Akdeniz Chemson

SUSTAINABILITY REPORT 2024

Contents

About Our Report

We share with all our internal and external stakeholders the impacts that arise as a result of our activities on the environment and society, the reflections of these impacts on our company's financial performance, and the steps we take to measure, monitor and improve with targets regarding their management, and give them the opportunity to evaluate our performance through our sustainability report, the third of which we published this year.

As Akdeniz Chemson, we offer products and services to every sector where polyvinyl chloride (PVC) is used, and we operate in our production plant located in five different continents and six different countries. We continue to meet the needs of different sectors with the products we develop for non-PVC applications. We share with all our internal and external stakeholders the impacts that arise as a result of our activities on the environment and society, the reflections of these impacts on our company's financial performance, and the steps we take to measure, monitor and improve with target setting processes regarding their management, and give them the opportunity to evaluate our performance through our sustainability report, the third of which we published this year.

Scope, Period and Limits of Material Topics of the Report

The information in this report covers activities of Akdeniz Chemson between 1 January 2024 and 31 December 2024 and Akdeniz Chemson Türkiye, Akdeniz Chemson Austria, Akdeniz Chemson Brazil, Akdeniz Chemson USA, Akdeniz Chemson China and Akdeniz Chemson Australia facilities. We also include data from the previous three years in order to follow trends.

Reporting Standards

The report was prepared in accordance with the double materiality assessment methodology of the European Sustainability Reporting Standard (ESRS). In addition to ESRS, we took into account the materiality, stakeholder engagement, sustainability scope and integrity principles of the Global Reporting Initiative (GRI) Standards.

When selecting performance indicators, we took into the performance indicators set out in the European Sustainability Reporting Standards (ESRS) and the Global Reporting Initiative **(GRI) Standards**. We also considered the performance indicators included in the sectoral standards of the **Sustainability Accounting Standards Board (SASB)**, as recommended by the International Sustainability Standards Board (ISSB) established under the International Financial Reporting Standards (IFRS) Foundation, which developed the global sustainability reporting standards IFRS S1 and IFRS S2.

In the process of determining the risks and opportunities discussed in the report, we took the standards in the Turkish Sustainability Reporting Standards (TSRS) **TSRS 1 General Provisions on Disclosure of Sustainability** and **Related Financial Information and TSRS 2 Climate-Related Disclosures** as basis, which is mandatory for companies of certain categories and sizes as of January 1, 2024, with the translation of IFRS S1 and IFRS S2 Standards into Turkish legislation.

In addition, we structured our report in line with the Task Force on Climate Related Financial Disclosures (TCFD), which forms the basis of TSRS 1 and TSRS 2. This report also includes a section where we explain how Akdeniz Chemson directly and indirectly contributes to the **United Nations (UN) Sustainable Development Goals** with our targets for our determined focus areas.

Report User Guide

You can access the relevant sections by clicking on the titles listed in the Table of Contents.

You can return to the Table of Contents at any time by clicking the home icon available on each page.

Throughout the report, you can access related sources by clicking on **bold and underlined** titles that contain hyperlinks.

Audit

The data and information in the report, other than the carbon and water calculations, have not been subject to any independent external audit process.

Our Next Report

Similar in scope to the current report, we aim to publish our fourth sustainability report, which will share our performance for 2025, by the first half of 2026.

01

MESSAGES TO OUR STAKEHOLDERS

This report is not only a summary of the period we have just completed, but also a reflection of our commitment to the future and our collective determination to succeed together.

Message from General Manager

Taking Responsibility for a More Sustainable Future

Dear Stakeholders,

The year 2024 opened a new chapter in Akdeniz Chemson's sustainability journey. This year, we stood out not only with our financial outcomes, but also with the value we created for the environment, people, and the future.

In the chemical industry, which lies at the heart of global transformation, rising environmental awareness, resource constraints, technology-driven production models, and the Sustainable Development Goals have reshaped the sector, just as they haave transformed industries worldwide. As part of this transformation, we assumed our responsibility and reshaped our business practices.

During this period, as a significant step guiding our sustainable export vision, we became one of the first Turkish chemical companies to join the Responsible Program implemented by the Ministry of Trade. This program, built on the principles of eco-friendly production, ethical responsibility, and green transformation, not only enhances our competitiveness in international markets but also plays a critical role in achieving our sustainable branding goal.

Our production network spanning five continents and our advanced vertical integration structure make us both a more resilient and a more agile manufacturer.

In 2024, we also made tangible progress in the transition to clean energy. With the successful completion of biomass trials at our İzmir facility, we moved to 10% biomass usage. This transformation contributed to our carbon emission reduction targets while paving the way for our renewable energy investments. By developing energy and water efficiency projects along with waste reduction plans, we prepared the infrastructure that will be implemented in 2025.

In the field of social sustainability, we developed new strategies to increase the proportion of female employees, reduce employee turnover, and ensure pay equality. We established corporate training platforms focused on ethics, environment, human rights, and social responsibility. To strengthen our occupational health and safety culture, we expanded disaster response training and integrated our process safety approach across all facilities.

While maintaining our leadership in PVC stabilizers and additives, we continue to expand our sustainable chemistry portfolio with products for non-PVC applications. Our production network spanning five continents and our advanced vertical integration structure make us both a more resilient and a more agile manufacturer.

This report is not only a summary of the period we have just completed, but also a reflection of our commitment to the future and our collective determination to succeed together.

On this journey toward a more livable world, I extend my heartfelt gratitude to all our colleagues, business partners, and stakeholders.

We look to the future with hope and confidence, because we know that we are in this together.

Sincerely,

Şahin SAYLIK
General Manager

Message from the Sustainability Committee

Dear Stakeholders,

We view our sustainability approach as a management mindset fully integrated into all processes of our company. As the Akdeniz Chemson Sustainability Committee, the work we carried out throughout 2024 has provided significant indicators of the progress we have made in bringing this approach to life.

One of our key priorities during the year was ensuring operational transitions in energy transformation. In this context, the biomass combustion trials conducted at our Izmir production facility were successfully completed, achieving a 10% biomass utilization rate. This development has made a tangible contribution to our goal of increasing the share of renewable sources in our energy portfolio, while also marking an important milestone in our roadmap for reducing carbon emissions.

In the area of resource management, we completed preliminary studies on energy efficiency, water consumption reduction, and waste management. The year 2024 served as a period in which feasibility and impact analyses of these projects were conducted and infrastructure preparations were shaped. Interdepartmental coordination processes were also structured for projects targeted to be implemented starting in 2025.

As an integral part of our human- and culture-focused sustainability strategy, social policies centered on inclusivity and employee satisfaction were developed. Positive action plans were created to increase the proportion of female employees, while new initiatives in internal communication, development, and engagement were implemented to reduce workforce turnover. In addition, analyses of gender pay equality were completed, and areas for improvement were identified.

Digital training infrastructures covering all employees were established for ethics, environment, human rights, and social responsibility. Training programs progressed through mandatory and optional modules.

On occupational health and safety, disaster response trainings were standardized and rolled out across all locations in line with our zero-accident target, while awareness-raising initiatives were prioritized for process safety.

All these efforts demonstrate that our institution is not only capable of developing strategies but also effectively managing and monitoring processes. As a committee, we regularly track our sustainability performance against measurable criteria and ensure compliance with national and international standards.

The year 2024 was marked by the systematic embedding of the sustainability focus across the company, with policies translated into action and permanently integrated into our corporate culture.

The year 2024 was marked by the systematic embedding of the sustainability focus across the company, with policies translated into action and permanently integrated into our corporate culture.

In line with this, we will continue to uphold our commitment to the future with determination, supporting continuous improvement in environmental, social, and governance (ESG) areas.

Akdeniz Chemson Sustainability Committee

02

CORPORATE PROFILE

As Akdeniz Chemson, we operate across five continents and six countries with our 1,250 employees, producing sustainable industrial chemicals and maintaining an extensive distribution network. We continue to create value for life as a global company that makes a difference and upholds respect for both people and nature with our innovative and solution-oriented technology.

Responsible® Program*

Leading in Green Deal Compliance: Akdeniz Chemson's Goal to Join the Responsible® Program

As Akdeniz Chemson, we aim to be the first company accepted into the Responsible® Program, which is implemented by the Ministry of Trade of the Republic of Türkiye to support companies in developing their sustainability strategies in line with the Green Deal adaptation. The Sustainability Roadmap to be developed within the scope of the program will support Akdeniz Chemson in achieving its environmental responsibility and corporate development goals.

Within the scope of the project:

- The current situation analysis will be completed.
- The Green Deal compliance plan and project cards will be prepared.
- Projects to be submitted to the Ministry of Trade will be evaluated.
- Approved projects will be eligible to receive incentives

This will contribute to strengthening Akdeniz Chemson's leadership in sustainable production and environmental management.

**The Responsible® program came into effect on June 26, 2024, to comply with the European Union Green Deal. Companies that meet sustainability criteria receive consulting support under this program. Companies selected by the Republic of Türkiye Ministry of Trade will be granted the right to use the Responsible® brand label. The Responsible® label stands out as a quality standard that certifies companies' competence in sustainability.*

As Akdeniz Chemson, we aim to be the first company accepted into the Responsible® Program.

Akdeniz Chemson in Figures

Thanks to our business model based on profitability as well as sustainable growth, customer focus, strong financial structure, integrated production system, agile human resources, and innovative approach, we are among the world's leading polymer additive manufacturers in the plastics industry. We are also the global leader in PVC stabilizers.

In 2024, we continued to create value for all our internal and external stakeholders through our six capital elements, guided by our ethical business principles. In addition to our financial and manufactured capital, our social and relationship capital, comprising our talented workforce and responsible supply chain, reflects the strength of our company. Our intellectual capital, enriched by an innovative approach to environmentally friendly products, and our natural capital, which we aim to utilize in the most efficient way, together form the foundation of our success.

Our Sustainability Report Wins Second Place at the International ARC Awards!

Our second sustainability report, published in 2024 and covering the years 2021–2022–2023, received the Silver Award in the Sustainability & Citizenship Report category at the International ARC Awards—known as the "Oscars of Annual Reports." This year, the competition featured reports from 1,375 companies across 28 countries.

Corporate/Governance

6 Countries on 5 Continents*
Production Operations

Around 115 Countries
Sales Geographies

412 Thousand Tons
Production Capacity

265th Rank
Top 500 Industrial Enterprises Research at ISO Türkiye

2nd rank
(Chemical Sector)
'Stars of Export' Competition by Aegean Exporters Union (2024 Export Performance)

Environment

88.85%
Recycled Waste Rate*

12 Products
Products with Completed Life Cycle Analysis in 2024

2.6 Million Dolar
Environmental Expenditures*

1,033,904 kWh
Our Electricity Savings *(Türkiye)*

Social

13.71%
Female Labour Force Participation Rate

58%
Rate of Raw Material Suppliers Audited *(Türkiye)*

3 R&D Projects
Projects Approved and Completed by the Republic of Türkiye Ministry of Industry and Technology

86%
Local Supplier Ratio
(Türkiye)

51 Hour
Training Hours per Employee
(Türkiye)

*Türkiye, Austria,Brazil, USA, China, Australia

Akdeniz Chemson from Past to Present

As Akdeniz Chemson, we produce not only PVC stabilizers but also related additives in our facilities. With our vertically integrated production capability, we operate as a "one-stop service point" around the world, aiming to meet all formulation needs of our customers.

Our story began in 1942 in Wallsend, near Newcastle upon Tyne, England, when Cookson started producing stabilizers for flexible PVC. Shortly afterward, Cookson opened a manufacturing facility in Sydney, Australia. In 1976, Akdeniz Kimya was founded in İzmir as a company engaged in the production and sales of PVC stabilizers and other industrial chemicals. In 1986, the German stabilizer manufacturer Chemetall and the British Cookson Group formed a joint venture, combining their operations under the name Chemson, and moved their headquarters to the Frankfurt am Main region in Germany. The company began operating through its facilities in Germany, the United Kingdom, and Australia.

In 2000, as a result of the merger and acquisition process, Chemson Polymer-Additive AG was established in Arnoldstein, Austria. Having started its operations in Izmir in 1976, Akdeniz Kimya joined the Ordu Yardımlaşma Kurumu (OYAK) Group of Companies in Türkiye in 2012. The following year, Chemson Group also became a part of OYAK. Thanks to its robust corporate structure, transparent management approach, strong financial infrastructure and commitment to chemical growth, OYAK has contributed greatly to the development and production of innovative solutions by both companies.

In October 2020, these two strong brands merged under the name Akdeniz Chemson, becoming one of the world's leading polymer additive manufacturers and the global market leader of PVC stabilizer products.

As Akdeniz Chemson, we produce most of our raw materials in-house and carry out vertically integrated production in state-of-the-art facilities. Thanks to the infrastructure, we continue our operations as a "one-stop shop" point to meet all formulation needs of our customers worldwide.

At Akdeniz Chemson, with a broad vision of continuous improvement in quality, human resources and sustainability, we produce PVC stabilizers as well as related additives in our facilities and lead our industry with our investments.

In both local and international markets, we have built a strong and reliable brand through the quality of our products and our people- and environment-oriented approach. This has enabled us to successfully manage our sustainable business model.

Europe
- Türkiye
- Austria
- Germany
- United Kingdom

America
- Brezilya
- USA

Asia Pacific
- Australia
- China

- Production Facility
- Sales Office

Akdeniz Chemson is the world's largest company in the field of PVC stabilizers with operations on five continents and six countries.

Akdeniz Chemson

Our Corporate Milestones

1942

Cookson began producing stabilizers suitable for flexible PVC in Wallsend, a town near Newcastle upon Tyne, England.

1976

Akdeniz Kimya was established in İzmir in 1976.

1986

The German manufacturer Chemetall and the British group Cookson merged and started production in Frankfurt under the name Chemson.

2000-2001

Chemetall transferred its stabilizer operations to its subsidiary in Brazil, while Chemson took its first step into the Chinese market in 2001 in Dalian, China.

2012-2013

Akdeniz Kimya joined the OYAK Group Companies in 2012. A year later, Chemson was acquired by OYAK.

2020

In October 2020, the two major companies merged under the name Akdeniz Chemson, becoming a leader in the PVC stabilizers industry.

Our Sustainability Milestones

2022

Akdeniz Chemson received the highest-level "EcoVadis Platinum" certification in Australia, "EcoVadis Gold" certifications in Türkiye and Austria, and an "EcoVadis Silver" certification in Brazil.

We prepared our Decarbonization Roadmap.

Akdeniz Chemson received an "EcoVadis Silver" certification in the United States.

We published our first sustainability report covering the years 2020–2022.

2023

We received the 2nd rank award in the Chemistry Sector at the "Aegean Exporters' Association Stars of Export Competition."

We ranked 263rd on the "Türkiye's Top 500 Industrial Enterprises" list announced by the Istanbul Chamber of Industry.

In line with the European Sustainability Reporting Standards, we identified our sustainability impacts, risks, and opportunities through a double materiality analysis.

Based on the Task Force on Climate-related Financial Disclosures (TCFD) Framework, we identified our climate-related risks and opportunities.

We published our second sustainability report covering the years 2021–2022–2023.

2024

In line with our sustainability goals, we published our "Decarbonization Roadmap."

We identified our projects on energy, water, and waste within the scope of sustainability.

Our Akdeniz Chemson Türkiye and Austria facilities received "EcoVadis Gold" certifications.

We organized our 2nd Innovation Day event.

We initiated preparing to apply for the Responsible® Program carried out by the Ministry of Trade of the Republic of Türkiye.

Akdeniz Chemson Facilities

Türkiye

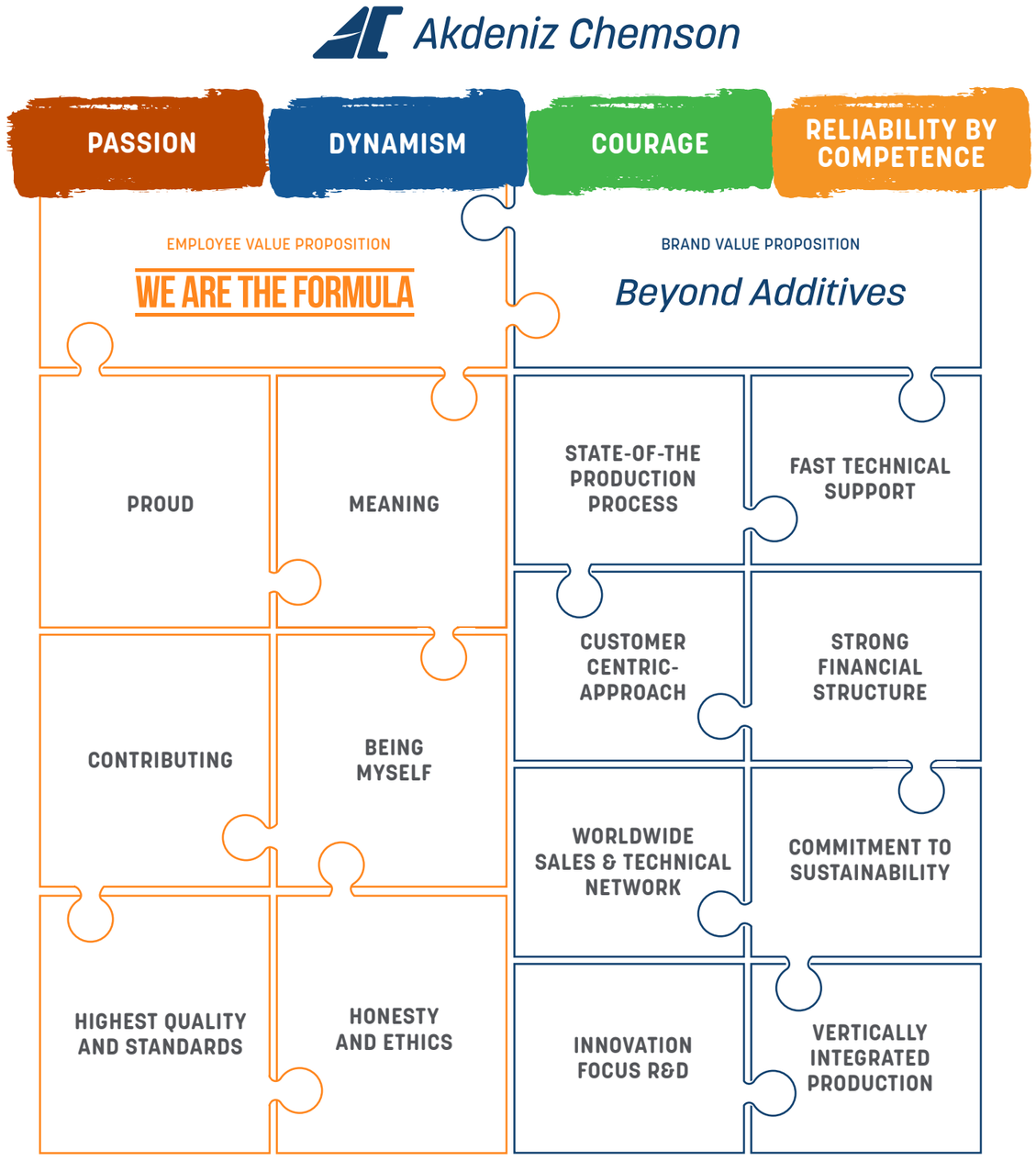
USA

Austria

China

Brazil

Australia



Product and Services

At Akdeniz Chemson, where we focus on quality, innovation, and sustainability, we not only produce PVC stabilizers and additives but also expand our product portfolio for non-PVC applications every year. We offer our customers customized solutions with our state-of-the-art production systems.

From electrical cables to window profiles, floor coverings to medical products, PVC is found in many areas of our lives, making modern living safer and more comfortable. It is critically important that the additives used in PVC production are environmentally friendly and sustainable.

This is because these additives not only determine the performance of the final product but also directly influence its environmental impact.

At Akdeniz Chemson, a large part of our product portfolio consists of PVC stabilizers and additives. These substances are essential components that make PVC processing possible by providing adequate heat stability and protecting final products against heat, UV radiation, and mechanical impacts. These additives play a crucial role not only during the production process but also in ensuring the longevity and reliability of the final products.

As one of the world's leading polymer additive manufacturers and the leader of the global PVC stabilizers market, we focus on quality, innovation and sustainability. With our wide product range, advanced production infrastructure, and customer-oriented approach, we offer tailored and competitive solutions to our partners. In addition to our PVC additives, we continue to expand our product portfolio developed for non-PVC applications each year, responding to the evolving needs of the market.

Our Additives for PVC Applications

Stabilizers

One-pack stabilizers are mix products used in a wide range of applications from exterior siding applications to window profiles, flexible packaging applications to table edge tapes, cable applications to parquet flooring, PVC membranes to pipes and fittings, wood composite applications to many more PVC applications.

Metal Soaps

Metal soaps are used in PVC formulations either alone or in synergistic mixtures as co-stabilizers, internal or external lubricants.

Lubricants

The lubricant group are products that increase the fluidity of polymers and increase the final production. This product group includes internal lubricants as well as external lubricants, which act as an interface between the PVC components and the metal surfaces of the processing equipment at processing temperatures and prevent the molten PVC from sticking to the processing equipment.

Co-Stabilizers

At Akdeniz Chemson, we produce specialty chemicals that add specific desired properties to PVC. Beta-diketones and hydrotalcites, which belong to this group of co-stabilizers, are chemicals that impart these specific properties to PVC.

Acrylic Impact Modifiers

Our Acrylic Impact Modifiers products provide high impact resistance to PVC in PVC applications and improve mechanical properties, while at the same time providing homogeneous melt flow at different production speeds. Some products belonging to this product group can create a synergistic effect.

Acrylic Process Aids

PVC, which degrades under the influence of heat and temperature, can be processed with the use of process aids. Acrylic process aids are included in the group of polymer additives that facilitate and regulate the melt flow in thermoplastic production with low usage rates.

Flame Retardants

We continue to develop Flame Retardants for PVC applications. Our product is an environmentally friendly chemical structure alternative to Zinc Borate flame retardants, while our ACFR series products are used as an environmentally friendly solution by completely or partially replacing antimon trioksit.

Other Products

Our product portfolio also includes many other products such as Titanium Dioxide, Stearic Acid, Epoxy Soybean Oil and Chlorinated Polyethylene.

Our Additives Non-PVC Applications

Construction Chemicals

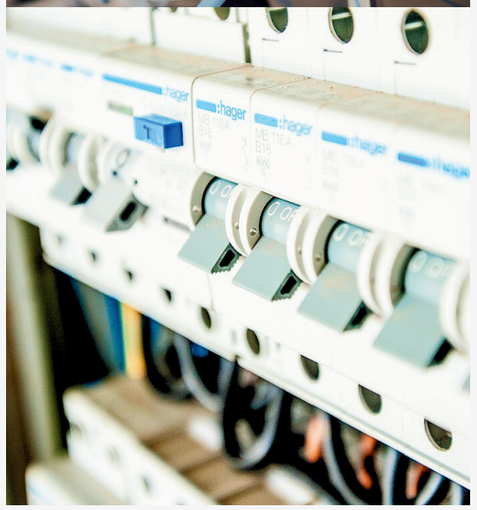
It is a product group with a wide range of applications from cement production to reinforced concrete structures, dams, bridges, tunnels and airports.

Anti-Corrosive Pigments

Zinc phosphate and zinc-aluminum orthophosphate hydrate are environmentally friendly alternatives to chromium-based anti-corrosive pigments. These pigments are suitable for protective coatings and different primer applications and have high compatibility with both solvent-based and water-based resins. This product group is used in many industries requiring high corrosion resistance such as automotive, aerospace and marine sectors.

Flame Retardants

Melamine Cyanurate is an environmentally friendly alternative to halogenated flame retardants. These products, which do not produce toxic/corrosive gases during combustion and function as flame retardants and smoke suppressants, have a wide range of applications such as plastics, rubber, textiles, paints, adhesives, pigments and ceramics.



Plasticizers

Plasticizers are non-volatile compounds that increase the flexibility of polymers by lowering the glass transition temperature (Tg) and offer a wide range of applications. Our benzoate-based plasticizers product group consists of high-performance additives that are phthalate-free and enhance the flexibility of polymers. They are widely used in various applications such as packaging, toys, automotive, and construction materials. Produced from renewable natural resources, benzoate-based plasticizers offer an optimal cost-performance ratio and are easy to process.

03

GOVERNANCE

As a global brand, the principles of transparency, fairness, responsibility, and accountability, along with full compliance with the laws of the countries in which we operate, form the foundation of our governance approach. The Akdeniz Chemson Code of Ethics also serves as a guide for all our attitudes and behaviors toward both our internal and external stakeholders.

Sustainability and Climate Change Governance Structure

At Akdeniz Chemson, the impacts, risks, and opportunities related to sustainability and climate change are reviewed annually. These assessments are reported by the General Manager to the Board of Directors, while the Executive Committee, reporting to the General Manager, monitors and oversees these processes.

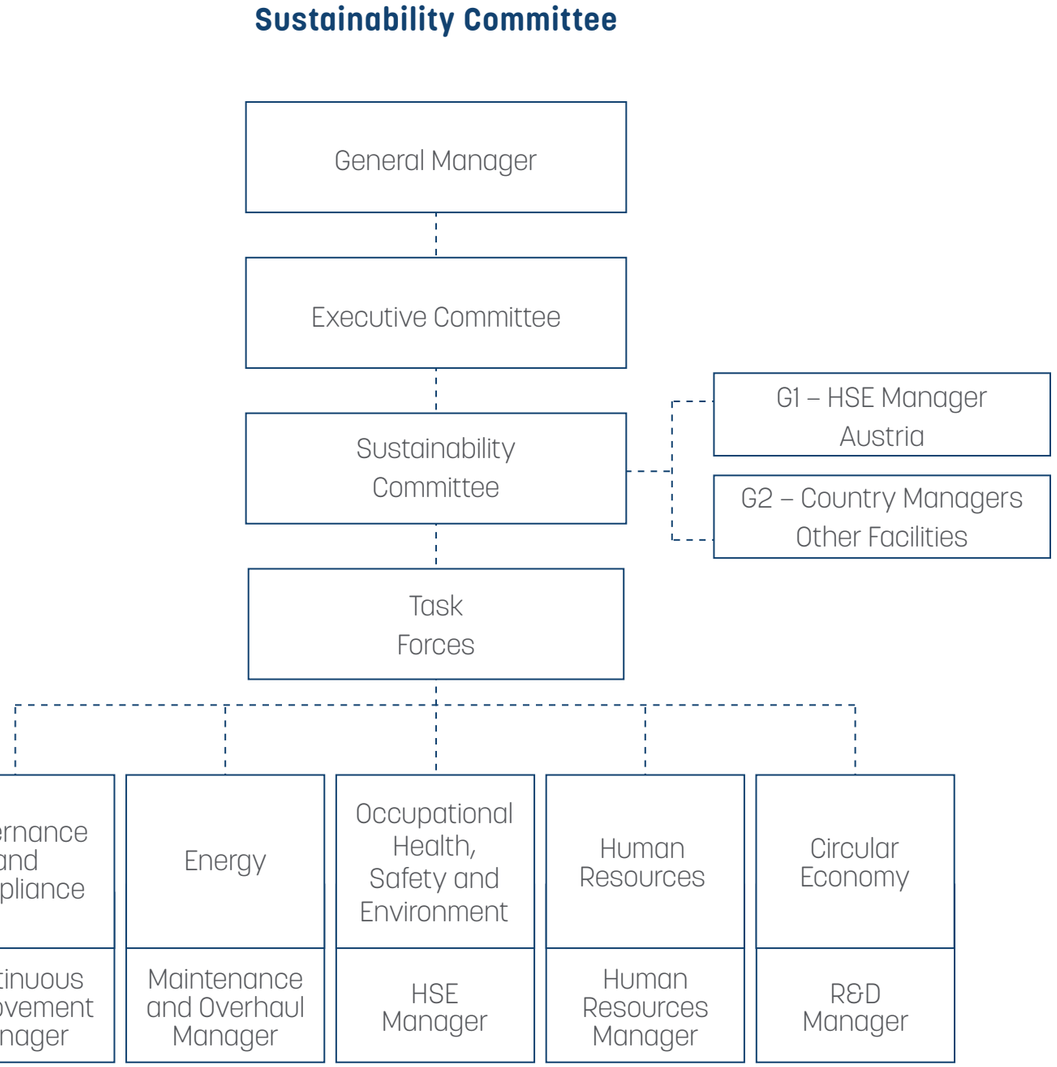
At Akdeniz Chemson, the impacts, risks, and opportunities related to sustainability and climate change are reviewed annually and analyzed in depth every two years. The General Manager reports these assessments to the Board of Directors, while the Executive Committee, reporting to the General Manager, monitors and supervises the process. The members of the Executive Committee possess the necessary skills and competencies to oversee the strategies designed to respond to risks and opportunities. In supervising the company's strategy, decision-making processes, risk management, and related policies, they also take into account the interdependencies between risks and opportunities.

The Sustainability Committee, which reports to the Executive Committee, is led by the Executive Committee Member Responsible for Production and Technical Affairs (CTO). Meeting on a monthly basis, the Sustainability Committee aims to implement Akdeniz Chemson's sustainability vision across six integrated facilities on five continents. The committee also promotes best practices to ensure a holistic approach to sustainability throughout all operations.

There are five task forces under the Sustainability Committee: Governance and Compliance, Energy, Occupational Health, Safety and Environment, Human Resources, and Circular Economy. The main responsibility of these task forces is to monitor data and information related to the company's sustainability performance on a quarterly basis and support its annual reporting. In addition, two global teams regularly provide the Sustainability Committee with updates on progress toward the established targets.

Sustainability Committee;

- Determines the sustainability strategy, policy, priorities and targets in line with the Company's business strategy, vision, mission and values, and reviews them when necessary.
- Determines the duties and responsibilities of the task forces for the Company's sustainability-oriented activities, creates business plans and ensures their coordination.
- Supports the creation of a roadmap consisting of short, medium and long-term goals and monitors sustainability performance.
- Reports to the Executive Board on a quarterly basis on progress towards targets, challenges and areas for improvement.



Akdeniz Chemson Sustainability Committee utilizes digital platforms and applications for assessments related to monitoring and oversight of risks and opportunities related to sustainability and climate change. Details of the Robotic Process Automation Project are provided below.

Robotic Process Automation

RPA (Robotic Process Automation) is a technology for automating business processes. RPA automates repetitive, routine tasks, reducing human error, increasing efficiency and saving time and costs. RPA also allows people to quickly process high volumes of data and optimize business processes.

We achieved our first gains in 2023 through the business processes we transferred to Robotic Process Automation (RPA), initiated under the responsibility of our Information Technologies Department. In addition to improving efficiency in our business processes, the project aims to protect the environment and reduce our carbon footprint by consuming fewer natural and other resources. In 2024, new processes in Human Resources, Finance and Accounting, as well as Procurement and Logistics, were integrated into the project. We will continue to enhance the project in 2025 by adding new processes.

Business Ethics and Compliance

At Akdeniz Chemson, we manage all our operations in a fair, transparent, accountable, and responsible manner. While fulfilling our duties and responsibilities to our internal and external stakeholders, we aim to be a symbol of integrity, reliability, and respect in the eyes of the environment and society, and we act in accordance with these principles.

We carry out all our activities in Türkiye and abroad in accordance with the legislation of the countries in which we operate and relevant international regulations, and we provide correct, complete and understandable information to regulatory institutions and organizations determined by law on time.

As Akdeniz Chemson, we share the Akdeniz Chemson Code of Ethical Conduct, which was developed to guide all our attitudes and behaviors while carrying out our activities within the framework of laws, regulations and instructions, with all our employees and stakeholders on our website. In addition, our "Code of Conduct Suppliers" document for our suppliers is available on our website. 100% of our employees are subject to a 90-minute training course covering all the main headings in the Akdeniz Chemson Ethical Working Rules document.

Stakeholder Complaint Reporting Platforms

Ethics Hotline

Akdeniz Chemson has an Ethics Hotline that all employees, suppliers and customers can anonymously access to raise their concerns when they experience an implementation which is out of ethics.

The design, review and operation of the Ethics Hotline is the responsibility of Internal Audit, Legal and HR departments with the approval of the Executive Board. All reports received through the hotline are first evaluated, then reviewed by the Internal Audit Director and finally decided upon by the Ethics Committee.

All complaints submitted to the Ethics Hotline are kept confidential, and the rights and interests of individuals who report in good faith are guaranteed by us.

The Ethics Hotline is managed by independent service providers and offers 24/7 service in Turkish and English via **+90 212 979 7035**. Our employees can also report in 5 different languages (Turkish, English, German, Portuguese, and Chinese) via akdenizchemson@etikhat.com and also make web-based reports.

While our Code of Ethics remains unchanged in 2024, our ethics reporting channel has been rebranded as "SpeakHub." This has helped raise ethical awareness among our employees.

Employee Portal

Employees can submit their complaints and wishes on some issues such as food, service and working conditions via the employee portal **www.wearetheformula.com**. The notifications received and the actions taken are monitored by Human Resources. The portal also includes the "Appreciation and Thanks" module and the "Akdeniz Chemson Corporate Efficiency Platform (ACCEPT)" suggestion module, where we evaluate and reward employees' technical improvement suggestions.

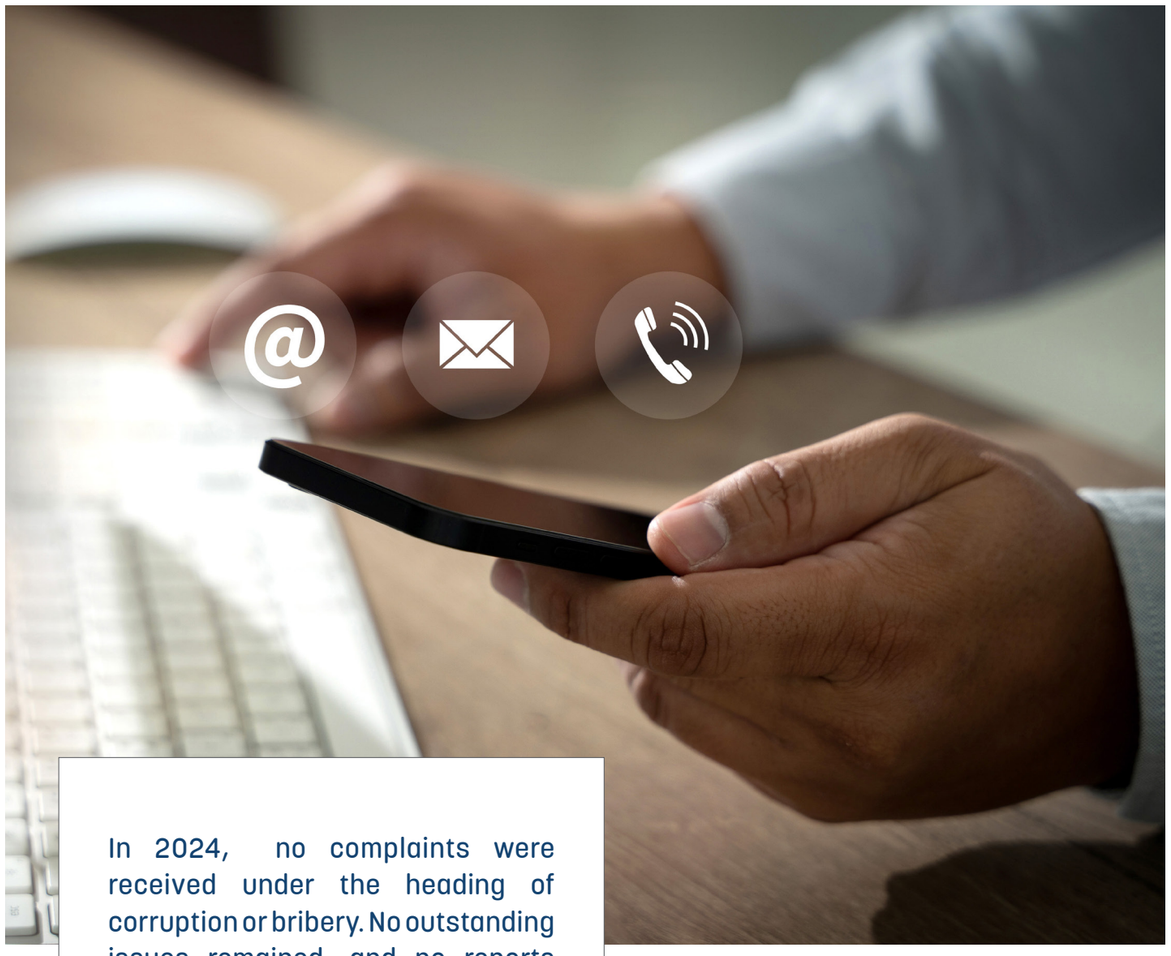
We plan to transition to a new system as of May 2025 in order to ensure that employees use the portal more effectively for internal communication. In this way, we aim to make the portal more effective and user-friendly.

ODAK Software

All employees can report dangerous situations in terms of occupational safety through the ODAK software and speak out their complaints on it. Notifications are evaluated by the Occupational Health and Safety team, and necessary actions are taken. This inclusive application increases participation in occupational health and safety and promotes development. Detailed information on this topic can be found in the Occupational Health and Safety section of our report..

Employees Report on Ethic Hotline

In 2024, Ethics Hotline received two reports from Türkiye and Brazil. Both reports were submitted under the heading of ”Corporate, Ethical, Honest, Fair, and Work Environment-Disruptive Activities.” No complaints were received under the heading of corruption or bribery. No outstanding issues remained, and no reports required an ethics review.



In 2024, no complaints were received under the heading of corruption or bribery. No outstanding issues remained, and no reports required an ethics review.

Customer Complaints

Customers can contact the sales team directly or via company e-mail. Customer complaints are handled by the Quality department and measures are defined and regularly monitored.

M-Files Customer Complaint Projects

Our Information Technologies, Continuous Improvement, and Quality departments carried out the M-Files Customer Complaints Module Project to track customer complaints, monitored through the QDMS (Quality Document Management System), using the 8D methodology, which has become an industry standard and can be applied across all our facilities. While the module’s content and workflow were designed internally, we received support from an expert company for software development and implementation. While the content and flow of the modules were designed in-house, we received support from a company specialized in software and implementation.

In 2023, we completed Phase 1 of the project at Akdeniz Chemson Türkiye. In 2024, we finalized all related work and began actively using the system for complaint analysis.

In 2024, at Akdeniz Chemson Austria, we completed the majority of the module development and moved on to the testing phase.

We have been able to approach customer complaints more systematically and prevent errors in the system. We have created a common software infrastructure to be used globally. We have made significant progress in our response time to customers, the speed of resolving problems and our reporting metrics.

When the project is completed, complaints received by all our facilities will be managed from a center and their status will be tracked, and results will be reported through the same software.

2024 Legal Compliance Studies at Akdeniz Chemson

Legal Department at Akdeniz Chemson Türkiye worked on the Ethical Rules of Conduct and Whistleblowing Policy to follow international trade sanctions and restrictions for various countries and products in 2023. Such practices continued in 2024.

In 2024, we received "Personal Data Protection Law" compliance consultancy coordinated by the Legal Consultancy and Turquality consultancy through the Continuous Improvement Department for compliance with current legislation.

In 2024, we reviewed new laws in all the countries where we operate and assessed their potential impacts on our company. Based on this evaluation, we prioritized them and planned our corresponding actions. Compared to the previous year, only our Türkiye and Austria locations experienced regulatory delays. As Akdeniz Chemson, we continued to carry out our planned activities. The actions we implemented are presented in the table on the following page.

In 2024, we reviewed new laws in all the countries where we operate and assessed their potential impacts on our company.

Managing the Legal and Regulatory Environment

Country	New/Amended Law	Impact on Akdeniz Chemson and Required Actions
Türkiye	Although Akdeniz Chemson is not currently operating in sectors covered by the Carbon Border Adjustment Mechanism (CBAM), there is a possibility that Akdeniz Chemson Türkiye may fall within the CBAM scope by 2030 if the number of sectors included in the mechanism increases.	Developing strategies to address the potential inclusion of Akdeniz Chemson Türkiye within the scope of the Carbon Border Adjustment Mechanism CBAM by 2030 is among our key agenda items. In 2025, we will initiate preparatory efforts to be ready for this possibility.
Türkiye	Under 'German Supply Chain Law', which came into force on 01.01.2023, our company has various obligations depending on its position in the chain, due to its activities with Germany.	Due to its position in the supply chain, our company must comply with the regulation in the face of audit requests from the customers of which it is a supplier, in order to fulfill its obligations regarding direct and/or intermediate suppliers.
Türkiye	Amendments to the Regulation on Health and Safety Measures at Work with Chemical Substances entered into force on 20.10.2023.	With the recent amendments to the regulation, the provisions in Turkish legislation regarding the "Protection of Workers' Health and Safety from Risks Related to Chemical Substances at the Workplace" have been aligned with EU legislation. As Akdeniz Chemson, we are taking the necessary steps to comply with the requirements of the new regulation.
Türkiye	The Regulation on the Registration, Evaluation, and Restriction of Chemicals was expected to enter into force on December 31, 2024, but its implementation has been postponed to December 31, 2025.	The entry into force of the Regulation on the Registration, Evaluation, and Restriction of Chemicals will align Turkish legislation with EU regulations. As Akdeniz Chemson, we are taking the necessary steps to comply with the requirements of the new regulation.
Türkiye	The entry into force of the (European Union Deforestation Regulation: EUDR) was initially expected on December 31, 2024, but has been postponed to December 31, 2025.	Due to our company's position within the supply chain, it is necessary for us to comply with the regulation in order to fulfill our obligations regarding direct and/or indirect suppliers and to properly respond to audit requests received from our customers.
Austria	The European Union's Carbon Border Adjustment Mechanism (CBAM) introduces a requirement to report the greenhouse gas emissions of certain products imported into the EU as of October 1, 2023. During this transitional phase, which continues until the end of 2025, there is no financial obligation. With the EU Omnibus package, the scope of companies subject to this regulation is expected to narrow.	We expect an increase in information and reporting requests from customers regarding greenhouse gas–intensive raw materials. Among our planned initiatives are the launch of collaboration efforts with suppliers to ensure that sustainability aspects are considered in raw material procurement and the implementation of supplier selection processes based on sustainability indicators.
Austria	Ukraine (REACH - Registration, Evaluation, Authorization and Restriction of Chemicals) entered into force as of 29.06.2024.	We need to pre-register in Ukraine for the Supply Chain and then register our used raw materials. In addition, translation of legal texts, assessment of legal requirements and timelines, assessment of materials used in past, present and future, cost calculation, strategy work with the board, communication and agreements with suppliers are part of our agenda.
Austria	The entry into force of the (EUDR: European Union Deforestation Regulation) was initially expected on December 31, 2024, but has been postponed to December 31, 2025.	Due to our company's position within the supply chain, it must ensure compliance with the regulation in order to fulfill its obligations regarding direct and/or indirect suppliers and to properly respond to audit requests received from the customers it supplies.
USA	The rules of the Family and Medical Code will apply once we reach a total of 50 employees and it is out of our scope for now. (The law applies when the subsidiary reaches 50 employees).	Will grant employees up to 12 weeks of unpaid leave for qualifying reasons. Therefore, having a backup employee trained to perform duties in every role during the leave period is essential for business continuity.

04

STRATEGY

At Akdeniz Chemson, we implement our strategy to address sustainability and climate risks in line with OYAK's Sustainability Policy and Strategy. By understanding our environmental and social impacts and using fewer resources throughout our operations, we aim to create more value for our stakeholders.

Analysis of Impacts, Risks, Opportunities and Metrics in the Chemicals Sector

The chemical industry relies heavily on fossil fuels both as an energy source and as raw materials. As a result, it not only generates its own greenhouse gas emissions but also contributes to the global increase in demand for fossil fuels.

Chemical sector is the third largest industrial sector in terms of carbon dioxide emissions. According to the Intergovernmental Panel on Climate Change (IPCC), the chemical sector is responsible for 14% of industrial greenhouse gas emissions in 2019.

As the largest industrial user of fossil fuels, both as energy and raw materials, the sector both produces GHGs and impacts significantly to global demand for fossil fuels. Natural gas and coal are the energy feedstocks commonly used in the sector.

Climate scientists are closely scrutinizing the chemical sector's emissions. The International Energy Agency (IEA) has found that the chemical sector is not on track to meet net zero targets. The IPCC (Intergovernmental Panel on Climate Change), on the other hand, reported that the emission from the sector increased by more than 1.5% annually on average between 2010 and 2019.

As Akdeniz Chemson, we closely follow trends and challenges and strive to take proactive actions to find solutions.

Global Sustainability Trends in the Chemical and PVC Manufacturing Sectors

1. Circular Economy: Emphasizing the design of PVC products with a focus on recyclability to minimize waste and encourage reuse,

2. Bio-Based Raw Materials: Increasing the use of bio-based materials in PVC production to reduce dependence on fossil fuels,

3. Green Chemistry: Developing environmentally friendly chemical processes and products that reduce or eliminate hazardous substances such as heavy metals to increase product safety.

4. Energy Efficiency and Clean Energy: Transition to renewable energy sources such as wind, solar, and bioenergy, and investing in more energy-efficient production processes to reduce greenhouse gas emissions,

5. Sustainable Supply Chain: Creating transparency in supply chains to ensure the sustainable sourcing of raw materials,

6. Digital Transformation: Leveraging digital technologies such as artificial intelligence, IoT, and blockchain for more efficient, transparent, and sustainable operations and real-time monitoring and optimization of processes,

7. Improved Waste Management: Increased focus on reducing PVC waste and appropriate disposal methods, including energy recovery and incineration,

8. Regulatory Compliance: Increasing government regulations aimed at reducing emissions and pollution associated with increasingly stringent chemical production,

9. Life Cycle Assessment (LCA): Increasing use of LCA frameworks to assess the environmental impact of PVC products throughout their life cycle and

10. Collaboration and Partnerships: Establishing sector-wide collaborations and partnerships to support sustainability initiatives.

All these trends bring along some challenges for the industry. As Akdeniz Chemson, we closely follow these trends and challenges and strive to take proactive actions to find solutions.

Challenges in the Chemicals and PVC Manufacturing Industry

Resource Intensive: The industry is highly resource intensive, requiring large amounts of energy, water and raw materials.

Environmental Impact: Reducing or eliminating harmful additives such as phthalates and heavy metals in PVC to reduce environmental impacts and improve product safety may require R&D investments.

Regulatory Pressure: The need to rapidly adapt to changing regulations can be costly and complex in a multinational organization.

Supply Chain Sustainability: Ensuring that all parts of the supply chain adhere to sustainable practices is challenging due to the complexity of global supply chains and the lack of standardized sustainability metrics.

Innovation and Technology Adoption: The development and adoption of new sustainable technologies can be expensive and require significant R&D investments. The uncertainty of the return on investment in long-term research projects and the need for industry collaboration are highlighted.

Public Perception: Public scrutiny of the environmental and health impacts of chemical production is increasing.

Life Cycle Assessment (LCA): The complexity of data collection and management to obtain accurate assessments can make studies challenging.

Reduced Additives: Creating new formulations with affordable alternative ingredients that maintain product performance over time requires investment and time.

Energy Transition: The transition from fossil fuels to renewable energy sources involves high upfront costs associated with improving equipment and processes.

Circular Economy Initiatives: Developing cost-effective recycling infrastructure and addressing contamination issues in collected materials is necessary.

Our Actions to Overcome These Challenges at Akdeniz Chemson

Investment in R&D: We focus on developing products that reduce environmental impact and increase efficiency. By 2024, our R&D projects approved by the Ministry of Industry and Technology of the Republic of Türkiye reached 13.

Green Chemistry Principles: In the bio-based plasticizer development project, we primarily aim to design and synthesize environmentally friendly, high-performance plasticizers from renewable resources.

Life Cycle Assessment (LCA): We conducted detailed LCA studies for 12 of our products in 2024.

Circular Economy Models: We evaluate our products and materials for longevity, recyclability, and reusability. Of the 131,418 tons of raw materials we used in 2024, 6% were recycled materials.

Sustainable Sourcing: We work closely with suppliers to ensure the sustainable and ethical sourcing of raw materials. Of the 131,418 tons of raw materials we used in 2024, 23% were derived from renewable sources.

Energy Efficiency and Clean Energy: We are transitioning to energy-efficient technologies and renewable energy use to reduce energy consumption and greenhouse gas emissions. By 2026, we aim to increase the share of renewable electricity consumption from 5% to 60% by commissioning a 19.5 MW Solar Power Plant.

Digital Technologies: We are leveraging digital tools to optimize processes and enhance digital security. By switching to M-Files as our document management system, we have enhanced information security and prevented data loss and unauthorized access by controlling access and changes.

Regulatory Compliance: We strive to stay ahead of regulatory changes by adopting proactive compliance strategies and communicating with policymakers across all Akdeniz Chemson locations.

Sectoral Collaboration: We seek collaboration opportunities with customers, suppliers, and NGOs in the industry to develop shared sustainability solutions.

Employee Development: We provide training to employees on sustainable practices and the importance of sustainability within the industry.

As the Akdeniz Chemson Sustainability Committee, we monitor global trends to guide our strategic actions. We also closely monitor internationally recognized guidelines and initiatives that offer sector-specific recommendations.

In this context, we reviewed the work of the TPT Transition Plan Taskforce, taking into account the indicators in the chemical sector section of the Sector Summary guide, and prepared the Akdeniz Chemson Decarbonization Roadmap.

The recommendations and levers published by TPT for the sector are given in the table below.

Levers	Action	Metrics
Replacing fossil fuel feedstocks	• Green hydrogen instead of ammonia and methanol • Use of green methanol or bio-based materials instead of high-value chemicals (HVCs)	• Share of primary sources from which chemical feedstocks are derived (e.g. oil, natural gas, coal, biomass, waste) • Share of petrochemical-based products produced with bio-based feedstocks and share of sustainably sourced feedstocks
Increasing energy efficiency	• Applying energy efficiency and best available techniques to reduce emissions	• Total energy consumed • Share of grid electricity
Zero greenhouse gas emission energy use	• Electrification of processes and use of renewable energy for heat, steam and electricity	• Share of renewable energy • Total energy produced by itself • Share of purchasing expenditures where the supplier engagement strategy is implemented or share of *Scope 3 emissions
Carbon capture, utilization and storage	• Used as raw material and • Used for process and energy emissions	• Carbon capture, utilisation and storage (CCUS) capture rate, transport and storage leakage rates
Implementation of circular strategies	• Increasing the reusability of plastics • Replacing single-use plastics with reusable products • Increasing mechanical and chemical recycling	---
Accelerating the sale of products with low greenhouse gas emissions	• Green ammonia (e.g. as fertilizer, transport or hydrogen carrier); and • Materials that enable energy efficiency improvements (e.g. in buildings and transportation)	* Scope 3: Category 1: Purchased goods and services. Category 11: Use of sold products. Category 12: End-of-life treatment of sold products

The Process of Identifying Sustainability-Related Strategic Priorities

In 2024, we conducted a series of studies with the participation of members of the Executive Board, Sustainability Committee and Working Groups to identify risks and opportunities related to sustainability and climate change, which may also affect our company's financial adequacy in the future.

As Akdeniz Chemson, due to our operations in different countries around the world, we aimed to be prepared for different regulations in the short and medium term within the scope of sustainability performance reporting. We determined our reporting priorities with the double materiality perspective recommended by the European Financial Reporting Advisory Group (EFRAG), which prepared the European Sustainability Reporting Standards ESRS and proposes the most comprehensive methodology in the prioritization approach.

During our 2023 reporting efforts, we included details about the comprehensive assessments we conducted in 2024 in our 2023 Sustainability Report. We share a summary of these studies in the table below.

Benchmarking Study Steps	• We examined the sustainability reports of seven international companies operating in similar sectors. • Our analysis included 81 topics and their related targets. • We took into consideration the topics and Key Performance Indicators (KPIs) in the "Chemicals" sector annex of the Sustainability Accounting Standards Board SASB. • We have also taken into account the list of all topics (40 subtopics in 10 headings) that can be included among the material topics in the European Sustainability Reporting Standards (ESRS). • At our project kick-off meeting, we evaluated this list of 19 topics and obtained the approval of the Executive Board and the Sustainability Committee.
Internal Stakeholder Survey Questions	• To raise awareness and provide information about future projects, we provided "Sustainability and Climate 5W1H" training to our employees across three different time zones. • Following the training, we invited a total of 81 managers and experts, six of whom were Executive Board members, to participate in an online survey using videos we prepared in Turkish and English with the support of our consultant. • 57 managers and employees from various departments participated in the training and evaluated 19 sustainability topics relevant to our sector, the outcome of an intensive benchmarking study, using detailed questions. • 58% of our survey participants were from AC Türkiye, while the remaining 42% were employees from our other facilities (Austria, Brazil, USA, China, Australia). • 7% of our survey participants were Executive Board members, 33% were middle and senior managers, and 60% were our experts. • Occupational Health and Safety, Critical Incident/Accident Risk Management and Data-Information Security and Privacy were identified by internal stakeholders as three important issues that could have irreversible consequences.
Sustainability Workshop	• Based on the results of the surveys, we held a one-day sustainability workshop with five separate working groups covering the prioritized topics. At the workshop, we examined the topics in terms of their financial impact on the company and developed recommendations and actions for the work to be done in the coming period to partially or completely eliminate the risks' impact on the company. • In our assessment with the Executive Board and Sustainability Committee, we refined the 19 topics we evaluated with the aim of focusing on issues that, by their very nature, have both a high environmental/social impact and potential financial implications for the company.
External Stakeholder Prioritization Survey	• While determining our external stakeholders from whom we will seek opinions within the scope of our impacts on society and the environment, we prioritized stakeholders who are knowledgeable about our sector and business processes and who can provide informed and developmental feedback to our company. • In the external stakeholder survey, our main stakeholder group was our customers located in different regions of the world, accounting for 72%. In addition to our customers, we obtained the opinions of representatives from industrialist unions and associations of which we are members, with a participation rate of 38%. • Of the customers who responded to the survey, 68% were from Europe and 32% were from the Middle East, Africa, and Asia-Pacific countries. • Our participating stakeholders indicated that the topics we inquired about regarding environmental and social impacts were sufficient and did not request any additions. • Stakeholders who believed that our company had a negative impact on them in terms of greenhouse gas emissions, air quality, energy consumption, water consumption, waste, and hazardous substances accounted for 14% of all participants. Those who believed we had a positive impact on the same issues accounted for 39% of participants. • Stakeholders who believe that our company has a negative impact on the environment and society in terms of waste and hazardous materials, air quality, greenhouse gas emissions, energy consumption, water consumption, and sustainable supply chain accounted for 17% of all participants. Those who believe that we have a positive impact on the same issues accounted for 45% of participants.

A detailed comparison table is included in the Annex section of our report.

2024 External Stakeholder Engagement Studies Summary Outcomes

In 2024, as Akdeniz Chemson conducted a sustainability assessment survey to gather the opinions of some of our large-scale customers from various geographies regarding our sustainability-related activities.

As a result of the interviews and assessments, we observed that Akdeniz Chemson's sustainability and climate change efforts create significant value for our customers. We confirmed that these efforts are effective in supplier selection and contribute to our company's positioning as a strategic and reliable business partner.

Our customers stated that our sustainability goals align with their corporate goals and that they value our efforts in this direction. We also observed that they appreciate our efforts to develop environmentally friendly products (e.g., bio-based, reusable solutions) and have expectations for sustainable product development. Some customers emphasized the importance of supporting these efforts with high performance and cost-effectiveness.

Our customers also expressed their openness to ongoing dialogue and collaboration to reduce the environmental impact of their products and to anticipate trends and changes in market expectations.

Our Customers' Opinions About Akdeniz Chemson

"We prioritize the use of environmentally friendly materials in our company, and it is important for us that our supplier includes such materials in their portfolio."

"Our group is in the process of reinforcing its corporate sustainability goals by focusing on key areas such as circular economy, climate change, and sustainable supply chains. In this context, we have identified a strong synergy between Akdeniz Chemson's commitments and our company's strategic drivers, which enhances the potential for collaboration in achieving our mutual sustainability objectives."

"Developing more sustainable solutions is one of the cornerstones of our Group's sustainability strategy. Products with a lower environmental impact are essential for the evolution of our portfolio. To achieve this, it is crucial to rely on strategic partners such as Akdeniz Chemson, who share this vision and operate in an integrated manner throughout the value chain."

"The climate agenda is a priority for our Group, which is progressing in setting targets to reduce greenhouse gas emissions and mitigate risks associated with climate change. In this context, suppliers such as Akdeniz Chemson, who work on developing products with a lower carbon footprint, are our strategic allies in creating more sustainable solutions and reducing the environmental impact of our products.

"We have an excellent business relationship with Akdeniz Chemson, from whom we always receive the best service with quality and agility."

Customer Testimonials

Customer Testimonials is a video series in which our customers share their opinions and experiences about Akdeniz Chemson. In 2024, we published the testimonials of three different customers, and you can watch these videos on our **Youtube** channel.

Financial Reflections of Sustainability Risks

In senior management evaluations, it was foreseen that the highest increase in operational costs in the upcoming period may occur in the area of "Product Design and Life Cycle."

In order to examine the second leg of the double materiality approach, the financial dimension, we questioned the magnitude, likelihood and types of negative financial impacts that the issues may create in the company's operations in an internal stakeholder survey attended by 57 employees and managers. The summary of the assessment regarding the financial risks that the 19 issues may create for our company if they are not managed with targets is given in the diagram below.

Magnitude and Likelihood of Negative Financial Impacts

Expected Financial Impact	To What Extent Financial Impacts May Occur	Impacts in 2024
OPEX (Operational Cost) Increase	• Product Design and Life Cycle • Energy Consumption, Wastewater Generation, Materials, and Recycling	Environmental Expenditures: $1.58 million Environmental Protection Investments: $1.07 million
CAPEX (Capital Cost) Increase	• Greenhouse Gas Emissions, Biodiversity, and Ecosystems • Air Quality, Waste and Hazardous Materials, Business Ethics and Compliance, Data-Information Security, and Privacy	
Increased Direct Cost	• Air Quality, Water Consumption, and Critical Incidents/Accidents • Greenhouse Gas Emissions, Energy Consumption, Wastewater Generation, Sustainable Supply Chain Management, Occupational Health and Safety, Training and Development	

Since the issues of 'Human (Labor) Rights, Training and Development, and Diversity and Equal Opportunity', which were left behind in the financial impact assessments, directly concern our employees, we have included these issues among the priority issues, regardless of their financial impact.

Sustainability-Related Impacts and Risks (Double Materiality)

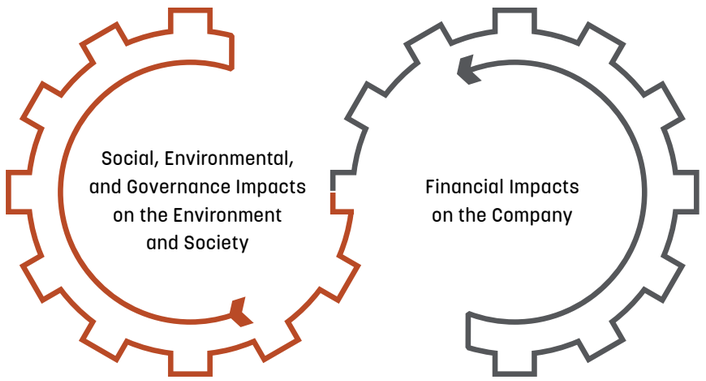
At Akdeniz Chemson, we have prepared our double materiality matrix by examining our company's potential negative impacts on the environment and society, as well as the financial impacts that external sustainability-related factors could have on our company.

We assessed, together with our stakeholders, the potential negative impacts our company could have on the environment and society in the regions where it operates. We also evaluated the potential financial impacts of external sustainability-related factors on our company with our managers and prepared our 2024 double materiality matrix.

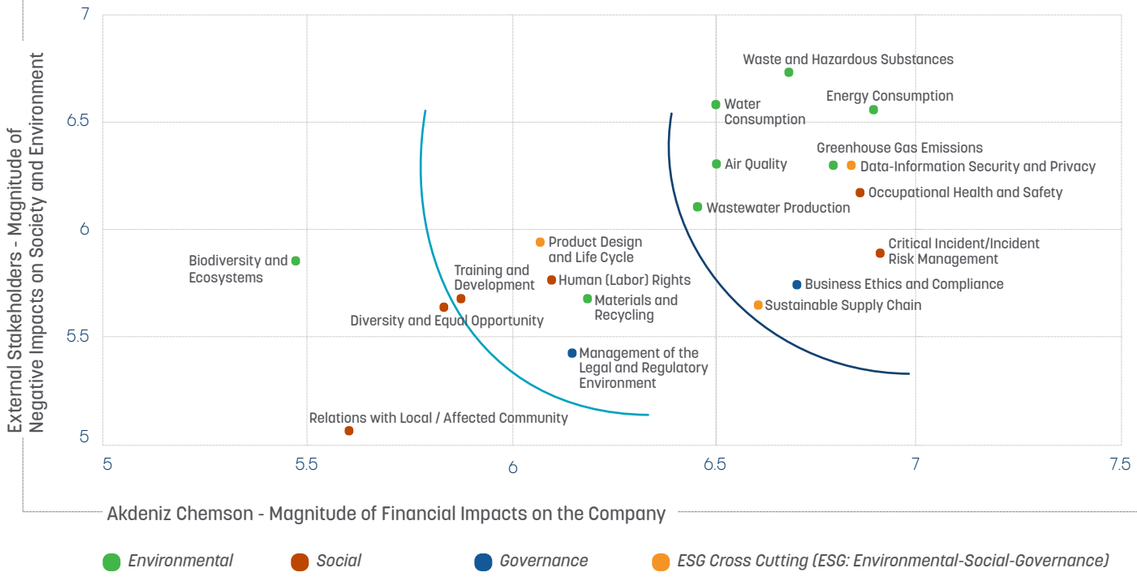
We did not include the topic of 'Relations with Local/Affected Communities' in the report because it is of low importance in terms of environmental, social, and financial impacts. Although the topic of 'Biodiversity and Ecosystems' was prioritized by external stakeholders, we did not include it in the scope of the report because our facilities are located in organized industrial zones and therefore do not have a direct environmental or financial impact. We have included general explanations on this topic in the Annex section of our report.

We have included the title of 'Management of the Legal and Regulatory Environment' under the heading 'Business Ethics and Compliance'. Although the financial impact of the topics 'Air Quality and Wastewater Production' is low, we have included them in the report because they are prioritized by external stakeholders. We have shared information disclosures related to air quality under the heading 'Greenhouse Gas Emissions' and information disclosures related to wastewater production under the heading 'Waste and Hazardous Materials'. As the topic of 'Diversity and Equal Opportunity' is very closely related to 'Training and Development', we have detailed these two topics under a single heading.

In this way, we have detailed our performance on a total of 13 topics under four main headings in our report.



Akdeniz Chemson Double Materiality Matrix



High Priority

- Energy Consumption
- Occupational Health and Safety
- Critical Incident/Incident Risk Management
- Data-Information Security and Privacy
- Greenhouse Gas Emissions (Air Quality)
- Waste and Hazardous Substances (Wastewater Production)
- Business Ethics and Compliance
- Sustainable Supply Chain
- Water Consumption

Medium Priority

- Product Design and Life Cycle
- Human (Labor) Rights
- Materials and Recycling
- Management of the Legal and Regulatory Environment
- Training and Development
- Diversity and Equal Opportunity

Low Priority

- Biodiversity and Ecosystems
- Relations with Local / Affected Community

The Process of Identifying Climate Change–Related Risks and Opportunities

Our 67 managers, representing all locations and departments of the Akdeniz Chemson Group, evaluated the physical and transition risks and opportunities that climate change could create on our companies and facilities through our work in 2024.

As Akdeniz Chemson, in line with our operations in different countries around the world, we aimed to report our climate change mitigation and adaptation performance in the short and medium term in accordance with regulations. In this context, we took into account E1-Climate Change, the first environmental topic of the European Sustainability Reporting Standards ESRS and the International Financial Reporting Standard IFRS S2 Climate Change-related Disclosures.

During our 2023 reporting activities, we included details of the comprehensive assessments we conducted in 2024 in our **2023 Sustainability Report**. A summary of these studies is provided in the table below.

Internal Stakeholder Climate Survey

- In the process of assessing climate-related risks and opportunities, we listed the acute physical and chronic physical risks, as well as transition risks, included in the TCFD Task Force on Climate-related Financial Disclosures recommendations and the Carbon Disclosure Project CDP questionnaire.
- After the 'Sustainability and Climate 5W1H' training, we invited 81 managers and specialists, 6 of whom are Executive Board members, to the online survey to identify climate risks and opportunities.
- A total of 67 managers representing all locations and departments of the Akdeniz Chemson Group evaluated the potential physical and transition risks and opportunities that climate change may pose to our companies and facilities.
- For ease of evaluation, risks likely to produce similar outcomes were consolidated. In the survey, 7 acute physical risks, 8 chronic physical risks, and 13 transition risks were assessed in detail at the regional level, considering their likelihood, magnitute, and financial impact in the short term (0–3 years) and medium to long term (3–10 years). Additionally, 12 opportunity areas were evaluated under the same framework.
- Based on the survey results analyzed by our consultant, four physical risks and six transition risks related to climate change were identified. The final list of risks was approved by our Executive Board.
- 57% of survey participants were employees from AC Türkiye, while the remaining 43% represented our other facilities (Austria, Brazil, USA, China, and Australia).
- Among the participants, 9% were members of the Executive Board, 75% were mid- and senior-level managers, and 16% were specialists.

Climate Change Workshop

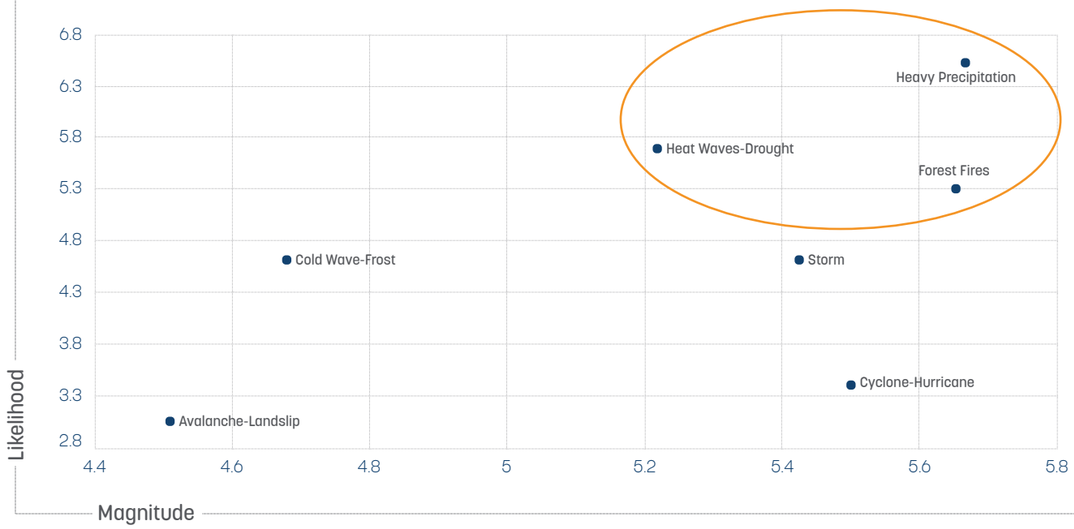
- We organized a one-day climate change workshop with five separate working groups, each dedicated to the topics prioritized based on the surveys. During the workshop, we examined the risks within the context of their financial impact on the company and developed recommendations and actions for the upcoming period to partially or completely mitigate their impact.
- In these studies, we assessed interrelated acute and chronic physical risks together. We examined the acute physical risk of 'Heavy Precipitation' alongside the chronic risk of 'Changing Precipitation Patterns.' Similarly, we evaluated the risks posed by the acute physical risk of 'Heat Waves-Drought' together with the chronic risks of 'Changing Temperature (air-water)' and 'Water Scarcity' within the same working groups.

Climate Change-Related Physical Risks

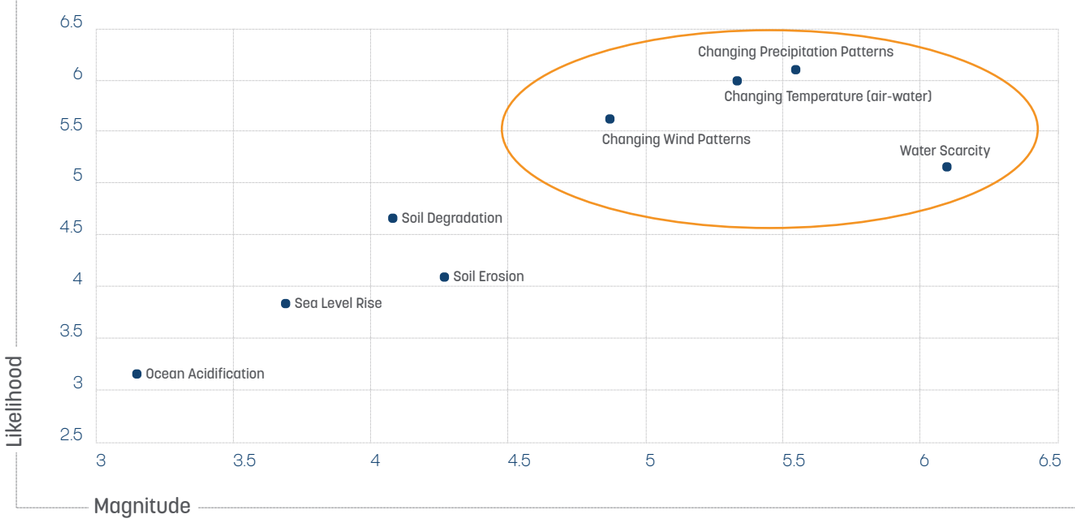
We conducted our risk and opportunity analysis studies related to climate change based on 15 physical risks, seven of which are acute and eight are chronic.

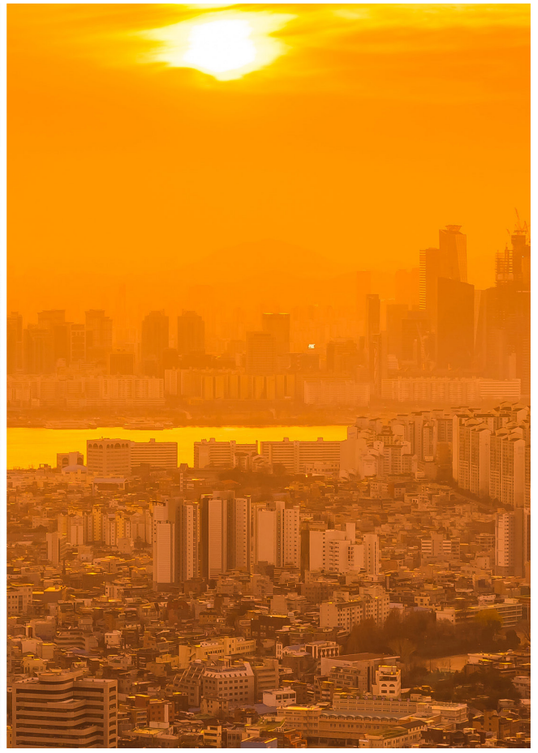
The matrices below show the results of the assessment of acute and chronic physical risks in terms of likelihood and magnitude, respectively. Since the short-medium and medium-long term assessments of both groups resulted in almost the same values, we share these results with a scheme in terms of maturities.

Acute Physical Risks (Short-Medium-Long Term)



Chronic Physical Risks (Short-Medium-Long Term)





Climate Change-Related Transition Risks

In the climate change risk analysis, for the short, medium, and long terms, 'Market 3: Increase in Raw Material/Input Costs' emerged as by far the most likely and significant risk.

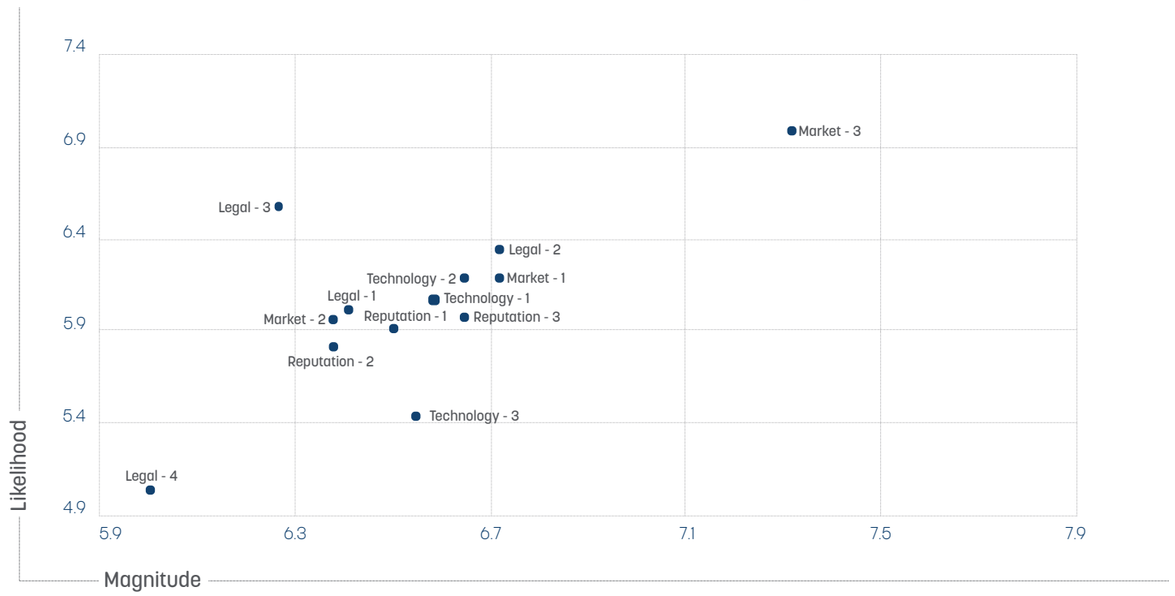
We carried out our climate change risk analysis through the 13 transition risks listed below.

The adjacent matrix presents the evaluation results of transition risks in terms of likelihood and impact for the short term (0–3 years). Considering also the estimated likelihood and impact for the medium to long term (3–10 years), no significant differences were observed between the two time horizons; therefore, the results are presented in a single chart.

In evaluations conducted for both timeframes, 'Market 3: Increase in Raw Material/Input Costs' clearly emerged as the risk with the highest likelihood and impact. This was followed respectively by "Regulatory 2: Carbon Pricing Mechanisms", "Technology 2: Transition to Lower-Emission Technology", "Market 1: Changes in Customer Preferences", and "Technology 1: Substitution of existing products and services with lower emissions options.'

According to this analysis, risks related to Regulatory 1 are expected to increase in the medium to long term.

Transition Risks (Short-Medium-Long Term)



Legal -1	Mandates on and regulation of existing products and services	Market -1	Changes in customer preferences
Legal -2	Carbon pricing mechanisms	Market -2	Uncertainties in market signals
Legal -3	Enhanced emission reporting obligations	Market -3	Increase in raw material / input costs
Legal -4	Exposure to litigation	Reputation -1	Stigmatization of sector
Technological -1	Substitution of existing products and services with lower emissions options	Reputation -2	Increased stakeholder concern or negative stakeholder feedback
Technological -2	Transition to lower emission technology	Reputation -3	Changes in consumer preferences
Technological -3	Unsuccessful investment in new technologies		

Financial Implications of Climate Change-Related Risks

38% of our managers anticipated that operational expenses would increase due to the chronic physical risk of 'Water Scarcity,' 23% expected an increase in direct costs, and 17% predicted a decrease in revenues due to reduced production.

When assessing the potential financial impacts of climate change, our executives made a selection for the highest financial impact for each risk. In the descriptions below, we include preferred issues of 15% and above.

Acute Physical Risks

For the acute physical risks of 'Heavy Precipitation', 27% of respondents predicted increased operational expenditures, 19% predicted reduced revenues due to reduced production, 19% predicted reduced life and value of assets, and 18% predicted increased capital expenditures.

For the acute physical risks 'Heat Waves and Drought', 28% of respondents predicted increased operational expenditures, 27% predicted decreased revenues due to reduced production.

For the acute physical risks of 'Forest Fires', 24% of respondents anticipated increased capital expenditures, 18% anticipated increased operational expenses, and 18% anticipated decreased life and value of assets.

Chronic Physical Risks

38% of respondents predicted that operational expenditures would increase for the chronic physical risk 'Water Scarcity', 23% predicted that direct costs would increase, and 17% predicted that revenues would decrease with reduced production.

For the chronic physical risk 'Changing Precipitation Patterns', 23% of respondents predicted that operational expenditures would increase, 23% predicted that revenues would decrease with reduced production and 20% predicted that capital expenditures would increase.

37% of respondents predicted increased operational expenditures for the chronic physical risk 'Changing Temperature (air-water)' and 17% predicted decreased revenues due to reduced production. 24% of respondents predicted increased operational expenditures for the chronic physical risk 'Change in Wind Patterns', 20% predicted increased capital expenditures, 20% predicted reduced asset life and value, and 17% predicted reduced revenues due to reduced production.

Transition Risks

Of the legal risks, 28% of respondents anticipated increased operational expenditures for 'Carbon Pricing Mechanisms', 27% for direct costs and 16% for capital expenditures.

Of the technological risks, 35% of respondents predicted that capital expenditures would increase for 'Substitution of Existing Products and Services with Lower Emission Options', 25% predicted that direct costs would increase and 17% predicted that operational expenditures would increase. 53% of participants projected an increase in capital expenditures associated with the technological risk "Transition to Lower-Emission Technology."

For the market risk 'Changes in Customer Preferences', 52% of respondents predicted a decrease in revenues due to lower demand and 16% predicted an increase in operational expenses. 47% of respondents predicted that direct costs would increase and 23% predicted that operational expenses would increase for 'Increase in Raw Material / Input Costs' among market risks. 56% of the respondents foresee a decrease in revenues due to a decrease in demand for 'Changes in Consumer Preferences' among market risks.

Taking these predictions into account, we have set our targets for the upcoming period in the Metrics and Targets section in this report.

When assessing the potential financial impacts of climate change, our executives made a selection for the highest financial impact for each risk.

Opportunities Related to Climate Change

40% of our managers predicted that operational costs for our company would decrease in the medium to long term by using more efficient production and distribution processes in the short term.

We analyzed the positive financial impacts (opportunities) that could occur in our company if certain actions are carried out in the short term (0-3 years). The issues and opportunities in the table below also apply to the medium-long term (3-10 years).

Between 15% and 40% of our executives foresee a reduction in operational costs for our company in almost all areas.

In addition, in the medium-long term (3-10 years), 38% of participants predicted that 'using recycled inputs' in production would reduce direct costs and 27% predicted that capital costs would decrease.

In the efficiency area, 23% of participants predicted that direct costs would decrease with 'using more efficient production and distribution processes', and 27% predicted that capital costs would decrease with 'using new technologies' in the energy area.

In the product service area, 40% of participants predicted that 'developing new products or services through R&D and innovation', 35% predicted that 'diversifying business activities' and 21% predicted that 'developing and/or expanding low-emission products and services' would increase demand and revenues. In the market area, 51% of participants predicted that 'accessing new markets' would increase demand and revenues.

22% of the participants predicted that the return on investments in emission technologies would be achieved through 'use of lower emission energy sources' and 16% through 'participation in renewable energy programs and adoption of energy efficiency measures.

The targets we have determined for the upcoming period, taking these predictions into account, are included in the Metrics and Targets section of our report.

Topic	Action	Reduced OPEX
Efficiency 2	Utilization of more efficient production and distribution processes	40%
Resilience 1	Participation in renewable energy programs and adoption of energy efficiency measures	32%
Energy 1	Use of lower emission energy sources	30%
Product-Service 1	Development and/or expansion of low emission products and services	29%
Resilience 2	Resource substitutions/diversification	25%
Energy 3	Use of new technologies	22%
Product-Service 3	Development of new products or services through R&D and innovation	22%
Market 1	Access to new markets	19%
Product-Service 4	Diversify business activities	16%

We analyzed the positive financial impacts that could occur in our company if certain actions are carried out in the short term.

Sustainability and Climate Change Impacts in the Value Chain

At Akdeniz Chemson, we conducted an internal assessment of sustainability-related impacts across our supply chain, which constitutes a significant portion of the value chain. Five issues stood out in terms of both likelihood and magnitude.

As part of Akdeniz Chemson's materiality survey, which included employees and managers from all facilities, we conducted an internal assessment of our supply chain (upstream), which falls within the scope of value chain sustainability (upstream and downstream), which is expected to be considered in global regulations. In addition, we reviewed the climate change risks we may face in our business model and value chain with our committee.

In assessing the likelihood and magnitude of potential negative impacts that our company's supply chain activities could have on the environment and society, we considered: 'Greenhouse Gas Emissions,' 'Air Quality,' 'Product Design and Life Cycle, Waste and Hazardous Materials,' and 'Occupational Health and Safety' emerged as common themes.

These five issues require priority consideration in terms of both likelihood and impact magnitude. Furthermore, 'Biodiversity and Ecosystems' and 'Water Management,' two issues with low probability but potentially significant impact, will be considered in the next assessment, and should be questioned and audited if necessary.

The reason why the issue of Human (Employee) Rights appears to be the most likely, yet unlikely, issue to have a significant impact is that it is among the most carefully monitored issues at Akdeniz Chemson.

Our detailed actions are listed under the heading of Sustainable Supply Chain.

Sustainability and Climate Change Impacts in Akdeniz Chemson's Business Model and Value Chain

At Akdeniz Chemson, we aim to take action primarily in the areas under our control by assessing the environmental and social impacts that occur throughout our value chain — from the procurement of raw materials to the delivery of our products to customers.

Within this scope, the supply chain represents the segment where we can exercise the greatest level of control and influence. In addition, adopting a broader perspective and examining all our operations will help protect our company from potential risks and enhance its adaptability to new opportunities.

We have prepared a five-step diagram to provide our stakeholders with general information about Akdeniz Chemson's business model and value chain. We share the potential impacts we anticipate in our business model and value chain with our stakeholders on a process-by-process basis in the table on the following page..

In this table, we aim to indicate where sustainability and climate change–related impacts occur within our business model and value chain, which of these aspects we manage directly or indirectly, and which are outside our direct control. The sustainability-related impacts have been listed based on the high-priority topics identified in our double materiality assessment.

At Akdeniz Chemson, we aim to take action primarily in the areas under our control by assessing the environmental and social impacts that occur throughout our value chain - from the procurement of raw materials to the delivery of our products to customers.

Sustainability and Climate Change Impacts in Akdeniz Chemson's Business Model and Value Chain

Inputs - Our Suppliers
(Upstream)

Renewable Resources
- Biomass
- Solar Power Plants

Fossil Resources
- Natural Gas
- Coal
- Electricity

Materials and Minerals
- Oils and Organic Additives
- Polymers and Polymeric Resins
- Fillers
- Metal and Inorganic Components

Recycled Input
- Lead

Reusable Input
- Polyethylene Wax

Outputs - Production
(Our Own Operations)

Our Processes
- R&D and Product Development (R&D)
- Production (Mixing / Reaction / Granulation / Drying / Cooling)
- Quality Control (Process and Final Product Testing)
- Packaging and Labeling

Our Products (PVC Applications)
- Stabilizers
- Lubricants
- Metal Soaps
- Co-Stabilizers
- Acrylic Process Aids
- Flame Retardants

Our Products (Non-PVC Applications)
- Flame Retardants
- Construction Chemicals
- Anti-Corrosive Pigments
- Plasticizers
- Agricultural Plant Protectors
- Hydrophobic Agents

Transportation and Distribution
(Downstream)

AC Our Own Transportation
68.75%

Customer's Own Transportation
31.25%

Third-Party Transportation
0%

Customers
(Downstream)

Products Made by Customers
- Molding and Sheets
- Pipes and Fittings
- Cables
- Sealing Materials
- Flame Retardant Additives
- Agricultural Additives
- Thermoplastic Polyurethane (TPU)
- Polyamide (PA)

Order of Use
(Downstream)
An Area Beyond Our Control

Industries Where Our Products Are Used
- Furniture
- Construction-Infrastructure
- Cement
- Automotive
- Shipping
- Textiles
- Ceramics
- Fertilizers and Agricultural Chemicals

End of Use/Product Life
(Downstream)
An Area Beyond Our Control

Sustainability

Indirect Impacts
- Greenhouse Gas Emissions
- Waste and Hazardous Materials
- Occupational Health and Safety

Direct Impacts
- Energy Consumption
- Occupational Health and Safety
- Critical Incident/Accident Risk Management
- Data Security and Privacy
- Greenhouse Gas Emissions
- Waste and Hazardous Materials
- Business Ethics and Compliance
- Water Consumption

Indirect Impacts
- Energy Consumption
- Occupational Health and Safety
- Greenhouse Gas Emissions (Air Quality)
- Business Ethics and Compliance

Indirect Impacts
- Energy Consumption
- Greenhouse Gas Emissions
- Waste and Hazardous Materials
- Business Ethics and Compliance

Indirect Impacts
- Energy Consumption
- Greenhouse Gas Emissions
- Waste and Hazardous Materials
- Product Life Cycle

Climate

- Heavy Precipitation
- Changing Temperature
- Water Scarcity
- Increase in Raw Material/Input Costs

- Heavy Precipitation
- Changing Temperature
- Water Scarcity
- Forest Fires
- Carbon Pricing Mechanisms

- Heavy Precipitation
- Carbon Pricing Mechanisms
- Changes in Customer Preferences

- Carbon Pricing Mechanisms
- Changes in Customer Preferences

- Heavy Precipitation
- Changing Temperature
- Carbon Pricing Mechanisms
- Changes in Customer Preferences

Environmental *Social* *Governance* *ESG Cross Cutting (ESG: Environmental-Social-Governance)*

05

RISK MANAGEMENT

At Akdeniz Chemson, risk management is a holistic process encompassing all company departments in terms of its scope, outputs, and actions taken. The practices for identifying, assessing, prioritizing, and monitoring risks are defined in the Corporate Risk Management Procedure.

Risk Management Process

The risks Akdeniz Chemson is and may be exposed to during its operations are identified, managed, and monitored within the scope of the "Corporate Risk Procedure." Climate and sustainability risks are also included in the risk categories.

The Board of Directors of Akdeniz Chemson is responsible for establishing and operating a risk management framework that ensures the identification of issues threatening the company's existence, growth, and continuity of operations, and the implementation of necessary measures to manage these risks. It fulfills this responsibility through the 'Akdeniz Chemson Risk Management Committee.'

The Committee evaluates the company's risk appetite and future risk strategy and makes recommendations to the Board of Directors. It also approves changes to risk management policies, frameworks, strategies, roles, and responsibilities.

Corporate Risk Management Officer (CRMO):

- Coordinates all risk management activities and reports the results to the Risk Management Committee and Senior Management on time.
- Ensures that risk management processes are implemented consistently across the company.
- Maintains continuous communication with process owners to ensure that risk management activities align with company strategies.
- Defines risk assessment criteria and ensures that practices are aligned with the company's risk appetite.
- Monitors risk responses and action plans, and tracks progress.
- Facilitates the sharing of good practices and experiences across different departments.
- Creates and maintains the consolidated risk register.
- Conducts risk modelling studies for quantifiable risks and reports the results.
- Identifies training needs related to risk awareness, coordinates the training, and evaluates their effectiveness.

Each risk is assigned a responsible person, and the relevant person is documented as a "risk owner" in the risk inventory.

At Akdeniz Chemson, all employees are responsible for managing risks in accordance with established principles or taking the necessary actions to manage them.

The risks Akdeniz Chemson is and may be exposed to during its operations are identified, managed, and monitored within the scope of the "Corporate Risk Procedure." Climate and sustainability risks are also included in these risk categories.

Risks are classified into four categories: Strategic, Operational, Financial, and Compliance Risk, and are scored from one to five based on impact, likelihood, sensitivity, and risk realization rate. After the assessment, risks are ranked according to their risk score. Risks with "Critical" and "High" risk scores require monitoring at the unit's top management and the Corporate Risk Management Committee level. Action is requested regarding these risks from the relevant parties.

It is essential that risks and their actions be updated at least annually and monitored quarterly. Risk inventories, documents, reports, and assessment notes are stored electronically.

By analyzing risk inventories, internal and external data are obtained, and critical and quantifiable risks are quantified using a modeling tool. They are then combined according to risk aggregation principles to determine the total impact on the relevant financial item.

Risk Monitoring

At Akdeniz Chemson, risks and action plans are monitored using Key Risk Indicators. Key Risk Indicators:

- Determine current risk levels,
- Reveal changes and trends in risk levels,
- Provide early warning signals,
- Enable action to be taken to prevent or mitigate major losses,
- Enable detailed risk analysis.

A risk may have more than one key risk indicator.

At Akdeniz Chemson, all enterprise risk management activities are audited by the Internal Audit function in accordance with relevant domestic and international legislation and standards, as well as the company's vision, mission, strategy, policies, procedures, principles, and objectives. In this context, senior management is assured of the effectiveness and adequacy of management controls and internal control measures, as well as the process and risk management systems. The Internal Audit Unit is responsible for the periodic and risk-based review and audit of all activities across the company, including all functions and units, including headquarters units, domestic and international facilities, offices, and subsidiaries, without any restrictions.

Internal Audit

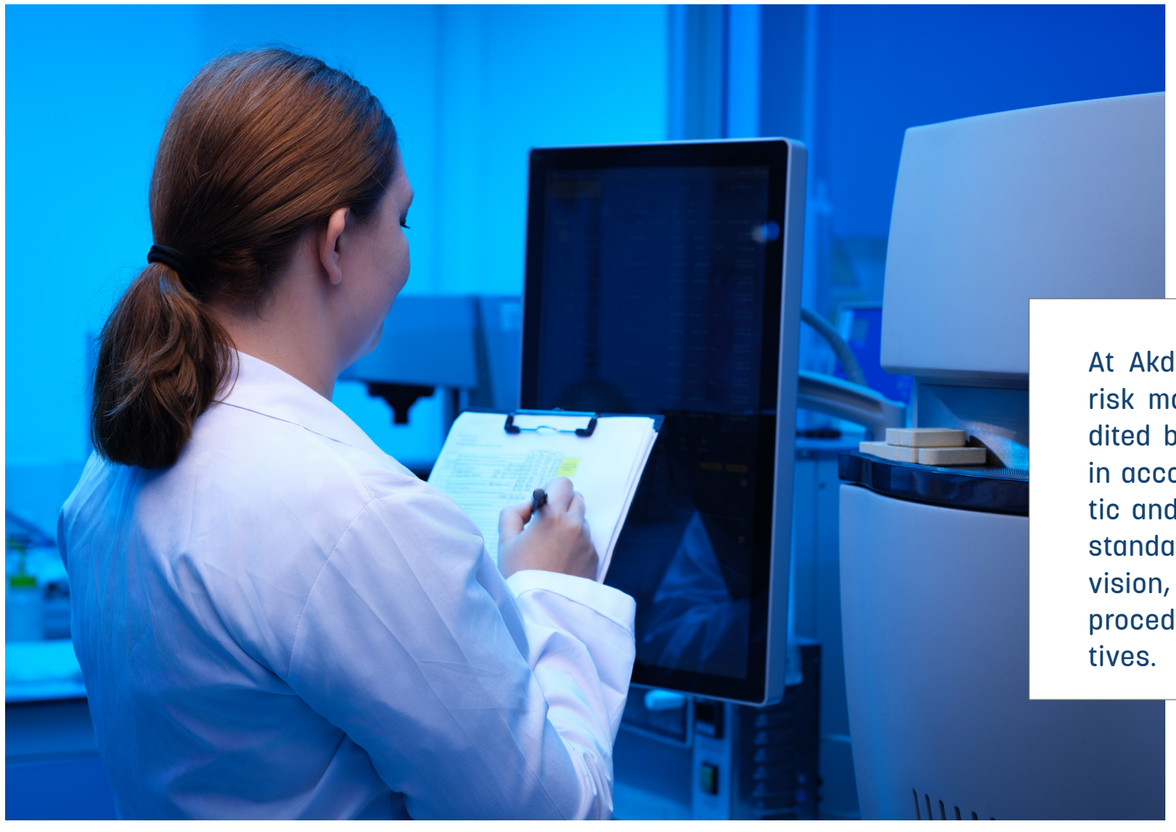
At Akdeniz Chemson, the internal audit structure operates globally under the OYAK Chemical Companies Internal Audit Directorate. The OYAK Chemical Companies Internal Audit Directorate operates under the OYAK Chemical Companies Central organization and reports to the Chairman of the Board of Directors on a company-by-company basis.

Inspection work and reports are presented at routine quarterly meetings. Audit reports are also shared with the Company's General Manager. The OYAK Chemical Companies Audit Directorate comprises a Specialist Internal Auditor and an Internal Audit Director responsible for Akdeniz Chemson's audits.

Audit activities are conducted annually, with the approval of the Chairman of the Board of Directors, within the framework of a risk-based audit plan. At Akdeniz Chemson, five or six audit topics are determined annually within the annual plan.

These audits may cover all departmental activities or address a specific process. Audits are also conducted at the request of senior management or within the scope of the audit's advisory function, in addition to scheduled audits. Investigations/reviews may be conducted based on non-conformities or reports received from the Ethics Line or shared with other sources. Additionally, ad hoc audits are conducted directly under the direction of the Chairman of the Board of Directors.

The results of all audits conducted at Akdeniz Chemson are shared with the OYAK Audit Department on a quarterly basis. Joint audit activities are also conducted with the OYAK Audit Department. The OYAK Chemical Sector Companies Internal Audit Directorate develops and monitors action plans based on the results of the audits/joint audits conducted by the OYAK Audit Department at Akdeniz Chemson.



At Akdeniz Chemson, all enterprise risk management activities are audited by the Internal Audit function in accordance with relevant domestic and international legislation and standards, as well as the company's vision, mission, strategy, policies, procedures, principles, and objectives.

Management of Sustainability Risks

We present our sustainability priorities, which we have determined by prioritizing them using the double materiality methodology, to the public by associating them with the risks identified within the scope of corporate risk assessment studies.

Our sustainability priorities, which we prioritize with the double materiality methodology, and the risks identified in the enterprise risk assessment studies are presented together in the table below.

'Human (Labor) Rights and 'Diversity and Equal Opportunity' issues, which is important in terms of their impact on our employees within the framework of sustainability, are managed by Human Resources department. In addition to these, the 'Sustainable Supply Chain' issue, which stands out only in our prioritization study, is managed jointly by our Procurement and Supply Chain units.

Within the scope of the enterprise risk assessment, the following risks related to 'Business Ethics and Compliance Management' represent global risks, while the others are identified for our operations in Türkiye, which is our headquarters.

Responsible Units	Enterprise Risk Assessment (Impact, likelihood, sensitivity and risk velocity)	Sustainability Prioritization (Likelihood and magnitude of impact on society and environment & Likelihood and magnitude of creating financial risk for the company)
Unit Name	Risk Name	Risk Name
HSE	Occupational Health and Safety of Employees	Occupational Health and Safety
	3rd Party Occupational Health and Safety	
	Tracking on Occupational Safety Inventory	
	Tracking on Monitoring Occupational Health and Safety	
	Legal Obligation on Occupational Health and Safety	
	Cafeteria-Related Food Poisoning	
	Accidents During Travel	
	Facility Security	
	Occupational Diseases	
HSE	Crisis Management	Critical Incident/Accident Risk Management
Human Resources	Training / Development Process Planning	Training and Development
Maintenance and Overhaul	Energy / Natural Gas / Water Outages	Energy Consumption Water Consumption
Product Development	Recovery Prescriptions	Materials and Recycling Product Design and Life Cycle
Production Directorate 1-2 HSE	Waste Management	Wastewater Production Waste and Hazardous Materials
HSE	Environmental Management	Greenhouse Gas Emissions (Air Quality)
Information Technology	System Room Security Information Security	Data-Information Security and Privacy
Internal Audit and Compliancea	Governance Compliance Monitoring	Business Ethics and Compliance Managing the Legal and Regulatory Environment
Global Law	Legislation Compliance	
HSE	Permit / License / License Tracking	
Human Resources Internal Audit and Compliance	Unethical Behaviors Ethics Committee	
HSE	Sustainability Standards Compliance	

Our performance explanations for the common issues in the last column of this table are included under the relevant headings of the report.

Management of Climate Change-Related Risks

At Akdeniz Chemson, we categorize climate change-related risks into two groups: acute and chronic physical risks and transition risks.

Physical Risks Management

Common physical risks identified and addressed in surveys and workshops to determine climate-related risks that stand out in corporate risk assessments are listed below in a one-to-one format. Responsibilities related to these risks have been distributed to relevant departments and control plans have been prepared. Our teams worked together in the workshops to develop many new action proposals for the identified risks. After being approved by the senior management, the projects will be included in the action plan, and we will include the progress of the projects in our next report.

Responsible Units	Enterprise Risk Assessment (Impact, likelihood, sensitivity and risk velocity)	Climate Change Risks (Likelihood and magnitude of impact on society and environment & Likelihood and magnitude of creating financial risk for the company)
Unit Name	Risk Name	Risk Name
Production Directorate 1-2 HSE	Natural Disasters	Heavy precipitation and changing precipitation patterns
Production Directorate 1-2	Energy / Water Outages	Heat Waves - Droughts and Water Scarcity
Production Directorate 1-2 HSE	Fire	Forest Fires

The tables on the following pages provide the possible outcomes, opportunities, and actions we are taking regarding the physical risks related to climate change that are likely to occur in the medium to long term at Akdeniz Chemson Türkiye facilities, and the transition risks that are likely to occur in the short, medium, and long term.

Climate Change Related Risk	Possible Outcomes	Possible Opportunities	Current Actions
Heat Waves - Drought and Water Scarcity **Term:** Medium-Long	• Employee health risks • Cooling problems • Capacity reduction • Production loss • Storage problems • Fire risk • Reputation loss	Increasing demand for our flame-retardant products Increasing reputation through communication of work	• Water recovery works • Steam coolers and insulation work • Conditioned environments for chemicals
Heavy precipitation and change in rainfall patterns **Term:** Medium-Long	• Risk of financial penalties • Transportation of employees • Work accident • Problem with material supply and loss of production • Storage and logistics problems • Damage to equipment • Electricity outage/shock • Lightning • Loss of reputation	Flood water can be stored and used in production.	• Channel and infrastructure systems • Periodic maintenance and cleaning of rain gutters • Shuttle service and remote working for employees • A week's supply of raw materials • 7 generators • Lightning rods • Additional storage • Storing of equipment in closed areas

Management of Transition Risks

The transition risks examined in detail in the climate-related risk and opportunity surveys and workshops apply to all operations of the company. Our teams worked together in the workshops and developed many action proposals for the identified risks. A significant portion of these recommendations have been approved by Senior Management, and we have prepared our Decarbonization Roadmap accordingly.

Climate Change Related Risk	Possible Outcomes	Current Actions
Risk of failure to transition to lower emissions technology **Term:** Medium-Long	• Increased costs due to carbon tax • Loss of competition and customers • Decreased sales and increased production costs	• Biomass usage trials • ISO 50001 Energy Management System • SPP investment study • Digitalization studies on energy consumption • Energy efficiency study • Production efficiency increase projects • Waste reduction and recycling projects
Failure to comply with carbon pricing mechanisms **Term:** Medium-Long	• Increased costs • Exposure to government sanctions • Loss of prestige/reputation • Negative impact on marketing activities • Changes in customer preferences • Decrease in EBITDA • Requirement to use renewable energy	• Awareness raising activities such as workshops and consultancy • SPP investment study • Lower emission product/production studies
Adaptation risk to changes in customer preferences **Term:** Short	• Trade loss • Falling behind the competition • Decline in market value • Moving away from the company vision	• Bio-based product portfolio • Identification of recycled input • Lower emission product/production studies
Failure to replace products and services with lower emission options **Term:** Short	• Customer loss • Trade loss • High tax • Reduction in the number of employees • High-cost production • Sleeping supplier risk • Moving away from the company vision and loss of brand prestige • Loss of reputation	• Lower emission product/production studies • Roadmap/targets/awareness activities • SPP investment • Benchmark study • Biomass utilization • Corporate Carbon Footprint calculation (CFP) and life cycle assessment (LCA) study • Low emission production investment
Risk of increase in raw material/input prices **Term:** Medium-Long	• Supply issues • Cost increase • Extra costs arising from REACH and other notifications • Additional costs due to transportation • Decline in employment rate • Loss of competitiveness • Capacity reduction or closure of facilities	• Legislation and regulation follow-up / organizing HR and organization accordingly • Alternative raw material/supplier project • Alternative transportation studies • Bio-based and recyclable product portfolio
Risk of noncompliance with requirements and regulations on existing products or processes **Term:** Medium-Long	• Cost increase • Loss of markets and customers • Downsizing/closing of the company • Halt of production • Raw material cost increase	• Structuring HR and the organization accordingly • Obtaining consultancy/training • Investing in production systems • Acting in harmony with stakeholders and suppliers

06

METRICS AND TARGETS

While determining our metrics for reducing our risks related to sustainability and climate change and increasing our capacity to take advantage of opportunities at Akdeniz Chemson, we took into account the criteria of four different international standards that directly concern our sector, as well as our sector benchmarking studies.

Measurement and Monitoring

At Akdeniz Chemson, we collected data regarding our sustainability performance and climate change mitigation criteria, taking into account all our facilities.

While determining our metrics for sustainability performance and combating climate change at Akdeniz Chemson, we took into account the GRI Universal Standards, the indicators in the European Sustainability Reporting Standards (ESRS) and the Sustainability Accounting Standards Board (SASB) chemical sector guide, and the indicators in the chemical sector section of the Transition Plan Taskforce (TPT) Sector Summary guide while preparing our climate transition plan.

We have tried to collect data and information for all indicators related to the issues we have identified as priorities from all of our facilities. We have set our targets in this report using data that is at least two years old and whose sources we are sure of, rather than data that we have collected for the first time.

Material Topics	GRI	ESRS	SASB	KPIs Reported by Akdeniz Chemson
Environmental				
Energy Consumption	Energy	E1- Climate Change	Energy Management	• Total energy consumption from fossil resources (GJ) • Total energy consumption from renewable sources (GJ) • Energy intensity (GJ/USD)
Greenhouse Gas Emissions	Emissions	E1- Climate Change	Greenhouse Gas Emissions	• Scope 1 emission (t CO_2e) • Scope 2 emissions (t CO_2e) • Scope 3 emission (t CO_2e) • Emission intensity (t CO_2e/USD)
Water Consumption	Water and Waste	E3- Water and Marine Resources	Water Management	• Total water withdrawal (m^3) • Total water discharge (m^3) • Total water consumption (m^3)
Waste and Hazardous Materials	Waste	E5- Resource Utilization and Circular Economy	Hazardous Waste Management	• Total amount of hazardous waste (tons) • Total amount of non-hazardous waste (tons) • Waste recovery rate (%)
Materials and Recycling	Materials	E5- Resource Utilization and Circular Economy	Hazardous Waste Management	• Amount of bio-based materials used (tons)

We have set our targets in this report using data that is at least two years old and whose sources we are sure of, rather than data that we have collected for the first time.

Material Topics	GRI	ESRS	SASB	KPIs Reported by Akdeniz Chemson
Social				
Occupational Health and Safety	Occupational Health and Safety	S1 Workforce - Working Conditions	Workforce Health and Safety	• Total recordable incident rate (TRIR) • Fatality rate for direct workers • Fatality rate for contracted employees
Critical Incident/Accident Risk Management	Occupational Health and Safety	S1 Workforce - Working Conditions	Operational Security, Emergency Preparedness and Response	• Number of evacuation drill (AC specific metric)
Human (Labor) Rights	Employment Non-Discrimination Freedom of Association and Collective Bargaining	S1 Workforce - Working Conditions	Workforce Health and Safety	• Number of employees covered by collective labor agreements • Number of cases of human rights violations
Training and Development and Diversity and Equal Opportunity	Training and Education Diversity and Equal Opportunity	S1 Workforce - Equal Treatment	Not Available	• Average training hours per employee • Ratio of female employees • Gender pay gap
Material Topics	GRI	ESRS	SASB	KPIs Reported by Akdeniz Chemson
Governance				
Business Ethics and Compliance (Managing the Legal and Regulatory Environment)	General Disclosures- Compliance with Laws and Regulations	G1- Business Ethics	Management of the Legal and Regulatory Environment	• The number of notifications reviewed and concluded within the same year to total notifications
Material Topics	GRI	ESRS	SASB	KPIs Reported by Akdeniz Chemson
Intersecting ESG				
Product Design and Life Cycle	Materials	E5- Resource Use and Circular Economy	Product Design for Use Phase Efficiency	• Ratio of recyclable content in products
Data-Information Security and Privacy	Customer Privacy	S1 Workforce - Privacy S4 Consumers and End Users - Privacy	Data Security	• Number of data security incidents
Sustainable Supply Chain	Procurement Practices Supplier Environmental Assessment Supplier Social Assessment	ESRS 2- General Requirements	Not Available	• Ratio of local suppliers • Ratio of raw material suppliers audited • Number of suppliers evaluated within the scope of human (employee) rights

Other Explanations

There were no senior management remunerations reflected in the financial statements in the current period related to climate-related matters.

Our Social Targets Related to Sustainability

Focus Area	2024 Target	2024 Occured	2025 Target	2026 Target	2030 Target
Human/ Labor Rights	Analyzing the number of female and male employees	Both white-collar and blue-collar female employees were hired for production, laboratory, and logistics departments. The number of female employees was also increased in operations and shift engineer roles. Analyzes were conducted to increase the ratio of female employees in management positions, and recruitment plans were updated accordingly.	Developing equal and inclusive practices based on Employee Engagement Survey results.	Increasing the number of female employees at all levels.	Increasing our white-collar female employee rate to 40% by 2030.
	Analyzing the working conditions of female employees and supporting the management in developing strategies in this regard	Employee-friendly practices have been implemented for all our female field and office employees. To support work-life balance, healthy and affordable meals have been sold to all employees. Thanks to our women-friendly practices, the number of female employees returning from maternity leave has increased. Work has been undertaken to improve the maternity package and other coverage in Private Health Insurance.	Ensuring the continuity of employee and women-friendly practices. Conducting Employee Engagement Survey at all AC locations.		
Human/ Development	Conducting research to provide ESG, Ethics and Human Rights training on digital platforms	ESG, Ethics, and Human Rights training were delivered digitally in the native languages of all our locations. Our interns are also receiving this training.	Completing the digital infrastructure purchasing process to provide employees with ESG, Ethical Business, Anti-Corruption and Human Rights training, preparing the training content equally for all countries and uploading it to digital platforms in all languages. Making training accessible to everyone on digital platforms.	To carry out studies on ESG, Ethics and Human Rights training to ensure that 100% of employees receive them.	Provide ESG, Ethical Business, Anti-Corruption and Human Rights training to 100% of employees.
Human/ Diversity and Equal Opportunity	To analyze the salaries and grades of male and female employees	Analysis studies were conducted for all levels and salaries.	Developing a strategy to equalize salaries between men and women in management positions. Determining actions to increase the rate of women working in management to 40%. Regularly monitoring women's promotion rates and ensuring reporting to management.	Implementing and following up on actions to increase the rate of women working in management positions to 40%.	To ensure that the ratio of women working in management positions reaches 40%.
	Reporting the female employee turnover rate to senior management and developing strategies to reduce it	Employee turnover analyses have been conducted. Women-friendly practices are being expanded to reduce turnover.	Monitoring the work attendance of employees returning from maternity leave in AC Türkiye. To ensure regular monitoring of female employee turnover rate and reporting it to management. Integrating women-friendly practices into Employee Engagement Survey action plans (All AC locations).	Developing women-friendly practices. Taking action to support women's place in the workforce by improving working conditions and environments.	AC Türkiye aims to increase retention among employees returning from maternity leave to 75%. Equalize the female voluntary turnover rate with the male voluntary turnover rate.
Human-OHS	Disseminate the process safety approach	Hazard and Operability (HAZOP) analyses are conducted on a per-site basis. During field applications, HAZOP risk assessment steps are applied, particularly in work stemming from change management processes, to reduce process safety risks to acceptable levels. This ensures that the potential impact of changes on process safety is assessed promptly and appropriately.	To spread the good practices of all Akdeniz Chemson facilities to other facilities.	Continue to implement all good practices in all facilities and gradually reduce Accident Frequency and Accident Severity Rates.	Reduce total Accident Frequency Rate and Accident Severity Rate for employees and contractors by 33% compared to 2021.
	Expanding disaster response training Establishing business rules for interns and adding them to the employee handbook	Emergency teams at Akdeniz Chemson's Türkiye location receive ongoing training and drills. A team has been formed to perform rescue duties in the event of natural disasters such as earthquakes and floods, and the team has received training from the Disaster and Emergency Management Presidency (AFAD). These earthquake drills have enhanced the team's rescue capabilities, and deficiencies have been identified and addressed. A study to establish operating rules for interns has not yet been initiated. This study is expected to be completed in 2025.	Organizing OHS Culture and awareness events on OHS Day Designing an Accident-Free Facility Award Program	Achieve the target of at least 1,000 days without accidents resulting in lost time at least one location.	Achieving the zero-accident target for each year.

Resilience and Our Decarbonization Roadmap

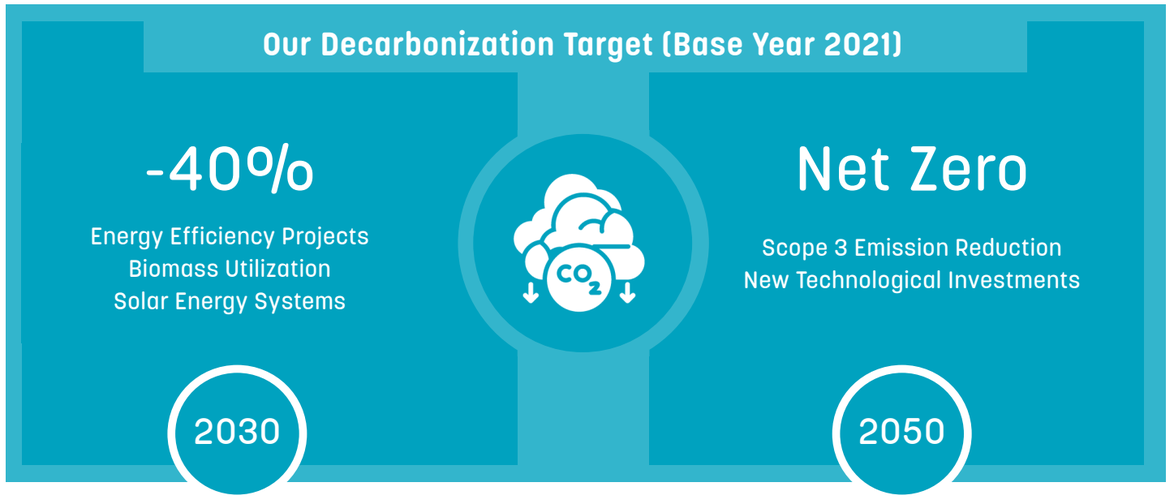
At Akdeniz Chemson in 2024, in light of all our evaluations, we set our targets to reduce emissions through efficiency projects, investments in solar energy, and the increasing use of biomass instead of coal. We have established our transition plan, which includes these targets quantitatively, as our "Decarbonization Roadmap".

Resilience to Climate Change Risks

At Akdeniz Chemson, we plan our priority actions by following the climate targets in the countries where we operate, macroeconomic trends, national or regional variables such as weather events and availability of natural resources, and technological developments. In addition, although we did not conduct an internationally recognized scenario analysis on climate change resilience this year, we conducted a detailed risk and opportunity analysis for our impacts under current conditions and for the 0-3 year and 3–10-year periods. We made a detailed assessment of which actions would reduce which risks and increase which opportunities. In these evaluations, we considered all facilities and locations of our company.

Our "Decarbonization Roadmap," which we detailed and implemented with sub-targets starting in the second half of 2024, was a new and important step for our company. In light of all our assessments, we developed our decarbonization transition plan. In this short-term plan, we identified our goals for reducing our emissions through efficiency projects, solar energy investments, and increasing the use of biomass instead of coal, which we will initiate in the short term and will see returns in both the short and medium-long term.

In 2024, we completed five energy efficiency projects Akdeniz Chemson Türkiye facility. We implemented one efficiency project each at our facilities in the United States and Australia. At our Brazilian facility, we added two new electric forklifts to our equipment. The reason for concentrating emission reduction projects in Türkiye is that the highest production capacity is located in Türkiye, and a significant portion of the resulting Scope 1 and Scope 2 emissions originate from our Turkish operations.



National Contribution Declarations of the Countries in Which We Operate

Türkiye aims to reduce its greenhouse gas emissions **by 41%** by 2030, compared to the baseline scenario outlined in 2012.

Austria aims to reduce its net greenhouse gas emissions **by 48% below 2005** levels by 2030.

Brazil aims to increase its net greenhouse gas emissions target to a **48.4% reduction from 2005 levels** in **2025 and a further 53.1% reduction by 2030.**

The United States aims to reduce its net greenhouse gas emissions **by 50-52% below** 2005 levels by 2030.

China aims to peak carbon dioxide emissions before 2030 and then **reduce by 65%** 2005 levels.

Australia aims to increase its 2025 net greenhouse gas emissions target from a **26-28% reduction from 2005 levels to a 43% reduction.**

Akdeniz Chemson Decarbonisation Roadmap

At Akdeniz Chemson, we communicate our climate transition plan to both internal and external stakeholders through our "Decarbonisation Roadmap".

According to the roadmap, by 2030 we aim to reduce our Scope 1 and Scope 2 emissions by:

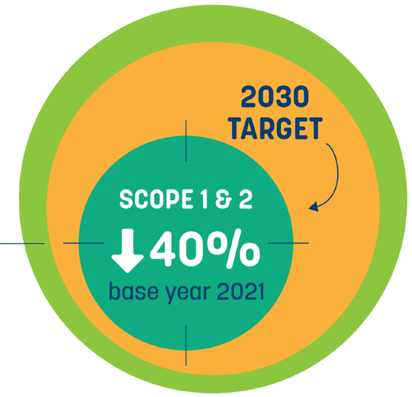
- Meeting 50% of our steam demand through the use of biomass,
- Supplying 60% of our electricity consumption from renewable sources thanks to the solar power plant (SPP) investment to be completed in 2026, and increasing this share to 100% by 2030 through an additional 13 MW SPP investment,
- Achieving a 10% reduction in our carbon footprint through the implementation of identified energy efficiency projects.

If these targets are fully achieved, by 2030 we will have reduced our Scope 1 and Scope 2 emissions by 40% compared to 2021 levels.

Akdeniz Chemson
Beyond Additives

AKDENİZ CHEMSON DECARBONIZATION ROADMAP

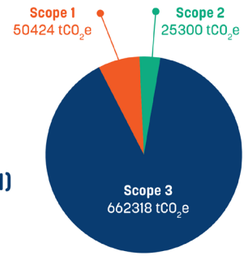
Scope 1 + 2 (Base Year 2021) — 75724 tCO_2e



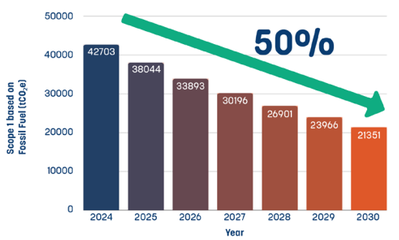
	2021	2024	2025	2026-2029	2030	2050
RENEWABLE ENERGY (ELECTRICITY)	Carbon Emissions - Snapshot Assessment Creating Roadmap + Targets	Project Execution	60%	100%	→	→
BIOMASS	Carbon Emissions - Snapshot Assessment Creating Roadmap + Targets	15% ***transitioning to biomass	↗	50%	→	→
ENERGY EFFICIENCY	Carbon Emissions - Snapshot Assessment Creating Roadmap + Targets	Making a carbon & water footprint calculation infrastructure compatible with ERP software	Implementing energy efficiency projects	10% Benefiting from energy efficiency projects in Scope 1 & 2 emissions	→	→
SUSTAINABLE SOURCING (SCOPE 3)	Carbon Emissions - Snapshot Assessment Creating Roadmap + Targets Project Execution	Conducting scoping studies	Scope 3 target setting Establishing a management system Initiating reductions and reporting	Completing efforts to reduce Scope 3 emissions in line with the set target	→	→

CO_2 → NET ZERO

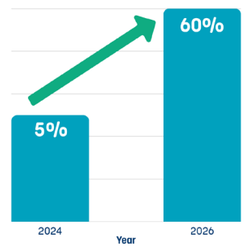
CARBON EMISSIONS SNAPSHOT (BASE YEAR 2021)



*****THE IMPACT OF TRANSITIONING TO BIOMASS ON SCOPE 1 EMISSIONS (BASE YEAR 2021)**



THE IMPACT OF SOLAR POWER PLANT (SPP) INVESTMENT ON SCOPE 2 EMISSIONS (BASE YEAR 2021)



Our Roadmap Targets (Short, Medium, and Long Term)

Focus Area	2024 Target	2024 Occured	2025 Target	2026-2029 Target	2030 Target
Source-Energy Efficiency	Identify energy-intensive enterprises as an output of regular energy audits.	We have implemented various energy-saving projects in our auxiliary facilities. We have seen the results of these projects in terms of both energy consumption and financial savings.	Establish a digital infrastructure compatible with EBS to calculate the carbon and water footprint of products.	Replacing energy-intensive equipment with more efficient equipment.	Reduce Scope 1 and 2 greenhouse gas emission intensity by 40% compared to 2021 levels.
	Begin infrastructure work for energy traceability.	We have implemented our Energy Monitoring System (EMAR). Electricity, water, and natural gas meters can now be digitally compared and reported on a monthly basis.	Setting the Scope 3 emissions target for 2030.	Establish a management system for Scope 3 emissions, begin reporting in subsequent years, and initiate Scope 3 emission reduction efforts.	Complete Scope 3 emission reduction efforts in line with the established target.
			Complete the digital infrastructure preparation and procurement process for LCA calculations.	Establish a system for the regular monitoring and traceability of the carbon footprint calculations of industrial formulations.	Ensure that industrial formulations meet the targeted carbon footprint levels using the established system and take corrective actions when necessary.
Source-Clean Energy	Begin biomass combustion trials, analyze the results, and transition to 10% biomass usage by the end of the year.	By the end of 2024, we became ready for 10% biomass combustion. We have obtained legal approval for the project to be implemented.	Increase biomass usage to 15% by the end of the year.	Gradually increase the use of biomass.	Obtaining 50% of steam requirements from biomass.
	Planning renewable energy investments.	The approval processes for renewable energy investments are ongoing.	Conducting assessments and planning for new SPP investments.	Commissioning a 19.5 MW solar power plant investment and increasing the share of renewable electricity usage from 5% to 60% in the following year	Meet 100% of our electricity needs from renewable energy sources.
Source-Water	Conduct water withdrawal and discharge measurements both at the facility level and at the product level, compile and analyze water inventory.	We have conducted preliminary studies for the implementation of the Electrodeionized Water Production System (EDI) Project, which will be launched in 2025.	Develop projects to reduce the water footprint.	Gradually reduce household water consumption each year.	Reduce residential water consumption by 15% based on 2024 figures.
	Investigate water leaks and plan the necessary measures. Research alternative fire suppression systems instead of water-based fire suppression systems.	We have made improvements to our fire suppression systems to enable early intervention in the event of a fire.	Calculate the water footprint per unit of production in all facilities. Reduce water consumption per ton by 3%.	Gradually reduce water consumption from production each year.	Reduce water consumption from production by 15% by 2024.
Source-Material	Begin supplying liquid raw materials in returnable packaging.	We have initiated these processes for certain raw materials. We have identified bottlenecks to increase this procurement. Improvement efforts are ongoing.	When designing new products based on 2024, increase the use of bio-based and recycled raw materials by 25%.	Gradually increase the use of bio-based and recycled raw materials in new product designs each year.	Increase the use of bio-based and recycled raw materials by 35% when designing new products based on 2024 as a reference year.
			Increase the ratio of bio-based and recycled raw materials used in production by 10% by 2024.	Gradually increase the amount of bio-based and recycled raw materials used in production each year.	Increase the ratio of bio-based and recycled raw materials used in production by 15% by 2024.

Focus Area	2024 Target	2024 Occured	2025 Target	2026-2029 Target	2030 Target
Product-Portfolio	Starting sustainable product portfolio development efforts. Determining the amounts of bio-based and recycled raw materials.	We have started new product projects in R&D for sustainable product portfolio initiatives. We have conducted studies to determine the amount of bio-based and recycled raw materials in our current raw material portfolio. We will plan initiatives to increase this proportion.	Identifying stabilizer formulations suitable for recycled PVC and creating a product portfolio. In the next phase, developing blends compatible with these formulations.	One new commercialized halogen-free flame retardant. Developing one new bio-based additive each in this and the following year.	Achieving a 5% revenue contribution from our sustainable product portfolio.
Product-Waste	Determining the amount of waste and developing projects to reduce it. Reducing ash waste generated during steam production.	We have planned waste reduction projects to be implemented in 2025. We have identified the target projects and their project leaders. We conducted preliminary studies to reduce ash waste in proportion to trials for switching to biomass combustion.	Reduce total waste production by 5% based on 2024 figures.	Gradually reduce total waste production each year.	Reducing total waste generation by 15% based on the 2024 reference year.
Product-Packaging	Using packaging made from recycled PP for plastic bags and big-bag applications. Identifying and increasing the recycled content in product packaging.	The study to determine the amount of recycled content in product packaging has not yet been completed. We will continue these efforts throughout 2025.	Ensuring that 10% of the plastic bags and big-bag packaging used are recyclable, reusable, or compostable.	Gradually increasing the proportion of packaging with recyclable, reusable, or compostable content each year.	Ensuring that 25% of the plastic bags and big-bag packaging used are recyclable, reusable, or compostable, based on the 2024 reference year.
Stakeholder-General	Initiate efforts to obtain the ISO 27001 standard globally.	In 2024, we completed the transition to the ISO 27001:2022 standard at our Turkey location. Efforts are ongoing for the transition at our Austria location.	Prioritizing locations and establishing the infrastructure for the ISO 27001 standard.	Obtaining ISO 27001 certification at all locations.	Implementing the current ISO 27001 standard at all locations.
Stakeholder-Supplier	Update the supplier audit procedure by adding comprehensive criteria related to social and environmental risks.	The work regarding the supplier audit procedure will be completed by the end of 2025.	To communicate the changes and requirements we made in the supplier audit procedure to our suppliers.	Implement a Sustainability Due Diligence program for new key suppliers in addition to the existing supplier acceptance process.	Ensure that 80% of suppliers affecting 60% of raw material consumption tonnage by 2025 are aligned with the company's sustainability requirements.
	Increase the number of face-to-face audited goods/services suppliers and logistics suppliers.	We have completed the audits of 20 suppliers in Turkey and 12 suppliers abroad.	To conduct audits of at least 20 suppliers during the year, with 10 of them being international.	To gradually increase the number of audited suppliers.	Ensure that suppliers affecting 60% of raw material consumption tonnage are audited, using 2025 as a reference year.

07

OUR ACTIONS ON OUR ENVIRONMENTAL GOALS

At Akdeniz Chemson, we shape our company's environmental sustainability approach with an awareness of social responsibility and corporate efficiency, and we support our employees, suppliers, and subcontractors in embracing environmental awareness.

We constantly review our processes and focus on new technologies to maximize energy and water efficiency while also reducing emissions and waste production.

Akdeniz Chemson

Energy Management

In 2024, we saved one million kWh of electrical energy thanks to various efficiency projects and revisions we carried out at our Türkiye facility.

At Akdeniz Chemson, we integrate energy efficiency and technological changes into our processes at all our locations with a sustainable production approach. Energy Management is top of our environmental sustainability issues. We increase our energy efficiency by adopting innovative solutions such as smart automation systems, energy monitoring and control technologies. Efficient energy use reduces our carbon footprint.

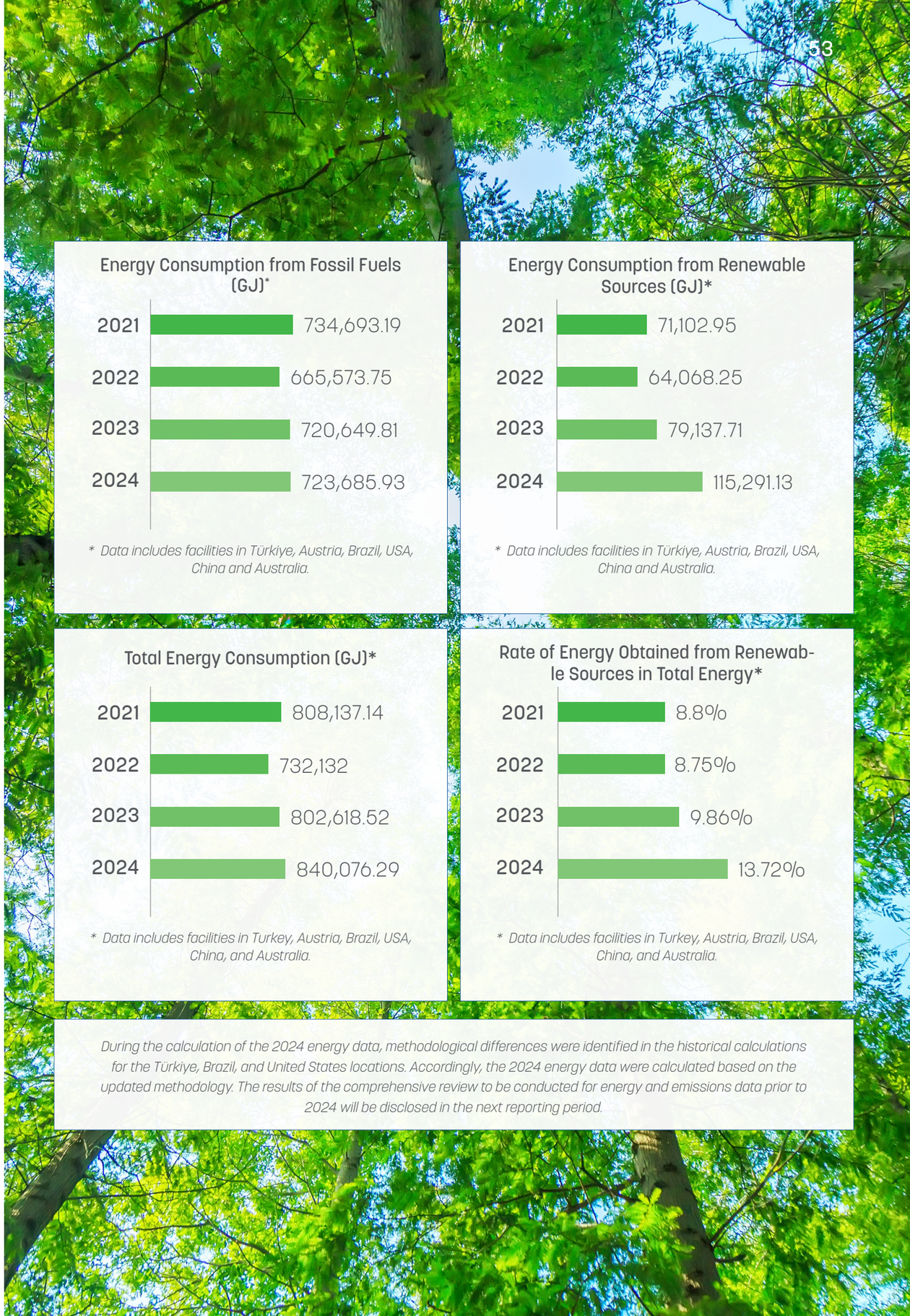
Our energy monitoring system allows us to monitor all Akdeniz Chemson locations from a single center, allowing us to track trends and predict malfunctions.

At Akdeniz Chemson Türkiye, we conduct our energy and emission management activities within the scope of our **ISO 50001:2018 Energy Management System** and our **Energy Policy**. We also hold ISO 14001:2015 Environmental Management System certification at our facilities in Türkiye, Austria, Brazil, China, and Australia. Between 2020 and 2023, we conducted our greenhouse gas verification activities within the scope of the ISO 14064 Standard. Although we are not currently covered by the Turkish Sustainability Reporting Standards (TSRS), which entered into force at the end of 2023, due to the requirement for calculations and verifications for the GHG Protocol Corporate Standard under TSRS 2, we calculated and verified our 2023 and 2024 emissions data within the scope of the GHG protocol.

You can access our energy-related goals in Our Roadmap Targets section of our report.

2024 Energy Saving Projects

Thanks to various efficiency projects and revisions carried out by our Maintenance and Revision Directorate at our Türkiye plant, we saved 5,589,808 kWh of energy and approximately **171 thousand dollars** in total.



The Transition to LED Lighting in Our Offices

In a project we launched in 2023 at our US facility, we replaced office lighting throughout the production area with LED bulbs to provide efficient, long-lasting lighting and reduce our environmental impact.

Results and Gains:

- Thanks to LED bulbs, which consume 80% less energy than traditional incandescent bulbs, we reduced our electricity bills and reduced greenhouse gas emissions.
- While the initial cost of LED lighting is higher than incandescent bulbs, its energy efficiency and long lifespan will yield significant long-term cost savings.
- LED lighting offers better color rendering and can be customized to different color temperatures, making it suitable for a variety of applications.
- LEDs generate less heat than incandescent bulbs, reducing the risk of fire hazards.

Our work will continue until the end of 2025.

Electric Forklift Use

At our Brazilian facility, we've added two new electric forklifts to our fleet to reduce the number of combustion-engine forklifts, reduce noise and maintenance costs, and increase supply chain operational efficiency. This has reduced our dependence on LPG, increased operator satisfaction, and provided a healthier and quieter environment for our employees.

We plan to replace all combustion-engine forklifts with electric ones, replacing two each year.

Single Shift Production

At our Australian facility, we consolidated our work schedule into the morning shift to maximize the use of electricity generated by solar panels.

Results and Gains:

- On an application basis, our electricity use and associated greenhouse gas emissions have decreased by at least 15%, which has positively impacted our costs.

We are exploring other projects for greener energy options.

Greenhouse Gas Emissions

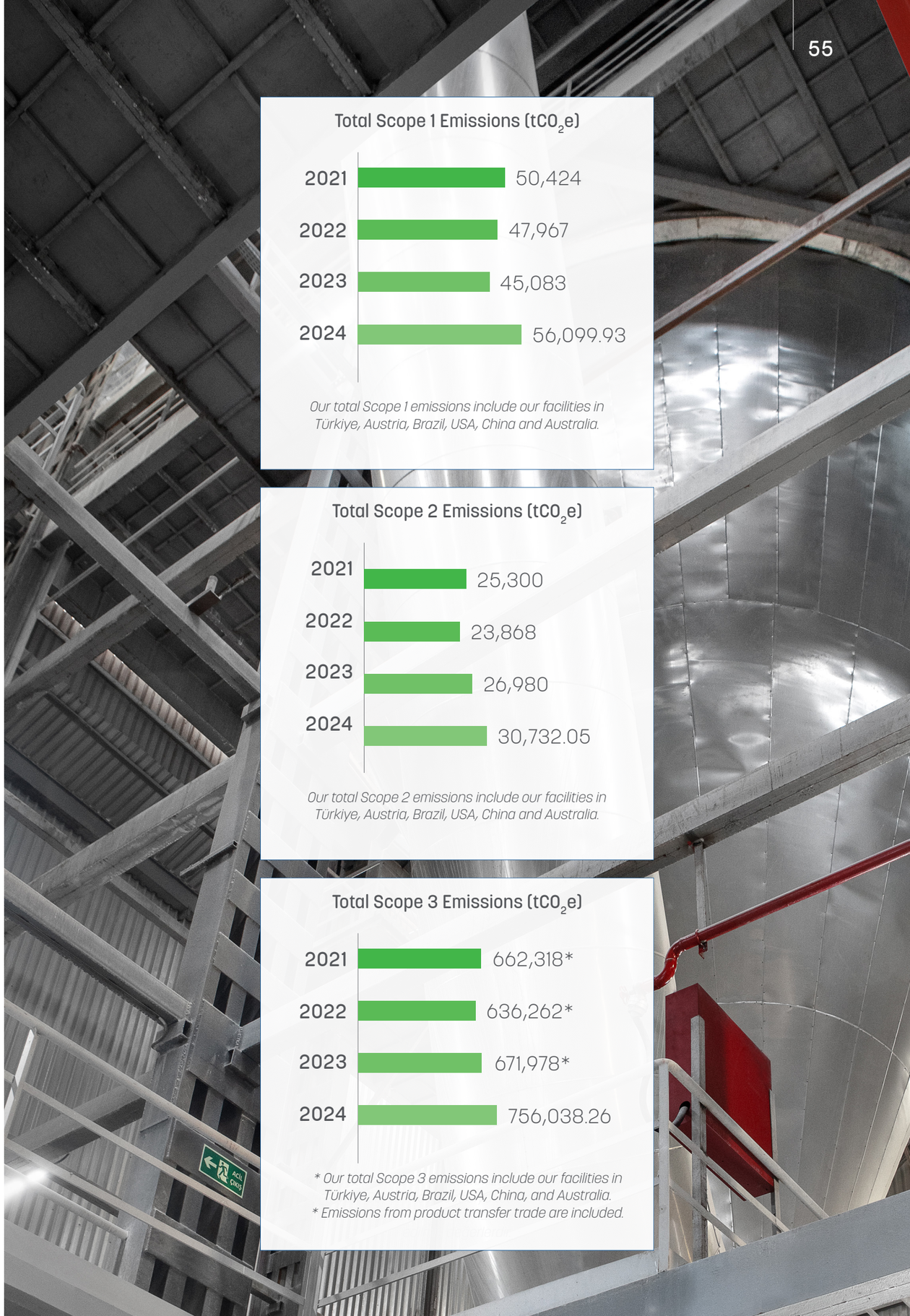
With the addition of the 19.5 MW capacity Solar Power Plant at Akdeniz Chemson, which we aim to commission by the end of 2025, we will provide 61% of our entire electrical energy needs from renewable energy, together with our existing renewable energy resources.

At Akdeniz Chemson, in addition to the energy efficiency efforts we have undertaken to reduce our carbon emissions, we have decided to invest in a Solar Power Plant (SPP) by the end of 2022 to reduce emissions from fossil fuel consumption, transition to green energy, and ensure the sustainability of our energy supply.

We aim to commission a 19.5 MW Solar Power Plant by the end of 2025, generating 28,275 MWh of electricity annually. With the addition of the SPP to our existing renewable energy sources, we plan to meet 61% of our electrical energy needs from renewable energy. With this environmentally friendly approach, we will contribute to our country's commitments by preventing approximately 13,094 tCO_2e of emissions annually, equivalent to the carbon absorbed by 467,653 trees.

Furthermore, one of our biggest emission reduction goals is to generate 50% of our steam needs from biomass within the next five years. We began biomass combustion trials in 2024 and analyzed the results. We have completed the necessary preparatory work to transition to 10% biomass use by the end of the year. We plan to increase this rate to 15% by 2025 and continue to pursue this target as a sustainability project.

You can find our emissions reduction targets in Our Roadmap Targets section of our report.



Water Management

At Akdeniz Chemson, we implement the ISO 14046:2014 Water Footprint Standard in all our facilities and assess our potential water-related environmental impacts.

We consider water consumption resulting from our activities and operations as one of the most important environmental impacts. We strive to use water, which has become a limited resource in our country due to climate change worldwide, in the most efficient way. Since we have production processes that use a lot of water, efficient and optimized use of water is among our priorities in our business models.

Although 'Water Management' ranked lower than other issues in our double materiality analysis, this issue is of particular importance for our company as our facilities located outside Austria are among the regions with high water stress in the world according to **World Resources Institute (WRI) Aqueduct Water Risk Atlas** data. At Akdeniz Chemson Türkiye, we apply ISO 14046:2014 Water Footprint Standard and assess our potential environmental impacts related to water.

Water-related climate risks at our facilities are assessed within the scope of a prepared risk and opportunity inventory. We continuously monitor the identified actions. We develop efficiency projects aimed at using spring water more efficiently and projects to reduce the water footprint of our products.

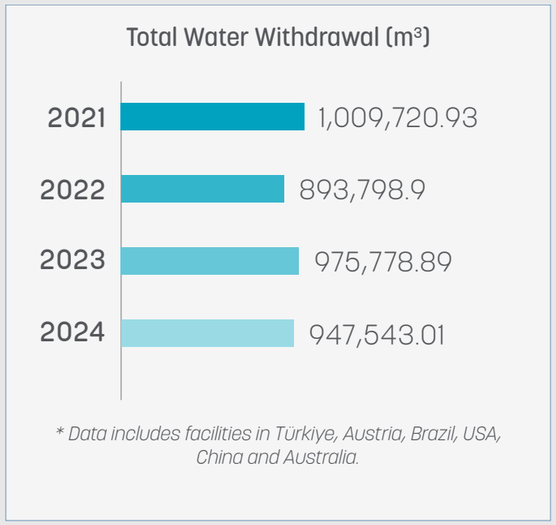
We assess and implement improvements to address water consumption, which may increase in parallel with capacity expansion.

We control water leaks and implement preventative measures. We assess the feasibility of a wastewater recycling project. We reduce process water to appropriate limits, converting it into biological and chemically reduced wastewater.

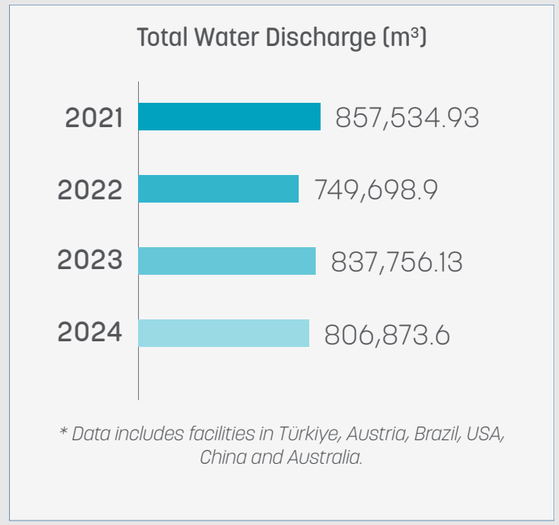
In 2024, we displayed water and energy saving labels throughout our **China facility** to reduce consumption and provided training to our employees on these topics.

Due to the increase in production in 2024, our water consumption increased by 1.92% compared to the previous year, reaching 140,669 m^3. Our total water intensity was 0.021%.

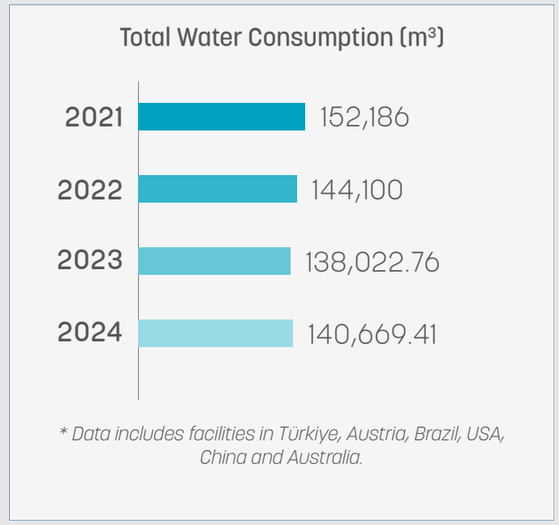
You can find our water-related targets in **Our Roadmap Targets** section of our report.



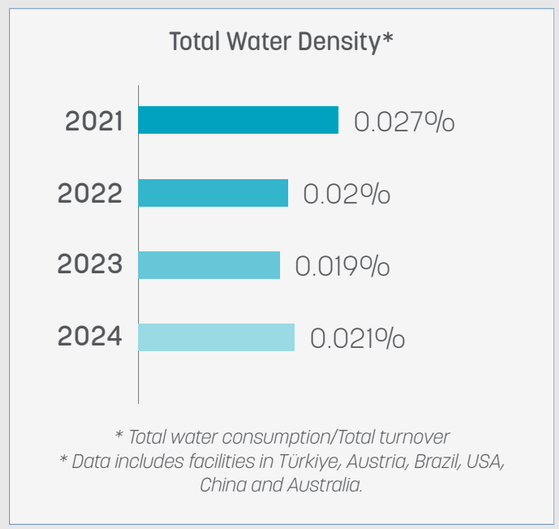
** Data includes facilities in Türkiye, Austria, Brazil, USA, China and Australia.*



** Data includes facilities in Türkiye, Austria, Brazil, USA, China and Australia.*



** Data includes facilities in Türkiye, Austria, Brazil, USA, China and Australia.*



** Total water consumption/Total turnover*
** Data includes facilities in Türkiye, Austria, Brazil, USA, China and Australia.*

Waste and Hazardous Materials

While the basis of our waste management strategy is to prevent and reduce waste generation, these steps are followed by reuse and recovery.

As Akdeniz Chemson, we carry out waste management within the framework of the ISO 14001:2015 Environmental Management System, which we apply in all our facilities except the USA. In this context, we have established a waste management strategy. Prevention and reduction of waste generation is at the top of our strategy, followed by reuse and recovery. The last step is to send the remaining waste to a licensed disposal/ recycling facility.

Total Waste by Type (tons)*

** Our total waste data includes our facilities in Türkiye, Austria, Brazil, USA, China and Australia.*

Recycled Waste

9,079.61
Amount of Recycled Waste (Tons)

%88.85
Rate of Recycled Waste

Our recycled waste data includes our facilities in Türkiye, Austria, Brazil, USA, China and Australia.

Zero Waste Project

We have established a waste management system for our facilities located in Türkiye in accordance with the Zero Waste Legislation. Our facility was audited by the Ministry of Environment, Urbanization and Climate Change and was awarded the Zero Waste Certificate.

With our Zero Waste project, we provide added value to the economy by preventing waste, using natural resources efficiently, reducing the amount of waste, sorting at source and recycling. We are working to analyze the environmental impact of our reductions, to disseminate the zero-waste approach to all locations of Akdeniz Chemson and to develop good practice examples by taking our zero waste efforts beyond the legislative requirements.

As a result of our zero-waste practices in 2024, we:

- Prevented the use of a total of 9,944 barrels of oil,
- Saved 323 tons of raw materials,
- Prevented 72,394 kilograms of greenhouse gas emissions,
- Saved 2,284 trees,
- Saved 4,232,953 kWh of electricity, and
- Prevented the use of 2,484 m^3 of landfill space.

You can find our waste-related targets in **Our Roadmap Targets** section of our report.

Temporary Waste Storage Site Renovation

At Akdeniz Chemson Türkiye, we established a new temporary waste site due to the inadequate capacity of existing temporary waste sites, the inability to store waste under appropriate conditions, and the environmental risks this poses.

In this way, we aimed to:

- Manage waste safely and systematically by classifying waste types, in compliance with environmental regulations,
- Minimize risks to the environment and human health during temporary storage,
- Make on-site waste transportation operations more organized and safer,
- Increase operational efficiency,
- Eliminate the risk of non-compliance during inspections by increasing regulatory compliance, and
- Reduce capacity pressure on existing waste sites.

Results and Gains:

Economic:

- We prevented penalties that could arise from improper storage.
- We saved labor and time through operational efficiency.
- We postponed the need for new investments by utilizing existing spaces more efficiently.

Social:

- We provided a safer and more orderly work environment for our employees.
- The awareness and sense of responsibility of personnel involved in waste management processes increased.
- Our internal corporate image was strengthened through environmentally responsible practices.

Environmental:

- We prevented environmental risks such as leaks, spills, and mix-ups.
- By separating waste by type, we increased recovery rates, thus preserving natural resources.
- Controlled storage facilitated emergency response.
- We contributed to our environmental sustainability goals.

Corporate:

- We gained an advantage in national and international certification processes through compliance with occupational health and safety and environmental standards.
- Our environmentally responsible corporate image was strengthened, and external stakeholder trust increased.
- Thanks to our systematic approach to waste management, our corporate processes were improved, and we established an exemplary practice model.

Material Recycling

At Akdeniz Chemson, our goal is to use partially or fully recycled raw materials by gradually switching to sustainable raw materials over the next five years.

At Akdeniz Chemson, we take care to use resources efficiently and contribute to the circular economy by utilizing all reuse and recycling opportunities in line with our sustainable and environmentally friendly production approach. In this context, we will gradually transition to sustainable raw materials and start using partially or fully recycled raw materials in the next 5 years.

Raw Material Purchase with Deposit

At Akdeniz Chemson Türkiye, we purchase five liquid raw materials that we supply domestically with a deposit system. We aim to return these packages to the supplier by the end of the first half of 2025 and prevent the continuous use of new packaging.

The biggest challenge we faced with this project was that many of the suppliers we purchased deposited raw materials from lacked a recycling license. This prevented them from taking back the packaging.

Use of Circular Big-Bags Among Plants

At our Akdeniz Chemson Türkiye facility, we've been using the same big bag multiple times in inter-business operations since 2010, preventing the use of new packaging. While there's no definitive recorded data, each big bag can be used an average of three times. We will continue this system, which we've been using for many years.

Palletized Raw Material Purchase

In the project carried out by the Supply Chain Directorate at our Türkiye facility, we aimed to prevent the purchase of new pallets by using the pallets coming under the raw materials within the facility. The project also provides advantages such as no re-handling, ease of stacking, and more loading into containers.

With this project, we gained the ability to stock properly, using less labor, and prevented deformations during handling. By 2024, we had generated approximately **thirty-five thousand dollars** in revenue.

Ultimately, we aim for all of the raw materials we import to arrive on pallets. In our China facility, wooden pallets arriving with raw materials are reused for daily material turnover.

08

OUR ACTIONS ON OUR SOCIAL GOALS

At Akdeniz Chemson, we place building a strong, qualified team and developing talented employees at the heart of our social impact management strategy for sustainable success. As we enhance our corporate performance, we prioritize ensuring the health and safety of our employees at all costs.

Occupational Health and Safety

At Akdeniz Chemson, we prioritize the health and safety of our employees and continuously update and improve our occupational health and safety practices in line with the best global practices, standards and relevant legislation, with the goal of zero accidents.

At Akdeniz Chemson, the focus of our occupational health and safety (OHS) practices is to achieve our zero-accident goal by keeping the health and safety of our employees at the highest level. In line with this goal, we constantly update and improve our OHS practices in line with the best global practices, standards and relevant legislation.

Akdeniz Chemson's Türkiye facility has the ISO 45001 Occupational Health and Safety Management System Certificate. We take the necessary measures within the scope of the management system to manage OHS risks and opportunities, prevent work-related injuries and illnesses, and create safe and healthy workplaces. We meticulously examine all processes throughout our operations and identify potential hazards in advance with risk analyses and assessments. In the event of an accident, we conduct an "accident root-cause analysis" and take the necessary measures. Our OHS rules are mandatory for our own facilities as well as our suppliers, who are our third-party stakeholders.

In 2022, we have prepared our Emergency Action Plans, which include plans for natural disasters such as earthquakes and extreme weather events that concern the health and safety of both our employees and the local community, as well as workplace accidents. This plan also includes actions for epidemic illness such as Covid-19 and possible food poisoning.

2024 OHG Activities

- We conducted safety walks as part of the ACDİS Behavioral Occupational Safety Studies.
- We measured the effectiveness of the "Golden Rules" training through field inspections and monitored the identified actions.
- We published weekly HSE (Health-Safety-Environment) messages to all Akdeniz Chemson locations and established HSE rules for non-compliances we identified in the field and shared them with all locations.
- We evaluated the hazardous situations, hazardous behaviors, and near-miss reports shared by employees through the ODAK application, assigned tasks to the relevant parties, and followed up on the actions.
- We conducted assessment and root cause analysis meetings for all workplace accidents and monitored the actions we identified.
- We shared the incident investigation reports we conducted regarding workplace and process accidents with all Akdeniz Chemson locations, raising awareness of similar risks.
- We ensured that search and rescue teams received repeat "Level 1 and Level 2 Search and Rescue Training" from the Disaster and Emergency Management Presidency (AFAD).
- We reinforced Akdeniz Chemson buildings according to earthquake regulations.
- We conducted renewal training for employees with first aid certificates.
- We continued to provide Private Health Insurance for our monthly salaried employees and Supplementary Private Health Insurance for our hourly paid employees in 2024.
- We continued the "OYAK My Doktor" application on the OYAK Platform.
- Through the "OYAK Health Platform" on the OYAK Platform, we continued to offer discounts on healthcare services and facilitated health examinations for employees and their relatives at contracted healthcare providers.
- The workplace physician provided telephone support to employees as needed and made referrals to healthcare institutions.
- We hired additional healthcare personnel for the workplace health unit.
- We ensured that our employees could benefit from features such as the "Doctor Consultation Line" on the mobile application covered by Private Health Insurance and the ease of delivery of health documents.
- We conducted health screenings at periods determined by business risks within the legal framework.

In 2024, we spent **1.5 million dollars** on our OHS activities.

Accident Frequency Rate (AFR)	
AC Global	3.09
Türkiye	2.58
Austria	6.99
Brazil	0
USA	0
China	0
Australia	33.36

In 2024, we experienced no work-related illnesses and/or fatal accidents at any of our facilities.

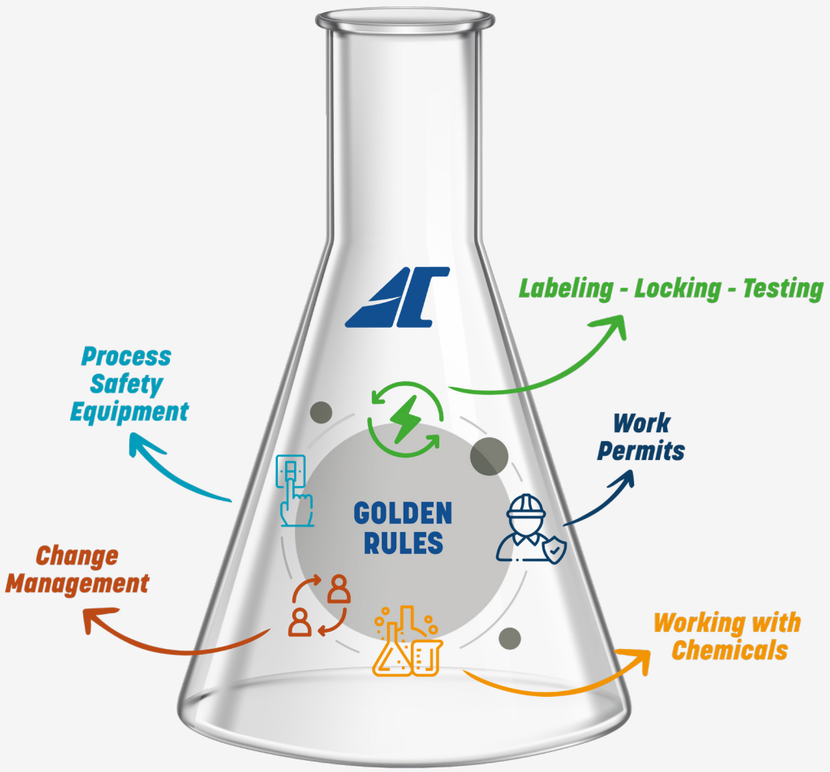
You can access detailed data on Occupational Health and **Safety in the Social Performance** Indicators section of our report.

Our Golden Rules

At Akdeniz Chemson, we have ushered in a new era in occupational health and safety with the Golden Rules. These Golden Rules are fundamental safety rules that we have established and deemed indispensable for potentially risky activities, specifically those that carry the highest risk of serious injury if violated.

We developed these rules based on past experiences and lessons learned to reduce the risk of serious injury and fatality while performing critical activities. These rules provide an additional measure of protection, encouraging employees to look out not only for themselves but also for their teammates. They strengthen our existing safety culture and reinforce our values.

The Golden Rules apply to all employees and subcontractors at Akdeniz Chemson facilities. Every person working at Akdeniz Chemson facilities has the authority and responsibility to stop any unsafe activity if these rules are violated. The Golden Rules are universal and non-negotiable.



ODAK Application

As Akdeniz Chemson Türkiye, we participated in the ODAK Project, launched to monitor OHS activities and measure performance at OYAK companies. The ODAK Application, developed through the project, enables OHS activities to be conducted in accordance with changing business conditions and accepted standards, and enables performance measurement.

Launched by OYAK in 2022, the ODAK Application enables all OYAK companies to easily manage their occupational health and safety processes, facilitate field data collection and feedback. It is directly integrated with the Ministry of Labor and Social Security's Occupational Health and Safety Information Management System portal. All employees can report any hazardous situations and behaviors they observe to the ODAK system. This comprehensive application increases participation in occupational health and safety and fosters improvement.

Within the scope of the ODAK Application:

- Accident Investigations-Root Cause Analysis
- Risk Assessment
- Subcontractor Management
- Work Permit System
- Finding-Notification Management
- Legal Obligation Tracking
- Checklists
- OHS Training Processes are managed.

Safety Culture Walks

At Akdeniz Chemson, we designed the Safety Walk Program to ensure that leaders identify existing safety risks, continuously improve conditions, engage employees within sound occupational safety approaches, raise awareness by asking questions about implemented standards, and thereby foster a safety culture.

During these walks, we provide notifications and publish messages on Health, Safety, and Environment (HSE) as part of the ODAK project we are involved in. We plan the locations and content to be visited on a monthly basis. At Akdeniz Chemson Türkiye, we conducted 1,009 safety walks in 2024, an 11% increase compared to the previous year. Our goal is to conduct 1,500 safety walks in 2025.

At Akdeniz Chemson Türkiye, we conducted 1,009 safety walks in 2024, an 11% increase compared to the previous year. Our goal is to conduct 1,500 safety walks in 2025.

Safety Culture Walks	2022	2023	2024
Number of Safety Walks	666	910	1,009
Number of Focus Statements	1,485	1,826	1,360
Number of HSE Messages	21	52	52

Behavioral Occupational Safety (ACDİS) Project

At Akdeniz Chemson, by adopting a behavior- and culture-focused occupational health and safety management approach, we aim to create a work environment where all employees support each other, foster a feedback culture, and embrace safe behaviors. As part of the project, we launched to reduce the frequency of behavior-related accidents and make occupational health and safety an integral part of teamwork, we received consulting support from 11 different experts and psychologists.

Our goals with the ACDİS project are:

- To systematically and reliably observe all production processes,
- To identify risky behaviors that could lead to accidents before they occur,
- To analyze the dynamics of the risky behaviors we identify,
- To instill safe behavior habits instead of risky behaviors,
- To make the entire process safer by incorporating these behaviors,
- To establish a culture of safe behavior and disseminate it to both permanent employees and subcontractor employees.

For ACDİS, we identified second-generation health and safety advocates from among our employees in 2024 and provided training. This increased the number of field observations. We took preventive action to address the problems we identified and improved the system.

Results and Gains:

Social: With the project, occupational health and safety has become a part of the daily work process. The number of accidents has decreased significantly compared to previous years.

Environmental: The number of environmental accidents has decreased significantly.

Corporate: The project has become a living process.

Future Plans: By training new health and safety advocates at regular intervals, we aim to ensure that everyone working there adopts a behavioral occupational health and safety culture. We aim to expand the project to all Akdeniz Chemson facilities.

Noise Mapping at Our Brazilian Facility

The first phase of the two-phase Noise Mapping Project at our Brazilian facility aimed to identify and map noise levels at the industrial facility. In subsequent phases, we plan to develop technical and mechanical designs with acoustic concepts to support the implementation of control measures.

Following the first phase, which includes mapping noise levels and obtaining technical documentation, we will develop detailed engineering solutions for noise reduction in the second phase.

Results and Gains:

- We are currently evaluating the total cost and expected long-term return of the improvements, considering the potential reduction of costs related to occupational health problems and increased productivity.
- Improving acoustic comfort in the workplace will contribute to employee well-being, reduce noise-induced stress levels, and create a safer working environment.
- The project will strengthen compliance with occupational health and safety legislation, enhance employee well-being, and support continuous improvement programs.

Future Plans:

In the next phase, we will focus on implementing engineering solutions based on our initial acoustic designs, ensuring that loud equipment is enclosed and sound exposure is reduced at the source.

Figura 1 - Distribuição dos pontos de medição escolhidos no térreo do prédio EA-EB.

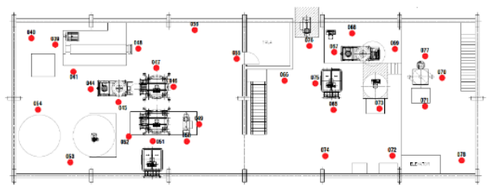
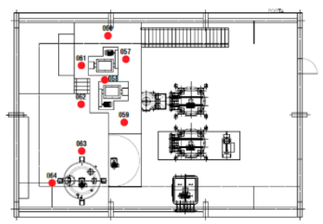


Figura 2 - Distribuição dos pontos de medição escolhidos no nível superior do prédio EA.



Standardization of Personal Protective Equipment (PPE) for Work at Heights

With a project at our Brazilian facility, we planned to improve the safety of our employees while working at heights. The project included installing new fall protection systems in critical areas to reduce the risk of falls and injuries and standardizing the use of certified PPE.

Results and Gains:

- We improved the perception and confidence of safety among employees working at heights, resulting in higher morale and a stronger safety culture.
- We increased compliance with safety regulations.
- We supported our "Zero Accident" goal and strengthened the company's commitment to employee well-being.
- We are evaluating potential long-term savings by reducing accidents, minimizing insurance claims, and reducing costs related to workplace injuries, as well as reducing related investment costs.

Future Plans:

We plan to expand PPE standardization for all high-risk activities and periodically review fall protection systems to incorporate new technologies and best practices.

Implementation of a Unified Work Permit System and Standardization of Working Procedures

At our Brazilian facility, we aimed to eliminate inconsistencies in risk management by ensuring that all activities, regardless of department or task type, are properly assessed, authorized, and performed safely.

To this end, we implemented a unified work permit system across all departments and ensured that all employees and contractors were trained and certified on the new standardized working procedures.

Results and Gains:

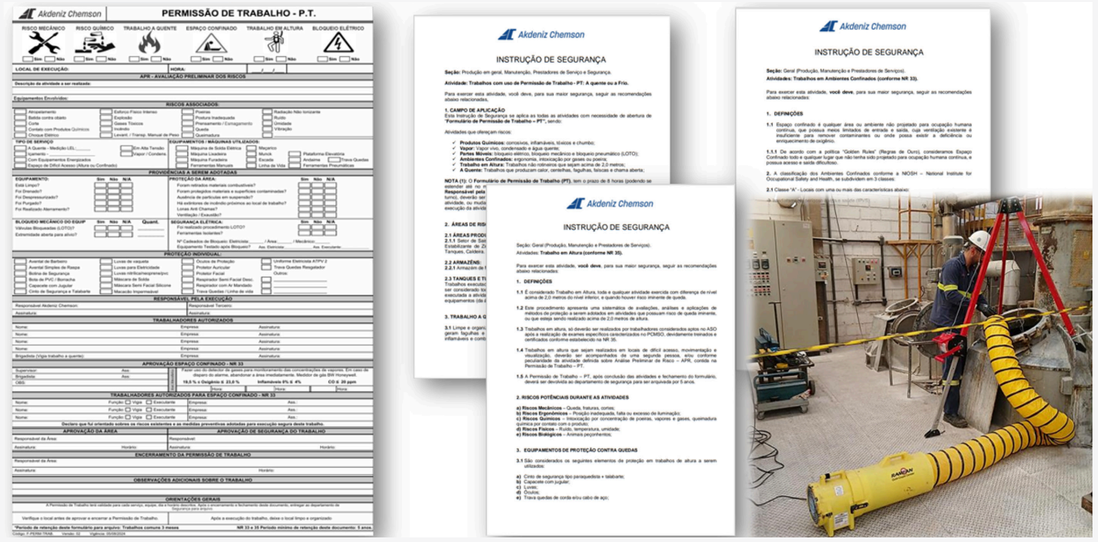
- Overall efficiency increased by reducing the number of accidents and operational interruptions, minimizing costs related to accidents, fines, and insurance claims, and streamlining and standardizing work processes.
- Adherence to the same safety standards across all employees and contractors fostered a stronger safety culture. This increased awareness, trust, and cooperation among teams.
- The risk of environmental incidents was reduced by controlling and conducting activities involving hazardous materials, confined spaces, hot work, and other critical operations in accordance with standardized environmental protection procedures.
- Compliance with legal, corporate safety, and environmental standards increased, and audit performance improved.
- The company's reputation for operational excellence has been strengthened, supporting its achievement of zero-accident targets.

Future Plans:

We plan to continuously improve the unified work permit system and standardized procedures based on operational feedback, audit findings, and changes in legal requirements. We aim to fully integrate digital solutions for permit management and extend the system to all facilities.

Electric Transporter on Production Line

We have provided a safe workplace for all employees at our Australian facility with a project aimed at eliminating accidents caused by manual handling.



Critical Incident/Accident Management

At Akdeniz Chemson, we operate in a "Very Hazardous" and "High Risk" industry. Through comprehensive risk analyses, critical equipment maintenance, advanced safety systems, and regular drills, we aim to prevent major industrial accidents and ensure the highest level of safety for our employees and the environment.

Akdeniz Chemson is classified as "Very Hazardous" in its sector and "High Risk" under "Major Industrial Accidents." Therefore, it is extremely important for us to analyze the Critical Incident/Accident risks of all processes and take the necessary precautions to prevent any accidents.

In this context, in 2022, we prepared our Emergency Action Plans for workplace accidents, earthquakes, floods, tornadoes, storms, vehicle accidents, infectious diseases, and chemical leaks. To protect against major industrial accidents, we prepared safety reports for our most at-risk locations and conducted HAZOP (hazard and operability assessment) studies for at-risk businesses. Furthermore, each of our facilities has an "Explosion Protection Document."

Our Türkiye facility is equipped with a 739-camera system to ensure environmental and process safety. With these measures, we proactively prevent environmental accidents, and in the event of an accident, we respond immediately with spill response kits.

All our facilities and warehouses are equipped with fire detection, extinguishing, and alarm systems to prevent fire risks. Our company maintains a firefighting team, prepared for all emergencies through regular drills and training, as well as a fire truck. Areas containing hazardous flammable chemicals are marked as explosion-proof. We provide all equipment in these areas in accordance with these requirements. We have identified critical equipment at all our facilities and are conducting necessary periodic checks and regular and preventive maintenance.

In 2024, we conducted six drills based on major accident scenarios.

Emergency Plan and Drills Training and Awareness Studies

Emergency teams, established across three shifts at our Akdeniz Chemson Türkiye location, received training from the Izmir Fire Department to respond to potential emergencies. The team undergoes ongoing training and drills, increasing their efficiency and speed in emergency response. Additionally, we have established a team to perform rescue missions in the event of natural disasters such as earthquakes and floods. The disaster team received training from the Disaster and Emergency Management Presidency (AFAD). We provided the materials and equipment needed for debris removal in the event of an earthquake. Our team also assisted in extinguishing forest fires in the Izmir area.

Improvement of Extinguishing Systems

At Akdeniz Chemson Türkiye, we implemented improvements to our fire suppression systems to minimize fire risks and enhance a safe work environment. These improvements include:

- Reducing the risk of fire originating from electrical panels,
- Increasing equipment and system safety,
- Reducing reliance on human intervention and minimizing response time with automatic extinguishing,
- Maintaining business continuity,
- Preventing downtime due to fires within panels, and
- Ensuring early response to fires.

Results and Gains:

With this project, we not only raised internal safety standards and provided a safe working environment but also protected the safety of our employees and prevented the release of toxic gases and smoke into the environment in the event of a fire. We also strengthened our compliance with legal regulations and audit criteria and reduced our corporate risks.

External Battery Storage Area Compliant with Safety Standards

At our Brazilian facility, we aimed to relocate the battery storage area to a properly ventilated and isolated outdoor area to eliminate risks such as gas accumulation, potential explosions, and chemical exposure. This improvement aimed to ensure full compliance with safety and environmental standards.

We completed the construction of an external battery bay equipped with ventilation and exhaust, ensuring safe storage and maintenance conditions for batteries in material handling equipment.

Results and Gains:

- We prevented regulatory fines while reducing potential costs related to fires, explosions, and environmental pollution.
- We eliminated exposure of employees and contractors to hazardous gases, providing them with a safer work environment.
- We minimized the risk of soil and air contamination by properly ventilating the battery charging area for forklifts and pallet trucks.
- We ensured that potential gas emissions or acid leaks were safely managed and did not impact the environment.
- We improved compliance with health, safety, and environmental regulations and reduced the risk of accidents involving battery charging operations.
- We have secured both our employees and company assets by strengthening the company's reputation for operational security.

Human (Labor) Rights

As Akdeniz Chemson, we comply with the labor laws in force in all the countries where we operate and with the principles of the International Labour Organization (ILO); we create a work environment that respects human rights, is free from discrimination, and is based on safe and fair working conditions.

Human Resources Management Structure

Akdeniz Chemson Human Resources is managed under OYAK Chemicals Sector Human Resources in two directorates: Türkiye and Europe and Overseas.

Akdeniz Chemson Türkiye Human Resources is managed by the Human Resources Business Partnership structure, which is as a strategic business partner for all employees in the areas of compensation, benefits and performance, training and talent management, and industrial relations management. Europe and Overseas Human Resources is responsible for the strategic management of local human resources teams in these locations and serves in the same functions.

At Akdeniz Chemson, we take utmost care to comply with the labor laws of the countries in which we operate in order to avoid human and labor rights violations, especially in our own operations and throughout our value chain.

All countries where we operate are members of the International Labor Organization (ILO), which promotes internationally recognized human and labor rights. The obligations and commitments inherent in ILO membership are (1) freedom of association and the effective recognition of the right to collective bargaining; (2) the elimination of all forms of forced or compulsory labor; (3) the effective abolition of child labor; (4) the elimination of discrimination in respect of employment and occupation; and (5) to safe and healthy working environment.

In this context, Akdeniz Chemson supports freedom of collective bargaining in all its facilities. There is no forced or compulsory labor in any of our locations, no employees under the age of 18 are employed, and discriminatory approaches are not accepted in any process of human resources, starting from the recruitment process. Our priority is always health and safety for our employees and stakeholders visiting our facilities.

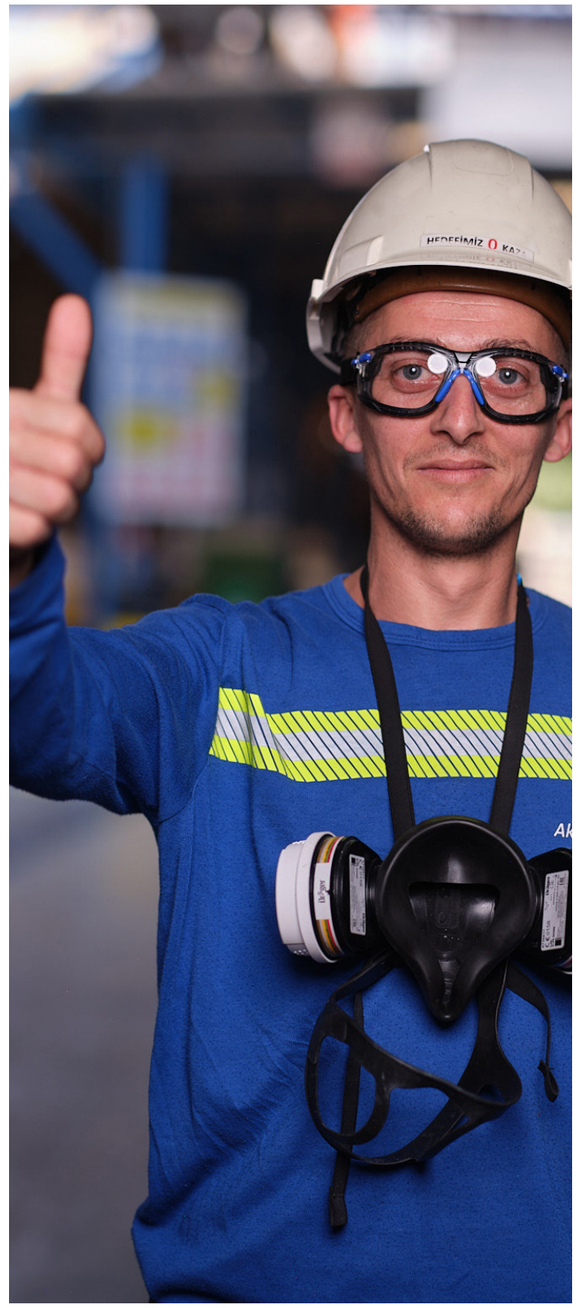
In 2024, there were no reports of human rights violations in our operations.

Collective Labor Agreement

At Akdeniz Chemson Türkiye, a Collective Bargaining Agreement covering the period July 1, 2023, to June 30, 2025, covering 577 blue-collar employees is in effect. This agreement covers a wide range of issues, including bonuses, benefits, premium practices, and leave entitlements.

93% of employees at our Brazilian facility and 100% of employees in Austria are protected by Collective Bargaining Agreements. Currently, there are no collective bargaining agreements in place at our Australian and Chinese locations.

Collective Labor Agreement			
Location	Total Number	Number Covered	Total Ratio (%)
Türkiye	777	577	74%
Austria	200	200	100%
Brazil	154	143	93%
USA	41	13	32%



Salary and Benefits

At Akdeniz Chemson, we apply a compensation model that is based on an internationally accepted methodology (HAY), not on the person but on the position. Prioritizing the well-being and safety of our employees we offer benefits such as private health insurance, life insurance, Employer- Contributed Private Pension Insurance, food and travel assistance.

All of our white-collar employees are covered by private health insurance, all of our blue-collar employees are covered by supplementary health insurance, and managers and employees above are covered by life insurance. Additionally, both white-collar and blue-collar employees are eligible to participate in the Employer-Contributed Private Pension System upon their request.

Our employees in Türkiye can schedule online consultations with doctors and psychologists in all healthcare units through the "OYAK Platform My Doctor" application, available to OYAK group companies. All employees using the OYAK Platform application can take advantage of all services (education, healthcare, vehicle and home campaigns, fuel, travel, etc.) included in OYAK's discounts and promotions, whenever they want.*

To protect our employees' rights, we offer practices that support their adaptation to the work environment and provide opportunities for them to implement projects to improve their own work environments. We feature some of these in our report.

**OYAK determines and manages all of these practices and conditions. Akdeniz Chemson has no influence or decision-making authority.*

Ethics Line

At Akdeniz Chemson, employees can report any practices that violate the rules outlined in our Akdeniz Chemson Code of Ethical Conduct booklet to the Akdeniz Chemson Ethics Line through the appropriate channels.

Details on this topic are included in our report under the heading Business Ethics and Compliance.

Lean and Organized Work – 5S

In a project we launched in 2022 under the leadership of our Continuous Improvement department and launched in 2023, we aimed to implement the 5S method, the cornerstone of lean manufacturing, across all our operations in Türkiye. The project aimed to organize and standardize our employees' work environments and create an infrastructure for future productivity improvements.

For 2024, we increased our efforts on red cards within 5S practices. By monitoring the field and using red cards with the teams, we identified 5S non-conformities and potential for improvement. During the year, we issued 3,484 red cards, and we resolved 2,853 of them (82%).

We don't have a set red card target for 2025, but we aim to maintain this trend.

ACCEPT – Suggestion Reward System

We launched this project with the belief that improvement ideas directly informed by our employees' daily experiences will yield the most valuable outcomes. We evaluate and score the improvement suggestions of our factory team members regarding cost, quality, and shipping processes, and reward successful contributions. This project aims to both increase operational efficiency and strengthen employee engagement.

Under our system, employees receive 100 points for improvements that have no return on investment and 8,800 points for improvements that do yield returns, depending on the magnitude of the return. We reward employees who earn a total of 2,200 points.

This aims to foster a culture of improvement and encourage all employees to observe their work from this perspective.

For 2024, we aimed to introduce ACCEPT to all Akdeniz Chemson employees and ensure that at least 120 improvement suggestions are entered into the system. We exceeded our goal this year, reaching 287 suggestions.

Thanks to the project, our employees' commitment to the workplace has increased and the culture of improvement has become widespread.

Bicycle Rental

In a project launched in 2024 at our Austrian facility, we offered our employees the opportunity to rent bicycles, with the rental fee deducted from their gross wages, depending on the bike model and features. The project not only promoted sustainable transportation but also aimed to strengthen the sense of belonging and employer branding within the organization. We also aimed to strengthen the employee value proposition by expanding the range of fringe benefits.

Results and Gains:

- We provided tax advantages for both employees and employers through deductions from gross wages.
- We supported employees' physical and mental health by encouraging an active lifestyle.
- We contributed to reducing our carbon footprint by promoting environmentally friendly transportation alternatives.

Future Plans:

We plan to hold a promotional event for our program in 2025.

ACR Impacta+ (ACR Positive Impact)

In 2024, in line with our commitment to human and labor rights, we implemented social responsibility campaigns at Akdeniz Chemson's Brazil facility, prioritizing the well-being of our employees and the communities in which we operate, and supporting public health.

As part of the campaign, we provided financial resources to Barretos Cancer Hospital (Hospital de Amor) and Santa Casa de Misericórdia de Rio Claro healthcare institutions through corporate tax allocation (IRPJ) and tax incentive mechanisms.

With this contribution, we:

- Provided support to disadvantaged segments of society in accessing healthcare.
- Contributed to the continuity and expansion of essential medical services.

We also implemented a corporate vaccination campaign, offering free influenza vaccinations to all our employees, their direct dependents, and third-party employees.

The campaign:

- Prevented seasonal illnesses and reduced absenteeism.
- Promoted a culture of health, care, and prevention.
- We have extended the benefits of corporate healthcare services to families and outsourced professionals.

Engagement Bonus Program for Blue-Collar Employees

We implemented an incentive engagement bonus program at our Australian facility to increase blue-collar employee satisfaction, reduce absenteeism rates, and strengthen operational efficiency.

Results and Gains:

- We significantly reduced operational disruptions due to reduced absenteeism in our blue-collar workforce.
- We achieved cost savings by reducing the need for temporary hiring and overtime.
- We contributed to increased productivity through consistent participation and workforce availability.
- Recognizing and rewarding regular participation strengthened the morale and loyalty of our blue-collar employees.
- We encouraged sustainable working practices.
- We strengthened our company's employer brand and reputation as an employer that values and rewards continuous participation.

Future Plans:

We will monitor and evaluate the program's operation and revisit any areas requiring improvement or updates.

Engagement and Social Initiatives

At our Akdeniz Chemson Brazil facility, the HR team implemented various initiatives throughout 2024 to ensure employee well-being, strengthen our corporate culture, and create a more inclusive, supportive, and engaging work environment.

White January

With our White January campaign, launched at the beginning of the year, we aimed to raise awareness about mental and emotional health. We reinforced our commitment to employee well-being through sessions that encouraged open communication and accessible support resources.

Orange February
Leukemia Awareness

At the event we organized, we shared informative posts to raise awareness about leukemia and support education and early diagnosis.

Carnival
Safety and Prevention Campaign

We organized an awareness campaign, including a specially themed luncheon and informing our employees about traffic safety and personal protection.

Lilac March
Cervical Cancer Awareness

To inform our employees about cervical cancer and raise their awareness, we held a health conference on cancer prevention and early detection.

Red June
Blood Donation Awareness

We organized a Blood Donation Awareness Campaign to raise awareness about the importance of blood donation and encourage our employees to donate.

Pink October
Breast Cancer Awareness

We participated in the first-ever "Run & Pink" event to raise breast cancer awareness. Fifteen of our employees participated in the five-kilometer walk and the 10-kilometer run. Additionally, as part of our collaboration with our healthcare provider, we hosted two expert speakers who provided information on women's health and the importance of early diagnosis, leading to a powerful awareness session with our employees.

Yellow September
Mental Health Awareness Month

The importance of emotional support and proactive care was emphasized at a conference on mental health awareness attended by more than thirty of our employees.

Blue November
Prostate Cancer Awarenessı

To raise awareness about prostate cancer, we shared informative content and organized an internal football tournament as part of our Blue November campaign. Before the tournament, we invited a healthcare professional to raise awareness among our employees about both physical health and team spirit by providing information on healthy living, the importance of early diagnosis, and personal care.

Villach Fair

The event focuses on celebrating traditional rural and urban culture in Austria, showcasing the crafts, food, and music of the local community. As part of this, we organized an event for our employees at the fairgrounds, where traditional food was served.

SIPATMA*
Accident Prevention and Environment Week

We held our first SIPATMA event in collaboration with HSE teams. The event fostered dialogue on occupational health, safety, and environmental care.

**SIPATMA: (Health, Work Safety, Performance, Interpretation/Analysis, Follow-up, Measurement, Action)*

Dragon Festival

It's a traditional Chinese holiday commemorating the poet Qu Yuan, and dragon boat races are held as part of the celebration. As part of this event, we served traditional meals to our employees at our China location.

Spring Festival

As part of this event, also known as the Chinese New Year and organized primarily to strengthen family unity, celebrate the new year, and wish abundance and happiness, we organized a traditional meal at our Chinese location.

Mid-Autumn Festival

The festival symbolizes family reunion in China and is celebrated with traditional activities such as mooncakes, meals, moon gazing, and lantern lighting. As part of this event, our employees at our China location are served traditional meals.

In addition to these campaigns, we also organized various events on Women's Day, Mother's Day, Father's Day, Children's Day, Easter and June Festival in all Akdeniz Chemson locations.

Training and Development, Diversity and Equal Opportunity

At Akdeniz Chemson, providing our employees with continuous training and development opportunities is at the core of our Human Resources policy. This allows us to maximize their potential and support their leadership skills.

In Akdeniz Chemson's sustainability prioritization studies, the topics of 'Training and Development and 'Diversity and Equal Opportunity' were identified as third and equally important after 'Occupational Health and Safety' and 'Human (Labor) Rights.' Our management approach and performance on these key topics are addressed under various subheadings in our report.

Training and Development

Providing our employees with continuous training and development opportunities is at the core of our Human Resources policy. Our employees' talents and contributions to the company are critical to the company's growth and competitiveness.

In this way, we support their leadership skills by ensuring they maximize their potential. We certify all blue-collar employees with vocational training and mastery certificates appropriate to their roles.

To support our employees' foreign language learning and to foster diverse language and cultural activities, we offer them free access to the "Busuu" training platform, which offers training in numerous foreign languages.

In 2024, we organized "Sustainability and Climate 5W1H" training sessions with the participation of Sustainability Committee members from all our facilities: one in-person at Akdeniz Chemson Türkiye and two online sessions with members from our other locations.

BEYOND DEVELOPMENT

We've implemented the **BEYOND Development** learning and development concept to brand our training and development activities, categorizing all development activities. Inspired by the first letters of the English words **B**usiness, **E**xpertise, **Y**ourself, **O**peration, **N**etwork, and **D**riving the Future, BEYOND Development aims to foster employee engagement and develop a skilled workforce.

Performance Evaluation

As part of the "Performance Management System" we implement for our white-collar employees at Akdeniz Chemson, we determine key performance indicators (KPIs) in a breakdown from the highest manager to the lowest level employee, in line with the strategic company objectives set by OYAK. At the beginning of each term, employees define KPIs in the information system and approve them. At the end of the year, employees are graded first, then their managers, based on their achievement of the targets. Agreement between employees and managers is monitored through the system, and feedback is collected from all employees included in the performance system via a survey for the relevant performance period. Following the Assessment and Development Center implementations, participants are provided feedback by the consultant who conducted the evaluation. Based on this feedback, the employee develops an individual development plan. This plan is developed jointly by the consultant, the employee, the manager, and Human Resources. During this meeting, the Human Resources representative and the manager share their feedback with the employee.

Employees Participating in Regular Performance and Career Development Reviews (2024)	Unit	Türkiye	Austria	Brazil	USA	China	Australia
Female	Number	73	34	6	6	15	5
Female	Ratio	91%	100%	29%	86%	60%	100%
Male	Number	127	72	31	20	18	10
Male	Ratio	18.22%	43%	23%	59%	42%	100%
Full-time employees	Ratio	100%	89.6%	26%	63%	49%	100%
Part-time employees	Ratio	0%	10%	0%	0%	0%	100%

Talent and Career Management

At Akdeniz Chemson, our white-collar employees are included in the OYAK Talent Management process. The primary objective of this program is to anticipate the short-, medium-, and long-term workforce needs across OYAK and its group companies, and to meet these needs with high-performing and high-potential employees within the group.

As part of the Talent Management Program, our employees begin the process each year with a self-assessment. Potential assessments are then conducted by their managers, and a final assessment is completed with a company-wide calibration process. This creates a company talent pool. Regular talent interviews are held with the employees in the talent pool, and development plans are developed to support their professional and personal development.

Furthermore, our employees are placed in an assessment and development center by a professional assessment company, where their potential is assessed within the context of OYAK's competencies. Following this assessment, a personalized individual development plan is developed for each employee's development. This plan is monitored by the employees, their supervisor, and Human Resources.

At Akdeniz Chemson, as part of the succession management process, employees' short-, medium-, and long-term career aspirations, along with their manager's feedback on these aspirations, are collected annually before the talent assessment process. During the same period, succession plans for key and critical positions are created, and suitable internal candidates are transferred to open positions that arise during the year, provided the position is qualified.

Technical Talks

Our talented employees, whose professional competencies we support, are also leading our company's corporate development in every area. As part of a project led by our Global Marketing Department, we are publishing informative video series on LinkedIn, Youtube, Instagram where our expert technical staff address a different topic related to the PVC industry in each section. These carefully prepared contents by our employees also support employment growth in our sector.

Results and Gains:

Economic: We strengthened our existing customer relationships by making our technical expertise visible.

Social: We supported corporate loyalty and motivation through the knowledge sharing of our expert employees. We supported the social knowledge capital by contributing to the recruitment of young talent to the sector.

Environmental: We raised awareness of sustainable PVC practices, recycling processes, and environmental advantages through videos. We encouraged responsible consumption by emphasizing the importance of environmentally friendly additives through technical content.

Corporate: We established a proactive corporate communication model by providing information on customer health, environmental awareness, and technical standards. Our brand awareness increased.

As part of our Technical Talks program, we released eight new videos in 2024, covering topics such as Antitack, Lubricants, Plate Out, Calcite Enhancement, Fracture, Chalking, Yellowing, and Season Finale. These videos are available on social media, YouTube, and our website. In the coming period, we plan to expand the scope of this project and create videos, particularly on recycling and sustainability, with technical staff from other Akdeniz Chemson locations, and share these videos with our external stakeholders.

Kunduz Education Application

Launched in 2023 at the Akdeniz Chemson Türkiye facility and currently operational, the Kunduz application is an educational platform designed for use by fifth- and 12th-grade students. Students registered with the platform can submit their unsolved test questions to teachers online at any time of day and night, receive prompt solutions, and access sample question solutions and practice exams within the app.

With Kunduz, the educational app we provide to the children of Akdeniz Chemson Türkiye employees, we aim to contribute to their academic development by providing uninterrupted learning support throughout the school year.

Results and Gains:

- We contribute to sustainable learning and equal opportunities in education.
- We strengthen employee loyalty and the employer brand through increased employee satisfaction.

Future Plans:

We will update the app every academic term and increase the number of members at the beginning of each term to increase platform usage.

Mentoring

With the Mentoring Program we implement at Akdeniz Chemson's Türkiye facility, we plan to develop mentors from among our experienced managers within the organization, enabling them to leverage the experience they have gained over the years. We also aim to support the professional and personal development of our mentees who volunteer for the program and, through this relationship, to foster the corporate culture. Because it's a mutual learning process, both mentees and mentors benefit from this experience.

With the Mentoring Program, we aim to:

- Support career development,
- Provide higher motivation and job satisfaction,
- Ensure performance improvement, and
- Promote the corporate culture.

Results and Gains:

- Support the career development of young talent, boosting motivation and self-confidence.
- Strengthen social bonds built through learning from experience.
- Increase corporate loyalty and productivity and foster the widespread adoption of the corporate culture.

Executive Development Program

Our goals with the "Executive Development Program," which has been ongoing for three terms at Akdeniz Chemson Türkiye, are:

- To increase the managerial competencies of new managers,
- To create a shared leadership culture, and
- To increase the collaboration and teamwork of the management team.

Results and Gains:

- We enabled managers to acquire new managerial behaviors and increased the motivation and self-confidence of effectively managed teams.
- Strong social bonds were established through the practices and sharing within the training.
- We created a shared leadership culture.
- We gained productive teams led by competent managers.

Future Plans:

We will open a new term class after new promotions and new managerial hires.

Leadership Academy
Beyond Leadership

At Akdeniz Chemson's Brazil facility, we implemented the "Leadership Academy" program in 2024 to empower our leaders with behavioral/psychosocial skills aligned with contemporary management demands, fostering more effective, humane, and strategic leadership.

As part of our corporate sustainability strategy, we implemented a structured leadership development program that reached leaders at all levels of the organization. With this initiative, we focused on strengthening our leaders' essential soft skills to prepare them for modern management challenges.

Results and Gains:

With the program,

- We fostered a more empathetic, inclusive, and responsible leadership culture.
- We fostered improved organizational climate and team engagement.
- We expanded stronger leadership practices that contribute to talent retention.
- We equipped our leaders with enhanced decision-making and problem-predicting skills.

We plan to continue the program in 2025.

Negotiation Academy
Beyond Negotiation

As part of our investment in professional development and value chain sustainability at our Brazil facility, we implemented the "Negotiation Academy" program. The program aimed to develop the planning and management, negotiation, influencing, and persuasion skills of both our purchasing and sales teams. The program was designed with a practical and accessible methodology to strengthen planning, negotiation, influencing, and persuasion skills.

Results and Gains:

- We strengthened our commitment to developing high-performing teams and fostering sustainable relationships with our business partners.
- We encouraged ethical, transparent, and trust-based negotiations throughout the value chain.
- We defined and ensured the adoption of a standardized sales and negotiation model.
- We improved our employees' ability to plan and manage customer and supplier relationships.
- We equipped our teams with strengthened negotiation skills that have a measurable impact on business results.
- We fostered increased confidence and assertiveness in influencing key stakeholders.

We plan to continue the program in 2025.

Campus Events

Career Camp Engineering
February 2024

Talent Summit
March 2024

Dokuz Eylül University Chemical Technologies Community Career Summit
March 2024

Ege University ChemTalks
May 2024

Marmara University Chemical Engineers Society Campus Event
December 2024

Diversity and Equal Opportunity

At Akdeniz Chemson, we see the cultural diversity that comes with operating in different continents and countries around the world as an asset. We attach importance to understanding local needs and developing customized employment policies to adapt to the labor market in different countries. By transforming the cultural differences of our employees into the strength of the company, we support creativity and innovation with this strong human resource. We take measures to prevent any kind of discrimination by conducting recruitment processes in a fair and impartial manner.

With our strong Human Resources policy, we both respect the cultural differences of our employees and focus on building a shared work culture and system of values.

At Akdeniz Chemson, we believe that increasing the number of women who have a say in management and effectively utilizing different perspectives and talents in management decisions will add value to our company's human capital.

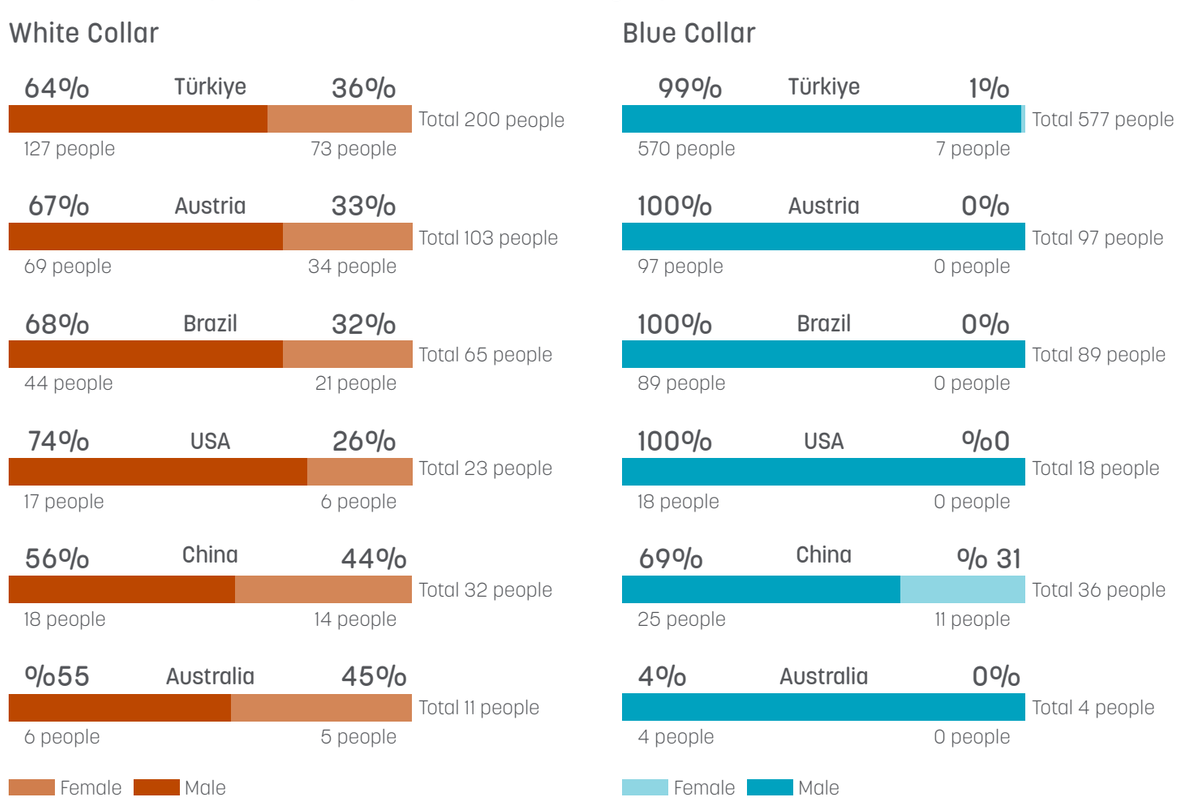
We take an unbiased approach to the re-employment of women who have taken a career break and provide our new mothers with facilities such as a nursing room and the option to work from home until their child reaches one year of age.

Across our facilities, the proportion of female employees is 13.71%.

As part of our 2030 sustainability goals, we aim to increase the representation of women in senior roles and to raise the overall number of female employees. We also plan to explore and, where appropriate, implement government-supported projects that promote women's employment.

At Akdeniz Chemson, personal characteristics such as gender, ethnic origin, religion, age, sexual orientation, or physical disability are not determining factors in our Human Resources practices, including candidate selection and recruitment.

Number of Employees by Gender and Category



Akdeniz Chemson's Cultural Transformation Journey

At Akdeniz Chemson, we launched a project in 2022, a collaborative effort between our Executive Board and HR department, to establish and promote a shared global corporate culture. We completed the first phase in 2023.

As part of the project, we defined our corporate values and established the framework for managing and upholding these values across all our locations. We clarified Akdeniz Chemson's vision and determined the tactics and action plans for achieving this vision in line with our corporate values.

In 2024, we explained our values to blue-collar employees and solicited their feedback. Based on the results, we provided "Managing with Values in the Field" training, which included case studies, to field managers.

As part of our "Global Cultural Journey," we held a workshop to evaluate our journey from past to present and shape the future. We incorporated values into our recruitment forms.

Through our recognition and gratitude program, we make visible and reward behaviors that exemplify our corporate values and strengthen our company culture and encourage the dissemination of these behaviors throughout the organization.

Employee Satisfaction

At Akdeniz Chemson, we focus on fostering a culture of teamwork and collaboration, creating synergy across continents and countries, increasing employee satisfaction and loyalty, and maximizing employee impact on the company's success.

Under the leadership of OYAK and in collaboration with Willis Towers Watson, 96% of Akdeniz Chemson employees participated in the 2023 employee engagement survey, which included white-collar employees and all group companies. Akdeniz Chemson's sustainable engagement rate was measured at 79%.

87% of our surveyed employees indicated they would recommend the company. Following the reporting of the survey results, we conducted focus groups with participants to address the strengths and areas for improvement identified in the survey. Based on the feedback we received, we developed an action plan.

As part of the action plan to increase employee satisfaction in 2024, we implemented the following projects:

- We improved the performance system.
- We updated the content of the welcome package.
- We introduced innovative approaches to work regulations.
- We revitalized the Akdeniz Chemson Social Events Team (ACSET).
- We held meetings with employees, such as the HR Roadshow and Partner Talk, where we shared updates on HR practices.

We plan to implement our new employee satisfaction survey in November 2025.

09

OUR ACTIONS ON OUR CROSS-CROSSING ESG GOALS

From Akdeniz Chemson's perspective, the topics of 'Product Design and Life Cycle', 'Data-Information Security and Privacy,' and 'Sustainable Supply Chain', which are both economically, socially, and abundantly significant, are addressed as our intersecting Environmental-Social-Governance (ESG) connections.

Product Design and Life Cycle

At Akdeniz Chemson, we closely monitor the growing demand for sustainability and design our products in line with these expectations, taking into account market needs and competitive dynamics. In 2024, we commissioned life cycle analyses for 12 different products.

At Akdeniz Chemson, we integrate sustainable product design and life cycle management which are improved every year, into all our processes. From the design stage of our products, we act with an awareness of environmental responsibility at every step such as raw material selection, production processes, lifecycle and recycling potential. In line with the circular economy approach, we aim to increase the energy efficiency of our products, minimize resource consumption and minimize waste generation. By using recyclable and reusable materials, we contribute to the conservation of natural resources, while increasing economic efficiency and contributing to a sustainable future.

Today, our customers and business partners are not only satisfied with the quality of the product, but also evaluate its environmental impact in depth. As Akdeniz Chemson, we closely follow the increase in sustainability-oriented demands and design our products in line with these expectations, taking into account the needs of the market and competitive dynamics. In order to best meet the demands of our customers, we comprehensively analyze the environmental impact of our products and take continuous improvement steps accordingly.

As part of this approach, we conduct life cycle assessments (LCA) for our flame retardants, external lubricants, stabilizers, and processing aids product groups in accordance with the ISO 14040/44 standard, in line with specific priorities. In 2024, we conducted a comprehensive Life Cycle Assessment (LCA) for 12 products in our product portfolio. These analyses focus on minimizing water and carbon footprints by evaluating the environmental impact of products across all processes, from raw material extraction and supply to usage and disposal.

We meticulously monitor critical environmental factors such as water consumption and carbon emissions, implementing initiatives to reduce them, and aim to exceed industry standards in these areas. These assessments provide a valuable opportunity for all our stakeholders to make more informed and sustainable choices.

We optimize all our production processes to increase water and energy efficiency, observing sustainability criteria at every stage, from the procurement of raw materials to the recycling of the final product. As Akdeniz Chemson, we take the necessary steps to minimize the environmental impact of our products.

R&D and Innovation

At Akdeniz Chemson's R&D Center, which received its R&D Center certification from the Ministry of Industry and Technology of the Republic of Türkiye in November 2011, we conduct research and development activities on processes and develop products with new application areas that align with the company's objectives. We also contribute to the company's R&D portfolio, comprised of management-approved projects requiring research and development.

In addition to our facilities in Türkiye, we also have R&D unit at our Brazilian facilities. At both R&D centers, we strive to maintain our global leadership position in the PVC stabilizers and PVC additives sector, the focus of our product portfolio, and to achieve our vision of becoming a "chemical portfolio company." With our ongoing R&D projects, we focus on prominent chemicals to achieve our sustainability goals and are working in collaboration with industry to develop functional additives suitable for recycled PVC.

Our R&D projects, developed using the globally accepted Stage-Gate project management methodology, fall under three main headings:

1) New product-oriented R&D projects,

2) Projects aimed at improving product quality and standards, and

3) New technological applications aimed at reducing costs.

At our Türkiye facility, we completed three R&D projects approved by the Ministry of Industry and Technology in 2024, resulting in various product recipe outcomes. In addition to these projects, we are continuing our work on 10 other projects approved by the Ministry of Industry and Technology. During the reporting period, we allocated 75% more financial resources to our R&D activities compared to the previous year's budget, spending $3.5 million.

As a leading company in the PVC additives sector, we place great importance on new product development efforts, guided by our **"Beyond Additives"** vision. As of 2023, developing innovative solutions that meet market demands in a world where innovation and sustainability are paramount is at the core of our strategies. In line with growing market demand, we aim to create a sustainable product portfolio that contributes 5% to revenue by 2030. As part of our bio-based product line, we plan to add two and four new products to our product line over the next one to three years, respectively. We are conducting R&D projects to achieve this goal in-house.

In 2024, at our R&D Center at our Türkiye facility, we developed new stabilizer systems, organic/inorganic-based halogen-free flame retardants, superglues, and products for agricultural applications.

At our R&D Center at our Brazil facility, we also developed flame retardants and agricultural products, as well as working on raw materials to reduce costs and ensure operational efficiency.

Between 2022 and 2024, we collaborated with METU, Ege University, Izmir Institute of Technology, Izmir Kâtip Çelebi University, and Ankara University, receiving analysis and consulting services.

In our Brazilian facility, we carried out studies in collaboration with IAC - Instituto Agronomico de Campinas (Campinas Agricultural Institute) and IPACER - Instituto de Pesquisa Agronômica do Cerrado (Cerrado Agricultural Research Institute).

Akdeniz Chemson Türkiye Number of R&D Projects	2022	2023	2024
Number of R&D Projects Approved by the Ministry of Industry and Technology of the Republic of Türkiye	13	16	13

Fertilizer Salts

At Akdeniz Chemson, we respond to our customers' needs and provide social benefits with new products developed specifically for the needs of the countries we operate in. At our R&D Center in Brazil, we meet local needs by developing products specifically for the needs of the country's leading agricultural sector. In this market, where fertilizer demand is high, we developed zinc borate-based fertilizers and launched the ZNB 35 product in a project we completed in 2024.

Results and Gains:

Social: Within this new business area, we created new positions and created jobs. We developed fertilizer solutions for local and national agricultural products, offering an alternative to imported products.

Environmental: We achieved a cost advantage by using domestic raw materials instead of imported ones. Furthermore, by locating our factories closer to customers, we reduced carbon emissions from logistics.

Corporate: We diversified and expanded our product portfolio. By increasing the added value of our assets, we delivered greater value to shareholders and reduced fixed costs.

Future Plans

- Increasing production capacity to reach the 2025 target of 2,000 tons of production and sales capacity,
- Expanding the fertilizer product range, and
- Researching and evaluating more sustainable resources such as organic fertilizers.

Türkiye and Brazil R&D Centers Employees	2022	2023	2024
Female	6	10	14
Male	41	38	37
Engineer	9	9	11
Other	36	36	37
Total	**47**	**48**	**51**

Ideation

Innovation is a critical factor in gaining competitive advantage, meeting customer expectations, and sustaining growth. Based on the "Stage-Gate" project management methodology, a disciplined and effective approach to developing new products and services, we continue to review new product and technology proposals and ensure their evaluation as R&D projects through the "Ideation" process, the idea collection phase of our system.

Our annual Ideation process, which selects new products to be developed within R&D and projects to be acquired by Accolade, yielded a total of 27 ideas in 2024, five from our Austrian and 22 from our Turkish locations. Following evaluation by the Innovation Committee, which includes the Executive Board, seven of these were opened as new product projects to be implemented using the Stage-Gate Methodology.

Throughout 2024, we produced approximately 350 tons of the products we developed as a result of the Ideation process, providing innovative solutions to our customers. We aim to increase this number in 2025 and enhance our innovation capabilities.

Akdeniz Chemson Innovation Day 2024

Let's Make It Happen Together

Our company's second Innovation Day event, held last year to emphasize the importance of innovation and share our R&D activities with a wider audience, featured rich content combining the themes of innovation and sustainability.

Inspiring sessions were held throughout the day with a variety of speakers. One of the highlights of the event was the panel discussion program moderated by Mr. Serdar Kuzuloğlu, our Executive Board Member responsible for Technical and Production and our OYAK Chemical Sector Human Resources Director. This panel discussed the strategic importance of innovation and sustainability for Akdeniz Chemson in detail.

Throughout the event, participants made the day unforgettable with interactive and fun activities, including cycling in the foyer to make their own fruit juice or shooting basketballs to contribute to the donation of saplings.

Akdeniz Chemson Innovation Bulletin

Our Corporate Innovation Department closely monitors industry developments and publishes newsletters called "Innovation News" to inform our employees about new products and technologies that will shape the future.

Through these monthly newsletters, we aim to raise internal awareness, inspire employees with innovative solutions, and enhance our company's innovation capacity by closely monitoring industry developments and informing our employees about innovative products and technologies developed by various companies worldwide in the plastics and additives industry.

In 2024, we regularly shared news from various companies and organizations on innovative products, sustainability, and technology in their native languages at all our locations.

Sustainable and Innovative Products

At Akdeniz Chemson, we utilize all the opportunities available in technology and science to develop sustainable products, focusing on environmental issues such as climate change, the depletion of limited resources, and pollution as the focal point of our business model. With the sustainable products we produce, we optimize our resource use, reduce waste generation, and minimize energy consumption during production. The value we create through our resource-efficient practices both saves costs and increases our operational efficiency.

We focus not only on PVC solutions, but also on developing new non-PVC products to expand our innovative and sustainable product range. Developing sustainable processes and making improvements to reduce water consumption in all our production processes are among our priorities. We also evaluate the sustainability criteria of the new products we develop in our R&D projects. Furthermore, in coordination with the supply chain, we strive to minimize our environmental impact by focusing on alternative materials based on sustainable raw materials.

We focus on developing more environmentally friendly and innovative solutions in the field of plastic additives with the bio-based products we are working on in our R&D Center and aim to increase the contribution of our sustainable product portfolio to our turnover.

Developing Environmentally Friendly Green Chemicals

The fundamental challenges addressed in a project to develop environmental additives are both environmental and technical. The project aims to eliminate the risks and limitations posed by existing petroleum-derived plasticizers. The vast majority of existing plasticizers are based on phthalates, which are petroleum-derived chemicals. While these substances are used to add flexibility to plastic products, they can eventually leach from the product, migrate to the surface, and spread into the environment. This characteristic of phthalates makes their use, particularly in food packaging, medical supplies, and children's toys, seriously risky. Scientific research has revealed that phthalates can disrupt the endocrine system and harm human health. This has led to restrictions or bans on the use of phthalates in many countries. The primary challenge addressed in the project is eliminating these toxic effects.

In the benzoate-based plasticizer development project, we primarily designed and synthesized environmentally friendly, high-performance plasticizers from renewable resources. We reduced import dependency through domestic production and minimized environmental impacts through this project, which will strengthen the chemical industry. By the end of the project, we have established a skilled workforce and technological infrastructure.

Results and Gains:

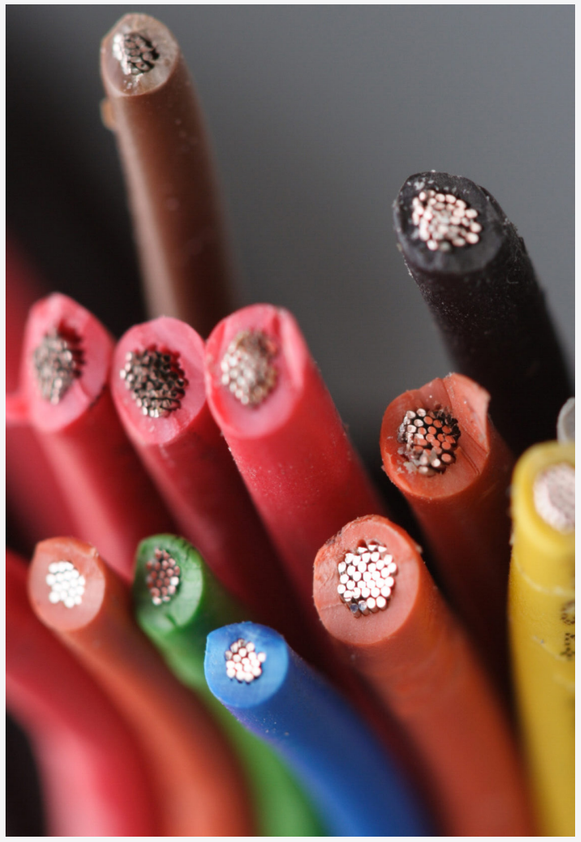
Economic: The benzoate plasticizer development project is significant both in terms of direct production and sales revenues and the added value it provides to the national economy. First and foremost, domestic plasticizer production will significantly reduce Türkiye's external dependence on fossil-based and imported plasticizers. This will prevent foreign exchange outflows and positively impact the trade balance. This benzoate-based plasticizer production project will generate both foreign exchange earnings through import substitution and increased value-added through export potential. It will also bring multifaceted and long-term benefits to Akdeniz Chemson in terms of employment opportunities and the strengthening of a sustainable industrial infrastructure.

Social: One of the most fundamental social contributions of this project is its promotion of non-toxic plasticizers that are harmless to human health. Restricting the use of traditional plasticizers, particularly phthalate derivatives, in children's toys, food packaging, and medical products has increased the need for sustainable alternatives in this area. Domestic and safe plasticizer production will provide society with healthier products in terms of chemical exposure.

The project will create a new production culture based on green chemistry principles. This will contribute to increased environmental awareness and the integration of circular economy and sustainability concepts into the industry.

Environmental: Because the benzoate plasticizer development project will be implemented based on green chemistry principles, its economic outcomes will not be limited to financial gain; it will also create value-added impacts that support environmental sustainability. Raw materials used in the project will be selected from environmentally compatible sources, and production processes will be designed with highly energy-efficient methods that minimize waste generation. This approach will enable the development of products with a lower carbon footprint compared to traditional fossil-based plasticizers and contribute to Türkiye's green transformation goals.

Corporate: In line with Akdeniz Chemson's sustainability goals, a new product will be developed, adding environmentally friendly chemicals to Akdeniz Chemson's portfolio.



ACFR-01

Developed in accordance with our sustainability goals, ACFR-01 is an innovative product that stands out with its flame retardancy. Particularly compatible with PVC, the product can be used entirely or partially in place of Antimony Trioxide (Sb203) depending on the flame retardant requirements at different usage rates.

Therefore, it is a sustainable and environmentally friendly alternative. In addition to providing cost advantages, ACFR-01 enhances performance with its smoke suppression properties and offers excellent color consistency. Its compatibility with all plastic and rubber systems allows for use in a wide range of applications, providing a powerful solution to the industry's sustainability needs.

Sustainable Product Matrix

In 2024, we created a "Sustainable Product Matrix," which allows us to evaluate our product groups based on various criteria, such as classification, bio-based/recycled raw material content, and carbon footprint. We aimed to determine the sustainability ratings of products scoring within specific ranges on this matrix. We evaluated one product from each of our main product groups produced at Akdeniz Chemson Türkiye. We aim to add all of our products to this matrix. In 2025, we plan to expand this matrix to our other locations, calculate the proportion of our total production volume comprised of sustainable products, and set a target.

In 2024, 23% of the 133,874 tons of raw materials we used were derived from renewable sources, while 6% were recycled.

The recyclable content of the raw materials we purchase at Akdeniz Chemson Türkiye is approximately 6%.

In 2024, we used approximately 31 thousand tons of bio-based materials at Akdeniz Chemson Türkiye.

Data-Information Security and Privacy

At Akdeniz Chemson, we carefully store the data of our employees, customers and suppliers in accordance with the Personal Data Protection Law.

At Akdeniz Chemson, we conduct risk analysis at least once a year, using a 5x5 matrix, within the scope of data and information security, in accordance with the Information Security Risk and Opportunity Assessment Procedure. Led by the Digital Processes Manager of the Information Technologies Department, we examined 114 different risks in 2024, reduced the probability of seven, and processed 107 risks using the following risk processing options: accept, reduce, avoid, and transfer. Because these risks did not meet any of the options, we recorded them as "residual risks" (a risk that remains after the assessment).

As part of our data-information security and privacy efforts in 2024, we:

- Tightened access authorization restrictions and controls.
- Implemented Multi-Factor Authentication (MFA) for access to VPN and Cloud systems.
- Completed the ISO 27001:2022 transition.
- Procured a new storage unit for backup.
- Closed critical vulnerabilities identified during penetration tests and monitored business continuity through crash tests.
- Provided awareness training to employees and conducted awareness-raising activities through regular audits and drills.
- Implemented a CRM application to ensure the confidentiality of customer data, enhanced access security with MFA, and recorded all transactions.
- Increased our cybersecurity level by implementing 24/7 system monitoring through SIEM integration.
- Expanded the DLP (Data Loss Prevention) process by assigning key users from each department for data labeling and classification.
- As part of the KPMG-İndisol & OYAK Group Cybersecurity Maturity and Risk Assessment Project, conducted in collaboration with KPMG and Indisol, Akdeniz Chemson's current security status was analyzed and areas for improvement were identified. Local file servers were moved to the SharePoint online space, access was reorganized, and geographic redundancy was established, ensuring a more secure storage environment for our information.
- Updated our policies and procedures.
- Implemented an antispam product for email security.
- Increased information security by switching to M-Files as our document management system, controlling access and changes to prevent data loss and unauthorized access.
- Fully complied with legal and regulatory requirements.

At Akdeniz Chemson, we carefully store employee and customer data in accordance with Personal Data Protection Law.

We utilize numerous security tools to prevent this data from falling into the hands of third parties and conduct awareness training to prevent data leaks through our employees. We immediately take the necessary precautions in the event of any risk. In 2024, we experienced a ransomware attack, and we resolved the issue with the measures we implemented. Upon detection of this attack, we first isolated the systems from which the attack spread, disconnected their network connections, informed users of the situation, and asked them to report any suspicious activity. We initiated backup restoration procedures.

You can access our **Information Security Policy** on our website.

Enhancing Cybersecurity and Increasing Information Security Awareness

Through a project implemented by our Information Technologies Department in collaboration with OYAK Security, we aimed to identify and address our cybersecurity vulnerabilities by raising user awareness, thus ensuring the security of all our data and ensuring business continuity.

Results and Gains:

Economic: We prevented potential economic losses due to interruptions in production processes and data disclosure, thus preventing unintended costs.

Environmental: A cyberattack at chemical production facilities like Akdeniz Chemson Türkiye could significantly harm the environment. A secure cyber infrastructure also contributes to environmental protection by protecting the facilities' data.

Corporate: Our investments in security have enabled us to be perceived as a reliable and respected organization by our customers and stakeholders, enhancing our reputation. It has also provided us with a competitive advantage and enabled us to develop new partnerships.

Future Plans: Akdeniz Chemson's security vision for 2025 will focus on "continuous improvement, proactive defense, and full compliance with regulations." Thanks to our strong infrastructure, team awareness, and the right technological investments, we will continue to build a sustainable security culture that is resilient against cyber threats in the future.

SIEM Management (Log Storage and Analysis)

With this project, we collaborated with Indisol, a subsidiary of OYAK, to collect all security software and server logs in a centralized environment. This enabled us to analyze logs in real-time and take proactive measures against potential threats.

Our project objectives are:

- Ensuring authorization and access controls for system security,
- Providing reporting in accordance with legal and regulatory requirements,
- Implementing security measures through threat intelligence integration,
- Supporting log-based auditing and analysis processes and ensuring business continuity.

Results and Gains:

Social:

- Protecting the personal and corporate data of internal and external stakeholders (employees, customers, business partners).
- The project provides a more secure system infrastructure and a safer working environment for employees.

Environmental:

- Centralized log management and optimized security solutions reduce unnecessary system loads, resulting in energy savings.

Corporate:

- Our organization's information security infrastructure will be strengthened, ensuring full compliance with legal regulations and gaining the ability to respond quickly and effectively to potential threats and attacks.
- Business continuity and operational efficiency will be increased, corporate risks will be minimized, and the organization's reputation will be protected.

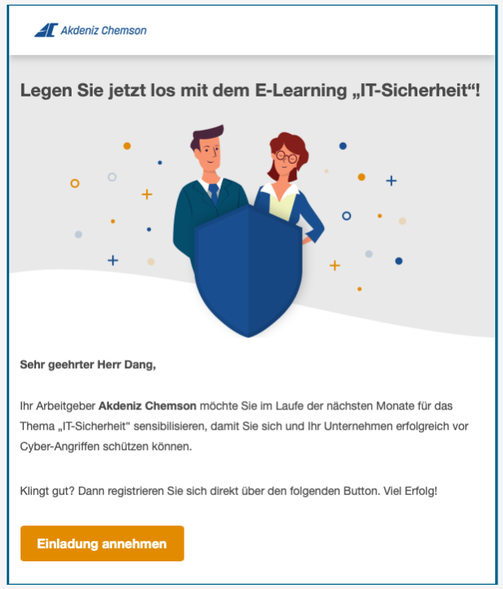
Future Plans: In addition to server and security software logs, security logs from user devices will be collected to further strengthen the process.

SoSafe Online Training

In a project led by the Human Resources department at Akdeniz Chemson's Austrian facility, we made the necessary updates to our online training platform to increase information security and awareness within the company. Our target in this process is to strengthen the security culture throughout the company and prepare for potential risks.

Our goals are:

- Ensuring that all employees participate in current training programs once the platform is reopened,
- Increasing employee knowledge of cybersecurity through updated training content,
- Encouraging secure digital behavior through training modules, and
- Supporting informed user behavior to strengthen corporate data security.



Results and Gains:

- **Increased Cybersecurity Awareness:** We raised employee awareness of current threats and protection methods, and reduced security vulnerabilities caused by individual errors.
- **Strengthened Information Security Infrastructure:** Thanks to updates and awareness implemented alongside training, we strengthened the company's overall security posture.
- **Establishing an Internal Culture of Trust:** We ensured the widespread adoption of secure digital behavior and made security awareness a part of daily work habits.
- **Increased Crisis Response Competence:** We contributed to the development of post-crisis process management skills through the training process.

Our training platform will be available to all employees throughout 2025.

Sustainable Supply Chain

At Akdeniz Chemson, we believe that our company's reputation is shaped not only by the actions of our own employees but also by the actions of the third parties we work with. We expect all our suppliers to be individuals and organizations who share our corporate values and adhere to the same level of ethical standards, and we establish and develop systems to build lasting relationships with them.

At Akdeniz Chemson, our supply chain is the most important link in our value chain, after our own operations. We recognize that our company's reputation is shaped not only by the actions of our own employees but also by the actions of the third parties with whom we work as a team.

Therefore, we establish and develop systems to ensure that all suppliers, vendors, consultants, representatives, and all other providers of goods and services that do business with Akdeniz Chemson are individuals and organizations who share our corporate values and adhere to the same level of ethical standards, and to build lasting relationships with them.

Supplier Selections

At Akdeniz Chemson, we select suppliers within the scope of our "Supplier Selection Procedure" and in accordance with the "Akdeniz Chemson Supplier Selection Criteria."

Our general evaluation criteria include suppliers holding certifications equivalent to ISO 14001 Environmental Management System, ISO 45001 & OHSAS 18001 Occupational Health and Safety Management System, and ISO 27001 Information Security Management System. We also require suppliers to provide a Safety Data Sheet (SDS) to assess the environmental impact of their production processes. We conduct the necessary inquiries regarding REACH requirements through our suppliers.

Since 2022, our existing and new suppliers have signed the "Code of Ethics for Akdeniz Chemson Chemicals Suppliers and Third-Party Intermediaries", a document we prepared based on the Global Compact and containing social, environmental, and ethical criteria.

Supplier Audits

We also inquire about and score sustainability-related issues in the performance evaluations of our existing suppliers using the "Akdeniz Chemson Supplier Evaluation Forms." If we encounter a result that violates our code of conduct, we terminate our relationship with a supplier that scores 25 or below. We have completed 80 of the 90 supplier audits planned for 2024. The majority of these were remote audits.

Environmental Impacts on the Supply Chain

At Akdeniz Chemson, we aim to create an environmentally responsible supply chain by reducing carbon emissions in our logistics processes. To this end, we are evaluating rail and maritime transportation options to minimize the environmental impact of road transport and utilize resources more efficiently. This transition allows us to reduce our emissions and optimize costs by increasing transportation efficiency. We see intermodal transportation as a fundamental step toward achieving our environmental sustainability goals.

Single Supplier Prevention/ Alternative Raw Material Project

As Akdeniz Chemson, we launched a project in 2022 to minimize potential supply problems for raw materials we operate from a single supplier, a single manufacturer, and a single region.

We aim to maintain Akdeniz Chemson's commercial structure by streamlining our purchasing processes and improving our competitiveness. We are also working to reduce costs through competitive purchasing processes, including sourcing alternative materials and suppliers. We are also taking steps to reduce our carbon footprint by evaluating the option of managing purchasing and shipping operations from a single supplier and a single region, from locations closer to the factory. In 2024, we removed two more raw materials from the single supplier category.

We plan to continuously improve each year based on the previous year's data.

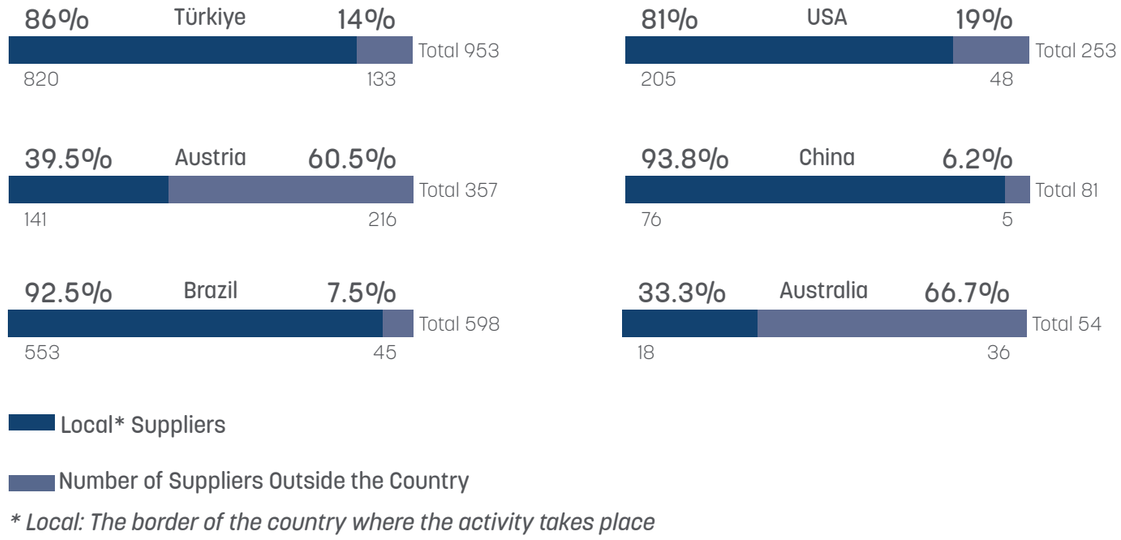
SAP HANA Application

By 2024, we aimed to standardize data management and approval mechanisms at our US facility, manage all finance, quality, and supply chain operations via ERP, and implement coding and reporting in line with global standards. To this end, we aligned product and raw material codes with global standards. We synchronized purchasing and materials management and transferred quality operations to the ERP system.

Local Suppliers

At Akdeniz Chemson, we support the local economy by working with manufacturers located close to our factories. In 2024, 86% of our total 953 suppliers in our Türkiye operations were local suppliers.

Our Suppliers



** Local: The border of the country where the activity takes place*

10

ANNEX

At Akdeniz Chemson, we embody our understanding of sustainability and corporate responsibility through our triple bottom line model. This approach combines economic success, social benefit, and environmental sustainability, a first in our industry.

Additional Explanations on the Materiality Analysis

We took a step further than the recommendation of EFRAG, which prepares the European Sustainability Reporting Standard ESRS, and sought the views of key internal and external stakeholders on the positive and negative impacts of the company's operations on themselves, as well as on society and the environment.

Current and Potential Impacts of Operations on the Environment and Society (Internal and External Stakeholders)

Potential sustainability issues identified through a materiality survey conducted with employees and managers at various levels across all facilities are listed on the left side of the table in order of priority, taking into account their current negative impacts. According to the results of the external stakeholder survey, which is presented on the right side of the table and largely informed by customer responses, the magnitude of the negative impacts of our operations on the environment and society has been prioritized differently compared to the feedback we received from internal stakeholders.

This result clearly demonstrates that different stakeholders may have different assessments depending on their level of knowledge about the company. In the internal stakeholder survey, which included employees, issues related to social impacts such as 'Occupational Health and Safety,' 'Training and Development,' and 'Diversity and Equal Opportunity' were prioritized. According to the results of the external stakeholder survey, issues with direct environmental but indirect social impacts such as 'Waste,' 'Water,' 'Energy', 'Greenhouse Gas Emissions', and 'Air Quality' were prioritized. 'Data- Information Security and Privacy' was identified as the highest priority issue. Three critical issues with the potential for irreversible consequences were identified by internal stakeholders as 'Occupational Health and Safety', 'Critical Incident/Accident Risk Management,' and 'Data-Information Security and Privacy.'

In our assessment with the Executive Board and Sustainability Committee, we further focused our assessment of the 19 issues, focusing on those with high environmental/social impact and potential financial impact on the company, due to the nature of our prioritization.

Current: C Potantial: P	Internal Stakeholders (57) Current and Potential	Weighted Average	Current: C	External Stakeholders (25) Current	Weighted Average
C and P	Occupational Health and Safety	9.05	C	Waste and Hazardous Materials	6.72
C	Training and Development	8.46	C	Water Consumption	6.56
C and P	Data-Information Security and Privacy	8.39	C	Energy Consumption	6.56
C and P	Diversity and Equal Opportunity	7.51	C	Greenhouse Gas Emissions	6.32
C and P	Business Ethics and Compliance	7.47	C	Air Quality	6.32
C	Human (Labor) Rights	7.44	C	Data and Information Security and Privacy	6.32
C and P	Critical Incident/Accident Risk Management	7.4	C	Wastewater Generation	6.16
C and P	Energy Consumption	7.19	C	Occupational Health and Safety	6.16
C	Product Design and Life Cycle	6.32	C	Product Design and Life Cycle	5.92
C	Sustainable Supply Chain	6.18	C	Critical Incident/Accident Risk Management	5.84
C and P	Water Consumption	5.96	C	Biodiversity and Ecosystems	5.84
C	Materials and Recycling	5.68	C	Human (Labor) Rights	5.76
C	Waste and Hazardous Materials	5.44	C	Business Ethics and Compliance	5.76
C and P	Greenhouse Gas Emissions	5.23	C	Sustainable Supply Chain	5.68
C and P	Managing the Legal and Regulatory Environment	5.16	C	Training and Development	5.68
C and P	Wastewater Generation	5.05	C	Diversity and Equal Opportunity	5.68
C and P	Air Quality	4.95	C	Materials and Recycling	5.68
C	Relationships with Local/Affected Communities	4.7	C	Managing the Legal and Regulatory Environment	5.44
C and P	Biodiversity and Ecosystems	4.53	C	Relationships with Local/Affected Communities	5.04

Positive and Negative Impacts of Operations on External Stakeholders and the Environment & Society (External Stakeholder)

When conducting the assessment, the results of which we share below, external stakeholders chose to evaluate the positive and negative impacts of operations for each topic. Percentages were calculated directly from the participants' per capita responses. For example, the top-ranked greenhouse gas emissions data could be read as "16% of participants believe the company's operations have a negative impact on them in terms of greenhouse gas emissions." The percentage of stakeholders who indicated that the same topic has a negative impact on society and the environment is also 16%.

The Impact of the Issue on External Stakeholders (External Stakeholder Opinion)	Negative	Positive	Impact of the Issue on Society and the Environment (External Stakeholder Opinion)	Negative	Positive
Greenhouse Gas Emissions	16%	44%	Waste and Hazardous Materials	28%	40%
Air Quality	16%	36%	Air Quality	20%	44%
Energy Consumption	12%	40%	Greenhouse Gas Emissions	16%	48%
Water Consumption	12%	40%	Energy Consumption	16%	48%
Waste and Hazardous Materials	12%	36%	Water Consumption	12%	40%
Biodiversity and Ecosystems	8%	36%	Sustainable Supply Chain	12%	52%
Materials and Recycling	8%	40%	Biodiversity and Ecosystems	8%	40%
Occupational Health and Safety	8%	44%	Managing the Legal and Regulatory Environment	8%	48%
Business Ethics and Compliance	8%	64%	Critical Incident/Accident Risk Management	8%	36%
Local/Affected Community Relations	8%	60%	Occupational Health and Safety	8%	40%
Sustainable Supply Chain	8%	68%	Human (Labor) Rights	8%	32%
Wastewater Generation	4%	44%	Diversity and Equal Opportunity	8%	36%
Managing the Legal and Regulatory Environment	4%	48%	Wastewater Generation	4%	52%
Critical Incident/Accident Risk Management	4%	44%	Training and Development	4%	48%
Training and Development	4%	56%	Business Ethics and Compliance	4%	44%
Human (Labor) Rights	4%	48%	Local/Affected Community Relations	4%	40%
Diversity and Equal Opportunity	4%	52%	Data and Information Security and Privacy	4%	56%
Data-Information Security and Privacy	4%	76%	Product Design and Life Cycle	0%	60%
Product Design and Life Cycle	0%	56%	Materials and Recycling	0%	56%

Explanations on Topics Excluded from Materiality

Biodiversity

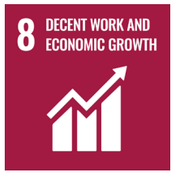
We recognize that protecting and enhancing biodiversity is an essential path to environmental sustainability and ecosystem continuity. With this awareness, we consider our responsibility to the natural resources and ecosystems of the region in which we operate at every stage of our operations. At Akdeniz Chemson, we contribute to ecosystem sustainability by making our operations more efficient, reducing resource use and the negative environmental impacts of our activities.

Stakeholder Communication Platforms

We believe that sustainable success will be crowned with communication with our stakeholders.

Stakeholders	Communication Platform and Purpose	Communication Frequency
Employees	www.wearetheformula.com Employee portal/announcements, appreciation module, showcase module, request complaint module, ACCEPT suggestion reward module	Continuous
	Global Town Hall meetings - Company developments, vision, plans, projects, status of key metrics	1 / 3 months
Shareholders (OYAK)	Board meetings, Monthly Business Review meetings	Monthly
Customers	Fairs, Linkedin, Instagram, Youtube - New product launches, Technical Talks, announcements, Customer Testimonials	Continuous
Suppliers	Fairs, Linkedin, Instagram, Youtube - New product launches, Technical Talks, announcements, Customer Testimonials	Continuous
Central Government Public Institutions (Republic of Türkiye Ministry of Trade, Republic of Türkiye Ministry of Industry and Technology, relevant departments)	Public relations, incentives, EU Green Deal, announcements, company promotion	1 / 3 months
Local Public Institutions (Aegean Exporters' Associations)	Incentives	1 / 3 months
Students	Career fairs	During the academic year

Our Contributions to the Sustainable Development Goals

UN 2030 Sustainable Development Goals	UN Goals Supported by Akdeniz Chemson	Title of the Report with Relevant Disclosures
	**4.4.** By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship	Training and Development
	**5.1.** End all forms of discrimination against all women and girls everywhere **5.5.** Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life	Diversity and Equal Opportunity
	**8.5.** By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value **8.8.** Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment	Occupational Health and Safety Human (Labor) Rights
	**10.2.** By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status	Diversity and Equal Opportunity

UN 2030 Sustainable Development Goals	UN Goals Supported by Akdeniz Chemson	Title of the Report with Relevant Disclosures
	**12.2.** By 2030, achieve the sustainable management and efficient use of natural resources **12.4.** By 2020, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimize their adverse impacts on human health and the environment **12.5.** By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse	Waste and Hazardous Materials Product Design and Life Cycle International Initiatives and Certifications
	**13.3.** Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning	Energy Management
	**16.6.** Develop effective, accountable and transparent institutions at all levels	Business Ethics and Compliance
	**17.16.** Enhance the Global Partnership for Sustainable Development, complemented by multi-stakeholder partnerships that mobilize and share knowledge, expertise, technology and financial resources, to support the achievement of the Sustainable Development Goals in all countries, in particular developing countries **17.17.** Encourage and promote effective public, public-private and civil society partnerships, building on the experience and resourcing strategies of partnerships	Memberships and Collaborations

International Initiatives and Certifications

At Akdeniz Chemson, we embody our understanding of sustainability and corporate responsibility with the triple bottom line model. With this approach, we demonstrate an approach that combines economic success, social benefit, and environmental sustainability, a first in our industry. With this model that shapes the future, we aim to be the leader not only today but also tomorrow. The VinylPlus®, Responsible Care®, and EcoVadis certifications reflect our commitment and implementation of this model.

Responsible Care®

Responsible Care® is a global initiative of the chemical industry, a commitment program implemented globally by the chemical industry regarding employee health, technical safety and environmental protection, energy efficiency, resource use, and sustainability.

The initiative provides a framework for chemical companies to develop and embody a commitment to protect the health and safety of the public and the environment. Responsible Care® certification confirms that a chemical company has adopted the principles and practices of this initiative and operates in accordance with these standards. The certification process includes a third-party assessment that assesses whether a company's management systems, practices, and performance meet specific criteria.

With Responsible Care®, we aim to minimize the potential negative impacts of our business processes on both human health and the environment. This approach is part of our social responsibility to our employees and society.

VinylPlus®

The VinylPlus® program is a European initiative that represents the PVC industry's commitment to sustainability. It brings together the industry's efforts to ensure sustainable production, use, and recycling of PVC throughout its lifecycle.

VinylPlus® consists of five main commitments aimed at achieving various goals to promote PVC sustainability:

- Circular waste management in PVC production
- Limited use of organic chlorine compounds
- Elimination of lead, cadmium, and other heavy metals
- Promoting the sustainable use of PVC
- Continuous improvements in energy and emissions

Since 2000, 9.5 million tons of PVC have been recycled through the initiative, resulting in a CO_2 reduction of 19.1 million tons. The initiative has a target of using one million tons of recycled material annually by 2030.

Akdeniz Chemson's Austria facility is a member of the VinylPlus® initiative.

With VinylPlus®, we are pioneering sustainable practices in plastic production and use. In this way, we aim to reduce the environmental impact of our products throughout their life cycle and protect natural resources.

EcoVadis ESG Rating

Akdeniz Chemson is the only stabilizer manufacturer in Europe to hold the EcoVadis Gold rating as of the end of 2023.

EcoVadis demonstrates ethical and social performance and aims to positively impact not only company operations but all stakeholders in its sphere of influence by promoting sustainable and ethical practices throughout its supply chain. Companies earning an EcoVadis rating are evaluated based on criteria related to environmental, social, and governance practices.

In 2023, our US facility was also evaluated and awarded the "Silver Medal" in the EcoVadis program, which previously included our facilities in Türkiye, Austria, Australia, and Brazil. We will soon include our facility in China in this assessment, which identifies our sustainability strengths and weaknesses and achieves the necessary global standardization.

In 2024, Akdeniz Chemson Türkiye and Austria facilities were certified in the EcoVadis Gold category; in 2023, Akdeniz Chemson America was certified in the EcoVadis Silver category; in 2022, Akdeniz Chemson Australia was certified in the highest level, EcoVadis Platinum category; and Akdeniz Chemson Brazil was certified in the EcoVadis Silver category.

Integrated Management Systems Certificates	Türkiye	Austria	Brazil	USA	China	Australia
ISO 9001:2015 Quality Management System	√	√	√	√	√	√
ISO 14001:2015 Environmental Management System	√	√	√		√	√
ISO 14046:2014 Water Footprint Standard	√	√	√	√	√	√
ISO 50001:2018 Energy Management System	√					
ISO 45001:2018 Occupational Health and Safety Management System	√					
ISO 27001:2022 Information Security Management System	√					
GHG Protocol - Greenhouse Gas Verification Certificate	√	√	√	√	√	√
TS EN ISO/IEC 17025:2017 Laboratory Accreditation	√					
Other Documents	**Türkiye**	**Austria**	**Brazil**	**USA**	**China**	**Australia**
Authorized Economic Operator Certificate	√					
Responsible Care® Commitment	√	√	√	√	√	√
CE Certificate	√					
Zero Waste Certificate	√					
VinylPlus®		√				
EcoVadis Platinum Certificate						√
EcoVadis Gold Certificate	√	√				
EcoVadis Silver Certificate			√	√		

Memberships and Collaborations

At Akdeniz Chemson, we believe that sustainable success comes from collaboration. Through extensive national and international collaborations, we closely monitor the latest sustainability practices and technologies, integrating our global experience and knowledge with local practices.

Collaboration reflects not only our economic success but also our social and environmental commitments. We view our membership organizations as strategic stakeholders in achieving our sustainability goals, and we develop projects with our collaborating institutions on topics such as reducing environmental impact, ethical business practices, and social development. We also contribute to raising industry standards and improving the well-being of communities.

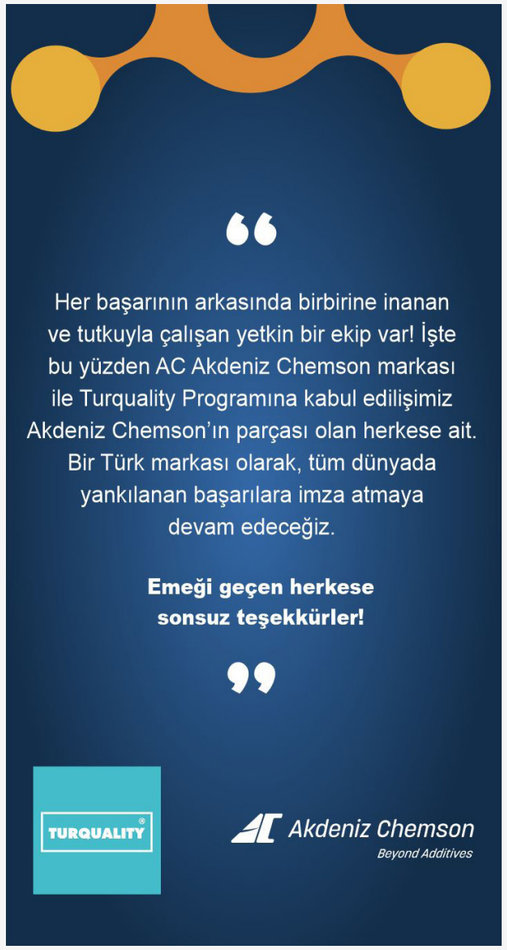
Organizations We Are Members Of
Aegean Region Chamber of Industry
Izmir Chamber of Commerce
Turkish Chemical, Petroleum, Rubber and Plastics Industry Employers' Union - KIPLAS
Turkish Chemical Manufacturers Association - TKSD
Aegean Exporters' Association

European Chemical Industry Council (CEFIC AISBL)
European Stabilizer Producers Association (ESPA)
The European Petrochemical Association (EPCA)
Brazilian PVC Institute (Instituto Brasileiro do PVC)
SENAI Innovation Institute (SENAI)
Australian Vinyl Council Product Stewardship Program

Turquality® Programme

Turquality, a support program aimed at enhancing brands' international competitiveness, establishes a direct link with sustainability. Being competitive in the global market isn't limited to simply being economically strong; environmental and social responsibilities are equally important. Brands receiving Turquality® support are required to develop environmentally friendly products and processes by adopting sustainable business models. In this context, sustainability stands out as a strategic factor for the long-term success of the Turquality® program.

Sustainability not only enables brands to reduce their environmental impact but also to improve their corporate infrastructure. Companies supported under Turquality® enhance their brand reputation through various activities in management, IT, and sustainability, while also playing an active role in the sustainable economy of the future.



Environmental Performance Indicators

Energy Data

Fossil Sources	Unit	Türkiye				Austria			
		2021	2022	2023	2024	2021	2022	2023	2024
Fuel consumption from coal and coal products	GJ	461,459.06	417,159.04	456,803.21	432,072	0	0	0	0
Fuel consumption from crude oil and petroleum products	GJ	0	0	0	0	2,222.75	2,132.65	1,796.12	1,436.21
Fuel consumption from natural gas	GJ	62,799.71	48,933.5	42,487.77	78,313.88	0	0	0	0
Fuel consumption from other fossil sources	GJ	0	0	0	0	0	0	0	0
Consumption of purchased or acquired electricity from fossil sources	GJ	175,990.66	166,775.57	188,152.71	201,412.86	0	0	0	0
Consumption of purchased or acquired heating from fossil sources	GJ	0	0	0	0	0	0	0	0
Consumption of purchased or acquired cooling from fossil sources	GJ	0	0	0	0	0	0	0	0
Consumption of purchased or acquired steam from fossil sources	GJ	0	0	0	0	0	0	0	0
Energy consumed by producing from fossil sources	GJ	0	0	0	0	0	0	0	0
Total energy consumption from fossil sources (1)	**GJ**	**700,249.43**	**632,868.11**	**687,443.69**	**711,798.74**	**2,222.75**	**2,132.65**	**1,796.12**	**1,436.21**

Fossil Sources	Unit	Brazil				USA			
		2021	2022	2023	2024	2021	2022	2023	2024
Fuel consumption from coal and coal products	GJ	0	0	0	0	0	0	0	0
Fuel consumption from crude oil and petroleum products	GJ	17,556	16,033	8,876	1,285.2	0	0	0	0
Fuel consumption from natural gas	GJ	0	0	0	0	727	861	1,502	1,144
Fuel consumption from other fossil sources	GJ	0	0	0	0	0	0	0	0
Consumption of purchased or acquired electricity from fossil sources	GJ	10,751	11,052	15,875	0	0	0	0	2,956.22
Consumption of purchased or acquired heating from fossil sources	GJ	0	0	0	0	0	0	0	0
Consumption of purchased or acquired cooling from fossil sources	GJ	0	0	0	0	0	0	0	0
Consumption of purchased or acquired steam from fossil sources	GJ	0	0	0	0	0	0	0	0
Energy consumed by producing from fossil sources	GJ	0	0	0	0	0	0	0	0
Total energy consumption from fossil sources (1)	**GJ**	**28,307**	**27,085**	**24,751**	**1,285.2**	**727**	**861**	**1,502**	**4,100.22**

Fossil Sources	Unit	China				Australia			
		2021	2022	2023	2024	2021	2022	2023	2024
Fuel consumption from coal and coal products	GJ	0	0	0	0	0	0	0	0
Fuel consumption from crude oil and petroleum products	GJ	0	0	0	0	0	0	0	0
Fuel consumption from natural gas	GJ	0	0	0	0	0	0	0	0
Fuel consumption from other fossil sources	GJ	1,050	1,020	3,444	3,494.09	2,137	1,607	1,713	1,571
Consumption of purchased or acquired electricity from fossil sources	GJ	0	0	0	0	0	0	0	0
Consumption of purchased or acquired heating from fossil sources	GJ	0	0	0	0	0	0	0	0
Consumption of purchased or acquired cooling from fossil sources	GJ	0	0	0	0	0	0	0	0
Consumption of purchased or acquired steam from fossil sources	GJ	0	0	0	0	0	0	0	0
Energy consumed by producing from fossil sources	GJ	0	0	0	0	0	0	0	0
Total energy consumption from fossil sources (1)	**GJ**	**1,050**	**1,020**	**3,444**	**3,494.09**	**2,137**	**1,607**	**1,713**	**1,571**

Renewable Sources	Unit	Türkiye				Austria			
		2021	2022	2023	2024	2021	2022	2023	2024
Consumption of purchased or acquired electricity from renewable sources	GJ	0	0	0	0	25,143.7	22,342.05	19,096.93	18,734.93
Consumption of purchased or acquired heating from renewable sources	GJ	0	0	0	0	0	0	0	0
Consumption of purchased or acquired cooling from renewable sources	GJ	0	0	0	0	0	0	0	0
Consumption of purchased or acquired steam from renewable sources	GJ	0	0	0	0	45,762.75	41,481	44,203.5	45,256.82
Fuel consumption from renewable sources*	GJ	0	0	0	0	0	0	0	0
Consumption of self-generated (non-fuel) renewable energy	GJ	0	0	0	0	0	0	0	0
Total energy consumption from renewable sources (2)	**GJ**	**0**	**0**	**0**	**0**	**70,906.45**	**63,823.05**	**63,300.43**	**63,991.75**

** Fuel consumption for renewable sources including biomass (also comprising industrial and municipal waste of biologic origin), biofuels, biogas, hydrogen from renewable sources*

Renewable Sources	Unit	Brazil				USA			
		2021	2022	2023	2024	2021	2022	2023	2024
Consumption of purchased or acquired electricity from renewable sources	GJ	0	0	0	19,175	0	0	0	2,991.6
Consumption of purchased or acquired heating from renewable sources	GJ	0	0	0	0	0	0	0	0
Consumption of purchased or acquired cooling from renewable sources	GJ	0	0	0	0	0	0	0	0
Consumption of purchased or acquired steam from renewable sources	GJ	0	0	0	0	0	0	0	0
Fuel consumption from renewable sources*	GJ	0	0	15.607.28	28,809.7	0	0	0	0
Consumption of self-generated (non-fuel) renewable energy	GJ	0	0	0	0	0	0	0	0
Total energy consumption from renewable sources (2)	**GJ**	**0**	**0**	**15,607.28**	**47,984.7**	**0**	**0**	**0**	**2,991.6**

Renewable Sources	Unit	China				Australia			
		2021	2022	2023	2024	2021	2022	2023	2024
Consumption of purchased or acquired electricity from renewable sources	GJ	0	0	0	0	0	0	0	0
Consumption of purchased or acquired heating from renewable sources	GJ	0	0	0	0	0	0	0	0
Consumption of purchased or acquired cooling from renewable sources	GJ	0	0	0	0	0	0	0	0
Consumption of purchased or acquired steam from renewable sources	GJ	0	0	0	0	0	0	0	0
Fuel consumption from renewable sources*	GJ	0	0	0	0	0	0	0	0
Consumption of self-generated (non-fuel) renewable energy	GJ	0	0	0	0	196.5	245.2	230	323.08
Total energy consumption from renewable sources (2)	**GJ**	**0**	**0**	**0**	**0**	**196.5**	**245.2**	**230**	**323.08**

** Fuel consumption for renewable sources including biomass (also comprising industrial and municipal waste of biologic origin), biofuels, biogas, hydrogen from renewable sources*

Nuclear Sources	Unit	Türkiye				Austria			
		2021	2022	2023	2024	2021	2022	2023	2024
Total energy consumption from nuclear sources (3)	GJ	0	0	0	0	0	0	0	0

Nuclear Sources	Unit	Brazil				USA			
		2021	2022	2023	2024	2021	2022	2023	2024
Total energy consumption from nuclear sources (3)	GJ	0	0	0	0	2,341	2,490	2,831	1,099.23

Nuclear Sources	Unit	China				Australia			
		2021	2022	2023	2024	2021	2022	2023	2024
Total energy consumption from nuclear sources (3)	GJ	0	0	0	0	0	0	0	0

Total Energy Consumption	Unit	Türkiye				Austria			
		2021	2022	2023	2024	2021	2022	2023	2024
Total energy consumption related to own operations (1+2+3)	GJ	700,249.43	632,868.11	687,443.69	711,798.74	73,129.2	65,955.7	65,096.54	65,427.96

Total Energy Consumption	Unit	Brazil				USA			
		2021	2022	2023	2024	2021	2022	2023	2024
Total energy consumption related to own operations (1+2+3)	GJ	28,307	27,085	40,358.28	49,269.90	3,068	3,351	4,333	8,191.05

Total Energy Consumption	Unit	China				Australia			
		2021	2022	2023	2024	2021	2022	2023	2024
Total energy consumption related to own operations (1+2+3)	GJ	1,050	1,020	3,444	3,494.09	2,333.5	1,852.2	1,943	1,894.55

During the calculation of the 2024 data, methodological differences were identified in the historical calculations for the Türkiye, Brazil, and United States locations.
Accordingly, the 2024 energy data were calculated in alignment with the applicable methodology. A comprehensive review of prior years' energy and emissions data, along with any potential updates, will be disclosed in the 2025 report.

Akdeniz Chemson Türkiye: *In previous years, a conversion factor of 23.1 MJ/Sm³ was used for natural gas; as of 2024, the value of 34.53 MJ/Sm³ published by EPDK (Energy Market Regulatory Authority of the Republic of Türkiye) has been applied.*
Akdeniz Chemson Brazil: *I-REC–certified renewable electricity data provided by Raízen Power have been incorporated into the 2024 calculations.*
Akdeniz Chemson United States: *Electricity consumption data related to electricity purchased or obtained from fossil sources were corrected in 2024.*

Energy Mix	Unit	Türkiye				Austria			
		2021	2022	2023	2024	2021	2022	2023	2024
Percentage of fossil sources in total energy consumption	Ratio	100%	100%	100%	100%	3.04%	3.23%	2.76%	2.2%
Percentage grid electricity in total energy consumption	Ratio	0%	0%	0%	0%	34.38%	33.87%	29.34%	28.63%
Percentage of energy consumption from nuclear sources in total energy consumption	Ratio	0%	0%	0%	0%	0%	0%	0%	0%
Percentage of renewable sources in total energy consumption	Ratio	0%	0%	0%	0%	97%	97%	97%	98%

Energy Mix	Unit	Brazil				USA			
		2021	2022	2023	2024	2021	2022	2023	2024
Percentage of fossil sources in total energy consumption	Ratio	100%	100%	61%	3%	24%	26%	35%	50%
Percentage grid electricity in total energy consumption	Ratio	0%	0%	0%	39%	76%	74%	65%	13%
Percentage of energy consumption from nuclear sources in total energy consumption	Ratio	0%	0%	0%	0%	76%	74%	65%	13%
Percentage of renewable sources in total energy consumption	Ratio	0%	0%	39%	97%	0%	0%	0%	37%

Energy Mix	Unit	China				Australia			
		2021	2022	2023	2024	2021	2022	2023	2024
Percentage of fossil sources in total energy consumption	Ratio	100%	100%	100%	100%	92%	87%	88%	83%
Percentage grid electricity in total energy consumption	Ratio	0%	0%	0%	0%	0%	0%	0%	0%
Percentage of energy consumption from nuclear sources in total energy consumption	Ratio	0%	0%	0%	0%	0%	0%	0%	0%
Percentage of renewable sources in total energy consumption	Ratio	0%	0%	0%	0%	8%	13%	12%	17%

There are no energy generation activities at any of Akdeniz Chemson's facilities.

Energy Intensity	Unit	Türkiye				Austria			
		2021	2022	2023	2024	2021	2022	2023	2024
Energy intensity from activities in high climate impact sectors (total energy consumption per net revenue)*	Ratio	0.23%	0.14%	0.19%	0.21%	0.06%	0.05%	0.03%	0.04%
Net Revenues	USD	305,346,166	449,713,867	357,959,973	334,212,466	126,984,000	136,479,000	200,743,000	178,344,872
Total energy consumption from activities in high climate impact sectors	GJ	700,249.43	632,868.11	687,443.69	711,798.74	73,129.2	65,955.7	65,096.54	65,427.96

Energy Intensity	Unit	Brazil				USA			
		2021	2022	2023	2024	2021	2022	2023	2024
Energy intensity from activities in high climate impact sectors (total energy consumption per net revenue)*	Ratio	0.07%	0.05%	0.07%	0.07%	0.01%	0.01%	0.01%	0.01%
Net Revenues	USD	41,691,000	49,487,000	59,312,000	66,740,333	44,473,000	62,000,000	50,627,000	54,952,127
Total energy consumption from activities in high climate impact sectors	GJ	28,307	27,085	40,358.28	49,269.90	3,068	3,351	4,333	8,191.05

Energy Intensity	Unit	China				Australia			
		2021	2022	2023	2024	2021	2022	2023	2024
Energy intensity from activities in high climate impact sectors (total energy consumption per net revenue)*	Ratio	0.01%	0.01%	0.01%	0.02%	0.01%	0.01%	0.01%	0.01%
Net Revenues	USD	17,237,000	17,203,000	25,292,000	18,568,794	18,469,000	18,285,000	19,914,000	20,161,464
Total energy consumption from activities in high climate impact sectors	GJ	1,050	1,020	3,444	3,494.09	2,.333.5	1,852.2	1,943	1,895

** Energy intensity = Total energy consumption / Net income*

Emissions Data

Scope 1 (t CO_2e) - Direct	Unit	Türkiye				Austria			
		2021	2022	2023	2024	2021	2022	2023	2024
Scope 1	t CO_2e	48,450	46,064	39,685	55,715.09	165	164	132	114.21
Scope 2 (t CO_2e) - Indirect	Unit	2021	2022	2023	2024	2021	2022	2023	2024
Scope 2 Location-based (Electricity)	t CO_2e	21,173	20,065	23,012	24,729.02	3,128	2,816	2,529	3,300.08
Scope 2 Market-based (Electricity)	t CO_2e	N/A	N/A	N/A	24,729.02	N/A	N/A	N/A	2,161.55
Scope 3 (t CO_2e) - Other	Unit	2021	2022	2023	2024	2021	2022	2023	2024
Scope 3 (Indirect)	t CO_2e	449,937	467,119	540,097	550,114.26	91,622	67,712	12,893	68,640
Total Scope 1-2-3 (t CO_2e)	Unit	2021	2022	2023	2024	2021	2022	2023	2024
Total Location-based	t CO_2e	519,560	533,248	602,793	630,558.37	94,915	70,692	15,553	72,054.29
Total Market-based	t CO_2e	N/A	N/A	N/A	630,558.37	N/A	N/A	N/A	70,915.76
Scope 1 (t CO_2e) - Direct	Unit	Brazil				USA			
		2021	2022	2023	2024	2021	2022	2023	2024
Scope 1	t CO_2e	1,568	1,480	5,220	225.51	226	246	1	44.32
Scope 2 (t CO_2e) - Indirect	Unit	2021	2022	2023	2024	2021	2022	2023	2024
Scope 2 Location-based (Electricity)	t CO_2e	157	235	499	988.15	250	266	24	385.74
Scope 2 Market-based (Electricity)	t CO_2e	N/A	N/A	N/A	0.09	N/A	N/A	N/A	385.74
Scope 3 (t CO_2e) - Other	Unit	2021	2022	2023	2024	2021	2022	2023	2024
Scope 3 (Indirect)	t CO_2e	41,950	38,858	60,991	51,705.62	44,902	36,558	30,654	40,036.59
Total Scope 1-2-3 (t CO_2e)	Unit	2021	2022	2023	2024	2021	2022	2023	2024
Total Location-based	t CO_2e	43,675	40,573	66,709	52,919.28	45,378	37,070	30,678	40,666.66
Total Market-based	t CO_2e	N/A	N/A	N/A	51,931.21	N/A	N/A	N/A	40,666.66

Scope 1 (t CO_2e) - Direct	Unit	China				Australia			
		2021	2022	2023	2024	2021	2022	2023	2024
Scope 1	t CO_2e	15	13	45	0.80	0	0	0	0
Scope 2 (t CO_2e) - Indirect	Unit	2021	2022	2023	2024	2021	2022	2023	2024
Scope 2 Location-based (Electricity)	t CO_2e	183	178	604	921.86	409	308	312	407.2
Scope 2 Market-based (Electricity)	t CO_2e	N/A	N/A	N/A	921.86	N/A	N/A	N/A	407.2
Scope 3 (t CO_2e) - Other	Unit	2021	2022	2023	2024	2021	2022	2023	2024
Scope 3 (Indirect)	t CO_2e	22,469	14,132	18,009	32,816.67	11,438	11,883	9,334	12,725.12
Total Scope 1-2-3 (t CO_2e)	Unit	2021	2022	2023	2024	2021	2022	2023	2024
Total Location-based	t CO_2e	22,667	14,323	18,657	33,739.33	11,847	12,141	9,645	13,132.32
Total Market-based	t CO_2e	N/A	N/A	N/A	33,739.33	N/A	N/A	N/A	13,132.32

N/A: Not available

Total Emissions (All Facilities)	Unit	2021	2022	2023	2024
Scope 1	t CO_2e	50,424	47,967	45,083	56,099.93
Scope 2 Location-based	t CO_2e	25,300	23,868	26,980	30,732.05
Scope 2 Market-based	t CO_2e	N/A	N/A	N/A	28,605.05
Scope 3	t CO_2e	662,318*	636,262*	671,978*	756,038.26*

**Emissions from transfer product trade are included.*

Categories included in our Scope 3 emissions:

1- Purchased goods and services
2- Capital goods
3- Fuel- and energy-related activities
4- Upstream transportation and distribution
5- Waste generated in operations
6- Business travel
7- Employee commuting
8- Upstream leased assets
9- Downstream transportation and distribution

Emission Intensity*	Unit	Türkiye	Austria	Brazil	USA	China	Australia
		2024	2024	2024	2024	2024	2024
Scope 1 Intensity	t CO_2e/USD	0.00017	0.0000006	0.0000034	0.0000008	0	0
Scope 2 Intensity (Location-based)	t CO_2e/USD	0.00007	0.00002	0.0000148	0.000007	0.00005	0.0000202
Scope 3 Intensity	t CO_2e/USD	0.00165	0.00038	0.00077	0.00073	0.00177	0.00063
Total emission intensity (Location-based)	t CO_2e/USD	0.0019	0.0004	0.0008	0.0007	0.0018	0.0007

**Emission intensity = Emissions / Net revenue*

Water Data

Water Withdrawals (m³/year)	Unit	Türkiye				Austria				Brazil			
		2021	2022	2023	2024	2021	2022	2023	2024	2021	2022	2023	2024
Fresh surface water	m³	0	0	0	0	0	0	0	0	0	0	0	0
Sea water	m³	0	0	0	0	0	0	0	0	0	0	0	0
Groundwater-Renewable	m³	0	0	0	0	525,127	473,922	491,315	331,536	0	0	0	0
Groundwater-Non-renewable	m³	474,072	410,197	457,990	552,122	0	0	0	0	4,788	5,079	6,669	7,256
Produced/Entrained water	m³	0	0	0	0	0	0	0	0	0	0	0	0
Total water recycled and reused	m³	0	0	0	0	0	0	0	0	0	0	0	0
Third party sources	m³	0	0	8,469.06	48,311	0	0	19.82	6.22	3,816	3,383	3,662.81	4,523
Total water withdrawals	**m³**	**474,072**	**410,197**	**466,459.06**	**600,433**	**525,127**	**473,922**	**491,334.82**	**331,542.22**	**8,604**	**8,462**	**10,331.81**	**11,779**
Total water stored	m³	0	0	0	0	0	0	0	0	0	0	0	0
Changes in water storage	m³	0	0	0	0	0	0	0	0	0	0	0	0

Water Withdrawals (m³/year)	Unit	USA				China				Australia			
		2021	2022	2023	2024	2021	2022	2023	2024	2021	2022	2023	2024
Fresh surface water	m³	0	0	0	0	0	0	0	0	0	0	0	0
Sea water	m³	0	0	0	0	0	0	0	0	0	0	0	0
Groundwater-Renewable	m³	0	0	0	0	0	0	0	0	0	0	0	0
Groundwater-Non-renewable	m³	0	0	0	0	0	0	0	0	0	0	0	0
Produced/Entrained water	m³	0	0	0	0	0	0	0	0	0	0	0	0
Total water recycled and reused	m³	0	0	0	0	0	0	0	0	0	0	0	0
Third party sources	m³	773.05	634.3	716.91	484.22	804.92	244	5,999.15	2,589	339.96	339.6	937.14	715.57
Total water withdrawals	**m³**	**773.05**	**634.3**	**716.91**	**484.22**	**804.92**	**244**	**5,999.15**	**2,589**	**339.96**	**339.6**	**937.14**	**715.57**
Total water stored	m³	0	0	0	0	0	0	0	0	0	0	0	0
Changes in water storage	m³	0	0	0	0	0	0	0	0	0	0	0	0

Water Discharge (m³/year)	Unit	Türkiye				Austria				Brazil			
		2021	2022	2023	2024	2021	2022	2023	2024	2021	2022	2023	2024
Fresh surface water	m³	0	0	0	0	523,574	472,949	489,433	329,814	0	0	0	0
Sea water	m³	0	0	0	0	0	0	0	0	0	0	0	0
Groundwater	m³	0	0	0	0	0	0	0	0	0	0	0	0
Third-Party Destinations (Sewage-Organized Industrial Zone etc.)	m³	326,674	271,176	335,743.2	467,757.9	1,553	973	1,882	1,722	3,816	3,383	3,624	4,552
Total water discharges	**m³**	**326,674**	**271,176**	**335,743.2**	**467,757.9**	**525.127**	**473.922**	**491.315**	**331,536**	**3,816**	**3,383**	**3,624**	**4,552**

Water Discharge (m³/year)	Unit	USA				China				Australia			
		2021	2022	2023	2024	2021	2022	2023	2024	2021	2022	2023	2024
Fresh surface water	m³	0	0	0	0	0	0	0	0	0	0	0	0
Sea water	m³	0	0	0	0	0	0	0	0	0	0	0	0
Groundwater	m³	0	0	0	0	0	0	0	0	0	0	0	0
Third-Party Destinations (Sewage-Organized Industrial Zone etc.)	m³	773.05	634.3	698.93	435.8	804.92	244	5,719	2,091	339.96	339.6	656	500.9
Total water discharges	**m³**	**773.05**	**634.3**	**698.93**	**435.8**	**804.92**	**244**	**5,719**	**2,091**	**339.96**	**339.6**	**656**	**500.9**

Water Consumption (m³/year)	Unit	Türkiye				Austria				Brazil			
		2021	2022	2023	2024	2021	2022	2023	2024	2021	2022	2023	2024
Total water consumed (Total water withdrawals-Total water discharge)	m³	147,398	139,021	130,715.86	132,675.1	0	0	19.82	6.22	4,788	5,079	6,707.81	7,227
Total water consumption in areas at water risk, including areas of high-water stress	m³	147,398	139,021	130,715.86	132,675.1	0	0	0	0	4,788	5,079	6.707.81	7,227
Percentage of water withdrawn in regions with High or Extremely High Baseline Water Stress	Ratio	100%	100%	100%	100%	0%	0%	0%	0%	100%	100%	100%	100%
Percentage of water consumed in regions with High or Extremely High Baseline Water Stress	Ratio	100%	100%	100%	100%	0%	0%	0%	0%	100%	100%	100%	100%
Water Consumption (m³/year)	Unit	USA				China				Australia			
		2021	2022	2023	2024	2021	2022	2023	2024	2021	2022	2023	2024
Total water consumed (Total water withdrawals-Total water discharge)	m³	0	0	17.98	48.42	0	0	280.15	498	0	0	281.14	214.67
Total water consumption in areas at water risk, including areas of high-water stress	m³	0	0	17.98	48.42	0	0	280.15	498	0	0	281.14	214.67
Percentage of water withdrawn in regions with High or Extremely High Baseline Water Stress	Ratio	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Percentage of water consumed in regions with High or Extremely High Baseline Water Stress	Ratio	0%	0%	100%	100%	%0	%0	100%	100%	0%	0%	100%	100%

Water Intensity (m³/year)	Unit	Türkiye				Austria				Brazil			
		2021	2022	2023	2024	2021	2022	2023	2024	2021	2022	2023	2024
Water intensity ratio (Total water consumption/Total revenues)	Percentage	0.048%	0.031%	0.037%	0.040%	0%	0%	0%	0.000003%	0.011%	0.01%	0.011%	0.011%
Total Revenues	USD	305,346,166	449,713,867	357,959,973	334,212,466	126,984,000	136,479,000	200,743,000	178,344,872	41,691,000	49,487,000	59,312,000	66,740,333
Additional water intensity ratio (Total water consumption/Total production)	Percentage	61.4%	63.11%	52.43%	53.2%	%0	%0	%0.06	0.02%	23.14%	28.1%	26.95%	21.07%
Total Production	Tons	240,072	220,301	249,305	249,366	50,036.69	41,229.26	34,847.75	29,405	20,690	18,077	24,888	34,300
Number of incidents of non-compliance associated with water quality permits, standards, and regulations	Number	0	0	0	0	0	0	0	0	0	0	0	0
Water Intensity (m³/year)	Unit	USA				China				Australia			
		2021	2022	2023	2024	2021	2022	2023	2024	2021	2022	2023	2024
Water intensity ratio (Total water consumption/Total revenues)	Percentage	0%	0%	0%	0%	0%	0%	0.001%	0.003%	0%	0%	0.001%	0.001%
Total Revenues	USD	44,473,000	62,000,000	50,627,000	54,952,127	17,237,000	17,203,000	25,292,000	18,568,794	18,469,000	18,285,000	19,914,000	20,161,464
Additional water intensity ratio (Total water consumption/Total production)	Percentage	0%	0%	0.18%	0.39%	0%	0%	3.18%	4.97%	0%	0%	6.06%	4.47%
Total Production	Tons	10,331.42	9,992.46	10,135.01	12,374	9,708	8,782	8,817	10,015	5,800	4,406	4,640	4,804
Number of incidents of non-compliance associated with water quality permits, standards, and regulations	Number	0	0	0	0	0	0	0	0	0	0	0	0

Waste Data

Total Waste by Type	Unit	Türkiye				Austria				Brazil			
		2021	2022	2023	2024	2021	2022	2023	2024	2021	2022	2023	2024
Hazardous waste	Tons	1,766.59	1,643.77	1,969.83	1,976.54	143.25	107.91	394.19	424.57	67.02	99.53	146.4	198.6
Non-hazardous waste	Tons	6,550.06	6,568.07	6,642.14	5,646.68	2,132.86	2,896.79	902.88	881.43	326.45	433.05	646.31	493.4
Total amount of radioactive waste	Tons	0	0	0	0	0	0	0	0	0	0	0	0
Total waste generated	**Tons**	**8,316.65**	**8,211.84**	**8,611.97**	**7,623.22**	**2,276.11**	**3,004.7**	**1,297.08**	**1,306**	**393.47**	**532.58**	**792.71**	**692**
Total Waste by Type	Unit	USA				China				Australia			
		2021	2022	2023	2024	2021	2022	2023	2024	2021	2022	2023	2024
Hazardous waste	Tons	85.43	134.29	0	0	0	0	0.55	0.63	0	0	0	0
Non-hazardous waste	Tons	144.97	159.12	216.89	377.6	96	91	152	149	118.85	100.12	124.39	70.51
Total amount of radioactive waste	Tons	0	0	0	0	0	0	0	0	0	0	0	0
Total waste generated	**Tons**	**230.4**	**293.41**	**216.89**	**377.6**	**96**	**91**	**152.55**	**149.63**	**118.85**	**100.12**	**124.39**	**70.51**

Single-Use Plastic Waste	Unit	Türkiye				Austria				Brazil			
		2021	2022	2023	2024	2021	2022	2023	2024	2021	2022	2023	2024
Single-use plastic quantity	Tons	562.36	574.18	645.18	511.24	0.36	0.36	0.36	0.36	65.29	54.66	63.25	42.64
Single-Use Plastic Waste	Unit	USA				China				Australia			
		2021	2022	2023	2024	2021	2022	2023	2024	2021	2022	2023	2024
Single-use plastic quantity	Tons	0.85	1.01	0.92	0.9	0	0	0.48	0.56	27.85	21.52	26.73	15.15

Total Waste by Disposal	Unit	Türkiye							
		2021		2022		2023		2024	
Waste Diverted from Disposal		Hazardous	Non-Hazardous	Hazardous	Non-Hazardous	Hazardous	Non-Hazardous	Hazardous	Non-Hazardous
Due to preparation for reuse	Tons	0	0	0	0	0	0	0	0
Due to recycling (+ 3rd party)	Tons	1,550.16	6,550.06	1,458.24	6,568.06	1,969.74	6,642.14	1,976.44	5,646.68
Due to other recovery operations	Tons	0	0	0	0	0	0	0	0
Total waste diverted from disposal	Tons	1,550.16	6,550.06	1,458.24	6,568.06	1,969.74	6,642.14	1,976.44	5,646.68
Total	**Tons**	**8,100.22**		**8,026.3**		**8,611.88**		**7,623.12**	
Waste Directed to Disposal	Unit	Hazardous	Non-Hazardous	Hazardous	Non-Hazardous	Hazardous	Non-Hazardous	Hazardous	Non-Hazardous
Incineration	Tons	0	0	0	0	0	0	0	0
Landfilling	Tons	216.43	0	185.54	0	0.09	0	0.099	0
Other Disposal	Tons	0	0	0	0	0	0	0	0
Total Waste Disposed	Tons	216.43	0	185.54	0	0.09	0	0.099	0
Total	Tons	**216.43**		**185.54**		**0.09**		**0.099**	

Total Waste by Disposal	Unit	Austria							
		2021		2022		2023		2024	
Waste Diverted from Disposal		Hazardous	Non-Hazardous	Hazardous	Non-Hazardous	Hazardous	Non-Hazardous	Hazardous	Non-Hazardous
Due to preparation for reuse	Tons	0	0	0	0	0	0	0	0
Due to recycling (+ 3rd party)	Tons	142.49	2,054.12	3.3	722.91	1.53	664.18	1.52	627.35
Due to other recovery operations	Tons	0	0	0	0	0	0	0	0
Total waste diverted from disposal	Tons	142.49	2.054.12	3.3	722.91	1.53	664.18	1.52	627.35
Total	**Tons**	**2,196.61**		**726.21**		**665.71**		**628.87**	
Waste Directed to Disposal	Unit	Hazardous	Non-Hazardous	Hazardous	Non-Hazardous	Hazardous	Non-Hazardous	Hazardous	Non-Hazardous
Incineration	Tons	0	0	445.61	280	392.62	238.38	423.05	187.3
Landfilling	Tons	0.76	78.74	0	1,552.88	0.04	0.32	0	66.78
Other Disposal	Tons	0	0	0	0	0	0	0	0
Total Waste Disposed	Tons	0.76	78.74	445.61	1,832.88	392.66	238.7	423.05	254.08
Total	Tons	**79.5**		**2,278.49**		**631.37**		**677.14**	

Total Waste by Disposal	Unit	Brazil							
		2021		2022		2023		2024	
Waste Diverted from Disposal		Hazardous	Non-Hazardous	Hazardous	Non-Hazardous	Hazardous	Non-Hazardous	Hazardous	Non-Hazardous
Due to preparation for reuse	Tons	0	0	0	0	0	0	0	0
Due to recycling (+ 3rd party)	Tons	67.04	282.55	99.53	286.82	146.4	332.36	198.6	379.91
Due to other recovery operations	Tons	0	0	0	0	0	0	0	0
Total waste diverted from disposal	Tons	67.04	282.55	99.53	286.82	146.4	332.36	198.6	379.91
Total	**Tons**	**349.59**		**386.35**		**478.76**		**578.51**	
Waste Directed to Disposal	Unit	Hazardous	Non-Hazardous	Hazardous	Non-Hazardous	Hazardous	Non-Hazardous	Hazardous	Non-Hazardous
Incineration	Tons	0	0	0	0	0	0	0	0
Landfilling	Tons	0	43.88	0	146.23	0	313.95	0	113.49
Other Disposal	Tons	0	0	0	0	0	0	0	0
Total Waste Disposed	Tons	0	43.88	0	146.23	0	313.95	0	113.49
Total	Tons	**43.88**		**146.23**		**313.95**		**113.49**	

Total Waste by Disposal	Unit	USA							
		2021		2022		2023		2024	
Waste Diverted from Disposal		Hazardous	Non-Hazardous	Hazardous	Non-Hazardous	Hazardous	Non-Hazardous	Hazardous	Non-Hazardous
Due to preparation for reuse	Tons	0	0	0	0	0	0	0	0
Due to recycling (+ 3rd party)	Tons	0	0	0	0	0	0	0	43.7
Due to other recovery operations	Tons	0	0	0	0	0	0	0	0
Total waste diverted from disposal	Tons	0	0	0	0	0	0	0	43.7
Total	**Tons**	**0**		**0**		**0**		**43.7**	
Waste Directed to Disposal	Unit	Hazardous	Non-Hazardous	Hazardous	Non-Hazardous	Hazardous	Non-Hazardous	Hazardous	Non-Hazardous
Incineration	Tons	0	0	0	0	0	0	0	0
Landfilling	Tons	85.43	144.97	134.29	159.12	0	216.89	0	333.9
Other Disposal	Tons	0	0	0	0	0	0	0	0
Total Waste Disposed	Tons	85.43	144.97	134.29	159.12	0	216.89	0	333.9
Total	**Tons**	**230.4**		**293.41**		**216.89**		**333.9**	

Total Waste by Disposal	Unit	China							
		2021		2022		2023		2024	
Waste Diverted from Disposal		Hazardous	Non-Hazardous	Hazardous	Non-Hazardous	Hazardous	Non-Hazardous	Hazardous	Non-Hazardous
Due to preparation for reuse	Tons	0	0	0	0	0	0	0	0
Due to recycling (+ 3rd party)	Tons	0	96	0	91	0	152	0	149
Due to other recovery operations	Tons	0	0	0	0	0	0	0	0
Total waste diverted from disposal	Tons	0	96	0	91	0	152	0	149
Total	**Tons**	**96**		**91**		**152**		**149**	
Waste Directed to Disposal	Unit	Hazardous	Non-Hazardous	Hazardous	Non-Hazardous	Hazardous	Non-Hazardous	Hazardous	Non-Hazardous
Incineration	Tons	0	0	0	0	0.55	0	0.63	0
Landfilling	Tons	0	0	0	0	0	0	0	0
Other Disposal	Tons	0	0	0	0	0	0	0	0
Total Waste Disposed	Tons	0	0	0	0	0.55	0	0.63	0
Total	**Tons**	**0**		**0**		**0.55**		**0.63**	

Total Waste by Disposal	Unit	Australia							
		2021		2022		2023		2024	
Waste Diverted from Disposal		Hazardous	Non-Hazardous	Hazardous	Non-Hazardous	Hazardous	Non-Hazardous	Hazardous	Non-Hazardous
Due to preparation for reuse	Tons	0	0	0	0	0	0	0	0
Due to recycling (+ 3rd party)	Tons	0	95.08	0	80.1	0	99.51	0	56.41
Due to other recovery operations	Tons	0	0	0	0	0	0	0	0
Total waste diverted from disposal	Tons	0	95.08	0	80.1	0	99.51	0	56.41
Total	**Tons**	**95.08**		**80.1**		**99.51**		**56.41**	
Waste Directed to Disposal	Unit	Hazardous	Non-Hazardous	Hazardous	Non-Hazardous	Hazardous	Non-Hazardous	Hazardous	Non-Hazardous
Incineration	Tons	0	0	0	0	0	0	0	0
Landfilling	Tons	0	23.77	0	20.02	0	24.88	0	0
Other Disposal	Tons	0	0	0	0	0	0	0	14.1
Total Waste Disposed	Tons	0	23.77	0	20.02	0	24.88	0	14.1
Total	**Tons**	**23.77**		**20.02**		**24.88**		**14.1**	

Waste Recovery	Unit	Türkiye				Austria				Brazil			
		2021	2022	2023	2024	2021	2022	2023	2024	2021	2022	2023	2024
Waste recovery ratio*	Percentage	97.4%	97.74%	100%	99.99%	N/A	24.17%	51.32%	48.15%	88.85%	72.54%	60.4%	83.6%
Waste Recovery	**Unit**	**USA**				**China**				**Australia**			
		2021	2022	2023	2024	2021	2022	2023	2024	2021	2022	2023	2024
Waste recovery ratio*	Percentage	0%	0%	0%	11.57%	100%	100%	99.64%	99.58%	80%	80%	80%	80%

** Waste recovery ratio = Amount of waste recycled / Total amount of waste*

Non-Recycled Waste	Unit	Türkiye				Austria				Brazil			
		2021	2022	2023	2024	2021	2022	2023	2024	2021	2022	2023	2024
Total non-recycled waste	Tons	216.43	184.54	0.09	0.1	N/A	2.278.49	631,37	667,14	43.88	146.23	313.95	113.49
Rate of non-recycled waste	Percentage	2.6%	2.26%	0%	0.001%	N/A	75.83%	48,68%	51,85%	11.15%	27.46%	39.6%	16.4%
Non-Recycled Waste	**Unit**	**USA**				**China**				**Australia**			
		2021	2022	2023	2024	2021	2022	2023	2024	2021	2022	2023	2024
Total non-recycled waste	Tons	230.4	293.41	216.89	333.9	0	0	0.55	0.63	23.77	20.02	24.88	14.1
Rate of non-recycled waste	Percentage	100%	100%	100%	88.43%	0%	0%	0,36%	0,42%	20%	20%	20%	20%

Environmental Investments	Unit	2021	2022	2023	2024
Environmental expenditures	USD	1,088,443	1,521,184	1,778,082	1,583,384
Environmental protection investments	USD	458,307	250,610	679,566	1,069,585

Social Performance Indicators

Number of Employees by Gender	Unit	Türkiye				Austria			
		2021	2022	2023	2024	2021	2022	2023	2024
Female	Number	58	63	74	80	32	31	35	34
Female	Ratio	12.55%	11.91%	12.87%	10.3%	13.22%	13.9%	16.99%	17%
Male	Number	404	466	501	697	210	192	171	166
Male	Ratio	87.45%	88.09%	87.13%	89.7%	86.78%	86.1%	83.01%	83%
Other	Number	0	0	0	0	0	0	0	0
Not reported	Number	0	0	0	0	0	0	0	0
Total number of employees	Number	462	529	575	777	242	223	206	200
Average number of employees*	Number	489	512	554	754	121	112	103	200

Number of Employees by Gender	Unit	Brazil				USA			
		2021	2022	2023	2024	2021	2022	2023	2024
Female	Number	12	17	19	21	5	6	4	7
Female	Ratio	9.92%	13.49%	12.58%	13.64%	14.71%	15.38%	10.81%	17.07%
Male	Number	109	109	132	133	29	33	33	34
Male	Ratio	90.08%	86.51%	87.42%	86.36%	85.29%	84.62%	89.19%	82.93%
Other	Number	0	0	0	0	0	0	0	0
Not reported	Number	0	0	0	0	0	0	0	0
Total number of employees	Number	121	126	151	154	34	39	37	41
Average number of employees*	Number	121	126	151	154	33	40	37	40

Number of Employees by Gender	Unit	China				Australia			
		2021	2022	2023	2024	2021	2022	2023	2024
Female	Number	N/A	26	24	25	3	5	6	5
Female	Ratio	N/A	39.39%	35.29%	36.76%	21.43%	33.33%	35.29%	33.33%
Male	Number	N/A	40	44	43	11	10	11	10
Male	Ratio	N/A	60.61%	64.71%	63.24%	78.57%	66.67%	64.71%	66.67%
Other	Number	N/A	0	0	0	0	0	0	0
Not reported	Number	N/A	0	0	0	0	0	0	0
Total number of employees	Number	N/A	66	68	68	14	15	17	15
Average number of employees*	Number	N/A	38	71	60	15	17	16	16

Number of Employees by Gender	Unit	Grand Total			
		2021	2022	2023	2024
Female	Number	110	148	162	172
Female	Ratio	12.6%	14.83%	15.37%	13.71%
Male	Number	763	850	892	1.083
Male	Ratio	87.4%	85.17%	84.63%	86.29%
Other	Number	0	0	0	0
Not reported	Number	0	0	0	0
Total number of employees	Number	873	998	1.054	1.255
Average number of employees*	Number	779	845	932	1.224

** Average number of employees (head count/full time equivalent*
N/A: Not available

Employees by Category and Gender (2024)	Unit	Türkiye			Austria		
		Female	Male	Total	Female	Male	Total
Total number of employees	Number	80	697	777	34	166	200
Number of permanent employees	Number	80	697	777	34	166	200
Number of temporary employees	Number	0	0	0	0	0	0
Number of non-guaranteed hours employees	Number	0	0	0	0	0	0
Number of full-time employees	Number	80	697	777	23	166	189
Number of part-time employees	Number	0	0	0	11	0	11

Employees by Category and Gender (2024)	Unit	Brazil			USA		
		Female	Male	Total	Female	Male	Total
Total number of employees	Number	21	133	154	7	34	41
Number of permanent employees	Number	18	126	144	7	34	41
Number of temporary employees	Number	3	7	10	0	0	0
Number of non-guaranteed hours employees	Number	0	0	0	0	0	0
Number of full-time employees	Number	18	126	144	6	34	40
Number of part-time employees	Number	3	7	10	1	0	1

Employees by Category and Gender (2024)	Unit	China			Australia		
		Female	Male	Total	Female	Male	Total
Total number of employees	Number	25	43	68	5	14	19
Number of permanent employees	Number	25	43	68	5	10	15
Number of temporary employees	Number	0	0	0	0	4	4
Number of non-guaranteed hours employees	Number	0	0	0	0	4	4
Number of full-time employees	Number	25	43	68	5	9	14
Number of part-time employees	Number	0	0	0	0	1	1

Employee Leaves	Unit	Türkiye				Austria			
		2021	2022	2023	2024	2021	2022	2023	2024
Number of employees who have left the company	Number	114	96	107	78	31	23	58	27

Employee Leaves	Unit	Brazil				USA			
		2021	2022	2023	2024	2021	2022	2023	2024
Number of employees who have left the company	Number	20	13	22	18	12	18	8	6

Employee Leaves	Unit	China				Australia			
		2021	2022	2023	2024	2021	2022	2023	2024
Number of employees who have left the company	Number	m.d.	10	25	10	7	4	3	5

Employee Leaves	Unit	Grand Total			
		2021	2022	2023	2024
Number of employees who have left the company	Number	184	164	223	144

N/A: Not available

Employee Turnover	Unit	Türkiye				Austria			
		2021	2022	2023	2024	2021	2022	2023	2024
Ratio of employee turnover	Percentage	23.31%	18.74%	19.35%	10.26%	12%	10%	29%	13.2%
Employee Turnover	**Unit**	**Brazil**				**USA**			
		2021	2022	2023	2024	2021	2022	2023	2024
Ratio of employee turnover	Percentage	17%	10%	15%	12.7%	34%	44%	20%	15.21%
Employee Turnover	**Unit**	**China**				**Australia**			
		2021	2022	2023	2024	2021	2022	2023	2024
Ratio of employee turnover	Percentage	N/A	20.3%	34.15%	16%	47%	23.57%	18.8%	29.41%

N/A: Not available

Employees with Disabilities	Unit	Türkiye				Austria			
		2021	2022	2023	2024	2021	2022	2023	2024
Ratio of employees with disabilities- All	Percentage	2.81%	2.65%	2.26%	2.57%	4.55%	4.93%	4.85%	4.5%
Number of employees with disabilities- Female	Number	1	1	1	1	2	2	2	2
Ratio of employees with disabilities- Female	Percentage	1.72%	1.59%	1.35%	1.25%	6.45%	6.45%	5.71%	5.88%
Number of employees with disabilities- Male	Number	12	13	12	19	9	9	8	7
Ratio of employees with disabilities- Male	Percentage	2.97%	2.79%	2.4%	2.73%	4.29%	4.69%	4.68%	4.22%

Employees with Disabilities	Unit	Brazil				USA			
		2021	2022	2023	2024	2021	2022	2023	2024
Ratio of employees with disabilities- All	Percentage	2%	2.38%	1.99%	1.95%	0%	0%	0%	0%
Number of employees with disabilities- Female	Number	0	0	0	0	0	0	0	0
Ratio of employees with disabilities- Female	Percentage	0%	0%	0%	0%	0%	0%	0%	0%
Number of employees with disabilities- Male	Number	3	3	3	3	0	0	0	0
Ratio of employees with disabilities- Male	Percentage	3%	2.75%	2.27%	2.26%	0%	0%	0%	0%

Employees with Disabilities	Unit	China				Australia			
		2021	2022	2023	2024	2021	2022	2023	2024
Ratio of employees with disabilities- All	Percentage	0%	0%	0%	0%	0%	0%	0%	0%
Number of employees with disabilities- Female	Number	0	0	0	0	0	0	0	0
Ratio of employees with disabilities- Female	Percentage	0%	0%	0%	0%	0%	0%	0%	0%
Number of employees with disabilities- Male	Number	0	0	0	0	0	0	0	0
Ratio of employees with disabilities- Male	Percentage	0%	0%	0%	0%	0%	0%	0%	0%

Employees That Participated in Regular Performance and Career Development Reviews	Unit	Türkiye				Austria			
		2021	2022	2023	2024	2021	2022	2023	2024
Female	Number	58	62	70	73	32	31	35	34
Female	Percentage	100%	98.41%	94.59%	91%	100%	100%	100%	100%
Male	Number	104	132	127	127	74	70	70	72
Male	Percentage	25.74%	28.33%	25.35%	18.22%	35.24%	36.46%	40.94%	43%
Permanent employees	Percentage	35%	37%	34%	26%	44%	45%	51%	53%
Temporary employees	Percentage	0%	0%	0%	0%	0%	0%	0%	%0
Non-employees	Percentage	0%	0%	0%	0%	0%	0%	0%	%0
Full-time employees	Percentage	35%	37%	34%	26%	78%	87%	86%	89.6%
Part-time employees	Percentage	%0	%0	%0	%0	%12	%8	%14	%10

Employees That Participated in Regular Performance and Career Development Reviews	Unit	Brazil				USA			
		2021	2022	2023	2024	2021	2022	2023	2024
Female	Number	0	0	0	6	4	6	4	6
Female	Percentage	0%	0%	0%	29%	80%	100%	100%	86%
Male	Number	0	0	0	31	15	20	19	20
Male	Percentage	0%	0%	0%	23%	52%	61%	58%	59%
Permanent employees	Percentage	0%	0%	0%	26%	56%	67%	62%	63%
Temporary employees	Percentage	0%	0%	0%	0%	0%	0%	0%	0%
Non-employees	Percentage	0%	0%	0%	0%	0%	0%	0%	0%
Full-time employees	Percentage	0%	0%	0%	26%	56%	67%	62%	63%
Part-time employees	Percentage	0%	0%	0%	0%	0%	0%	0%	0%

Employees That Participated in Regular Performance and Career Development Reviews	Unit	China				Australia			
		2021	2022	2023	2024	2021	2022	2023	2024
Female	Number	N/A	15	14	15	3	5	6	5
Female	Percentage	N/A	57.69%	58.33%	60%	100%	100%	100%	100%
Male	Number	N/A	18	17	18	11	10	11	10
Male	Percentage	N/A	45%	38.64%	42%	100%	100%	100%	100%
Permanent employees	Percentage	N/A	50%	46%	49%	100%	100%	100%	100%
Temporary employees	Percentage	N/A	0%	0%	0%	0%	0%	0%	0%
Non-employees	Percentage	N/A	0%	0%	0%	0%	0%	0%	0%
Full-time employees	Percentage	N/A	%50	%49	%49	%100	%100	%100	%100
Part-time employees	Percentage	N/A	%0	%0	%0	%0	%0	%0	%100

N/A: Not available

The Average Number of Training Hours per Employee and by Gender	Unit	Türkiye				Austria			
		2021	2022	2023	2024	2021	2022	2023	2024
Per employee - Female	Hour	30	35	30	51	0.09	0.04	0.05	5.18
Per employee - Male	Hour	60	40	57	43	0.01	0.01	0.01	5.12
Per employee - All employees	Hour	58	52	56	51	0.01	0.01	0.01	5.13
Senior management	Hour	13	24	38	33	0	0	0	0
Middle management	Hour	30	45	80	61	3.63	22.84	27.53	14.6
Technical staff	Hour	N/A	N/A	N/A	79	N/A	N/A	N/A	4.47
Administrative staff	Hour	59	61	53	60	15.28	11.69	14.53	5.42
Production staff	Hour	57	43	62	50	2.67	0.74	1.65	3.29

The Average Number of Training Hours per Employee and by Gender	Unit	Brazil				USA			
		2021	2022	2023	2024	2021	2022	2023	2024
Per employee - Female	Hour	N/A	N/A	31	62	1.7	1.8	1.8	2.2
Per employee - Male	Hour	N/A	N/A	17	21	5.7	5.7	5.3	5.7
Per employee - All employees	Hour	N/A	N/A	18	27	6.3	6.3	6.2	7.1
Senior management	Hour	N/A	N/A	65	52	1	1	1	1
Middle management	Hour	N/A	N/A	60	19	1.4	1.6	1.5	1.6
Technical staff	Hour	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Administrative staff	Hour	N/A	N/A	9	42	1.2	1.5	1.3	1.6
Production staff	Hour	N/A	N/A	33	19	12.7	13.1	13.4	13.6

The Average Number of Training Hours per Employee and by Gender	Unit	China				Australia			
		2021	2022	2023	2024	2021	2022	2023	2024
Per employee - Female	Hour	N/A	2	2	2	0	2.2	1.4	5
Per employee - Male	Hour	N/A	2	2	2	0	2.2	1.4	2.4
Per employee - All employees	Hour	N/A	2	2	2	0	2.2	1.4	3
Senior management	Hour	N/A	2	2	2	0	2	2	1
Middle management	Hour	N/A	2	2	2	0	4	2	3
Technical staff	Hour	N/A	2	2	2	N/A	20	20	N/A
Administrative staff	Hour	N/A	2	2	2	0	6	6	7
Production staff	Hour	N/A	2	2	2	0	5	5	4

N/A: Not available

Other Employees	Unit	Türkiye				Austria			
		2021	2022	2023	2024	2021	2022	2023	2024
Number of employees who are not on the company's payroll*	Number	0	0	0	0	11	9	3	0

Other Employees	Unit	Brazil				USA			
		2021	2022	2023	2024	2021	2022	2023	2024
Number of employees who are not on the company's payroll*	Number	0	0	0	1	0	1	5	1

Other Employees	Unit	China				Australia			
		2021	2022	2023	2024	2021	2022	2023	2024
Number of employees who are not on the company's payroll*	Number	0	0	0	0	0	0	0	3

** Total number of employees of freelancers and subcontractors providing services on each site under contract*

Collective Bargaining Coverage	Unit	Türkiye		Austria	
		2023	2024	2023	2024
Total number of employees	Number	575	777	206	200
Number Covered	Number	375	577	206	200
Ratio in Total	Percentage	65%	74%	100%	100%

Collective Bargaining Coverage	Unit	Brazil		USA	
		2023	2024	2023	2024
Total number of employees	Number	151	154	37	41
Number Covered	Number	143	143	13	13
Ratio in Total	Percentage	95%	93%	35%	32%

Collective Bargaining Coverage	Unit	China		Australia	
		2023	2024	2023	2024
Total number of employees	Number	68	68	17	15
Number Covered	Number	0	0	0	0
Ratio in Total	Percentage	0%	0%	0%	0%

Collective Bargaining Coverage-2024			
Coverage Rate	Percentage of total employees covered by collective bargaining agreements	Employees – EEA (for countries with >50 empl. representing >10% total empl.)	Employees – Non-EEA (estimate for regions with >50 empl. representing >10% total empl)
0-19%	China 0% Australia 0%	-	-
20-39%	USA 32%	-	-
40-59%	-	-	-
60-79%	Türkiye 72%	-	-
80-100%	Austria 100% Brazil 93%	Austria	Türkiye Brazil

** EEA: European Economic Area*

Gender Distribution in Number of Employees (head count) at Top Management Level	Unit	Türkiye				Austria			
		2021	2022	2023	2024	2021	2022	2023	2024
Female	Number	1	1	0	0	1	1	0	0
Male	Number	6	7	8	8	4	4	5	4
Total	Number	7	8	8	8	5	5	5	4
Gender Distribution in Percentage of Employees at Top Management Level	**Unit**	**2021**	**2022**	**2023**	**2024**	**2021**	**2022**	**2023**	**2024**
Female	Ratio	14.3%	12.5%	0%	0%	20%	20%	0%	0%
Male	Ratio	85.7%	87.5%	100%	100%	80%	80%	100%	100%

Gender Distribution in Number of Employees (head count) at Top Management Level	Unit	Brazil				USA			
		2021	2022	2023	2024	2021	2022	2023	2024
Female	Number	1	1	1	1	3	3	2	2
Male	Number	5	5	5	6	4	4	5	5
Total	Number	6	6	6	7	7	7	7	7
Gender Distribution in Percentage of Employees at Top Management Level	Unit	2021	2022	2023	2024	2021	2022	2023	2024
Female	Ratio	17%	17%	17%	14%	43%	43%	40%	29%
Male	Ratio	83%	83%	83%	86%	57%	57%	60%	71%
Gender Distribution in Number of Employees (head count) at Top Management Level	Unit	China				Australia			
		2021	2022	2023	2024	2021	2022	2023	2024
Female	Number	N/A	3	3	3	1	1	1	1
Male	Number	N/A	13	13	5	3	2	3	3
Total	Number	N/A	16	16	8	4	3	4	4
Gender Distribution in Percentage of Employees at Top Management Level	Unit	2021	2022	2023	2024	2021	2022	2023	2024
Female	Ratio	N/A	18.75%	18.75%	37.5%	25%	33%	25%	25%
Male	Ratio	N/A	81.25%	81.25%	62.5%	75%	67%	75%	75%

Distribution of Employees by Age Group	Unit	Türkiye				Austria			
		2021	2022	2023	2024	2021	2022	2023	2024
Under 30 years old	Number	126	153	170	201	63	33	36	33
Under 30 years old	Ratio	27.3%	28.9%	29.6%	25.87%	26%	15%	17%	17%
Between 30 and 50 years old	Number	317	358	389	541	111	102	94	96
Between 30 and 50 years old	Ratio	68.6%	67.7%	67.7%	69.63%	46%	46%	46%	48%
Over 50 years old	Number	19	18	16	35	68	88	76	71
Over 50 years old	Ratio	4.1%	3.4%	2.8%	4.5%	28%	39%	37%	36%
Distribution of Employees by Age Group	Unit	Brazil				USA			
		2021	2022	2023	2024	2021	2022	2023	2024
Under 30 years old	Number	12	16	19	24	3	3	1	8
Under 30 years old	Ratio	10%	13%	13%	16%	60%	50%	25%	20%
Between 30 and 50 years old	Number	86	86	97	95	2	3	3	21
Between 30 and 50 years old	Ratio	71%	68%	64%	62%	40%	50%	75%	51%
Over 50 years old	Number	23	24	35	35	0	0	0	12
Over 50 years old	Ratio	19%	19%	23%	23%	0%	0%	0%	29%
Distribution of Employees by Age Group	Unit	China				Australia			
		2021	2022	2023	2024	2021	2022	2023	2024
Under 30 years old	Number	N/A	9	9	8	5	4	2	1
Under 30 years old	Ratio	N/A	13.6%	13.2%	11.76%	36%	27%	12%	7%
Between 30 and 50 years old	Number	N/A	48	50	50	6	8	11	12
Between 30 and 50 years old	Ratio	N/A	72.7%	73.5%	73.53%	43%	53%	65%	80%
Over 50 years old	Number	N/A	9	9	10	3	3	4	2
Over 50 years old	Ratio	N/A	13.6%	13.2%	14.71%	21%	20%	24%	13%

N/A: Not available

Percentage of employees paid below the applicable adequate wage benchmark	Unit	2022	2023	2024
Türkiye	Ratio	0%	0%	0%
Austria	Ratio	N/A	N/A	N/A
Brazil	Ratio	N/A	N/A	0%
USA	Ratio	0%	0%	0%
China	Ratio	0%	0%	0%
Australia	Ratio	N/A	N/A	0%
Percentage of non-employees paid below adequate wage	**Unit**	**2022**	**2023**	**2024**
Türkiye	Ratio	0%	0%	0%
Austria	Ratio	100%	100%	100%
Brazil	Ratio	N/A	N/A	%0
USA	Ratio	100%	100%	100%
China	Ratio	0%	0%	0%
Australia	Ratio	N/A	N/A	100%

N/A: Not available

Pay Gap (Annual total remuneration ratio)*	Unit	2022	2023	2024
Türkiye	Ratio	0%	0%	9.7%
Austria	Ratio	2.78%	2.68%	2.78%
Brazil	Ratio	9.9%	9.5%	8.7%
USA	Ratio	0%	0%	0%
China	Ratio	5.35%	5.46%	5.33%
Australia	Ratio	N/A	N/A	%11.64

** Formula for the annual total remuneration ratio: Annual total remuneration for the undertaking's highest paid individual/Median employee annual total renumeration (excluding the highest - paid individual)*

N/A: Not available

Social Protection	Türkiye		Austria		Brazil	
White Collar	**Public**	**Private**	**Public**	**Private**	**Public**	**Private**
Sickness	X	X	X	X	X	-
Unemployment	X	-	X	-	X	-
Employment injury and acquired disability	X	X	X	-	X	-
Parental leave	-	X	X	-	X	-
Retirement	-	X	X	X	X	-
Blue Collar	**Public**	**Private**	**Public**	**Private**	**Public**	**Private**
Sickness	X	X	X	X	X	-
Unemployment	X	-	X	-	X	-
Employment injury and acquired disability	X	X	X	-	X	-
Parental leave	-	X	X	-	X	-
Retirement	-	X	X	X	X	-

Social Protection	USA		China		Australia	
White Collar	**Public**	**Private**	**Public**	**Private**	**Public**	**Private**
Sickness	-	X	X	-	X	X
Unemployment	X	-	X	-	X	-
Employment injury and acquired disability	-	X	X	-	X	-
Parental leave	X	-	X	-	X	-
Retirement	X	X	X	-	X	-
Blue Collar	**Public**	**Private**	**Public**	**Private**	**Public**	**Private**
Sickness	-	X	X	-	X	-
Unemployment	X	-	X	-	X	-
Employment injury and acquired disability	-	X	X	-	X	-
Parental leave	X	-	X	-	X	-
Retirement	X	X	X	-	X	-

Work-life Balance	Unit	Türkiye			Austria		
		2022	2023	2024	2022	2023	2024
Number of employees entitled to take family-related leave	Number	529	575	777	223	206	200
Percentage of employees entitled to take family-related leave	Ratio	100%	100%	100%	100%	100%	100%
Number of entitled employees that took family-related leave- **All**	Number	56	69	98	43	42	35
Percentage of entitled employees that took family-related leave- **All**	Ratio	11%	12%	13%	19%	20%	18%
Number of entitled employees that took family-related leave- **Female**	Number	8	12	11	8	13	12
Percentage of entitled employees that took family-related leave- **Female**	Ratio	2%	2%	11%	4%	6%	6%
Number of entitled employees that took family-related leave- **Male**	Number	48	57	87	35	29	23
Percentage of entitled employees that took family-related leave- **Male**	Ratio	9%	10%	11%	16%	14%	12%

Work-life Balance	Unit	Brazil			USA		
		2022	2023	2024	2022	2023	2024
Number of employees entitled to take family-related leave	Number	118	142	143	37	35	36
Percentage of employees entitled to take family-related leave	Ratio	94%	94%	93%	95%	95%	88%
Number of entitled employees that took family-related leave- **All**	Number	2	5	3	0	0	0
Percentage of entitled employees that took family-related leave- **All**	Ratio	2%	4%	2%	0%	0%	0%
Number of entitled employees that took family-related leave- **Female**	Number	2	0	1	0	0	0
Percentage of entitled employees that took family-related leave- **Female**	Ratio	2%	0%	1%	0%	0%	0%
Number of entitled employees that took family-related leave- **Male**	Number	0	5	2	0	0	0
Percentage of entitled employees that took family-related leave- **Male**	Ratio	0%	4%	1%	0%	0%	0%

Work-life Balance	Unit	China			Australia		
		2022	2023	2024	2022	2023	2024
Number of employees entitled to take family-related leave	Number	0	0	0	11	13	13
Percentage of employees entitled to take family-related leave	Ratio	0%	0%	0%	73%	76%	87%
Number of entitled employees that took family-related leave- **All**	Number	0	0	0	11	13	13
Percentage of entitled employees that took family-related leave- **All**	Ratio	0%	0%	0%	100%	100%	100%
Number of entitled employees that took family-related leave- **Female**	Number	0	0	0	5	5	5
Percentage of entitled employees that took family-related leave- **Female**	Ratio	0%	0%	0%	45%	38%	38%
Number of entitled employees that took family-related leave- **Male**	Number	0	0	0	6	8	8
Percentage of entitled employees that took family-related leave- **Male**	Ratio	0%	0%	0%	55%	62%	62%

Incidents, Complaints and Severe Human Rights Impacts	Unit	Türkiye				Austria			
		2021	2022	2023	2024	2021	2022	2023	2024
The total number of incidents of discrimination, including harassment, reported in the reporting period * One confirmed in 2023.	Number	0	5	9*	0	N/A	N/A	N/A	N/A
Number of complaints filed through channels for people in own workforce to raise concerns (including grievance mechanisms)	Number	0	17	17	1	N/A	N/A	N/A	N/A
Number of complaints filed to National Contact Points for OECD Multinational Enterprises	Number	0	0	0	0	N/A	N/A	N/A	N/A
Amount of material fines, penalties, and compensation for damages as result of violations regarding social and human rights factors	Monetery	0	0	0	0	N/A	N/A	N/A	N/A
Number of severe human rights issues and incidents connected to own workforce	Number	0	0	0	0	N/A	N/A	N/A	N/A
Number of severe human rights issues and incidents connected to own workforce that are cases of non-respect of UN Guiding Principles and OECD Guidelines for Multinational Enterprises	Number	0	0	0	0	N/A	N/A	N/A	N/A
Amount of fines, penalties, and compensation for severe human rights issues and incidents connected to own workforce	Monetery	0	0	0	0	N/A	N/A	N/A	N/A
Number of severe human rights cases, outside the company, where the company played role securing remedy for those affected	Number	0	0	0	0	N/A	N/A	N/A	N/A

Incidents, Complaints and Severe Human Rights Impacts	Unit	Brazil				USA			
		2021	2022	2023	2024	2021	2022	2023	2024
The total number of incidents of discrimination, including harassment, reported in the reporting period * One confirmed in 2023.	Number	N/A	0	0	0	0	0	0	0
Number of complaints filed through channels for people in own workforce to raise concerns (including grievance mechanisms)	Number	N/A	0	1	1	0	0	0	0
Number of complaints filed to National Contact Points for OECD Multinational Enterprises	Number	N/A	0	0	0	0	0	0	0
Amount of material fines, penalties, and compensation for damages as result of violations regarding social and human rights factors	Monetery	N/A	0	0	0	0	0	0	0
Number of severe human rights issues and incidents connected to own workforce	Number	N/A	0	0	0	0	0	0	0
Number of severe human rights issues and incidents connected to own workforce that are cases of non-respect of UN Guiding Principles and OECD Guidelines for Multinational Enterprises	Number	N/A	0	0	0	0	0	0	0
Amount of fines, penalties, and compensation for severe human rights issues and incidents connected to own workforce	Monetery	N/A	0	0	0	0	0	0	0
Number of severe human rights cases, outside the company, where the company played role securing remedy for those affected	Number	N/A	0	0	0	0	0	0	0

N/A: Not available

Incidents, Complaints and Severe Human Rights Impacts	Unit	China				Australia			
		2021	2022	2023	2024	2021	2022	2023	2024
The total number of incidents of discrimination, including harassment, reported in the reporting period * One confirmed in 2023.	Number	N/A	0	0	0	N/A	N/A	N/A	0
Number of complaints filed through channels for people in own workforce to raise concerns (including grievance mechanisms)	Number	N/A	0	0	0	N/A	N/A	N/A	0
Number of complaints filed to National Contact Points for OECD Multinational Enterprises	Number	N/A	0	0	0	N/A	N/A	N/A	0
Amount of material fines, penalties, and compensation for damages as result of violations regarding social and human rights factors	Monetery	N/A	0	0	0	N/A	N/A	N/A	0
Number of severe human rights issues and incidents connected to own workforce	Number	N/A	0	0	0	N/A	N/A	N/A	0
Number of severe human rights issues and incidents connected to own workforce that are cases of non-respect of UN Guiding Principles and OECD Guidelines for Multinational Enterprises	Number	N/A	0	0	0	N/A	N/A	N/A	0
Amount of fines, penalties, and compensation for severe human rights issues and incidents connected to own workforce	Monetery	N/A	0	0	0	0	0	0	0
Number of severe human rights cases, outside the company, where the company played role securing remedy for those affected	Number	N/A	0	0	0	0	0	0	0

N/A: Not available

Occupational Health and Safety

Occupational Health and Safety	Unit	Türkiye				Austria			
		2021	2022	2023	2024	2021	2022	2023	2024
Percentage of own workforce who are covered by health and safety management system based on legal requirements and (or) recognized standards or guidelines and which have been internally audited and (or) audited or certified by external party	Percentage	100	100	100	100	100	100	100	100
Number of fatalities in own workforce as result of work-related injuries	Number	0	0	0	0	0	0	0	0
Number of fatalities in own workforce as result of work-related ill health	Number	0	0	0	0	0	0	0	0
Number of fatalities as result of work-related injuries of other workers working on undertaking's sites	Number	0	0	0	0	0	0	0	0
Number of fatalities as result of work-related ill health of other workers working on undertaking's sites	Number	0	0	0	0	0	0	0	0
Number of recordable work-related accidents for own workforce	Number	26	13	4	4	21	13	3	2
Rate of recordable work-related accidents for own workforce	Percentage	18.67	8.79	2.65	2.58	51.72	36.92	9.58	6.99
Number of cases of recordable work-related ill health of employees	Number	0	0	0	0	0	0	0	0
Number of cases of recordable work-related ill health of subcontractor employees providing services within the facility	Number	N/A	N/A	N/A	0	N/A	N/A	N/A	0
Number of days lost to work-related injuries and fatalities from work-related accidents, work-related ill health and fatalities from ill health related to employees	Number	580	447	96	83	387	141	112	23
Number of days lost to work-related injuries and fatalities from work-related accidents, work-related ill health and fatalities from ill health related subcontractor employees providing services within the facility	Number	N/A	N/A	N/A	0	N/A	N/A	N/A	0
Number of cases of recordable work-related ill health detected among former own workforce	Number	0	0	0	0	0	0	0	0
Total recordable incident rate for direct employees (TRIR) (SASB)*	Percentage	18.67	8.79	2.65	2.58	51.72	36.92	9.58	6.99
Total recordable incident rate for contract employees (TRIR) (SASB)*	Percentage	N/A	N/A	N/A	0	N/A	N/A	N/A	0
Fatality rate for direct employees (SASB)**	Percentage	0	0	0	0	0	0	0	0
Fatality rate for contract employees (SASB)**	Percentage	0	0	0	0	0	0	0	0

N/A: Not available

Occupational Health and Safety	Unit	Brazil				USA			
		2021	2022	2023	2024	2021	2022	2023	2024
Percentage of own workforce who are covered by health and safety management system based on legal requirements and (or) recognized standards or guidelines and which have been internally audited and (or) audited or certified by external party	Percentage	100	100	100	100	100	100	100	100
Number of fatalities in own workforce as result of work-related injuries	Number	0	0	0	0	0	0	0	0
Number of fatalities in own workforce as result of work-related ill health	Number	0	0	0	0	0	0	0	0
Number of fatalities as result of work-related injuries of other workers working on undertaking's sites	Number	0	0	0	0	0	0	0	0
Number of fatalities as result of work-related ill health of other workers working on undertaking's sites	Number	0	0	0	0	0	0	0	0
Number of recordable work-related accidents for own workforce	Number	1	1	1	0	0	0	2	0
Rate of recordable work-related accidents for own workforce	Percentage	4.13	4.22	3.61	0	0	0	25.21	0
Number of cases of recordable work-related ill health of employees	Number	0	0	0	0	0	0	0	0
Number of cases of recordable work-related ill health of subcontractor employees providing services within the facility	Number	N/A	N/A	N/A	0	N/A	N/A	N/A	0
Number of days lost to work-related injuries and fatalities from work-related accidents, work-related ill health and fatalities from ill health related to employees	Number	68	56	15	0	0	0	29	0
Number of days lost to work-related injuries and fatalities from work-related accidents, work-related ill health and fatalities from ill health related subcontractor employees providing services within the facility	Number	N/A	N/A	N/A	0	N/A	N/A	N/A	0
Number of cases of recordable work-related ill health detected among former own workforce	Number	0	0	0	0	0	0	0	0
Total recordable incident rate for direct employees (TRIR) (SASB)*	Percentage	4.13	4.22	3.61	0	0	0	25.21	0
Total recordable incident rate for contract employees (TRIR) (SASB)*	Percentage	N/A	N/A	N/A	0	N/A	N/A	N/A	0
Fatality rate for direct employees (SASB)**	Percentage	0	0	0	0	0	0	0	0
Fatality rate for contract employees (SASB)**	Percentage	0	0	0	0	0	0	0	0

N/A: Not available

Occupational Health and Safety	Unit	China				Australia			
		2021	2022	2023	2024	2021	2022	2023	2024
Percentage of own workforce who are covered by health and safety management system based on legal requirements and (or) recognized standards or guidelines and which have been internally audited and (or) audited or certified by external party	Percentage	100	100	100	100	100	100	100	100
Number of fatalities in own workforce as result of work-related injuries	Number	0	0	0	0	0	0	0	0
Number of fatalities in own workforce as result of work-related ill health	Number	0	0	0	0	0	0	0	0
Number of fatalities as result of work-related injuries of other workers working on undertaking's sites	Number	0	0	0	0	0	0	0	0
Number of fatalities as result of work-related ill health of other workers working on undertaking's sites	Number	0	0	0	0	0	0	0	0
Number of recordable work-related accidents for own workforce	Number	0	0	1	0	0	1	1	1
Rate of recordable work-related accidents for own workforce	Percentage	0	0	5.3	0	0	34.98	36.88	33.36
Number of cases of recordable work-related ill health of employees	Number	0	0	0	0	0	0	0	0
Number of cases of recordable work-related ill health of subcontractor employees providing services within the facility	Number	N/A	N/A	N/A	0	N/A	N/A	N/A	1
Number of days lost to work-related injuries and fatalities from work-related accidents, work-related ill health and fatalities from ill health related to employees	Number	0	0	15	0	0	25	2	22
Number of days lost to work-related injuries and fatalities from work-related accidents, work-related ill health and fatalities from ill health related subcontractor employees providing services within the facility	Number	N/A	N/A	N/A	0	N/A	N/A	N/A	11
Number of cases of recordable work-related ill health detected among former own workforce	Number	0	0	0	0	0	0	0	0
Total recordable incident rate for direct employees (TRIR) (SASB)*	Percentage	0	0	5.3	0	0	34.98	36.88	33.36
Total recordable incident rate for contract employees (TRIR) (SASB)*	Percentage	N/A	N/A	N/A	0	N/A	N/A	N/A	106.19
Fatality rate for direct employees (SASB)**	Percentage	0	0	0	0	0	0	0	0
Fatality rate for contract employees (SASB)**	Percentage	0	0	0	0	0	0	0	0

** According to SASB, direct employees = own workforce*
*** SASB Total recordable incident rate (TRIR) for direct employees and contract employees: (statistic count × 200,000) / hours worked*
*** SASB Fatality rate for direct employees and contract employees: (statistic count × 200,000) / hours worked*
N/A: Not available

Sustainable Supply Chain

Sustainable Supply Chain	Unit	Türkiye			Austria		
Number of suppliers		2022	2023	2024	2022	2023	2024
Total number of suppliers	Number	796	765	953	N/A	N/A	357
Total number of LOCAL suppliers	Number	691	664	820	N/A	N/A	141
Ratio of LOCAL suppliers in total suppliers	Percentage	86.8%	86.8%	86%	N/A	N/A	39.5%
Suppliers Payments	**Unit**	**2022**	**2023**	**2024**	**2022**	**2023**	**2024**
Total payments to suppliers	USD	N/A	N/A	N/A	N/A	N/A	69,347,693
Total payments to LOCAL suppliers	USD	N/A	N/A	N/A	N/A	N/A	6,266,607
Ratio of payments to LOCAL suppliers in total supplier payments	Percentage	N/A	N/A	N/A	N/A	N/A	9%
Sustainable Supply Chain	Unit	Brazil			USA		
Number of suppliers		2022	2023	2024	2022	2023	2024
Total number of suppliers	Number	N/A	N/A	598	N/A	N/A	253
Total number of LOCAL suppliers	Number	N/A	N/A	553	N/A	N/A	205
Ratio of LOCAL suppliers in total suppliers	Percentage	N/A	N/A	%92.5	N/A	N/A	%81
Suppliers Payments	**Unit**	**2022**	**2023**	**2024**	**2022**	**2023**	**2024**
Total payments to suppliers	USD	N/A	N/A	37,640,023	N/A	N/A	59,630,177
Total payments to LOCAL suppliers	USD	N/A	N/A	16,945,334	N/A	N/A	42,283,961
Ratio of payments to LOCAL suppliers in total supplier payments	Percentage	N/A	N/A	45%	N/A	N/A	70.9%
Sustainable Supply Chain	Unit	China			Australia		
Number of suppliers		2022	2023	2024	2022	2023	2024
Total number of suppliers	Number	N/A	N/A	81	50	52	54
Total number of LOCAL suppliers	Number	N/A	N/A	76	18	18	18
Ratio of LOCAL suppliers in total suppliers	Percentage	N/A	N/A	93.8%	36%	34.6%	33.3%
Suppliers Payments	**Unit**	**2022**	**2023**	**2024**	**2022**	**2023**	**2024**
Total payments to suppliers	USD	N/A	N/A	15,549,571	12,684,874	10,093,114	10,711,678
Total payments to LOCAL suppliers	USD	N/A	N/A	12,652,135	3,716,418	2,834,106	2,000,465
Ratio of payments to LOCAL suppliers in total supplier payments	Percentage	N/A	N/A	81.4%	29.3%	28.1%	18.7%

N/A: Not available

Important Changes Regarding Suppliers in 2024	Türkiye		Austria		Brazil	
	Abroad	Domestic (LOCAL)	Abroad	Domestic (LOCAL)	Abroad	Domestic (LOCAL)
Number of suppliers whose business relations were terminated	N/A	N/A	N/A	N/A	0	0
Number of new suppliers to start working with	N/A	N/A	N/A	N/A	0	16
Important Changes Regarding Suppliers in 2024	**USA**		**China**		**Australia**	
	Abroad	Domestic (LOCAL)	Abroad	Domestic (LOCAL)	Abroad	Domestic (LOCAL)
Number of suppliers whose business relations were terminated	0	0	0	0	0	0
Number of new suppliers to start working with	N/A	N/A	0	8	2	0

Distribution of Purchasing Expenditures 2024	Türkiye		Austria		Brazil	
	Ratio	Amount (USD)	Ratio	Amount (USD)	Ratio	Amount (USD)
Raw material and material expenses	N/A	N/A	89%	61,608,905	84%	37,638,297
Packaging	N/A	N/A	1%	829,424	2%	884,010
Energy	N/A	N/A	-	-	2%	704,348
Other products and services	N/A	N/A	10%	6,909,363	12%	5,527,609
Management expenses	N/A	N/A	-	-	0%	222,609
Other	N/A	N/A	-	-	0%	0
Total	N/A	N/A	100%	63,347,693	100%	44,976,872
Distribution of Purchasing Expenditures 2024	**USA**		**China**		**Australia**	
	Ratio	Amount (USD)	Ratio	Amount (USD)	Ratio	Amount (USD)
Raw material and material expenses	81.64%	41,067,129	75.88%	1,554,976	75.74%	10,711,678
Packaging	0.89%	446,276	15.45%	316,567	0.62%	88,240
Energy	0.29%	144,267	5.63%	115,300	0.55%	77,928
Other products and services	0.94%	475,067	0%	0	22.47%	3,178,060
Management expenses	16.24%	8,167,583	0%	0	0.62%	87,244
Other	0%	0	3.05%	62,500	0%	0
Total	100%	50,300,262	100%	2,049,343	100%	14.143.150

N/A: Not available

Sustainable Purchasing Performance Report	Unit	Türkiye			Austria		
		2022	2023	2024	2022	2023	2024
Rate of risky suppliers identified as per social audit	Percentage	0%	0%	0%	N/A	N/A	0%
Ratio of risky suppliers identified as per environmental audit	Percentage	0%	0%	0%	N/A	N/A	0%
Ratio of targeted suppliers who have gone through a sustainability assessment survey	Percentage	%0	%0	%0	N/A	N/A	0%
Rate of our raw material suppliers whose audits are completed in line with the annual audit plan	Percentage	%41	%47	%58	N/A	N/A	0%
Number of suppliers evaluated within the scope of human rights	Number	67	173	0	N/A	N/A	0
Rate of suppliers signing the Supplier Business Ethics Declaration	Percentage	%8.42	%22.61	%0	N/A	N/A	0%
Rate of purchasing teams (and other employees with purchasing authority) who have attended sustainable purchasing training	Percentage	%0	%0	%0	N/A	N/A	0%

Sustainable Purchasing Performance Report	Unit	Brazil			USA		
		2022	2023	2024	2022	2023	2024
Rate of risky suppliers identified as per social audit	Percentage	N/A	N/A	0%	N/A	N/A	0%
Ratio of risky suppliers identified as per environmental audit	Percentage	N/A	N/A	0%	N/A	N/A	0%
Ratio of targeted suppliers who have gone through a sustainability assessment survey	Percentage	N/A	N/A	0%	N/A	N/A	0%
Rate of our raw material suppliers whose audits are completed in line with the annual audit plan	Percentage	N/A	N/A	51%	N/A	N/A	0%
Number of suppliers evaluated within the scope of human rights	Number	N/A	N/A	126	N/A	N/A	0
Rate of suppliers signing the Supplier Business Ethics Declaration	Percentage	N/A	N/A	21.07%	N/A	N/A	0%
Rate of purchasing teams (and other employees with purchasing authority) who have attended sustainable purchasing training	Percentage	N/A	N/A	0%	N/A	N/A	0%

Sustainable Purchasing Performance Report	Unit	China			Australia		
		2022	2023	2024	2022	2023	2024
Rate of risky suppliers identified as per social audit	Percentage	N/A	N/A	0%	N/A	N/A	0%
Ratio of risky suppliers identified as per environmental audit	Percentage	N/A	N/A	0%	N/A	N/A	0%
Ratio of targeted suppliers who have gone through a sustainability assessment survey	Percentage	N/A	N/A	0%	N/A	N/A	0%
Rate of our raw material suppliers whose audits are completed in line with the annual audit plan	Percentage	N/A	N/A	66%	N/A	N/A	0%
Number of suppliers evaluated within the scope of human rights	Number	N/A	N/A	0	N/A	N/A	0
Rate of suppliers signing the Supplier Business Ethics Declaration	Percentage	N/A	N/A	0%	N/A	N/A	0%
Rate of purchasing teams (and other employees with purchasing authority) who have attended sustainable purchasing training	Percentage	N/A	N/A	0%	N/A	N/A	0%

N/A: Not available

External Audit and/or Verification Report

You can access the water footprint and emission verification reports of all our facilities from the link below.

https://akdenizchemson.com/auditandverificationreports/

UnityCert

Greenhouse Gas Verification Statement

The inventory of Greenhouse Gas emissions of

AKDENİZ CHEMSON KİMYA SAN. TİC. A.Ş./TURKEY.

has been verified in accordance with GHG Protocol as meeting the requirements of.

GHG PROTOCOL

Scope 1 Emissions	55.715,09 tCO2e
Scope 2 Location Based Emissions	24.729,02 tCO2e
Scope 2 Location Market Emissions	24.729,02 tCO2e
Scope 3 Emissions	550.114,26 tCO2e
Total GHG Location Based Emissions	**630.558,37 tCO2e**
Total GHG Location Market Emissions	**630.558,37 tCO2e**
Category 1 Purchased goods and services	417.414,79 tCO_2e
Category 2 Capital goods	1.690,17 tCO_2e
Category 3 Fuel- and energy-related activities	18.945,45 tCO_2e
Category 4 Upstream transportation and distribution	59.159,37 tCO_2e
Category 5 Waste generated in operations	134,51 tCO_2e
Category 6 Business travel	206,33 tCO_2e
Category 7 Employee commuting	2.960,73 tCO_2e
Category 8 Upstream leased assets	0,35 tCO_2e
Category 9 Downstream transportation and distribution	49.602,56 tCO_2e
Category 10 Processing of sold products	- tCO_2e
Category 11 Use of sold products	- tCO_2e
Category 12 End-of-life treatment of sold products	- tCO_2e
Category 13 Downstream leased assets	- tCO_2e
Category 14 Franchises	- tCO_2e
Category 15 Investments	- tCO_2e

Level of Assurance	:	Reasonable
Reporting Period	:	01.01.2024 - 31.12.2024
Verification Report Date / Version	:	05.12.2025 / 01
Statement No	:	UC/YS/25-174

Approved by
ABDULKADİR ÖZDOĞAN

Unity Doğrulama Mühendislik Hizmetleri Ltd. Şti.
Mehmet Akif Ersoy Mah. 350 Sk. Proofis B Blok No:3 İç Kapı No:57 Yenimahalle/ANKARA
E-mail: info@unitycert.com.tr Web: www.unitycert.com.tr

UnityCert

Water Footprint Verification Statement

AKDENİZ CHEMSON KİMYA SAN. TİC. A.Ş./TURKEY

has been verified in accordance with ISO 14046:2014 as meeting the requirements of

ISO 14046:2014

TYPES OF WATER SUPPLY	WATER USE	DISCHARGE
Surface Water (m^3/year)	48.311,00	-
Groundwater (m^3/year)	552.122,00	-
Other receiving bodies (sea water etc.) (m^3/year)	-	-
3rd Party (m^3/year)	-	467.757,90
Mass Balance (m^3/year)	132.675,10	

Level of Assurance	Reasonable
Reporting Period	01.01.2024 -31.12.2024
Verification Report Date / Version	04.11.2025 / 01
Statement No	UC/YS/25-181

Approved by
ABDULKADİR ÖZDOĞAN

Unity Doğrulama Mühendislik Hizmetleri Ltd. Şti.
Mehmet Akif Ersoy Mah. 350 Sk. Proofis B Blok No:3 İç Kapı No:57 Yenimahalle/ANKARA
E-mail: info@unitycert.com.tr Web: www.unitycert.com.tr

Contact

Facilities Included in Reporting			
Facility Name	Country	Address	Telephone
Akdeniz Chemson Kimya San. Tic. A.Ş.	Türkiye (Headquarters)	Kemalpaşa O.S.B. Mah. İzmir-Kemalpaşa Asfaltı Cad. No:45 35735 Kemalpaşa – İzmir / Türkiye	+(90) 232 877 01 44
Akdeniz Chemson Additives A.G.	Avusturya	Industriestrasse 19 9601 Arnoldstein	+43/4255-2226
Akdeniz Chemson Aditivos Ltda.	Brazil	Av. Brazil, 4.633 – Distrito Industrial CEP 13505-600 Rio Claro-SP	+55/19-3522-2200
Akdeniz Chemson Additives Inc.	USA	7825 Holstein Avenue Philadelphia, PA 19153	+1/215-754-5900
Akdeniz Chemson Additives (Zhejiang) Co. LTD	China	No. 68, Shabu Road, Heping Town, Changxing County, Huzhou City 313103 Huzhou – Zhejiang – China	+86-572-6618166
Akdeniz Chemson Additives Pacific Pty. Ltd.	Australia	Unit 3, 2 Capicure Drive Eastern Creek NSW 2766 9NX	+61/2-9620-1575
Akdeniz Chemson Additives GmbH	Germany	Hermann-Heinrich-Gossen-Str. 3 50858 Köln	+49/2234-2003-0
Akdeniz Chemson Additives Ltd.	United Kingdom	Suite 9C Kingfisher Way, Silverlink Business Park Wallsend, Tyne and Wear NE28 9NX	+44/191-259-7000

Communication on Report

Berna Buzcugil
Innovation and Sustainability Manager
berna.buzcugil@akdenizchemson.com
+(90) 232 877 01 44

Baran Ardağ
Global Corporate Communications Manager
baran.ardag@akdenizchemson.com
+(90) 232 877 01 44

info@akdenizchemson.com
www.akdenizchemson.com
akdenizchemson
/company/akdeniz-chemson
/akdenizchemson

Sustainability Strategy and Reporting Consultant

Sercom Consulting
www.sercomconsulting.com
info@sercomconsulting.com

For Your Questions

Akdeniz Chemson Kimya San. Tic. A.Ş.
Telefon +(90) 232 877 01 44
Fax +(90) 232 877 01 50
Adres: Kemalpaşa O.S.B. Mah. İzmir-Kemalpaşa Asfaltı Cad. No:45
35735 Kemalpaşa - İzmir / Türkiye
You can forward your opinions, suggestions and feedback regarding the report to **innovationandsustainability@akdenizchemson.com**

Akdeniz Chemson

SUSTAINABILITY REPORT 2024