

# NADİR METAL RAFİNERİ

SUSTAINABILITY  
REPORT

2016





## NADİR METAL RAFİNERİ

PRECIOUS METALS  
REFINING & TRADE



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# 2016 REPORT



Nadir Metal Rafineri operates in the field of production and recycling of precious metals and provides added value to the country's economy by making sustainable production.

It paves the way for a sustainable performance for every day to its stakeholders within the values of ethics and honesty in order to make the production inspiring. As a global precious metal refining company and an important representative of recycling, it provides the needs of industries and consumers worldwide. Producing innovative solutions and sustainable technologies with an experience and industry knowledge of half century, Nadir Metal Rafineri meets the increasing demands of the rapidly changing world and carries out its production with the awareness of environmental and social responsibilities without endangering the needs of future generations.

Nadir Metal Rafineri with its headquarters in Istanbul, Turkey and subsidiaries, distributors, in three continents integrates its leadership on sustainability into practice with this report.

Began its precious metal production activities about half a century ago, Nadir Metal Rafineri has adopted the motto "meticulous production; high brand value", added this working principle to the Nadir Metal Rafineri Sustainability Report, prepared based on the year 2016, and aimed to make its activities measurable from a sustainability point of view by evaluating the Company's performance in environmental, economic and social aspects.

Presenting the high-accelerated growth performance from beginning to day, this report includes customer relations, supply and value chain, stakeholder relations, responsibility understanding, human rights, environmental and social responsibility studies, water-energy management, and greenhouse gas calculations and covers the whole of sustainability principles.

This document, the first Sustainability Report published by Nadir Metal Rafineri, aims to be a means that enhances the communication between the Company and stakeholders, customers, partners, employees and public transparently and reliably.



### From the Founder

Dear Stakeholders,

We continue our precious metal processing journey, started in a workshop of 150 m2 in 1967, with the Istanbul Gold Exchange, Dubai Stock Exchange and London Bullion Market Association - LBMA as Nadir Metal Refinery A.Ş.

We have strengthened our position which we gained among the Best 100 Companies of Turkey as a refinery that is capable of producing at world standards, self-sufficient in technological sense in Turkey and capable of recycling of its waste not only by doing our job good, but also being an expert in our business.

We, as Nadir Metal, provide added value to the sector. Our goal is to create happy and proud stakeholders and business partners to work with us. We know that this can be achieved only in those businesses with employees mingled with trust culture which continuously look forward and thus, continuously invest in R & D. Trust can be achieved only by measuring our performance and sharing it with our stakeholders, suppliers and customers with a transparent operating structure.

We process an average of 125 tons of gold, 250 tons of silver and many other precious metals annually. We have reinforced our working principle not only with modern technology, but also with the goals of achieving honesty, trust and flawless quality in order to be able to sustain this process. These goals bring with it an effort to create added value to our business and our customers by questioning ourselves every day.



Embracing and feeling our understanding of  
**“THE REASON FOR OUR PRESENCE  
IS OUR CLIENTS”**  
in every process of our business.

We are continuing our services with our accreditations by the London Bullion Market Association - LBMA, DMCC - Dubai Multi Commodities Centre, BIST - Istanbul Stock Exchange and with ISO 17025, ISO 14001, ISO 9001, OHSAS, EIA and all our licenses and certificates presenting statutory requirements in the field of gold and silver. We, as an organization that always takes into account its production-related environmental impacts, carried out our Corporate Carbon Footprint calculations both in accordance with our environmental and waste management strategies and ISO 14064-1 in 2016. Thus, we have included the concept of sustainability into decision-making mechanisms by making it measurable.

We are excited to share with you our Corporate Sustainability Report in which we have evaluated our social, environmental and economic performance in terms of our activities in 2016 with the above understanding, as the first company publishing a sustainability report in the gold refining sector in Turkey.

Yours Sincerely,

*Nadir Tütüncü*  
CEO



## Vision

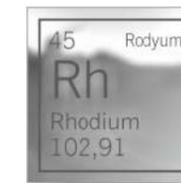
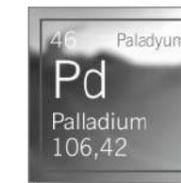
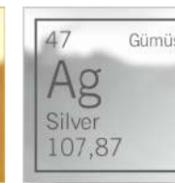
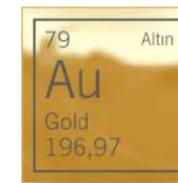
To provide the fastest and most contemporary services in the Turkish jewellery and mining sectors and to be one of the leading companies at international level with its increasing capacity in addition to its leadership at national level.

## Mission

- To be and maintain to be Turkey's leading noble metal recycling and refining plant and carry that into future,
- To be among the leading refining companies in the international market,
- To be a representative of an understanding that is integrated with our vision of continuous improvement by protecting our values,
- To create projects that would provide added value to society with our understanding of social responsibility,
- To increase our production capacity with an increasing momentum and reduce our environmental impact within the scope of sustainability.



Being the first and only company in Turkey accredited by the London Bullion Market Association – LBMA in gold and silver; we provide gold, silver, platinum and palladium refining&manufacturing a with high quality range that meets the best suited clients' needs.



turnover  
increase in  
**30%**  
2014 to 2016

**50** years of  
experience

Ranked  
**53**  
in the  
ISO 500 list

**99.9%**  
hazardous waste recycling

reduction in hazardous  
waste amount  
**4.2%**

**30%** reduction in  
natural gas  
consumption

**80%**  
for recycling  
precious metal  
from waste

**40%** increase in work  
efficiency as a  
result of R & D  
work,

**58**  
hours of personnel  
training

**153** employees  
85%  15% 

## Nadir Döviz

Nadir Döviz, begun to operate in 1997, is a member of the Istanbul Gold Exchange under the membership number 076 and is the first foreign exchange office in Turkey with ISO 9001 certificate. Increasing its trading volume in the Istanbul Gold Exchange continuously, Nadir Döviz has been listed in the first five in the Precious Metals Market in terms of trading volume within the last five years.

## Nadir Gold Italy

Work in the European region has gained momentum after Nadir Metal Rafineri was accredited by the London Bullion Market Association - LBMA in 2011 for gold and in 2012 for silver, and Nadir Gold Italy begun to operate at the end of the same year.

## NMR Hediyeelik

NMR Hediyeelik Eşya Tic. ve San. Ltd. Şti. carrying out the sale of Nadir-branded gram gold and silver products via the online sales web-site "nadirgold.com" begun to operate in 2013 and has become a reliable source for internet users trading gram gold through the Internet.

## NMR Gayrimenkul

Established in 2013 for real estate investments, NMR Gayrimenkul Yatırım İnşaat San. ve Tic. A.Ş. has achieved many projects successfully especially in Istanbul. NMR Gayrimenkul, as an affiliate, continues to operate mainly in the field of urban transformation.

Nadir Metal Rafineri was established in 1967 by Nadir Tütüncü, the founder, to recycle jeweller dross. Beginning from 1975, he started precious metal refining for the market and continued to grow in size limited to this field until 1985.

In 1985, he established Nadir Ticaret and began to trade precious metals in Grand Bazaar. Then, Nadir Metal Rafineri San. Tic. Ltd. was established in 1993. Rapid increase in demand has forced the Company on capacity investment and thus, the first gold refinery in Turkey was built on the country's land in 1996. In 1999, a technology "know-how" agreement was signed with Degussa, a German company, in exchange for partnership and thereby, the company Nadir - Allgemeine was established.

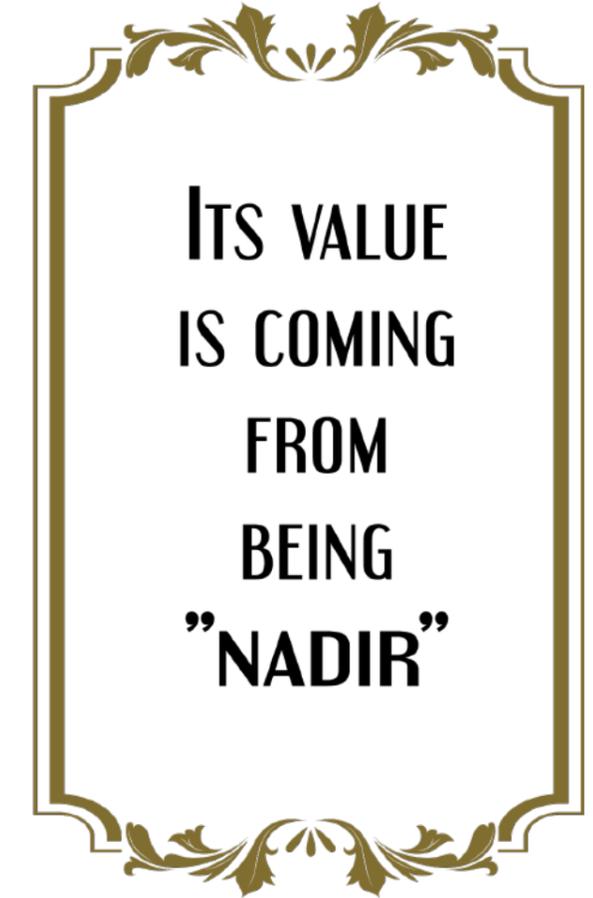
In 2001, Nadir Family became the sole shareholder of the company which continued its operations under the name of Nadir Metal Rafineri San. Tic. Ltd. In 2001, Nadir Metal Rafineri made a decision to grow and completed all fundamental investments in 2002.

Nadir Metal Rafineri San. Tic. Ltd. Şti. assumed the title of Nadir Metal Rafineri A.Ş. in 2006, was accredited by the Istanbul Stock Exchange in January 2008, the Dubai Stock Exchange in October 2009, and the London Bullion Market Association - LBMA in December 2011.

Today, Nadir Metal both produces and trades precious metals (gold, silver, platinum, palladium, and rhodium) and provides refining, jeweller dross, waste recycling and laboratory services. In addition to these, it produces Nadir Metal and NadirGold-branded gram gold, silver and platinum products and exclusive collection products.



- 1967 Establishment of Nadir Metal.
- 1975 Start of the first precious metal refining processes
- 1985 Start of gold trading in the Grand Bazaar as Nadir Ticaret
- 1993 Establishment of Nadir Metal Rafineri San. Tic. Ltd. Şti.
- 1996 Foundation of the first gold refinery in Turkey by Nadir Metal.
- 1999 Cooperation with Degussa, a German company, and establishment of Nadir - Allgemina.
- 2001 Acquisition of Nadir - Allgemina by Nadir Metal Rafineri San.Tic. Ltd. Şti
- 2006 Entitled to Nadir Metal Rafineri A.Ş.
- 2008 Accredited by the Istanbul Gold Stock Exchange.
- 2009 Accredited by the Dubai Stock Exchange.
- 2011 Accredited by the London Bullion Market Association - LBMA.
- 2017 50 years in the sector.



We have been working for half a century with our excitement on the first day to achieve perfection. We aim to meet all needs with our fully original NADiR products in line with corporate promotions and personal requests of our customers.



Product safety is at least as important as product quality. Nadirgold-certified grams of gold are packed using a hologram and laser printing technique. We prevent counterfeit and production of imitative products thanks to its structure that is PVC and cannot be opened without breaking it down. Thanks to its special PVC coating material, it is not possible to access and copy the gold in it without breaking it down. The hologram and international product code on the package and serial numbers on the certificate and bullion serial numbers on gold are presented in a matched form.



## Membership and Accreditations

LBMA - London Bullion Market Association

BIST - İstanbul Stock Exchange

DMCC - Dubai Multi Commodities Centre

We supply products not only within Turkey, but globally to the whole world.



We produce gold, silver, platinum and palladium in the most suitable and highest quality to customer requirements by precious metal refining. In this process, we aim to win the trust of our customers in terms of raw materials, supply chain, production, sales and after sales support by adhering to human rights, ethical and honest working conditions and the country's economy.

We operate by embracing and feeling our understanding of “the reason for our presence is our clients” in every process of our business starting from the top management. We proceed by implementing all national and international quality and management systems and integrating them into the production.

Within this respect, we have been accredited by the London Bullion Market Association - LBMA for gold since 2011 and listed in the LBMA Good Delivery List as the first and only Turkish refinery accredited for silver since 2012.

We have adopted ISO 9001:2008 Quality Management System, ISO 14001:2004 Environmental Management System and OHSAS 18001:2007 certificates for our production facilities and also within the management systems.

In our facility given an EIA Positive Certificate, certificates of authorization on hazardous and non-hazardous waste recycling from the Ministry of Environment and environmental permits and licenses, we have TS EN ISO/IEC 17025:2012 test accreditations issued by TURKAK for our products, TS EN ISO 11426 and ISO 15093 test accreditations for gold production and ISO 15096, TS ISO 13756 and TS 7696 test accreditations for silver production.

### Quality Policy

- To ensure customer satisfaction with our product quality,
- To continuously improve all processes that affect the success of our company and the quality of our products,
- To increase individual contributions of our employees by meeting their training needs at the maximum level,
- To offer clients products and services in the best and most suitable conditions by analysing their current and future expectations in the best way,
- To be responsible for continuously improving the quality of services provided and keeping customer satisfaction at the top level continuously and to become a business that stands out in the sector with its reputation.

### Health and Safety Policy

- To adopt “Occupational Health and Safety First” as a principle and goal,
- To comply with all worker's health and occupational safety legislation (laws, statutes and regulations), requirements of domestic and foreign institutions to which we are a member and international conventions,
- To minimize risks of accident,
- To carry out training, practices and announcements necessary for employees to have a sense of responsibility.

### Environmental Policy

- To comply with and up-to-date the national and international environmental legislation,
- To ensure a measurable sustainable development in every possible field related to environment,
- To create and implement an environmental management system that identifies, evaluates, and effectively controls environmental factors and risks,
- To reduce wastes at the source, to recycle hazardous and non-hazardous wastes and to dispose non-recyclable wastes using best available technology according to legislation,
- To mitigate environmental pollution and chemical use,
- To consume raw materials and energy resources in a sustainable manner, and to reduce resource use by implementing water and energy management systems,
- To reduce greenhouse gas emissions by investing on energy efficient technologies,
- To switch alternative sustainable transportation,
- With a sustainable development approach, to continue manufacturing while ensuring the productivity of the environment indefinitely.

## Responsible Gold Supply Chain

We, as a precious metal refining and processing company, have always been aware of our sphere of influence and responsibilities. In this context, we believe that the processes of supply chain management and “Responsible Gold ” processing should be managed very well in order to produce bullions and products, such as gold, silver, palladium, to meet customer expectations and at the best standards. We are aware of our responsibility not to contribute to significant risks, such as violations of human rights or terrorist financing, which may arise from the extraction, trading and transport of gold and precious metals in conflict-affected and high-risk areas and from exporting the same from these areas.

In this context, Nadir Metal Rafineri develops relevant company policies, know your customer process, risk management and compliance procedures. It also assists its employees, dealers and other stakeholders to receive the necessary training to comply with these procedures.



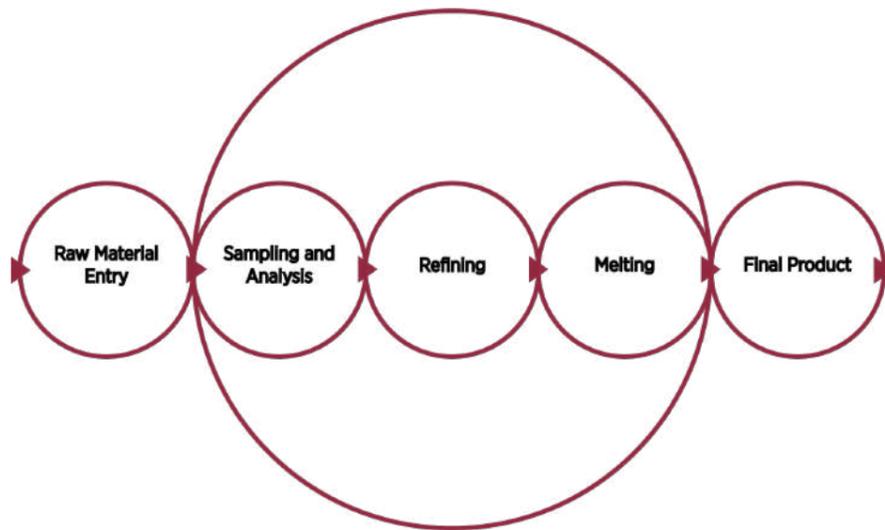
## National / International Compliance

We continue to work in accordance with national and international standards, guidances and guidelines to ensure that precious metals are not associated with involvement in money laundering and terrorist financing and violation of human rights, including child labour, at every point in the supply chain.

- OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas and the Supplement on Gold
- LBMA Responsible Gold Guidance
- DMCC Practical Guidance for Market Participants in the Gold and Precious Metals Industry
- World Gold Council Conflict Free Gold Standard
- Financial Crimes Investigation Board’s Regulations
- Borsa Istanbul Responsible Gold Supply Chain

- LBMA Nadir Metal Rafineri Compliance Report 2016
- LBMA Nadir Metal Rafineri Independent Assurance Report 2016
- LBMA Responsible Gold Certificate
- DMCC Nadir Metal Rafineri Compliance Report 2016
- DMCC Nadir Metal Rafineri Independent Assurance Report 2016
- BIST Nadir Metal Rafineri Compliance Report 2016
- BIST Nadir Metal Rafineri Independent Assurance Report 2016

We refine gold and silver dore from mines, jewellery wastes of different grades and sectoral wastes in our cutting-edge technology and energy efficient processes in Nadir Metal Rafineri production facility.



Dore metals from mines or jewellery scraps are first taken into the melting processes in the refining process. High-temperature molten metal is poured into water in order to expand the surface area of dore metal in the melting process. Gold is purified using either aqua regia, one of the hydro-metallurgy refining methods, or quartation processes depending on the composition of the dore received. 99.99% pure gold is moulded to be gram or bullion according to demand and made ready for shipment. Silver and copper are separately purified from the nitrate solutions from which gold dust is removed with electro-metallurgical processes. Electro-metallurgical processes are silver reduction electrolysis, copper reduction electrolysis (electrolytic copper dust production), silver refining electrolysis (moebius method) and copper refining electrolysis sections.



It is very difficult to distinguish between hazardous and non-hazardous wastes occurred as a result of the processes in the jewellery sector and it is not possible to analyse some wastes. Nadir Metal Rafineri is a ministry-approved recycling company for recycling of dross, i.e. hazardous and non-hazardous wastes, and up to 80% of our total capacity is reserved for the recycling processes of recyclable wastes delivered to our facility.

We also carry out within our facility the recycling processes of wastes generated during the gold and silver recycling processes in mines, precious metals, such as gold, silver, platinum and palladium, available in wastes generated at hydrogenation facilities in the margarine, acid and petroleum chemicals industry and thus, ensure re-entry of the raw materials into production processes.

	Scrap Waste	Recycled Gold, ton	Recycled Silver, ton
2015	139.9	93.6	38.8
2016	122.7	61.4	59.4

As a leading company in the sector, customer satisfaction and quality production are an indispensable element as much as the importance we attach to the supply chain and supply of raw materials. Results obtained in our laboratory that we have commissioned within Nadir Metal is certified with the Accreditation Certificate TURKAK-17025 issued by the Turkish Accreditation Agency. Our laboratory, regularly audited by the TURKAK officials, is fully equipped, and has high technical equipment, and analyses carried out in our laboratory are internationally valid.

“Meeting the needs of the present without compromising the ability of future generations to meet their own needs.”

United Nations, Report of the World Commission on Environment and Development, 1987.



This sustainability concept, as first described by the United Nations in 1987, is being the approach we consider in our supply and production processes.

Operating with a sustainability perspective in an industry especially like mining that requires the highest level of care, attention and responsibility has always distinguished our company from our competitors positively. In this context, we take measures against the risks that may arise by determining internal and external factors that cover our goals and strategic planning.



The concept of sustainability has become a priority in every sector over the last decade among national, international, and intergovernmental context. Services and products with a higher life cycle perspective, economic and environmental performance are being more effective in terms of energy and resource consumption with an increasing awareness within the supply chain.

As Nadir Metal, we are evaluating and measuring our sustainability approach in this sustainability report prepared for the first time with our belief that sustainability should be examined not only in economic but also in environmental and social aspects.

Any authorities or individuals who would significantly be influenced by our operations, products and services or who are reasonably expected to have an influence on our operations and our ability to reach company strategies and goals have been identified as our stakeholders with this report in which we measured our performance in the context of sustainability.

Stakeholder relations play a major role in our continuous development and sustained success with a rising momentum. We provide our stakeholders with our company-stakeholder relations processes in a transparent manner by referring to in this sustainability report the added value provided by our stakeholders to our company.

We, as Nadir Metal Refineri, assure our stakeholders that we never compromise on the principle of impartiality in any services we provide to third (public and / or real) parties; we avoid any commercial, financial and other pressures that could affect technical decisions made by our employees and will not engage in any acts that may affect the results thereof; our employees do not have any financial and commercial connections to any other persons or organizations and that we will involve in any activities that may endanger the confidence in our decision-making independence and the honesty about our measurement work and our judgement independence.

Transparency is one of the most important keystones for our organization. We provide our stakeholders with access to information about our company to ensure confidence in services performed or to be performed in our organizations and to make this confidence sustainable.

STAKEHOLDERS	NEEDS / EXPECTATIONS	COMMUNICATION METHOD
EMPLOYEES	A good working environment, occupational safety, health-safety, promotion, training, recognition.	Receipt of employee satisfaction surveys, performance evaluations, requests and suggestions.
CUSTOMERS	Production capacity, low cost, delivery requirements, new product demand, reliability.	Customer satisfaction surveys, complaint receiving and evaluation forms.
SUPPLY CHAIN	Increase in purchasing volume and scope, long-term procurement contracts, timely payment.	Supplier evaluation surveys, approved supplier lists, input control results.
MANAGEMENT / BOARD OF DIRECTORS	Increased growth, sales and profitability, productivity and efficiency of operations, brand value increase.	Production capacity, sales-marketing reports, import export reports, weekly reports.
BANKS / FINANCE SECTOR	Good financial performance.	Contracts and legal controls.
INSURANCE COMPANIES	Insurance policies.	Contracts and legal controls.
GOVERNMENT / SOCIETY	Support of environmental protection, ethical conduct, social services, activities and institutions, increase in taxes.	5-year budget planning, annual targets.
TRADE UNIONS	Compliance with applicable law, compliance with contract, satisfactory wages.	Annual performance meetings with employees.
LEGAL AUTHORITIES / REGULATORY AGENCIES	Compliance with standards, timely submission of reports, identification of the relevant laws and regulations.	Negotiations, meetings with authorities / agencies.
NON-GOVERNMENTAL ORGANIZATIONS	NGO memberships, collaborations.	Opinion-giving, participation in training, seminars etc.
GROUP OF AFFILIATED COMPANIES	Profitability, increase in market value of organization.	Nadir Gold Italy
THIRD PARTY CERTIFICATION BODIES	Compliance with certification contracts and contractual requirements.	Continuation of certification, audits and renewal of contracts.

We are an organization which is integrated with the vision of continuous development to protect and maintain the environment as the leading noble metal recycling and refining facility of Turkey, which has reached to an international technology level with our qualified managerial and technical staff, specialized experiences in precious metal recycling and refining, cutting-edge technology facilities, process infrastructure and laboratory facilities - aiming to be the representative of this understanding.

80 % of investment and operating expenses in the noble metal refining business is not expended to obtain the product, but for the treatment, purification, recovery, and recycling of wastes generated from manufacturing processes. In order to minimize the burden of its industrial activities on environment, we consider any costs as an investment in environmental norms of near future to go beyond the purification limits stipulated in the laws and norms.

In this context, we describe our understanding of environmental responsibility as a way and perception we have created based on ethical grounds to find solutions to problems occurring within the boundaries of the environment we are living in.



The use of scraps and dross hazardous and non-hazardous wastes for the production of precious metals as a secondary resource is economical technologically and in terms of energy and material requirements and very environmentally friendly. Precious metal recycling is much more environmentally friendly than the production from ore. We follow policies and strategies that contribute to the protection and improvement of the environment, the prevention of environmental pollution, the protection of biodiversity, wildlife, ecology, flora and fauna and the protection and improvement of waterways and resources in our activities.

We adopt that environmental protection is one of our main duties for the healthy future of mankind and natural life and organize continuous training for our employees and subcontractors accordingly. We encourage environment-related practices, indicate and update our environment-related goals and targets per annum, and continuously improve our environmental management system in the leading of these principles.

We are aware of our role in the reclamation, conservation and development of all environmental values that make up the living environment of both the present and future generations without compromising the existence and quality of resources that future generations will need, and place emphasis on sustainable environment. We act in accordance with the Environment Law and implement a waste management plan in a professional manner.

We build temporary waste storage areas for waste management within the production facility and recycle packaging wastes, such as plastic, cardboard, when it is technically feasible, and such wastes are sent to licensed companies, authorized by the Ministry of Environment and Urbanization, to be sorted in a controlled manner without harming the environment in order to be recycled in other cases.

Waste machine oils, contaminated cloths, protective clothing, etc. generated during maintenance and metal parts and samples generated during sampling are recycled within the company since they contain precious metals. Wastes falling into the scope of hazardous wastes, such as waste oil generated during generator and forklift maintenance, contaminated packaging wastes, metal parts, fluorescent lamps, are disposed of by licensed companies we work with.



	Waste Type	2015 (kg/year)	2016 (kg/year)	Disposal Method
Hazardous	Fluorescent Lamps	20	24	Storage
	Waste Batteries	1	1	Storage
	Vegetable Waste Oil	270	280	Reuse
	Contaminated Packaging	140	460	Recycle
	Waste Sludge	275240	264080	Recycle
	Waste Oil	362	2	Recovery
	Maintenance Waste Oil	5	362	Recovery in Facility
	Spray Boxes		2	Recycle
	Contaminated cloths, protective clothing, etc.	600	5	Recovery in Facility
Non-hazardous	Paper, Cardboard	500	500	Recovery
	Plastic	500	500	Recovery
	Glass	500	500	Recovery
	Solid Waste	30,780	30,780	Disposal
	Metals		4920	Recovery
	Dust, metals containing precious metals	300	300	Recovery

	2015	2016
Direct Energy Consumption, kWh	3.713.679	3.691.014
Indirect Energy Consumption, kWh	3.371.060	3.305.557

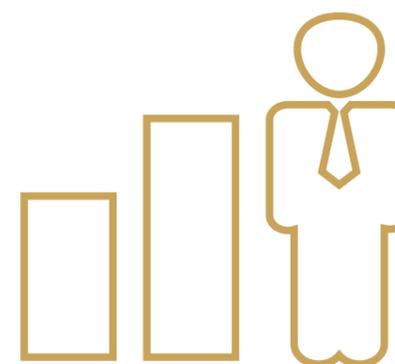
In production and ancillary units, we aim to reduce both energy consumption, costs and environmental impacts caused by energy use in order to optimize and improve long-term economic and environmental sustainability.

## Energy Management Objectives;

It is among our primary objectives to systematically continue training and awareness-raising activities for energy efficiency and ensure compliance with the legal and other requirements on energy that relate our company at national and international levels. We aim to develop high-performance processes by taking effective energy use into account in all kinds of improvement and design activities. We aim to create continuous improvement in environmental performance by achieving efficiency in resource use, production lines, equipment, auxiliary materials.



## Achievements in 2016;

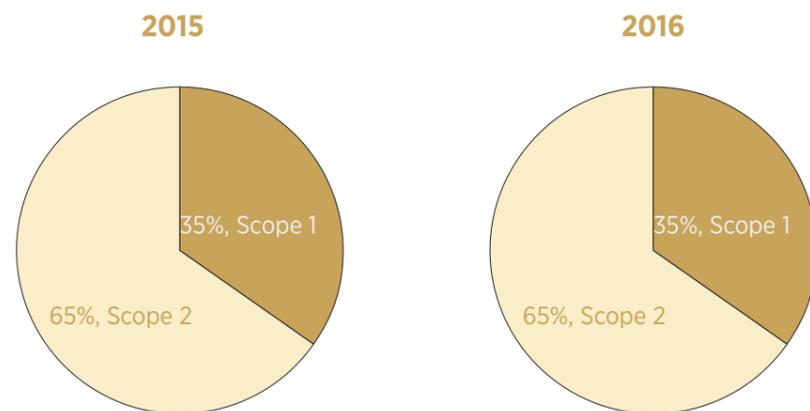


Induction furnaces where melting processes are performed in the production electricity is consumed, and the amount of energy used is monitored and recorded annually. In 2016, we decided to renew the induction furnaces in the production site by following technologies developing continuously and globally and made investments in state-of-the-art induction furnaces with high efficiency and reduced workload.

Since started R&D operation in 2012, we have achieved to have a 30% decrease in natural gas consumption being one of our energy hot-spot in the manufacturing. Therefore, together with upgrading to new technology we have managed to achieve an improved work efficiency upto 40%. A new decision has been made regarding to energy efficiency; by switching the fluorescent lamps with LED lights, our carbon footprint will be reduced.

CORPORATE CARBON FOOTPRINT, ton CO2 e		
Year	2015	2016
Scope 1	1052	1046
Scope 2	1986	1947
Total	3037	2993

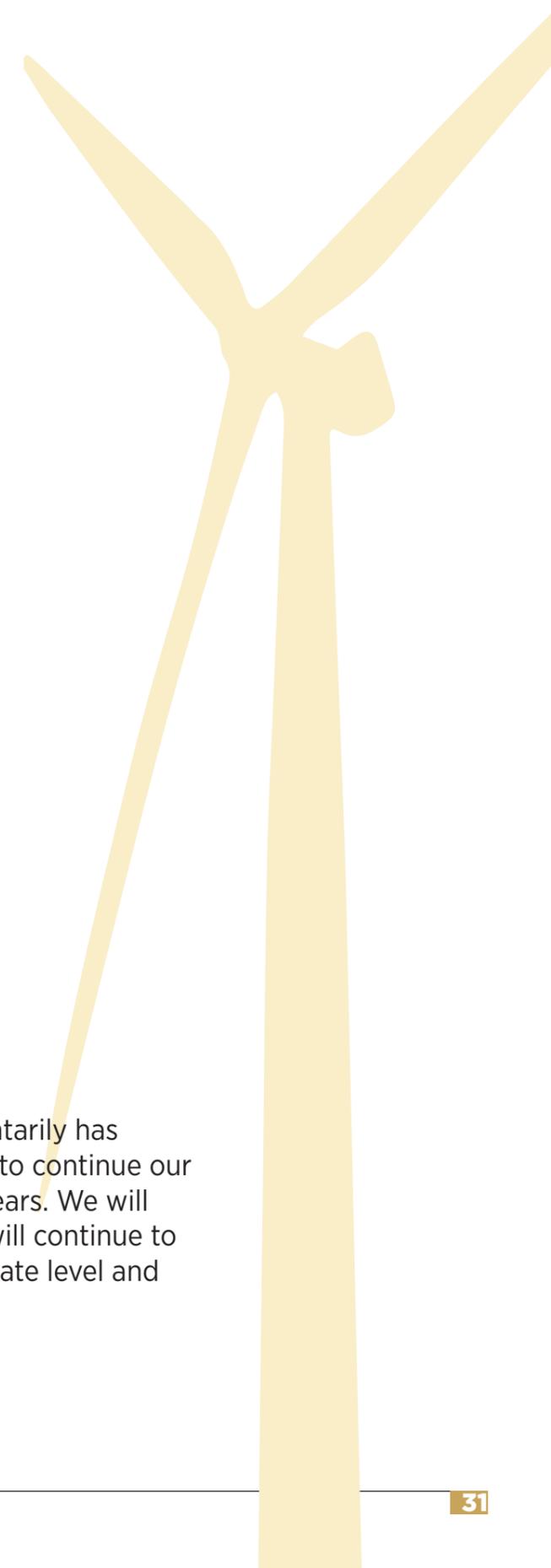
We declare our Corporate Carbon Footprint results that was calculated based on our 2015 and 2016 figures in our first Sustainability Report. We have calculated our Scope 1 and Scope 2 emissions as ton carbon dioxide equivalent in accordance with the ISO 14064-1 Standard which is the methodology for International Greenhouse Gas Emissions Calculation, and the GHG Protocol. We have identified our hot-spots for greenhouse gas emissions sources within our financial control as fossil fuel consumption caused by stationary combustion, mobile combustion, refrigerant leakage and purchased electricity.



The Corporate Carbon Footprint Scope 1 emissions, calculated based on the data collected between January 1 and December 31, are found as 1047 tonnes of CO2 e, and the Scope 2 emissions as 194 tonnes of CO2 e. It has been observed that a decrease of 1.5% is achieved in the carbon footprint rate with a total emission of 2993 tonnes CO2 e in 2016 comparing to the previous year.

Climate change in this century is one of the major problems that we encounter and that will affect our future, the cumulative effects of which are highly observed. The most important factor that triggers climate change is global warming, which is caused by greenhouse gases. Among all other sectors and manufacturers in Turkey, we have calculated our emissions per greenhouse gas source and we have measured our impacts.

We, as the first company in the sector who voluntarily has conducted carbon footprint calculation, commit to continue our carbon footprint calculations for the following years. We will establish a Greenhouse Gas Management plan, will continue to calculate our carbon footprint per annum corporate level and evaluate our impact on climate change.

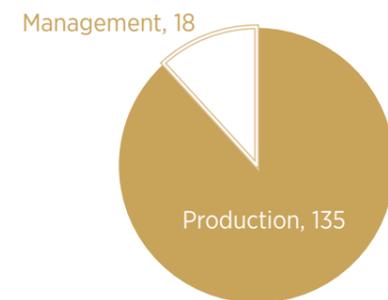


We have prepared a HR management procedure for the completion of training that will be provided to permanent staff employed within Nadir Metal Rafineri, outsourced audits, subcontractor personnel or other staff who may, directly or indirectly, affect the Company's operations due to their duties within Nadir Metal Rafineri upon employment and thereafter, periodically or in case of need, the implementation of training plans, the completion of evaluation methods of training activities and keeping of training-related records, and we have adopted an HR policy according to this procedure.

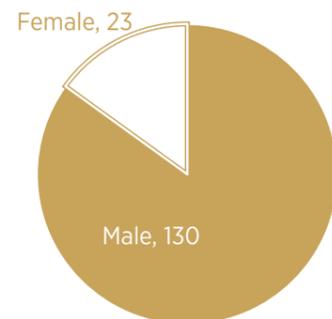
At Nadir Metal Rafineri, we treat our employees as part of our family. We are a big family of 159 people in total with 92 employees in our factory in Esenyurt, 62 employees in Kuyumcukent, Kapalıçarşı (the Grand Bazaar), İkitelli and 6 subcontractors.

Employee distribution in 2016	
Factory	92
Branch	17
Branch	14
Branch	2
Branch	28
Branch	153

Employees per position



Gender related



Contract



With our **In-Service Trainings**, we aim to provide efficiency, performance and activity in service, to develop positive behaviours, to acquire relative skills and increase the practical and theoretical knowledge about the duties of our employees. With **Orientation Trainings**, we aim to ensure that new employees get fit into the organization. With **On-the-job Trainings**, we also aim to teach employees how to work more efficiently in a real business environment and to increase the interest of employees in order to provide vocational training for their employees.



Employees in 2016:	
Primary school graduate	55
High school graduate	73
Associate degree	0
Bachelor's degree	24
Master's Degree	1

Training Hours		
	2015	2016
Blue Collar	16	29
White Collar	16	29
	32	58

	2015	2016
Blue Collar and White Collar	<ul style="list-style-type: none"> <li>Basic Training on Occupational Health and Safety</li> <li>OHS Training on Working with Chemicals</li> <li>Training on Occupational Diseases and Prevention Principles</li> <li>Fire Training</li> </ul>	<ul style="list-style-type: none"> <li>Basic Training on Occupational Health and Safety</li> <li>Training on Occupational Health and Safety-Related Risk Assessment</li> <li>Occupational Health and Safety Vocational Training</li> <li>Training on Occupational Diseases and Prevention Principles</li> <li>Basic Fire Training</li> <li>First Aid Drill</li> <li>Emergency and Meeting Drill</li> <li>MEB Vocational Training</li> </ul>

NADIR METAL RAFINERİ commits that

**Prevention of Child Labour:** Not to allow or support the employment of child labour, to act in accordance with the procedures and principles of child labour,

**Prevention of Forced and Compulsory Labour:** Not to employ any of our employees under pressure or debt for any reason whatsoever, to employ all of our employees in appropriate positions with their own will under equal conditions,

**Ensuring Occupational Health and Safety:** To fulfil legal requirements on occupational health and safety of all our employees, take all kinds of preventive measures to prevent occupational accidents, to provide our employees with a working environment with sufficient equipment and all kinds of hygienic facilities meeting their basic needs,

**Wage and Payment:** To provide all of our employees with wages and social benefits as determined by applicable law,

**Prevention of Discrimination:** To rest on capability/ability to do work when employing our employees, not to discriminate employees by language, religion, race, sex, social class, pregnancy, marital status and physical disability,

**Prevention of Maltreatment and Harassment:** Not to subject our employees to corporate punishment, not to abuse or harass them, and to treat them with respect and dignity,

**Freedom of Representation:** To respect the rights of represent of our employees,

**Prevention of Environmental Pollution:** To set environmentally friendly policies and standards for the prevention of environmental pollution and the protection of nature and raise the awareness of our employees in this regard,

**Compliance with Law and Other Obligations:** To continue to operate in accordance with applicable laws and regulations, rules of our customers and business partners, and quality management systems that we voluntarily implement,

**Anti-bribery:** Not to accept any payments from our employees and suppliers that would provide financial gain under any circumstances.

Nadir Metal Rafineri adopts as a target principle to take any steps necessary to provide the occupational health and safety of its employees and fulfil any requirements, make available any tools and equipment related thereto in a complete manner, and believes in the principle of “OCCUPATIONAL SAFETY FIRST”; because no work is more urgent or important than the safety and health of employees. In this context, Nadir Metal Rafineri commits to comply with any worker’s health and occupational safety legislation (laws, statutes and regulations) of any country in which it operates, requirements of domestic and foreign institutions to which it is a member, and international conventions.

Nadir Metal Rafineri regards it as its the main target to reduce accident risks by preventing any possibilities of accident at its source during its operations and to prevent any occupational diseases. It also aims at preventing risks using the best-known techniques in such a manner not to cause any harm to the employees, facility and nature.

Duties, authorities and responsibilities of anyone employed in our units regarding occupational health and safety are identified and announced to all those concerned. All employees are required to take necessary safety precautions like using their protective equipment. Training, practices and announcements necessary for employees to have a sense of responsibility are carried out. Nadir Metal Rafineri prepares plans for emergency-related risks and aims at preventing risks that may arise from actual practices.



Nadir Metal Rafineri has established and documented a management system that will fulfil the requirements specified in the OHSAS 18001 Occupational Health and Safety Management System Standard in order to ensure the provision and continuity of occupational health and safety in all its operations. Productivity and efficiency of the system established are measured by internal audits and reviewed and assessed by senior management. Also, our subcontractors and suppliers are encouraged to work in accordance with the TS 18001 Standard of Occupational Health and Safety Management System.

We are continuing to work in accordance with any health and safety legislation (laws, regulations and regulations) in force in countries and regions in which we operate, and requirements of domestic and foreign organizations to which we are a member, international conventions, and contracts and specifications entered with clients.

We have set objectives and targets to achieve continuous improvement and created occupational health and safety management programs in line with these targets and objectives, described powers and responsibilities of individuals, and ensured their continuity through training, information and supervising activities. Our subcontractors and suppliers are required to operate in accordance with the TS 18001 Standard of Occupational Health and Safety Management System.

We also publish our Occupational Health and Safety Management System on our web-page in a controlled manner for access by the relevant parties and keep our corporate policies accessible our web-page for review by the public.



We provided support, as a sponsor and main sponsor, to the “Workshop on Responsible and Conflict-Free Procurement in Turkey’s Gold Supply Chain”, organized by the Organization for Economic Development and Cooperation - OECD and hosted by Borsa Istanbul in 2014, with our knowledge and experiences.



The importance that we place on our stakeholders and people and environments, affected by our activities, is always a top priority within Nadir Metal Refinery. We are aware of the risks that may arise in the field we operate, and continue to raise awareness continuously. We are also aware of our responsibilities on the part of our mining suppliers in the context of Risk Management. In this context, we are proud and happy that we have caused translation into Turkish and publishing of the Responsible Supply Chain - OECD Compliance Guidelines, prepared by the OECD. We are progressing with all our utmost effort and with the sense of integrity and responsibility in any businesses we do.

## What is Gold Collection?



Gold collection begins with the process of determining by Nadir Metal Rafineri Experts, appointed in bank branches, the value of any gold brought by citizens to the branches. Then, the gold is processed in our refinery and converted into 1 kilo bar 24 carat gold after it is recorded for its value in accounts opened by the bank customers and finally, the gold recorded is registered in Borsa Istanbul and delivered to the officials of the relevant bank.

## Gold Banking

Gold Banking can be defined as the conversion of gold owned into an investment through “golden account” of a bank. Though this is the form visible to people, off the record gold is registered and becomes a part of the country’s economy.

Nadir Metal Rafineri, assumed the above duty, offers services with its expert staff at certain days at certain bank-branches. Nadir Metal’s experts meticulously evaluate jewellery, necklaces, bracelets, rings and jewellery-like gold and convert the scrap gold into pure gold in milligram at the specified value to be deposited in pure gold accounts. In this way, off the record gold, “the gold under the pillow”, is made a part of the registered economy with the “Gold Collection Days” of Nadir Metal Rafineri.

Worked in every region of Turkey to perform the process of gold value evaluation under the Gold Banking based on three elements, being Gold Owner > Bank > Expert, Nadir Metal Rafineri has served as a solution partner to many banks and realized a gold collection of 2.5 tons to date. Thus, Nadir Metal Rafineri has had a part in the turning into liquidity of Turkish Lira equivalent of that amount collected and the entry of it into the country’s economy.

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