACCIDENT FREQUENCY (READY-MIXED CONCRETE)



Çimsa's Green and Safe Facilities Project

We first undertook occupational health and safety studies evaluating all the accidents related to our ready-mixed concrete operations in 2008. Subsequently we introduced our Green and Safe Facilities Project to raise our employees' awareness about Occupational Health, Safety and the Environment, and to create better working conditions. First we established a Committee for the Green and Safe Facilities Project, following which we divided all accidents into one of three categories (on site, in traffic, on a construction site). We have set two targets: to solve all problems related to improperly operated and insecure places, and to solve all problems related to insecure behaviors.

We decided to create an audit mechanism based on the risk analyses that we conduct for all of our business processes. We presented the project to Çimsa's employees in a competition format, seeking to reward the safest and most environmentally friendly facility on site, in traffic and on construction sites. From 2010, three times a year audit teams of three people began to evaluate each of our facilities to judge the competition, and thus to evaluate our fundamental safety practices.

Half of the questions that form the evaluation for the competition are related to occupational health and safety. A total of 180 questions cover issues related to OHS, the measures that the facility takes to maintain its on-site operations and transport behaviors in compliance with legal regulations, and in a safe and risk-free manner. Seventy questions cover behavioral evaluations through why-how-where-who questions related to compliance with OHS legislation, instructions, behaviors and actions. As all of the facilities are under our control, in the first phase of the competition we focused on auditing each accident that occurred in our facilities.

Assisted by this study, Çimsa's number of on-site accidents has now decreased by 60%, the project helped to increase internal communication, errors and defects were removed through root cause analyses, activities that did not provide added value or were unnecessary repetitions were removed, team work was improved and become widespread, a reporting and information sharing system was developed, a safer, more organized and cleaner workplace was created, employees' participation in the business's processes was increased, health care services were improved and our employees' morale noticeably increased.

In 2011, we plan to add "OHS in Traffic" to our Green and Safe Facility Competition's criteria. The project's criteria will be completed with "OHS on Construction Sites" in 2012, but we will continue to improve each year.

PRODUCT SAFETY AND RESPONSIBILITY

Our approach to sustainability, and our quality policy, both describe our performance targets related to our responsibility for our products.

Our customers and the end-users of our products are a group of stakeholders directly or indirectly exposed to the health, safety and environmental impacts of our products. As part of our quality management systems, we responsibly manage all of our products during their packaging and storing phases, as well as during our production processes.

One of our most important social commitments is to guarantee the safety of our products. The company's approach to sustainability includes conducting all production in compliance with appropriate standards, to high levels of quality, in a highly safe manner, with the aim of satisfying our customers, and communicating to our customers and end-users each health, safety or environmental impacts related to each of our products, accompanied by the appropriate related information.

Our approach to sustainability, and our quality policy, both describe our performance targets related to our responsibility for our products. Our company's policy is to follow the latest technologies that could effect our quality targets, utilize properly evaluated inputs from safe sources, through training increase the talent of our human resources, and meet and then continue to improve on our quality management levels.

Our Important Actions During the Reporting Period

Cement production's CO₂ emissions come mainly from clinker being heated to high temperatures. Cement produced with high levels of additives, and "low clinker" produced through the grinding together of clinker and its additives, both release less CO₂. Çimsa aims to continue producing products with low CO₂ emission levels, after producing 1,941,776 tones of cement additive materials during 2010.

THE MANAGEMENT OF PRODUCT SAFETY DURING CEMENT PRODUCTION

In accordance with its quality policy, Çimsa follows the REACH rules, it complies with ISO and OHSAS standards, and it complies with CE&G rules for the protection of the environment and the public's health. It also meets all TSE standards and it complies with all laws and regulations under the direction of the Ministry of the Environment and Forestry.

Operational responsibility for these areas is shared among assigned representatives of Çimsa's high-level management. Management representatives are the people accountable to the auditors for the integrated management system. The training sessions and awareness-raising studies held cover the quality cycle, Çimsa's Learning Organization, 6-sigma team works and trained auditors

"Developing environment friendly products should be the priority of a cement company, as it is for every producer. To do this, the primarily ISO 14001-orientated system in use at Çimsa should be improved. Under ISO 14025, declarations such as Environmental Product Declaration (EPD) should be made to demonstrate that the product is environmentally friendly. Materials used in the construction of green buildings should be environmentally friendly and their environmental performance should be analysed throughout their life cycle. Included in the life cycle analysis, the processes of preparing the raw materials, using the materials, the products becoming waste and the final disposal of this waste should all be included. Conducting studies of this type in such a difficult industry as the cement industry is very important and it should be accepted as one of the industry's priorities. Reviewing products' environmental impact is very important for both decreasing products' negative effects and for demonstrating social responsibility. Over the coming few years, environmentally friendly products will increase in value and will come to be demanded more."

ÇEDBİK

or trainee auditors who perform internal audits semi-annually. Our facilities are then audited by external organizations such as BSI, Prysma, KÇK and TSE, either annually or semi-annually.

The process that our cement passes through as it goes from being a raw material to some end-product is the responsibility of our customers. The quality is also affected by the other ingredients used with the cement. The main problem here is the customer's use of unqualified labor, and the negative effects this has on maintaining the end product's quality throughout its life cycle. As part of our customer-oriented after-sale technical support services, through technical seminars on cement and the end products produced from cement, field studies and demonstrations, laboratory studies, Çimsa works to create quality awareness amongst our customers.

Within Çimsa, by using our corporate technical scorecards in our monthly technical committee meetings, we track our long and short term performance with criteria such as our use of alternative fuels, the number of warnings and alarms raised, resistance standard deviation, the quantity of the additives that we use, and our customer engagement.

Product Safety Management in our Ready-Mixed Concrete Production Çimsa implements a number of specific policies in our ready-mixed concrete plants in order to achieve our product safety performance targets: procurement, production and follow-ups policies in accordance with both regulations and industry standards; frequent analyses of operational data to ensure that we meet "best in class" or "best of the best" levels; and the policy of always following the industry's latest technologies.

Operational responsibilities in this area are distributed among our senior management: the Technical Directorate (compliance with regulations and quality policy, customer satisfaction), Regional

Directorates (compliance with production and OHS policy, customer satisfaction), Machinery Equipment Performance Directorate (maintenance and monitoring) and OHS & Administrative Affairs Leaders (monitoring, follow-up and reporting).

All twenty-seven of Çimsa's ready-mixed concrete plants have been issued with Quality Assurance System certificates by the Turkish Ready Mixed Concrete Association. Three times a year the association performs spot checks on our products, and each year it undertakes a general inspection of our plants and laboratories. Fourteen of our ready-mixed concrete plants have been certified by the Turkish Standards Institution, which performs one spot check and one general inspection each year. Moreover, our twenty-six ready-mixed concrete plants, other than our project plants, undergo internal inspections three times a year as part of our ODIT inspections for our OHS, Environment and Quality programs. (See Page 34, Green and Safe Facilities Project)

The company faces some particular challenges in this area: the lack of knowledge related to the utilization of our products; selection of unsuitable types of concrete; unqualified and inappropriate pouring of concrete by our customers and their personnel; and often their lack of equipment. Çimsa strives to contribute to the development of the industry by providing technical support to our customers with ready-mixed concrete plants through its efforts, such as Çimsa's Cement Implementation Center and the company's laboratory tests. By keeping product quality parameters, such as endurance, processability and functionality, at the highest levels in relation to the needs and expectations of our customers, our aim is to produce the ultimate ready-mixed concrete: a ready-mixed concrete minimally affected by micro climates, with a high level of thermodynamic stability throughout its life cycle, thus ensuring constant product safety and customer loyalty.

Our Environmentally Friendly Cement: Süperbims

During this reporting period, we began to produce our Süperbims cement with a 7-8% higher rate of additives, and thus lower CO₂ emissions, instead of its non-additive predecessor CEM I. In addition to having fewer environmental effects, this cement also needs less water.

Our registered trademark since 2010, Süperbims cement has yet another reason to be preferred by our customers and by Bims producers, in addition to its lower water requirements and its lower carbon emissions: its superior early strength.

Our Quality Certificates

Detailed information on

- our compliance certificates in relation to TSE Turkish standards,
- our EC Certificates,
- all of Çimsa's cement products that carry the CE trademark and thus have the right to move freely within the European Union, and
- our facilities that have been awarded K-Q TSE-ISO-EN 9000 quality system certificates indicating that Çimsa's quality management systems are implemented in accordance with international standards are all available on Çimsa's website:

www.cimsa.com.tr

Our ready-mixed concrete plants are competing to be the best quality!

Along with occupational safety and the environment, in our Green and Safe Facilities Project we have also included quality audits to help provide our employees, our business partners and society at large with high quality and reliable products. Through our 55-item quality audits performed three times a year, our three-person internal audit team works to make our plants comply with the highest levels of quality standards. Unlike external audits, through rewards given to the best plants these investigations provide motivation for constant development and enhancements.

INVESTING IN OUR EMPLOYEES

Between 2007 and 2009 we reviewed all of our human resources systems and processes. At the same time, we revised and reorganized all of our regulations and procedures within the scope of our organizational infrastructure needs.

Çimsa's corporate development and human resources vision is based on corporate goals of creating a high performance culture, and its mission of maintaining organizational change and development. Our human resources activities can be grouped under three main targets.

- 1- To establish an organizational and human resources infrastructure that will support our corporate strategies
- 2- To regularly monitor our organizational environment, and then constantly work to improve it
- 3- To improve the capabilities and leadership skills of each employee of the company

While working to achieve these goals, all practices concerning our employees are conducted in accordance with the legal regulations relevant to working life. As part of this, on the web and via meetings, we regularly share with our employees all practices regulated through written regulations and procedures. Between 2007 and 2009 we reviewed all of our human resources systems and processes. At the same time, we revised and reorganized all of our regulations and procedures within the scope of our organizational infrastructure needs. We shared information about these changes with 350 of our white-collar employees (82% of our total white-collar employees) in sixteen meetings, during which we answered their questions. Since 2007 we have been learning and evaluating the opinions and expectations of our employees through our organizational climate workshops, and in each year-end open meeting.

Seeking to achieve its corporate development targets, Çimsa's human resources continued its studies on training and development throughout the reporting period. In 2009 we conducted our training studies mainly with internal resources. In 2010, our SADE (a.k.a.

ROCF - Responsibility, Openness, Change, Flexibility) change project was conducted. This project involved the redesign of the company's operational model, its business processes, its organization structure, roles and individual responsibilities in order to properly prepare Çimsa for the future. We undertook these studies with the participation of 28% (120 employees) of Çimsa's white-collar employees across different positions. Thus, for Çimsa, 2010 was the year in which process, system and human resources development needs were defined rather than performing development studies.

Eighty-nine (21%) of our white-collar staff: supervisors, engineers, specialists, senior managers and middle-level managers were involved in competency and potential evaluation studies within the scope of the SADE project. With these studies, we provided feedback to each participant about their individual development and established an important basis for their career development. Assignments, changes in assignment and participation in projects will be planned during 2011, following these evaluations.

Also, organizational climate; performance management processes and their improvement; the lean 6 sigma; and occupational health and safety activities are permanent parts of Çimsa's training plan.

COMPETENCY MANAGEMENT AND TRAINING PROGRAMS

Çimsa participates in the manager and employee development programs of the Sabancı Group, which have been run since 1994. These programs are designed to monitor the career development of current managers, and of employees who have management potential, and to train the personnel with management skills in accordance with the future plans of the company and the group. All of Çimsa's top-level



management participate in the SALT (Sabancı Leadership Team) program, one of the programs developed within this scope. Our managers' competencies and their management styles are developed with the support of the tools presented by the program, designed within the scope of the Sabancı Strategic Leadership Model. We monitor these developments through "individual development plans", as part of our 360 degree evaluations.

Another category of Çimsa's training plan is its Future Forums trainings and studies. We prepare basic training suited to each different target group such as marketing department employees, middle and senior managers. These trainings support the establishment of targeted management perceptions based on understanding the customer, understanding the market, systematic learning, strengthening leadership skills, establishing a marketing point of view, and various related practices.

Membership in a Learning Organization Implementation Team and coaching trainings are available to all employees throughout Çimsa. Designed to improve teamwork, cooperation and problem solving competencies, these have been run for seven years now and are an important part of our continuous development program.

We conduct technical training and development studies through the Çimsa Academy to ensure the continuity and the transfer of technical information to employees.

Our aim is to design and develop training programs for each of our different employee groups in accordance with their needs, our sustainable growth targets, and in

response to our competency measurement studies. The competency and leadership development training designed by Sabancı Holding for their senior and middle level management positions are important components of these studies.

EMPLOYEE BENEFITS

All issues listed here that affect employee benefits are described in detail in our Compensation and Benefits Procedure, through which they are shared with our employees.

Generally, all permanent employees in Çimsa work as full-time employees (at least 45 hours each week) under employment contracts of indefinite duration. From their date of employment, we provide private health insurance and private life insurance for all specialist/engineer and all higher level positions, and also for company officials depending on their job grade. We provide the option of a company-contributed individual pension system (IPS) for all specialist/engineer and higher level employees. We supply a company car and a corporate GSM connection to selected white-collar employees, depending on their seniority and job requirements. We provide meal and transportation services for all personnel of all plants, both white and blue collar, and we give meal cards to employees who don't work in our plants. We also provide social support and public relief to our blue-collar employees, as agreed in the Collective Labor Contract that they have signed.

Based on a system of voluntary participation, the IPS aims to fortify the employee commitment and to increase company stability by offering a rich and long-term benefit package to workers. As part of the IPS, Çimsa offers a 3%

employer contribution on the condition that the employee also contributes 3% of his or her gross salary. Above 3%, the contribution is then up to the employee. No entrance fees are collected from employees in relation to the individual pension system, but any employee who wishes to partake in the system has to have worked in the Sabancı Group for at least six months. Deductions and payments for employees who leave the system are made in accordance with IPS legislation and its regulations. In 2010, 184 employees could benefit from the 3% company IPS contributions, both potential and entitled; 143 employees actually benefited. Therefore, the actual rate of participation was 78%.

THE PERFORMANCE MANAGEMENT SYSTEM AND CAREER DEVELOPMENT

Within the frame of our vision of a high-performance-culture, our performance management system aims to measure behaviors and business outputs. Individual goals are established by managers and their employees at the start of each year, in accordance with the business' target and its supporting target, as determined by corporate strategy. After being reviewed during the year, at the end of the year each employee's performance level is evaluated by the manager and the employee. We utilize the results from this performance management system to reward, to improve our training and to conduct career planning.

Çimsa does not assess the performance of blue-collar employees who are evaluated under the Collective Labor Contract, through this performance management system.

As part of our career development system, for our expert/engineers and upper level employees (42% of our white-collar employees) we have conducted detailed development planning, as well as succession planning for each critical position, as part of our Organizational Success Plan

Individual Pension System (IPS)	Unit	2007	2008	2009	2010
The approximate contribution Çimsa has made to the Individual Pension System (IPS) on behalf of its employees	Thousand TRY	255	295	280	243
The total number of employees that take part in the IPS system (annually)	Individuals	329	345	333	324

OUR APPROACH TO HUMAN RIGHTS AND EQUAL OPPORTUNITIES

We attach special importance to the monitoring of human rights in all of Çimsa's business, taking into account social security laws, investment agreements and supplier choices.

In accordance with our slogan "You're in Safe Hands" we here assert our social commitment to all of our stakeholders.

We offer equal opportunities, and equal economic, social and cultural rights, without regard to sex, religion, race or nationality, and in compliance with all related business laws, civil codes, social security laws and constitutional laws.

We attach special importance to the monitoring of human rights in all of Çimsa's business, taking into account social security laws, investment agreements and supplier choices. Human rights related subjects are usually evaluated within the frameworks of OHS (occupational health and safety) and social security laws. All topics related to discrimination and employees' rights are monitored by the Corporate Development and Human Resources Unit, an SA-Ethical Rules Consultant and by the Disciplinary Committee.

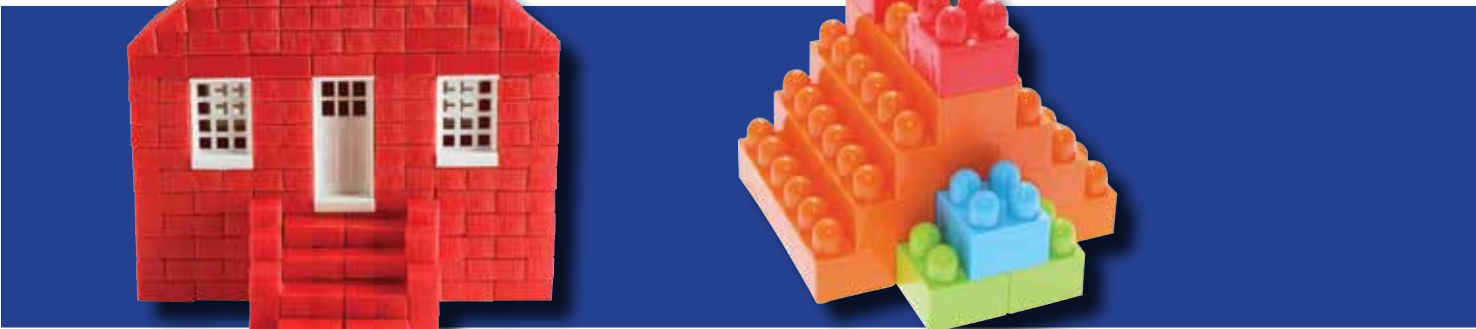
As can be seen by the blue-collar workers at four of our cement plants and in one grinding plant having a collective labor contract, Çimsa attaches positive value to the rights and freedom of association. Whenever there needs to be significant operational changes we utilize the prior notice period stipulated in business law for our white-collar employees, taking into account how long they have worked at Çimsa, while we utilize the notice period agreed to in the collective labor contract in effect for our blue-collar employees, again taking into account their duration of work.

Çimsa's employees and the employees of its subcontractors' companies who serve Çimsa under procurement service agreements must have the benefit of social insurance, as set down in the Social Security Law No 5510. Çimsa pays its workers' social security premium payments promptly. We also periodically monitor

the responsibilities and legal requirements of our service-providing subcontractor companies in terms of business law and their social security practices. All the related provisions, rules and enforcements that need to be complied with are presented in detail in the service contracts and specifications that must be signed by each subcontracting company. As, at Çimsa, subcontractors are included in occupational health and security audits, they are issued with warnings in the case of any improper practices. Permanent improper practices can lead to the cancellation of a subcontractor's contract.

Through the detailed agreements that we sign with our subcontractors, and given the regular audits that we undertake in collaboration with these companies, all risk of child employment and forced labor is eliminated. Çimsa receives private security services at each of its workplaces from a subcontractor company having an ancillary work status, as defined by law No. 5118. The procurement contract signed with Çimsa's private security company contains clauses concerning human rights training being delivered to the subcontractor's private security personnel.

All companies selected to provide support to Çimsa are chosen in accordance with the company's subcontractor selection principles listed in the appropriate corporate procedures and periodically audited as stipulated in the contracts signed. Although we do not conduct any evaluation of our suppliers' conformances to the accepted practices of human rights during our supplier selection processes, through our detailed selection procedures we ensure that all service and product suppliers provide employment only in accordance with business and labor laws, and that they continue to operate in line with all legal regulations.





OUR ENVIRONMENTAL IMPACTS

In the light of our environmental policy and commitment in sustainable development, we have set our targets in order to reduce our environmental impacts and make a positive contribution to nature conservation.



ENVIRONMENTAL MANAGEMENT

As Çimsa, we follow the Sabancı Group's environmental approach. We are aware of the environmental impacts of our activities and we strive to reduce any negative impacts.

Sabancı Internal Environmental Policy Requirements

We comply with environment laws and with all other legal requirements.

We ensure compliance and we exceed the legal requirements in all of our environmental activities.

We identify our environmental impacts.

We identify each of our environmental impacts; we establish and review our targets, programs and monitoring systems and we then take precautions to limit each of our impacts.

We manage our intra-company resource utilization.

We identify the organizational roles, responsibilities and authorizations within our infrastructure, technology, finance and human resources operations, and we help each of our employees to develop environmental awareness.

We ensure systematic approaches to our activities and we create synergy between our businesses .

We take a preventive approach when we establish our business standards, and we then ensure that everyone - our employees, suppliers and contractors - complies with these standards.

We proactively identify all of the risks that present any potential harm to the environment and we endeavor to take every possible measure to minimize these risks in a timely and complete manner.

We continuously work on improving and reviewing our environmental performance.

We establish and adopt principles concerning our energy use, waste management and our utilization of natural resources. We take responsibility for the environmental impacts of our products and services while striving to continuously improve these products and services by utilizing clean production and manufacturing technologies. We provide easy access to relevant information by reporting on our activities in a clear manner.

As of 2010, all of our cement plants are ISO 9001 certified. All three of our cement plants are certified TS-EN-ISO-14001 Environmental Management System compliant. Through this systematic approach, public health and the environment are both protected and all of our employees are aware of environmental issues.

As Çimsa, our aim is to obtain a world class level of business excellence through our quality management system, our environmental management system and through our occupational health and safety management systems.

We define our goals in accordance with our environmental policy, our determination to achieve sustainable growth and to reduce our environmental impacts and to help in the preservation of nature.

THE RESULT OF OUR DETERMINATION TO REDUCE OUR DUST EMISSIONS:

The success of 23% reduction in dust emissions!

Over the recent years we have significantly reduced our dust emissions

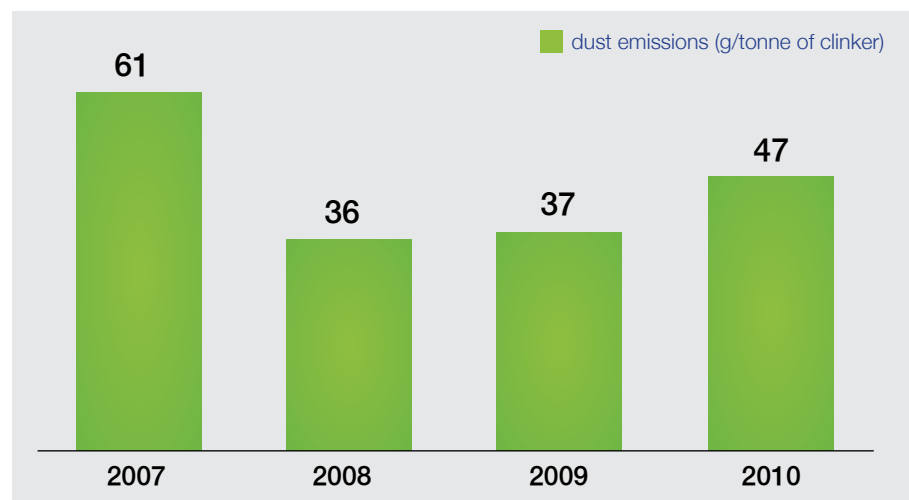
due to our steady investments and the measures we have taken to reduce our emissions. We reduced the dust emissions of our cement plants in Mersin, Eskişehir, Kayseri and Niğde to 47 g dust/tonne of clinker, a large 23% reduction in comparison to our emissions during 2007.

OUR PROJECTS AND INVESTMENTS BEHIND THIS SUCCESS

We are determined to continue investing so we can reduce our dust emissions even further, even though they are already under the regulatory limits.

We have modernized the rotary kiln in our Mersin plant's 1st facility. Beginning in 2009 and completed during 2010 we installed a new type of grate cooler, accompanied by the latest model of electro-filtering system. This new system has successfully reduced the 1st facility's clinker cooling electro-filter dust emissions, keeping the emissions comfortably under the regulatory limits.

ÇİMSA CEMENT PLANTS DUST EMISSIONS



OUR SUCCESS IN REDUCING EMISSIONS

We succeeded in reducing our cement plants' emissions by 23% per tonne of clinker compared to 2007!

High-Technology Dust Reduction Systems

We considerably reduced the dust emissions by installing new types of electro-filtering systems at the rotary kiln lines of the Eskişehir plant's 1st and 2nd facilities in 2007 and in early 2008 respectively. Additionally, we replaced the dust cyclone that delivers hot gas from the 2nd facility to the new coal mill with a more efficient cyclone. As part of this project completed and commissioned in October 2009 the dust originating from the hot gases of the kilns are now more effectively retained by the cyclone. At the Eskişehir plant we also reduced fugitive dust emissions by renewing and modernizing both the raw materials used and the clinker hall.



In the cement sector, where different manufacturing stages may cause different emissions, we closely monitor our emissions through our instant and continuous measurement systems while striving to reduce these emissions by applying many modern filtering technologies. We care deeply about protecting the health and comfort of our most important stakeholders: the local inhabitants and our employees. From our ceaseless determination and due to the specific measures that we have taken, including our use of high-technology filters, our emissions that were already below the regulatory limits, have been even further reduced. We succeeded in reducing our cement plants' emissions by 23% per tonne of clinker compared to 2007!

THE MANAGEMENT OF EMISSIONS

At Çimsa, compliance with regulatory limits for all of our dust and gas emissions is measured, checked and reported. This work is undertaken by organizations accredited by the Ministry of Environment and Forestry. Dust emissions and O₂, NO_x, and SO_x gas emissions are continuously monitored by measurement devices installed on the stacks of each plant's rotary kiln.

We record our emissions both as specific (g/tonne of clinker) and absolute values (tonnes per year). Our dust, NO_x and SO_x emission measurements, the measurements of volatile organic compounds produced, the alternative fuels burnt in our rotary kilns and the alternative raw materials used are all regularly reported to the Ministry of Environment and Forestry.

This success in reducing our emissions per tonne of clinker is the result of our diligent efforts to manage our emission levels, and to go beyond regulatory limits

The Enhancement of our Bag Type Filters and the Installation of an On-Line Emission Monitoring System at Niğde Plant

First we formed a team to work on the bag type filters with the aim of dedusting in the premises of our Niğde Plant. This team measured the bag type filters' performances at critical locations and then worked to develop the necessary improvements. The reduction of disturbances caused in the packing unit by the dust on the bags is a key indication of the positive outcome of the work performed primarily in this area.

In May 2010, a system was established to continuously monitor our stacks' gas emissions by connecting directly to the on-line emission monitoring system of the Provincial Department of the Environment and Forestry.

Our Learning Organizations Continue Their Teamwork in Meeting our Dust Reduction Objectives



The "Tozlanmasa" Project at the Eskişehir Plant

Utilizing key organizational principles, the "Tozlanmasa" team in Eskişehir undertook dust reduction initiatives in many sections of the plant as part of company's learning organization initiatives. The results of these measurements, collected from eight different locations inside the plant, show that dust emissions have been significantly reduced in the improved sections.



The "Tozmanyas" Project at the Mersin Plant

The "Tozmanyas" team was formed in 2009 with the aim of reducing dust emissions. Setting themselves the goal of reducing the amount of visible dust in line with principles of workplace health and safety, the Tozmanyas team first identified the areas having the highest densities of dust. Following the work undertaken, many locations are now dedusted. This project also increased awareness of dusts.

Goals

To reduce our dust emissions even further we have begun replacing our plant's rotary kiln stacks' electro-filters with high-tech bag type filters.

Using these high-tech bag type filters, we intend to minimize the dust emissions from our rotary kiln stacks enough to comply with any future regulations.

"The Regulation Regarding Burning of Wastes" requires that both old and new facilities reduce their maximum dust emissions from 120 mg/Nm³ and 50 mg/Nm³ to 30 mg/Nm³ before 2013, with few exceptions. To comply with this regulation we will make all the necessary

investments, including changing from our current electro-filters to bag type filters. We will resolutely continue to adopt our "Waste Acceptance Criteria" to ensure smooth combustion in all of our kilns. In addition, we will continue installing automatic waste feed systems to reduce our rotary kilns' stacks heavy metal, volatile organic compound and dioxin-furan emissions so as to ensure the continuity of its conformance with "The Regulation Regarding Burning of the Wastes".

We installed an on-line emission monitoring system in our Niğde cement plant. We are planning to implement this online emission monitoring system to

our other cement plants which will let the emissions from our rotary kiln's stacks be monitored on-line by the Provincial Directorate of the Environment.

NO_x EMISSIONS

In 2010, the NO_x emissions of our cement plants were 1,659 g/tonne of clinker. Our NO_x emissions have been lower than the regulatory values for the last four years.

SO_x EMISSIONS

The SO_x emissions of our cement plants are close to zero, well below the regulatory limit.

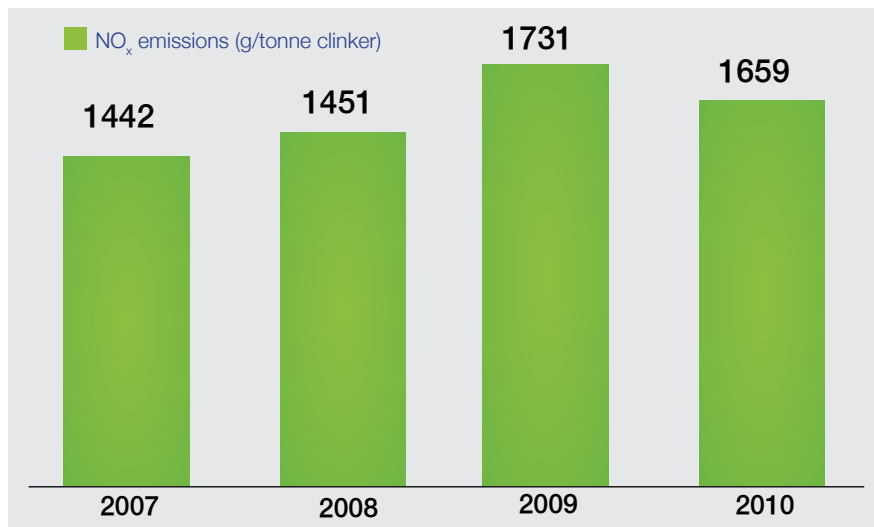
AMOUNTS OF OTHER EMISSIONS

In our cement plants we periodically observe and measure the amount of volatile organic compounds, heavy metals and dioxins/furans in the plant's stacks; these measurements are conducted every three, six, and twelve months respectively.

Only very low, trace amounts of these regularly measured volatile organic compounds (VOCs), heavy metals and dioxin-furans are found. These measurements collected from the rotary kilns' stacks are all shown in the table below.

At Çimsa cement plants, the measurements taken at the rotary kilns' stacks during the trial run of burning of waste, show that the emissions of heavy metals, volatile organic compounds and dioxin/furans are all significantly lower than the relevant regulatory limits.

ÇİMSA CEMENT PLANTS NOX EMISSIONS



HEAVY METAL, VOLATILE ORGANIC COMPOUND AND DIOXIN-FURAN SPECIFIC MEASUREMENT RESULTS FOR ALL ÇİMSA CEMENT PLANTS

	Specific (g/tonnes of clinker)			
	2007	2008	2009	2010
Heavy Metals*	0.006	0.001	0.002	0.020
Volatile Organic Compounds	44	91	62	47
	Specific (µg/tonnes of clinker)			
	2007	2008	2009	2010
Dioxin/furans	0.015	0.027	0.065	0.024

*Cd + Tl + Hg



EMISSIONS MANAGEMENT AT OUR READY-MIXED CONCRETE PRODUCTION PLANTS

The dust emissions at our ready-mixed concrete production plants are measured periodically by organizations authorized by the Ministry of the Environment and Forestry, in accordance with regulations. We study and report on the results of all of these measurements.

Between 2007 and 2009, in twenty seven ready-mixed concrete plants, the dust emissions in air measurements averaged 1.21 mg/Nm³. The results of these measurements indicate that these emissions are also well below the regulatory limits. We are making

numerous investments to reduce the dust emissions from our ready-mixed concrete plants. Some of these investments are described below.

Works Undertaken to Reduce Dust Emissions

By installing filter systems, we have minimized the dust emitted during cement filling operations.



Enclosed Bunker System

We took measures to prevent dust emission by enclosing the sides and roofs of bunkers at each of our facilities.



The Enclosure of Aggregate Field Storage Platforms

To minimize dust emissions, we enclosed the sides and roofs of our storage platforms in our aggregate storage areas.



The Enclosure of Horizontal Belts and Production Mixers

By enclosing the horizontal belts conveying aggregates for production, we prevented the dust emissions created by these belts. We also completely enclosed the mixer used to mixing the concrete, also to prevent dust emissions.



The Enclosure of Facility Walls by Sheet Metals:

We enclosed the facility's perimeter with a sheet metal wall. This investment's wind shielding prevented dust emissions while also minimizing the amount of the facility's noise that could be heard outside.



SUSTAINABLE RESOURCE MANAGEMENT

At Çimsa, we demonstrate our respect of future generations' resource demands by using the by-products and wastes of several industries in our cement kilns, thus consuming less primary fossil fuels and fewer raw materials to produce each tonne of cement. By this practice which has both economic and social benefits, we make a positive contribution to the waste management.

The cement sector intensively utilizes energy and raw materials, so we are trying our hardest to replace non-renewable fuels and natural raw materials with alternatives. This solves waste disposal problems, an important environmental and social issue; it reduces carbon dioxide emission while protecting our natural resources. We have invested in safely using alternative fuels and raw materials in our systems, making our processes more efficient while increasing our alternative fuel usage rates. Throughout this work we have placed the utmost importance on the opinions of our stakeholders, and we are continuously putting our effort to increase our dialogue with them.

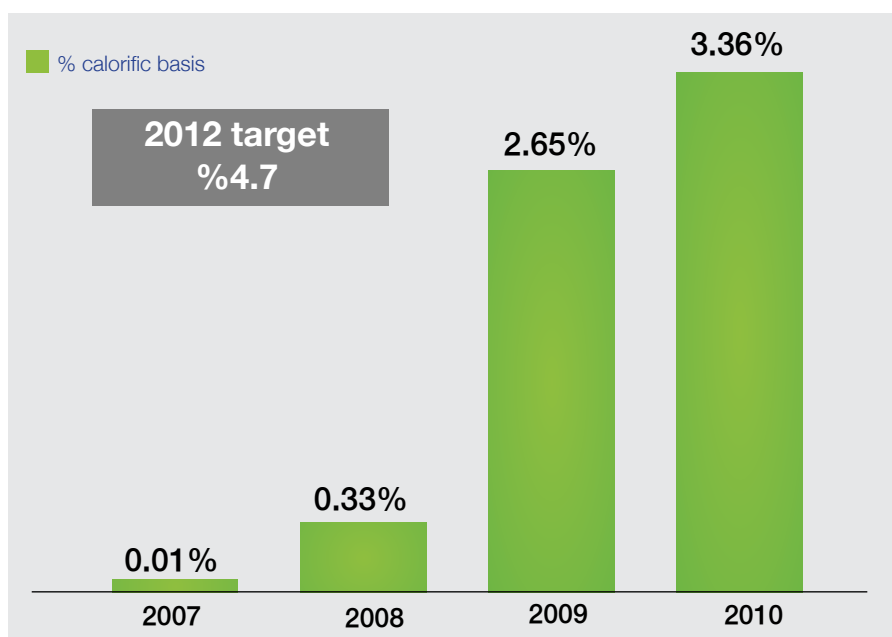
We now use high calorific value waste as an alternative fuel to replace primary fossil fuels. To replace the natural raw materials that we extract from our plants' quarries we are utilizing as alternative raw materials selected waste and industry by-products that contain minerals such as

calcium, silicon, iron, aluminum. Thus, by using alternative fuels and raw materials in cement production – a process that requires using large amounts of fuels and raw materials – we are reducing our dependency on non-renewable fossil fuels while contributing to the protection of these resources. Not only this, but we are reducing our carbon dioxide emissions at the same time.

Sludge, an alternative fuel, is composed of pure biomass while being accepted as carbon dioxide emission neutral. So, while many other alternative fuels contain large amounts of biomass from all the wood and paper that they contain, the usage of sludge helps reducing CO₂ emissions.

However, not every kind of waste material can be burned or processed along with the primary fuels used by our cement plants. There are a number of wastes that are not appropriate for processing in the cement sector along with primary fuels: nuclear wastes, contagious medical wastes, unprocessed mixed municipality waste and all batteries.

ÇİMSA CEMENT PLANTS ALTERNATIVE FUEL SUBSTITUTION RATE



Long-Term, Robust Solutions for Disposing of Society's Waste and Understanding Sustainable Growth
Now, in our cement plants, wastes such as category II waste oils, bilge wastes, used vehicle tires, plastics and contaminated wastes can be used as alternative fuels.

Our calorific alternative fuel substitution rate, only 0.01% in 2007, has now increased to 3.36% in 2010. As a result, our alternative fuel use, after increasing over the last four years has grown to 14,650 tonnes in 2010. New investments increased our use of liquid wastes such as waste oil, motor oil and bilge waste, which together contributed a considerable

proportion of the increase in our alternative fuel substitution rate.

We continue to use less conventional fuels such as coal and petroleum coke as a result of our utilization of waste oils and bilge, sludge and slop wastes collected from the harbors throughout the Mediterranean region.

ALTERNATIVE FUEL AND RAW MATERIAL MANAGEMENT

The co-processing of waste in cement plants is deemed to be a “recovery process” under EU legislation. In 2010, after fulfilling all our legal obligations and other necessary requirements regarding waste disposal, we renewed our waste burning licenses at all four of our plants, and we even added new wastes to the list of wastes that we can process. In our headquarters, we established the Directorate of the Environment, Alternative Fuels and Alternative Raw Materials. This Directorate and the Environmental Supervisors in our four waste utilizing plants work together to procure the wastes that we process.

We created our Waste Management System to ensure that the emissions produced when we processed and burnt wastes complied with all relevant regulations, to ensure the efficiency of our production process, to keep our clinker (semi-finished cement product) quality high and to satisfy our occupational health and safety standards.

Waste Management System

As part of our waste management system, we developed waste acceptance criteria and procedures so that alternative fuels could be burnt in a healthy and safe manner, while managing the addition of alternative raw materials to our raw

material. We monitor the conformance with Çimsa’s acceptance criteria of the physical and chemical properties of all wastes received from each waste producer. We also calculate the emissions that these wastes produce and their amounts in the clinker. The decision to use a particular waste is made only after the completion of these investigations and calculations.

SUSTAINABLE RESOURCE USE

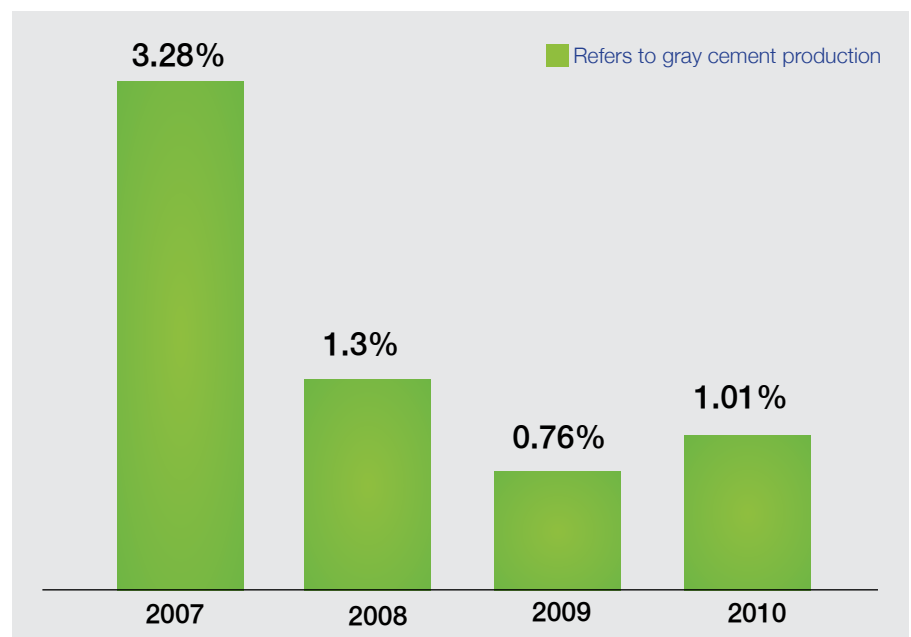
To study our use of alternative raw materials, we first established a methodology that allowed us to calculate our use of alternative raw materials at all of our plants. We calculated our substitution rates on a plant basis as well as for all of Çimsa’s cement plants, in line with the methodology set down by the World Business Council for Sustainable Development’s Cement Sustainability Initiative (CSI). Our total alternative raw material use as a percentage of our total raw materials, for both cement and clinker production across all of Çimsa cement

plants, is shown in the following table. The availability of alternative raw materials decreased following the world-wide economic crisis, which in turn increased their cost and caused procurement problems. Even though our alternative raw material use (dry-based) in gray cement production decreased in comparison to the rate that we achieved in 2007, it started to increase again in 2010, reaching 1.01% and 64,681 tonnes.

Looking at the distribution of alternative raw materials used, at our Mersin plant quartzite slime waste and dolomite powder are consumed the most, followed by slime waste. In our Eskişehir plant ceramic particles, gypsum cast particles and ceramic waste mud are used as alternative raw materials.

During 2010, in our ready-mixed concrete production we even further contributed to the sustainable use of resources by using 78,614 tonnes of fly ash.

ÇİMSA CEMENT PLANTS ALTERNATIVE RAW-MATERIAL RATE



Challenges

We do face difficulties in the procurement and the continuity of supply for our alternative fuels. We believe that we can increase our waste substitution rate higher, due to Çimsa's operating experience with cement kilns and by utilizing the latest technologies, provided that we can access an amount of waste close to the waste burning capacities specified in our Waste Licenses.

As alternative raw materials are industry by-products, their availability and continuity are restricted. Due to these products' high logistical and storage costs, we give priority to resources close to the locations of our plants. In 2009, the availability of blast furnace slag decreased and its cost increased as a result of the economic crisis.

However, Çimsa continues to search for new alternative raw materials as part of its determination to maintain its sustainable growth. In our Kayseri plant, we undertook a trial run utilizing a production residue, "ignimbrite", obtained from the municipality. Unfortunately, it was not possible to proceed with this trial due to its negative effects on the clinker's kiln stage.

OUR ACTIONS AND INVESTMENTS

We have identified the investments needed to safely use alternative fuels in our production system, protect our processes' efficiencies and to increase our substitution rates. We began our investments by targeting the disposal of oil wastes, bilge wastes and used vehicle tires. Towards the end of 2010, we commissioned at our Eskişehir plant another automatic waste feeding system to be used to dispose of contaminated wastes.

- The Automatic Contaminated Waste Feeding System now operating at our Eskişehir plant was commissioned to feed

contaminated waste into its 2nd kiln. Waste from several industries is now used by this facility.

- Used Vehicle Tires are fed into kilns in the Mersin, Kayseri, Eskişehir and Niğde plants.
- Waste Oil and Bilge Waste Feeding Systems have now been installed in our Eskişehir, Kayseri and Niğde plants. As part of this process we built tanks to store waste oil and bilge wastes. We then commissioned feeding systems to feed these wastes automatically into the kilns through the rotary kilns' main flame tubes.

Our Goal

As Çimsa, we want to be Turkey's pioneer in waste disposal. We are always ready to dispose of waste from the regions of Turkey in which our plants are located. That we obtained and then renewed our waste licenses from the Ministry of Environment and Forestry, and that the HOTDISC automatic waste feeding system project will be commissioned at the beginning of 2011 at our Eskişehir plant are both important indicators of our determination in to be Turkey's waste disposal pioneer.

Our goal is to reduce the need for mining, while achieving savings in CO₂ emissions, by recovering as much energy as possible and by reducing our primary fuel (coal, petroleum coke etc.) usage rates.

At the beginning of 2012 we plan to commission our HOTDISC "Automatic Waste Feeding System" project at our Eskişehir plant. This project was designed by an international company that is an expert in such technologies. The HOTDISC project features a high level of alternative fuel use while, at the same time, controlling each of the kiln's operation, the emissions from the rotary kiln stacks and the overall product quality. When this system reaches full capacity we aim to regain 30% of the total calorific consumption of the plant from wastes.

Kayseri Plant Trass Drying Project

Kayseri Plant produces pozzolanic cement satisfying the TS EN 197 CEM IV /B (P) 32,5 R standard. "trass" is used as additive in the production of this cement. The Kayseri "trass drying project" enables the drying of trass. Thus, damp trass extracted from a quarry 10.3 kilometers away can be used instead of trass provided from a quarry 180 kilometers away. In addition, this now successfully completed R&D project competed does not require:

- the installation of a new drying unit, or
- any additional fuel consumption for drying the trass.

This original project was supported by TUBITAK as a TEYDEP 1501 Industry R&D project.

Our Mersin Plant is Investing in the Future with the Use of Alternative Fuels...

The bilge oil from ships landing in the Mersin Free Zone's Harbor reach our plant after undergoing a dewatering process and being held in a tank. The bilge oil is next passed through the separator unit to remove any remaining water before finally being fed into the rotary kiln to be burnt. Waste oil and waste motor oil from gas stations within the Adana and Mersin regions as well as from other companies are collected by the Turkish Petroleum Industry Association (PETDER) to be burnt in the kiln.



Mersin Plant's bilge output tank

PROTECTION OF THE CLIMATE

We think that climate change is not only an environmental problem but also a matter of sustainable development.

We have focused on thermal and electricity energy efficiency and alternative fuel use in order to reduce the emissions of carbon dioxide as one part of our efforts to deal with the problems of global climate change. It is a fact that the main cause of global warming is carbon dioxide. In the cement sector, half of the total carbon dioxide emissions are produced during the raw materials' calcination. Emissions due to fuel consumption are 40%, while transportation and power consumption are responsible for 10% of the total emissions.

In 2009, Turkey became a party to the Kyoto Protocol, but the country does not have any commitment to quantitative emission reductions for the period from 2008 to 2012. However, as Çimsa, we voluntarily calculate and track the carbon dioxide emitted by our cement production plants, since we care about the protection of the climate. Our calculations comply with the methodology developed by the World Business Council for Sustainable Development's (WBCSD)

Cement Sustainability Initiative (CSI).

According to the carbon dioxide calculations we that conducted – just out of our sense of responsibility for the protection of the environment – in 2010, the total gross direct carbon dioxide emissions produced by Çimsa's cement plants and by our grinding facility were 4.1 million tonnes. The gross carbon dioxide emission for one tonne of grey cementitious material is 699 kg CO₂/tonne of cementitious material.

In cement sector where raw material and energy is intensive, indirect reduction of greenhouse gas emissions through the use of alternative fuels instead of conventional fuels can be assessed as a part of the company's acquired emission rights to an extent. Since there is not a national carbon dioxide emission law or regulation in effect in Turkey, the maximum rate has not been defined yet. Therefore, the net emission values calculated by the subtraction of acquired emission rights from the gross emission amounts, are not stated in this report.

As Çimsa, we will comply with all the international agreements that Turkey has signed, and with all decisions taken by the Turkish Cement Manufacturers' Association (TCMA) when setting our CO₂ emission reduction targets for the years following 2012.

The main carbon dioxide emission sources in cement production:

Calcination Process: Limestone is the most important and most used raw material of cement in percentage terms, and it usually contains high levels of calcareous (CaCO₃) materials. Due to a required chemical reaction (calcination), a co-product of CO₂ gas is released during the production of clinker.



Fuel use: Combustion of fuels to produce energy generates CO₂ emissions.

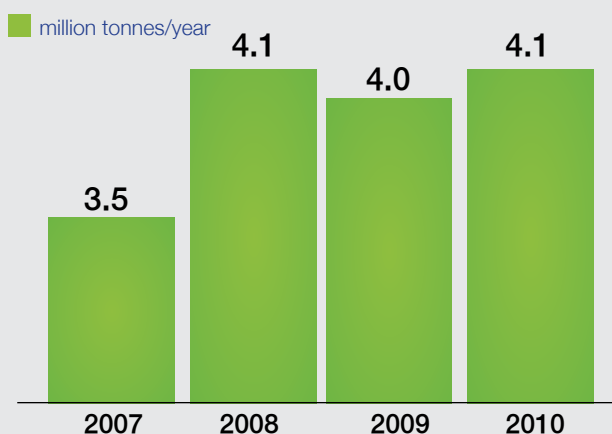
Logistics/transportation operations: During the transportation of raw materials and intermediate products within production facilities, CO₂ is emitted.

Power consumption: During production, externally supplied electric energy generates CO₂ emissions. (Indirect emission)

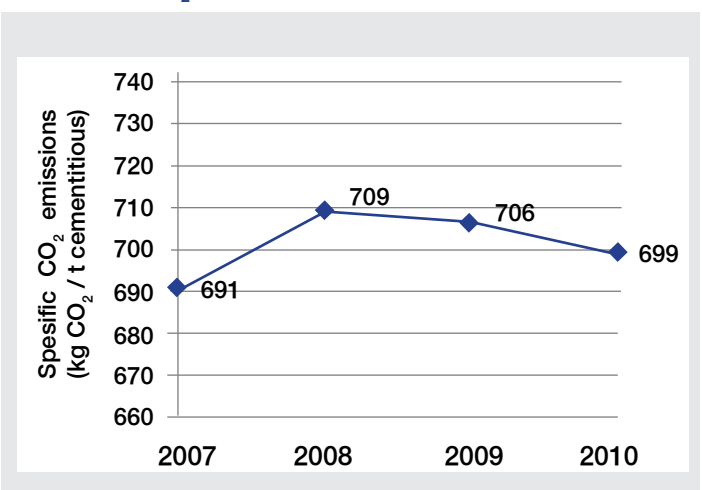
Direct Emissions: Emissions from sources that are owned or controlled by the reporting company. For example, emissions from the combustion of fuel in a cement kiln are direct emissions of the company owning (or controlling) the kiln.

Indirect CO₂ emission: Emissions that result as a consequence of the activities of the reporting company, but that occur at sources owned or controlled by another company. For example, emissions from the generation of grid electricity consumed by a cement company are indirect emissions.

ÇİMSA CEMENT PLANTS AND GRINDING FACILITY TOTAL GROSS DIRECT CO₂ EMISSION



SPECIFIC CO₂ EMISSION



EFFICIENT USE OF ENERGY

Cement production is an energy intensive process.

The efficient use of energy in energy intensive industries becomes more and more important as energy needs increase rapidly, while at the same time energy sources are increasingly starting to become used up. We aim to reduce our energy consumption emissions by implementing modern production processes that consume less energy.

There is a close relationship between energy consumption and greenhouse gas emissions in the cement sector. So energy efficiency needs to be increased in order to reduce the sector's greenhouse gas emissions. Based on the research conducted, the carbon dioxide emissions of Turkey's cement sector are above the world average. This situation in return increases the importance of energy efficiency. In cement production, various types of fuel are used to produce energy. The fuel types used also affect the emission volumes.

THERMAL ENERGY

We aim to reduce our energy consumption emissions by implementing modern production processes that consume less energy.

In 2010, the total energy used by our Ankara grinding facility and cement plants was 11,833* TJ (including alternative fuels). Our 2007 kiln-specific heat consumption of 3,420 MJ/tonne of clinker had decreased to 3,292 MJ/tonne of clinker by 2010. Regarding thermal energy, 96.64% of the energy used comes from primary

(traditional) fuels: coal, petroleum coke, natural gas, lignite and fuel-oil. By using waste as an alternative to primary fuels, we both contribute to the protection of natural resources and we emit less carbon dioxide. In 2010, we managed to provide 3.36% of our total energy consumption from alternative fuels. We achieved this by continuing to increase the amount of waste oil, bilge waste and used tires that we used as fuel. We will keep on working to make this proportion even higher.

On the other hand, the improvement and modernization of our plants reduced the amount of energy required for the production of a tonne of clinker.

*: (1 cal= 4.18 joule)

ELECTRICAL ENERGY

In 2010, the total electric power consumption of Çimsa's cement plants and grinding facility was 1,986 TJ (551.6 GWh).

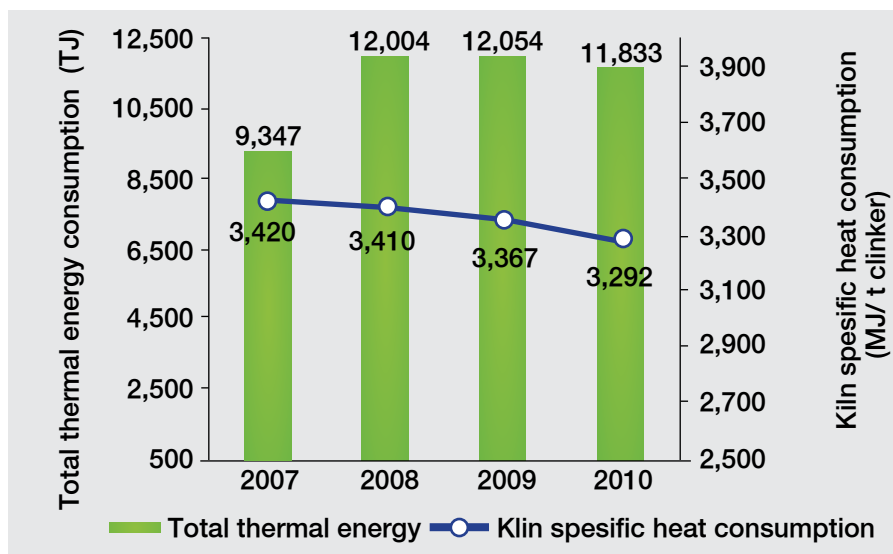
CLINKER/CEMENT RATE

We reduced our cement production's energy consumption by replacing clinker, that requires high energy for its production, by cementitious materials that do not require any thermal processing such as fly ash and slag, an iron and steel industry waste. Çimsa cement plants' clinker/ cement rates per year are shown in the following chart.

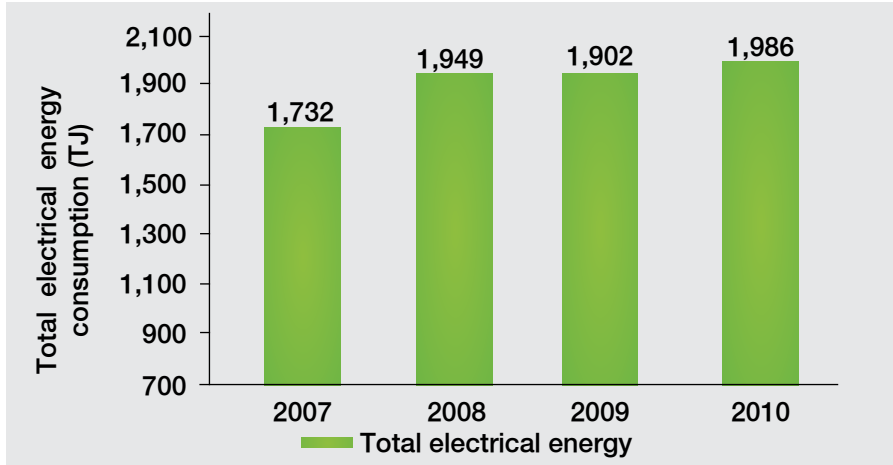
BLENDED CEMENT USE IN READY-MIXED CONCRETE PRODUCTION

In the ready-mixed concrete sector we are very attentive to the use of blended cement in our production processes. In our ready-mixed concrete operations we indirectly reduce cement and clinker production's environmental impacts by using less cement, and thus less clinker.

TOTAL THERMAL ENERGY CONSUMPTION OF ÇİMSA CEMENT PLANTS



TOTAL ELECTRICAL ENERGY CONSUMPTION OF ÇİMSA CEMENT PLANTS AND GRINDING FACILITY



Our ready-mixed concrete production facilities' electric power consumption data is shown here.

	2007	2008	2009	2010
Electricity (TJ/y)	7.0	11.2	11.3	13.3

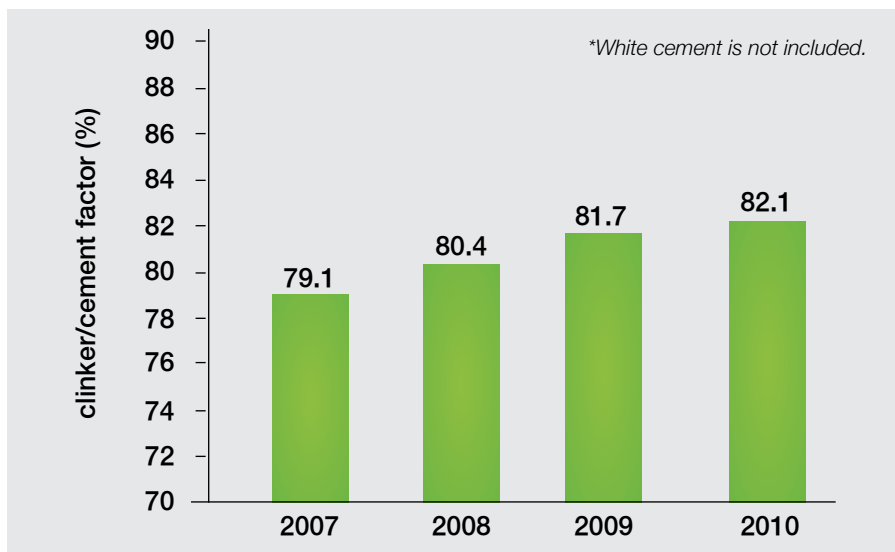
Electric power consumption of twenty-three ready-mixed concrete facilities is included.

Power consumption for aggregate operations

	2007	2008	2009	2010
Electricity (TJ/y)	4.5	2.9	6.1	9.5

This is the power consumption of the contractor company for the aggregate operations.

CLINKER/CEMENT RATE (%)



Niğde Plant



The Niğde plant's kiln performance was improved:

- The kiln's process was rehabilitated
- Its burning was improved
- The clinker's cooling optimization and recuperation efficiency was increased

As a result of these efforts:

- The kiln's capacity was rose from 391,000 to 420,000 tonnes per year
- The clinker's quality and pressure was increased by 8 - 10 MPa
- The heat consumption required for the production of a kilogram of clinker was decreased by 130 kcal.
- In imported fossil fuels (petroleum coke), we achieved savings of 7,300 tonnes per year.

Eskişehir Plant



Eskişehir kiln's performance was improved:

- The kiln's process was rehabilitated
- Clinker cooling was replaced by next-generation cooling
- The cyclones were replaced
- The main burner was replaced
- A new electrofilter system was installed

As a result of these efforts:

- The kiln's capacity was raised from 400,000 to 600,000 tonnes per year.
- The heat required for clinker production was decreased by 110 kcal/kg.
- Imported fossil fuel (steam coal) of 11,000 tonnes per year was saved.

Between 2010 and 2012, Çimsa plans to spend a total of 160 million Dollars on sustainability, or the “low carbon economy”. It is predicted that this project will be completed and implemented by the end of 2011.

‘Production of electric power from waste heat project, will enable Çimsa to reduce both fossil fuel use and also green house gas emissions through energy saving.’

Turkish Cement Manufacturers’ Association (TCMA)

PRODUCTION OF ELECTRIC POWER FROM WASTE HEAT

Çimsa believes that natural resources are the in trust and that they need to be transferred to future generations safely. The company continues to increase its competitiveness and its stays in front of its competitors by continuously investing in environmental sustainability and conformity. This project to produce electric power from waste gas, initiated in partnership with an international company that is an expert in this field, has accelerated these efforts. Our aim is to produce electric power from the waste gases of the pre-heater and clinker cooling units at our Mersin plant. It is estimate that up to 9.7 MW will be produced, depending on production preferences, for a total energy of around 60,000,000 kWh per year. This value corresponds to 20% of the plant’s total consumption. This rate would become 50% if only the 1st and 2nd facilities are assessed.

As a part of the project, large reductions in dust loads are also expected due to using boilers before the flue gas fans in both of the facilities. Almost 40% of the airborne dust that is passed through boiler will be retained, so the project will significantly reduce flue dust emission levels.

In his speech during the signing ceremony, our General Manager Mehmet Hacıkamiloğlu emphasized the following points: “The world-wide trend today is the ‘low-carbon economy’. We are following the trend with our investments. Carbon emission quotas and carbon trading are on the door step and will soon confront us. Therefore, we have already started preparing.” Between 2010 and 2012, Çimsa plans to spend a total of 160 million dollars on sustainability, or the “low carbon economy”. It is predicted that this project will be completed and implemented by the end of 2011.



OUR ENVIRONMENTALLY-FRIENDLY INVESTMENTS AND EXPENDITURES

We spend and invest a great deal to reduce our environmental impacts and to protect the environment in general, all as part of our respect for the environment and our sense of responsibility.

Our environmental protection expenditures and investments across all of Çimsa's cement plants totaled 33.9 million TRY for the 2007 – 2010 sustainability reporting period.



We spend and invest a great deal to reduce our environmental impacts and to protect the environment in general, all as part of our respect for the environment and our sense of responsibility.

Our environmental protection expenditures and investments across all of Çimsa's cement plants totaled 33.9 million TRY for the 2007 – 2010 sustainability reporting period. The 8.4 million TRY spent during 2007 and 2008 to renew the electrofilters in order to reduce the emissions from the Eskişehir plant is included in this investment total.

In a period in which the difficulties of the economic crisis that affected the world's economy were being slowly resolved, we instead increased our investments. This is just one demonstration of our determination to achieve sustainable development. In 2010 alone, the Çimsa's cement group's total environmental expenditures was 17.3 million TRY.

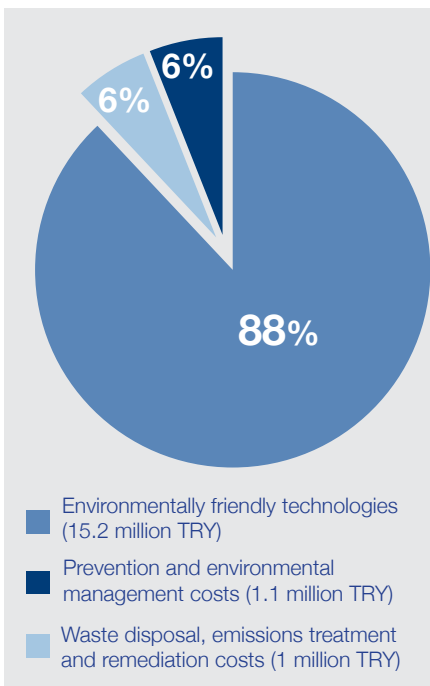
The biggest share of this amount (15.2 million TRY) was the investments made

in the installation of the cleanest available technologies to replace the standard technologies. This can be seen as an example of our environmental awareness, and of our sense of responsibility to our stakeholders. The most important of these investments was the project to produce electric power from waste gas at our Mersin plant. The replacement of electrofilters with bag type filters at Mersin's 1st facility, the construction of a closed clinker silo and storage platform in Eskişehir and our HOTDISC project are our other major environmental investments.

During 2010, we spent almost one million TRY on the disposal of waste materials, the refinement of our emission levels and the improvement of our environmental performance. Our environmental management expenditures, including the environmental compliance security deposit required under the new regulations, came to 1.1 million TRY.

During 2010, we spent 459.125 TRY on environmental protection for our ready-mixed concrete production facilities, and 200.928 TRY for our aggregate production activities.

ÇİMSA ENVIRONMENTAL EXPENDITURES 2010



RESTORING LANDS TO THEIR NATURAL FORMS AND REDUCING LOCAL IMPACTS



Our work minimizing our raw material extraction processes' environmental impacts still continues as yet another demonstration of our respect for the environment. Our Eskisehir Habitat project is the best example of such efforts for 2010.

Mining activities can impact on both flora and fauna. To minimize these impacts, we conduct environmental impact assessments before undertaking any operation, and we prepare plans for the rehabilitation of the area after our operations are completed to prevent any overall impact, and to minimize the impacts to an environmentally neutral level.

All of our production activities are tracked by each plant's raw materials group, in accordance with the relevant regulations of the Mining Law and the Environment and Forestry Law.

In sensitive and protected areas we pay strict attention to the protection of natural life during our extraction activities. Our Eskisehir quarry is located within a "Short

Protection Distance" and the Mersin Sucular quarry is within a "Medium Distance Protection Region for the Lake Area."

We take a large number of measures against the negative impacts that mining activities can cause.

For 2011, the strainer and band groups were completely covered, and the sites used for dumping of material were designed as "bunker types" to prevent any powdering at the breaking facility. This is another component of our environmental consciousness. A project to close the breaker, strainer and band system areas of the still operational old facility has been designed. Fogging-type pulverized water systems were also installed into these breakers. Further, we installed a sprinkler system to protect against powdering at the bunker and in the belt dump areas. It is required that all contractor companies install a sprinkler, and 90% of the company's stabilized roads are now asphalted.

THE MANAGEMENT OF QUARRY REHABILITATION AND OUR ACTION PLANS

- We presented our rehabilitation plans for each of our quarries to the authorized ministry councils, and each of the plans was approved.



Mersin Sucular Quarry





- Every year we allocate a provision for quarry rehabilitation, and we update this amount annually.

- We implemented a re-forestation model, as part of our social responsibilities, prior to our licensed activities being completed. This was to make our mining activities sustainable and to rehabilitate, as soon as possible, each area from which ores have been extracted.

- Although the terms of our license and production activities continue at the Mersin plant's Tekke calcareous quarry, between 2007 and 2009 we still rehabilitated 20 hectares of the field from which ores have been extracted through our planting of 60,000 trees of different types. Our plans are to undertake similar activities when new ore extraction fields are finished with.

- By transforming a large excavation area that was previously used as a clay quarry into a small lake at the Eskişehir plant, we created a new habitat area that provides protection and nesting areas for different kinds of animals, complete with range of plants and trees.

OUR NATURAL RAW MATERIAL DATA

In 2010, our 55 cement raw material quarries produced;

- 5.3 million tonnes of grey cement clinker natural raw materials (calcareous, clay, marl etc.)
- 0.9 million tonnes of white cement clinker natural raw materials

From our two active aggregate quarries;

- we extracted 1.6 million tonnes of calcareous, a natural raw material used for aggregate.

The total licensed excavation area of our active quarries is 258.6 hectares and the additional area affected from our operations is 25.5 hectares. By the type of land ownership: company lands comprise 122 hectares; forest lands comprise 80 hectares; state lands comprise 45 hectares; pasture lands comprise 12 hectares.

In the process of our operations we undertake a number of environment-friendly activities in order to mitigate mining impacts. We have developed rehabilitation plans to restore and improve biodiversity after quarrying.

The Eskişehir Habitat Field

The habitat area and its small lake, completed in August 2008 at the Eskişehir Çimsa Cement Plant, is the FIRST and ONLY model project in Turkey that complies with the "REGULATION REGARDING RESTORATION OF DAMAGED LANDS CAUSED BY MINING ACTIVITIES" (the Regulation regarding the Return to Natural Condition) which was published in the Official Gazette number 26,730 and came into effect on December 12, 2009. In this project, the old clay quarry was used to collect all the facility's treatment plant water discharge that met industry standards, surplus groundwater as well as rainwater in order to create a small lake, utilizing the impermeability of the clay. Around this small lake Çimsa planted more than 10,000 trees selected for the climate, along with 150 different types of plants. Walk ways and recreation sites were constructed around to the small lake to serve not only natural life but also as a facility for our employees.

The flora around the small lake has developed and is now a home for wild animals. Over the course of time the animal population of the small lake and its surroundings has increased, becoming a habitat for migratory birds both in winter and in summer; it is now on the way to being a bird sanctuary. According to a count taken by facility staff, it was determined that thirteen types of birds, five types of reptiles, foxes and similar animals have adopted the small lake as their home. Thus, the small lake and its surrounding habitat, a total of 55,000 square meters of green field, thoroughly deserve their place as a source of pride for both Çimsa and for Turkey.







SUSTAINABILITY PERFORMANCE TABLES

During this reporting period, we started out to construct a three - dimensional management approach that incorporates environmental and social factors, as well as the economic point of view.



OUR ECONOMIC PERFORMANCE						
Economic Value Created & Distributed	Unit	2007	2008	2009	2010	GRI
Economic value generated (Net sales)	Million TRY	502.4	595.4	590.6	675.6	EC1
Economic value distributed to stakeholders						
Operating expenses (CGS-Cost of goods sold excluding amortisation and personnel expenses, general management expenses, non-strategic investments, royalties, and facilitation payments)	Million TRY	363.4	447.5	396.6	490.15	EC1
Benefit to governments (tax etc)	Million TRY	63.61	51.04	54.39	60.77	EC1
Benefit to investors/shareholders (dividends etc)	Million TRY	105.5	150.0	58.0	81.9	EC1
Benefit to lenders/creditors (interest etc)	Million TRY	6.2	8.3	8.5	8.0	EC1
Benefit to employees (salaries etc)	Million TRY	34.2	44.2	44.3	50.0	EC1
Benefit to society (donations etc)	Million TRY	0.17	0.12	3.33	0.07	EC1
Financial assistance from government	Currency	2007	2008	2009	2010	GRI
Tax relief/credits (R&D + Export)	Million TRY	0.43	0.57	0.79	1.07	EC4
Other contribution to employees *	Unit	2007	2008	2009	2010	GRI
Çimsa's consolidated contribution on defined benefit plans	1000 TRY	255	295	280	243	EC3
Total number of employees participating	Number	329	345	333	324	EC3

OUR SOCIAL PERFORMANCE						
Health and Safety Training						
Çimsa Employees	Unit	2007	2008	2009	2010	GRI
Total H&S Trainings	Hour/year	n.a.	992.67	568.58	670.29	LA10
Çimsa Contractor Employees	Unit	2007	2008	2009	2010	GRI
Total H&S Trainings	Hour/year	n.a.	310	222	409.84	LA10
Business Ethics Trainings						
Çimsa Employees	Unit	2007	2008	2009	2010	GRI
Managers	%	100	100	100	100	SO3
Employees	%	100	100	100	100	SO3
Training hour per person	Hour/year	1	1	1	1	SO3
Trainings (Personal and career development)						
Çimsa Employees	Unit	2007	2008	2009	2010	GRI
Training hour per person	Hour/year	n.a.	13.37	12.41	11.3	LA10
Employee Turnover Ratio						
(Consolidated Recruitment + Severance) ***	Unit	2007	2008	2009	2010	GRI
Blue collar employees	%	24.2%	8.8%	3.2%	7.5%	LA2
White collar employees	%	24.9%	17.7%	8.9%	11.0%	LA2
Total	%	26.8%	14.1%	6.6%	9.1%	LA2

n/a = not available

*** $[(\text{Number of employees recruited} + \text{Number of employees leaving}) / 2] / [(\text{Headcount at start of year} + \text{Headcount at end of year}) / 2]$

SOCIAL PERFORMANCE (Continues)						
Workforce						
Total workforce	Unit	2007	2008	2009	2010	GRI
White collar employees	Number	375	403	430	425	LA1
Blue collar employees	Number	531	555	555	573	LA1
Employees of the contractors	Number	290	298	305	389	LA1
Çimsa Employees by contract	Unit	2007	2008	2009	2010	
Permanent employees	Number	906	958	965	998	LA1
Temporary employees	Number	0	0	0	0	LA1
Full-time employees	Number	906	958	965	998	LA1
Part-time employees	Number	0	0	0	0	LA1
Employees by gender	Unit	2007	2008	2009	2010	
Male employees	Number	868	920	925	957	LA13
Female employees	Number	38	38	40	41	LA13
Employees by age	Unit	2007	2008	2009	2010	
Employees 20 to 29	Number	240	269	250	244	LA13
Employees 30 to 39	Number	396	432	448	456	LA13
Employees 40 to 49	Number	232	221	235	260	LA13
Employees 50 to 60	Number	38	36	32	38	LA13
Employees by category	Unit	2007	2008	2009	2010	
Senior management	Number	12	15	15	12	LA13
Middle management	Number	27	30	33	35	LA13
Supervisory level employees	Number	64	64	65	58	LA13
Specialist/Engineer	Number	92	91	89	92	LA13
White collar staff	Number	180	203	228	228	LA13
Blue collar staff	Number	531	555	535	573	LA13

OUR ENVIRONMENTAL PERFORMANCE						
	Units	2007	2008	2009	2010	GRI
Grey cement production ¹	tonnes	3,759,807	3,996,003	4,263,330	4,414,620	EN 1
White cement production	tonnes	922,811	932,821	876,670	964,915	EN 1
Aggregate production	tonnes	501,928	365,617	755,508	1,296,327	EN 1
Ready-mixed concrete production ⁵	m ³	1,016,032	1,551,290	1,632,802	1,825,948	EN 1
MATERIALS						
Grey cement 1						
Raw material for grey cement clinker ²	tonnes	4,005,427	4,886,679	5,159,220	5,263,666	EN 1
Clinker produced	tonnes	2,733,595	3,501,615	3,581,763	3,594,748	EN 1
Alternative raw material	tonnes	165,253	84,195	50,337	64,681	EN 1
Conventional fossil fuels	tonnes	305,103	404,136	390,514	389,879	EN 1
Alternative fuels	tonnes	5,551	7,679	11,043	14,650	EN 1
White cement						
Raw material for clinker	tonnes	684,564	828,889	756,791	858,562	EN 1
Clinker produced	tonnes	1,076,315	996,481	846,219	997,589	EN 1
Alternative raw materials	tonnes	52,052	47,430	41,604	22,190	EN 1
Conventional fossil fuels	tonnes	149,000	137,000	117,000	138,236	EN 1
Aggregate ³						
Total raw materials: limestone	tonnes	602,314	438,74	906,61	1,555,592	EN 1
Ready-mixed concrete ⁵						
Alternative raw material: fly ash	tonnes	26,406	81,640	77,543	78,614	EN 1
Rate of recycled material used as input						
Grey cement ¹						
Alternative raw material substitution rate (%)	percentage	3.28	1.30	0.76	1.01	EN 2
Clinker/cement ratio	percentage	79.1	80.4	81.6	82.1	EN 2
White cement						
Alternative raw material substitution rate (%)	percentage	2.92	2.85	2.95	1.34	EN 2
ENERGY						
Direct Energy Consumption						
Grey cement ¹						
Thermal energy consumption	TJ	9,347	12,004	12,054	11,833	EN 3
Kiln specific heat consumption	MJ/clinker	3,420	3,410	3,367	3,292	EN 3
White cement						
Thermal energy consumption	TJ	5,050	4,648	3,966	4,683	EN 3
Indirect Energy Consumption						
Cement ⁴						
Electric energy consumption ⁴	TJ/y	1,732	1,949	1,902	1,986	EN 4
Ready-mixed concrete ⁵						
Electric energy consumption ⁵	TJ/y	7.0	11.2	11.3	13.3	EN 4
Aggregate						
Electric energy consumption	TJ/y	4.5	2.9	6.1	9.5	EN 4
Saved Energy						
Alternative fuel rate ³ (%)	percentage	0.01	0.33	2.65	3.36	EN 2&5

OUR ENVIRONMENTAL PERFORMANCE (Continues)						
	Units	2007	2008	2009	2010	GRI
EMISSIONS						
Greenhouse gas emissions						
Cement						
Gross direct CO ₂ ⁴ emissions	million tonnes/year	3.5	4.1	4.0	4.1	EN 16
Specific CO ₂ emission of grey cement	kg CO ₂ / t cementitious	691	709	706	699	EN 16
Dust, NO _x , SO _x and other emissions						
Cement						
Dust emissions	tonnes/year	252	177	184	207	EN20
Specific emission of dust	g/t clinker	61	36	37	47	EN 20
Grinding and Packaging						
Dust ⁶ emissions	g/t clinker		99.92			EN 20
Ready-mixed concrete ⁷						
Dust emissions ⁷	mg/Nm ³		1.21			EN 20
Cement						
NO _x emissions	tonnes/year	6,008	6,232	8,635	7,259	EN 20
Specific NO _x emissions	g/t clinker	1,442	1,451	1,731	1,659	EN 20
Heavy metals	tonnes/year	0.021	0.005	0.009	0,09	EN 20
Specific heavy metals	g/t clinker	0.006	0.001	0.002	0,02	EN 20
Volatile organic compounds	tonnes/year	155	324	270	208	EN 20
Specific volatile organic compounds	g/t clinker	44	91	62	47	EN 20
Dioxin/furan	g/year	0.052	0.096	0.284	0.106	EN 20
Specific doxin/furan	µg/kg clinker	0.015	0.027	0.065	0.024	EN 20
WASTES						
Cement ⁴		2007	2008	2009	2010	GRI
Hazardous wastes	tonnes/y	71	125	131	77	EN 22
Non-hazardous wastes ⁹						
Recycled wastes	tonnes/y	531	433	469	544	EN 22
Domestic wastes	tonnes/y	64	87	70	116	EN 22
OVERALL						
Cement ⁴						
Expenditures on environmental protection activities	million TRY	11.1	3.1	2.4	17.3	EN 30
Ready-mixed concrete ⁵						
Expenditures on environmental protection activities	TRY	109,400	58,328	373,700	459,125	EN 30
Aggregate						
Expenditures on environmental protection activities	TRY	50,579	34,481	129,112	200,928	EN 30

1: Information about grey cement production plants.

2: Total amount of raw material extracted by Çimsa from quarries for clinker.

3: Calculated as a calorific value.

4: Information of grey cement, white cement and grinding facilities is included.

5: 23 Ready-mixed cement facilities are included in reporting.

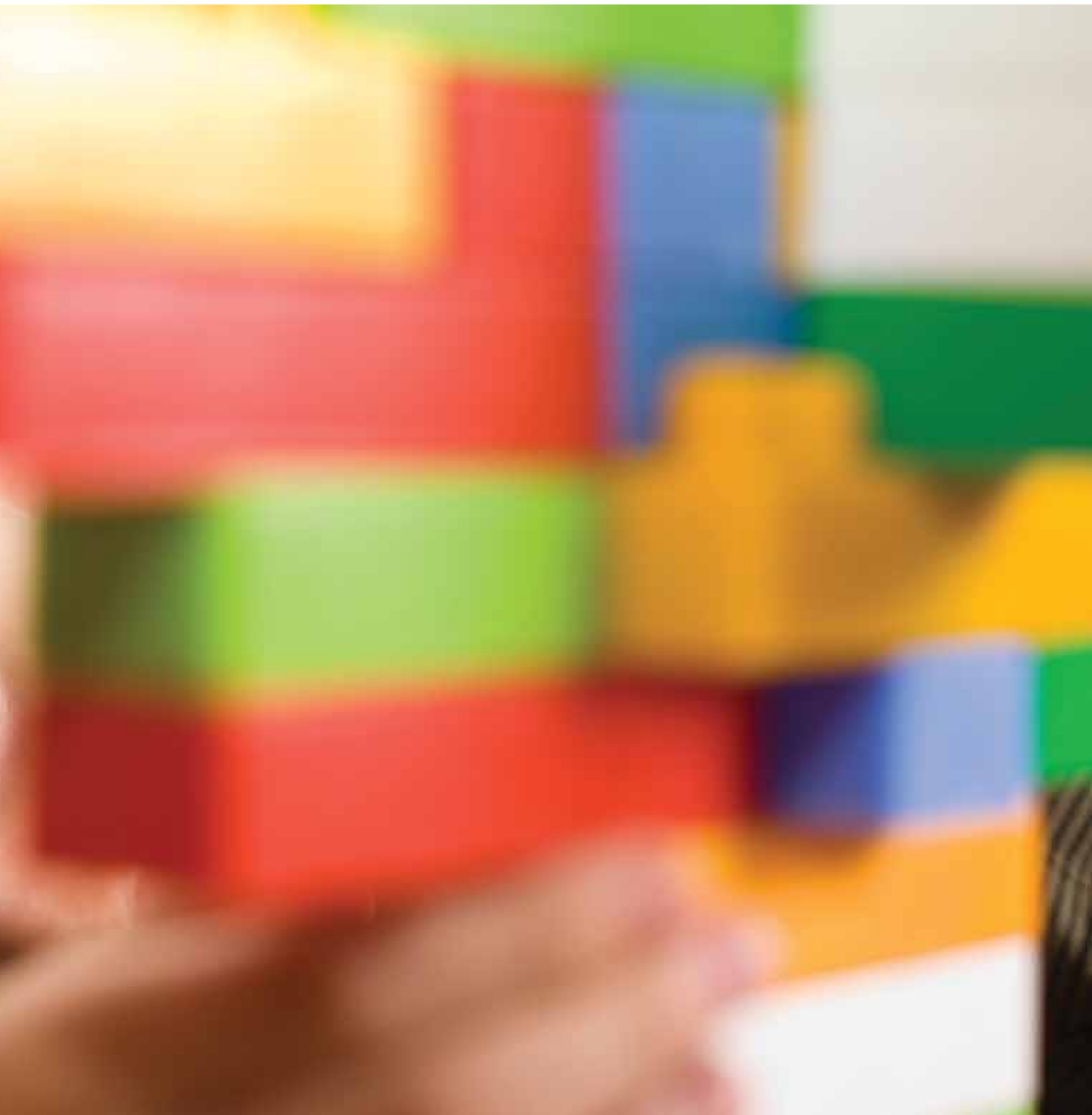
6: Measurement period is the 2008 annual dust measurement period, in accordance with the regulations.

7: The average of the periodic airborne dust measurements of Çimsa's 27 ready-mixed cement facilities from 2007 to 2009.

8: Information about the aggregate business line for 2007 covers only the Sicular facility, and for the years 2008 and 2009 it covers both the Sicular and the İnegöl facilities.

9: Information from the Mersin cement plant is not included





GRI TABLE OF CONTENTS



STRATEGY AND ANALYSIS			
GRI	Strategy and Analysis	Reference & Explanations	Reported
GRI 1.1.	Sustainability strategy management	Pages 2-3, 12-15	Fully
GRI 1.2.	Key impacts and effects / Risks and opportunities	Pages 8, 9, 12, 13, 14, 25, 28, 29, 32, 34, 35, 43-45, 49	Fully
GRI	Organizational Profile	Reference & Explanations	Reported
GRI 2.1.	Name of the organization	Çimsa Çimento San. ve Tic. A.Ş.	Fully
GRI 2.2.	Primary brands, products, and/or services	Pages 6-7 Corporate Profile Pages 33-40 Çimsa 2010 Annual Report	Fully
GRI 2.3.	Operational structure	Pages 6-7 Corporate Profile, pages 41-42 Çimsa 2010 Annual Report. ÇİMSA Cementos Espana S.A.U (Spain), CSN Cement Sales North GmbH (Germany - 50% partnership), CIMSAROM Marketing Distributie S.R.L. (Romania), ÇİMSA-RUS Cement Trading Company Limited (Russia), ÇİMSA Adriatico SRL (Italy - 60% partnership), ÇİMSA Cement Free Zone Ltd. (Turkish Republic of Northern Cyprus)	Fully
GRI 2.4.	Location of headquarters	Kısıklı Cad. No:4 Sarkuysan Ak İş Merkezi S-Blok Altunizade / İSTANBUL	Fully
GRI 2.5.	Countries of operation	Pages 6-7 Corporate Profile	Fully
GRI 2.6.	Ownership	Pages 6-7 Corporate Profile, www.cimsa.com.tr	Fully
GRI 2.7.	Markets served	Pages 6-7 Corporate Profile	Fully
GRI 2.8.	Scale and Size	Pages 6-7 Corporate Profile	Fully
GRI 2.9.	Significant changes	In 2007 Çimsa acquired the Niğde Oysa Plant. In 2008 the second production line started operation in Eskişehir. After purchasing the Bilecik Ready-Mixed Concrete Company, Çimsa became Turkey's largest player in terms of the number of facilities. In 2009 the company's terminal in Russia started operating. In 2010 a 60% ownership of the Medcon Company, the owner of the Trieste terminal Company, was acquired.	Fully
GRI 2.10.	Awards	Page 71 Appendix	Fully
GRI	Report Parameters	Reference & Explanations	Reported
GRI 3.1.	Reporting period	Inside front cover: About this Report	Fully
GRI 3.2.	Date of previous report	This is the first report.	Fully
GRI 3.3.	Reporting cycle	Inside front cover: About this Report	Fully
GRI 3.4.	Contact	Inside back cover	Fully
GRI 3.5.	Defining content	Inside of front cover: About this Report. Page 20-22, 24-25 Dialogue with our Stakeholders	Fully
GRI 3.6.	Boundary of the report	Inside front cover: About this Report	Fully
GRI 3.7.	Limitations	Inside front cover: About this Report	Fully
GRI 3.8.	Basis for reporting entities	Inside front cover: About this Report	Fully
GRI 3.9.	Data Measurement Techniques	Page 71 Appendix	Fully
GRI 3.10.	Re-statements	This is the first report.	Fully
GRI 3.12.	Changes	This is the first report.	Fully
GRI 3.12.	GRI Content Index	GRI Table of Contents is provided on this page.	Fully
GRI 3.13.	Assurance	The content of this report is not assured by a third-party person/corporation.	Fully

STRATEGY AND ANALYSIS (CONTINUES)

GRI	Governance & Commitments	Reference & Explanations	Reported
GRI 4.1.	Governance structure	Pages 14-15 Vision and Strategy Page 72 Çimsa 2010 Annual Report - Corporate Governance Compliance Statement	Fully
GRI 4.2.	Chairman	Mehmet Göçmen the Sabancı Holding Cement Group's President is at the same time Çimsa's Chairman. This is primarily due to Mr. Göçmen's vast experience at Sabancı Holding and in the cement industry. The Board of Directors provides consultancy services to the General Manager and to the senior management who run the Company. The actual senior executive is the General Manager.	Fully
GRI 4.3.	Unitary Board	There are no independent members on Çimsa's Board of Directors. However, no member of the Board of Directors has a role as an executive in the Company's management. The Company's performance and the execution of the decisions made by its Board of Directors and its Executive Committee is the responsibility of the Company's senior management.	Fully
GRI 4.4.	Mechanisms for recommendations	Shareholders: As stipulated by the Turkish Commercial Code, a General Assembly is held once in a year. All shareholders have the right to present their demands and opinions face to face during this meeting, including minority shareholders. There are two authorized persons, affiliated to the company's Financial Affairs function, who deliver shareholders' opinions, suggestions and demands directly to the Company by either letter or appointment. Within a month of the previous year's results being published, once in a year a special meeting is organized for analysts and investors. When the results of each quarter have been published, all shareholders are informed by e-mail with a summary of this information. Upon request, the Company shares information with its investors and their analysts concerning the Company's results, and it also answers their questions. For employees: Pages 21-22	Fully
GRI 4.5.	Compensation and performance	Since the members of the Board of Directors are not remunerated, there is no salary-performance relationship. The salary and bonus system for senior management set by the Executive Committee is directly linked with individual performances and with the Company's sustainability performance.	Fully
GRI 4.6.	Conflicts of Interest	None of the members of the Board of Directors is a partner of the Company, and they are not remunerated. However, they are personally informed, in writing, by a notification that aims to contain all the information required for compliance with SPK (Stock Exchange Commission) rules, and to prevent any conflict of interest from arising. SPK, İMKB (Istanbul Stock Exchange) and the Sabancı Ethics Board set the content of this notification. In addition to independent audits of the Company, two auditors work in the Company under the scope of Turkish Commercial Code.	Fully
GRI 4.7.	Qualifications	The members of the Board of Directors and Executive Committee have the necessary levels of competency as determined by the Sabancı Holding Strategic Leadership model. The competencies of the holders of such positions are assessed by the performance assessment system every year. The members of the Board of Directors are elected by the majority shareholders from a selection of potential board members, each with special expertise. Information on the expertise of the members of our Board of Directors is available in Çimsa 2010 Annual Report on page 17.	Fully
GRI 4.8.	Mission and Values	The Sabancı Holding Ethical Standards (SA Etik) are implemented at Çimsa. Explanations of our vision and mission are given on page 12. The Chairman also serves as the Chairman of Sustainable Development Association. The Cement Sustainability Initiative of WBCSD (World Business Council for Sustainable Development) is taken into account by Çimsa's management.	Fully
GRI 4.9.	Overseeing sustainability	Page 14 Vision and Strategy	Fully
GRI 4.10.	Evaluating sustainability	The sustainability performance, of the Çimsa Board of Directors is assessed as part of the annual corporate performance review of Çimsa by Sabancı Holding's Board of Directors.	Fully

GRI	Governance & Commitments	Reference & Explanations	Reported
GRI 4.11.	Precautionary approach	Pages 12-15, 23, 24, 25, 28, 29, 32, 36, 42, 43, 47	Fully
GRI 4.12.	External principles	Çimsa is a member of the Turkish Cement Manufacturers' Association (TCMA) affiliated to CEMBREAU the European Cement Association. Çimsa is a member of the Turkish Ready Mixed Concrete Association affiliated to the European Ready Mixed Concrete Organization.	Fully
GRI 4.13.	Memberships in associations	Page 71 Appendix	Fully
GRI 4.14.	Stakeholder Groups	Page 20 Our Primary Stakeholders	Fully
GRI 4.15.	Basis for selection	Page 20 Our Primary Stakeholders	Fully
GRI 4.16.	Approaches to stakeholder engagement	Pages 21-24 Our Dialogue with our Stakeholders	Fully
GRI 4.17.	Key topics from stakeholders	Page 25 Our Dialogue with our Stakeholders	Fully

DISCLOSURES ON MANAGEMENT APPROACH (DMAS)

GRI G3	Description	References	Reported
Economic Aspects (Partially Reported)	Economic performance	Pages 28-29	Fully
	Market presence	Pages 2-3, 28-29	Fully
	Indirect economic impacts	Page 29	Partially
Labor Aspects (Fully Reported)	Employment	Page 37	Fully
	Labor/management relations	Page 37	Fully
	Occupational health and safety	Pages 32-34	Fully
	Training and education	Pages 37-38	Fully
	Diversity and equal opportunity	Page 39	Fully
Human Rights Aspects (Fully Reported)	Investment and procurement practices	Pages 23-24	Fully
	Non-discrimination	Page 39	Fully
	Freedom of association and collective bargaining	Page 39	Fully
	Child labor	Page 39	Fully
	Forced and compulsory labor	Page 39	Fully
	Security practices	Page 39	Fully
	Indigenous rights	Pages 22-23	Fully
Society Aspects (Partially Reported)	Community	Pages 22-23	Fully
	Corruption	Page 15	Fully
	Public policy	Page 14	Fully
	Anti-competitive behavior	Page 15	Partially
	Compliance	Page 15	Fully
Product Responsibility Aspects (Fully Reported)	Customer health and safety	Pages 35-36	Fully
	Product and service labeling	Pages 35-36	Fully
	Marketing communications	Page 22	Fully
	Customer privacy	Page 22	Fully
	Compliance	Pages 35-36	Fully
Environmental Aspects (Partially Reported)	Materials	Pages 14,16,25,46-48, 60	Fully
	Energy	Pages 14,25,50,51,60	Fully
	Water	Pages 14,17,25	Partially
	Biodiversity	Pages 14,16,25,54,55	Fully
	Emissions, effluents and waste	Pages 14,16,17,42-45,49,61	Fully
	Products and services		Not
	Compliance	Pages 14,16,25,42-45,48,49	Partially
	Transport		Not
	Overall	Pages 14,17,25,53-55,61	Fully

PERFORMANCE INDICATORS

GRI	Economic Performance	Reference & Explanations	Reported
EC1 (Core)	Direct economic value generated and distributed	Page 29	Fully
EC3 (Core)	Organization's defined benefit plan obligations	Page 38	Fully
EC4 (Core)	Significant financial assistance received from government	Page 29	Fully
EC5 (Add)	Ratios of standard entry level compared to local minimum wage	The gross wages of all permanent employees of Çimsa (white and blue collar) are above the legally defined minimum rate.	Fully
EC6 (Core)	Policy, practices and proportion of spending on local suppliers	We do not have any local supplier policy implemented by our Company.	Fully
EC7 (Core)	Procedures for local hiring	All job applications are subject to a target and neutral assessment process. All recruitment processes at Çimsa are detailed in our recruitment and placement documented processes. However, we have no particular procedure available for local employment.	Fully
EC8 (Core)	Impact of infrastructure investments and services for public benefit	In 2010, 3.000.000 TRY was paid through Vaksa to the Eskişehir Metropolitan Municipality for investment in the Eskişehir Sabancı Space Observatory, Turkey's first planetarium. This investment decision was made following meetings held with the Municipality, in response to the needs of the city.	Fully
GRI	Social Performance (Labor)	Reference & Explanations	Reported
LA1 (Core)	Breakdown of workforce by employment type, contract and region	Indefinite period, full-time employment contracts apply to all employment at Çimsa. With some exceptions. The distribution of the total workforce by region is in proportion to the size of business and workplace. (Pages 58-59)	Fully
LA2 (Core)	Employee fluctuation ratio	Pages 58-59 Social Performance Chart: Only general ratio is available.	Partially
LA3 (Add)	Benefits provided only to Fully-time employees	Page 38	Fully
LA4 (Core)	Number and percentage of employees covered by collective bargaining agreements	As of 31 December 2010, the number of staff covered by Çimsa's Collective Bargaining Agreement is 573. This proportion based on all working employees is 57.4%.	Fully
LA5 (Core)	Minimum notice period(s) regarding significant operational changes	Notice periods specified by article 17 of Business Code no 4857 apply to our white collar employees, depending on the length time that they have worked for the company. The notice periods in the appropriate Collective Bargaining Agreement apply to our blue collar employees depending on the length of time that they have worked for the company. These periods may change depending on the length time that our staff have worked for our company.	Fully
LA7 (Core)	Injuries, occupational diseases, working days lost, absentee rate and work-related fatalities	Page 15 Social Performance Table	Fully
LA8 (Core)	Preventive healthcare counseling and training regarding serious diseases	Briefings about sickness and hygiene were held in our plants with the assistance of Regional Health Care Centers as the H1N1 influenza epidemic emerged during 2009. Also we held briefings and presentations during 2010 on "Tobacco and Tobacco Product Exposure", and a "Smoking Cessation Campaign".	Fully

PERFORMANCE INDICATORS (CONTINUES)

GRI	Social Performance (Labor)	Reference & Explanations	Reported
LA9 (Add)	Health and safety topics covered in agreements with trade unions	Related detailed information is included in three articles on page 38, 39 and 40 of our Collective Bargaining Agreement for 1-January-2008 to 31-December-2010 that the Cement Industry Employer's Union (ÇEİS) signed with the Turkish Cement Ceramic, Clay and Glass Industry Labor's Union (Türkiye Çam-ış). Specifically 1-Protective Measures; 2-Reporting of Diseases and Accidents; 3-Rules related to work safety	Fully
LA10 (Core)	Education and further training measures	Page 58	Fully
LA11 (Add)	Skills management and lifelong learning that support the continued employability of employees	Page 37-38	Fully
LA12 (Add)	Employee performance and career development reviews	Page 38	Fully
LA13 (Core)	Diversity in senior management and employee structure	Page 59 Social Performance Table	Partially
LA14 (Core)	Ratio of basic salary of male and female employees	The gross salaries of men and women, who have the same or a similar job, by employee category, are evaluated in a completely fair and equal manner: equal salary for an equal job. (1:1)	Fully
GRI	Social Performance (Community)	Reference & Explanations	Reported
SO1 (Core)	Impacts of entering, operating, exiting on local communities and regions	Pages 23-24	Fully
SO2 (Core)	Business units analyzed for corruption risks	The scope of Çimsa's auditing covers all departments (including international terminals), except for the plant's production units. These units are audited once every two years.	Fully
SO3 (Core)	Employee training regarding anti-corruption	Page 15 Business Ethics	Fully
SO4 (Core)	Actions taken in response to incidents of corruption	Three cases of nonconformity were confirmed during the reporting period: two staff who acted improperly in relation to Business Code no 4857 and in relation to the Company's ethical rules were discharged by the decision of the Disciplinary Board following an investigation. One employee was given a written warning following another case.	Fully
SO5 (Core)	Public policy participation and lobbying	Page 14 Corporate Governance	Fully
SO6 (Add)	Financial and in-kind contributions to political parties and politicians	Çimsa does not provide any in-kind contributions or support to any political parties, political groups of individuals.	Fully
SO8 (Core)	Number of fines for non-compliance with laws	There was no significant penalty received by Çimsa in consequence of non-compliance with laws and regulations during the period 2007-2010.	Fully

PERFORMANCE INDICATORS (CONTINUES)

GRI	Social Performance	Reference & Explanations	Reported
HR1 (Core)	Investment agreements that include human rights clauses	All investment agreements signed by Çimsa include articles that cover subjects such as not employing child labor, complying with social security laws, limitations on working hours and occupational health and safety.	Fully
HR2 (Core)	Suppliers that have undergone screening on human rights	Pages 15, 39	Fully
HR4 (Core)	Incidents of discrimination and actions taken	There have been no complaints concerned with any discrimination at Çimsa to date. Our Company has a wide employee profile which covers different regions in Turkey, including places that require importance to be assigned to managing differences.	Fully
HR5 (Core)	Operations with significant risk concerning the freedom of association and collective bargaining	For blue collar employee groups, Çimsa applies the Collective Bargaining Agreements currently effective in five cement plants, within the scope of the Labor Peace Policies and the Trade Union Act no 2821-2822, and as covered by the Collective Bargaining Agreement and the Strike and Lock-out Law.	Fully
HR6 (Core)	Operations with significant risk for incidents of child labor and measures taken	All permanent and subcontractor employees working for Çimsa must have social security numbers in compliance within Social Security Law no 5510. For employees of subcontractor Companies in the service of Çimsa, for compliance with the joint liability rules of the third article of Business Code No. 4857, that the subcontractor must pay social security contributions in due time and completely is an essential term in all of our subcontractor agreements. This is audited and it is a prerequisite for progress payments. These audits eliminate any risk of employing child labor.	Fully
HR7 (Core)	Operations with significant risk for incidents of forced and compulsory labor	All employees must read and sign an indefinite period employment contract by their own freewill, and they work under the regular conditions set by the Business Code no 4857. There are no cases of forced employment or forced labor.	Fully
HR8 (Add)	Percentage of security personnel trained on human rights that are relevant to operations	Page 39	Fully
HR9 (Add)	Incidents of violations involving rights of indigenous people	Pages 22-24	Fully
GRI	Social Performance (Product Responsibility)	Reference & Explanations	Reported
PR1 (Core)	Life cycle stages in which health and safety impacts of products and services are assessed	The life cycle processes that the health and safety effects of our products are assessed for are given in detail in our security information forms (MSDS-material safety data sheet) and in our technical data files, in compliance with Turkish regulations.	Fully
PR2 (Add)	Incidents of non-compliance with regulations concerning health and safety of products	There were no examples of non-compliances subject to legal liability during the reporting period.	Fully
PR4 (Add)	Incidents of non-compliance with regulations and voluntary codes concerning product information and labeling	There were no examples of non-compliance subject to legal liability during the reporting period.	Fully
PR5 (Add)	Customer satisfaction practices	Page 22	Fully

PERFORMANCE INDICATORS (CONTINUES)

GRI	Social Performance (Product Responsibility)	Reference & Explanations	Reported
PR6 (Core)	Programs for compliance with laws, standards related to marketing communications	There is no such program at Çimsa. A core principle behind the company's marketing communications is compliance with all laws and regulations.	Fully
PR7 (Add)	Incidents of non-compliance with regulations related to marketing communications	There were no examples of non-compliances subject to legal liability during the reporting period.	Fully
PR8 (Add)	Number of substantiated data protection complaints by customers	There were no complaints from our customers related to confidentiality infringements and data loss during the reporting period.	Fully
GRI	Environmental Performance	Reference & Explanations	Reported
EN1 (Core)	Materials used by weight or volume	Pages 46, 47, 55, 60	Fully
EN2 (Core)	Percentage of materials used that are recycled input materials	Pages 46,47,50,51,60	Fully
EN3 (Core)	Direct energy consumption by primary energy source	Pages 50,60	Fully
EN4 (Core)	Indirect energy consumption by primary energy source	Pages 51,60	Partially
EN5 (Add)	Energy saved due to conservation and efficiency improvements	Pages 46, 60	Fully
EN11 (Core)	Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value	Pages 54, 55	Fully
EN12 (Core)	Description of significant impacts of activities, products and services on biodiversity	Pages 54, 55	Fully
EN 13 (Add)	Habitats protected or restored	Page 55	Fully
EN14 (Add)	Strategies, current actions, and future plans for managing impacts on biodiversity	Pages 54, 55	Fully
EN16 (Core)	Total direct and indirect greenhouse gas emissions, by weight	Pages 49, 61	Fully
EN18 (Add)	Initiatives to reduce greenhouse gas emissions and the reductions achieved	Pages 46, 47,49, 52	Partially
EN20 (Core)	NO _x , SO _x and other significant airborne emissions by type and weight	Pages 42-45, 61	Fully
EN22 (Core)	Total weight of waste by type and by disposal method	Page 61	Fully
EN30 (Add)	Total environmental protection expenditures and investments, by type	Pages 53,61	Fully

Non-Reported GRI Indicators: EC2, EC9, LA6, SO7, HR3, PR3, PR9, EN6, EN7, EN8, EN9, EN10, EN15, EN17, EN19, EN21, EN23, EN24, EN25, EN26, EN27, EN28, EN29

AWARDS		
Corporate	Awarding Association	Date
ARC Awards 'Annual Report' Gold Award	Mercomm	2010
Mersin Plant		
Mersin Export Award	Mediterranean Exporters Union	2007
The Highest Corporate Tax Payer Award	Mersin Tax Office	2008
Kayseri Plant		
Health and Safety Performance Award	ÇEİS - Cement Industry Employers' Association	2009
Niğde Plant		
The Highest Corporate Tax Payer Award	Niğde Tax Office	2008
Health and Safety Performance Award	ÇEİS / Ministry of Labor and Social Security	2008
Social Security Success Award	Turkish Republic Social Security Institution	2010
Eskişehir Plant		
Six Sigma Project Award-First Place	Sabancı Holding Business Excellence Committee	2008

MEMBERSHIPS		
Unions of Importers and Exporters	Representative	Position
AKİB - Mediterranean Exporters Union	Çimsa A.Ş.	Member
OAİB - Central Anatolian Exporters Union	Hüseyin Özkan	Board Member
TCMA - Turkish Cement Manufacturers' Association	Mehmet Hacıkamiloğlu	Board Member
TCMA - Environment Committee	İsmail Boz - Murat Burakçın - Emrah Odabaşı	Member
TCMA - Environment Committee - Waste and Petrocoke Sub-committee	İsmail Boz - Murat Burakçın	Member
TCMA - Environment Committee - Online Sub-committee	İsmail Boz - Murat Burakçın	Member
TCMA - ÇEİS OHS Committee	Doğan Özkul	Member
TCMA - Energy and Natural Resources Committee	Fatih İşçimen	Member
TCMA - Ready Mixed Concrete Committee	Mehmet Hacıkamiloğlu	President
TÇMA - Ready Mixed Concrete Committee - H&S Group	Mehmet Özyiğitoğlu - Yeşim Tekniker	Member
TCMA - Climate Change Committee	İsmail Boz - Murat Burakçın - Gökmen Elgün	Member
TCMA - Technical Committee	Basri Dinçer	Member
TCMA - Technical Specialization Committee	Müge Yanç - Hüsnü GÜL	Member
THBB - Ready Mixed Concrete Organization of Turkey	Çimsa A.Ş.	Member
THBB - Communications Committee	Hülya Deniz	Member
NGO's	Representative	Position
SKD/TBCSD - Business Council for Sustainable Development Turkey	Mehmet Hacıkamiloğlu	Member
ÇEDBİK - The Turkish Green Building Association	Mehmet Hacıkamiloğlu	Member
TÜSİAD - Turkish Industrialists' and Businessmen's Association	Çimsa A.Ş.	Member
TURMEPA - DenizTemiz Foundation	Mehmet Hacıkamiloğlu	Member
SOL - Society For Organizational Learning	Çimsa A.Ş.	Founding Member
PERYÖN - Turkish Personnel Managment Association	Ayfer Güreş	Member
Union	Representative	Position
ÇEİS - Cement Industry Employers' Association	Çimsa A.Ş.	Member
Chambers		
Adana, Kozan (Adana), Osmaniye (Adana), Adapazarı, Aksaray, Ankara, Antalya, Alanya (Antalya), Manavgat (Antalya), Bilecik, İnegöl (Bursa), Yenişehir (Bursa), Eskişehir (ESO), Eskişehir, İstanbul, Kahramanmaraş, Kayseri, Develi (Kayseri), Körfez (Kocaeli), Konya, Karaman (Konya), Ereğli (Konya), Kütahya, Malatya, Mersin, Tarsus (Mersin), Nevşehir, Niğde		

DATA MEASUREMENT TECHNIQUES AND CALCULATIONS

Emissions data and measurement standards utilized in this report are as follows: Particles: TS ISO 9096, TS EN 13284; NOx: EPA CTM-022; Metals: EPA Metot 29; Organics: TS EN 13526, TS EN 12619; Dioxin-furan: TS EN 1948. In all measurements, the measurement results gathered from rotary kiln stocks (by kg/h) were utilized. The capacity report's levels were used as the basis for calculations of clinker and for year-based calculations. The average results were utilized for each yearly measurement taken at the base of each plant's rotary kiln stock. The measurements and calculation methods for environmental and social indicators are detailed separately in the related areas of this report.



Statement GRI Application Level Check

GRI hereby states that **Çimsa Çimento San. ve Tic. A.Ş.** has presented its report "From Today, For The Future (2007-2010)" to GRI's Report Services which have concluded that the report fulfills the requirement of Application Level B.

GRI Application Levels communicate the extent to which the content of the G3 Guidelines has been used in the submitted sustainability reporting. The Check confirms that the required set and number of disclosures for that Application Level have been addressed in the reporting and that the GRI Content Index demonstrates a valid representation of the required disclosures, as described in the GRI G3 Guidelines.

Application Levels do not provide an opinion on the sustainability performance of the reporter nor the quality of the information in the report.

Amsterdam, 2 May 2011

A handwritten signature in blue ink, appearing to be "N. Arbex", is written over a faint, large, light-blue circular watermark that spans the background of the page.

Nelmara Arbex
Deputy Chief Executive
Global Reporting Initiative



The Global Reporting Initiative (GRI) is a network-based organization that has pioneered the development of the world's most widely used sustainability reporting framework and is committed to its continuous improvement and application worldwide. The GRI Guidelines set out the principles and indicators that organizations can use to measure and report their economic, environmental, and social performance. www.globalreporting.org

Disclaimer: Where the relevant sustainability reporting includes external links, including to audio visual material, this statement only concerns material submitted to GRI at the time of the Check on 21 April 2011. GRI explicitly excludes the statement being applied to any later changes to such material.

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