Akdeniz Chemson
Beyond Additives

SUSTAINABILITY REPORT 2023


Akdeniz Chemson
KAZASIZ GÜN SAYISI
WITHOUT LOST WORKDAY CASE
SON KAZA TARİHİ
DATE OF LAST ACCIDENT

Table of Contents

About Our Report

As Akdeniz Chemson, we offer products and services to every sector where Polyvinyl Chloride (PVC) is being used, and we operate in our production plant located in 5 different continents and 6 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 targets regarding their management, and give them the opportunity to evaluate our performance through our sustainability report, the second 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 2023 and 31 December 2023 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 last three years to keep following the trends.

Reporting Standards

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

When selecting performance indicators, we took into consideration the performance indicators in the sectoral standards of the Sustainability Accounting Standards Board (SASB) recommended by the International Sustainability Standards Board (ISSB), which was established under the International Financial Reporting Standards Foundation (IFRS) and prepared the global sustainability reporting standards IFRS S1 and IFRS S2, as well as the performance indicators in the European Sustainability Reporting Standards (ESRS) and Global Reporting Initiative (GRI) Standards.

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-Related Financial Information and TSRS 2 Climate-Related Disclosures

as basis, which will be 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 language.

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 serve the **United Nations (UN) Sustainable Development Goals** with our targets for our determined focus areas.

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

Our third sustainability report, in which we will share our performance for 2024, will have the same scope as this year and we aim to publish it in the third quarter of 2025 at the latest.

Report User Guide

You can access the relevant pages by clicking on all the headings on the table of contents page.

You can return to the table of contents by clicking on the house icon on all pages.

You can access the relevant source by clicking on the **bold and underlined headings** that contain links throughout the report.


ERSİN İZMİRLİOĞLU
HEDEFİMİZ 0 KAZA

[01]

MESSAGES TO OUR STAKEHOLDERS

On every page of this report, which is the roadmap for our common future, there is your work, dreams, and determination. As Akdeniz Chemson family, we will continue to pioneer sustainable growth, innovation, and a people-oriented approach in the chemical industry.

Message from our General Manager

Akdeniz Chemson: Sustainable Innovation and Leadership in 2023
We are Building a Greener, More Innovative and Sustainable Future Together

Dear Stakeholders,

When I look back to 2023, I feel both pride and excitement. As Akdeniz Chemson family, we are happy to lead the change in the chemical industry, which is reshaped by digital transformation, sustainability requirements and changing market dynamics.

The chemical industry is strategic key for the economic development and future export of our country. I can proudly say that we have contributed to Türkiye's goal of becoming the playmaker in its economic vision in the global chemical market approaching 6 trillion dollars. Last year, despite all the difficulties, we became the second sector with the highest exports in the country with our exports exceeding 30 billion dollars. This success is a result of the work and dedication of each one of us.

Our rise from 275th place in 2022 to 263rd place in the list of Turkey's Top 500 Industrial Enterprises (ISO 500) in 2023 is a concrete indicator of our success. However, we are not satisfied with this. Our acceptance into the Turquality® program and the projects we have started in 5 target markets show our determination to become a global brand. These are just the beginning of the corporate development projects we will carry out in the next 5 years.

"Innovation in Our Formula!", our slogan, is not just a slogan but it is the philosophy of our life. The priority we give to R&D shapes our future. With the Stage-Gate methodology, we elaborately manage the process from idea to market. This approach allows us to respond quickly and effectively to customer demands in different geographies.

Complying with ESG criteria and adopting the 'sustainable chemistry' approach is no longer an option, it is a must. We are proactively preparing for new reporting standards such as IFRS S1-S2 and ESRS. These preparations allow us to measure and improve our sustainability performance more effectively.

The steps we are taking to address the trends that stand out in 2023 are an indication of our belief in the future:

- We have integrated circular economy principles into our production processes and products, which not only reduce our environmental impact but also increase our operational efficiency.
- We have increased our efficiency by using artificial intelligence and big data analytics. Being a pioneer in Industry 4.0 transformation increases our competitiveness.

- We have focused our R&D efforts on environmentally friendly and sustainable products. This is not only an environmental sensitivity, but also our strategy to prepare for the markets of the future.
- We have made progress in occupational safety, employee development, diversity, and equal opportunity. We know that our most valuable asset is our human resources.
- We have developed comprehensive strategies to reduce our greenhouse gas emissions and have shifted towards renewable energy sources. We aim to reduce our greenhouse gas emissions by 40% by 2030 and reach net zero by 2050. These targets form the basis of Akdeniz Chemson Decarbonization Transition Plan.
- We have strengthened ethical business practices by adopting a transparent and accountable management approach. This reinforces our relationship of trust with our stakeholders.

As we consolidate our global leadership in PVC stabilizers and additives, we are taking firm steps towards our vision of becoming a "chemistry portfolio company". With this vision, we continue to develop sustainable products suitable for non-PVC applications. Our vertically integrated production plant and our production on 5 continents make us resilient to global fluctuations. This structure also enables us to provide faster and more flexible service to our customers.

Looking to the future, our greatest assurance is our valued colleagues and stakeholders. I believe that you, who have brought us to this day with your competence, creativity, and dedication, will carry our company even further. The goals we set for the next 5 years are actually a reflection of our common dreams:

- Developing high value-added products for different applications with innovative technologies
- Strengthening our global presence
- Expanding our sustainable product portfolio
- Maintaining our leadership and market share in the world market for PVC stabilizers
- Achieving an operational structure fueled by renewable resources
- Prioritizing ethical business practices and transparency
- Acting in line with the UN Sustainable Development Goals

On every page of this report, which is the roadmap for our common future, there is your work, dreams, and determination. As Akdeniz Chemson family, we will continue to pioneer sustainable growth, innovation, and a people-oriented approach in the chemical industry.

I strongly believe that together with you, we will build a greener, more innovative, and more sustainable future. The contribution of each one of you in this journey is priceless. I look to the future with hope and confidence because I know that we are on this journey together. I thank you for your efforts and perseverance and wish you a year full of success.

With my sincerest wishes,

Ersin İZMİRLİOĞLU
General Manager

Message from the Sustainability Committee

Dear Stakeholders,

We established Akdeniz Chemson Sustainability Committee to demonstrate our commitment to sustainability and to make sustainability not only a company policy but also a philosophy of life adopted by all our employees. In this journey that we focus on shaping the future with sustainability, we act responsibly by considering both our planet and human health.

As the Committee, we strive to live and spread our sustainability principle, which is an integral part of Akdeniz Chemson's DNA, in a wide network of interactions ranging from our colleagues to our suppliers, from our customers to the society. This is a value that we have not given up even in challenging times for the world and our country's economy, but on the contrary, we have strengthened it even further.

This year, we conducted a Double Materiality analysis to assess the impact of our economic and environmental factors on all our stakeholders and the environment, and to identify our risks and opportunities. While making this assessment, we considered the long-term impact of each of our decisions on both the environment and our stakeholders by discussing issues such as circular economy, climate change and digital transformation. Our main compass in this journey, which is guided by international standards such as GRI, ESRS and SASB, is our desire to leave a more livable world for future generations.

While working for the safety and development of our teammates, the most important element of our sustainable innovation journey, we know that we are actually working for a better future. As a company that offers fair and equal opportunities for all our colleagues, we take steps and set goals to ensure equal opportunities by adopting gender-neutral approaches in all our processes.

Within the scope of the Decarbonization Plan, for which we created a roadmap this year, strategic steps such as increasing the use of renewable energy sources, developing energy efficiency projects, promoting biomass applications, and diversifying sustainable raw material sources have been determined. In line with these efforts, we aim to reduce our Scope 1 and 2 emissions by 40% by 2030 and reach our net zero emission target by 2050.

Every invention of our R&D team and every productivity increase of our operations team brings us one step closer to the future we dream of. Our sustainable innovation approach manifests itself in a wide range of areas, from developing environmentally friendly products to optimizing our production processes. Our ACDIS-Behavioral Occupational Health and Safety Project reflects the people-oriented dimension of sustainability. The fact that we received recognition in the "Safe and Sustainable Operations" category at the Cefic Respon-

At Akdeniz Chemson, we not only see sustainability as a responsibility, but also use it as a powerful tool to create value.

sible Care Awards and won awards at the KIPLAS (Turkish Chemical, Petroleum, Rubber and Plastics Industry Employers' Association) Occupational Health and Safety Best Practice Competition with this project is proof that our sustainability approach is also appreciated in the industry.

All these efforts are based on a strong governance structure, solid ethical values, and a rigorous compliance approach. Our principles of transparency and accountability are not only legal obligations, but also the cornerstones of our trust relationship with our stakeholders. We observe these principles in our every decision and action, and make ethical business practices an indispensable part of our corporate culture.

As Akdeniz Chemson Sustainability Committee, we will continue to work relentlessly for a sustainable future together with all our stakeholders.

Akdeniz Chemson Sustainability Committee


Akdeniz Chemson

[02]

CORPORATE PROFILE

As Akdeniz Chemson, we have the mission of being a global company that adds value to life with the sustainable industrial chemicals we produce with our 1000 employees in 6 countries on 5 continents and our wide distribution network, creates a difference with our technology that develops creative solutions with all our stakeholders, and respects living things and the world.

In addition to being a pioneer in the PVC additives sector, we continue our way with the vision of becoming a preferred chemical portfolio company all over the world.

Akdeniz Chemson in Figures

We continue to exist in the sector with our business model based on sustainable growth and profitability, customers intimacy, strong financial structure, vertically integrated production that does not compromise on quality, active human resources, innovative perspective and experience.

Corporate/Governance

6 Countries on 5 Continents*

Production Operations

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

Around 115 Countries

Sales Geographies

412 Thousand Tons

PVC Polymer Chemical Additives Production Capacity

263rd in Rank

Top 500 Industrial Enterprises Research at ISO Türkiye

2nd in Rank

(Chemical Sector)

'Stars of Export' Competition by Aegean Exporters Union

Social

15%

Female Labour Force Participation Rate

47%

Rate of Raw Material Suppliers Audited

5 R&D Projects

Projects Completed and Approved by the Ministry of Science, Industry and Technology

In 2023, we continued to create value for all our internal and external stakeholders with the six capital elements we manage according to our ethical business principles. In addition to our financial and manufactured capital, our social and relational capital, consisting of our skilled human resources and responsible suppliers, our intellectual capital, strengthened by innovative efforts for eco-friendly products, and our natural capital, which we aim to utilize in the most efficient way, became the fundamental building blocks of our success.

Environment

95%
Recycled Waste Rate

7 Products
Products with Completed Life Cycle Analysis

Around 2.5 Million $
Environmental Expenditures
**Türkiye, Austria, Brazil, USA, China, Australia*

555 Thousand kWh
Electrical Energy Savings
(Türkiye, Austria)

173 Suppliers
Our Suppliers We Audit within the Scope of Human Rights

56 Hours
Training duration Per Employee
(Türkiye)

Akdeniz Chemson from Past to Present

At Akdeniz Chemson, a world leader in PVC stabilizers, we produce most of our raw materials in our own state-of-the-art production facilities and operate in local and international markets as a vertically integrated manufacturing company.

Our story began in 1942 in Wallsend, near Newcastle upon Tyne in the UK, when Cookson produced stabilizers for flexible PVC. Shortly after, Cookson opened a production facility in Sydney, Australia. In 1976, Akdeniz Kimya was founded in Izmir as a company engaged in the production and sale of PVC stabilizers and other industrial chemicals. In 1986, the German stabilizer manufacturer Chemetall and the British Cookson Group merged their activities under the Chemson name in a joint venture and moved their headquarters to Frankfurt am Main, Germany. The company started operations at facilities in Germany, the UK and Australia.

In 2000, as a result of an acquisition, 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. One year later, Chemson Group also became a part of OYAK. Thanks to its robust corporate structure, transparent management approach, strong financial infrastructure, and commitment to growth in chemistry, OYAK has contributed greatly to the development and production of innovative solutions by both companies.

America	Asia Pacific	Europe
Brazil	Australia	Türkiye
USA	China	Austria
		Germany
		UK

Production facility

Sales offices

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, a vertically integrated production company that produces many of its own raw materials in state-of-the-art production facilities, we operate as a "one-stop service point" all over the world to meet all formulation needs of our customers.

With a broad vision of continuous improvement in quality, human resources, and sustainability, Akdeniz Chemson produces PVC stabilizers as well as related additives in our facilities and leads our industry with our investments.

We successfully manage a sustainable business model in local and international markets thanks to our strong and reliable brand, which we have gained thanks to the quality of our products, and our environment and people-oriented approach.

Akdeniz Chemson is the world's largest company in the field of PVC stabilizers with operations on 5 continents.

Akdeniz Chemson Facilities

Türkiye

Austria

Brazil

USA

China

Australia

Akdeniz Chemson

PASSION | DYNAMISM | COURAGE | RELIABILITY BY COMPETENCE

EMPLOYEE VALUE PROPOSITION

WE ARE THE FORMULA

- PROUD
- MEANING
- CONTRIBUTING
- BEING MYSELF
- HIGHEST QUALITY AND STANDARDS
- HONESTY AND ETHICS

BRAND VALUE PROPOSITION

Beyond Additives

- STATE-OF-THE PRODUCTION PROCESS
- FAST TECHNICAL SUPPORT
- CUSTOMER CENTRIC-APPROACH
- STRONG FINANCIAL STRUCTURE
- WORLDWIDE SALES & TECHNICAL NETWORK
- COMMITMENT TO SUSTAINABILITY
- INNOVATION FOCUS R&D
- VERTICALLY INTEGRATED PRODUCTION

Products and Services

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 and offer tailor-made solutions to our customers with our state-of-the-art production systems.

It is critical that the additives used in the production of a material such as PVC, which we encounter in many areas of our lives and makes modern life more comfortable, are also environmentally friendly and sustainable.

PVC stabilizers and additives, which make up our product portfolio at Akdeniz Chemson, are indispensable chemicals as they provide sufficient heat stability for PVC processing, protect the product from the effects of heat, UV rays and impacts, and thus extend the life 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. We offer customized solutions to our partners with our portfolio of high-quality products and state-of-the-art production systems that meet all the demands of our customers. In addition to our additives for PVC, we enrich our product portfolio for non-PVC applications by adding new products every year.

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.

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.

Metal Soaps

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

Co-Stabilizers

Akdeniz Chemson produces special chemicals that add specific desired properties to PVC. Beta-diketones and hydrotalcites, which are included in this group called co-stabilizers, are chemicals that give specific desired 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 AC-FR series products are used as an environmentally friendly solution by completely or partially replacing ATO.

Other Products

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

Our Additives For Non-PVC Applications

Construction Chemicals

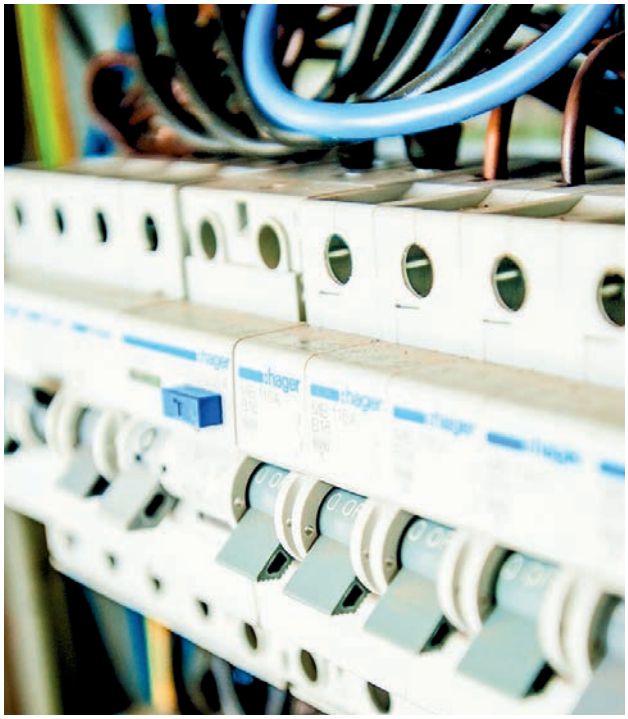
It is a product group with a wide range of applications from cement production to reinforced concrete structures, dams, bridges, tunnels and airports.

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. Phthalate-free, benzoate-based plasticizers produced from renewable natural resources have a wide range of applications with different processing technologies thanks to their optimum cost-performance rate and easy processability.

[03]

GOVERNANCE

As a global brand, we accept the principles of transparency, fairness, responsibility, and accountability as the basis of our governance approach in all our activities. While we carry out all our activities and businesses in line with laws and regulations, Akdeniz Chemson Code of Ethics determines all our attitudes and behaviors towards our internal and external stakeholders.

Business Ethics and Compliance

We aim to be a symbol of integrity, reliability, and respectability in the eyes of the environment and society while managing all our operations in a fair, transparent, accountable and responsible manner and fulfilling our duties and responsibilities towards our internal and external stakeholders, and we act according to these principles at Akdeniz Chemson.

We carry out all our activities in Türkiye and abroad in accordance with the legislation of the country in which we operate and international law, 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 for Suppliers" document for our suppliers is available on our website. 100% of our employees are subject to a 90-minute training covering all the main headings in the Akdeniz Chemson Ethical Working Rules document.

Ethics Hotline

Akdeniz Chemson has an Ethics Hotline that all employees, suppliers and customers encounter any unethical practice, can anonymously access to raise their concerns. 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 ethical notifications received are evaluated, audited by the Internal Audit Director and then decided by the Ethics Committee.

All complaints submitted to the Ethics Hotline are kept confidential and all rights and interests of those who report in good faith are secured by us.

The Ethics Hotline is managed by independent service providers and is available 24/7 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.

Stakeholder Complaint Reporting Platforms

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 and the actions taken received are evaluated by Human Resources. The portal 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.

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 practice increases participation in occupational health and safety and ensures improvement. Detailed information on the subject is available in the Occupational Health and Safety section in the report.

Employees Reports on Ethic Hotline

In 2023, the ethics hotline received a total of 18 reports. Of these, 10 were entered in the category of "discrimination" by the reporters and were examined in this category. Only 1 of them was confirmed in the discrimination category. The other eight reports included complaints about subcontractors not having the same rights as main employer's employees and complaints about problems with an individual's supervisor. No complaints were received under the heading of corruption and bribery. There were no outstanding unresolved issues, and not all notifications required an ethics review. The majority of these were complaints about salaries and benefits.

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 Complaints Projects– Phase 1

In order to track customer complaints tracked via the Quality Document Management System (QDMS) using the 8D methodology, which has become an industry standard and can be used in all our facilities, our Information Technology, Continuous Improvement and Quality units implemented the M-Files Customer Complaints Module Project. While the content and flow of the modules were designed in-house, we received support from a company specialized in software and implementation. We implemented Phase 1 of the system at Akdeniz Chemson Türkiye in May 2023, and we plan to launch the system at our Austria plant in 2024 and at all our other plants in 2025.

Thanks to this Project, we have been able to approach customer complaints more systematically and prevent errors in the system. We have created the infrastructure for a common software 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.

2023 Legal Compliance Studies at Akdeniz Chemson

Our legal department in Akdeniz Chemson Türkiye monitored international trade sanctions and restrictions for various countries and products. They worked on the implementation of the Ethical Rules of Conduct and Whistleblowing Policy.

Akdeniz Chemson's legal department in Austria continued to work with the Austrian Federal Economic Chamber on the drafts under the European Green Deal published by EU. The applicable laws will then be transferred to Akdeniz Chemson Austria's legal register and an internal assessment will be made. Our company in Austria also started to evaluate its suppliers under the requirements of the **German Supply Chain Act**.

In 2023, we also examined the new laws in all countries where we operate and their impact on our company; we prioritized them and planned our actions. The work we have carried out is listed in the table on the following page.

Management of the Legal and Regulatory Environment

As Akdeniz Chemson Türkiye, we received Corporate Relations Consultancy in order to establish regular communication with government offices, to introduce our company to the relevant authorities, to understand the perspective of the authorities on new regulations and to let them know where we are. We shared a survey with all our managers within the framework of this consultancy. The communication matrix proposed as a result of the survey was approved by the senior management. Under the coordination of the Continuous Improvement Unit and accompanied by a consultant, we make appointments with the relevant authorities and organize visits with a specific agenda. After the meetings, we report the issues discussed with our consultant to top management and we implement the actions determined in line with this report.

Country	New/Amended Law
Türkiye	Although it is currently not included in the sectors within scope, with the increase in the number of sectors covered by the CBAM Carbon Border Adjustment Mechanism, there is a possibility for Akdeniz Chemson Türkiye to be included in the CBAM scope by 2030.
Türkiye	Under 'German Supply Chain Act', 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.
Türkiye	Amendments to the Regulation on Health and Safety Measures at Work with Chemical Substances entered into force on 20.10.2023.
Austria	The Carbon Border Adjustment Mechanism will be at reporting phase from October 2023 until the end of 2025.
Austria	Ukraine REACH (Registration, Evaluation, Authorization and Restriction of Chemicals) entered into force as of 29.06.2024.
USA	The rules of the Family and Medical Code will apply once we reach a total of 50 employees. (The law applies when the subsidiary reaches 50 employees).

	Impact on Akdeniz Chemson and Actions to be Taken
>	Developing strategies for the possibility of Akdeniz Chemson entering the CBAM scope by 2030 is among our agenda items. We will begin preparation efforts for this possibility in 2025.
>	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.
>	With the amendments to the Regulation, Turkish legislation on the protection of the health and safety of workers from risks related to chemicals at work has been harmonized with EU legislation. As Akdeniz Chemson, we are taking the necessary steps to comply with the requirements of the new regulations.
>	We expect an increased demand from customers for more information and reporting on raw materials with high greenhouse gas intensity. We need to initiate efforts to develop cooperation with suppliers in such a way that sustainability aspects are also evaluated in raw material procurement, and to select suppliers based on sustainable indicators.
>	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 past, present and future used materials, cost calculation, strategy work with the board, communication and agreements with suppliers are on our agenda.
>	For justifiable reasons, employees may be granted up to 26 weeks of unpaid leave. Each role must have a substitute employee who is trained to cover during the leave.

The Role of Executive Committee & Oversight of Risks and Opportunities

Reporting to the Executive Board, the Sustainability Committee is led by the Chief Technical Officer (CTO) Responsible for Production and Technical Affairs. The 5 task forces reporting to the Sustainability Committee are Governance and Compliance, Energy, Occupational Health, Safety and Environment Human Resources and Circular Economy.

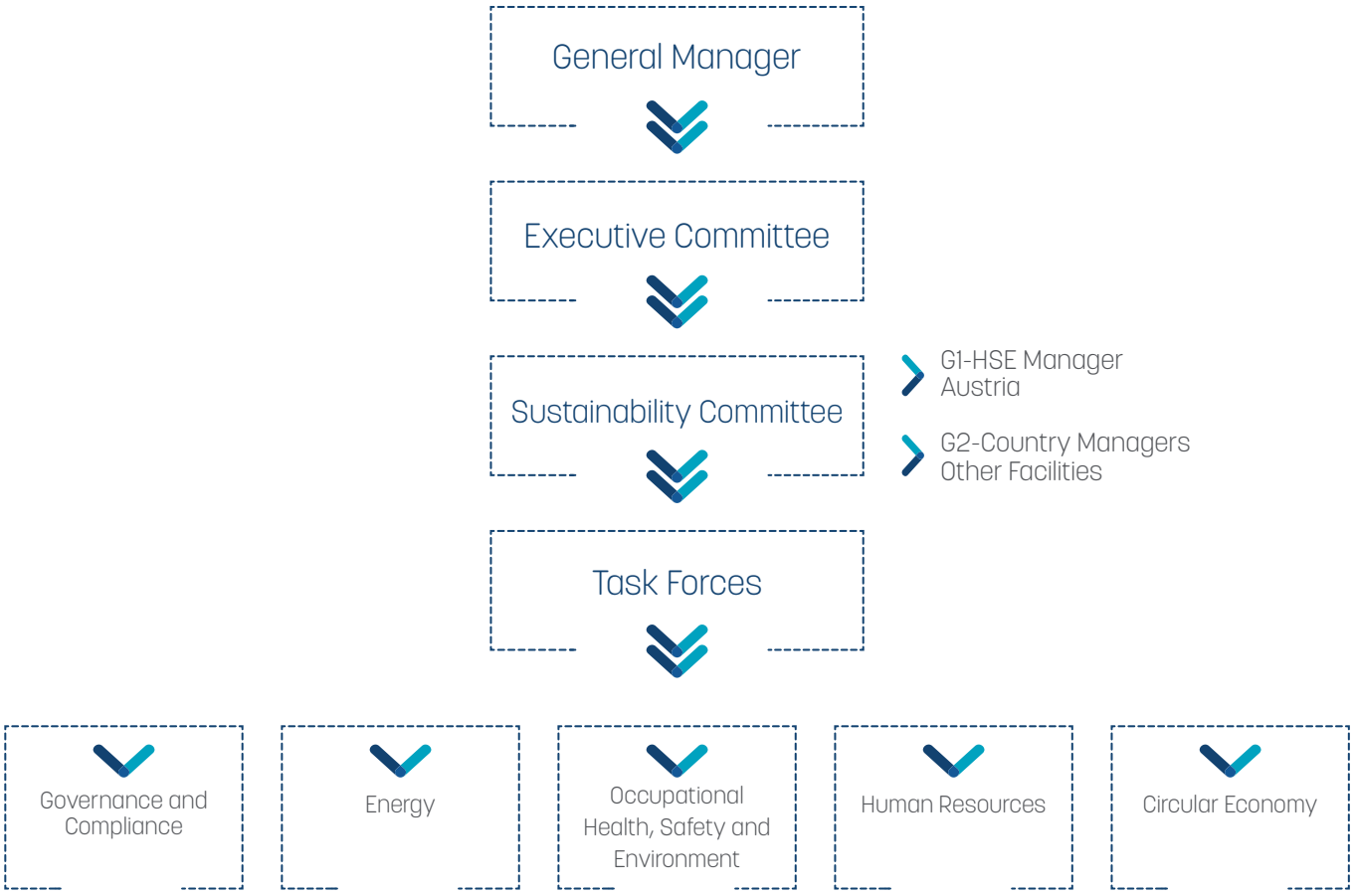
The impacts, risks and opportunities related to sustainability and climate change at Akdeniz Chemson, which are reviewed annually, are monitored, and overseen by the Executive Committee reporting to the General Manager and General Manager reporting to the Board of Directors. Executive Committee members have skills and competencies to oversee strategies designed to respond to risks and opportunities. They oversee the Company's strategy, decisions, risk management processes and related policies, and consider the trade-offs associated with risks and opportunities.

Reporting to the Executive Board, the **Sustainability Committee** is led by the Chief Production and Technical Officer (CTO). The Sustainability Committee, which convenes monthly, is designed with the aim of integrating Akdeniz Chemson's sustainability vision into the operations of 6 integrated plants spread across 5 continents and to provide a holistic perspective by disseminating best practices.

The 5 task forces reporting to the Sustainability Committee are Governance and Compliance, Energy, Occupational Health, Safety and Environment, Human Resources and Circular Economy. The Governance and Compliance Task Force is led by the Continuous Improvement Manager; the Energy Task Force by the Maintenance and Overhaul Manager; the Occupational Health, Safety and Environment Task Force by the HSE Manager; the Human Resources Task Force by the HR Manager; and the Circular Economy Task Force by the R&D Manager. The main task of the task forces is to monitor data and information on the company's sustainability performance on a quarterly basis and to support the annual reporting. In addition, the two global teams provide regular updates to the Sustainability Committee on progress against 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. Some of these are listed below.

M-Files Risk Management Module

As the manual monitoring and updating of our corporate risks, which we identified with the support of Marsh Insurance within the scope of an OYAK project, caused time loss and delays, we realized the M-Files Risk Management Module project within the Continuous Improvement, Internal Audit, and Information Technologies units.

With the project, the content and flow of which was realized within Akdeniz Chemson, and the software and implementation phase of which was carried out by a specialized company, we ensured that corporate risk management turned into a regularly functioning system by carrying out the entire process with the M-files software, automatically tracking actions and periodically making update reminders by the module.

Digitalization of risk management, ensuring regular follow-up and updating, and tracking actions have increased Akdeniz Chemson's corporate maturity in this area.

M-Files Certificate Management Module

We designed a module on M-Files with the work of our Information Technologies and Continuous Improvement departments in order to ensure that the tracking of quality management systems and many similar certificates, whose validity periods are manually tracked in all our global facilities, is done automatically through the system.

With the project, for which we received software and application support from an expert company, we prevented delays and prevented the risk of financial damage and loss of reputation thanks to the system that constantly monitors updates and is designed to give warnings before their validity periods.

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 savings through the business processes initiated under the responsibility of the Information Technologies department and transitioned to RPA in 2023.

In addition to achieving efficiency in business processes with the project, we aim to protect the environment and reduce our carbon footprint by consuming less natural and other resources. In 2024 and 2025, we will continue to develop the project we started in 2023 by adding new processes.

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

As the largest industrial user of fossil fuels, both as energy and raw materials, the chemical sector is both a greenhouse gas producer and a significant contributor to global 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 contributes 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, on the other hand, reported that the emission from the sector increased by more than 1.5% annually on average between 2010 and 2019.

Global Sustainability Trends in the Chemical and PVC Manufacturing Sectors

1. Circular Economy: An increasing focus on recycling, reusing materials and designing products for longer life cycles,

2. Carbon Neutrality: Achieving net zero carbon emissions by 2050, which many companies have committed to in line with global climate goals,

3. Green Chemistry: The development of environmentally friendly chemical processes and products that reduce or eliminate hazardous substances,

4. Renewable Energy: Shift to renewable energy sources such as wind, solar and bioenergy to power operations,

5. Sustainable Resource Use: Ensure sustainable sourcing of raw materials, considering environmental and social impacts.

6. Digital Transformation: Benefitting digital technologies such as artificial intelligence, IoT and blockchain for more efficient, transparent, and sustainable operations,

7. Water and Waste Management: Reducing water use and waste generation and improving wastewater treatment processes,

8. Regulatory Compliance: Compliance with environmental regulations and sustainability reporting requirements,

9. Transparency and Reporting: Increasing transparency in sustainability practices through ESG (Environmental, Social and Governance) reporting and

10. Collaboration and Partnerships: Establish 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

1	**Resource Intensity:** The sector is highly resource intensive, requiring large amounts of energy, water, and raw materials.
2	**Environmental Impact:** Chemical production often involves hazardous substances that can have significant environmental impacts if not properly managed.
3	**Regulatory Pressure:** Compliance with stringent environmental regulations can be costly and complex in a multinational structure.
4	**Supply Chain Sustainability:** It is difficult to ensure that all parts of the supply chain adhere to sustainable practices.
5	**Innovation and Technology Adoption:** The development and adoption of new sustainable technologies can be expensive and require significant R&D investment.
6	**Public Perception:** Public opinion survey of the environmental and health impacts of chemical production is increasing.
7	**Economic Viability:** Balancing sustainability initiatives with profitability can be challenging, especially in a competitive market.
8	**Waste Management:** Proper disposal and treatment of chemical waste is complex and costly.
9	**Energy Transition:** The transition from fossil fuels to renewable energy sources requires significant infrastructure investments.
10	**Circular Economy Implementation:** Transitioning to a circular economy model can be challenging due to existing linear production processes.

How Do We Overcome These Challenges at Akdeniz Chemson?

1. **Investment in R&D:** We focus on research and development to create innovative solutions that reduce environmental impact and increase efficiency.
2. **Green Chemistry Principles:** We focus on green chemistry principles to minimize the use of hazardous materials and reduce waste.
3. **Regulatory Compliance:** We strive to stay ahead of regulatory changes by adopting proactive compliance strategies and communicating with policy makers at all Akdeniz Chemson locations.
4. **Sectoral Collaboration:** We seek opportunities to collaborate with customers, suppliers, and NGOs in the industry to develop joint sustainability solutions.
5. **Digital Technologies:** We leverage digital tools to optimize processes, reduce waste and increase transparency in the supply chain.
6. **Sustainable Sourcing:** We work closely with suppliers to ensure that raw materials are sourced sustainably and ethically.
7. **Energy Efficiency and Clean Energy:** We are transitioning to energy efficient technologies and the use of renewable energy to reduce energy consumption and greenhouse gas emissions.
8. **Stakeholder Engagement:** We communicate openly with all stakeholders, including customers, investors, and the public, about our sustainability efforts.
9. **Circular Economy Models:** We evaluate our products and materials for longevity, recyclability, and reusability.
10. **Employee Development:** We provide training to employees on sustainable practices and the importance of sustainability in the industry.

When we monitor global trends to guide our actions as Akdeniz Chemson Sustainability Committee, we also closely follow internationally recognized guides and initiatives that offer sector-focused recommendations. In this context, we have taken into consideration the indicators in the chemical sector section of the TPT Transition Plan Taskforce's Sector Summary guide and prepared the Akdeniz Chemson Decarbonization Transition Plan.

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

Levers	Action	Benchmark
Replacing fossil fuel feedstocks	- Green hydrogen for ammonia and methanol - Green methanol or bio-based materials for high-value chemicals (HVCs)	- Percentage of primary resource from which chemical feedstocks derive (e.g. oil, natural gas, coal, biomass, waste) - Percentage of petrochemical-based products produced with bio-based feedstocks and share of feedstock that is sustainably sourced
Increase energy efficiency	- Implementing energy efficiency and best available techniques to reduce emissions	- Total energy consumed - Percentage of grid electricity
Increase zero greenhouse gas emission energy use	- Electrification of processes and use of renewable energy for heat, steam and electricity	- Percentage of renewable energy - Total self-generated energy - Percentage of procurement spend or *Scope 3 emissions that supplier engagement strategy has been applied to
Adopt carbon capture, utilization, and storage (CCUS)	- Use as raw material and - Use for process and energy emissions	- Capture rate, transport, and storage leakage rates for carbon capture, utilization, and storage (CCUS)
Implement circularity strategies	- Increasing re-usability of plastics - Replace single-use plastics with re-usable products - Increase mechanical and chemical recycling	—
Accelerate sale of low-GHG emissions products	- Green ammonia (e.g. as fertilizer, shipping or as a hydrogen carrier); and - Materials that enable energy efficiency improvements (e.g. in buildings and transport)	* Scope 3: Category 1: Purchased goods and services. Category 11: Use of sold products. Category 12: End-of-life treatment of sold products

[04]

STRATEGY

As Akdeniz Chemson, our strategic priority on sustainability and climate is to understand our potential negative impacts on the environment and society and to plan our actions towards our goals we set to minimize or eliminate them.

The Process of Identifying Sustainability-Related Strategic Priorities

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

Internal Stakeholder Prioritization Survey

In this context, we provided **'Sustainability and Climate 5W1H'** training to our employees in three different time zones in order to both raise awareness and identify our material impact and risk areas from the perspective of internal stakeholders. After the training, we invited a total of 81 managers and experts, including 6 members of the executive board, to participate in an online survey. Our managers and employees, who participated in the training from various departments and consisted of 57 people, evaluated 19 sustainability issues concerning our sector, which were the output of an intensive benchmarking study, with detailed questions. We have included the summary results of the evaluation on the following pages.

Benchmarking Study Steps

We analyzed the 2021 and 2022 reports of 7 international companies operating in similar sectors with Akdeniz Chemson to determine which sustainability issues they prioritized. Our analysis included 81 topics and their related targets.

In addition to these, we have also included the topics in the Chemicals sector supplement, which is among the Resource Transformation guidelines from the sector supplements of the Sustainability Accounting Standards Board (SASB).

We have also considered 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

Social and environmental impact areas we questioned in the survey;

The magnitude of the current positive and negative impacts of the Company's own operations and activities in its supply chain on the environment and society

The magnitude and likelihood of potential positive and negative impacts of the Company's own operations and activities in its supply chain on the environment and society

The financial impact areas we questioned in the survey;

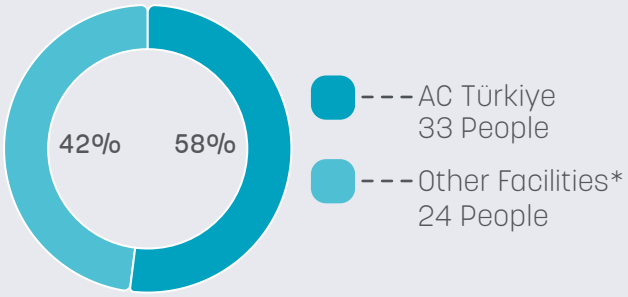
The magnitude, likelihood, and type of adverse financial impact that the listed matters may have on the company's operations

The magnitude, likelihood, and type of adverse financial impacts that the listed issues may have on the company's supply chain

Evaluation Scale

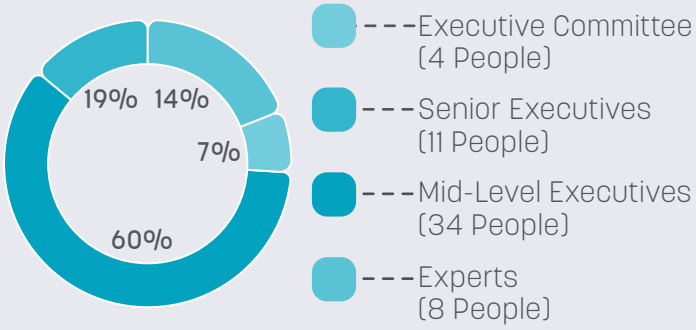
Very High/5 - High/4 - Medium/3 -
Low/2 - Very Low/1

Internal Stakeholder Survey Participation



** Austria, Brazil, USA, China, Australia.*

Internal Stakeholder Survey Participation



Following this study, we conducted a one-day sustainability workshop with 5 separate working groups from relevant departments, examining the issues within the scope of their financial impact on the company, and developed recommendations and actions for the work that needs to be done in the coming period to eliminate the impact of risks partially or completely on 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.

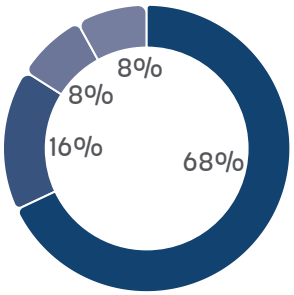
In the external stakeholder survey, our main stakeholder group consisted of our customers located in different parts of the world. In addition to our customers, we received the opinions of representatives from industrial unions and associations of which we are members.

We asked our external stakeholders their opinions on all the issues included in the internal stakeholder survey, where we assessed impacts, risks, and opportunities. We also conducted a more detailed inquiry with open-ended questions so that they could raise additional issues. The comments received indicated that the issues were sufficient, and no additional issues were raised by our external stakeholders who participated in the survey.

Among our key stakeholders who did not participate in our survey and are directly interested in our performance within the scope of sustainability and combating climate change, banks and financial institutions requested information on the use of recycled materials in production, hazardous waste management, greenhouse gas emission measurement and reduction studies, life cycle analysis for products and ecological product design certification, and the approach to compliance with EU regulations. While we directly meet their need for information, we also included current developments and our performance in our report on all these issues.

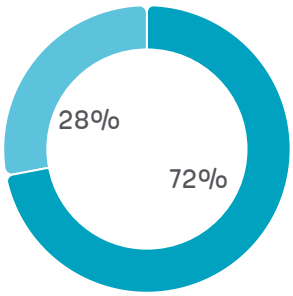
Details on the external stakeholder survey participant profile are provided below.

Participation by Region



- Europe - 17 People
- Middle East - 4 People
- Africa - 2 People
- Asia Pacific - 2 People

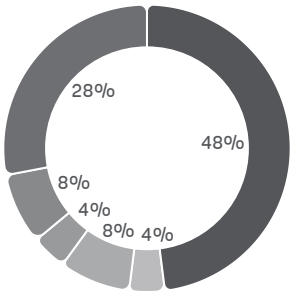
Stakeholder Group



- Customer - 18 People
- Other* - 7 People

** Industrial unions and associations of which we are members.*

Product Group



- Stabilizers - 12 People
- Metal Soaps - 1 Person
- Plasticizers - 2 People
- Lubricants - 1 Person
- Acrylic Impact Modifiers - 2 People
- Other - 7 People (Non-Customer Stakeholders)

Our external stakeholders evaluated each issue within the scope of both positive and negative impacts on themselves, society and the environment.

An average of 27% of external stakeholders stated that they did not have an opinion on Akdeniz Chemson's positive or negative impact on them, while stakeholders who thought it had a negative impact on issues such as greenhouse gas emissions, air quality, energy consumption, water consumption, waste and hazardous substances constituted 14% of the total participants. Those who thought it had a positive impact on the same issues constituted 39% of the participants.

An average of 31% of external stakeholders stated that they did not have an opinion on Akdeniz Chemson's positive or negative impact on the environment and society, while stakeholders who thought it had a negative impact on issues such as waste and hazardous substances, air quality, greenhouse gas emissions, energy consumption, water consumption and sustainable supply chain constituted 17% of all participants. Those who thought it had a positive impact on the same issues constituted 45% of the participants. A detailed comparison table is included in the **Annex** section of our report.

While we shared these responses transparently in our report, we tried to include our actions on each issue in detail in our report, considering that the perceptions of our stakeholders with different knowledge levels will also differ.

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

The potential sustainability issues determined by the prioritization survey, which included employees and managers at different levels from all facilities, are listed on the left side of the table on the following page in order of priority, considering their current negative impacts. According to the results of our external stakeholder survey, which we listed on the right side of the table and which we received responses from our customers in particular; the magnitude of the negative impacts of our operations on the environment and society came out in a different order with the feedback we received from internal stakeholders.

This result is a good example of how different stakeholders can make different judgments within the scope of the information they have about the company. While issues related to social impacts such as occupational health and safety, training and development, diversity and equal opportunities came first in the internal stakeholder survey consisting of employees, issues with direct environmental but indirect social impacts such as waste, water, energy, greenhouse gas, and air quality came first according to the results of the external stakeholder survey. **Data-Information Security and Privacy** were determined as the highest priority common issue.

Three important issues that may have irreversible consequences were determined by the internal stakeholders as Occupational Health and Safety, Critical Incident/Accident Risk Management and Data-Information Security and Privacy.

In our evaluation with the Executive Board and Sustainability Committee, we focused on the 19 issues we evaluated, with the aim of focusing on issues that have both high environmental/social impact and financial impacts on the company, due to the nature of the prioritization.

Current: C Potential: P	Internal Stakeholder (57) Current and Potential	Weighted Average	Current: C	External Stakeholder (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-Information Security and Privacy	6.32
C	Critical Incident/Accident Risk Management	7.4	C	Wastewater Production	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	Education and Development	5.68
C and P	Wastewater Production	5.05	C	Diversity and Equal Opportunity	5.68
C and P	Air Quality	4.95	C	Materials and Recycling	5.68
C	Local/Affected Community Relations	4.7	C	Managing the Legal and Regulatory Environment	5.44
C and P	Biodiversity and Ecosystems	4.53	C	Local/Affected Community Relations	5.04

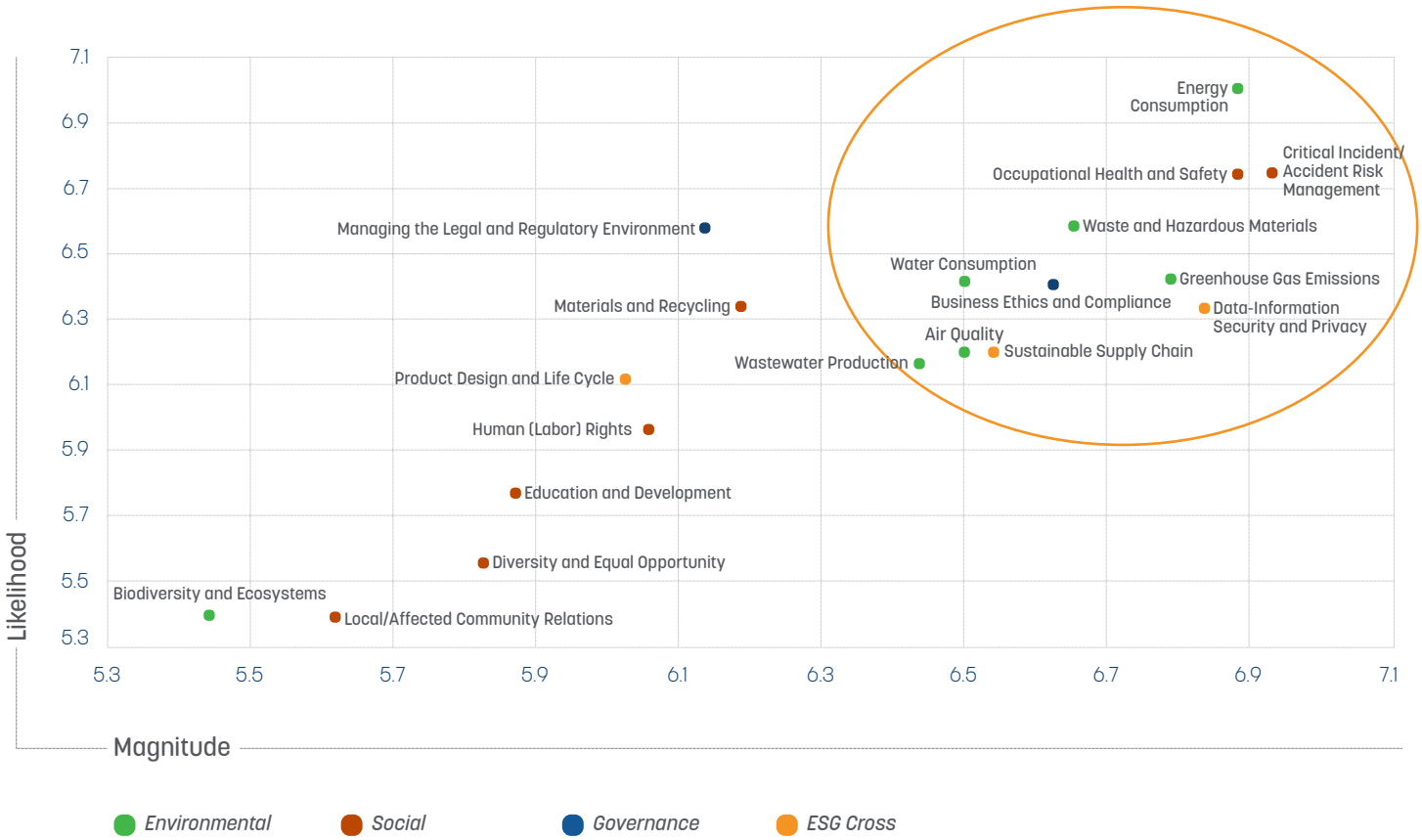
Financial Reflections of Sustainability Risks

In the evaluations of the senior management, it was predicted that the highest increase in capital costs in the coming period could be in the areas of greenhouse gas emissions and biodiversity and ecosystems.

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.

In the collective assessment, although the **Product Design and Life Cycle** issue fell behind social issues in terms of negative financial impact and magnitude, it was defined by the top management as the highest priority area where operational costs would increase. Here, this issue, which requires investment especially in the R&D side in the short and medium term, includes a trade-off that increases revenue with product designs that meet customer expectations and have reduced environmental impacts in the life cycle in the medium and long term.

Magnitude and Likelihood of Negative Financial Impacts



OPEX (Operational Cost) Increase

According to senior management's assessments, the highest operational cost increase in the coming period is expected to be in **Product Design and Lifecycle**, followed by Energy Consumption, Wastewater Generation and Materials and Recycling. Water consumption, sustainable supply chain, occupational health and safety, training and development, waste, and hazardous materials, as well as data-information security and confidentiality were the main topics of Opex increase.

CAPEX (Cost of Capital) Increase

According to senior management's assessments, greenhouse gas emissions, biodiversity and ecosystems are likely to have the highest increase in capital costs in the coming period, followed by air quality, waste and hazardous substances, business ethics and compliance, data-information security and compliance.

Increasing Direct Cost

Senior management assessed those risks related to air quality, water consumption and critical incidents/accidents would lead to the highest direct cost increase. It is anticipated that direct costs will increase with studies on greenhouse gas emissions, energy consumption, wastewater production, sustainable supply chain management, occupational health and safety, as well as training and development.

Important Topics with Low Financial Impact

Human (Labor) Rights, Training and Development, and Diversity and Equal Opportunity, which were left behind in the financial impact assessments, are of direct concern to our employees, so we have prioritized these issues, regardless of their financial impact.

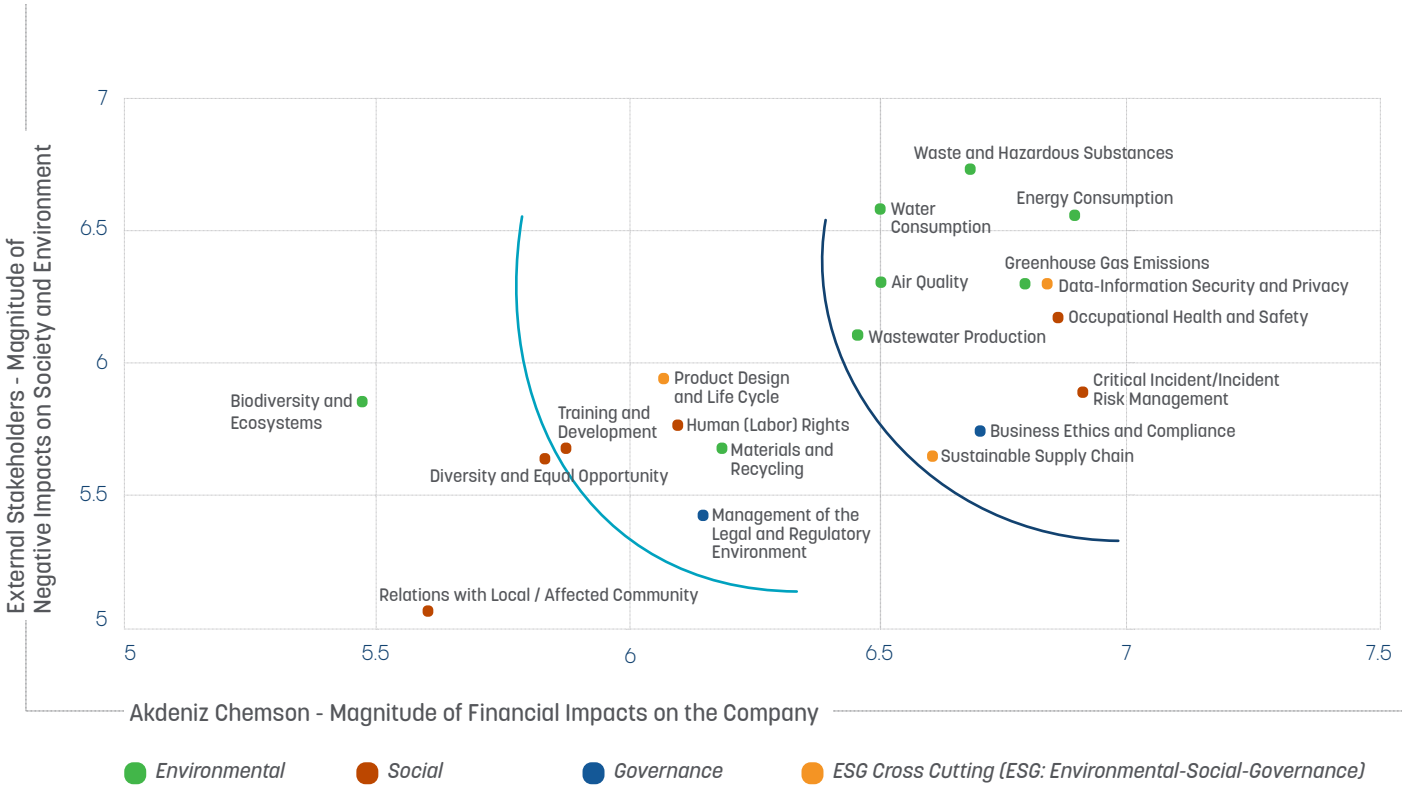
Sustainability-Related Impacts and Risks (Double Materiality)

We prepared our double materiality matrix by evaluating the potential negative impacts of our company on the environment and society together with our stakeholders and the financial impacts that external factors related to sustainability may have on our company together with our managers.

As Akdeniz Chemson, we have prepared our double materiality matrix by examining the potential negative impacts on the environment and society in the geographies where our company operates, while examining the financial impacts that external factors related to sustainability may have on our company.

We did not include the issue of Relations with Local / Affected Communities, which has the lowest environmental-social-financial impact, in the scope of the report, while the issue of Biodiversity and Ecosystems was prioritized by external stakeholders, but we did not include this issue since it does not have a direct environmental and financial impact since our facilities are located in organized industrial zones. On the other hand, we have included general explanations on this issue in the Annex of our report. Management of the Legal and Regulatory Environment is included under the heading of Business Ethics and Compliance. Since Air Quality and Wastewater Production have low financial impact but are prioritized by external stakeholders, we have included disclosures on air quality under the Greenhouse Gas Emissions heading, and disclosures on wastewater production under the Waste and Hazardous Substances heading. Since Diversity and Equal Opportunity was scored very close to Training and Development, we have detailed these two topics under a single heading. In this way, we have included our performance on a total of 13 topics under 4 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

Sustainability Impacts in the Value Chain

In the prioritization survey, in which employees and managers from all Akdeniz Chemson facilities participated, we conducted an internal assessment of the supply chain, which is included within the scope of sustainability in the value chain, which is expected to be taken into account in global regulations.

Global reporting standards and related research reveal that if companies examine the impacts, risks, and opportunities in the value chain - the processes starting from the production of raw materials that are inputs to their products until the products complete their lifecycle - they will be able to respond faster to many environmental, legal, reputational and financial risks and be less affected by their consequences.

As part of Akdeniz Chemson's prioritization survey, in which employees and managers from all sites participated, we conducted an internal assessment of the supply chain (upstream) as part of the value chain sustainability (upstream and downstream), which is also expected to be considered in global regulations.

Sustainability Risks in the Supply Chain

In the survey, in which the likelihood and magnitude of the impacts in the supply chain were assessed, we observed that the participants gave a balanced score between 1-5 points in almost every topic, and therefore, when the weighted average was taken, the priority scores of the topics were very close to each other. We thought that this may be due to the differences in focus and priorities within the scope of the supply chain. In this context, we decided to revise this assessment in the next reporting period by departments and individuals who are familiar with the subject.

The topic ranking for the likelihood and magnitude estimates of potential negative impacts is given in the table on the next page. The five issues marked in blue are the ones that need to be considered first in terms of likelihood and magnitude, while **Biodiversity and Ecosystems** and **Water Management**, which are two issues with low probability but could have a major impact if realized, will be among the issues that need to be considered in the next assessment, questioned, and audited if necessary. The reason why the Human (Labor) Rights issue appears to be the most likely, but not expected to have a major impact if realized, is that it is one of the most carefully controlled issues at Akdeniz Chemson. Our detailed actions are included under the Sustainable Supply Chain heading.

Ranking the possibility of POTENTIAL adverse impacts that activities in your SUPPLY CHAIN may have on the environment and society	Ranking the MAJORITY of the POTENTIAL NEGATIVE impacts that activities in SUPPLY CHAIN may have on the environment and society
Human (Labor) Rights	Waste and Hazardous Materials
Greenhouse Gas Emissions	Biodiversity and Ecosystems
Product Design and Life Cycle	Air Quality
Waste and Hazardous Materials	Greenhouse Gas Emissions
Sustainable Supply Chain	Water Consumption
Occupational Health and Safety	Product Design and Life Cycle
Air Quality	Energy Consumption
Critical Incident/Incident Risk Management	Occupational Health and Safety
Training and Development	Sustainable Supply Chain
Data-Information Security and Privacy	Critical Incident/Incident Risk Management
Energy Consumption	Wastewater Production
Materials and Recycling	Materials and Recycling
Business Ethics and Compliance	Business Ethics and Compliance
Biodiversity and Ecosystems	Management of the Legal and Regulatory Environment
Management of the Legal and Regulatory Environment	Data-Information Security and Privacy
Wastewater Production	Training and Development
Diversity and Equal Opportunity	Diversity and Equal Opportunity
Water Consumption	Human (Labor) Rights
Relations with Local / Affected Community	Relations with Local / Affected Community

Identifying Risks and Opportunities Related to Climate Change

Our 67 managers, representing all divisions within Akdeniz Chemson Group, assessed the physical and transition risks and opportunities that climate change may pose to our companies and facilities.

As Akdeniz Chemson, we aimed to be ready for different regulations in the short and medium term within the scope of reporting climate change mitigation and adaptation performance due to our operations in different countries around the world. In this context, we have taken into consideration the first environmental topic E1 - Climate Change of the European Sustainability Standards ESRS and S2 Financial Disclosures on Climate Change of the International Financial Reporting Standard IFRS.

Internal Stakeholder Climate Survey

In this context, after the 'Sustainability and Climate 5W1H' training, we invited 81 managers and experts, including 6 members of the executive board, to an online survey to identify climate risks and opportunities. 67 executives, representing all locations and departments of Akdeniz Chemson Group, evaluated the physical and transition risks and opportunities that climate change may create for our companies and facilities.

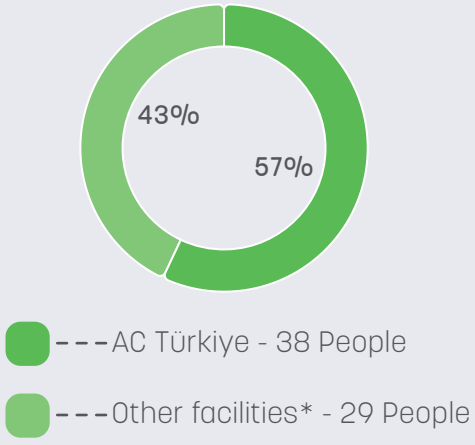
As a result of the surveys analyzed by our consultant, 4 physical risks and 6 transition risks related to climate change were identified. The list of these risks was approved by the company's Executive Committee.

Physical and Transition Risks

In the process of assessing Akdeniz Chemson Climate-related Risks and Opportunities, we have listed the acute physical and chronic physical risks as well as transition risks included in the TCFD Climate-related Financial Disclosures Task Force recommendations, and the Carbon Disclosure Project CDP question set.

For ease of assessment, we have consolidated and listed risks that may have similar consequences. In our survey, we have subjected 7 acute physical risks, 8 chronic physical risks and 13 transition risks to a detailed regional assessment in terms of their likelihood, magnitude, and financial impact in the short term (0-3 years) and medium-long term (3-10 years). Within the scope of these topics, we also evaluated 12 different opportunity areas.

Climate Survey Participation by Location



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

Climate Survey Questions

Acute physical risks in the survey;

Heavy Precipitation, Heat Waves-Drought, Forest Fires, Cold Wave-Frost, Storm, Cyclone-Hurricane, Avalanche-Landslip

Chronic physical risks in the survey;

Changing Precipitation Patterns, Changing Temperature (air-water), Changing Wind Patterns, Water Scarcity, Soil Degradation, Soil Erosion, Sea Level Rise, Ocean Acidification

Transition risks in the survey;

3 market risks, 4 legal risks, 3 technology risks, 3 reputation risks

Opportunities in the survey;

1 market, 3 products and services, 3 efficiency, 3 energy, 2 durability

Evaluation Scale

Very High/5 – High/4 – Medium/3 – Low/2 – Very Low/1

Climate Survey Participation by Management Level

Following this study, we analyzed the risks within the scope of their financial impact on the company and developed recommendations and actions for the work in the coming period in order to partially or completely eliminate the effects of the risks on the company in a one-day climate risks workshop held with 5 separate working groups consisting of relevant departments. In these studies, we evaluated acute and chronic physical risks that are interrelated with each other together.

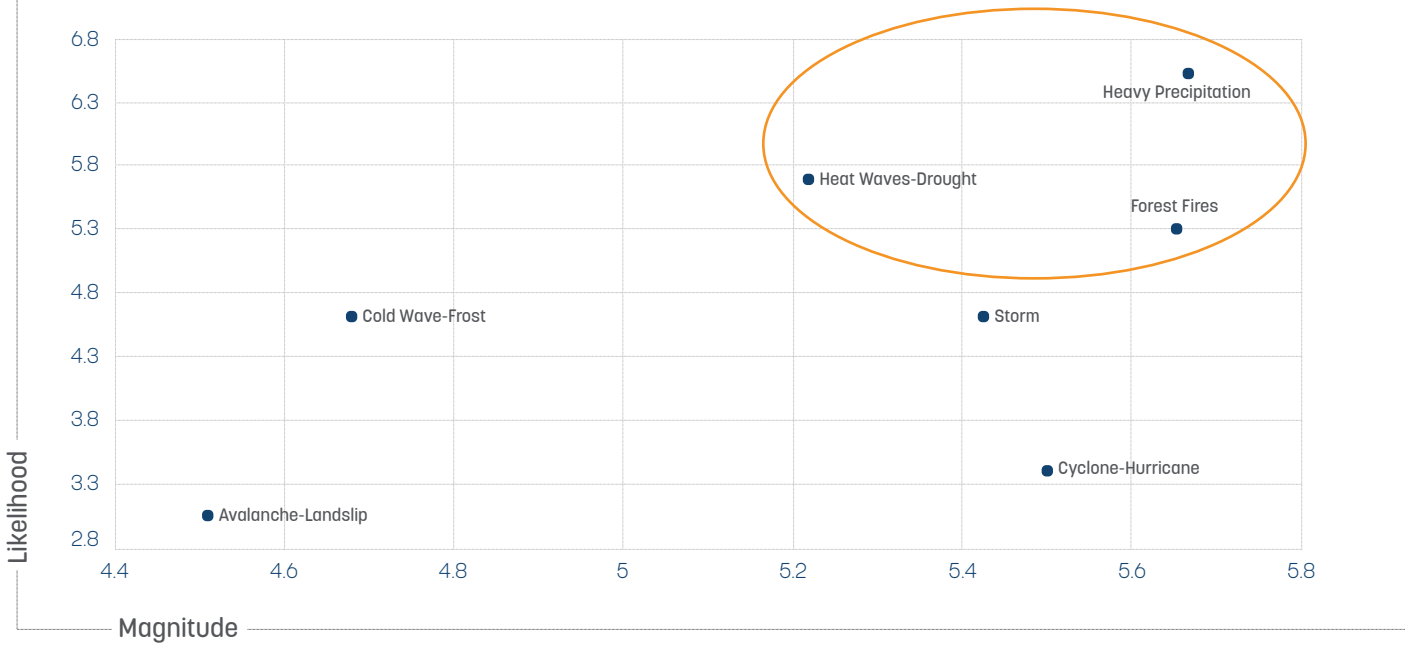
We examined the acute physical risk of 'Heavy Precipitation' together with the chronic risk of 'Changes in Precipitation Patterns', and the risks posed by the acute physical risk of 'Heat Waves-Drought' and the chronic risks of 'Changing Temperature (air-water)' and 'Water Scarcity' together and in the same working groups.

Climate Change-Related Physical Risks

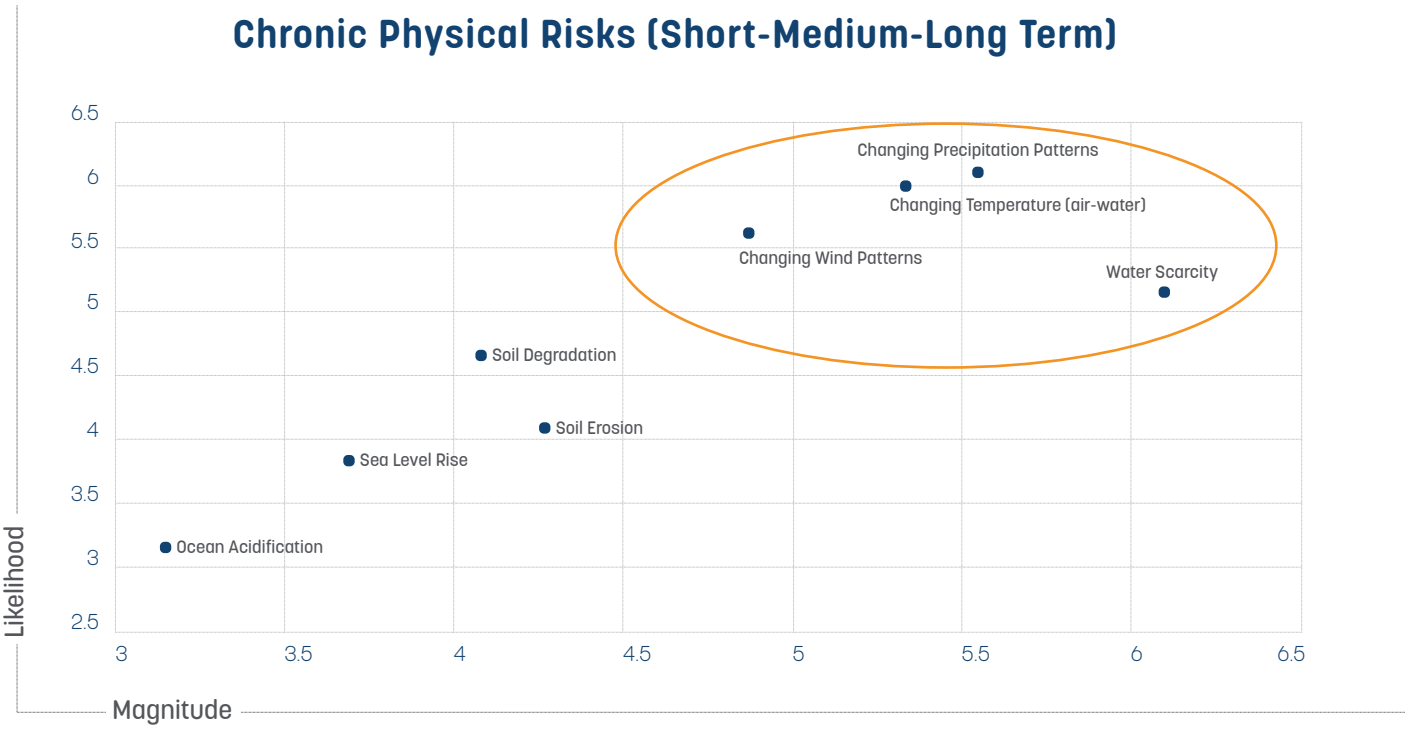
We conducted our risks and opportunities analysis on climate change based on the 15 physical risks, 7 of which are acute and 8 are chronic.

The matrices below show the results of the assessment of acute and 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 an image in terms of maturities.

Acute Physical Risks (Short-Medium-Long Term)



Chronic Physical Risks (Short-Medium-Long Term)

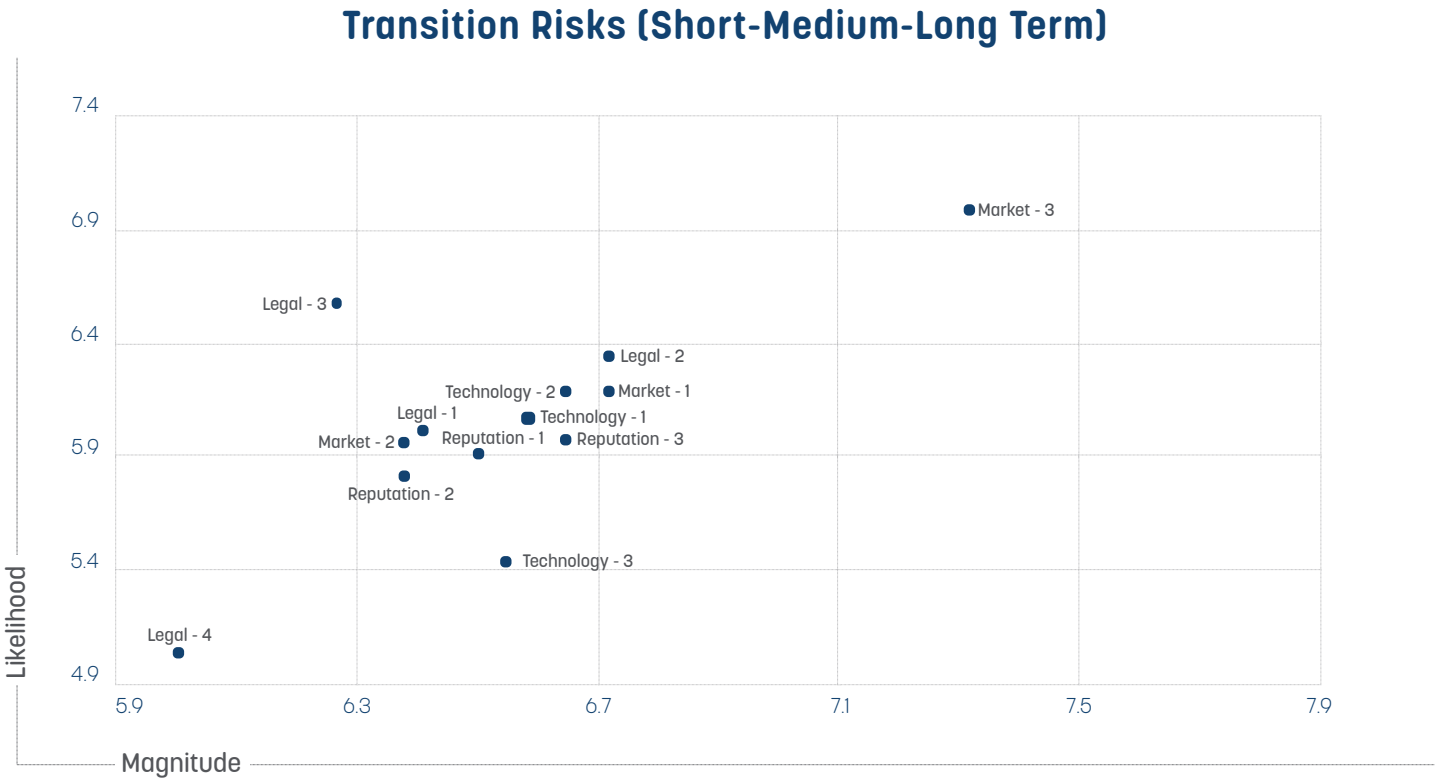


Climate Change-Related Transition Risks

We conducted our risk and opportunity analysis on climate change based on the 13 transition risks listed below.

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
Technology -1	Substitution of existing products and services with lower emissions options	Reputation-2	Increased stakeholder concern or negative stakeholder feedback
Technology-2	Transition to lower emission technology	Reputation-3	Changes in consumer preferences
Technology-3	Unsuccessful investment in new technologies		

The matrix below presents the results of the assessment of transition risks in terms of likelihood and magnitude in the short (0-3 years). Considering the likelihood and magnitude estimates in the medium-long term (3-10 years), there is no major difference in terms of maturities., In both maturities, Market 3: Increase in raw material/input costs was by far the most probable and major risk. This is followed by Legal 2 in both maturities: 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, Legal 1: Mandates on and regulation of existing products and services are expected to grow in the medium to long term.



Financial Implications of Climate Change-Related Risks

Among the chronic physical risks, 38% of our executives predicted that operational expenditures would increase for 'water scarcity', 23% predicted that direct costs would increase and 17% predicted that revenues would decrease due to reduced production.

When assessing the potential financial impacts of climate change, our executives selected one outcome for the highest financial impact for each risk area. In the descriptions below, we include preferred outcomes 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 'changing 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.

Of the technological risks, 53% of respondents predicted that capital expenditures would increase for 'transitioning 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.

Opportunities Related to Climate Change

40% of our executives predicted that the use of more efficient production and distribution processes in the short term would reduce operational costs for our company in the medium to long term.

We analyzed the positive financial impacts (opportunities) that could occur in our company if certain actions are realized 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.

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 goods 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%

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 goods 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.

[05]

RISK MANAGEMENT

The processes used at Akdeniz Chemson to identify, assess, prioritize, and monitor risks are defined in the Corporate Risk Management Procedure. Risk management is a process that concerns all units of the company with its scope, outputs, and actions.

Risk Management Processes

In the Enterprise Risk Management studies carried out in 2023, risks related to compliance with standards under sustainability and natural disasters, fire and crisis management under climate change came to the fore.

At Akdeniz Chemson, risk management is a process that is carried out with the request and support of the Chairman of the Board of Directors and the Executive Committee and concerns all units of the company with its scope, outputs and actions. The processes used by the company to identify, assess, prioritize, and monitor risks are defined in the Corporate Risk Management Procedure.

In 2023, a project conducted with OYAK Risk and Marsh Insurance on Risk Management evaluated the current Enterprise Risk Management (ERM). Strategic risks updated with a new methodology were presented to the senior management. In this context, we organized a training attended by all department managers before starting the project.

In the risk assessment studies in 2023, risks related to compliance with standards within the scope of sustainability and risks related to natural disasters, fire and crisis management related to climate change came to the fore. In addition, we found that many of the issues we evaluated in the sustainability prioritization and climate change-related risks and opportunities studies were in line with what we evaluated in the corporate risk assessment studies. On the other hand, additional risk areas were also identified in both the corporate risk assessment and prioritization studies.

Our goal for 2024 is to reassess risks, update action plans, and plan activities to draw attention to new and emerging risks.

The following sections include the risks assessed within the scope of both topics and related explanations.

Management of Sustainability Risks

We align and explain the risks identified in the corporate risk assessment studies with our sustainability priorities identified using the double materiality methodology.

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 are not prominent in the corporate risk assessment but which we consider 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 an issue jointly managed by our Procurement and Supply Chain units.

Within the scope of the enterprise risk assessment, the following risks related to 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 Occupational Health and Safety Trainings	
	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 Compliance	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 regarding 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.

Management of Physical Risks

The common physical risks identified and addressed in the corporate risk assessment and climate-related risk identification questionnaire and workshops are set out 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. These proposals will be included in the action plan after being approved by senior management and will be included 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 I 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

In the tables on the following pages, we respectively provide the possible outcomes, opportunities, and actions we have taken regarding the climate related physical risks that are likely to occur in the medium and long term and climate related transition risks that are likely to occur in the short-medium-long term, at Akdeniz Chemson Turkey facilities.

Climate Change Related Risk	Possible Outcomes	Possible Oppurtunities	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 precipitation 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

Managing 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. After most of these proposals were approved by senior management, we prepared our decarbonization roadmap.

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

Climate Change Related Risk	Possible Outcomes	Current Actions
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 non-compliance 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

At Akdeniz Chemson, while determining our metrics for sustainability performance and combating climate change, we have considered our sector benchmarking studies as well as the metrics of four internationally recognized standards that are directly relevant to our sector.

Measurement and Monitoring

At Akdeniz Chemson, we collected data regarding our sustainability performance and metrics for combating climate change, considering all of our facilities.

While determining our metrics for sustainability performance and combating climate change at Akdeniz Chemson, we considered 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 Sector (TPT) 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 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.

Akdeniz Chemson Topic List	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 emissions (t CO_2e) • Scope 2 emissions (t CO_2e) • Scope 3 emissions (t CO_2e) • Emission intensity (t CO_2e/USD)
Water Consumption	Water and Effluents	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 Substances	Waste	E5- Resource Use and Circular Economy	Hazardous Waste Management	• Total amount of hazardous waste (tons) • Total amount of non-hazardous waste (tons) • Waste recovery rate (tons)
Materials and Recycling	Materials	E5- Resource Use and Circular Economy	Hazardous Waste Management	Amount of bio-based materials used (tons)

Akdeniz Chemson Topic List	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/ Incident 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

Akdeniz Chemson Topic List	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 Conduct	Management of the Legal and Regulatory Environment	• The rate of notifications reviewed and concluded within the same year to total notifications

Akdeniz Chemson Topic List	GRI	ESRS	SASB	KPIs Reported by Akdeniz Chemson
ESG Cross				
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 rights

Other Explanations

Since we started working on targets and actions in 2023, there were no senior executive remunerations reflected in the financial statements in the current period in connection with climate-related issues.

Our Social Goals Related to Sustainability

Focus Area	2024	2025	2026	2030
Human/Labor Rights	Analyzing the number of female and male employees	Developing equal-inclusive practices according to Employee Engagement survey results	Increasing the number of female employees at all levels	Increase 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	Ensuring the continuity of employee and women-friendly practices		
		Conducting Employee Engagement Survey at all AC locations		
Human/ Development	Conducting research for the provision of ESG, Ethics and Human Rights trainings on digital platforms	Completing the digital infrastructure procurement process for ESG, Ethical Business, Anti-Corruption and Human Rights trainings for employees, to prepare the training content equally for all countries and to upload it to the digital platform in every language Making trainings accessible to everyone on digital platforms	Conducting ESG, Ethics and Human Rights trainings for 100% of employees	Providing ESG, Ethical Business, Anti-Corruption and Human Rights training to 100% of employees
Human/ Diversity and Equal Opportunity	Analyzing the salaries and grades of male and female employees	Developing a strategy to equalize the wages of men and women in management positions	Implementing and monitoring actions to bring the rate of women in management positions to 40%	Ensuring that the proportion of women working in management positions reaches 40%
		Identifying actions to increase the proportion of women in management positions to 40%		
		Regularly monitoring of women's promotion rates and reporting to management		
	Reporting the female employee turnover rate to senior management and developing strategies to reduce it	Monitoring the attendance of ACT employees returning from maternity leave	Developing women-friendly practices Taking actions to support women's place in working life in terms of working conditions and environment	Increasing the retention rate of employees returning from maternity leave to 75% in AC Türkiye
		Ensuring regular monitoring and management reporting of female employee turnover rate		Equalizing female volunteer turnover rate with male volunteer turnover rate
		Integrating Women-friendly practices into Employee Engagement Survey action plans (All AC locations)		
Human-OHS	Mainstreaming the process safety approach	Disseminating good practices from all Akdeniz Chemson facilities to other facilities	Continue to implement all good practices at all sites and gradually reduce the IFR/ISR ratios	Reducing total IFR and ISR rates for employees and contractors by 33% compared to 2021
	Disseminating disaster response trainings Establishing business rules for interns and adding them to the employee handbook	OHS Day - OHS Culture and awareness activities Designing an Accident-Free Facility Award Program	Achieving the target of at least 1000 days without accidents with lost days in at least 1 location	Achieving the zero-accident target for each year

Resilience and Our Decarbonization Transition Plan

In the light of all our assessments, we set our targets to reduce our emissions through efficiency projects, solar energy investments and the increasing use of biomass instead of coal and created our decarbonization transition plan.

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.

The Decarbonization Transition Plan we implemented in 2023 marked a new and significant step for our company. Guided by our comprehensive evaluations, this plan outlines our targets for reducing emissions through efficiency projects that will deliver benefits in the short, medium, and long term. Additionally, it emphasizes our commitment to investments in solar energy and the progressive substitution of coal with biomass.

In 2023, Akdeniz Chemson initiated 16 energy efficiency and transformation projects in Türkiye, 2 in Austria and 1 in Brazil. The reason for the concentration of projects in Türkiye within the scope of emission reduction is that the highest production capacity is in Türkiye, and a significant portion of Scope 1 and Scope 2 emissions are caused by Türkiye operations.

Decarbonization Goals (Base year 2021)

2030

-40%

Energy Efficiency Projects
Biomass Use
Solar Energy Systems

2050

Net Zero

Scope 3 Emission Reduction
New Technological Investments

National Contribution Statements of the Countries in Which We Operate

Türkiye aims to reduce its GHG emissions by 41% by 2030 compared to the baseline scenario set in 2012.

Austria aims to reduce its net GHG emissions by 48% below 2005 levels by 2030.

Brazil aims to increase its 2025 net GHG emissions target to 48.4% reduction from 2005 levels and an additional 53.1% reduction for 2030.

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

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

Australia aims to increase its 2025 net GHG as emission target from 26-28% reduction from 2005 levels to 43% reduction.

Our Transition Plan Targets (Short-Medium-Long Term)

Focus Area	2024	2025
Resource-Energy Efficiency	Identifying energy-intensive enterprises as an output of regular energy audits	Creating a digital infrastructure compatible with EBS to calculate product carbon and water footprints
	Starting infrastructure works for energy traceability	Setting the Scope 3 emission target for 2030
		Completing the preparation and procurement of digital infrastructure for LCA calculations
Source-Clean Energy	Starting biomass combustion trials and analyzing the results and moving to 10% biomass utilization by the end of the year	Increasing biomass utilization to 15%by the end of the year
	Planning renewable energy investments	Evaluation and planning for new SPP investments
Source-Water	Measuring water withdrawals and water discharges on both facility and product basis, taking, and analyzing water inventory	Developing projects to reduce water footprint
	Investigating water leaks and planning necessary measures Investigating alternative extinguishing systems instead of fire extinguishing systems using water	Calculating water footprint per unit production in all facilities Reducing water consumption per ton by 3%
Source-Material	Starting liquid raw material supply with deposit packaging	To increase the use of biobased and recycled raw materials in new product designs by 25% with reference to 2024
		Increasing the ratio of biobased and recycled raw materials used in the total raw materials used in production by 10% with reference to 2024

	2026-2029	2030
	Replacing energy-intensive equipment with more efficient equipment	Reducing scope 1 and 2 greenhouse gas emission intensity by 40% with reference to 2021
	Establishing a management system for Scope 3 emissions and start reporting in the following years and initiate Scope-3 emission reduction efforts	Completing efforts to reduce Scope 3 emissions in line with the set target.
	Establishing a system for regular control and traceability of carbon footprint calculations of industrial recipes	Ensuring that industrial recipes are at the targeted carbon footprint level with the system created, and taking mitigating actions when necessary
	Increasing the use of biomass gradually	Obtaining 50%of the steam requirement from biomass
	Commissioning the 19.5 MW Solar Power Plant investment and increasing the share of renewable electricity use from 5% to 60% in the following year 13 MW additional SPP investment	Providing 100% of our electricity needs from renewable energy sources
	Gradually reduce domestic water consumption every year	Reducing domestic water consumption by 15% with reference to 2024
	To gradually reducing production-related water consumption every year	Reducing production-based water consumption by 15% with reference to 2024
	To gradually increase the rate of use of biobased and recycled raw materials when designing new products every year	To increase the rate of use of biobased and recycled raw materials by 35% when designing new products with reference to 2024
	Increasing the amount of biobased and recycled raw materials used in production gradually every year	Increasing the proportion of biobased and recycled raw materials used in production by 15% with reference to 2024.

Our Transition Plan Targets (Short-Medium-Long Term)

Focus Area	2024	2025
Product-Portfolio	To start developing a sustainable product portfolio Determine the amount of bio-based and recycled raw materials	Identify stabilizer recipes suitable for recycled PVC and create a product portfolio Developing appropriate blends in the next phase
Product-Waste	Identifying the amount of waste and creating projects to reduce it Reducing ash waste generated during steam generation	Reduce total waste generation by 5% with reference to 2024
Product-Packaging	Using plastic bags and big bags made of recycled PP for packaging Identify and increase recycled content in product packaging	10% of the plastic bags and big bags used are recyclable, reusable, or compostable
Stakeholder-General	Initiating efforts to obtain the ISO 27001 standard globally	Prioritizing locations and establishing infrastructure for ISO 27001 standard
Stakeholder-Suppliers	Update the supplier audit procedure by adding comprehensive criteria related to social and environmental risks	To inform our suppliers of the changes and requirements we have made in the supplier audit procedure
	Increasing the number of goods/service suppliers and logistics suppliers audited face-to-face	Conducting audits of at least 20 suppliers during the year, 10 of which will be abroad

	2026-2029	2030
	1 newly commercialized HF-FR Developing 1 new bio-based additive material in this and the following year	To contribute 5% of turnover from our portfolio of sustainable products.
	Gradually reduce total waste generation each year	Reduce total waste generation by 15% with reference to 2024
	Gradually increasing the proportion of packaging with recyclable or reusable or compostable content used each year	25% of plastic bags and big bags used should be recyclable, reusable, or compostable reference to 2024.
	Obtain ISO 27001 standard in all locations	Implement the current ISO 27001 standard at all locations
	Implement a Sustainability Due Diligence program for new key suppliers in addition to the existing supplier onboarding process	Ensure that 80% of suppliers affecting 60% of raw material consumption tonnage are compliant with the company's sustainability requirements with reference to 2025
	Gradually increase the number of audited suppliers	To ensure that suppliers affecting 60% of raw material consumption tonnage are audited with reference to 2025


AR-GE

[07]

OUR ACTIONS ON ENVIRONMENTAL GOALS

At Akdeniz Chemson, we create our company's environmental sustainability approach with social responsibility and corporate efficiency awareness. We review our processes and focus on efficient technologies to reduce energy and water consumption as well as emissions and waste production.

Energy Management

In 2023, we saved approximately 555 thousand kWh of energy thanks to the various efficiency projects and revisions we carried out in our facilities in Türkiye and Austria.

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 is also effective in reducing our carbon footprint.

At Akdeniz Chemson Türkiye, we carry out our energy and emission management activities within the scope of ISO 50001:2018 Energy Management System. We also have ISO 14001:2015 Environmental Management System standard certificate in our facilities in Türkiye, Austria, Brazil, China, and Australia. Since 2020, we have carried out our greenhouse gas verification activities within the scope of the ISO 14064 Standard. Although we are not included in the scope of the Türkiye Sustainability Reporting Standards (TSRS), which entered into force at the end of 2023, we carried out the calculation and verification of our 2023 emission data within the scope of the GHG Protocol Corporate Standard due to the requirement to calculate and verify with the Greenhouse Gas Protocol within the scope of TSRS 2.

Due to our increasing production tonnage, our energy usage increased by 9,63% in 2023 compared to 2022.

You can find our energy targets in the Transition Plan Targets section of our report.

2023 Energy Saving Projects

Thanks to various efficiency projects and revisions carried out by our Maintenance and Revision Directorate **at our Türkiye plant**, we saved 180 thousand kWh of energy, 4,500 tons of steam and approximately 85 thousand dollars in total. At **our Austria plant,** we achieved 374 thousand kWh of energy savings and 180 thousand dollars in financial savings thanks to the efficiency projects and revisions we carried out as a result of energy audits.

Energy Consumption from Fossil Fuels (GJ)*

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

Energy Consumption from Renewable Sources (GJ)*

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

Total Energy Consumption (GJ)*

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

Rate of Energy Obtained from Renewable Sources in Total Energy*

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

Greenhouse Gas Emissions

We aim to generate 28,275 MWh of electricity annually and thus reduce our emissions from fossil fuel consumption by commissioning a 19.5 MW solar power plant, by the end of 2025.

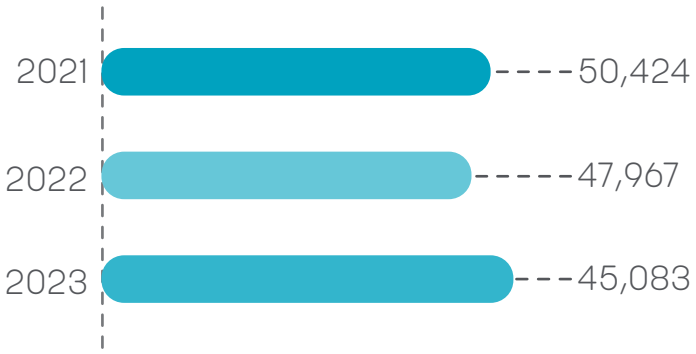
The main goal of our energy efficiency efforts at Akdeniz Chemson is to reduce our carbon emissions. For this purpose, we decided to invest in a Solar Power Plant (SPP) at the end of 2022 for access to green energy and sustainability of energy supply. By the end of 2025, we aim to commission a solar power plant with a capacity of 19.5 MW and generate 28,275 MWh of electricity annually, thereby reducing our emissions from fossil fuel consumption.

When the SPP is added to our existing renewable energy resources, we plan to meet 61% of our entire electrical energy needs from renewable energy. With this environmentalist approach, we will contribute to our country's commitments by preventing approximately 13,094 tCO2e emissions. This value is equivalent to the carbon absorbed by 467,653 trees in a year.

On the other hand, one of our biggest targets in terms of emission reduction is to obtain 50% of our steam need from biomass in the next 5 years. We will take the first steps of our efforts in 2024.

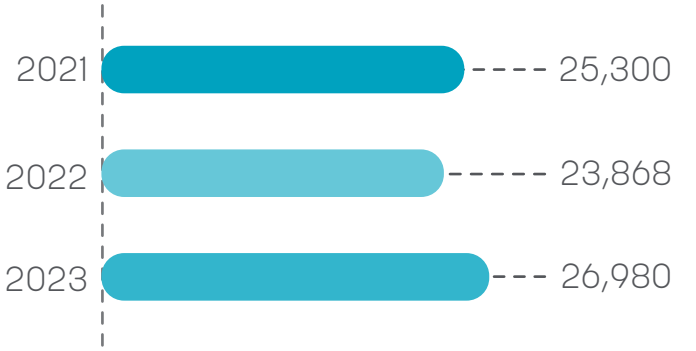
You can find our emission reduction targets in the Transition Plan Targets of the report.

Total Scope 1 Emissions (tCO_2e)



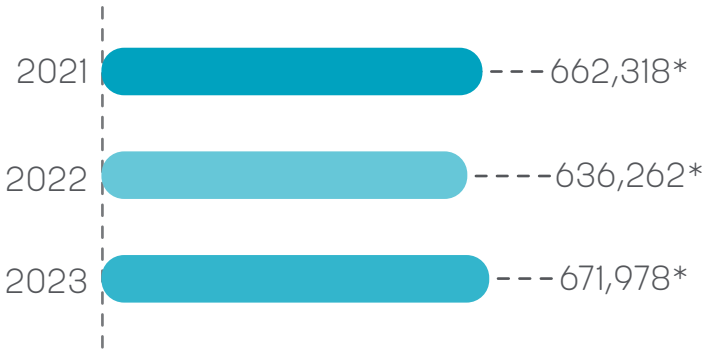
Total Scope 1 emissions include our facilities in Türkiye, Austria, Brazil, USA, China and Australia.

Total Scope 2 Emissions (tCO_2e)



Total Scope 2 emissions include our facilities in Türkiye, Austria, Brazil, USA, China and Australia.

Total Scope 3 Emissions (tCO_2e)



**Total Scope 3 emissions include our facilities in Türkiye, Austria, Brazil, USA, China and Australia.*

**Emissions from transfer product trade are included.*

Water Management

We develop projects to reduce water consumption and increase opportunities for reuse. We reduce process water to appropriate limits and transform it into biological and chemical wastewater.

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 due to climate change worldwide, in the most efficient way.

Since we have production processes that require significant water consumption, it is important to optimize water 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 Aquaduct data.

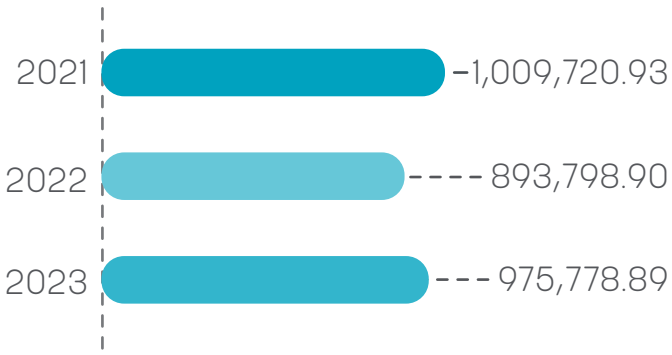
At our all facilities, we apply ISO 14046:2014 Water Footprint Standard and assess our potential environmental impacts related to water.

We develop projects to reduce water consumption and increase reuse opportunities. We control water leakages and take preventive measures. We reduce process water to appropriate limits and convert it into biological and chemical wastewater.

In 2023, our total water consumption was 138,023 m^3. This data shows that despite the increase in production volume, our water consumption decreased by 4% compared to 2022 and 9% compared to 2021. Our total water intensity decreased by 1.63% compared to 2022.

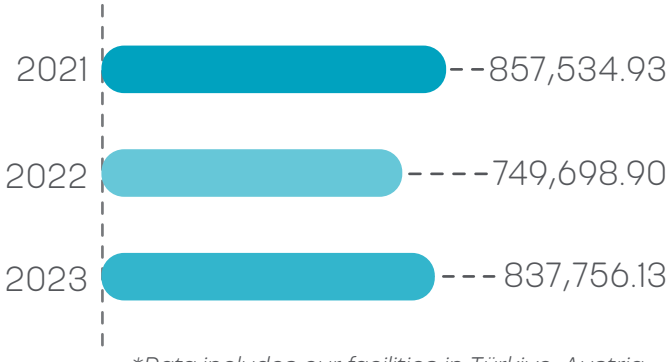
You can find our water-related targets in the Transition Plan Targets section of our report.

Total Water Withdrawal (m^3)*



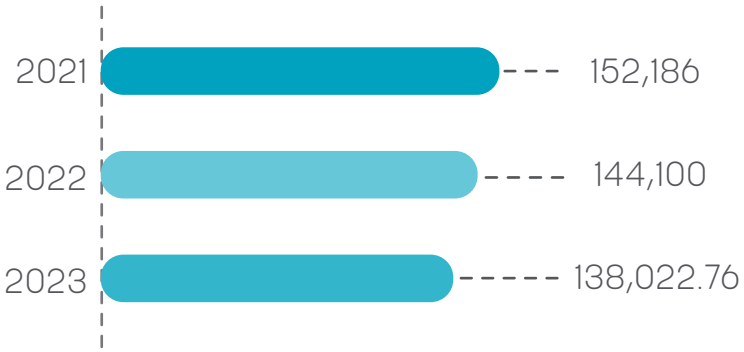
**Data includes our facilities in Türkiye, Austria, Brazil, USA, China and Australia.*

Total Water Discharge (m^3)*



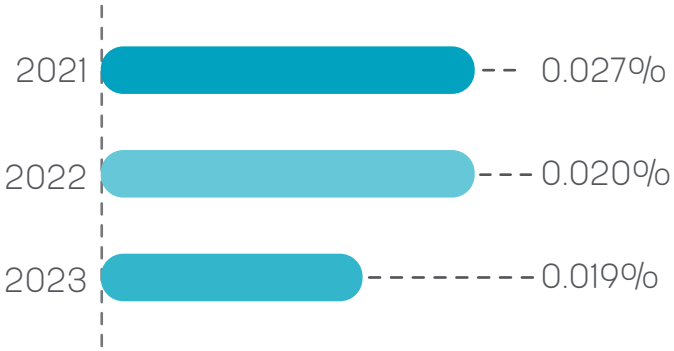
**Data includes our facilities in Türkiye, Austria, Brazil, USA, China and Australia.*

Total Water Consumption (m³)*



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

Total Water Density*



*Total water consumption/Total turnover

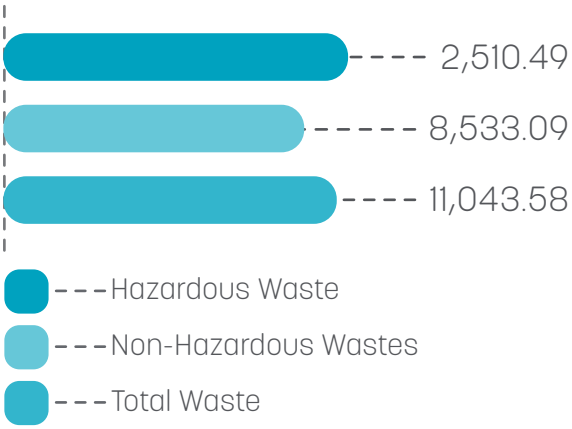
*Data includes our facilities in Türkiye, Austria, Brazil, USA, China and Australia.

Waste and Hazardous Materials

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.

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)* 2023



Total waste data includes our facilities in Türkiye, Austria, Brazil, USA, China, Australia.

Recycled Waste

10,487.43
Amount of Waste Recycled (tons)

95%
Ratio of Recycled Waste

Our recycled waste data includes our plants in Türkiye, Austria, Brazil, USA, China, 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.

You can find our waste-related targets in the **Transition Plan Targets** section of our report.

Material Recycling

At Akdeniz Chemson, we will gradually transition to sustainable raw materials and start using partially or fully recycled raw materials in the next 5 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 5 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.

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 the project, we gained the ability to stock properly by spending less labor and prevented deformations during handling. Economically, we gained 330 thousand dollars per year.

Ultimately, we aim for all the raw materials we import to arrive on pallets.

Circular Big-bag Use Among Plants

At Akdeniz Chemson Türkiye facility, we have been using the same big bag several times in inter-company operations since 2010 to avoid the use of new packaging. We will continue this system that we have been practicing for many years.


SUSTAINAB
TALKS
2023

[08]

ACTIONS ON OUR SOCIAL GOALS

At Akdeniz Chemson, our social impact management strategy is based on attracting a qualified workforce, supporting, and developing talented employees, thereby increasing corporate performance, and protecting the health and safety of employees under all circumstances. We implement innovative practices supporting performance and development to achieve these goals.

Occupational Health and Safety

We started a new era in occupational health and safety with the Golden Rules at Akdeniz Chemson. We created these rules to reduce the risk of serious injury or fatality during critical activities, based on past experiences and lessons learned.

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 global best 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.

Accident Frequency Rate (ACFR)	
AC Global	5.01
Türkiye	2.65
Austria	9.58
Brazil	3.61
USA	25.21
China	5.3
Australia	36.88

We did not experience any work-related illness cases or fatal accidents at any of our facilities in 2023.

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

ODAK Application

As Akdeniz Chemson, we participated in the ODAK Project, which was initiated to monitor OHS activities and measure performance in OYAK Companies. The ODAK Application developed within the scope of a Project, enables OHS activities to be carried out in accordance with changing business conditions and accepted norms and to measure performance.

The ODAK Application, which was launched by OYAK in 2022 and enables all companies within OYAK to easily manage their occupational health and safety processes and facilitates data collection and feedback from the field, is directly integrated with the Occupational Health and Safety Information Management System portal of the Ministry of Labor and Social Security. All employees can report any dangerous situations and behaviors they see to the ODAK system. This comprehensive application increases participation in occupational health and safety and ensures development.

Followings are managed within the scope of 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.

Akdeniz Chemson Safety Culture – Safety Walks

We designed Safety Walks to ensure that leaders at Akdeniz Chemson identify current safety risks, continuously improve conditions, establish relationships with employees within the correct work safety approaches, raise awareness by asking questions about the standards applied, and thus create a safety culture. In these walks, we make notifications within the scope of the ODAK project and publish messages on Health, Safety and Environment (HSE). We plan the points to be visited and the content on a monthly basis. We aim to conduct 85 or more safety walks per month at Akdeniz Chemson Türkiye alone in 2024.

	2022	2023
Number of Safety Walks	666	910
Number of ODAK Statements	1485	1826
Number of HSE Messages	21	52

Dual Awards for ACDİS-Behavioral Occupational Health and Safety Project!

Our **'ACDİS-Behavioral Occupational Health and Safety Project'** was recognized in the **'Safe and Sustainable Operations'** category at the Responsible CareAwards competition organized by Cefic.

Our project was also awarded 3rd place in the **'4th KIPLAS Occupational Health and Safety Good Practice Competition'** organized by KIPLAS-Türkiye Petroleum, Rubber and Plastic Industry Employers' Union.

GÜVENLİ
DAVRANIR,
GÜVENLE
ÇALIŞIRIZ

Akdeniz Chemson Behavioral Occupational Safety (ACDİS) Project

We received support from an external stakeholder in the project we started with the aim of observing the principles of behavior-culture oriented occupational health and safety management.

- Creating a safe behavior culture where all employees protect and look after each other and give feedback,
- Reducing the frequency of behavior-related accidents and
- Making occupational health and safety a part of team solidarity.

Within the scope of the project, 11 different experts and psychologists provided us with consultancy services. We determined health and safety supporters from among the employees and provided training. Thus, the number of observations made in the field increased. We took precautions against the problems we identified.

Our Objectives

- Observing all production processes in a systematic and reliable way,
- Identifying risky behaviors that may cause accidents before accidents,
- Analyzing the dynamics of the risky behaviors we identify,
- Gaining safe behavioral habits instead of risky behaviors,
- Making the whole process safer based on behaviors,
- Creating a culture of safe behavior and disseminating it to both permanent and subcontractor employees.

Social Achievements: With the project, occupational health and safety became part of the daily work process. There was a significant decrease in the number of accidents compared to previous years.

Environmental Achievement: There was a significant decrease in the number of environmental accidents.

Future Plans: The project has become a living process. We train new health and safety supporters in certain periods to ensure that all employees adopt a behavioral occupational health and safety culture and to expand the project to all Akdeniz Chemson facilities.

Safety Culture at Akdeniz Chemson

Our Golden Rules

We have started a new era in occupational health and safety with the Golden Rules at Akdeniz Chemson. The Golden Rules are the basic safety rules that we have created considering the possible risks that may arise in our company's fields of activity, and that we have determined for potentially risky activities where the risk of serious injury is at the highest level if violated, and that we consider indispensable.

We have created these rules, which we have designed to reduce the risks of serious injury and fatality that may occur while performing critical activities, based on our past experiences and lessons learned. The rules provide an additional protection measure, ensuring that employees look out not only for themselves but also for their teammates. This strengthens our current safety culture and solidifies our values.

The Golden Rules apply to all employees and subcontractors in Akdeniz Chemson facilities. Every person working in Akdeniz Chemson facilities has the authority and responsibility to stop the unsafe activity in case of violation of these rules. The Golden Rules are universal and non-negotiable.

Critical Incident/Accident Management

In 2023, we provided fire safety, fire detection systems, search and rescue vehicles and equipment to prevent work and process accidents and to accelerate the response in emergency situations.

Akdeniz Chemson is in the "Very Dangerous" class due to its sector and "High Risk" within the scope of "Major Industrial Accidents". For this reason, it is extremely important for us to analyze the Critical Incident/Accident risks of all processes and take the necessary precautions in order to prevent any accidents.

In this context, we prepared our Emergency Action Plans in 2022 for work accidents, earthquakes, floods, tornadoes, vehicle accidents, infectious diseases and chemical substance leaks. In order to protect against major industrial accidents, we created a security report for our most risky locations and conducted a HAZOP (hazard and operability) study for risky businesses. In addition, an 'Explosion Protection Document' was prepared for each facility.

There is a system with 569 cameras in our facility to ensure environmental and process safety. With the precautions we take, we prevent environmental accidents with a proactive approach and intervene urgently with spill response kits in case of an accident.

In 2023, we provided fire safety, fire detection systems, search and rescue vehicles and equipment in order to prevent work and process accidents and to accelerate intervention in emergency situations.

In all our businesses and warehouses, there are fire detection, extinguishing, and alarm systems to prevent fire risk. In addition to our fire response team, which is ready for all kinds of emergencies with regular drills and trainings, our company also has a fire truck. Areas where there are hazardous flammable chemicals are marked as explosion-proof. We provide all equipment in these areas in accordance with these conditions. We have identified our critical equipment in all our facilities and carry out the necessary periodic checks and regular and preventive maintenance.

We aim to conduct 6 drills based on the major accident scenario in 2024.

Emergency Plan and Drills Training and Awareness Studies

At Akdeniz Chemson Türkiye location, emergency Teams, which were formed to cover all three shifts in our factory, received training from Izmir Fire Department to intervene in a possible emergency. The team is subject to continuous training and drills, increasing their efficiency and speed in emergency response. In addition, we have formed a team to perform rescue duties in natural disasters such as earthquakes and floods. The disaster team received training from AFAD. We provided the materials and equipment that may be needed in earthquake debris removal works. The rescue capability of the team was increased with the earthquake drills, and deficiencies were identified and corrected. Our team participated in the emergency rescue service in the earthquake disaster that occurred in our country on February 6, 2023, the epicenter of which was Kahramanmaraş and left serious effects in the surrounding provinces.

Human (Labor) Rights

At Akdeniz Chemson, we pay utmost attention to comply with the labor laws of the countries in which we operate to prevent human and labor rights violations in all our value chain, especially in our own operations.

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) a safe and healthy working environment.

In this context, Akdeniz Chemson supports freedom of collective bargaining in all our 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 2023, there were no reports of human rights violations in our operations.

Collective Labor Agreement

At Akdeniz Chemson Türkiye, we have a Collective Bargaining Agreement covering a total of 375 blue-collar employees for the period of 01.07.2023 / 30.06.2025, covering issues such as bonuses, social benefits, premiums, and leave. The rights of 95% of our employees in Brazil and 100% in Austria are secured by Collective Labor Agreements. There are no collective labor agreements in Australia and China.

Scope of Collective Labor Agreement			
Country	Total Number	Number of employees covered	Rate in Total (%)
Türkiye	575	375	65%
Austria	206	206	100%
Brazil	151	143	95%
USA	37	13	13%

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-sponsored Private Pension Insurance, food and travel assistance. Our employees in Türkiye can meet with doctors and psychologists online and free of charge in all health units on the "My Doctor" platform, which is open to the use of OYAK group companies. In order to protect the rights of our employees, we offer applications that will support their adaptation to the work environment and provide them with opportunities for projects they carry out to improve their own work environments. We include some of these in the report.

Ethical Hot Line

When Akdeniz Chemson employees encounter a practice that is outside the Akdeniz Chemson Code of Ethical Conduct, they can report this to the Akdeniz Chemson Ethics Line. Details on the subject are included in our report under the Business Ethics and Compliance heading.

Simple and Regular Work – 5S

In the project we initiated under the leadership of our Continuous Improvement department, we aimed to implement the 5S method, which is the cornerstone of lean production, in all our businesses in Türkiye, to organize and standardize the work environments of our employees, and to create an infrastructure for future efficiency studies.

We launched the project, the first step of which we took at the end of 2022, in 2023 and regularly included our production businesses, maintenance workshops, and warehouses in the scope. Within the scope of the project, we ensured that our employees received 5S training provided by an expert company.

In 2023, we aimed to hang 400 cards for the problems detected throughout the factory and exceeded our goal by hanging a total of 481 cards. Our biggest gain as an institution in the project was to create a clean, orderly work environment and ensure standardization. In this way, we will be able to plan improvement activities.

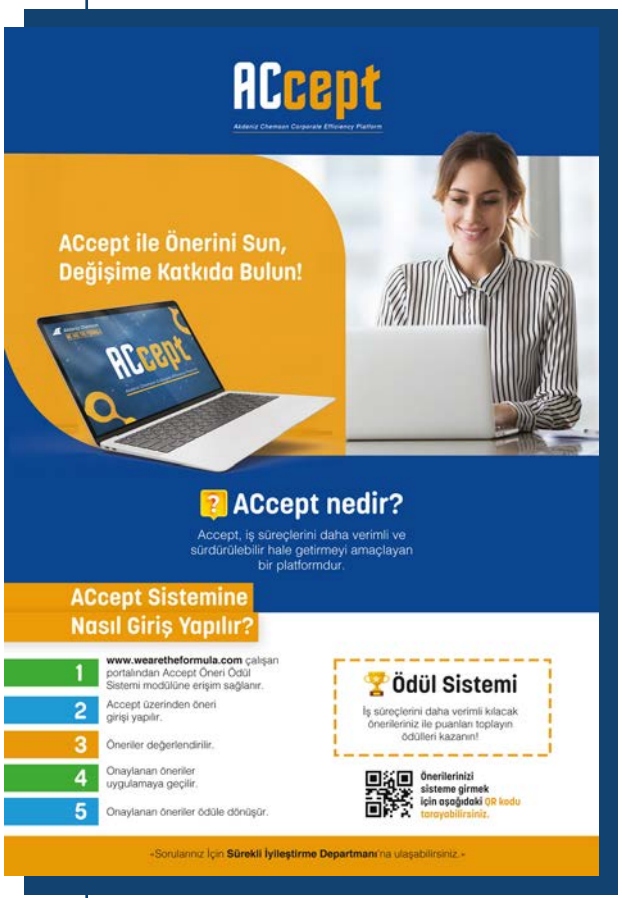
ACCEPT - Suggestion Reward System

In the project, which we set out with the idea that the problem and the improvement that can be implemented can best be identified by the person working 8 hours a day in that area, we planned to evaluate, score, and reward the improvement efforts and suggestions of our employees in the factory in the areas of cost, quality, and shipment. Thus, we aimed to spread the culture of improvement and to ensure that all our employees observe their working hours from this perspective.

We allocated a budget of USD 30,000 for the project implemented by the Continuous Improvement department, and continued to work on setting up the system, providing the software and necessary hardware throughout 2023, and commissioned the project at the end of the year.

In the system we have established, employees can receive 100 points for improvements that do not yield any return, and 8800 points for improvements that yield a return, depending on the size of the return. We reward employees who receive a total of 2200 points.

Thanks to the project, our employees' commitment to their workplace increased and the improvement culture became widespread. In 2024, we plan to introduce ACCEPT to all Akdeniz Chemson employees and ensure that 120 improvement suggestions are entered into the system.



Training and Development, Diversity and Equal Opportunity

At Akdeniz Chemson, the talents and contributions of our employees with the cultural diversity that comes with operating in different continents and countries around the world are critical to enhance the company's growth and competitiveness.

In Akdeniz Chemson's sustainability materiality studies, Training and Development and Diversity and Equal Opportunity were identified as the third and equally important issues after Occupational Health and Safety and Human and Employee Rights. We include our management approach and performance in these main topics under various sub-headings in our report.

Training and Development

The talents of our employees and their contributions to the company are critical for enhancing the company's growth and competitiveness. Therefore, providing our employees with continuous training and development opportunities is at the center of our human resources policy. In this way, we support their leadership skills by enabling them to utilize their potential at the highest level. We certify every blue-collar employee with certificates such as vocational training and mastership appropriate to their job.

In order to support our employees' foreign language learning and to continue different language and cultural activities, we offer the education platform named Busuu, which offers education in many foreign languages, to our employees free of charge. During the reporting period, we organized 'Sustainability and Climate 5W1H' trainings, one face-to-face and two online, with the participation of sustainability committee members at all our facilities.

BEYOND DEVELOPMENT

We have categorized all development activities under the **BEYOND Development** learning and development concept, which we have implemented for the branding of training and development activities. BEYOND Development, whose name is inspired by the first letters of the words **B**usiness, **E**xpertise, **Y**ourself, **O**peration, **N**etwork, **D**riving the Future, aims to contribute to employee loyalty and develop a qualified workforce.

Performance Evaluation

Within the scope of the Performance Management System, we apply to our white-collar employees at Akdeniz Chemson, we set KPIs from the top manager to the lowest level employee in line with the strategic company targets set by OYAK. KPIs defined by employees in the information system at the beginning of the period are approved by managers. At the end of the year, according to the realization of the targets, first the employees and then their managers score them through the information system. The agreement between the employee and the manager is monitored through the system and feedback is received from all employees included in the performance system through a survey for the relevant performance period. After the Evaluation and Development Center practices, participants are given feedback by the consultant who conducted the evaluation. With this feedback, the employee prepares an individual development plan. The consultant, the employee, his/her manager, and Human Resources develop this plan together. During this meeting, the Human Resources officer and the manager also share their feedback with the employee.

Employees participating in regular performance and career development reviews		Türkiye	Austria	Brazil	USA	China	Australia
	Birim	2023	2023	2023	2023	2023	2023
Female	Number	70	35	6	4	14	6
Female	Ratio	94.59%	33%	15%	100%	20.59%	100%
Male	Number	127	70	34	19	17	11
Male	Ratio	25.35%	67%	85%	58%	25%	100%
Full-time employees	Ratio	100%	86%	26%	62%	100%	100%
Part-time employees	Ratio	0%	14%	0%	0%	N/A	0%

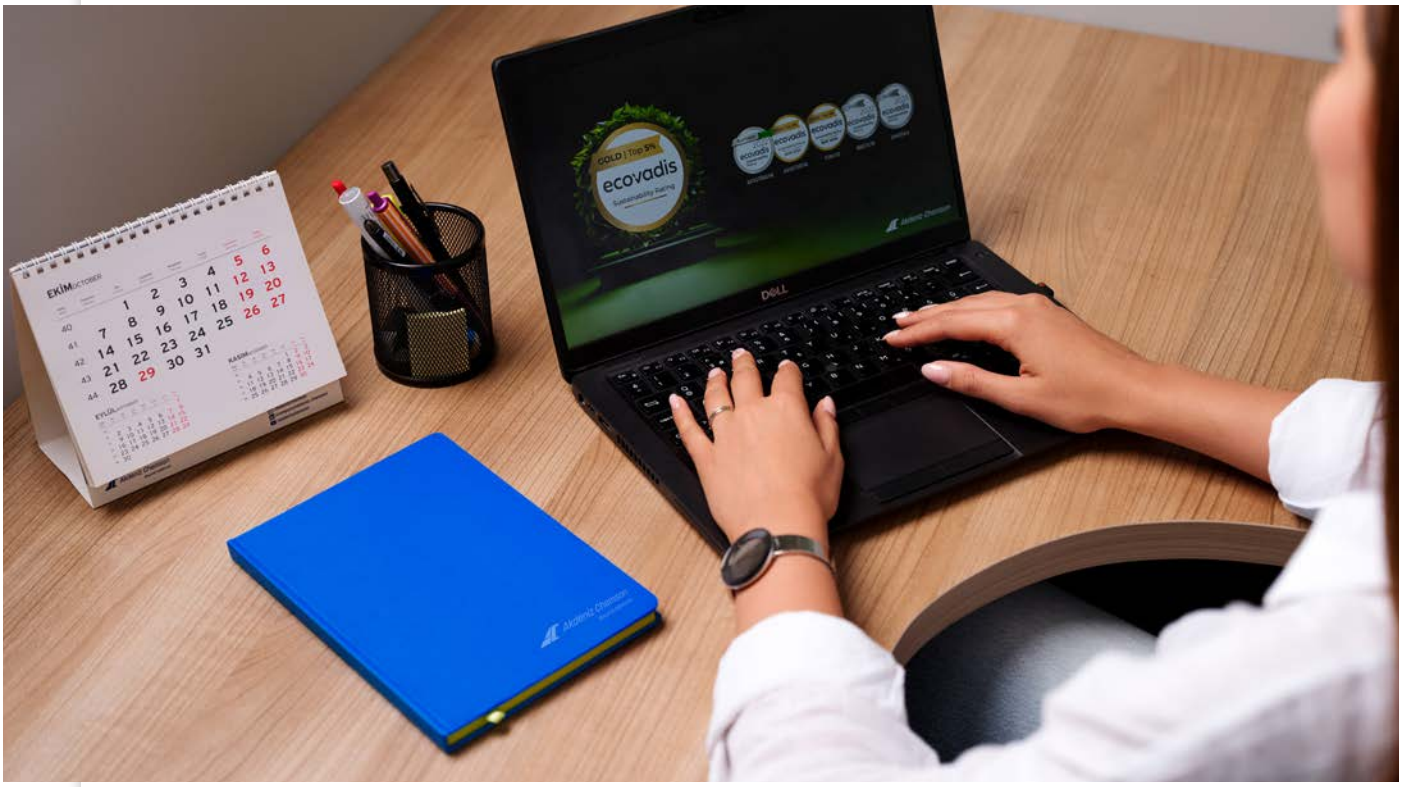
N/A.: Not available.

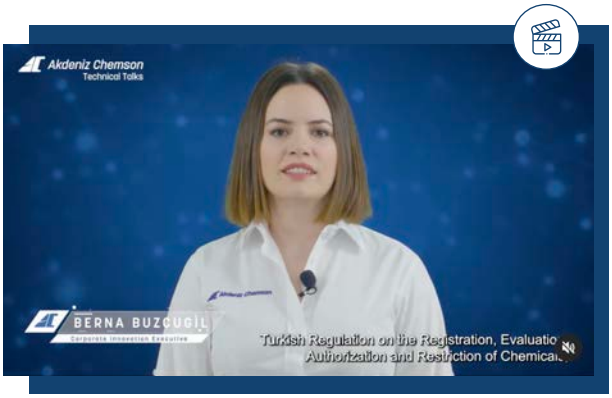
Talent and Career Management

The goal of our Talent Management program is to identify the workforce that will be needed in the short, medium, and long term within OYAK and its group companies, and to meet the identified workforce needs with employees with high performance and potential within the group companies. Within the scope of the Talent Management program, every year our employees first make their self-assessments. Then their potential evaluations are made by their managers, and the evaluation process is finalized with company calibration. As a result of this evaluation, a company talent pool is formed. We regularly conduct talent interviews with employees in the talent pool and prepare development plans that support their professional and personal development.

In addition, a professional assessment and evaluation company takes our employees to the assessment and development center and evaluates their potential within the scope of OYAK competencies. As a result of this assessment, a personal development plan is prepared for the employee's development. This plan is followed by the employee, his/her manager, and Human Resources.

At Akdeniz Chemson, within the scope of talent and succession management, we obtain employees' short, medium- and long-term career expectations and managers' opinions on these expectations before the talent evaluation process every year. In the same period, we create succession plans for key and critical positions and transfer suitable candidates from within for open positions that arise during the year, if the nature of the position is appropriate.





Technical Talks

Our talented employees, whose professional competencies are supported, also lead the corporate development of our company in every field. Within the scope of the project led by our Global Marketing Department, we publish informative video series on the LinkedIn, Youtube, Instagram platforms, in which our technical staff, who are experts in their fields, address a different topic related to the PVC industry in each episode. These contents, carefully prepared by our employees, also support employment development in our sector.

Economic Gains: Thanks to the project, we ensured the retention of our existing customers and gained potential customers.

Social Gains: We ensured synchronization of internal and external communication and increased employee motivation.

Environmental Gains: Our external stakeholders internalized PVC's contribution to the environment and its necessity for materials that must be used.

Corporate Gains: Our brand awareness increased.

In the coming period, we plan to expand the scope of this project and shoot videos with technical personnel at other locations of Akdeniz Chemson, especially on recycling and sustainability, and share them with our external stakeholders.

We also support the development of our employees' families!

We provide "Kunduz" service, a special learning support platform that can be utilized by the children of all our Akdeniz Chemson Türkiye employees who request it, where they can reach teachers 24/7 and submit their questions, watch sample videos on the subjects and get information.

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.

Akdeniz Chemson disregards gender, language, religion and race in our candidate selection and recruitment decisions. In recruitment, we use various tests and inventories and objective assessment tools to select candidates based on experience and competencies. In all of our Human Resources practices, we ensure that all Akdeniz Chemson employees have equal access to opportunities regardless of personal characteristics such as gender, ethnic origin, religion, age, sexual orientation or physical disability.

At Akdeniz Chemson, we recognize the importance of women's power. 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 unprejudiced approach to the re-employment of women who have taken a break in their careers, and we provide our employees who have recently become mothers with opportunities such as a lactation room and working from home until the age of 1 after maternity leave. In line with the employment trends in our sector, the rate of female employees in our facilities is 15%.

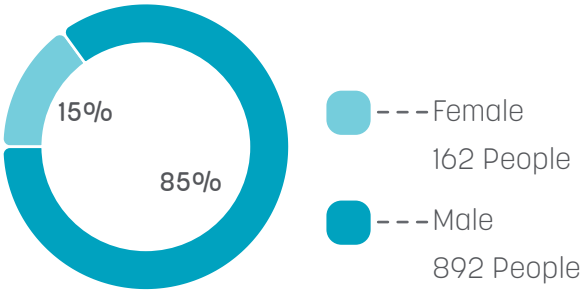
With our strong human resources policy, we both respect the cultural differences of our employees and focus on creating a common business culture and value system.

Akdeniz Chemson's Cultural Transformation Journey

In December 2023, we completed the first phase of the project that we started in June 2022 with the joint efforts of the Executive Board and our HR department to create and spread a common global corporate culture at Akdeniz Chemson. Within the scope of the project, we defined our corporate values and defined how to manage and live these values in all our locations. We defined Akdeniz Chemson's vision and determined the tactics and actions on how to achieve that vision with these corporate values.

We included supervisors in the work initiated at the Executive Board, directors and managers level in 2024. In this way, we aim to ensure that Akdeniz Chemson managers reflect the corporate culture in their daily business practices and thus spread the culture throughout the entire organization.

Our Employees by Gender (Grand Total)*



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

Employee Satisfaction

At Akdeniz Chemson, we focus on creating synergy between different continents and countries, increasing employee satisfaction and loyalty, and maximizing the impact of employees on company success by encouraging a culture of teamwork and collaboration. Led by OYAK and in collaboration with Willis Towers Watson, 96% of Akdeniz Chemson employees participated in the employee loyalty survey conducted in November 2023 for white-collar employees and including all group companies, and Akdeniz Chemson's sustainable loyalty rate was measured as 79%. 87% of our employees who participated in the survey stated that they recommended their company. Following the reporting of the survey results, we conducted focus group studies with the participants on the strengths and development areas revealed in the survey and created an action plan in line with the feedback we received.

[09]

OUR ACTIONS ON OUR CROSS-CROSSING ESG GOALS

For Akdeniz Chemson, Product Design and Life Cycle, Information-Data Security and Privacy, and Sustainable Supply Chain are three important issues that have economic, social and environmental impacts, and these are examined in our intersecting EGS issues.

Product Design and Life Cycle

We had a life cycle analysis conducted for 7 of our products in 2023. These analyses focus on minimizing water and carbon footprints by evaluating the environmental impacts of products in all processes from production to use and disposal.

As Akdeniz Chemson, we integrate sustainable product design and life cycle management 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, considering 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 analyses (LCA) of our external lubricant, stabilizer and process aid product groups in accordance with ISO 14040/44 standard in line with certain priorities. In 2023, we conducted life cycle analyses for 7 of our products. These analyses focus on minimizing the water and carbon footprint by evaluating the environmental impact of products in all processes from production to use and disposal. We meticulously monitor critical environmental factors such as water consumption and carbon emissions and aim to go beyond industry standards in these areas.

We optimize all our production processes to increase water and energy efficiency, and we observe 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 R&D center, which received the R&D center certificate approved by the Ministry of Industry and Technology of the Republic of Türkiye in November 2011, we work to develop products with new areas of use in line with the company's goals, to carry out research and development activities in processes related to new areas of use, and to contribute to the R&D portfolio consisting of projects approved by the management that the company needs research and development activities.

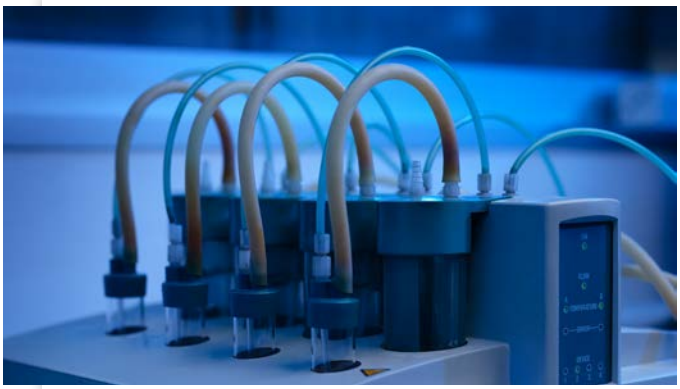
In order to maintain our global leadership position in the PVC stabilizers and PVC additives sector, which is at the heart of our product portfolio, and to achieve our vision of becoming a "chemistry portfolio company", we focus on chemicals that stand out with a focus on sustainability with our ongoing R&D projects, and we carry out projects to develop functional additives suitable for recycled PVC through industry collaborations.

In 2023, we completed 5 R&D projects approved by the Ministry of Industry and Technology, from which we obtained various product recipe outputs. In addition to these projects, we continue to work on 11 different projects approved by the Ministry of Industry and Technology. In the reporting period, we allocated 111% more financial resources for our R&D activities compared to the previous year's budget.

As a leading company in the PVC additives industry, we attach great importance to our new product development efforts with our 'Beyond Additives' vision. By 2023, in a world where innovation and sustainability are at the forefront, developing innovative solutions that respond to market demands is at the center of our strategies. In parallel with the increasing demand in the market, we aim to create a sustainable product portfolio that contributes 5% of turnover by 2030. Within the scope of creating a bio-based product group, we plan to add 2 and 4 new products to our product group in 1-3 years.

R&D Projects	2021	2022	2023
Number of R&D Projects approved by the Ministry of Science, Industry and Technology	9	4	3

R&D Employees	2021	2022	2023
Female	4	6	9
Male	39	39	36
Total	**43**	**45**	**45**
Engineer	5	9	9
Other	38	36	36



Akdeniz Chemson Innovation Day'23

In order to emphasize the importance of innovation and share our R&D activities with a wider audience, we organized our first Innovation Day in 2023 with great success. At this event, we showed concrete examples of what we can achieve together, shared our innovative ideas and projects, and strengthened the foundations of the innovation culture in our company. We plan to hold Innovation Day regularly every year with the idea that it will inspire our future successes.

Ideation

Innovation is a critical factor in gaining competitive advantage, meeting customer expectations and sustaining growth. Meeting these expectations shows how important the new product development process is. We continue to evaluate new product and technology proposals and ensure that they are evaluated as R&D projects through the "Ideation" process, the idea collection phase of our system based on the "Stage-Gate" project management methodology, which is a disciplined and effective approach to developing new products and services.

In 2023, we added 40% of the ideas we collected during the "Ideation" process to our project pool as R&D projects. The commercialization of our PRO-90 product in 2023, which came as a project idea during the 2022 Ideation process and is used as an excellent process aid for foam applications and PVC processes, is a successful example of the Stage-Gate system we use.

Akdeniz Chemson Innovation Bulletin

We aim to raise awareness within the company by publishing regular Innovation Newsletters by the Corporate Innovation department every month about innovative products and technologies developed in the plastics industry and additives in the world and in various companies. These newsletters aim to inspire employees about the steps taken for sustainability and innovative solutions and to increase the company's innovation capacity. By closely following the developments in the sector, we care about informing our employees about new products and technologies on solutions that will shape the future.

NİSAN, 2023

YİYECEKLERİNİZİ PAKETLERKEN DOĞAYI DÜŞÜNEN ÇÖZÜM: BİYOBOZUNUR AMBALAJ

Üretilen tüm plastiklerin %50'si bir kez kullanıldıktan sonra atılır. Üretilen tüm plastiklerin yaklaşık %80'i ise gıda ambalajı olarak kullanılır. Bu polimerlerin doğada kendiliğinden çözünmesi 450 yıl sürer. Bu da neredeyse 20 nesil sonraya tekabül eder.

Biyobozunur ambalaj genel anlamıyla, doğal yollarla bozunan ve çözünen her türlü ambalaj olarak tanımlanabilir. "Biyobozunur" terimi genelde her koşul altında ve belirli olmayan bir sürede doğal olarak çözünen tüm sürdürülebilir ambalaj malzemeleri için çok geniş bir anlamda kullanılmaktadır.
Merkezi ABD'de (Boston, Massachusetts) bulunan yenilikçi bir teknoloji şirketi olan ve gıdaları korumak için ipeğin benzersiz özelliklerinin gücünü keşfeden Mori; sera gazı emisyonlarını azaltma,plastik kirliliğini azaltma ve taze ve besin değeri yüksek gıdalara erişimi iyileştirme potansiyeli sayesinde 2021 yılında Teknoloji Öncüsü seçildi.

Şirketin üzerine odaklandığı başlıca inovasyon alanları arasında gıda, tarım ve ambalaj sektörleri bulunmaktadır. Şirket, ipekten protein elde etmek için sadece tuz, su ve ısı kullanarak biyobozunur ve yenilebilir ambalaj malzemesi üretmektedir. Ürün tamamen doğal olup, yenilebilir koruyucu katman ise yiyecekleri daha uzun süre taze tutmaktadır. Gıda üreticilerine, gıda işleme tesislerine ve perakendecilere gıdaların raf ömrünü uzatma, yeni pazarlara erişim ve atık miktarını azaltma fırsatları sunan bu patentli teknoloji, gıdaların üretiminden tüketicilere satışa sunulmasına kadar herhangi bir aşamada uygulanabilir.

https://www.businesswire.com/news/home/20210615005321/en/Mori-Awarded-as-Technology-Pioneer-by-World-Economic-Forum
https://www.mori.com/press/
https://mindseteco.co/sustainability-innovations/

Akdeniz Chemson
WE ARE THE FORMULA

HAZİRAN, 2023

ELEKTRİKLİ ULAŞIM İÇİN BAKIR VE HALOJEN İÇERMEYEN ISI STABİLİZATÖRÜ

Genel merkezi Heilbronn'da (Almanya) bulunan bağımsız bir aile şirketi olan ve polimer katkı maddeleri, endüstriyel kimyasallar ve etanol alanlarında müşteriye özel çözümler sunan Brüggemann, K 2022 Ticaret Fuarında performansı geliştiren katkı maddesi inovasyonlarını sundu.

BRUGGOLEN TP-H2062 ve TP-H2217, elektrik-elektronik uygulamalarında takviyeli ve takviyesiz poliamidler için metal ve halojen içermeyen ısı stabilizatörleri olarak yeni bir sınıfı temsil ediyor. BRUGGOLEN TP-H2217, özellikle ısıyı düzenleyen, halojen içermeyen, yanma geciktirici poliamidlerle birlikte kullanıma uygun olarak öne çıkıyor.

Brüggemann bu inovasyonla, hammadde üreticilerinin UL 94 standardı kapsamında V-0 sınıfı, elektriksel olarak nötr ve 180°C'de uzun süreli ısı dayanımına sahip olan ve özellikle elektrikli ulaşım uygulamaları için özel olarak tasarlanmış poliamid malzemeler üretmesini mümkün hale getirdi. Bu çözüm, elektrikli ulaşım uygulamaları da dahil olmak üzere, elektrik ve elektronik uygulamalarının ihtiyaçlarını karşılıyor.

Şirket tarafından yapılan açıklamaya göre, bu katkı maddesi yüksek verimliliğe sahip olmasına rağmen, metal bileşenler üzerinde herhangi bir korozyon etkisi göstermiyor ve koruma sağladığı polimerin elektriksel özelliklerini hiçbir surette kayda değer bir şekilde değiştirmiyor.

https://www.plasticstoday.com/automotive-and-mobility/copper-and-halogen-free-heat-stabilizer-tailored-e-mobility
https://modernplasticsafrica.com/high-performance-additives-for-polyamides-and-recycled-polyolefins/

Akdeniz Chemson
WE ARE THE FORMULA

Sustainable Products

As Akdeniz Chemson, we focus on environmental issues such as climate change, depletion of limited resources and pollution in our business model and utilize all the opportunities of technology and science to develop sustainable products. While optimizing our resource use with the sustainable products we produce, we focus on minimizing energy consumption during production by reducing waste generation. The value we create with our resource-efficient practices provides cost savings and increases our operational efficiency.

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

Developed in line with our sustainability goals, **ACFR-01** is an innovative product that stands out with its flame-retardant effect. The product, which is especially compatible with PVC, can be used completely or partially instead of Antimony Trioxide (Sb203), depending on flame retardant requirements with different usage rates. It is therefore a sustainable and environmentally friendly alternative. As well as being cost-effective, ACFR-01 improves performance with smoke suppression and offers excellent color consistency. Compatible with all plastic and rubber systems, it can be used in a wide range of applications, providing a powerful solution to the sustainability needs of the industry.

Data-Information Security and Privacy

At Akdeniz Chemson, we carefully store employee, customer and supplier data in accordance with the Personal Data Protection Law. In 2023, we did not experience any data/information leakage involving customer confidentiality and loss/theft of customer data.

At Akdeniz Chemson, we conduct risk analysis with a 5x5 matrix at least once a year in accordance with the Information Security Risk and Opportunity Assessment Procedure within the scope of data and information security. In this study led by the Digital Processes Manager of the Information Technologies Directorate, we analyzed 112 different risks in 2023. We reduced the probability of 7 risks and subjected 10 risks to risk processing in the options of acceptance, mitigation, avoidance, and transfer. Since they did not fit any of the options, we recorded these risks as **"residual risk"** (residual risk, risk that is left as a risk after evaluation).

Within the scope of data-information security and privacy studies in 2023;

- We tightened access authorization restrictions and controls.
- We activated Multi-Factor Authentication (MFA) for access to VPN and Cloud systems.
- We started working on ISO 27001:2022 to transition in 2024.
- We supplied a new storage unit for backup.
- We closed the critical vulnerabilities that emerged as a result of the penetration tests, we conducted, and checked business continuity with crash tests.
- We provided awareness training to employees and carried out awareness-raising studies with regular audits and drills.
- We activated the CRM application in order to ensure the confidentiality of customer data, increased the security of access with MFA, and recorded all transactions.

At Akdeniz Chemson, we carefully store employee and customer data in accordance with the Personal Data Protection Law. We use many security tools to prevent this data from falling into the hands of third parties, and we organize awareness training to prevent data leaks through employees. We did not experience any data/information leaks related to customer privacy or loss/theft of customer data in 2022 and 2023.

Tightening Cyber Security and Raising Information Security Awareness

With the project carried out by our Information Technologies Directorate with OYAK Security, we aimed to increase user awareness, identify, and eliminate our cyber security vulnerabilities, and thus ensure the security of all our data and business continuity.

Economic Achievement: We prevented unwanted costs by preventing economic losses that may occur due to interruption of production processes and data disclosure.

Environmental Achievement: A cyber-attack in facilities where chemicals are produced, such as Akdeniz Chemson Türkiye, can significantly damage the environment. A secure cyber infrastructure contributes to the protection of the environment by protecting the data of the facilities.

Corporate Achievement: Investing in security has enabled us to be perceived as a reliable and reputable organization by our customers and stakeholders. It also provided us with a competitive advantage and enabled us to develop new collaborations.

Future Plans: We continue to work on 24x7 monitoring of the Cyber Operations Center and ISO 27001:2022 version transition.

Sustainable Supply Chain

In 2023, 23% of our local suppliers in Türkiye signed the rule set and declared that they will comply with principles such as legal compliance, human rights, environmental protection and anti-corruption.

At Akdeniz Chemson, our supply chain is the most important link in our value chain after our own operations. We are aware that the reputation of our company is shaped by the actions of our own employees as well as the actions of third parties with whom we operate as a team.

For this reason, 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 that share our corporate values and adopt the same level of ethical standards as us, and that we build lasting relationships with them.

Supplier Selection

At Akdeniz Chemson, we conduct supplier selection within the scope of the "Supplier Selection Procedure" and within the framework of the "Akdeniz Chemson Supplier Selection Criteria".

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

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

In 2023, 23% of our local suppliers in Türkiye signed the code and declared that they will comply with principles such as legal compliance, human rights, environmental protection and anti-corruption. We aim for all our suppliers to sign this document in line with corporate values and all ethical principles.

Supplier Social Audits

With the "Akdeniz Chemson Supplier Evaluation Forms", we question and score sustainability-related issues in the performance evaluations of our existing suppliers. When we encounter a result that is contrary to our code of conduct, we cease working with our suppliers with a score of 25 or below. In 2023, we audited 47% of our raw material suppliers in line with our audit plan. 173 suppliers were audited within the scope of human rights.


A RH+
Akdeniz Chemson Kimy
İzmir /
Tel: +90 232 877 01 44
e-mail: info@akde
www.akdeniz

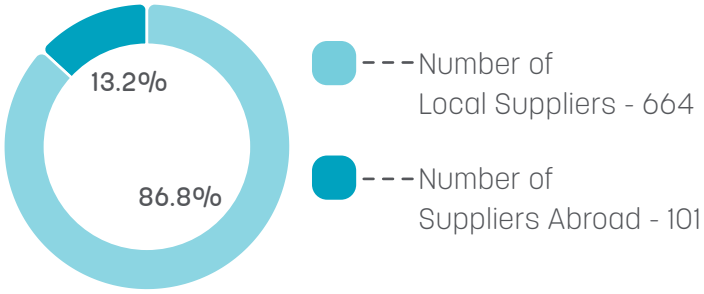
Environmental Impacts in the Supply Chain

At Akdeniz Chemson, we aim to create an environmentally friendly supply chain by reducing carbon emissions in our logistics processes. In this context, we consider rail and sea transportation options to minimize the environmental impacts of road transportation and use resources more efficiently. This transition allows us to reduce our emissions and optimize costs by increasing transport efficiency. We see intermodal transportation as one of the key steps to achieve our environmental sustainability goals.

Local and New Suppliers

As Akdeniz Chemson, we support the local economy by working with producers located close to our factories. In 2023, in our Türkiye operation 86.8% of our total number of 765 suppliers were local suppliers. In 2023, we started working with a total of 147 new suppliers, 88 of which were international and 59 of which were local, who passed our selection processes.

Our Suppliers (765)



Single Supplier Prevention / Alternative Raw Material Project

As Akdeniz Chemson, with the project we started in 2022, we aimed to minimize the supply problems that may occur for the raw materials we work with in a single supplier, a single manufacturer and a single region.

In the project where we aim to protect Akdeniz Chemson's commercial structure by making purchasing processes competitive, we also conduct cost improvement studies thanks to the competitive purchasing processes formed by alternative material and supplier procurement. We are also taking steps to reduce our carbon footprint by evaluating the option of carrying out purchasing and shipping organizations close to the factory.

We plan to make continuous improvements every year with the data of the previous year.

[10]

ANNEX

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

Additional Explanations on the Materiality Analysis

We went one step further than the recommendation of EFRAG, the drafters of the European Sustainability Reporting Standard ESRS, and analyzed the views of key stakeholders on the positive and negative impacts of the company's operations on themselves, as well as on society and the environment.

While conducting the assessment, the results of which we share below, external stakeholders made a selection for each topic to evaluate the positive and negative impacts of operations. Ratios are calculated directly from respondents' responses per person. For example, the first ranked greenhouse gas emissions data can be read as '16% of respondents think that the company's operations have a negative impact on them in terms of greenhouse gas emissions'. It can also be read that the rate of stakeholders stating that the impact of the same issue on society and the environment is negative is also 16%.

Impact of the Issue on the External Stakeholder (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%	Management of the Legal and Regulatory Environment	8%	48%
Business Ethics and Compliance	8%	64%	Critical Incident/Accident Risk Management	8%	36%
Relations with Local / Affected Community	8%	60%	Occupational Health and Safety	8%	40%
Sustainable Supply Chain	8%	68%	Human (Labor) Rights	8%	32
Wastewater Production	4%	44%	Diversity and Equal Opportunity	8%	36%
Management of the Legal and Regulatory Environment	4%	48%	Wastewater Production	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%	Relations with Local / Affected Community	4%	40%
Diversity and Equal Opportunity	4%	52%	Data-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 are aware that one of the indispensable ways for environmental sustainability and ecosystem continuity is the protection and development of biodiversity. With this awareness, we consider our responsibility towards the natural resources and ecosystem of the region where we operate at every stage of our operations. As Akdeniz Chemson, we contribute to ecosystem sustainability by reducing the use of resources and the negative environmental impact of our operations by making our operations more efficient.

On June 5, 2020, Earth Day, in line with the theme set by the United Nations, we held a meeting with Ege University Botanical Garden and Herbarium Research and Application Center to support biodiversity studies in the region where we operate and to inform the institution about our work on endemic plant species around Izmir province.

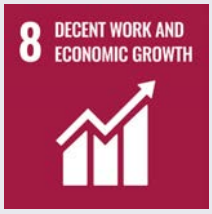
We contributed to the biodiversity in our region by providing financial support to the university for the protection of the İzmir Çanı (Campanula leblebicii) plant, an endemic species of the Izmir-Kemalpaşa region in which we operate in Turkey.

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/thank you module, show yourself module, wish/complaint module, ACCEPT suggestion/reward module	Continuous
	Global Townhall meetings – Company developments, vision, plans and projects, status of key metrics	1/3 month
Shareholder (OYAK)	Board meetings, Monthly Business Review meetings	Monthly
Customers	Exhibitions, Linkedin, Instagram, Youtube – New product launches, Technical Talks, announcements	Continuous
Suppliers	Exhibitions, Linkedin, Instagram, Youtube – New product launches, Technical Talks, announcements	Continuous
Central Administration Public Institutions (Republic of Türkiye Ministry of Trade, Ministry of Industry, relevant departments)	Public relations, incentives, EU Green Deal, advertisements, company promotion	1 / 3 month
Local Public Institutions (Aegean Exporters' Associations)	Incentives	1 / 3 month

Our Contributions to 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

As Akdeniz Chemson, we embody our understanding of sustainability and corporate responsibility with the triple responsibility model. With this approach, we combine economic success, social benefit and environmental sustainability, which is a first in our sector. With this model that shapes the future, we aim to be the leader not only of today but also of tomorrow. VinylPlus®, Responsible Care and EcoVadis certificates reflect the commitment and implementation of this model.

Responsible Care®

Responsible Care is a global initiative of the chemical industry and is a commitment program implemented by the chemical industry worldwide in the areas of 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 verifies that a chemical company has adopted the principles and practices of this initiative and operates in accordance with these standards. The certification process involves a third-party assessment of a company's management systems, practices and performance against specific criteria.

We aim to minimize the negative impact of our business processes on both human health and the environment with Responsible Care. This approach is part of our social responsibility towards our employees and society.

VinylPlus®

The VinylPlus® program is a Europe-based initiative that expresses the PVC industry's commitment to sustainability. It brings together the industry's efforts to sustainably produce, use and recycle PVC throughout its life cycle.

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

- Waste management in PVC production in circularity
- Limited use of organic chlorine compounds
- Stop the use of lead, cadmium and other heavy metals
- Promote the sustainable use of PVC
- Continuous improvements in energy and emissions

Since 2000, 7.3 million tons of PVC have been recycled under the initiative, resulting in aCO2 reduction of 14.5 million tons. The initiative has a target of using 1 million tons of recycled material annually by 2030.

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

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

vinyl plus

VinylPlus Deutschland e.V.

MITGLIEDSURKUNDE 2024
MEMBER CERTIFICATE 2024

Gemeinsam zu einer nachhaltigen Zukunft mit PVC: Als nationaler Partner von VinylPlus® und Stimme der PVC-Branche in Deutschland engagiert sich VinylPlus Deutschland gemeinsam mit den Mitgliedsunternehmen aus der gesamten PVC-Wertschöpfungskette für die nachhaltige Entwicklung des Werkstoffs und der Branche. Ein weit geknüpftes Branchennetzwerk, der intensive Dialog mit Entscheidern und Meinungsbildern schafft Transparenz und bildet Vertrauen bei Stakeholdern aus Politik, Wirtschaft, Handel und NGOs.

Akdeniz Chemson Additives AG
AUT – 9601 Arnoldstein

Together towards a sustainable future with vinyl: as a national partner of VinylPlus® and the voice of the PVC industry in Germany, VinylPlus Deutschland is committed to the sustainable development of the material and the industry together with its member companies from the entire PVC value chain. A wide-ranging industry network, an intensive dialogue with decision-makers and opinion leaders create transparency and build trust among stakeholders from politics, economy, trade and NGOs.

Dr. Oliver Wieden, Vorstandsvorsitzender I Chairman of the board
VinylPlus Deutschland e. V.

Thomas Hülsmann, Geschäftsführer I Managing Director
VinylPlus Deutschland e. V.

Bonn, Februar I February 2024

vinylplus.de
VinylPlus Deutschland e. V., Am Hofgarten 1–2, D-53113 Bonn

VinylPlus® Supplier Certificate
FOR PVC ADDITIVES SUPPLIERS

vinyl plus COMMITTED TO SUSTAINABLE DEVELOPMENT

VinylPlus® Supplier Certificates

Akdeniz Chemson

Has complied with the requirements of the VinylPlus® Supplier Certificate for PVC additives suppliers. The VinylPlus® Supplier Certificate is a recognition for outstanding performance around sustainable development for companies in the PVC building and construction industry.

Akdeniz Chemson Additives A.G. is a proud partner of VinylPlus®, the European PVC industry's commitment to sustainable development.

Akdeniz Chemson Additives A.G. is authorised to use the VinylPlus® Supplier Certificate for PVC additives suppliers in the sales territory of Europe (EU-27, plus the UK, Norway and Switzerland) for the following product(s) and location(s).

Product(s) families:
Naftosafe, Naftofoxsafe, Naftocolor, Meisterstabilisator

Location(s):
Industriestrasse 19 9601
Arnoldstein, Austria

Signed for and on behalf of VinylPlus®

Brigitte Dero
Managing Director

Certificate N°: 03
Issue N°: 01
Date of Issue: 24 November 2022
Date of Expiry: 24 November 2025

VinylPlus® - November 2022

VinylPlus®
Avenue de Cortenbergh 71
B-1000 Brussels - Belgium
+32 2 329 51 05
info@vinylplus.eu
www.vinylplus.eu

EcoVadis ESG Rating

Akdeniz Chemson is the only stabilizer producer in Europe with EcoVadis Gold rating by the end of 2023.

EcoVadis recognizes ethical and social performance and promotes sustainable and ethical practices in the supply chain, aiming to positively impact not only company operations but also all stakeholders in the sphere of influence. Companies that receive an EcoVadis rating are evaluated based on criteria related to their environmental, social and governance practices.

In the EcoVadis program, which previously included our plants in Türkiye, Austria, Australia and Brazil, our American plant was also evaluated and awarded the "Silver Medal" in 2023. We will include our facility in China in the coming period within the scope of this evaluation, where we identify our strengths and weaknesses in sustainability and ensure the necessary global standardization.

In 2022, Akdeniz Chemson Australia was certified at the highest level of EvoVadis Platinum, Akdeniz Chemson Türkiye and Austria EcoVadis Gold, and Akdeniz Chemson Brazil EcoVadis Silver. In 2023, Akdeniz Chemson America 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 27001:2013 Information Security Management System	√					
GHG Protocol – GHG Verification Certificate	√	√	√	√	√	√

Other Certificates	Türkiye	Austria	Brazil	USA	China	Australia
Authorized Economic Operator Certificate	√					
Responsible Care Commitment	√	√	√	√	√	√
CE Certificate	√					
Zero Waste Certificate	√					
Vinyl Plus		√				
Ecovadis Platinum Certificate						√
Ecovadis Gold Certificate	√	√				
Ecovadis Silver Certificate			√	√		

Memberships and Collaborations

At Akdeniz Chemson, we believe that sustainable success comes through collaborations. Through extensive collaborations at national and international level, we closely follow the latest practices and technologies related to sustainability and integrate our global experience and know-how with local practices.

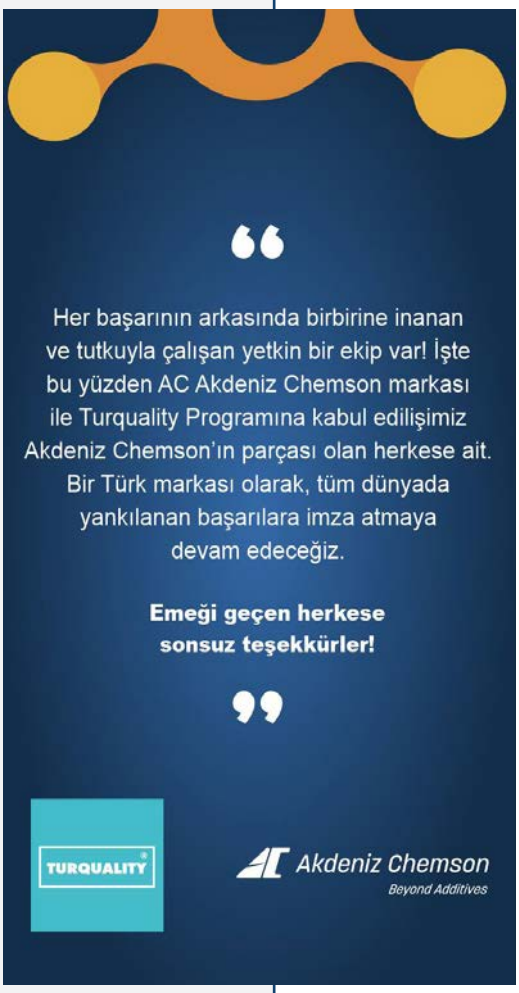
Collaboration is reflected not only in our economic success but also in our social and environmental commitments. We see the organizations we are a member of as our strategic stakeholders in achieving our sustainability goals, and we develop projects on issues such as reducing environmental impact, ethical business practices and social development with the institutions we cooperate with. We also contribute to raising industry standards and the welfare of communities.

Member Institutions
Aegean Region Chamber of Industry
Izmir Chamber of Commerce
Turkish Chemical, Petroleum, Rubber and Plastics Industry Employers' Association – KIPLAS
Turkish Chemical Manufacturers Association – TKSD
Aegean Exporters' Associations
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 - Brazil (SENAI Innovation Institute)
Australian Vinyl Council Product Stewardship Program

Turquality® Program

As a support program that aims to increase the competitiveness of brands in the international arena, Turquality® establishes a direct link with sustainability. Being competitive in the global market is not limited to being economically strong; environmental and social responsibilities are equally important. Brands that receive Turquality® support must adopt sustainable business models and develop environmentally friendly products and processes. In this context, sustainability stands out as a strategic factor for the long-term success of the Turquality® program.

Sustainability enables brands not only to reduce their environmental impact but also to fulfill their social responsibilities. By taking pioneering steps in areas such as sustainable material use, energy efficiency, waste management and improving labor practices, companies supported under Turquality® can achieve a stronger position in global markets. This approach enhances brand reputation and allows them to play an active role in the sustainable economy of the future.



Environmental Performance Indicators

Energy Data

Fossil Resources	Unit	Türkiye			Austria		
		2021	2022	2023	2021	2022	2023
Fuel consumption from coal and coal products	GJ	461,459.06	417,159.04	456,803.21	0	0	0
Fuel consumption from crude oil and petroleum products	GJ	0	0	0	2,222.75	2,132.65	1,796.12
Fuel consumption from natural gas	GJ	62,799.71	48,933.50	42,487.77	0	0	0
Fuel consumption from other fossil resources	GJ	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	0	0	0
Consumption of purchased or acquired heating from fossil sources	GJ	0	0	0	0	0	0
Consumption of purchased or acquired cooling from fossil sources	GJ	0	0	0	0	0	0
Consumption of purchased or acquired steam from fossil sources	GJ	0	0	0	0	0	0
Energy consumed by producing from fossil sources	GJ	0	0	0	0	0	0
Total energy consumption from fossil sources (1)	**GJ**	**700,249.43**	**632,868.11**	**687,443.69**	**2,222.75**	**2,132.65**	**1,796.12**

Fossil Resources	Unit	Brazil			USA		
		2021	2022	2023	2021	2022	2023
Fuel consumption from coal and coal products	GJ	0	0	0	0	0	0
Fuel consumption from crude oil and petroleum products	GJ	17,556	16,033	8,876	0	0	0
Fuel consumption from natural gas	GJ	0	0	0	727	861	1,502
Fuel consumption from other fossil resources	GJ	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
Consumption of purchased or acquired heating from fossil sources	GJ	0	0	0	0	0	0
Consumption of purchased or acquired cooling from fossil sources	GJ	0	0	0	0	0	0
Consumption of purchased or acquired steam from fossil sources	GJ	0	0	0	0	0	0
Energy consumed by producing from fossil sources	GJ	0	0	0	0	0	0
Total energy consumption from fossil sources (1)	**GJ**	**28,307**	**27,085**	**24,751**	727	861	1,502

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

Renewable Resources	Unit	Türkiye			Austria		
		2021	2022	2023	2021	2022	2023
Consumption of purchased or acquired electricity from renewable sources	GJ	0	0	0	25,143.70	22,342.05	19,096.93
Consumption of purchased or acquired heating from renewable sources	GJ	0	0	0	0	0	0
Consumption of purchased or acquired cooling from renewable sources	GJ	0	0	0	0	0	0
Consumption of purchased or acquired steam from renewable sources	GJ	0	0	0	45,762.75	41,481.00	44,203.50
Fuel consumption from renewable sources*	GJ	0	0	0	0	0	0
Consumption of self-generated (non-fuel) renewable energy	GJ	0	0	0	0	0	0
Total energy consumption from renewable resources (2)	**GJ**	**0**	**0**	**0**	**70,906.45**	**63,823.05**	**63,300.43**

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

Renewable Resources	Unit	Brazil			USA		
		2021	2022	2023	2021	2022	2023
Consumption of purchased or acquired electricity from renewable sources	GJ	0	0	0	0	0	0
Consumption of purchased or acquired heating from renewable sources	GJ	0	0	0	0	0	0
Consumption of purchased or acquired cooling from renewable sources	GJ	0	0	0	0	0	0
Consumption of purchased or acquired steam from renewable sources	GJ	0	0	0	0	0	0
Fuel consumption from renewable sources*	GJ	0	0	15,607.28	0	0	0
Consumption of self-generated (non-fuel) renewable energy	GJ	0	0	0	0	0	0
Total energy consumption from renewable resources (2)	**GJ**	**0**	**0**	**15,607.28**	**0**	**0**	**0**

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

Renewable Resources	Unit	China			Australia		
		2021	2022	2023	2021	2022	2023
Consumption of purchased or acquired electricity from renewable sources	GJ	0	0	0	0	0	0
Consumption of purchased or acquired heating from renewable sources	GJ	0	0	0	0	0	0
Consumption of purchased or acquired cooling from renewable sources	GJ	0	0	0	0	0	0
Consumption of purchased or acquired steam from renewable sources	GJ	0	0	0	0	0	0
Fuel consumption from renewable sources*	GJ	0	0	0	0	0	0
Consumption of self-generated (non-fuel) renewable energy	GJ	0	0	0	196.50	245.20	230
Total energy consumption from renewable resources (2)	**GJ**	**0**	**0**	**0**	**196.50**	**245.20**	**230**

**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	2021	2022	2023
Total energy consumption from nuclear sources (3)	GJ	0	0	0	0	0	0
	Unit	Brazil			USA		
		2021	2022	2023	2021	2022	2023
	GJ	0	0	0	2,341	2,490	2.831
	Unit	China			Australia		
		2021	2022	2023	2021	2022	2023
	GJ	0	0	0	0	0	0

Total Energy Consumption	Unit	Türkiye			Austria		
		2021	2022	2023	2021	2022	2023
Total energy consumption related to own activities (1+2+3)	GJ	700,249.43	632,868.11	687,443.69	73,129.20	65,955.70	65,096.54
	Unit	Brazil			USA		
		2021	2022	2023	2021	2022	2023
	GJ	28,307	27,085	40,358.28	3,068	3,351	4,333
	Unit	China			Australia		
		2021	2022	2023	2021	2022	2023
	GJ	1,050	1,020	3,444	2,333.50	1,852.20	1,943

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

Energy Mix	Unit	Brazil			USA		
		2021	2022	2023	2021	2022	2023
Ratio of fossil sources in total energy consumption	Ratio	100%	100%	61%	24%	26%	35%
Ratio grid electricity in total energy consumption	Ratio	0%	0%	0%	76%	74%	65%
Ratio of energy consumption from nuclear sources in total energy consumption	Ratio	0%	0%	0%	76%	74%	65%
Ratio of renewable sources in total energy consumption	Ratio	0%	0%	0%	0%	0%	0%

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

Energy Intensity	Unit	Türkiye			Austria		
		2021	2022	2023	2021	2022	2023
Energy intensity from activities in high climate impact sectors (total energy consumption per net revenue)	Ratio	0.23%	0.14%	0.19%	0.06%	0.05%	0.03%
Net Revenues	USD	305,346,166	449,713,867	357,959,973	126,984,000	136,479,000	200,743,000
Total energy consumption from activities in high climate impact sectors	GJ	700,249.43	632,868.11	687,443.69	73,129.20	65,955.70	65,096.54

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

Energy Intensity	Unit	China			Australia		
		2021	2022	2023	2021	2022	2023
Energy intensity from activities in high climate impact sectors (total energy consumption per net revenue)	Ratio	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%
Net Revenues	USD	17,237,000	17,203,000	25,292,000	18,469,000	18,285,000	19,914,000
Total energy consumption from activities in high climate impact sectors	GJ	1,050	1,020	3,444	2,333.50	1,852.20	1,943

Emission Data

Scope 1 ($t CO_2e$) - Direct	Unit	Türkiye			Austria		
		2021	2022	2023	2021	2022	2023
Total Scope 1	$t CO_2e$	48,450	46,064	39,685	165	164	132
Scope 2 ($t CO_2e$) - Indirect	**Unit**	**2021**	**2022**	**2023**	**2021**	**2022**	**2023**
Total Location-based (Electricity)	$t CO_2e$	21,173	20,065	23,012	3,128	2,816	2,529
Scope 3 ($t CO_2e$) - Other	**Unit**	**2021**	**2022**	**2023**	**2021**	**2022**	**2023**
Total (Indirect)	$t CO_2e$	449,937	467,119	540,097	91,622	67,712	12,893
Total Scope 1+2+3 ($t CO_2e$)	**Unit**	**2021**	**2022**	**2023**	**2021**	**2022**	**2023**
Total	**$t CO_2e$**	**519,560**	**533,248**	**602,793**	**94,915**	**70,692**	**15,553**

Scope 1 ($t CO_2e$) - Direct	Unit	Brazil			USA		
		2021	2022	2023	2021	2022	2023
Total Scope 1	$t CO_2e$	1,568	1,480	5,220	226	246	1
Scope 2 ($t CO_2e$) - Indirect	**Unit**	**2021**	**2022**	**2023**	**2021**	**2022**	**2023**
Total Location-based (Electricity)	$t CO_2e$	157	235	499	250	266	24
Scope 3 ($t CO_2e$) - Other	**Unit**	**2021**	**2022**	**2023**	**2021**	**2022**	**2023**
Total (Indirect)	$t CO_2e$	41,950	38,858	60,991	44,902	36,558	30,654
Total Scope 1+2+3 ($t CO_2e$)	**Unit**	**2021**	**2022**	**2023**	**2021**	**2022**	**2023**
Total	**$t CO_2e$**	**43,675**	**40,573**	**66,709**	**45,378**	**37,070**	**30,678**

Scope 1 ($t CO_2e$) - Direct	Unit	China			Australia		
		2021	2022	2023	2021	2022	2023
Total Scope 1	$t CO_2e$	15	13	45	0	0	0
Scope 2 ($t CO_2e$) - Indirect	**Unit**	**2021**	**2022**	**2023**	**2021**	**2022**	**2023**
Total Location-based (Electricity)	$t CO_2e$	183	178	604	409	308	312
Scope 3 ($t CO_2e$) - Other	**Unit**	**2021**	**2022**	**2023**	**2021**	**2022**	**2023**
Total (Indirect)	$t CO_2e$	22,469	14,132	18,009	11,438	11,883	9,334
Total Scope 1+2+3 ($t CO_2e$)	**Unit**	**2021**	**2022**	**2023**	**2021**	**2022**	**2023**
Total	**$t CO_2e$**	**22,667**	**14,323**	**18,657**	**11,847**	**12,141**	**9,645**

Total Emissions (All Facilities)	Unit	2021	2022	2023
Scope 1	$t CO_2e$	50,424	47,967	45,083
Scope 2	$t CO_2e$	25,300	23,868	26,980
Scope 3	$t CO_2e$	662,318*	636,262*	671,978*

**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		Türkiye			Austria		
Total emission intensity (Location Based)	Unit	2022	2023	Değişim 2023/2022	2022	2023	Değişim 2023/2022
Total emission intensity	t CO_2e/USD	0.0012	0.0017	142%	0.0005	0.0001	15%
Emission Intensity		**Brazil**			**USA**		
Total emission intensity (Location Based)	**Unit**	**2022**	**2023**	**Değişim 2023/2022**	**2022**	**2023**	**Değişim 2023/2022**
Total emission intensity	t CO_2e/USD	0.0008	0.0011	137%	0.0006	0.0006	101%
Emission Intensity		**China**			**Australia**		
Total emission intensity (Location Based)	**Unit**	**2022**	**2023**	**Değişim 2023/2022**	**2022**	**2023**	**Değişim 2023/2022**
Total emission intensity	t CO_2e/USD	0.0008	0.0007	89%	0.0007	0.0005	73%

Water Data

Water Withdrawals (m^3/year)	Unit	Türkiye			Austria		
		2021	2022	2023	2021	2022	2023
Fresh surface water (Stream etc.)	m^3	0	0	0	0	0	0
Sea water	m^3	0	0	0	0	0	0
Groundwater-renewable	m^3	0	0	0	525,127	473,922	491,315
Groundwater-non-renewable	m^3	474,072	410,197	457,990	0	0	0
Produced/entrained water	m^3	0	0	0	0	0	0
Total water recycled and reused	m^3	0	0	0	0	0	0
Third party sources	m^3	0	0	8,469.06	0	0	19.82
Total water withdrawals	m^3	474,072	410,197	466,459.06	525,127	473,922	491,334,82
Total water stored	m^3	0	0	0	0	0	0
Changes in water storage	m^3	0	0	0	0	0	0

Water Withdrawals (m³/year)	Unit	Brazil			USA		
		2021	2022	2023	2021	2022	2023
Fresh surface water (Stream etc.)	m³	0	0	0	0	0	0
Sea water	m³	0	0	0	0	0	0
Groundwater-renewable	m³	0	0	0	0	0	0
Groundwater-non-renewable	m³	4,788	5,079	6,669	0	0	0
Produced/entrained water	m³	0	0	0	0	0	0
Total water recycled and reused	m³	0	0	0	0	0	0
Third party sources	m³	3,816	3,383	3,662.81	773.05	634.30	716.91
Total water withdrawals	m³	8.604	8,462	10,331.81	773.05	634.30	716.91
Total water stored	m³	0	0	0	0	0	0
Changes in water storage	m³	0	0	0	0	0	0

Water Withdrawals (m^3/year)	Unit	China			Australia		
		2021	2022	2023	2021	2022	2023
Fresh surface water (Stream etc.)	m^3	0	0	0	0	0	0
Sea water	m^3	0	0	0	0	0	0
Groundwater-renewable	m^3	0	0	0	0	0	0
Groundwater-non-renewable	m^3	0	0	0	0	0	0
Produced/entrained water	m^3	0	0	0	0	0	0
Total water recycled and reused	m^3	0	0	0	0	0	0
Third party sources	m^3	804.92	244.00	5,999.15	339.96	339.60	937.14
Total water withdrawals	m^3	804.92	244.00	5,999.15	339.96	339.60	937.14
Total water stored	m^3	0	0	0	0	0	0
Changes in water storage	m^3	0	0	0	0	0	0

Water Discharge (m³/year)	Unit	Türkiye			Austria		
		2021	2022	2023	2021	2022	2023
Fresh surface water	m³	0	0	0	523.574	472.949	489,433
Sea water	m³	0	0	0	0	0	0
Groundwater	m³	0	0	0	0	0	0
Third-party destinations (Sewage-Organized Industrial Zone etc.)	m³	326,674	271,176	335,743.20	1,553	973	1,882
Total water discharges	**m³**	**326,674**	**271,176**	**335,743.20**	**525,127**	**473,922**	**491,315**

Water Discharge (m³/year)	Unit	Brazil			USA		
		2021	2022	2023	2021	2022	2023
Fresh surface water	m³	0	0	0	0	0	0
Sea water	m³	0	0	0	0	0	0
Groundwater	m³	0	0	0	0	0	0
Third-party destinations (Sewage-Organized Industrial Zone etc.)	m³	3,816	3,383	3,624	773.05	634.30	698.93
Total water discharges	**m³**	3,816	3,383	3,624	**773.05**	**634.30**	**698.93**

Water Discharge (m³/year)	Unit	China			Australia		
		2021	2022	2023	2021	2022	2023
Fresh surface water	m³	0	0	0	0	0	0
Sea water	m³	0	0	0	0	0	0
Groundwater	m³	0	0	0	0	0	0
Third-party destinations (Sewage-Organized Industrial Zone etc.)	m³	804.92	244	5,719	339.96	339.60	656.00
Total water discharges	**m³**	**804.92**	**244**	**5,719**	**339.96**	**339.60**	**656.00**

Water Consumption (m³/year)	Unit	Türkiye			Austria		
		2021	2022	2023	2021	2022	2023
Total water consumed (Total water withdrawals-total water discharge)	m³	147,398	139,021	130,715.86	0	0	19,82
Total water consumption in areas at water risk, including areas of high-water stress	m³	147,398	139,021	130,715.86	0	0	0
Ratio of water withdrawn in regions with High or Extremely High Baseline Water Stress	Ratio	100%	100%	100%	0%	0%	0%
Ratio of water consumed in regions with High or Extremely High Baseline Water Stress	Ratio	100%	100%	100%	0%	0%	0%

Water Consumption (m³/year)	Unit	Brazil			USA		
		2021	2022	2023	2021	2022	2023
Total water consumed (Total water withdrawals-total water discharge)	m³	4,788	5,079	6,707.81	0	0	17.98
Total water consumption in areas at water risk, including areas of high-water stress	m³	4,788	5,079	6,707.81	0	0	17.98
Ratio of water withdrawn in regions with High or Extremely High Baseline Water Stress	Ratio	100%	100%	100%	100%	100%	100%
Ratio of water consumed in regions with High or Extremely High Baseline Water Stress	Ratio	100%	100%	100%	0	0	100%

Water Consumption (m^3/year)	Unit	China			Australia		
		2021	2022	2023	2021	2022	2023
Total water consumed (Total water withdrawals-total water discharge)	m^3	0	0	280.15	0	0	281.14
Total water consumption in areas at water risk, including areas of high-water stress	m^3	0	0	280.15	0	0	281.14
Ratio of water withdrawn in regions with High or Extremely High Baseline Water Stress	Ratio	100%	100%	100%	100%	100%	100%
Ratio of water consumed in regions with High or Extremely High Baseline Water Stress	Ratio	0%	0%	100%	0%	0%	100%

Water Intensity (m³/year)	Unit	Türkiye			Austria		
		2021	2022	2023	2021	2022	2023
Water intensity ratio (Total water consumption/Total revenues)	Percentage	0.048%	0.031%	0.037%	0%	0%	0%
Total Revenues	USD	305,346,166	449,713,867	357,959,973	126,984,000	136,479,000	200,743,000
Additional water intensity ratio (Total water consumption/Total production)	Percentage	61.40%	63.11%	52.43%	0%	0%	0.06%
Total Production	Tons	240,072.00	220,301.00	249,305.00	50,036.69	41,229.26	34,847.75
Number of incidents of non-compliance associated with water quality permits, standards, and regulations	Number	0	0	0	0	0	0

Water Intensity (m³/year)	Unit	Brazil			USA		
		2021	2022	2023	2021	2022	2023
Water intensity ratio (Total water consumption/Total revenues)	Percentage	0.011%	0.010%	0.011%	0%	0%	0%
Total Revenues	USD	41,691,000	49,487,000	59,312,000	44,473,000	62,000,000	50,627,000
Additional water intensity ratio (Total water consumption/Total production)	Percentage	23.14%	28.10%	26.95%	0%	0%	0.18%
Total Production	Tons	20,690.00	18,077.00	24,888.00	10,331.42	9,992.46	10,135.01
Number of incidents of non-compliance associated with water quality permits, standards, and regulations	Number	0	0	0	0	0	0

Water Intensity (m^3/year)	Unit	China			Australia		
		2021	2022	2023	2021	2022	2023
Water intensity ratio (Total water consumption/Total revenues)	Percentage	0%	0%	0,001%	0%	0%	0,001%
Total Revenues	USD	17,237,000	17,203,000	25,292,000	18,469,000	18,285,000	19,914,000
Additional water intensity ratio (Total water consumption/Total production)	Percentage	0%	0%	3.18%	0%	0%	6.06%
Total Production	Tons	9,708	8,782	8,817	5,800	4,406	4,640
Number of incidents of non-compliance associated with water quality permits, standards, and regulations	Number	0	0	0	0	0	0

Waste Data

Total Waste by Type	Unit	Türkiye			Austria		
		2021	2022	2023	2021	2022	2023
Hazardous waste	Tons	1,766.59	1,643.77	1,969.83	143.25	107.91	394.19
Non-hazardous waste	Tons	6,550.06	6,568.07	6,642.14	2,132.86	2,896.79	902.88
Total amount of radioactive waste	Tons	0	0	0	0	0	0
Total waste generated	**Tons**	**8,316.65**	**8,211.84**	**8.611,97**	**2,276.11**	**3,004.70**	**1,297.08**

Total Waste by Type	Unit	Brazil			USA		
		2021	2022	2023	2021	2022	2023
Hazardous waste	Tons	67.02	99.53	146.40	85.43	134.29	0
Non-hazardous waste	Tons	326.45	433.05	646.31	144.97	159.12	216.89
Total amount of radioactive waste	Tons	0	0	0	0	0	0
Total waste generated	**Tons**	**393.47**	**532.58**	**792.71**	**230.40**	**293.41**	**216.89**

Total Waste by Type	Unit	China			Australia		
		2021	2022	2023	2021	2022	2023
Hazardous waste	Tons	0	0	0.07	0	0	0
Non-hazardous waste	Tons	96	91	0.48	118.85	100.12	124.39
Total amount of radioactive waste	Tons	0	0	0	0	0	0
Total waste generated	**Tons**	**96**	**91**	**0.55**	**118.85**	**100.12**	**124.39**

Single-Use Plastic Waste	Unit	Türkiye			Austria		
		2021	2022	2023	2021	2022	2023
Single-use plastic quantity	Tons	562.36	574.18	645.18	0.36	0.36	0.36

Single-Use Plastic Waste	Unit	Brazil			USA		
		2021	2022	2023	2021	2022	2023
Single-use plastic quantity	Tons	65.29	54.66	63.25	0.85	1.01	0.92

Single-Use Plastic Waste	Unit	China			Australia		
		2021	2022	2023	2021	2022	2023
Single-use plastic quantity	Tons	0	0	0	27.85	21.52	26.73

Total Waste by Disposal	Türkiye						
Waste Diverted from Disposal	Unit	2021		2022		2023	
		Hazardous	Non-Hazardous	Hazardous	Non-Hazardous	Hazardous	Non-Hazardous
Due to preparation for reuse	Tons	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
Due to other recovery operations	Tons	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
Total	**Tons**	**8,100.22**		**8,026.30**		**8,611.88**	
Total Waste Directed to Disposal	**Unit**	**Hazardous**	**Non-Hazardous**	**Hazardous**	**Non-Hazardous**	**Hazardous**	**Non-Hazardous**
Incineration	Tons	0	0	0	0	0	0
Landfilling	Tons	216.43	0.00	185.54	0.00	0.09	0.00
Other disposal	Tons	0	0	0	0	0	0
Total waste disposed	Tons	216.43	0	185.54	0.00	0.09	0.00
Total	**Tons**	**216.43**		**185.54**		**0.09**	

Total Waste by Disposal	Austria						
Waste Diverted from Disposal	Unit	2021		2022		2023	
		Hazardous	Non-Hazardous	Hazardous	Non-Hazardous	Hazardous	Non-Hazardous
Due to preparation for reuse	Tons	0	0	0	0	0	0
Due to recycling (+ 3rd party)	Tons	142.49	2,054.12	107.91	1,343.91	394.15	902.56
Due to other recovery operations	Tons	0	0	0	0	0	0
Total waste diverted from disposal	Tons	142.49	2,054.12	107.91	1.343.91	394.15	902.56
Total	**Tons**	**2,196.61**		**1,451.82**		**1,296.72**	
Total Waste Directed to Disposal	**Unit**	**Hazardous**	**Non-Hazardous**	**Hazardous**	**Non-Hazardous**	**Hazardous**	**Non-Hazardous**
Incineration	Tons	0	0	0	0	0	0
Landfilling	Tons	0.76	78.74	0	1,552.88	0.04	0.32
Other disposal	Tons	0	0	0	0	0	0
Total waste disposed	Tons	0.76	78.74	0	1,552.88	0.04	0.32
Total	**Tons**	**79.50**		**1,552.88**		**0.36**	

Total Waste by Disposal	Brazil						
Waste Diverted from Disposal	Unit	2021		2022		2023	
		Hazardous	Non-Hazardous	Hazardous	Non-Hazardous	Hazardous	Non-Hazardous
Due to preparation for reuse	Tons	0	0	0	0	0	0
Due to recycling (+ 3rd party)	Tons	67.04	282.55	99.53	286.82	146.40	332.36
Due to other recovery operations	Tons	0	0	0	0	0	0
Total waste diverted from disposal	Tons	67.04	282.55	99.53	286.82	146.40	332.366
Total	**Tons**	**349.59**		**386.35**		**478.76**	
Total Waste Directed to Disposal	**Unit**	**Hazardous**	**Non-Hazardous**	**Hazardous**	**Non-Hazardous**	**Hazardous**	**Non-Hazardous**
Incineration	Tons	0	0	0	0	0	0
Landfilling	Tons	0	43.88	0	146.23	0	313.95
Other disposal	Tons	0	0	0	0	0	0
Total waste disposed	Tons	0	43.88	0	146.23	0	313.95
Total	**Tons**	**43.88**		**146.23**		**313.95**	

Total Waste by Disposal	USA						
Waste Diverted from Disposal	Unit	2021		2022		2023	
		Hazardous	Non-Hazardous	Hazardous	Non-Hazardous	Hazardous	Non-Hazardous
Due to preparation for reuse	Tons	0	0	0	0	0	0
Due to recycling (+ 3rd party)	Tons	0	0	0	0	0	0
Due to other recovery operations	Tons	0	0	0	0	0	0
Total waste diverted from disposal	Tons	0	0	0	0	0	0
Total	**Tons**	**0**		**0**		**0**	
Total Waste Directed to Disposal	**Unit**	**Hazardous**	**Non-Hazardous**	**Hazardous**	**Non-Hazardous**	**Hazardous**	**Non-Hazardous**
Incineration	Tons	0	0	0	0	0	0
Landfilling	Tons	85.43	144.97	134.29	159.12	0	216.89
Other disposal	Tons	0	0	0	0	0	0
Total waste disposed	Tons	85.43	144.97	134.29	159.12	0	216.89
Total	**Tons**	**230.40**		**293.41**		**216.89**	

Total Waste by Disposal	China						
Waste Diverted from Disposal	Unit	2021		2022		2023	
		Hazardous	Non-Hazardous	Hazardous	Non-Hazardous	Hazardous	Non-Hazardous
Due to preparation for reuse	Tons	0	0	0	0	0	0
Due to recycling (+ 3rd party)	Tons	0	96	0	91	0.07	0.48
Due to other recovery operations	Tons	0	0	0	0	0	0
Total waste diverted from disposal	Tons	0	96	0	91	0.07	0.48
Total	**Tons**	**96**		**91**		**0.55**	
Total Waste Directed to Disposal	**Unit**	**Hazardous**	**Non-Hazardous**	**Hazardous**	**Non-Hazardous**	**Hazardous**	**Non-Hazardous**
Incineration	Tons	0	0	0	0	0	0
Landfilling	Tons	0	0	0	0	0	0
Other disposal	Tons	0	0	0	0	0	0
Total waste disposed	Tons	0	0	0	0	0	0
Total	**Tons**	**0**		**0**		**0**	

Total Waste by Disposal	Australia						
Waste Diverted from Disposal	Unit	2021		2022		2023	
		Hazardous	Non-Hazardous	Hazardous	Non-Hazardous	Hazardous	Non-Hazardous
Due to preparation for reuse	Tons	0	0	0	0	0	0
Due to recycling (+ 3rd party)	Tons	0	95.08	0	80.10	0	99.51
Due to other recovery operations	Tons	0	0	0	0	0	0
Total waste diverted from disposal	Tons	0	95.08	0	80.10	0	99.51
Total	**Tons**	**95.08**		**80.10**		**99.51**	
Total Waste Directed to Disposal	**Unit**	**Hazardous**	**Non-Hazardous**	**Hazardous**	**Non-Hazardous**	**Hazardous**	**Non-Hazardous**
Incineration	Tons	0	0	0	0	0	0
Landfilling	Tons	0	23.77	0	20.02	0	24.88
Other disposal	Tons	0	0	0	0	0	0
Total waste disposed	Tons	0	23.77	0	20.02	0	24.88
Total	**Tons**	**23.77**		**20.02**		**24.88**	

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

(Türkiye, Austria, Brazil, USA, China, Australia)

Social Performance Indicators

Number of Employees by Gender	Unit	Türkiye			Austria		
		2021	2022	2023	2021	2022	2023
Female	Number	58	63	74	32	31	35
Female	Ratio	12.55%	11.91%	12.87%	13.22%	13.90%	16.99%
Male	Number	404	466	501	210	192	171
Male	Ratio	87.45%	88.09%	87.13%	86.78%	86.10%	83.01%
Other	Number	0	0	0	0	0	0
Not reported	Number	0	0	0	0	0	0
Total number of employees	Number	462	529	575	242	223	206
Average number of employees*	Number	489	512	554	121	112	103

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

** Average number of employees (headcount/full-time equivalent)*

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

Number of Employees by Gender	Unit	General Total		
		2021	2022	2023
Female	Number	110	148	162
Female	Ratio	12.60%	14.83%	15.37%
Male	Number	763	850	892
Male	Ratio	87.40%	85.17%	84.63%
Other	Number	0	0	0
Not reported	Number	0	0	0
Total number of employees	Number	873	998	1.054
Average number of employees*	Number	779	845	932

N/A: Not available.

** Average number of employees (headcount/full-time equivalent)*

Employees by Category and Gender (2023)	Unit	Türkiye			Austria		
		Female	Male	Total	Female	Male	Total
Number of employees (head count / FTE)	Number	74	501	575	35	171	206
Number of permanent employees (head count / FTE)	Number	74	501	575	35	171	206
Number of temporary employees (head count / FTE)	Number	0	0	0	0	0	0
Number of non-guaranteed hours employees (head count / FTE)	Number	0	0	0	0	0	0
Number of full-time employees (head count / FTE)	Number	74	501	575	20	169	189
Number of part-time employees (head count / FTE)	Number	0	0	0	15	2	17

Employees by Category and Gender (2023)	Unit	Brazil			USA		
		Female	Male	Total	Female	Male	Total
Number of employees (head count / FTE)	Number	19	132	151	4	33	37
Number of permanent employees (head count / FTE)	Number	17	126	143	4	33	37
Number of temporary employees (head count / FTE)	Number	2	6	8	0	0	0
Number of non-guaranteed hours employees (head count / FTE)	Number	0	0	0	0	0	0
Number of full-time employees (head count / FTE)	Number	19	132	151	4	33	37
Number of part-time employees (head count / FTE)	Number	0	0	0	1	0	1

FTE: Full Time Equivalent

Employees by Category and Gender (2023)	Unit	China			Australia		
		Female	Male	Total	Female	Male	Total
Number of employees (head count / FTE)	Number	24	44	68	6	15	21
Number of permanent employees (head count / FTE)	Number	0	0	0	6	11	17
Number of temporary employees (head count / FTE)	Number	0	0.	0	0	4	4
Number of non-guaranteed hours employees (head count / FTE)	Number	0	0	0	0	4	4
Number of full-time employees (head count / FTE)	Number	24	44	68	6	11	17
Number of part-time employees (head count / FTE)	Number	0	0	0	0	0	0

FTE: Full Time Equivalent

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

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

Employee Leaves	Unit	China			Australia		
		2021	2022	2023	2021	2022	2023
Number of employees who have left the company	Number	N/A	10	25	7	4	3

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

N/A: Not available.

Employee Turnover	Unit	Türkiye			Austria		
		2021	2022	2023	2021	2022	2023
Ratio of employee turnover	Percentage	23.31%	18.74%	19.35%	12%	10%	29 %

Employee Turnover	Unit	Brazil			USA		
		2021	2022	2023	2021	2022	2023
Ratio of employee turnover	Percentage	17%	10%	15%	34%	44%	20%

Employee Turnover	Unit	China			Australia		
		2021	2022	2023	2021	2022	2023
Ratio of employee turnover	Percentage	N/A	20.30%	34.15%	47%	23.57%	18.80%

N/A: Not available.

Disabled Employees	Unit	Türkiye			Austria		
		2021	2022	2023	2021	2022	2023
Ratio of employees with disabilities-ALL	Percentage	2.81%	2.65%	2.26%	0.0455%	0.0493%	0.0485%
Number of employees with disabilities - Female	Number	1	1	1	2	2	2
Ratio of employees with disabilities - Female	Percentage	1.72%	1.59%	1.35%	0.0645%	0.0645%	0.0571%
Number of employees with disabilities -Male	Number	12	13	12	9	9	8
Ratio of employees with disabilities - Male	Percentage	2.97%	2.79%	2.40%	0.0429%	0.0469%	0.0526%

Disabled Employees	Unit	Brazil			USA		
		2021	2022	2023	2021	2022	2023
Ratio of employees with disabilities-ALL	Percentage	2%	2%	2%	0%	0%	0%
Number of employees with disabilities - Female	Number	0	0	0	0	0	0
Ratio of employees with disabilities - Female	Percentage	0%	0%	0%	0%	0%	0%
Number of employees with disabilities -Male	Number	3	3	3	0	0	0
Ratio of employees with disabilities - Male	Percentage	3%	3%	2%	0%	0%	0%

Disabled Employees	Unit	China			Australia		
		2021	2022	2023	2021	2022	2023
Ratio of employees with disabilities-ALL	Percentage	0%	0%	0%	0%	0%	0%
Number of employees with disabilities - Female	Number	0	0	0	0	0	0
Ratio of employees with disabilities - Female	Percentage	0%	0%	0%	0%	0%	0%
Number of employees with disabilities -Male	Number	0	0	0	0	0	0
Ratio of employees with disabilities - Male	Percentage	0%	0%	0%	0%	0%	0%

Employees that participated in regular performance and career development reviews	Unit	Türkiye			Austria		
		2021	2022	2023	2021	2022	2023
Female	Number	58	62	70	32	31	35
Female	Percentage	100%	98.41%	94.59%	100%	100%	100%
Male	Number	104	132	127	74	70	70
Male	Percentage	25.74%	28.33%	25.35%	35.24%	36.46%	40.94%
Permanent employees	Percentage	100%	100%	100%	44%	45%	51%
Temporary employees	Percentage	0%	0%	0%	0%	0%	0%
Non-employees	Percentage	0%	0%	0%	0%	0%	0%
Full-time employees	Percentage	100%	100%	100%	78%	87%	86%
Part-time employees	Percentage	0%	0%	0%	12%	8%	14%

Employees that participated in regular performance and career development reviews	Unit	Brazil			USA		
		2021	2022	2023	2021	2022	2023
Female	Number	0	0	0	4	6	4
Female	Percentage	0%	0%	0%	80%	100%	100%
Male	Number	0	0	0	15	20	19
Male	Percentage	0%	0%	0%	52%	61%	58%
Permanent employees	Percentage	0%	0%	0%	56%	67%	62%
Temporary employees	Percentage	0%	0%	0%	0%	0%	0%
Non-employees	Percentage	0%	0%	0%	0%	0%	0%
Full-time employees	Percentage	0%	0%	0%	56%	67	62%
Part-time employees	Percentage	0%	0%	0%	0%	0%	0%

Employees that participated in regular performance and career development reviews	Unit	China			Australia		
		2021	2022	2023	2021	2022	2023
Female	Number	N/A	15	14	3	5	6
Female	Percentage	N/A	57.69%	58.33%	100%	100%	100%
Male	Number	N/A	18	17	11	10	11
Male	Percentage	N/A	45%	38.64%	100%	100%	100%
Permanent employees	Percentage	N/A	100%	100%	100%	100%	100%
Temporary employees	Percentage	N/A	N/A	N/A	0%	0%	0%
Non-employees	Percentage	N/A	N/A	N/A	0%	0%	0%
Full-time employees	Percentage	N/A	100%	100%	100%	100%	100%
Part-time employees	Percentage	N/A	N/A	N/A	0%	0%	0%

N/A: Not available.

The average number of training hours per employee and by gender	Unit	Türkiye			Austria		
		2021	2022	2023	2021	2022	2023
Female	Number	30	35	30	0.09	0.04	0.05
Male	Number	60	40	57	0.01	0.01	0.01
Per employee	Number	58	52	56	0.01	0.01	0.01
Senior management	Number	13	24	38	0	0	0
Middle management	Number	30	45	80	3.63	22.84	27.53
Production staff	Number	57	43	62	2.67	0.74	1.65
Administrative staff	Number	59	61	53	15.28	11.69	14.53

The average number of training hours per employee and by gender	Unit	Brazil			USA		
		2021	2022	2023	2021	2022	2023
Female	Number	N/A	N/A	31	1.7	1.8	1.8
Male	Number	N/A	N/A	17	5.7	5.7	5.3
Per employee	Number	N/A	N/A	18	6.3	6.3	6.2
Senior management	Number	N/A	N/A	65	1	1	1
Middle management	Number	N/A	N/A	60	1.4	1.6	1.5
Production staff	Number	N/A	N/A	33	12.7	13.1	13.4
Administrative staff	Number	N/A	N/A	9	1.2	1.5	1.3

The average number of training hours per employee and by gender	Unit	China			Australia		
		2021	2022	2023	2021	2022	2023
Female	Number	N/A	52	48	0	2.2	1.4
Male	Number	N/A	80	88	0	2.2	1.4
Per employee	Number	N/A	2	2	0	2.2	1.4
Senior management	Number	N/A	16	16	0	2	2
Middle management	Number	N/A	4	4	0	4	2
Production staff	Number	N/A	44	54	0	5	5
Administrative staff	Number	N/A	18	22	0	6	6

N/A: Not available.

Other employees	Unit	Türkiye			Austria		
		2021	2022	2023	2021	2022	2023
Number of non-employees in own workforce	Number	0	0	0	11	9	3
Number of non-employees in own workforce - self-employed people	Number	0	0	0	0	0	0
Number of non-employees in own workforce - people provided by undertaking's primarily engaged in employment activities	Number	0	0	0	0	0	0

Other employees	Unit	Brazil			USA		
		2021	2022	2023	2021	2022	2023
Number of non-employees in own workforce	Number	0	0	0	0	0	5
Number of non-employees in own workforce - self-employed people	Number	0	0	0	1	1	0
Number of non-employees in own workforce - people provided by undertaking's primarily engaged in employment activities	Number	0	0	0	0	0	0

Other employees	Unit	China			Australia		
		2021	2022	2023	2021	2022	2023
Number of non-employees in own workforce	Number	0	0	0	0	0	0
Number of non-employees in own workforce - self-employed people	Number	0	0	0	0	0	0
Number of non-employees in own workforce - people provided by undertaking's primarily engaged in employment activities	Number	0	0	0	0	0	0

Collective Bargaining Coverage			
Country	**Total Number**	**Number Covered**	**Rate in Total (%)**
Türkiye	575	375	65%
Austria	206	206	100%
Brazil	151	143	95%
USA	37	13	13%

There is no collective bargaining in our Australian and Chinese facilities.

Gender distribution in number of employees (head count) at top management level	Unit	Türkiye			Austria		
		2021	2022	2023	2021	2022	2023
Female	Number	1	1	0	1	1	0
Male	Number	6	7	8	4	4	5
Gender distribution in number of employees (head count) at top management level	**Unit**	**2021**	**2022**	**2023**	**2021**	**2022**	**2023**
Female	Percentage	14.3%	12.5%	0%	20%	20%	0%
Male	Percentage	85.7%	87.5%	100%	80%	80%	100%
Gender distribution in number of employees (head count) at top management level	**Unit**	**Brazil**			**USA**		
		2021	2022	2023	2021	2022	2023
Female	Number	1	1	1	3	3	2
Male	Number	5	5	5	4	4	5
Gender distribution in number of employees (head count) at top management level	**Unit**	**2021**	**2022**	**2023**	**2021**	**2022**	**2023**
Female	Percentage	17%	17%	17%	43%	43%	40%
Male	Percentage	83%	83%	83%	57%	57%	60%
Gender distribution in number of employees (head count) at top management level	**Unit**	**China**			**Australia**		
		2021	2022	2023	2021	2022	2023
Female	Number	N/A	3	3	1	1	1
Male	Number	N/A	13	13	3	2	3
Gender distribution in number of employees (head count) at top management level	**Unit**	**2021**	**2022**	**2023**	**2021**	**2022**	**2023**
Female	Percentage	N/A	18.75%	18.75%	25%	33%	25%
Male	Percentage	N/A	81.25%	81.25%	75%	67%	75%

N/A: Not available.

Distribution of employees by age group	Unit	Türkiye			Austria		
		2021	2022	2023	2021	2022	2023
Under 30 years old	Number	126	153	170	63	33	36
Under 30 years old	Percentage	27.3%	28.9%	29.6%	26%	15%	17%
30 to 50 years old	Number	317	358	389	111	102	94
30 to 50 years old	Percentage	68.6%	67.7%	67.7%	46%	46%	46%
Over 50 years old	Number	19	18	16	68	88	76
Over 50 years old	Percentage	4.1%	3.4%	2.8%	28%	39%	37%
Distribution of employees by age group	**Unit**	**Brazil**			**USA**		
		2021	**2022**	**2023**	**2021**	**2022**	**2023**
Under 30 years old	Number	12	16	19	3	3	1
Under 30 years old	Percentage	10%	13%	13%	60%	50%	25%
30 to 50 years old	Number	86	86	97	2	3	3
30 to 50 years old	Percentage	71%	68%	64%	40%	50%	75%
Over 50 years old	Number	23	24	35	0	0	0
Over 50 years old	Percentage	19%	19%	23%	0%	0%	0%
Distribution of employees by age group	**Unit**	**China**			**Australia**		
		2021	**2022**	**2023**	**2021**	**2022**	**2023**
Under 30 years old	Number	N/A	9	9	5	4	2
Under 30 years old	Percentage	N/A	13.60%	13.20%	36%	27%	12%
30 to 50 years old	Number	N/A	48	50	6	8	11
30 to 50 years old	Percentage	N/A	72.70%	73.50%	43%	53%	65%
Over 50 years old	Number	N/A	9	9	3	3	4
Over 50 years old	Percentage	N/A	13.60%	13.20%	21%	20%	24%

N/A: Not available.

Incidents. complaints and severe human rights impacts	Unit	Türkiye			Austria		
		2021	2022	2023	2021	2022	2023
Number of incidents of discrimination *One confirmed in 2023.	Number	0	5	9*	N/A	N/A	N/A
Number of complaints filed through channels for people in own workforce to raise concerns	Number	0	17	17	N/A	N/A	N/A
Number of complaints filed to National Contact Points for OECD Multinational Enterprises	Number	0	0	0	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	Monetary	0	0	0	N/A	N/A	N/A
Number of severe human rights issues and incidents connected to own workforce	Number	0	0	0	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	N/A	N/A	N/A
Amount of fines, penalties and compensation for severe human rights issues and incidents connected to own workforce	Monetary	0	0	0	N/A	N/A	N/A
Number of severe human rights cases where undertaking played role securing remedy for those affected	Number	0	0	0	N/A	N/A	N/A

N/A: Not available.

Incidents. complaints and severe human rights impacts	Unit	Brazil			USA		
		2021	2022	2023	2021	2022	2023
Number of incidents of discrimination *One confirmed in 2023.	Number	N/A	N/A	N/A	0	0	0
Number of complaints filed through channels for people in own workforce to raise concerns	Number	N/A	N/A	1	0	0	0
Number of complaints filed to National Contact Points for OECD Multinational Enterprises	Number	N/A	N/A	N/A	0	0	0
Amount of material fines. penalties. and compensation for damages as result of violations regarding social and human rights factors	Monetary	N/A	N/A	N/A	0	0	0
Number of severe human rights issues and incidents connected to own workforce	Number	N/A	N/A	N/A	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	N/A	N/A	0	0	0
Amount of fines, penalties and compensation for severe human rights issues and incidents connected to own workforce	Monetary	N/A	N/A	N/A	0	0	0
Number of severe human rights cases where undertaking played role securing remedy for those affected	Number	N/A	N/A	N/A	0	0	0

N/A: Not available.

Incidents. complaints and severe human rights impacts	Unit	China			Australia		
		2021	2022	2023	2021	2022	2023
Number of incidents of discrimination *One confirmed in 2023.	Number	N/A	N/A	N/A	N/A	N/A	N/A
Number of complaints filed through channels for people in own workforce to raise concerns	Number	N/A	N/A	N/A	N/A	N/A	N/A
Number of complaints filed to National Contact Points for OECD Multinational Enterprises	Number	N/A	N/A	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	Monetary	N/A	N/A	N/A	N/A	N/A	N/A
Number of severe human rights issues and incidents connected to own workforce	Number	N/A	N/A	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	N/A	N/A	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	Monetary	N/A	N/A	N/A	0	0	0
Number of severe human rights cases where undertaking played role securing remedy for those affected	Number	N/A	N/A	N/A	0	0	0

N/A: Not available.

Occupational Health & Safety

Occupational Health and Safety	Unit	Türkiye			Austria		
		2021	2022	2023	2021	2022	2023
The percentage of people in its own workforce who are covered by the undertaking's health and safety management system based on legal requirements and/or recognized standards or guidelines*	Percentage	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
Number of fatalities in own workforce as result of work-related ill health	Number	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
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
Number of recordable work-related accidents for own workforce	Number	26	13	4	21	13	3
Rate of recordable work-related accidents for own workforce	Percentage	18.67	8.79	2.65	51.72	36.92	9.58
Number of cases of recordable work-related ill health of employees	Number	0	0	0	0	0	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	387	141	112
Number of cases of recordable work-related ill health detected among former own workforce	Number	0	0	0	0	0	0
Total recordable incident rate (TRIR)**	Percentage	18.67	8.79	2.65	51.72	36.92	9.58
Fatality rate for direct employees**	Percentage	0	0	0	0	0	0
Fatality rate for contract employees**	Percentage	0	0	0	0	0	0

**(Number of employees covered by collective bargaining agreement/Number of employees) X 100*

***SASB (1) Total recordable incident rate (TRIR) and (2) fatality rate for (a) direct employees and (b) contract employees: (statistic count × 200.000) / hours worked*

Occupational Health and Safety	Unit	Brazil			USA		
		2021	2022	2023	2021	2022	2023
The percentage of people in its own workforce who are covered by the undertaking's health and safety management system based on legal requirements and/or recognized standards or guidelines*	Percentage	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
Number of fatalities in own workforce as result of work-related ill health	Number	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
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
Number of recordable work-related accidents for own workforce	Number	1	1	1	0	0	2
Rate of recordable work-related accidents for own workforce	Percentage	4.13	4.22	3.61	0	0	25.21
Number of cases of recordable work-related ill health of employees	Number	0	0	0	0	0	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	29
Number of cases of recordable work-related ill health detected among former own workforce	Number	0	0	0	0	0	0
Total recordable incident rate (TRIR)**	Percentage	4.13	4.22	3.61	0	0	25.21
Fatality rate for direct employees**	Percentage	0	0	0	0	0	0
Fatality rate for contract employees**	Percentage	0	0	0	0	0	0

**(Number of employees covered by collective bargaining agreement/Number of employees) X 100*
***SASB (1) Total recordable incident rate (TRIR) and (2) fatality rate for (a) direct employees and (b) contract employees: (statistic count × 200.000) / hours worked*

Occupational Health and Safety	Unit	China			Australia		
		2021	2022	2023	2021	2022	2023
The percentage of people in its own workforce who are covered by the undertaking's health and safety management system based on legal requirements and/or recognized standards or guidelines*	Percentage	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
Number of fatalities in own workforce as result of work-related ill health	Number	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
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
Number of recordable work-related accidents for own workforce	Number	0	0	1	0	1	1
Rate of recordable work-related accidents for own workforce	Percentage	0	0	5.3	0	34.98	36.88
Number of cases of recordable work-related ill health of employees	Number	0	0	0	0	0	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	0	0	15	0	25	2
Number of cases of recordable work-related ill health detected among former own workforce	Number	0	0	0	0	0	0
Total recordable incident rate (TRIR)**	Percentage	0	0	5.3	0	34.98	36.88
Fatality rate for direct employees**	Percentage	0	0	0	0	0	0
Fatality rate for contract employees**	Percentage	0	0	0	0	0	0

**(Number of employees covered by collective bargaining agreement/Number of employees) X 100*
***SASB (1) Total recordable incident rate (TRIR) and (2) fatality rate for (a) direct employees and (b) contract employees: (statistic count × 200.000) / hours worked*

Sustainable Supply Chain

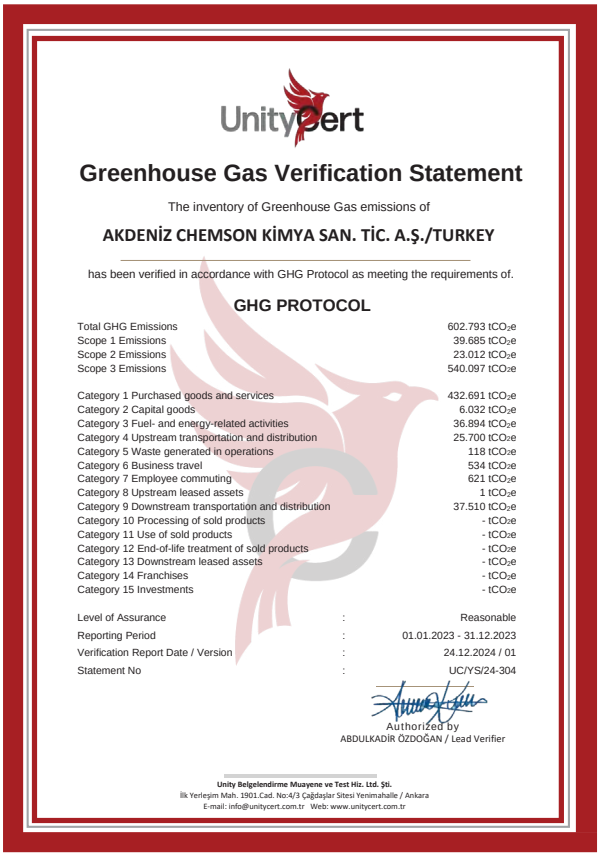
Our Suppliers	2021	2022	2023
Total Number of Suppliers	745	796	765
Number of Local Suppliers	639	691	664
Ratio of local suppliers in total suppliers	85.8%	86.8%	86.8%

Sustainable Procurement Performance Report	2021	2022	2023
Ratio of our raw material suppliers whose audits are completed in line with the annual audit plan	33%	41%	47%
Number of suppliers evaluated under human rights	-	67	173
Ratio of suppliers signing the Supplier Code of Ethics document	-	8.42%	22.61%

External Audit and/or Verification Report

You can access our Water Footprint and Emission Verification documents for 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

Total GHG Emissions	602.793 tCO_2e
Scope 1 Emissions	39.685 tCO_2e
Scope 2 Emissions	23.012 tCO_2e
Scope 3 Emissions	540.097 tCO_2e
Category 1 Purchased goods and services	432.691 tCO_2e
Category 2 Capital goods	6.032 tCO_2e
Category 3 Fuel- and energy-related activities	36.894 tCO_2e
Category 4 Upstream transportation and distribution	25.700 tCO_2e
Category 5 Waste generated in operations	118 tCO_2e
Category 6 Business travel	534 tCO_2e
Category 7 Employee commuting	621 tCO_2e
Category 8 Upstream leased assets	1 tCO_2e
Category 9 Downstream transportation and distribution	37.510 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	:	01.01.2023 - 31.12.2023
Verification Report Date / Version	:	24.12.2024 / 01
Statement No	:	UC/YS/24-304

Authorized by
ABDULKADİR ÖZDOĞAN / Lead Verifier

Unity Belgelendirme Muayene ve Test Hiz. Ltd. Şti.
İlk Yerleşim Mah. 1901.Cad. No:4/3 Çağdaşlar Sitesi Yenimahalle / Ankara
E-mail: info@unitycert.com.tr Web: www.unitycert.com.tr

UnityCert

Water Footprint Verification Statement

Water Footprint Inventory

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)	8.208,00	-
Groundwater (m^3/year)	457.990,00	-
Other receiving bodies (sea water etc.) (m^3/year)	-	-
3rd Party (m^3/year)	261,06	335.743,2
Mass Balance (m^3/year)	130.715,86	

Level of Assurance	Reasonable
Reporting Period	01.01.2023 -31.12.2023
Verification Report Date / Version	24.12.2024 / 01
Statement No	UC/YS/24-305

Authorized by
ABDULKADİR ÖZDOĞAN / Lead Verifier

Unity Belgelendirme Muayene ve Test Hiz. Ltd. şti.
İlk Yerleşim Mah. 1901.Cad. No:4/3 Çağdaşlar Sitesi Yenimahalle / Ankara
E-mail: info@unitycert.com.tr Web: www.unitycert.com.tr

Contact

Plant Included in Reporting			
Plant 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.	Austria	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

Report Contact

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

Baran Ardağ
Corporate Communications Executive
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

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

For further 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

Please send your comments. recommendations and feedback on the report to **sustainability@akdenizchemson.com**.

Akdeniz Chemson

Akdeniz Chemson Kimya San. Tic. A.Ş.
www.akdenizchemson.com
Phone +(90) 232 877 01 44
Fax +(90) 232 877 01 50
Address: Kemalpaşa O.S.B. Mah. İzmir-Kemalpaşa Asfaltı Cad. No:45
35735 Kemalpaşa - İzmir / Türkiye