



**What we SHARE**  
**Where we CARE**  
**How we DARE**

SUSTAINABILITY REPORT 2023





# About the Report

This report is Eurotec's inaugural sustainability report and has been prepared to present our company's environmental, social and governance (ESG) performance in a transparent manner. This report lays the groundwork for our future sustainability efforts and demonstrates the concrete steps Eurotec has taken to achieve its sustainability commitments.

The Eurotec 2023 GRI Sustainability Report spans the period from January 1, 2022 to December 31, 2023 and has been prepared in accordance with Global Reporting Initiative (GRI) Standards. This report details our company's sustainability strategies, operational practices and environmental impacts are presented in this report in a transparent manner.

The report provides an overview of Eurotec's sustainability activities throughout 2023, organized under the following headings: energy efficiency, emission reduction, water and waste management, circular economy and human rights protection. Furthermore, the report the report evaluates the obstacles and prospects the company must overcome to attain its long-term sustainability objectives.

By outlining its commitment to sustainable development goals in this report, Eurotec aims to create long-term value for its stakeholders. This report illustrates how Eurotec creates value while fulfilling its environmental and social responsibilities and its commitment to developing a sustainable business model.

The report has not been subject to external audit and relies on the company's internal audit and data collection processes.

Sustainability reporting covers all operations at Eurotec.

The report has been prepared in Turkish and English and has not been subject to external audit. In line with the expectations of our stakeholders, we will continue to report on our sustainability efforts on an annual basis in the coming years.

For your questions, comments and suggestions about this report, please contact us at [sustainability@eurotec-ep.com](mailto:sustainability@eurotec-ep.com)

# Message from the Executive Board



Dear Stakeholders,

2023 marked a significant milestone in Eurotec's sustainability journey. We are delighted to share with you the steps we have taken in environmental, social and governance (ESG) areas by publishing our inaugural sustainability report. By placing technology and innovation at the core of our business processes, we embody our responsibilities for the future and reinforce our vision of a sustainable world.

Our operations in the engineering plastics industry are guided by a commitment to minimize environmental impacts, enhance energy efficiency and promote a circular economy. We fulfill our social responsibilities by integrating human rights and social justice into our business processes, and by executing projects to reduce our carbon footprint and improve water and waste management.

In 2023, we achieved 65% revenue growth and 13% production growth. Our main achievements can be summarized as follows:

- 625,772 kWh of renewable energy was generated, resulting in a 9% improvement in energy consumption per kilogram.
- The installation of a rainwater collection system at the Eurotec-2 plant allowed for the recovery of 600 cubic meters of rainwater.
- 44 product life cycle analyses were conducted, resulting in the development of solutions aimed at reducing the environmental impact of our products.
- 63 new recycled and bio-based products were developed for the automotive and white goods industries.

In 2023, we developed sustainable solutions through product life cycle assessments, energy efficiency projects and recyclable materials. The strong collaborative relationships we forged with our stakeholders played a key role in achieving our sustainability goals.

As we look to the future, we are committed to reducing our carbon emissions, increasing

energy efficiency and reinforcing our circular economy approach. We will reinforce our commitment to sustainable production by completing the Global Recycled Standard (GRS) certification process in 2024. In addition, the Bronze Medal we won in the Ecovadis program is an international accolade that recognizes our sustainability performance.

In line with our strategy to reduce carbon emissions, our primary objectives are to increase the use of renewable energy and expand energy efficiency initiatives. We will continue to develop sustainable strategies in our supply chain and encourage the use of sustainable materials through supplier audits in accordance with ISO 20400.

Our objective is to become one of Turkey's leading companies in terms of R&D expenditure by 2023. Furthermore, we intend to intensify our efforts to develop innovative products and provide sustainable solutions.

Our achievements are driven not only by our own efforts but also by the feedback we receive from our stakeholders. Our double materiality approach enables us to develop effective strategies and maintain our sustainability commitments.

In 2023, we made significant progress in reducing our environmental impact and achieving our sustainability goals. In the coming years, we will continue to work with our valued stakeholders to achieve a sustainable future.

We draw our strength from deep within to ensure a sustainable planet. In every aspect of life, we provide tailor-made solutions that make the impossible possible.

Sincerely,  
**Executive Board**  
 Eurotec Engineering Plastics



# About Eurotec

Eurotec is a raw material producer of engineering plastics with a focus on innovative solutions and sustainability. Established in 2004, the company has an important position in the industry with its wide product range and global presence. Offering over 20 types of polymers, Eurotec exports to more than 40 countries and produces more than 700 varieties of products.

## Economic Performance

Production in 2023 increased by 13% compared to the previous year. This growth clearly demonstrates Eurotec's operational efficiency and capacity to respond quickly to market demands. Sales revenue increased by 65% from 2022 to 2023. These positive outcomes have been achieved through effective management and continuous improvement efforts.

*2023, the year marking financial growth and stability.*

In 2023, the Company's financial performance saw a significant improvement. There was a 53.1% increase in revenues, accompanied by a 49.1% rise in operating expenses. The importance the company attaches to

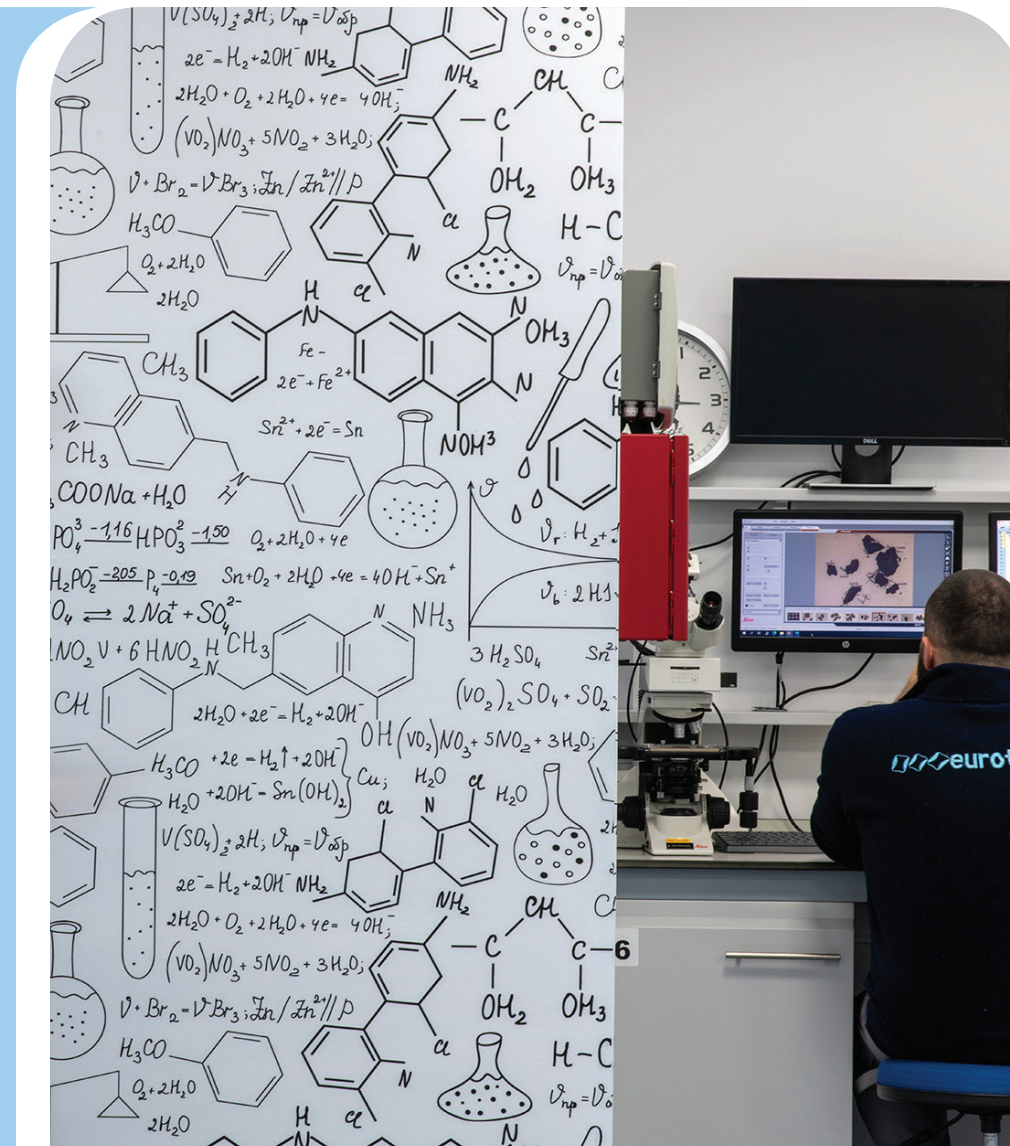
its human resources is evident in the 111.3% increase in wages and benefits expenditure. The company's payments to the government increased by 166.2%, while the economic value retained increased by 79.1%. This data demonstrates that the company achieved robust financial growth and stable development in 2023.

During the reporting period, our customer base grew by 11% compared to the previous year. In addition, our dealer and distributor networks continue to expand. The total number of dealers and distributors increased from 51 in 2022 to 56 in 2023.

## Vision and Mission

Our vision is to become a market-leading company in the industry as a reliable, respected and pioneering establishment in the field of technical thermoplastic products. We always aim to make a positive impact through our innovative solutions and customer-oriented approach.

Our mission is to provide innovative technical thermoplastic products tailored to our customers and to add value to all our stakeholders through long-term business partnerships. We will continue to carry out successful projects on a global scale through our collaborative approach.



## SUSTAINABILITY REPORT 2023

### Our Code of Conduct and Values

At Eurotec, our business practices are founded on the principles of trust, honesty and sustainability. Our team acts in line with our positive business culture and corporate values.

- **We Are a Team:** We believe in teamwork and embrace success together.
- **We Are Determined:** We take firm steps towards achieving our goals.
- **We Are Innovative:** We pioneer innovation.
- **We Learn from Experience:** We build the future by drawing lessons of the past.
- **We Are Solution-oriented:** We turn challenges into opportunities.
- **We Are Highly Skilled in Communication:** We are always clear in written and verbal communication.
- **We Are Part of the Whole:** We aim to create a strong future for all.

### Product Variety and Categories

Eurotec offers a wide range of products to meet the high-performance raw material requirements in different industries. Our specialty product categories are:

- **High-Strength:** Glass and carbon fiber reinforced products that are strong enough to replace metal.
- **High-Resistance:** Products with long-term thermal, chemical and UV resistance.

**Impact-Resistant:** Materials that provide high flexibility and impact resistance.

**Electrically Conductive:** EMI/RF wave shields and products with antistatic properties.

**Thermally Conductive:** Products that provide thermal conductivity while maintaining electrical insulation.

**Abrasion-proof:** Materials that provide superior protection against friction, abrasion and scratching.

**Flame-proof:** Products with high thermal resistance and superior self-extinguishing performance.

### Industrial Distribution

- Automotive & Electric Vehicles (40%)
- Daily Living Products (35%)
- Industrial Life (25%)

### Regional Sales Breakdown

Eurotec's sales performance in 2023 verifies the company's solid presence in the global market:

- **Turkey:** Turkey accounted for 42% of total sales, reinforcing the company's dominant position in the local market.
- **Europe:** 37% of sales came from Europe, maintaining the company's strategic market share in this region.
- **Asia:** 18% of total sales were from the Asian market, demonstrating that the company has a good position in Asia in line with its growth objectives.
- **Americas:** While there is still limited data on the

American market, this region offers potential for future growth opportunities.

- **Australia:** 1% of sales came from Australia, indicating a small but stable share of the market.
- **Africa:** Eurotec's 3% sales growth suggests that the company is exploring expansion opportunities in Africa.

### Product Type Distribution

- **Polyamides (PA6, PA6.6, PPA & Others):** They account for 74% of our product range and represent our core product line.
- **Polyolefins (PP, PE):** They cover 10% of the entire product breakdown.
- **Polyesters (PBT, PET):** They are 10%, indicating our active production of polyester-based products.
- **Others (PC, PPO, POM, etc.):** This accounts for 6% of our products, and we also play an active role in other engineering plastics.

At Eurotec, we place significant emphasis on supply chain management and sustainable business processes. In cooperation with local and international suppliers, the company uses sustainable materials and thus greatly contributes to the achievement of circular economy goals. Thanks to its operations aligned with ISO 20400 Sustainable Supply Chain Management System, Eurotec oversees and enhances the environmental and social performance of its supply chain.



## Eurotec at a Glance

### 2023 Sustainability Initiatives and Achievements:

#### Reduction in the Environmental Impact of Products:

In 2022, we took Product Life Cycle Analysis (LCA) initiatives, which were expanded in 2023 and which allowed us to take significant steps to minimize our environmental footprint. In this context, LCA initiatives were completed for 44 products, streamlining R&D processes to minimize environmental impacts.

**Bio-based and Recycled Products:** 63 new bio-based and recycled products were developed for the Automotive and White Goods industries, offering our customers more sustainable options.

**Energy Efficiency:** The company's efforts related to energy consumption resulted in a 9% improvement in energy consumption per kilogram

compared to 2022. This achievement is a clear indication of the importance attached to energy efficiency projects.

**GRS Certification Process:** Eurotec initiated the Global Recycled Standard (GRS) certification process and aims to complete it by 2024. This step reinforces our commitment to sustainable production.

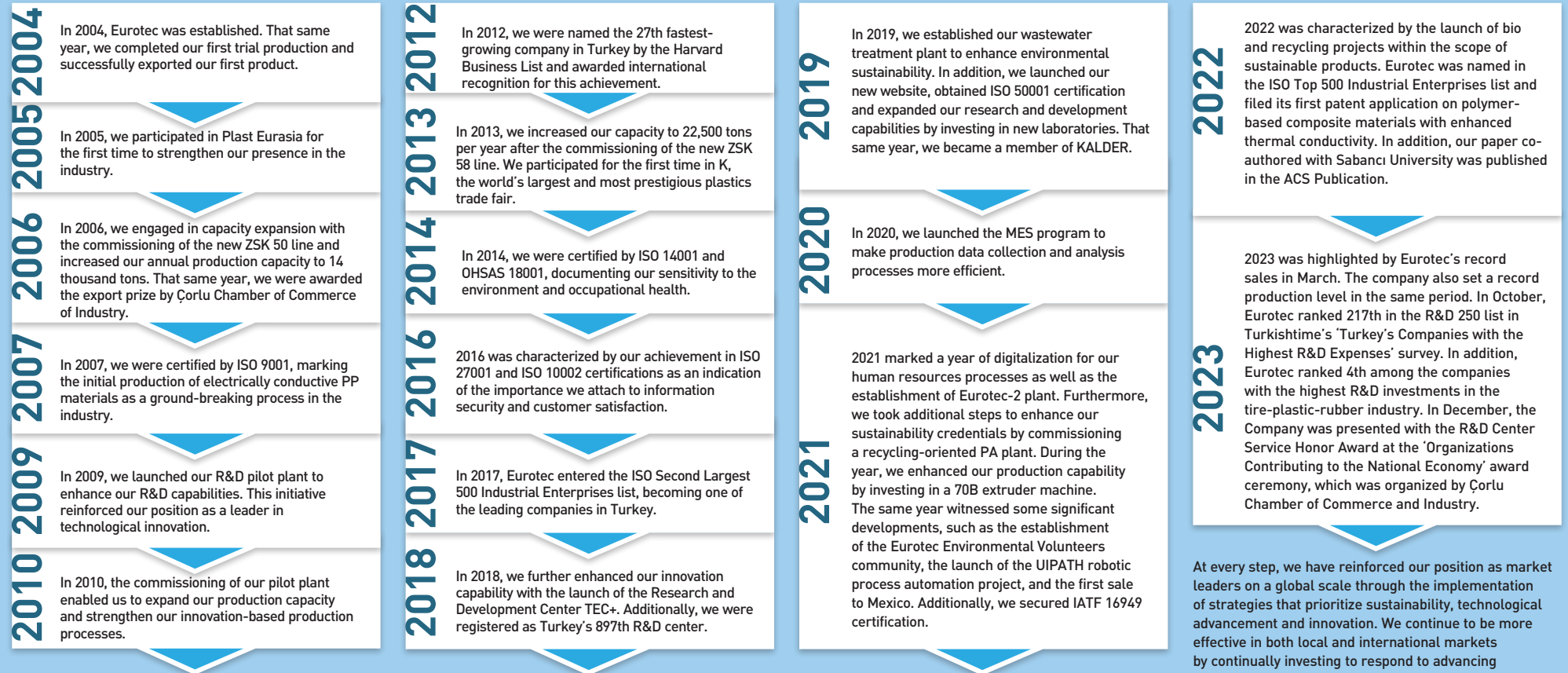
**Fair Participation and Recycling Focus:** In 2023, we participated in two recycling-oriented fairs, where we showcased our industry-leading position in sustainability.

**Ecovadis Achievement:** Eurotec won the Bronze Medal in the Ecovadis program, in which it participated for the first time in 2023, making its sustainability performance recognized in the international arena.



## Development Process (History)

Since its foundation, the company has taken numerous significant steps in line with its commitment to innovation and sustainability. Here are the most significant milestones in this process:



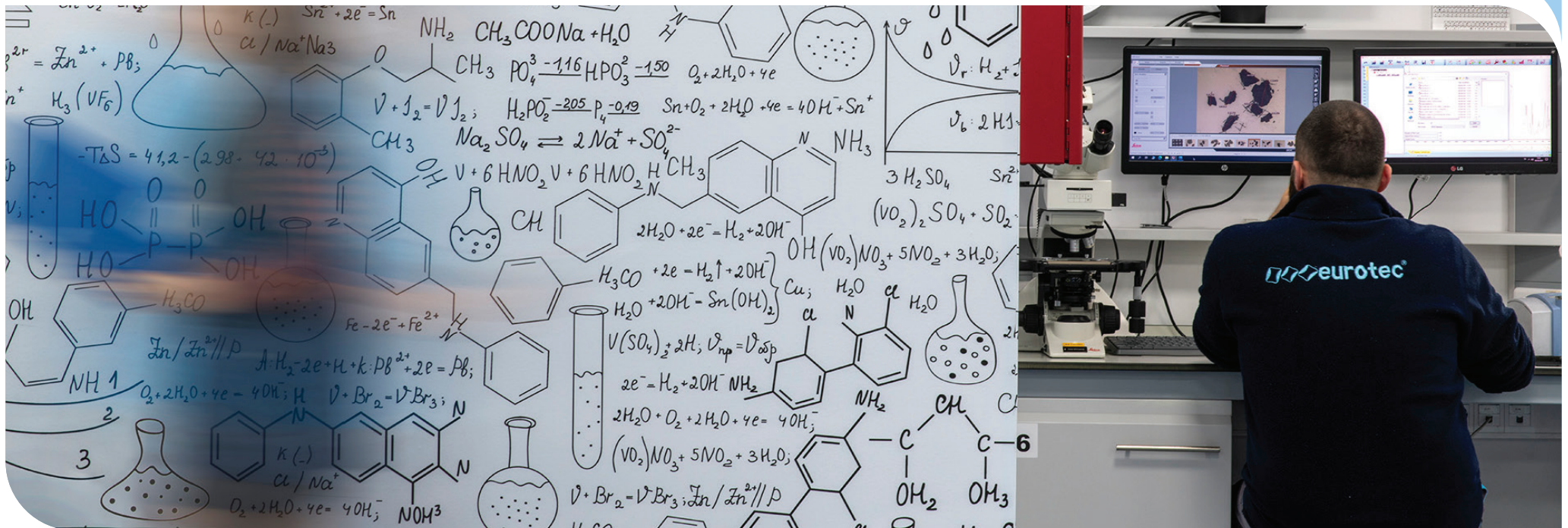
At every step, we have reinforced our position as market leaders on a global scale through the implementation of strategies that prioritize sustainability, technological advancement and innovation. We continue to be more effective in both local and international markets by continually investing to respond to advancing technologies and increasing customer demands.

## High Technology: Engineering Plastics

Eurotec is a market-leading provider of engineering plastics and high-tech solutions. The company's product development process is aligned with the latest technological advancements in the industry, and its manufacturing approach is geared towards innovation. The product range is ideally suited to applications requiring high performance and serves several industries, including automotive, electrical/electronics and white goods.

Eurotec's technology and engineering capabilities enhance its ability to provide innovative solutions that offer customers added value. Eurotec develops comprehensive strategies aimed at creating a sustainable value chain. Supply chain management is conducted in accordance with processes designed to minimize environmental and social impacts. In alignment with the ISO 20400 Sustainable Supply Chain Management System, Eurotec utilizes

sustainable materials and encourages its suppliers to do the same. The company prefers recycled materials and develops innovative material solutions to support sustainable production processes. At Eurotec, we are committed to operating in accordance with the principles of the circular economy. Our objective is to enhance resource efficiency and minimize our carbon footprint throughout the entire product life cycle.





## Products and Solutions by Industries

“Eurotec provides high-performance solutions for the industry, offering a range of engineering plastics.”

Eurotec, mühendislik plastikleri alanında farklı sektörlerin özel ihtiyaçlarına yönelik yüksek performanslı çözümler sunmaktadır. Her sektördeki müşteri taleplerine en uygun ürünleri geliştirme vizyonuyla, sürdürülebilirlik ve inovasyon odaklı çalışmalarımızı sürdürmekteyiz.

### Automotive and Electric Vehicles

Our products are formulated with the automotive industry, especially electric vehicles (EVs), in mind. They offer several important features, including light weight, high durability and energy efficiency. Our engineering plastics used in body and exterior parts, electrical components, interior accessories and battery systems are intended to meet high performance requirements. We enhance our market standing by developing materials with essential characteristics, including high heat resistance and electrical insulation.

### White Goods

Our products for the white goods industry meet the requirements related to longevity, chemical resistance and aesthetics. Our products are manufactured using high-quality, durable materials

that are designed to withstand high levels of impact. We also ensure that our products are made with recyclable components, in line with our commitment to sustainability. Our solutions in this field are developed with a dual goal of minimizing environmental impact and increasing productivity.

### Electrical-Electronics

Our engineering plastics are used in the electrical and electronics industry, offering a range of properties including high temperature resistance, electrical conductivity and EMI/RF protection. Our products are effectively used in high voltage connectors, sensor systems and other critical components. Our solutions in this field comply with the highest safety standards.

### Industrial and Medical Sectors

Our product range, which is used in a variety of industrial and medical applications, comprises materials that are resistant to abrasion and possess biological compatibility properties. Our engineering plastics are ideally suited to medical devices and production machines thanks to their hygiene and durability, which ensures full compliance with health and industrial standards.



## Eurotec's Innovative Products and Technologies for a Sustainable Future

*“Eurotec develops sustainable, high-performance solutions for engineering plastics, offering innovative products tailored to the specific requirements of a range of industries, including automotive, aerospace, electric vehicles and medical.”*

### Development of PA Reinforced Engineering Plastics for 3D Printers

Developed specifically for 3D printers, PA reinforced engineering plastics deliver high mechanical and thermal strength. This technology provides design flexibility, reducing costs and time in product development processes. PA materials offer significant advantages for industries, such as automotive, defense and aerospace, in their reinforced forms exhibiting two to three times higher strength.

### Development of Renewable Natural Filler Reinforced Composites

Natural filler reinforced composites were developed using traditional polymers such as Polypropylene (PP) and Polyethylene (PE) as well as biodegradable polymers such as PLA and PBS. These products are used in automotive interior parts with the goal of reducing fuel consumption and greenhouse gas emissions.

### Development of Engineering Plastics for High-Voltage Connectors

Orange PA and PBT engineering plastics were developed for high-voltage connectors in electric and autonomous vehicles. These materials comply with OEM standards and improve safety in high-voltage applications.

### Development of High-Performance Engineering Plastics for EV Vehicles

Glass fiber reinforced, mineral-filled and non-flammable PP-based materials were developed for electric vehicles. These materials follow OEM standards and provide enhanced safety in high-voltage applications.

### Development of Thermoplastic Plastics for Radar Systems in Autonomous Vehicles

PA6-based materials with 20% glass fiber reinforcement were developed to absorb radar waves for autonomous vehicles. These materials improve communication between the vehicle and the surrounding environment, increasing the effectiveness of radar systems.

eurotec® standard products and tailor-made solutions

# FOR EVERY ASPECT OF LIFE



## SUSTAINABILITY REPORT 2023

### Development of Boron Nitride Reinforced Composites for Aerospace Industry

High temperature resistant boron nitride reinforced composites were developed for the aerospace industry. These materials are utilized in electronic systems to facilitate effective heat dissipation.

### Material Development for Secondary Process Laser Welding

PBT and PA glass fiber reinforced materials suitable for laser welding technology were developed for the automotive industry. These materials are now integrated into the company's product range.

### Development of Engineering Plastics with High Electrical Properties for Electric Vehicles

PA and PBT engineering plastics were developed to extend battery life in electric vehicles. These materials provide electrical, mechanical and thermal performance.

### Improvement of Filtration Properties of Face Masks by Meltblown Method

Polypropylene-based masterbatches that enhance the filtration capacity of masks produced by meltblown method were developed to meet the growing need for masks after COVID-19.

### Development of Antibacterial Masterbatches for Medical Applications

Masterbatches with antibacterial properties provide

over 99% protection for polymeric materials used in public areas.

### Development of Masterbatches to Improve UV-C Resistance Performance in Engineering Plastics

In response to the growing demand for disinfection measures during the pandemic, UV-C resistant masterbatches were developed and are now used in various industries.

### Development of Engineering Plastics with High Thermal Conductivity for Automotive Applications

Plastics with high thermal conductivity were developed to provide effective thermal management for the vehicle electronic equipment that are getting smaller in size. These materials offer high performance while reducing the risk of fire.

### Development of Green Composite Products Reinforced with Natural Fillers

100% biodegradable composites were formulated using PP, PE, PLA and PBS polymers reinforced with natural fillers. These products enable environmentally friendly production.

### Development of Plastics with High Thermal and Electrical Conductivity for Hydrogen Vehicles

Plastics with high thermal and electrical conductivity were developed for use in fuel cells for hydrogen vehicles. These materials reduce overheating as well as the risk of fire.

<b>Tecomid®</b> PA6, PA6.6, PA6.6/6, PA6.10 ve alaşımları	<b>Tecomid®</b> HT PPA	<b>Tecodur®</b> PBT and PBT alloys	<b>Tecopet®</b> PET and PET alloys
<b>Tecotek®</b> PC, PPO, PESU, PPSU, ABS and alloys	<b>Tecolen®</b> PP ve PE products	<b>Tecoform®</b> POM	<b>Tecopeek®</b> PEEK
<b>Tecomid<sup>bio</sup></b> PA	<b>Tecolen<sup>bio</sup></b> Bio-based fibers Bio waste fillings	<b>Tecoflex®</b> TPU	<b>Tecotron®</b> PPS
<b>Tecobio</b> PLA, TPS, PBS, PBAT Bio-based fibers Bio waste fillings	<b>Tecodur<sup>eco</sup></b> PBT and PBT/PET alloys	<b>Tecomid<sup>eco</sup></b> PA6, PA6.6 and alloys	<b>Tecotek<sup>eco</sup></b> PK
<b>Mastertec®</b> EXT Technic Masterbatch	<b>Tecolen<sup>eco</sup></b> PP	<b>Tecopet<sup>eco</sup></b> PET	<b>Tecotek<sup>eco</sup></b> PC

## SUSTAINABILITY REPORT 2023

# Eurotec in Numbers

**Leadership in the Turkish Market:** Eurotec leads the Turkish engineering plastics industry and operates as a market pioneer.

**Europe's Largest PA Producer:** Eurotec is a major player in the European polyamide (PA) market, ranking as the seventh largest producer.

**Wide Product Range:** Our company provides a wide range of products to its customers by offering more than 20 types of polymers.

**Global Export Capacity:** Eurotec continues to be a strong player in the international market, exporting to more than 40 countries. We continue to build strong ties with our business partners around the world, offering high-quality products to customers in many regions, especially in Europe, Asia and Turkey.

**Workforce:** Eurotec employs 200 people, contributing to the company's growth targets.

**High Production Capacity:** We have a great production capacity that caters for the needs of different industries by producing more than 700 types of products per year.

TURKEY  
ENGINEERING  
PLASTIC SECTOR

# LEADER

EUROPE'S  
LARGEST  
POLYAMIDE  
TH (PA) PRODUCER

# 7

MORE THAN

# 20

TYPES OF  
POLYMERS

# 200

EMPLOYEES

EXPORTING TO  
MORE THAN

# 40

COUNTRIES

PRODUCING MORE THAN

# 700

TYPES OF  
PRODUCTS  
PER YEAR

# Eurotec and Sustainability

*“The strong and transparent governance structure allows Eurotec to make strategic decisions that promote sustainable growth and environmental responsibility.”*

## Eurotec Management

### Management Structure and Organization

#### Governance Structure

Eurotec is governed within a strong and transparent governance structure. The governance structure is driven by the strategic objectives set by the General Board, the Board of Directors and the Executive Committee. The Board of Directors sets short- and long-term goals, manages risks and creates strategic plans regarding issues, such as sustainability, protection of stakeholder rights and profitability. The Board is committed to the principles of transparency, equality and accountability.

The General Board is the highest decision-making body in the company and convenes once a year to evaluate strategic decisions. Extraordinary meetings may be held when necessary. The Board of Directors is elected by the General Board and ensures the implementation of strategic decisions.

The Executive Committee integrates the decisions taken by the Board of Directors into operational

processes and regularly reports on these operations. The Sustainability Committee works in collaboration with the Board of Directors to analyze risks and implement sustainability strategies.

Board members are selected based on their professional experience, industry knowledge and leadership skills. Members' competencies are regularly reviewed and supported through development programs. The Chairman of the Board of Directors leads the strategic decision-making process, ensuring the achievement of sustainability goals.

#### Organizational Structure

Eurotec's organizational structure is designed to support sustainability and efficiency goals. The Executive Committee and the Board of Directors make strategic decisions, while the Finance Department is responsible for budget planning and the management of financial processes.

The Human Resources Department oversees employee development and occupational health processes. R&D, Production and Quality Control Departments produce innovative solutions and manage quality control processes.

#### Supply Chain Strategy

The Purchasing Department manages the supply chain, working only with quality-approved suppliers and favoring sustainable sources. The Logistics Department collaborates with reliable logistics partners to ensure that products are delivered on time and undamaged. Renewable energy sources and efficient machinery are used to provide energy efficiency. These processes help Eurotec to reduce its environmental impact and lower its carbon footprint.

#### Continuous Improvement Department

The Continuous Improvement Department makes the supply chain more efficient by making improvements to the processes. It

develops quick solutions to customer feedback and takes steps to avoid problems by analyzing the root causes. It pays special attention to energy efficiency, waste management and occupational safety.

#### Sales and Marketing Departments

Sales and Marketing Departments manage customer relations and develop strategic partnerships in national and international markets. Global changes in the market are monitored instantly and flexible inventory management is applied to respond quickly to customer demands.

All departments work together and help Eurotec achieve its goals of sustainable growth, environmental responsibility and efficient operation. Eurotec continuously improves its business processes based on sustainability principles at every stage.

## Code of Conduct (CoC)

*“Eurotec ensures sustainable business processes as part of high ethical standards, transparency and legal compliance by preventing conflicts of interest.”*

Eurotec adopts a comprehensive and transparent code of conduct policy to avoid conflicts of interest in business processes. All employees are responsible for avoiding any situations where their personal interests and professional responsibilities might be in conflict. To this end, employees should refrain from getting involved in business relationships in which they may gain personal benefit and should immediately notify their managers if they encounter such a situation.

There are processes in place to prevent conflicts of interest, which ensure that business relationships are managed transparently and that employees act in accordance with professional ethics. Eurotec makes sure that all parties in its supply chain and business partners are treated fairly and equally. This helps protect the company's interests in the long term rather than personal interests. The Company expects suppliers to comply with similar ethical standards and reviews business relationships in case of violations of such standards.

Eurotec provides employees and business partners with the means to safely raise ethical and legal concerns. Ethical violation reporting mechanisms and suggestion systems allow internal and external stakeholders to raise issues or suggestions for improvement in a confidential manner.

These mechanisms provide a platform where employees can raise concerns without hesitation and take an active role in combating unethical behavior. Each reported issue is investigated in detail, followed by the necessary measures taken. In addition, employees are encouraged to speak up about ethical violations they encounter and their confidentiality is respected in this process. The Disciplinary Board is responsible for supervising ethical violations and imposing sanctions when necessary, which contributes to maintaining high ethical standards in business processes.

Eurotec is committed to full compliance with national and international legal regulations. All operations within the company are carried out in accordance with the legislation of the countries in which the

company exists, maintaining legal compliance through regular audits and monitoring processes.

For legal compliance, various departments of the company, especially Human Resources, Financial Affairs and the corporate lawyer cooperate with each other to ensure that the company's activities comply with the legal framework. Eurotec strengthened its processes by being certified, such as by ISO 27001 Information Security Management System and ISO 45001 Occupational Health and Safety Management System, to ensure compliance with legislation in critical areas, including environmental protection, occupational health and safety, and information security.

Additionally, Eurotec is also a signatory of the United Nations Global Compact and is committed to fulfilling its responsibilities in accordance with fundamental principles such as human rights, environmental protection and anti-corruption. By integrating these principles into its business processes, Eurotec not only meets legal requirements but also contributes to social responsibility and sustainability goals.

### Quality System

At Eurotec, quality is adopted as a way of life. All activities are carried out in line with the targets set by quality systems. It is essential to fulfill quality requirements not only for products but also for all business processes in a sustainable manner. This approach also includes continuous improvement initiatives intended to enhance customer satisfaction.

### Management Systems and Certifications

Eurotec implements various management systems in line with its sustainability goals. These systems include environmental, occupational health and safety, energy, quality, customer complaints and information security management. The major certifications the company holds are:

- ISO 14001:2015 Environmental Management System
- ISO 45001:2018 Occupational Health and Safety Management System
- ISO 50001:2018 Energy Management System
- ISO 9001:2015 Quality Management System
- ISO 10002:2018 Complaint Management System
- ISO 27001:2013 Information Security Management System
- IATF 16949:2016 Automotive Quality Management System

## Impact, Risk and Opportunity Management

*“Eurotec handles environmental and social impacts by turning risks into opportunities and builds a sustainable future today by making strategic moves.”*

The Board of Directors at Eurotec plays a strategic and guiding role in managing the environmental, social and economic impacts caused by the company’s operations. The Board of Directors aims to minimize the impact of the company’s operations on both internal and external stakeholders, making decisions that promote sustainable growth. This responsibility is addressed through an approach that considers not only the company’s financial performance but also its environmental and social responsibilities.

At Eurotec, our objectives are to meet the expectations of our internal and external stakeholders and to continuously improve the environmental, social and economic performance of our company in all our activities regarding sustainability. Every year, we undertake a regular risk and opportunity review, identify our material issues with our Sustainability Board of Directors and take strategic actions.

We utilize a 5x5 matrix analysis to effectively manage risks and opportunities and monitor these processes through the QDMS Risk Module. In 2023, we continued to work on 609 risks and 255 opportunities identified and refined our operational processes in line with these assessments. This strategic approach is key to minimizing environmental impacts, increasing operational efficiency and achieving our sustainability goals.

The Board of Directors is responsible for the effective implementation and monitoring of sustainability policies at the Strategic Planning Meetings, which are held regularly every year. This process allows the Sustainability Committee to submit reports on the impacts arising from the company’s activities and the management of these impacts. These reports cover the achievement of environmental sustainability goals, the impact of social responsibility projects and the success of

economic sustainability strategies. Relying on such reports, the Board of Directors takes strategic decisions to mitigate environmental risks, enhance energy efficiency and make greater contributions to the community. Additionally, the Board takes proactive steps to improve existing policies by conducting performance evaluations aimed at monitoring the long-term impact of the company.

The Board of Directors’ primary objectives in this process include reducing the company’s carbon footprint, making water management efficient and maximizing occupational health and safety standards. These processes promote not only the fulfillment of legal obligations, but also the company’s commitment to a sustainable future.

Eurotec adopts a solid understanding of responsibility in managing the environmental and social impacts of its operations. The

Board of Directors clearly demonstrates its commitment to continuous monitoring and minimization of such impacts. From this perspective, Eurotec’s senior management is responsible for taking strategic decisions in alignment with the goal of mitigating the environmental and social impacts of its operations.

Eurotec’s management pursues continuous improvements in areas, such as energy efficiency, waste management, protection of water resources and reduction of carbon footprint. The company develops and implements proactive strategies in these areas to reach the sustainability goals set each year. For example, there are regular efforts to use less energy in production, promote the use of raw materials that are less harmful to the environment and use water more efficiently.

## SUSTAINABILITY REPORT 2023

The Board of Directors works closely with the Sustainability Committee to ensure that sustainability goals are achieved. The Committee monitors sustainability performance, prepares reports and identifies areas for improvement. After the assessments in this process, the Board of Director is presented with strategic recommendations on issues, such as carbon footprint, waste reduction, energy consumption and management of environmental impacts. In line with these recommendations, the Board of Directors takes decisions to mitigate environmental risks and enhance sustainability performance.

In a further effort to mitigate the social impacts of Eurotec's operations, a series of policies are implemented in accordance with human rights, occupational health and safety, labor standards and social responsibilities. Eurotec meticulously monitors the environmental impacts of its operations, as well as the impacts on its employees, society and stakeholders. The company demonstrates a commitment to responsibility, striving to improve these impacts.

Eurotec has a systematic process for escalating critical issues to the highest governance body. There is a robust flow of communication between

the Board of Directors and the Sustainability Committee, where critical risks, opportunities and impacts arising from operations are raised at regular meetings. A range of assessments are conducted prior to strategic planning meetings, including SWOT analyses, to identify critical issues and communicate these to the Board of Directors. Relevant departments assess potential risks and opportunities and make recommendations to the Board of Directors, guiding them to take necessary measures quickly.

*We developed  
7 major  
strategies and  
22 sub-strategies.*

Eurotec developed comprehensive processes to mitigate the negative impacts and minimize the risks arising from its operations. As part of the Company's Impact, Risk and Opportunity Management, proactive measures are in place to reduce environmental and social impacts. These

measures include specific initiatives, such as increasing energy efficiency, reducing waste and minimizing water consumption.

Hazardous waste is stored in temporary storage areas in accordance with certain regulations, and precautions are taken against all potential risks that may threaten the environment and human health. Management processes are meticulously monitored by the HSE engineer and waste management processes are supervised at every stage in coordination with licensed companies through the MoTAT (Mobile Waste Tracking) system.

### Initiatives Based on Priority Risks and Opportunities:

- As part of combatting climate change, the company implemented various projects to use resources efficiently and reduce waste. By sourcing raw materials from alternative suppliers, long-term collaborations are established with companies that have lower levels of emissions.
- With the growing interest in sustainable products, recyclable and low-carbon footprint products are being developed, with a focus on cooperation with business partners aligned accordingly.

- In line with the goal of increased production efficiency, productivity was increased by 0.1% and production downtime was reduced by 5% compared to the previous year. With predictive maintenance works, machine breakdowns were reduced by 12% and downtime by 23%, which resulted in the avoidance of unexpected downtime.

For energy management, extensive initiatives were taken regarding energy in collaboration with specialized companies since a large portion of the carbon footprint was caused by electricity consumption. In addition, the rainwater collection system installed at the Eurotec-2 plant allowed for the use of 600 cubic meters of rainwater instead of process water, enabling water resources to be managed more efficiently.

Periodic fire safety inspections were initiated against fire and disaster risks in 2023, strengthening the processes aimed at preparedness for natural disasters through a series of training programs organized under the leadership of SAR Search and Rescue.



## Eurotec's Value Chain

*“Döngüsel ekonomi ve sürdürülebilir tedarik zinciri yönetimiyle, çevresel ve sosyal etkiler en aza indirilerek uzun vadeli değer yaratılıyor.”*

Eurotec is committed to building a sustainable value chain. Supply chain management is structured to minimize environmental and social impacts. The company utilizes sustainable materials in cooperation with local and international suppliers and works in accordance with the ISO 20400 Sustainable Supply Chain Management System.

Operations are carried out in line with circular economy principles at every level of Eurotec's value chain. The use of recycled materials is encouraged, with a view to increasing resource efficiency at every stage of the product's life cycle. Suppliers are regularly inspected for their sustainability performance, and collaborations are established in consideration of their compliance with sustainability criteria.

Eurotec's management of its supply chain, business partnerships and stakeholder relationships is underpinned by a commitment to

sustainability principles. The company considers environmental, social and economic impacts throughout the supply chain and takes necessary steps to minimize such impacts. In this regard, Eurotec developed strategies that support sustainable business practices and contribute to the objectives of a circular economy.

To ensure sustainable supply chain management, Eurotec strictly inspects its suppliers and monitors their compliance with sustainability requirements using self-assessment forms on their environmental performance. Additionally, Eurotec takes steps to reduce its carbon footprint by optimizing logistics processes through Green Logistics practices. All elements in its supply chain act in accordance with the principles of environmental and social responsibility, and long-term partnerships are established with the collaborated companies, with a focus on sustainability.

## Stakeholder Relations Management

*“Sustainable stakeholder relationships based on trust.”*

Eurotec manages its stakeholder relationships in line with the principles of transparency, trust and sustainable cooperation. The company's stakeholders include employees, customers, suppliers, shareholders, public organizations and communities. Relationships with stakeholders are conducted within a framework based on code of conduct and mutual respect.

Eurotec established regular communication channels to understand and meet the expectations of its stakeholders. The company developed a sustainable dialogue with its employees, customers, suppliers, shareholders, public institutions and communities. The management of these relationships involves the effective implementation of processes, such as customer satisfaction, employee engagement and supplier assessment.

Eurotec's stakeholder management relies on various mechanisms through which feedback is collected and integrated into business processes. Stakeholders' expectations and needs are considered through tools such as customer satisfaction surveys, supplier assessments and employee surveys. In addition, the Company collaborates with stakeholders on social responsibility projects and environmental impact management in line with sustainability goals.

In addition, Eurotec is committed to contributing to society through social responsibility projects and sustainability initiatives. Environmental and social responsibilities are not limited to in-house activities, but are also actively shared with business partners and stakeholders.

## Customer and Distributor Satisfaction

*Customer- and solution-oriented service mindset*

At Eurotec, one of the cornerstones of our sustainable business structure is our solid relationships with our customers and distributors. We aim to go beyond meeting our customers' expectations and provide solutions that create added value for them. In this context, our continuous improvement approach driven by customer feedback plays a key role in our customer relationships. We undertake regular customer and distributor satisfaction surveys every year.

Based on the 2023 customer and distributor satisfaction survey results, 90.9% of customers stated

that they were satisfied working with Eurotec. Furthermore, the collaboration with distributors yielded a 100% satisfaction rate. The overall satisfaction rate for working with Eurotec stood at 97.4%.

Eurotec products are purchased again by customers and distributors at very high rates. The 97% repurchase trend recorded in 2022 will reach 100% in 2023 across all stakeholders, demonstrating that product quality and customer satisfaction are maintained in a sustainable manner.



*“Reliability... the first thing that springs to mind when speaking of Eurotec”*

**Eurotec Perception:** Trust and Solution Orientation

The 2023 customer and distributor satisfaction survey results indicate that stakeholders identify the Eurotec brand with core values such as reliability, solution orientation and customer focus. Eurotec is considered more reliable, with a rise from 67.6% in 2022 to 76.3% in 2023. This rate is particularly high among distributors, at 85.2%. This is an indication of a growing level of trust among business partners. Moreover, the perceptions of Eurotec as “competitive” and “experienced” were further solidified in both years, thus reinforcing the strong position of our brand in the industry.

In 2024, we will continue to conduct customer and distributor satisfaction surveys.

The number of customer complaints we received in 2022 and 2023 clearly shows how we performed in this area. The number of customer complaints stemming from Eurotec increased from 13 in 2022 to 17 in 2023. These complaints were resolved completely. This improvement demonstrates our ability to provide fast and

effective solutions to customer complaints, contributing to increased customer satisfaction.

The strong and transparent way of communication that we built with our customers is a concrete indicator of the steps we take to make them more satisfied.

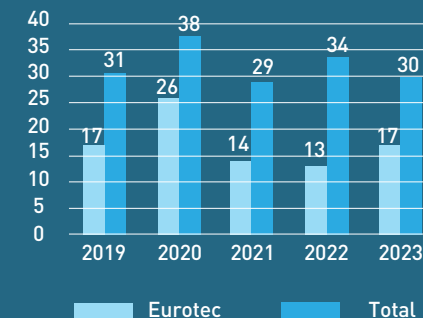
According to the results of the 2023 customer and distributor satisfaction survey, they are:

- 100% satisfied with initial feedback time after complaint submission,
- 100% satisfied with communication quality of the person contacted regarding the complaint,
- 100% satisfied with complaint resolution time, and
- 100% satisfied with complaint resolution in general aspects.

The data in the chart illustrates in detail how Eurotec improved its customer complaint management performance over the years. While there is a noticeable fluctuation between Eurotec complaints and total customer complaints from 2019 to 2023, the overall trend shows that processes are continuously improved, resulting in increased customer satisfaction.

**By Units**

	Eurotec-Induced	Total Complaints
2019	17	31
2020	26	38
2021	14	29
2022	13	34
2023	17	30



**What do our customers and distributors think of us?**

*Regarding sales team and services*

“They replied quickly and very professionally”  
**Distributor**

“A very good collaboration”  
**Distributor**

“In general, Eurotec delivers fast and good services. They are best in their class!”  
**Distributor**

*Regarding Quality & R&D team and services*

“Good services – fast services. The right and needed services”  
**Distributor**

*Regarding all services received in general...*

“We are happy to have you!”  
**Customer**

“Thank you for your support and wonderful job”  
**Distributor**

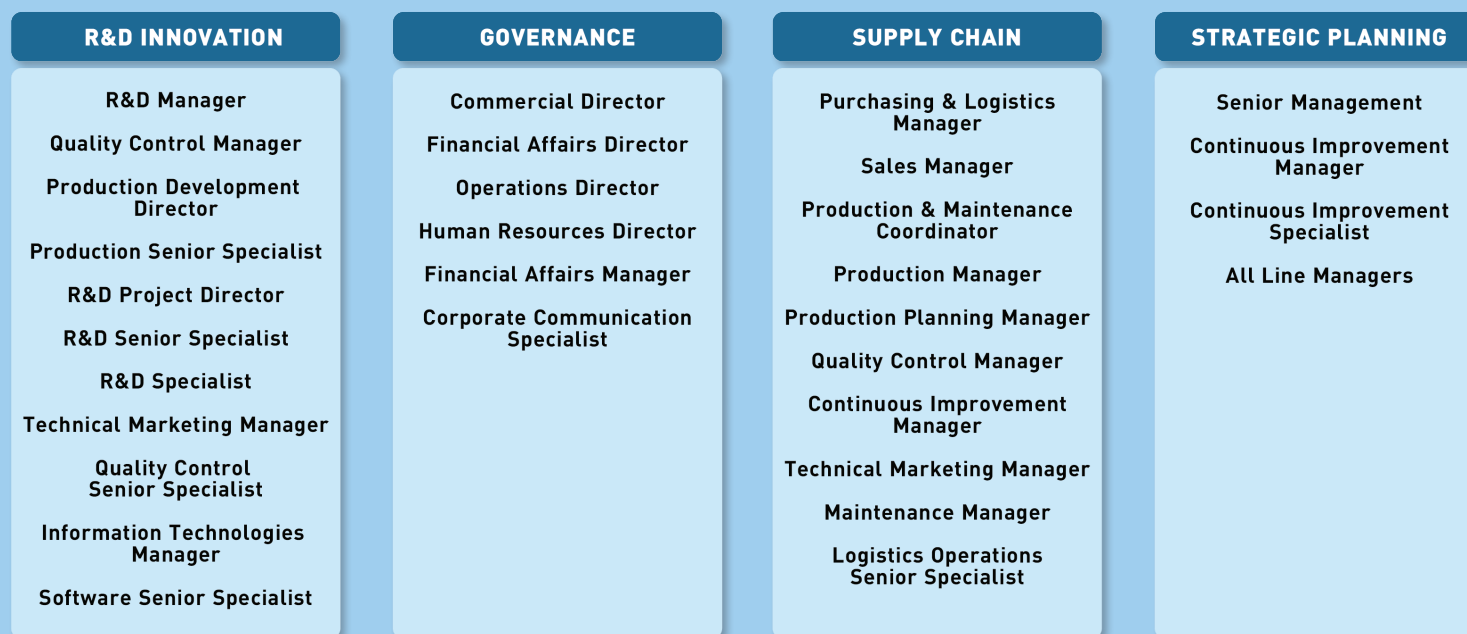
“I was extremely satisfied with information, communication, quality and service”  
**Distributor**

# Sustainability Management

*The achievement of goals is through strategic management.*

Eurotec established a Sustainability Team of experts to achieve its goals for sustainability. This team is responsible for setting strategic goals in issues related to environmental, social and economic sustainability and ensuring that processes are carried out effectively. The team focuses on improving environmental performance, reducing energy and water consumption, increasing recycling rates, promoting the use of sustainable materials, and managing social responsibility projects.

Eurotec's sustainability strategies are built around an extensive organizational structure. The Sustainability Committee conducts risk analyses every year in accordance with legal regulations and international standards and submits these analyses to the Board of Directors. This structure enables environmental and social responsibilities to be managed effectively while ensuring that Eurotec achieves its sustainability goals.



## SUSTAINABILITY REPORT 2023

Eurotec established a Sustainability Team to ensure environmental, social and economic sustainability. The team is responsible for setting strategic goals and ensuring effective execution of processes. The major initiatives undertaken by this team include improving environmental performance, reducing energy and water consumption, increasing recycling rates and promoting the use of sustainable materials. The Sustainability Committee formed work teams based on the major sustainability focuses, such as R&D and Innovation, Digital Transformation, Equal Opportunity, Climate and Environment, Occupational Health and Safety.

Eurotec's Board of Directors plays a critical role in implementing and reporting on sustainability strategies. The Board of Directors sets sustainability goals and approves strategies to achieve these goals. The Sustainability Committee monitors performance and identifies areas for improvement by reporting regularly. The Board of Directors takes strategic decisions in line with these reports and continuously monitors and reports the company's environmental, social and governance (ESG) performance.

Eurotec's Sustainability Committee reviews sustainability strategies through regular strategic planning meetings. The impact of decisions taken is evaluated using SWOT analyses, and these

projects are monitored for progress at monthly meetings by creating project cards. Project leaders hold regular meetings with their teams, reporting progress to the Executive Committee. In case of deviations from the timeline or the need for additional resources, project leaders take the necessary actions and inform the Board of Directors.

The Board of Directors at Eurotec are selected from among individuals with experience and competencies that will contribute to sustainability and strategic goals. Industry knowledge, leadership skills and expertise in sustainability are considered when selecting members. These competencies are regularly reviewed and supported by development programs to enable the company to be successful in the long-term.

The performance of the Board of Directors at Eurotec is regularly assessed based on the achievement of strategic goals, sustainability success, and governance effectiveness. Performance is monitored through both internal audits and Sustainability Committee reports. This process supports the development of the Board of Directors, enabling the company to achieve its sustainability goals more effectively.

### DIGITALIZATION

**Information Technologies Manager**

**Continuous Improvement Manager**

**Human Resources Manager**

**Purchasing & Logistics Manager**

**Corporate Communication Specialist**

**Software Senior Specialist  
Sales Specialist**

**Continuous Improvement Specialist**

### OCCUPATIONAL HEALTH & SAFETY

**Continuous Improvement Manager**

**HSE Senior Specialist**

**Production Manager**

**Production & Maintenance Coordinator**

**Maintenance Manager**

**Maintenance Specialist**

### CLIMATE & ENVIRONMENT

**HSE Senior Specialist**

**Continuous Improvement Manager**

**Production Manager**

**Production & Maintenance Coordinator**

**Maintenance Manager**

**Purchasing & Logistics Manager**

### HUMAN RESOURCES

**Human Resources Manager**

**Corporate Communication Specialist**

**HR Senior Specialist**

**HR Assistant Specialist**

## Sustainability Approach

*We prioritize environmental and social responsibility at every step we take.*

Eurotec is committed to fulfilling its environmental, social and economic responsibilities by integrating sustainability into every stage of its business processes. To minimize the environmental impact of its operations, the company undertakes improvement initiatives for energy and water management and promotes recycling and the use of environmentally friendly materials. Furthermore, the Company is committed to fostering sustainable development through the implementation of social responsibility initiatives and endeavors in the domain of occupational health and safety.

Sustainability strategies are managed with a focus on primary areas identified by the Sustainability Committee. In line with these strategies, actions are taken in areas such as continuous improvement of environmental performance, energy efficiency and waste management, while social responsibility projects are implemented to create social benefit.

Eurotec adopted a systematic approach to identify sustainability priorities and ensure that such aspects are managed effectively. The Sustainability Committee and relevant departments regularly conduct risk analyses every year to assess environmental, social and economic risks and opportunities. The material issues identified after these analyses are integrated into management processes, playing a role in strategic decision-making through SWOT analyses.

Priority areas include energy efficiency, water management, reduced carbon footprint, and occupational health and safety. The company works to improve these areas, which will help it achieve its sustainability goals, while regularly reporting on its performance.

## Sustainability Model

Eurotec's ESG-driven sustainability model adopted the principle of green products and developed sustainable business strategies. The primary objectives of the model include ensuring good working conditions, maintaining strong stakeholder relationships and providing innovative solutions.

The sustainability model was designed in line with Eurotec's corporate identity and prepared in a simple, easy-to-understand, harmonic and rhythmic format. This makes the distinction between

ESG areas easily perceivable, presenting environmental, social and governance areas in an equal and related manner. The model used original expressions to avoid repetition, with a focus on taking a bold stance in line with a business approach driven by sharing and caring.



## Sustainability Policies

*We deeply embed sustainability and responsibility into our business processes to drive the future.*

Eurotec is strongly committed to fulfilling its environmental, social and economic responsibilities by integrating sustainability policies into all business processes. At every stage of its operations, the company acts with the goal of protecting the environment, increasing energy efficiency and contributing to society through social responsibility projects. These policies are intended not only to comply with legal requirements but also to contribute to the company's sustainable development goals.

Eurotec's sustainability policies adopt the highest standards for Quality, Environment, Occupational Health and Safety (OHS) and Energy Management. The Company harmonized its management systems with international certifications, such as ISO 14001, ISO 45001 and ISO 50001, meeting globally recognized standards in these areas. In addition, the Company pursues comprehensive and strong policies in strategically important areas such as Information Security, Customer Satisfaction and Sustainable Procurement, and remains committed to achieving its sustainability goals.

Eurotec transparently presents its sustainability policies to all stakeholders and ensures that these commitments are fully implemented in business processes. The company's sustainability policies include strategic commitments in key areas, such as environmental management, occupational health and safety, information security, customer satisfaction and sustainable procurement.

Eurotec's sustainability commitments aim to minimize environmental impacts such as the conservation of natural resources, increased energy and water efficiency, and use of environmentally friendly materials. In addition, specific measures are taken to ensure the well-being of all employees in occupational health and safety issues, where social responsibility projects are carried out to enhance social benefit.



# Strategic Priorities and Alignment

## UN SDG Compliance and Relationship Map

### EUROTEC's UN.SDG Mapping

As a company producing sustainable engineering plastics, EUROTEC set its strategies in line with the United Nations Sustainable Development Goals (UN SDGs). The UN SDGs are promoted by the company's innovative, environmentally friendly solutions and socially responsible business models.

#### SDG 5: Gender Equality

EUROTEC provides equal opportunities to its employees regardless of gender and promotes diversity and inclusion in the workplace. It pursues policies that encourage women's involvement in the workforce.

#### SDG 8: Decent Work and Economic Growth

EUROTEC provides its employees with a safe and healthy work environment. Additionally, it promotes employment opportunities and economic growth in local and global markets. It aims to improve the well-being of its employees with a focus on the provision of decent work opportunities.

#### SDG 9: Industry, Innovation and Infrastructure

EUROTEC contributes to the development of industrial infrastructure by producing high-tech engineering plastics. The company's products include innovative solutions aimed at enhancing



energy efficiency and mitigating environmental impact in industrial applications.

#### SDG 11: Sustainable Cities and Communities

The company contributes to cities' infrastructure projects by producing recyclable and environmentally friendly materials. Its products are intended to increase energy efficiency and reduce the carbon footprint of cities, thus supporting their sustainability.

#### SDG 12: Responsible Consumption and Production

EUROTEC focuses on sustainable production processes. It employs innovative approaches in production processes to ensure resource efficiency and waste minimization. It minimizes its impact on the environment by increasing the use of recycled materials.



EUROTEC is a future organization that facilitates access to economic and social life while enabling the responsible improvement of economic growth and a sustainable way of life by producing innovative and reliable materials for a range of industries and acts with an understanding in harmony with nature and human health.

EUROTEC developed its strategies to ensure environmental and social sustainability in line with the UN Sustainable Development Goals. The company adopted a sustainable business model by creating innovative production processes, responsible consumption policies and decent work environments. Hence, the company's sustainable development strategy is driven by the following key topics:

- Economic growth and innovation: Developing innovative solutions that strengthen industrial



infrastructure enhances productivity and promotes economic growth.

- Environmental protection and resource efficiency: Responsible production processes and recycling-oriented material use contribute to the conservation of natural resources and minimization of environmental impacts.
- Decent work environments: Safe and healthy work environments are created by providing employees with equal opportunities, thus developing a qualified workforce and promoting social equality.

EUROTEC always prioritizes its responsibilities to society and the environment while collaborating with its stakeholders to achieve sustainable development goals.





# Sustainability Prioritization

The Double Materiality approach in Eurotec’s sustainability strategy enables the company to take sustainability steps by considering both financial performance and environmental and social impacts. Two major aspects are notable in this respect:

## 1. Financial Materiality (Inside-Out Impact):

We focus on how the company’s financial performance is impacted by ESG (Environmental, Social and Governance) factors. For example, the impact of environmental regulations on the company’s operational costs or climate change risks have been decisive in our strategic decisions. In this context, we take concrete steps such as reducing our energy consumption and improving resource efficiency.

## 2. Environmental and Social Materiality (Outside-In Impact):

At Eurotec, we work in line with our continuous improvement goals to minimize the impact of our operations on the environment and society. We continuously monitor our environmental impacts, such as carbon footprint and natural resource consumption, throughout the life cycle of our products. In addition, our sustainability goals are steered by the assessment of social impacts on society and our stakeholders.

## Prioritization of ESG Issues

As part of our Double Materiality approach, we conduct comprehensive analyses based on feedback from our internal and external stakeholders to identify the most critical ESG issues for the long-term success of the company. In this process, we integrated environmental sustainability, human rights, occupational safety and ethical business approach into our strategic priorities.

## Financial and Social Impact Data

In line with our double materiality analysis, we evaluate the impact of our environmental and social impacts on our financial performance by adopting a data-based approach. In this context, we assess a range of factors, such as Product Life Cycle Assessment (LCA) results, corporate carbon footprint reporting and our energy efficiency strategies, in terms of both operational sustainability and economic success. This data supports our long-term growth strategies, enabling us to communicate with our stakeholders transparently.

## Stakeholder Engagement and Survey Process

At Eurotec, we conduct regular surveys and analyses to consider feedback from our internal and external stakeholders while setting our sustainability strategies. In 2024, we collected feedback from both our internal and external stakeholders as part of the survey we conducted.



# Sustainability Goals Matrix

Developed based on the Double Materiality approach, Eurotec’s sustainability strategy is driven by feedback from all stakeholders. In this context, strategic priorities were determined in consideration of the expectations of both our internal stakeholders (employees, management, investors) and external stakeholders (customers, society, environment).

The accompanying Sustainability Goals Matrix

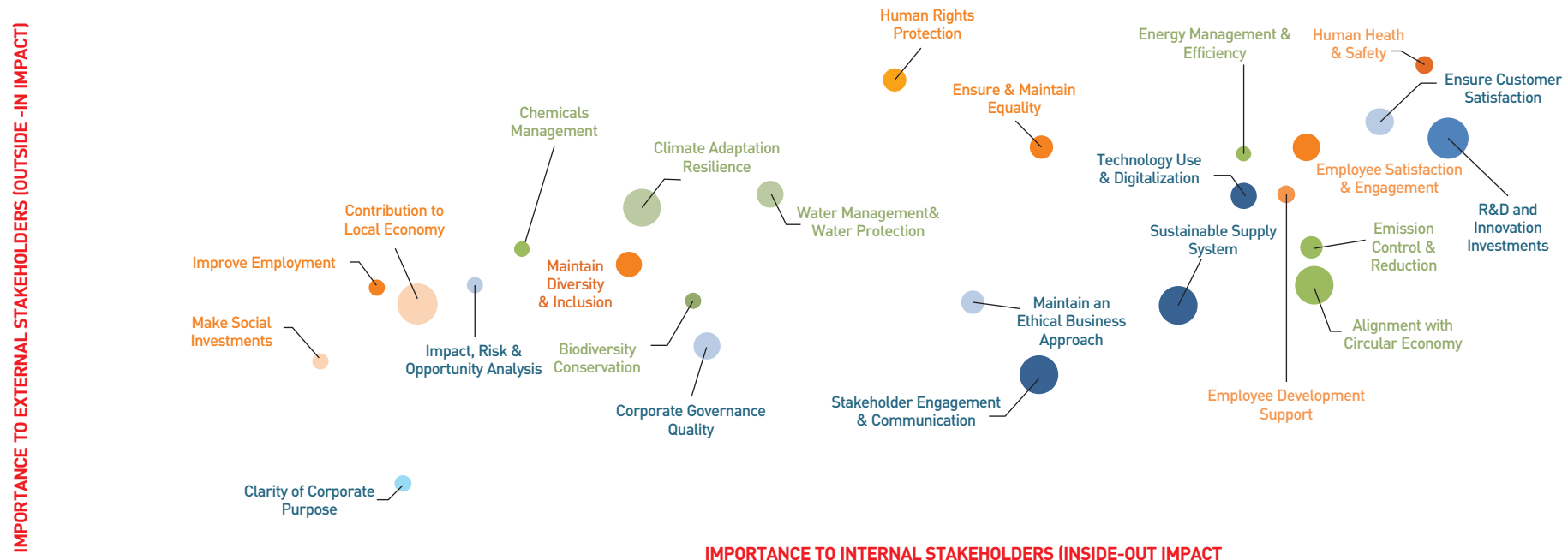
illustrates the impact of Eurotec’s sustainability-oriented business strategies on internal and external stakeholders. This matrix analyzes various ESG issues along two main axes:

- Internal Stakeholder Importance (Inside-Out Impact): Material issues for our company’s employees, managers and investors.
- External Stakeholder Impact (Outside-In Impact): Strategic sustainability issues that

have a direct impact on customers, society and the environment.

From this perspective, our company’s strategic priorities include ensuring equality, climate adaptation and resilience, and alignment with the circular economy, and reducing emissions and contributing to the local economy. These strategic priorities guide us in achieving our long-term sustainability goals.

The topics in this matrix cover the key elements that Eurotec considers when formulating its sustainability-oriented business strategies. While issues, such as human rights protection, reduced emissions, digitalization and technology use, equality and diversity, are important for our internal stakeholders, we take concrete steps in line with our continuous improvement goals by considering environmental and social impacts.



## SUSTAINABILITY REPORT 2023

Eurotec is committed to fulfilling its environmental, social and economic responsibilities by integrating sustainability strategies into its business processes. These commitments are implemented in the following key areas:

### Product Life Cycle Assessment (LCA):

Eurotec conducts Product Life Cycle Assessments to reduce the environmental impact of its products. In 2023, this initiative was completed for 44 products, which steered R&D processes accordingly.

### Carbon Footprint and Emission Reduction:

The Company measures its carbon footprint and invests in energy efficiency projects to reduce its emissions.

### Energy Efficiency:

Production processes were improved to reduce energy consumption, resulting in the achievement of 9% energy savings in 2023.

### Waste Management:

Eurotec made considerable progress in reducing hazardous and non-hazardous waste by using recyclable materials and improving waste management processes. In 2023, the amount of

hazardous waste decreased by 1.09 tons compared to 2022 and by 16.1 tons compared to 2021. Similarly, the amount of non-hazardous waste decreased by 17.5% from 2021 to 2022 and 19.6% from 2022 to 2023.

### Sustainable Supply Chain:

Eurotec uses environmentally friendly materials in its supply chain and contributes to the circular economy through sustainable procurement practices.

**Water Management:** The Company developed innovative water saving solutions for the efficient use of water resources, saving 600 cubic meters of water thanks to rainwater collection systems.

### Employee Development and Occupational Safety:

Regular training programs are provided on employee development and occupational safety. There is continuous improvement in occupational health and safety standards.

**Stakeholder Engagement:** Eurotec values the opinions of its stakeholders and gets feedback through regular surveys. In 2023, a series of surveys were conducted with the participation of 152 stakeholders.

Dimensions	Priority	Environmental	Social	Governance
Alignment	High			Sustainable Supply System Stakeholder Engagement and Communication
	Moderate		Ensure and Maintain Equality Maintain Diversity and Inclusion Employee Satisfaction and Engagement Improve Employment	
	Low	Energy Management and Efficiency	Human Health and Safety	
Transformation	High	Alignment with Circular Economy		R&D and Innovation Investments
	Moderate	Emission Control and Reduction	Human Rights Protection Employee Development Support	Technology Use and Digitalization
	Low	Biodiversity Conservation Chemicals Management		
Continuity	High	Climate Adaptation and Resilience	Contribution to Local Economy	
	Moderate	Water Management and Water Protection		Ensure Customer Satisfaction Maintain an Ethical Business Approach Corporate Governance Quality Impact, Risk and Opportunity Analysis
	Low		Make Social Investments	Clarity of Corporate Purpose

# PUSHING THE BOUNDARIES

“ *We work for a sustainable future by reducing our carbon footprint while respecting people and nature.* ”

Since its establishment, Eurotec has adopted the principle of executing all its operations with respect for people and nature and has developed its business strategies by prioritizing the sustainability of our planet. The rapid depletion of natural resources and severe climate change have made Eurotec’s sustainability efforts even more important. In this regard, we carry out our activities throughout our entire value chain for a sustainable planet, considering social, economic and environmental conditions.

At Eurotec, we conduct Product Life Cycle Assessment (LCA) and develop green products to minimize the footprint our products leave on nature throughout their life cycle. Additionally, we

take concrete steps to reduce carbon emissions by calculating our direct and indirect emissions through corporate carbon footprint reporting. In this context, we aim to achieve our sustainability goals by continuously investing in technology and R&D.

### GOVERNANCE Issues

- Management purpose and objectives
- Ethical business approach
- Qualified managerial staff
- Stakeholder relationship management
- Stakeholder engagement protection
- Remuneration and fair trade
- Impact, risk and opportunity analysis competency
- Sustainable procurement management



LCA



Carbon Footprint Reporting



Green Products



R&D and Technology Investments



UN Convention



Collaborations

## Governance Objectives

Eurotec adopts a management structure based on governance principles to reach its sustainability goals. The company's governance objectives are set in key areas, such as responsible investment, ethical business management, environmental responsibility and occupational health and safety. These objectives foster the company's operational processes as well as stakeholder management, financial performance and sustainable growth.

Eurotec conducts annual risk analyses through the Sustainability Committee and relevant departments to effectively handle material sustainability issues. These analyses allow environmental, social and economic risks and opportunities to be identified and integrated into management processes. Priority issues are monitored through regular reports presented to the Board of Directors, and strategic decisions are taken accordingly. Significant risks and opportunities include issues, such as energy efficiency, waste management, water use and carbon footprint reduction.

Eurotec recognizes climate change as an important source of risk and opportunity. The company developed various strategies to minimize the financial impact of climate change and to take advantage of the opportunities brought by this process. These strategies include increasing energy efficiency, turning to alternative raw material sources and developing sustainable products.

In addition, improvements in areas, such as carbon footprint reduction and water management, make the company more resilient in the fight against climate change.

As part of financial risk management, Eurotec turns to sustainable financing sources such as green loans and optimizes its supply chain to reduce costs. In this context, initiatives are taken to reduce costs through energy efficiency and digital transformation projects.

## Eurotec Good Management Practices

Eurotec reinforces its management approach with innovative projects to achieve its sustainability goals. These projects aim to fulfill our environmental and social responsibilities by ensuring effective management in our business processes. We implement our sustainability strategies with our projects that are built around our company's transparency, data-driven decision-making and collaborative approaches.

### Strategic Planning and Visionary Leadership

Eurotec implements its sustainable growth targets in line with long-term strategies. Within the framework of Sustainable Supply Chain Management, we conduct systematic audits to evaluate the sustainability performance of our suppliers and improve their cooperation.

### Data-driven Decisions and Energy Efficiency Initiatives

Our projects that focus on energy saving and the use of renewable energy are the concrete steps we take towards our goal of reducing carbon emissions. In 2023, we significantly reduced our environmental impact by generating 625,772 kWh of solar energy. Additionally, we assess the environmental performance of our products through Product Life Cycle Assessment (LCA), allowing us to make more informed and sustainable decisions.

## Superior Management Approach

*“ We build transparent and sustainable business relationships through ethical business management and customer satisfaction-oriented processes. ”*

Eurotec set high standards in sustainability and ethical business management by adopting an effective and transparent management approach in its business processes. The company’s management approach aims to make business processes more efficient and meet its environmental and social responsibilities. Eurotec continuously improves its business processes based on the principles of responsible investment, code of conduct and customer satisfaction, adopting an accountable approach towards its stakeholders.

In line with its anti-corruption and anti-bribery policies, Eurotec provides regular training programs to its employees and communicates the code of conduct principles. The company’s anti-corruption strategy is a clear guide for all employees. No employee may solicit or offer bribe or illegally seek personal gain. These policies are intended to secure the company’s

long-term business relationships and support a sustainable business model.

Customer satisfaction is Eurotec’s top priority in all business processes, and customer feedback is meticulously monitored and handled in this respect. Customer dissatisfaction is resolved as soon as possible while protecting customer information in line with confidentiality principles. Accordingly, the Company strengthens its long-term business relationships by continuously improving its customer-oriented processes. Customer expectations are responded to quickly and effectively.

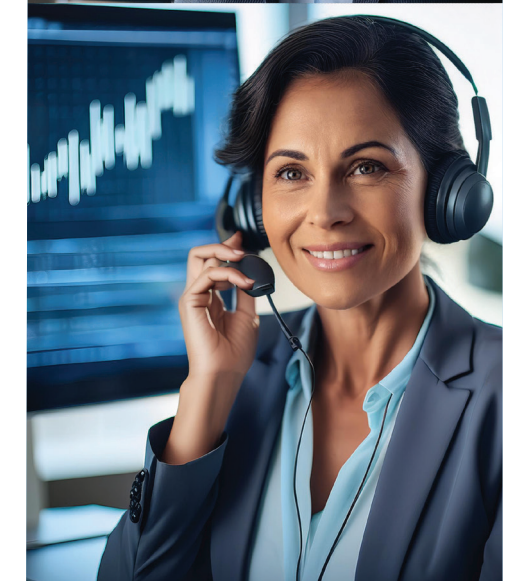
### Management and Business Processes Suggestion System and Continuous Improvement

27% of the suggestions offered in 2023 covered savings (time, materials, etc.), while 23% were in the working conditions category. Other categories include productivity, occupational

health and safety (OHS), quality, environment and corporate identity/image.

Some of these recommendations resulted in significant cost savings by increasing operational efficiency and contributed to the improvement of business processes:

- **Recycling of the pallets for purchased raw materials:** Approved for use for customers, resulting in annual savings of \$12,727.
- **Direct Loading of Scrap Pallets to Waste Contractors:** An annual gain of 50,000 TL was achieved by loading waste directly to the waste contractor from this area instead of transportation to the waste storage area.
- **Improvement in Production Processes (for application in similar product groups):** The water was heated by adding NT pool before production, which preserved the granule structure and ensured more uniform mechanical properties.



## Maintaining and Enhancing Stakeholder Engagement

*“ We adhere to ethical principles in external relationships in a fair, open and trust-based manner. ”*

### External Relationships

Eurotec engages with its customers, suppliers and other companies and individuals with whom it has commercial relationships within the framework of corporate values and ethical principles. These relationships are built on transparency, fairness and mutual trust. For Eurotec’s relationships with its commercial partners, no private business relationship is entered into, thus preventing conflicts of interest. In this regard, it is strictly forbidden to provide personal services to suppliers or customers or to associate them with commercial activities.

Customer satisfaction is a top priority for all Eurotec employees. Customer dissatisfaction is handled meticulously and resolved as soon as possible. No customer information is shared with third parties, except required by legal regulations, with great importance attached to customer confidentiality.

In addition, Eurotec never transmits the personal information of its suppliers and other stakeholders with whom it has commercial relationships to third

parties without their consent. The company follows a very sensitive policy regarding the acceptance of gifts, invitations or donations, and such actions are not tolerated if they would have a negative impact on the business relationship.

We aim to add value to our customers, suppliers and society by acting with a sense of social responsibility in our external relationships.

### Stakeholder Map

In 2023, Eurotec continued to publish various publications to maintain effective communication with both internal and external stakeholders and to keep customers and distributors regularly informed. In this respect:

- Regular newsletters were published to share up-to-date information on the Company’s activities, projects and achievements.
- Effective information and communication initiatives were undertaken through modern communication tools using digital platforms and social media channels.

Stakeholder	Communication Path	Frequency of Interaction	Interaction Target	Sustainability Development Potential
Distributors	Email, events, face-to-face	High	High	High
Customers	Email, events, face-to-face	High	High	High
Company Employees	Email, events, face-to-face	High	High	High
NGOs and Associations	Email, events, face-to-face	Low	Moderate	Moderate
Education Institutions	Email, face-to-face	Moderate	Moderate	High
International Organizations	Email, face-to-face	Moderate	Moderate	Moderate
Media	Email, face-to-face	Moderate	High	High
Suppliers	Email, events, face-to-face	High	High	High

## Remuneration and Fair Trade Mechanisms

We provide employees with a fair and transparent remuneration policy and carry out commercial activities in line with responsible business practices. We developed a performance-based remuneration management system, prioritizing the well-being of the workforce. The remuneration process is regularly reviewed based on market conditions, inflation rates, annual performance and economic condition.

Fixed and variable remuneration policies are applied for all positions, and a fair, transparent and performance-oriented system is established between management and employees. The objective of this system, which is linked to annual performance evaluations, is to recognize the contributions of employees. Employees are rewarded for their contributions through bonuses, which are paid out at regular intervals throughout the year.

Wage increases are made once a year based on a range of criteria, such as market conditions, inflation and annual performance. This process is integrated with performance management and contributes to the achievement of employees' development goals. The determination of wages is subject to the principle of transparency and is regular reviewed through independent audit mechanisms.

## Sustainable Procurement Management

*We create environmentally friendly and efficient business processes with sustainable procurement and green logistics.*

The Sustainable Procurement Policy, prepared in accordance with the ISO 20400 Sustainable Supply Chain Management System, was established in 2022, communicated to all suppliers and added to our website. New suppliers are required to comply with this policy.

The General Procurement and Logistics Specifications developed in 2022 detail our commercial, legal and sustainability expectations and are automatically communicated to suppliers via the ERP system. The sustainability performance of suppliers is scored with our self-assessment forms used as part of our supplier inspection and evaluation processes.

We aim to increase the sustainability score of our suppliers to 75% by 2024, and gradually level it up to 90% by 2028, strengthening our sustainable supply chain practices.

Economic, environmental and social initiatives were compiled through the Sustainability Survey sent to strategic suppliers in 2022.

Materials and services are categorized as part of supplier selection, determining the documents required for each group. Suppliers are required to comply with criteria, such as reduction in product

and corporate carbon footprints and compliance with regulations. This data is recorded in the ERP system and regularly updated. We ask our suppliers to provide ISO certificates and comply with the Ethical Principles Agreement, reducing carbon emissions through intermodal shipments. The Company contributed to the environment through tree planting, rainwater collection projects and the use of paper recycling pallets.

Our total number of suppliers increased by 9.88% from 324 in 2022 to 356 in 2023.

**Our goal is to offer sustainability training programs to our suppliers. It is planned to provide sustainability training programs to 2 suppliers each in 2024 and 2025, 4 suppliers each in 2026, and 5 suppliers each in 2027 and 2028.**

In 2022, our total number of suppliers increased by 9.88%, marking a significant growth in 2023. The number of local suppliers followed a similar trend, increasing by 9.06%. The total amount paid to suppliers decreased by 13.81% in 2023, while that paid to local suppliers decreased by 28.01%.

A green logistics certificate is a document that proves that companies are environmentally conscious in their logistics activities and their efforts to reduce environmental impacts. This document measures sustainability in logistics processes such as greenhouse gas emissions, energy consumption, waste and water use. The Green Logistics Certificate issued by UTIKAD evaluates and certifies the environmental contributions of logistics companies in Turkey.

Thanks to our Go Green agreement with DHL, documents and samples were transported by bicycle shuttles, reducing the use of vans and offsetting 14,494.20 kg CO2e emissions in 2022. Our 2023 targets include reducing emissions from downstream transportation and converting road shipments to intermodal transportation. Environmentally friendly options are offered to EXW customers, annual reductions are measured and action plans are developed.

### Green Logistics Practices

- The logistics suppliers we work with are the holders of Green Logistics certificates, who regularly report on their environmental initiatives.
- Documents and samples are distributed by bicycle shuttles under the DHL Go Green agreement, reducing carbon emissions.



## SUSTAINABILITY REPORT 2023

### Sustainable Supply - 5S

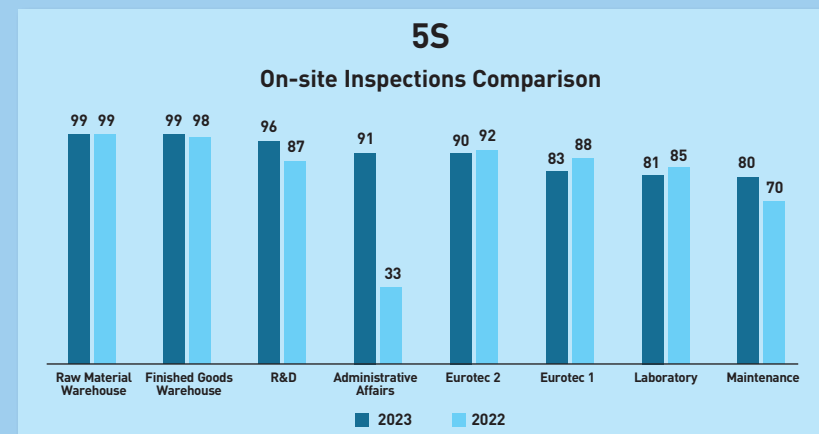
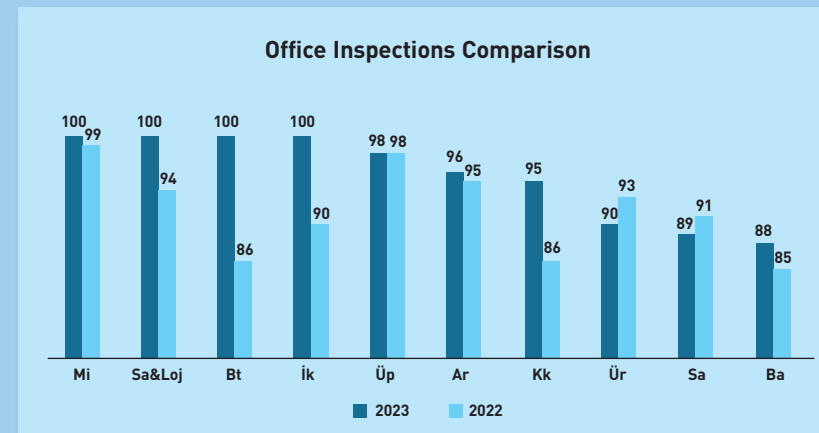
*Using the 5S technique, we increase efficiency and minimize waste by ensuring continuous improvement.*

At Eurotec, we recognize the vital importance of continuous improvement to adapt ourselves to changing and advancing technology, and to respond to customer demands and expectations. The 5S technique aims at continuous improvement by focusing on small details, which is adopted at Eurotec as one of the lean production tools, providing the possibility to carry out works more effectively and efficiently. Office and on-site locations are inspected periodically through questionnaires, and necessary corrective and improvement actions are taken based on the nonconformities found during the inspection. Since employees internalized the 5S culture and reinforced their knowledge through training programs, they integrate the 5S steps into their work environment.

Applying the 5S steps increases the efficiency in the workplace, enhances employee motivation and minimizes waste.

The office and on-site inspections conducted between 2022 and 2023 are a token of Eurotec's commitment to improving operational efficiency and workplace organization. During the office inspections, the Finance, Procurement & Logistics, IT and Human Resources departments demonstrated a strong performance, achieving the highest level of 100 points in 2023. Production Planning and R&D departments scored high with consistent performance across both years. However, there were minor fluctuations in the Quality Control, Production, Sales and Maintenance departments, and continuous improvement efforts are underway in these areas.

During on-site inspections, the Raw Material Warehouse and Finished Goods Warehouse departments continued to perform at a high level, while R&D and especially the Administrative Affairs departments achieved significant improvements in 2023.



# CONTINUALLY IMPROVING

Since its establishment, Eurotec has adopted the principle of respect for people and nature in all its activities and has shaped its business strategies by considering the sustainability of our planet. The gradual depletion of natural resources and severe climate change have made sustainability efforts inevitable for Eurotec. In this context, we continue our operations across the entire value chain, considering social, economic and environmental conditions.

At Eurotec, we aim to reduce the footprint our products leave on nature throughout their life cycle, thus conducting Product Life Cycle Assessment (LCA). In addition, we formulate green products and calculate our direct and

indirect emissions through corporate carbon footprint reporting. As part of our efforts to reduce carbon emissions, we continuously invest in technology and R&D to produce sustainable solutions.

## SOCIAL ISSUES

- Protect fundamental human rights
- Protect diversity and inclusion
- Ensure a decent work environment
- Combat child labor
- Protect human health and occupational safety
- Ensure continuity of qualified staff
- Employee development and engagement
- R&D and innovation



LCA



Carbon Footprint Reporting



Green Products



R&amp;D and Technology Investments



UN Convention



Collaborations

## Social Goals

*We create a sustainable workforce by prioritizing employee well-being and engagement.*

Social responsibility and employee welfare are given priority in business processes. Employment continuity is one of the strategic goals to enhance employee satisfaction and engagement. The aim is to achieve social targets by providing fair working conditions, equal opportunities and personal development opportunities.

Regular policies are implemented in basic social responsibility areas, such as protecting human rights, ensuring equal opportunities and preventing discrimination. There are specific efforts to continuously improve the work environment through annual employee satisfaction surveys.

Robust policies are developed to ensure employment continuity and retain the workforce. Employment continuity is one of the material issues identified by the Sustainability Committee. Regular performance and satisfaction surveys are conducted to increase the long-term engagement of employees, where findings are integrated into strategic goals.

In addition, investments are made in the personal and professional development of employees through career development plans, thus ensuring continuity in the workforce. The areas for development are identified by performance assessments, offering training programs accordingly. All these processes promote employment continuity by strengthening employee engagement.

### Employee Profile and Employment Data

Between 2022 and 2023, the total number of employees at Eurotec increased by 4.2% from 191 to 199. The number of white-collar and blue-collar employees increased by 4.3% and 4.1%, respectively. 66% of our employees are aged between 30-50 years old, and the average age at our company is approximately 35.4.

The number of new hires increased by 208.3% from 24 in 2022 to 74 in 2023. This increase was mainly driven by a 238.5% increase in employees aged under 30 years old, from 13 to 44, and a 163.6% increase in the 30-50 age group, from 11 to 29. The number of employees in the R&D and digitalization departments also increased by 2.5% from 40 to 41.

Between 2022 and 2023, the employee turnover rate increased by 157.9% from 19 to 49. This rate increased by 162.5% from 8 to 21 for employees aged under 30 years old and by 170% from 10 to 27 for the 30-50 age group. The number remained constant for employees aged over 50 years old. The rate of voluntary turnover increased from 15% to 26%. In addition, 4 positions were filled with internal candidates in 2023.

In terms of seniority distribution, the number of employees with 0-5 years of experience decreased by 2.5% from 119 to 116, while the number of employees with 5-10 years of experience increased by 31.8% from 44 to 58. The number of employees with 10 or more years of experience decreased by 10.7% from 28 to 25.

For managerial positions, the number of managers aged between 30 and 50 years old increased by 23.1% from 13 to 16. The number of female executives increased by 33.3% from 6 to 8, while the number of male executives remained stable. In both years, there were only 5 male directors on the Board of Directors.

# Social Practices at Eurotec

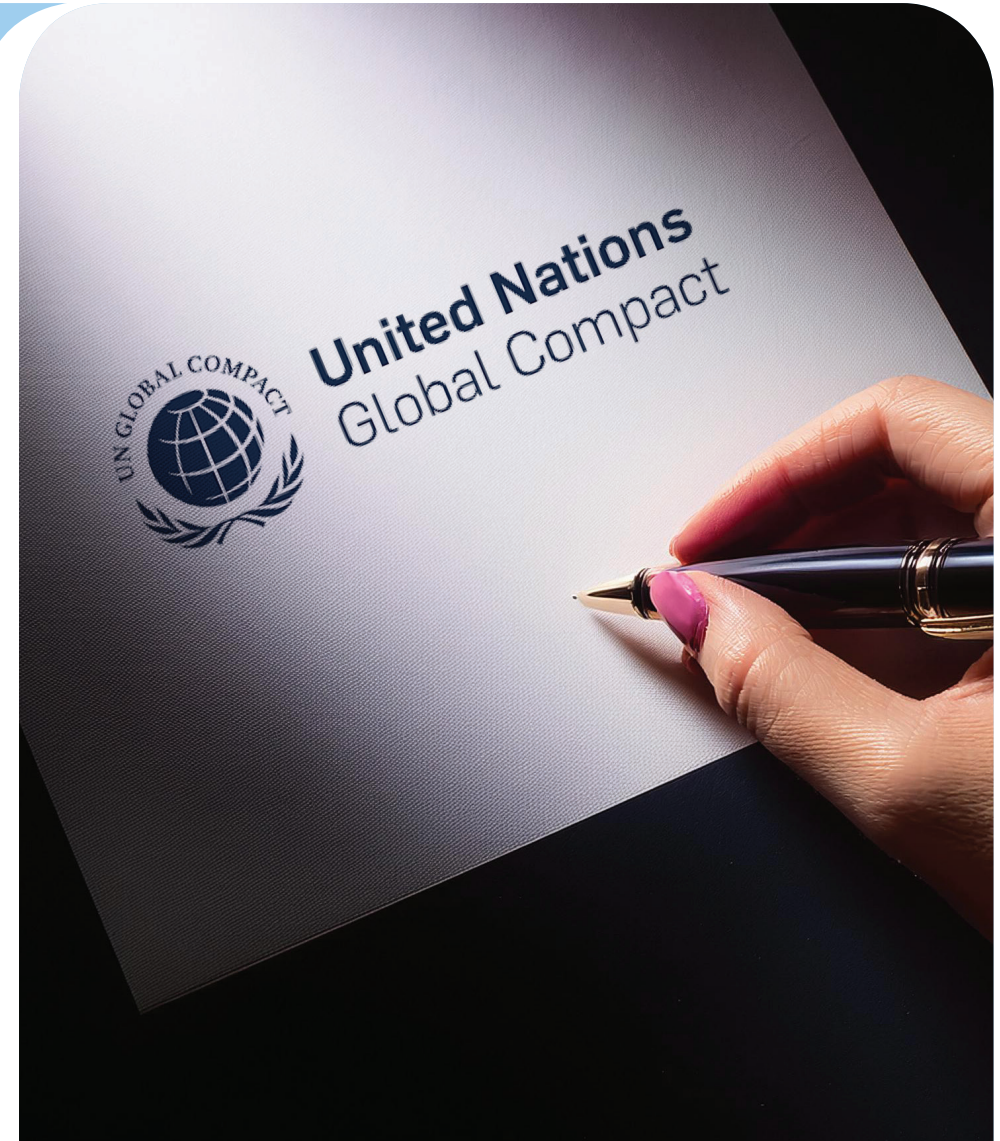
## Protection of Fundamental Human Rights

Creating a work environment that promotes equality, equal opportunity and inclusiveness among employees is one of the cornerstones of the company's social responsibility approach. The company aims to provide a fair work environment for all employees regardless of any differences, such as language, religion, race, gender or age. While child labor is strictly prohibited, preventive policies against forced labor are implemented and all suppliers are expected to adopt these ethical principles.

**“Eurotec is a signatory to the United Nations Global Compact on Ethics.”**

Protecting human rights is a key priority in all business processes. The company is committed to respecting the dignity, freedom and right of employees. Clear policies are implemented at every stage from recruitment processes to career development to ensure equal opportunities and prevent discrimination. Suppliers are also guided to adopt these policies while raising employee awareness through various training programs.

There were no incidents of discrimination between 2022 and 2023. The Company is strongly committed to providing a work environment free from discrimination and harassment. Preventive measures are taken with a proactive approach against potential discrimination cases, and regular training programs are used to raise awareness among employees. In case of any incident, detailed investigation and disciplinary processes are put in place.



## Diversity, Equality and Internal Relationships

*“ We invest in the development of our employees. ”*

Our company is committed to equal opportunities for all employees and to providing a fair work environment for all, without discrimination based on language, religion, race or gender. Preventive policies against forced labor and child labor practices are implemented, and our suppliers are expected to comply with these ethical principles. Additionally, Eurotec is committed to providing equal opportunities to every individual by promoting workforce diversity and inclusion.

Diversity and equality are two of the cornerstones of our company’s sustainability strategy. The Sustainability Committee takes strategic decisions to create a more inclusive work environment in line with annual risk analyses and stakeholder feedback. Providing equal opportunities to employees, preventing discrimination in the workplace and increasing inclusion are some of the prioritized goals at Eurotec.

Diversity among governance bodies and employees is recognized as a substantial value in our company.

Achieving a balance between women and men in managerial positions is set as a strategic priority. In 2023, the number of female managers among executives who were aged between 30 and 50 years old increased, balancing the ratio of women to men in this age group. However, the efforts to enhance diversity in the board of directors are still ongoing.

Eurotec aims to create a professional and respectful work environment based on trust among all its employees. Relationships between employees should be established in line with the business code of conduct, eliminating discrimination based on differences, such as age, gender, or ethnic origin. Behaviors that may disrupt workplace peace, such as gossip, discrimination, possession of hazardous substances and working under the influence of alcohol or drugs, are not tolerated.

Clear policies and responsibilities were set so that our employees can work in peace and security. Each employee should comply with the company’s rules and instructions. In addition, employees are

encouraged to communicate their criticisms or suggestions to the relevant management units. This does not only enhance peace, trust and productivity within the company, but also promotes professional business course of action.

Our Human Resources (HR) policy reflects the value we place on our employees and our strategic human resources management approaches as part of Eurotec’s sustainability understanding. These policies are intended to support the development of our employees, provide equal opportunities, ensure occupational health and safety and create a sustainable work environment. Eurotec’s goal is to maximize the potential of its employees by investing in their personal and professional development.

### Equal Opportunities and EUROTHINK Suggestion System

Eurotec launched the EUROTHINK Suggestion System in 2015 to integrate the knowledge and experience of employees into the company management systems. This system enables the

creative ideas and suggestions of employees to contribute to the development of the company.

The last five years saw a significant increase in the number of suggestions and their impact on efficiency. While, for example, 116 suggestions submitted in 2021 accounted for 14% of the system, this number increased to 118 in 2022, causing the contribution rate to rise to 21%. This increase gained further momentum in 2023, with 158 suggestions being made. In 2023, 27% of the suggestions were related to savings (of time, materials, etc.) and 23% related to working conditions. This increase is not only an indication of employees’ trust in the system and their increased willingness to be engaged, but also demonstrates that the impact of suggestions on productivity and quality elevated.

The EUROTHINK Suggestion System continues to make significant contributions to the achievement of a stronger culture of continuous improvement and innovation within the company.

## Ensuring a Decent Work Environment

*“A safe and ethical work environment free from discrimination”*

The Company is committed to providing all employees with a fair and safe work environment free from discrimination and harassment, based on respect. The management approach prioritizing the welfare of the workforce creates healthy, safe and decent working conditions. Occupational health and safety practices and working conditions are continuously improved. These goals are supported by employee training programs and performance management processes. In this regard, the company regularly raises awareness on occupational health and safety training programs, environmental consciousness and ethical business principles.

The Company recognizes the vital importance of anti-corruption and anti-bribery policies and provides regular training to its employees in this regard. The anti-corruption policy was established within the framework of business ethics principles, keeping all employees informed on this issue. In 2023, 238 employees participated in these training programs that were also integrated into the orientation process for new recruits. The training programs raise employee awareness on bribery and corruption, stressing the zero-tolerance policy against such acts.

## Protection of Human Health and Occupational Safety

*“We minimize work accidents by taking proactive measures for a safe and healthy work environment.”*

Occupational health and safety (OHS) is one of the Company’s key priorities. OHS strategies are set in line with the risk analyses determined by the Sustainability Committee, and the management of material issues is meticulously monitored. Regular inspections are conducted to ensure that employees can work in a safe work environment, thus ensuring compliance with safety standards. In 2023, it was reported that occupational accident rates were reduced by 10%, and it is planned to improve this target further.

The safety and health of our employees is one of the top priorities at Eurotec. Consequently, we are committed to increasing our investments in occupational health and safety practices on an annual basis. While the budget allocated to this aspect in 2022 was TRY 897,145, the actual amount was TRY 1,444,366 in 2023. These investments support our goals of preventing workplace accidents, ensuring safe work environments and continuously improving the health and safety of our employees. Occupational health and safety management is fulfilled in accordance with national and international

standards. All employees are obliged to participate in occupational health and safety training sessions and comply with the instructions and procedures. For the maintenance of a healthy work environment, it is also mandatory to make regular use of personal protective equipment and to ensure that safety is maintained at the highest level in business processes.

The OHS management system is carried out in accordance with legal regulations and international standards. The OHS Committee convenes every two months and evaluates issues, such as occupational accident risk analysis, on-site inspections and follow-up of legal documents. This process creates a continuous improvement cycle to prevent occupational accidents and ensure employee safety.

- Status of previous OHS Committee actions,
- Work accidents, risk analysis and near misses,
- On-site inspections and actions taken,
- Follow-up of legal monitoring documents,
- Introduction of new practices,
- Committee members’ requests (claims, complaints, etc.).

## SUSTAINABILITY REPORT 2023

The occupational health services offered to our employees are regularly monitored and continuously improved. In this respect, all necessary measures are taken to prevent occupational accidents, reduce occupational diseases and protect employee health. In addition, programs aiming at promoting employee health are organized on topics, such as ergonomics, nutrition and stress management at work.

Throughout 2023, our employees were trained on OHS for 5092 hours. These training programs included emergency response, search and rescue, fire and post-occupational accident return-to-work training sessions. The training programs increase the safety awareness of employees and aim to minimize occupational accidents.

To promote the health of employees, a range of improvement initiatives are undertaken in the workplace under some topics, such as ergonomics, nutrition and stress management. In addition, health screenings and healthy living programs are organized to support employees' health conditions when out of work.

The Company developed various processes to prevent occupational health and safety impacts that may occur as part of its business affairs. Specific actions are taken to make business

partners in the supply chain comply with occupational health and safety standards, and employee health is protected by taking necessary measures in risky work environments. Proactive measures are taken to minimize occupational health and safety risks in all operations, and potential hazards are swiftly assessed and eliminated.

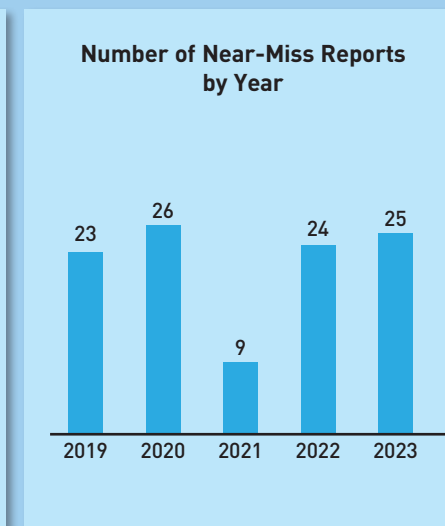
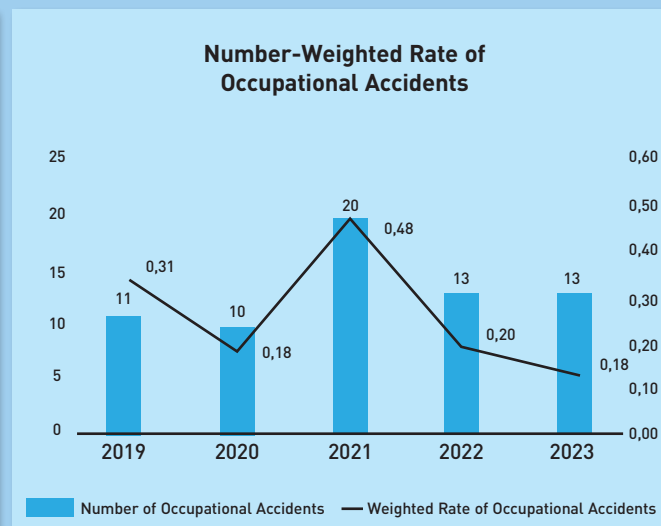
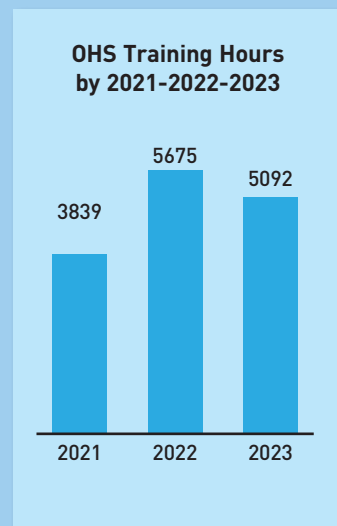
Our objective is to achieve an occupational accident severity rate of 0.175 by 2024. We aim

to solidify our occupational health and safety standards by gradually reducing this rate to 0.155 by 2028.

In 2023, 85% of occupational accidents were caused by unsafe actions and 15% were caused by a combination of unsafe actions and situations. 46% of occupational accidents resulted in hand and arm injuries, and the weighted rate of occupational accidents decreased by 10% compared to 2022. Our goal is zero occupational

accidents. In 2023, a total of 13 occupational accidents occurred, with 6 resulting in loss of work for 3 days or less and 7 resulting in loss of work for more than 3 days.

Near-miss reporting plays an important role in preventing potential occupational accidents. In 2023, 25 near misses were reported and necessary measures were taken. Our goal is to achieve 30 near-miss reports.



## Environmental Volunteers Community and OHS

*“ We support sustainable living habits and the safety of our employees through environmental and emergency training programs. ”*

In 2021, an Environmental Volunteers Community was established to make our employees more environmentally aware, strengthen their ties with nature and encourage sustainable living habits. Through this community, we aim to raise environmental awareness by enabling our employees to engage in various environmental activities.



Setting out with the motto “Being aware and prepared to take action saves lives”, a five-day Light Level Search and Rescue Training was provided under the leadership of SAR Search and Rescue. This training aims to provide employees with the necessary knowledge and skills in emergencies.



The Environmental Volunteers Community contributed to the protection of natural areas by organizing an environmental cleaning initiative in Kıyıköy. Such initiatives reinforce the community’s sensitivity to the environment and environmental responsibility.



In addition, a fun and interactive Environmental and OHS Festival was organized to raise awareness on Environmental and OHS (Occupational Health and Safety) issues. This event raises environmental and occupational safety awareness through activities that couple information and entertainment together.





## Ensuring Continuity of Qualified Staff

*“ We improve the continuity of qualified staff through strategic talent management and career development programs and invest in the future. ”*

Continuity of qualified staff is a critical factor for achieving sustainable success. In this respect, various talent management and lifelong learning programs are implemented to support employees’ career development. Talent management and career planning processes are key to encouraging employees to progress to the right positions and ensuring the long-term retention of the workforce. In addition, the company’s regular performance evaluation processes not only support employee development but also increase long-term loyalty.



*“ We guide our qualified staff regarding sustainable success through talent management and performance-oriented development. ”*

Career management and talent development processes aim to ensure that each employee maximizes their individual potential. Rotation and skill acquisition programs are organized to support the development of employees, while personal and professional competencies are developed through various training programs. In 2023, training programs (e.g. English language training, effective communication, negotiation techniques and project management) supported both the personal and professional development of employees.

The Company’s performance evaluation system is streamlined to systematically monitor the annual performance of employees and identify areas for improvement. While performance evaluation forms based on individual goals are used for white-collar employees, field employees are evaluated through performance forms filled out by their managers. Departments monitor the monthly performance of field employees and report it quarterly. These evaluations address the employee’s performance throughout the year, business knowledge, team cohesion, business continuity, discipline and professional development.

In 2023, the number of employees subjected to performance evaluation is as follows:

- Number of white-collar employees: 59
- Number of blue-collar employees: 108

This process helps employees to develop themselves personally and helps them to make career plans based on the results.

## Employee Development and Engagement

*“By providing strategic training and investing in development, we strengthen employee engagement and drive a sustainable workforce.”*

The Company continuously supports the professional and personal development of its employees. In this respect, employees' professional skills are enhanced by offering comprehensive training and development programs. In 2023, 149 employees participated in the employee satisfaction and engagement survey, with a satisfaction score of 64% and an engagement score of 62%. These results show the importance of implementing various strategies to increase employee satisfaction and engagement in the workplace. In addition, employee engagement and their contribution to the workforce are constantly improving thanks to the training programs that have been implemented.

In 2023, our employee training hours are 44.09 hours per person. Our goal is to gradually increase this rate to 50.1 hours per person by 2028.

Throughout 2023, a total of 6,293 person-hours of training was provided to make employees more

competent. Training programs that are scheduled separately for white-collar and blue-collar employees aim to promote personal development as well as increase employee engagement. The average training hours per person increased significantly by 2023, ensuring that every employee has access to development opportunities. In 2022, a total of 3,661 person-hours of training was provided, marking a significant increase in training hours over the years.

By 2024, we aim to move 5% of in-house training programs to the digital platform. By 2028, we aim to increase this rate to 100% and increase our efficiency by digitalizing our training processes.

### Numbers of Trainees:

- Total personnel trained in 2022: 203
- Total personnel trained in 2023: 244

### Training Hours:

- Total training hours in 2022: 3,661 hours per person
- 2023 total training hours: 6,293 hours per person

### Training Topics:

- Ethical Principles Training: In 2023, 164 employees received a total of 328 hours of ethical principles training.
- Anti-Bribery and Anti-Corruption Training: 238 employees were trained on this topic in 2023, and the training was incorporated into the orientation process for new recruits.
- Environmental Training 168 employees were trained on environmental issues in 2022, 199 employees in 2023, and 175 employees in 2024.

Training and development needs are determined by the Human Resources Department in November each year. Training programs are developed based on every single training required for each position and individual performance results after the evaluations made using the Training Needs Analysis Form. Approved training plans are executed by the Financial Affairs Directorate within the limits of the budget. Training programs are updated according to changing business conditions, and the needs in this respect are considered accordingly.

### Special Training Programs:

Various training programs intended for our employees aim to support their personal and professional development. Sample training programs are as follows:

- Situational Management Skills Training: 16 employees participated in the 14-hour training in 2022.
- Effective Communication Training: 52 employees attended the 6-hour training in 2022.
- Negotiation Techniques Training: Provided to 14 employees in 2023.
- Teamwork Training: 39 employees participated in 2023, followed by 21 people participating in 2024.
- Project Management Training: Provided to 24 employees in 2022.
- Trainer Training: 11 employees participated in 2022.

## Employee Satisfaction and Grievance Mechanisms

### Employee Grievance Mechanisms and Evaluation Process

*“ We prioritize continuous improvement and satisfaction by evaluating our employees’ feedback in a confidential and trusting manner. ”*

Our employee satisfaction rate has been 64% since 2023. Our goal is to gradually increase this rate to 80% by 2028, thus enhancing the engagement of our employees and improving the work environment.

Our Company offers various mechanisms through which employees can report their feedback and complaints regarding working conditions in accordance with the principle of confidentiality. The Employee Satisfaction Survey, which is conducted regularly every year, allows employees to submit their complaints, suggestions and feedback anonymously. These surveys are conducted in confidence so that employees can freely share their thoughts. Wish and Grievance Boxes are placed at different points of the Company and employees can submit their requests using the “Wish-Grievance Form”. Furthermore, the Human Resources portal is available for employees to access digitally, enabling them to submit

complaints and suggestions quickly and securely online. All complaints are meticulously reviewed by the Human Resources Department, providing

feedback with appropriate solutions produced. When handling complaints, full commitment is shown to the principles of confidentiality and impartiality.

#### Feedback and Complaints in 2022-2023

**Number of complaints received in 2022:**

**22**

**Number of complaints received in 2023:**

**18**

**Number of complaints resolved in 2022:**

**22**

**Number of complaints resolved in 2023:**

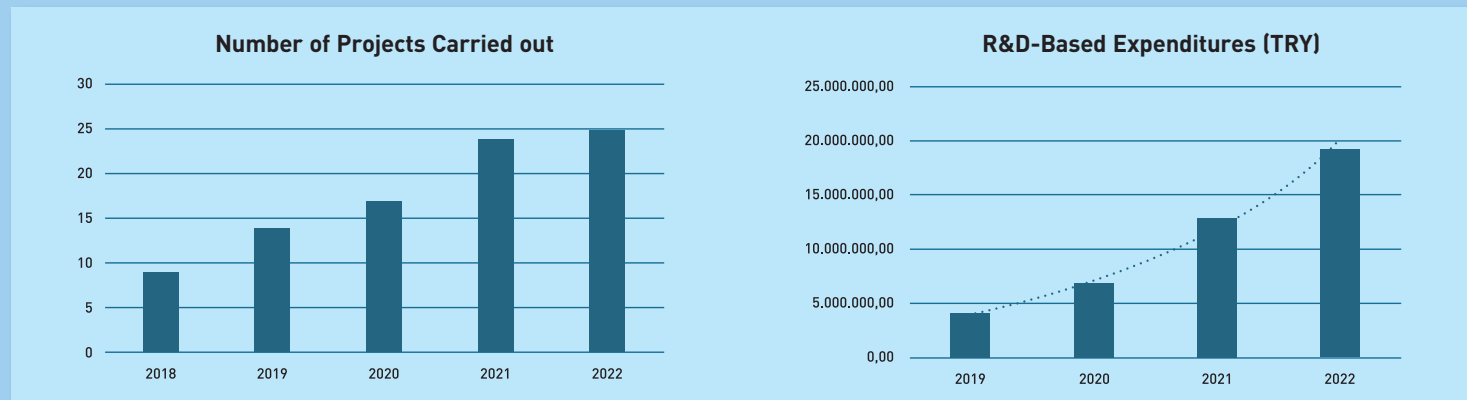
**18**

**Complaints of Discrimination:** There were no cases of discrimination during the period from 2022 to 2023.

## R&D and Innovation Initiatives

*We came second in the “Companies with the Highest R&D Expenditures in the Tire-Plastic-Rubber Industry 2023” survey conducted by Turkishtime!*

We attach great importance to R&D and innovation to achieve sustainable growth and produce innovative solutions.



In 2022, the budget allocated for R&D and innovation projects was TRY 26,586,423, while this budget increased by 41.3% to TRY 37,561,099.20 in 2023. The number of projects carried out by the R&D center was 22 in 2023.

These investments greatly contribute to the development of products and processes, the implementation of environmentally friendly

production techniques and the integration of new technologies. This support for research and innovation makes us an even stronger leader in the industry.

R&D and innovation initiatives, which are at the core of our sustainability strategies, aim to develop environmentally friendly and innovative products. From this perspective, the Green Product Range

was created with sustainable material solutions. Using products made from recycled industrial and consumer waste, we aim to reduce environmental impact in line with circular economy principles. We develop high-performance and environmentally friendly products using recycled polymers such as PA, PET, PC, PP and materials such as glass fiber and carbon fiber.

## Sustainable Products and Environmentally Friendly Production Processes

*“We steer the future with environmentally friendly materials and sustainable production techniques.”*

In line with our sustainability strategy, we aim to reduce our carbon footprint through environmental measures, such as less water consumption, rainwater collection systems, solar energy and waste management. We minimize water consumption thanks to our wastewater treatment system. Additionally, we conduct life cycle analyses (LCAs) in accordance with ISO 14040 and ISO 14044, monitor our environmental impacts regularly.

We use recycled materials in our production processes, contributing to both the conservation of natural resources and the reuse of waste. Products made from materials, such as recycled polyamide (PA), polypropylene (PP), polyethylene terephthalate (PET) and glass fiber, combine high performance and environmental awareness.

### Bio-Based and Biodegradable Materials

Thanks to our innovative R&D initiatives, we developed bio-based and biodegradable products. Bio-based polymers (PA5.6, PA6.10, PA11) that

are derived from agricultural resources are recyclable and biodegradable, thus contributing to the conservation of natural resources. In addition, we offer completely environmentally friendly solutions with industrial and household compostable products.

### Waste Management and Energy Efficiency

Waste management is a key aspect of our sustainability strategy. We make our production processes environmentally friendly with a recycled PA production line and a reduced waste policy. We reduce our carbon footprint using solar energy and through projects aiming at increasing energy efficiency. With our community of environmental volunteers, we continue to raise awareness for waste reduction and recycling initiatives.

### Sustainable Material Solutions and Green Product Range

We develop recycled products derived from industrial and consumer waste, bringing them

under the Green Product Range that we have designed with an awareness of environmental responsibility. Our product range includes recycled polymers such as PA, PET, PC, PP and glass fiber, carbon fiber, aramid fiber and mineral fillers. These materials contain partially or 100% recycled materials in their formulations and support the circular economy.

### Electric Mobility and Sustainable Materials

Recognizing sustainability as part of environmental responsibility, we develop environmentally friendly engineering plastics solutions for the electric mobility industry. Our materials used in electric vehicles are produced from recyclable and low-carbon-emission raw materials. These materials are used in battery systems, engine parts and other critical components, offering high performance and durability. This allows us to contribute to reducing energy consumption while minimizing environmental impact.

### Our Long-Term Goals

In line with our sustainability strategy, we aim to increase the use of recycled materials, reduce our energy consumption and solidify our commitment to renewable energy sources. We continuously monitor our carbon footprint through life cycle analyses and undertake improvement initiatives.

### Performance Indicators

In 2022, our total corporate carbon footprint was calculated as 4,907 tons of CO<sub>2</sub> equivalent. We continue to reduce our carbon footprint in our production processes by using recycled materials.

## Laboratory

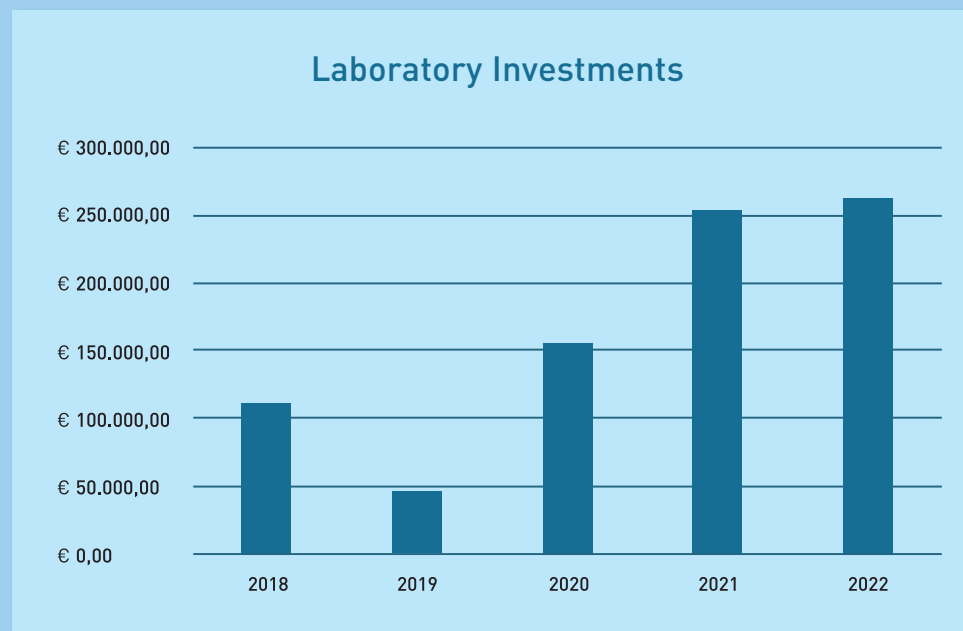
*“ We carry out tests at international standards to meet customer expectations in our high-tech laboratory and maintain our pioneering position in quality and innovation. ”*

The company’s input product, process and finished product inspections are carried out in accordance with international standards to meet the needs and expectations of customers and to ensure that products are produced at the required standards and product quality is maintained.

Thanks to our laboratory equipped with cutting-edge technology and hardware facilities along with our experienced quality control team, we respond quickly to customer expectations regarding new products and test requests and aim to be one step ahead of our competitors.

Our laboratory instruments are periodically verified by accredited companies to ensure test reliability. Eurotec Laboratory relocated to its new 300-square-metre indoor facility in 2020. In addition to mechanical and rheological tests, the focus has also been placed on long-life endurance tests for electric vehicles, with the laboratory facilities being expanded on an annual basis. DMA Fatigue and SEM Electron microscopes are two of the key components of new investments.

Laboratory Investments (2018- 2022)



Over the last five years, our laboratory investments have increased significantly. In 2020, our laboratory investments steadily increased, reaching €275,000 in 2022. These investments play a critical role in developing environmentally friendly production techniques, implementing innovative processes and integrating technologies that contribute to our sustainability goals.

Between 2021 and 2022, laboratory investments were increased to adopt sustainable technology solutions and expedite energy efficiency projects. This allows us to strengthen our innovation capacity and reach our environmentally friendly production goals more effectively. The amount of our laboratory investments reached €155,964 in 2023.

## Digital Transformation

*Using digital transformation, we deliver innovation at every step and efficiency in every process.*

A Digital Transformation Committee was established to effectively manage the digitalization process. With the support of the senior management, the Committee set a Digital Transformation strategy for 2022 - 2026 and identified a Digital Transformation roadmap.

*With Eurobot, we push the boundaries of digitalization and drive the future with data.*

### a. Robotic Process Automation (RPA)

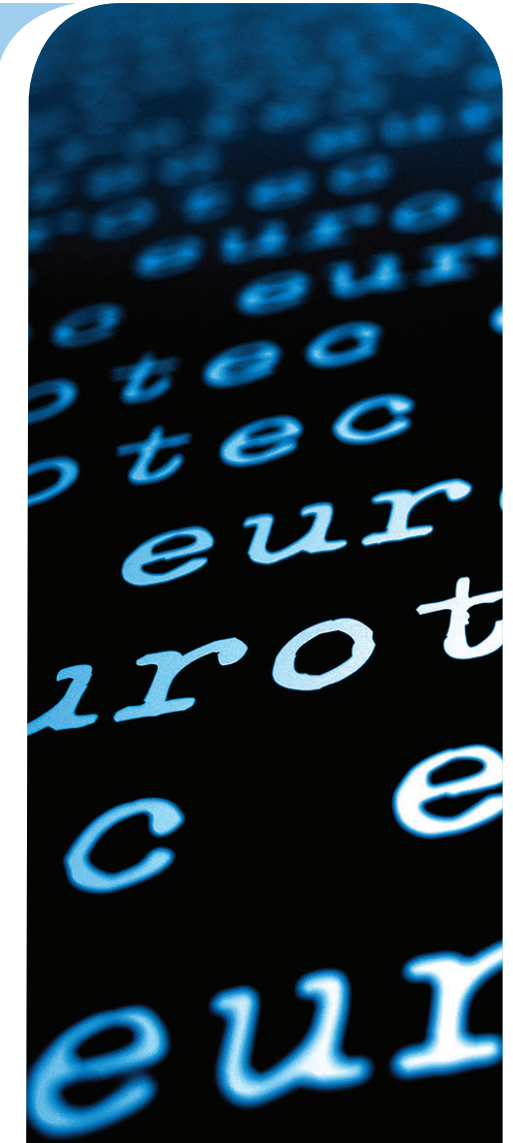
Robotic Process Automation (RPA) technology was introduced in key business processes, such as supply chain, production planning, quality control, finance and customer relations, resulting in annual savings of approximately 5,000 man-hours. The digital employee called "Eurobot" enabled efficient use of resources and made business processes more precise. The efficiency of processes is increased by undertaking tasks such as creating production work orders, preparing product quality certificates and managing compliance with raw material regulations.

### b. Data Analytics

The business intelligence platform integrates and interprets data collected from applications, such as enterprise resource planning, production execution system and energy monitoring system. This platform combines sales, production and finance data. It is planned to integrate energy consumption data into the platform in the future. In addition, machine learning algorithms aim to transform data into insights for use in strategic decision-making processes.

### c. Digital Applications

Efforts are underway to develop various digital applications to ensure that operational processes are maintained in a safe, efficient and innovative manner. Many workflows were digitized, especially in the supply chain. By digitizing paper forms used in production and storage processes, an average of 30,000 sheets of paper were saved per year, making processes more environmentally friendly and efficient. The coming period aims at significant productivity gains in business processes by utilizing artificial intelligence technologies. With tools such as the Microsoft 365 Copilot artificial intelligence assistant, the aim is to optimize business processes through automation and predictive analysis.



## Green Informatics

“ *Less energy, more efficiency: We take green steps in the digital world with long-lasting hardware and smart solutions.* ”

We adopt smart energy use by equipping our infrastructure with environmentally friendly and long-lasting technologies. This approach allows us to reduce our environmental impact while ensuring the sustainability of our technological infrastructure. Our green IT practices consist of the following key elements:

- **Scalable Cloud Computing Services:** Our cloud solutions, which can be sized according to needs, increase efficiency by optimizing energy and resource use.
- **Energy Efficient Server Virtualization Infrastructure:** We use virtualization technologies that minimize energy consumption by reducing the need for physical servers.
- **Reduced Desktop Computer Use:** By reducing unnecessary desktop computer use, we were able to achieve higher energy savings across the organization.

- **Equipment that can be used for a long time:** Longer lasting and durable equipment is preferred, contributing to the reduction of technological waste.

- **Hardware Life Cycle Extension:** The lifespan of computers was increased by at least 33%, extending the life of the devices and reducing the frequency of replacement.

- **Energy-Efficient Hardware Components:** Energy-efficient hardware components are used in our computer and server systems.

### Information Technologies and Cyber Security

In today's world where digitalization is gaining momentum, we are moving a large part of our operational activities to the online infrastructure at Eurotec. This process requires the processing of large amounts of data and the integration of this data into business processes. However, this also brings cyber security and data privacy risks. For management of these risks, we adopted ISO 27001

Information Security Management System. Our system is inspected by international accreditation bodies every year and undergoes continuous improvement processes.

Data security is one of the top priorities at Eurotec. Using modern technologies and up-to-date security protocols, we protect the personal information of our customers, business partners and employees to the maximum level. We regularly review and update our data security policies and procedures. In addition, we aim to prevent data breaches and minimize risks through training programs we provide to our employees. Thanks to this approach, we contribute to our long-term success and sustainability goals while ensuring the security of Eurotec and all its stakeholders.

Our Information Security Management System committee actively uses technologies, such as SIEM, EDR, MDR and DLP, to ensure security and business continuity.





## CSR

As of 2023, we have 6 social responsibility projects. Our goal is to gradually increase this number to 20 by 2028, thus making a greater contribution to society and supporting social sustainability.

### Corporate Social Responsibility (CSR) Approach

Eurotec is committed to fulfilling its environmental, social and economic responsibilities for a sustainable future. With this goal in mind, its sustainability strategy is driven not only by its production processes, but also by its strong ties with the community and respect for the environment.

### Environmental Sustainability

Eurotec aims to minimize its carbon footprint by using environmentally friendly technologies in its production processes. Recyclable materials and solutions to increase energy efficiency are the cornerstones of production activities. In addition, the use of renewable energy sources and water saving projects contribute to environmental sustainability. With the Plastic into Homes Project, huts made of recyclable plastic materials were offered as shelters for stray animals, which raised environmental awareness and provided direct interaction through social responsibility.

### Social Contributions and Corporate Social Responsibility (CSR)

Eurotec considers contributing to society as part of its corporate mission. It always prioritizes its social responsibility awareness with projects in many areas, such as education, health, children's rights and social development.

- As part of Student Support Projects, the company distributed various educational sets, sponsored student teams and opened libraries. Additionally, science sets were distributed, and a range of events were organized for students on April 23rd, National Sovereignty and Children's Day.
- University-Industry Cooperation Internship Projects aim to provide students with hands-on experience, offering internship opportunities to many students.

In addition, Eurotec supports the development of young talents by sponsoring various sports clubs and scientific events. In this respect, Eurotec supported projects carried out by universities such as Yıldız Technical University (YTÜ), Istanbul Technical University (İTÜ) and Middle East Technical University (METU). The events, such as the YGA Science Movement Project and the YGA Eurotec Science Festival, organized for the children of Eurotec employees, the company aims to make children love science and enhance their scientific thinking skills.

### • Science Movement Project by YGA

The Science Movement project by YGA is a social responsibility project that aims to make children love science and gain a scientific perspective. Science sets were distributed to children aged between 7-18 years old and science workshops were organized. Developed under the supervision of Nobel Prize-winning scientist Prof. Aziz Sancar, the Twin Science Sets make children more interested in technology and provide them with innovation-oriented thinking skills. We have been continuing our project since 2022.

### • SAR Search and Rescue Training

Eurotec's SAR Search and Rescue Training project was put into action with a volunteer team of field and office employees. In this five-day training, volunteers received theoretical and practical lessons and gained rapid response and first aid skills in natural disasters. This project aims to train volunteers who will take an active role in times of crisis, not only within the company, but also in society at large. The project was launched in 2023 and will be maintained in the future.

### • Eurotec Environmental Volunteers Eurotec

The Eurotec Environmental Volunteers project is intended to enhance employees' environmental awareness and involvement in environmentally friendly initiatives. Launched in 2021, this project

continued in 2023 with environmental cleaning initiatives in Kiyıköy, where our employees voluntarily contributed to environmental sustainability.

### • Aid to the Earthquake Zone (February 2023)

Eurotec strengthened social solidarity during the disaster by providing aid to citizens in the earthquake zone. The aid provided in February 2023 was aimed at catering for the immediate needs of disaster victims and reinforcing crisis awareness in the community.

### • Allocation of April 23 Budget to Earthquake Zone (April 2023)

The April 23rd National Sovereignty and Children's Day budget was used to provide toys and gifts to children in the earthquake zone. This project provided meaningful support to disaster-stricken children and contributed to their holiday joy.

### • KOU Racing Team's KR-01 Electric Vehicle (2023)

KR-01, an electric vehicle developed by Kocaeli University's KOU Racing Team, was released as a sustainable project for environmentally friendly technologies. This vehicle, which made the scene in the Formula Student races in Romania with the funding of Eurotec, draws attention with its contributions to clean energy and sustainable transportation solutions.

# WORKING WITH PASSION

## Eurotec's Environmental Sustainability Approach

*“ We develop life cycle assessments (LCA) and green product solutions with the goal of conserving natural resources and reducing carbon footprint. ”*

Since its establishment, Eurotec has adopted the principle of carrying out all its operations with respect for people and nature and has set its business strategies by prioritizing the sustainability of our planet. The rapid depletion of natural resources and severe climate change make it imperative for us to act for a sustainable future. Accordingly, we execute our operations considering social, economic and environmental conditions along our entire value chain.

Eurotec conducts Product Life Cycle Assessments (LCAs) and develops green products to reduce its carbon footprint in nature throughout the life cycle of its products. In addition, we calculate our direct and indirect emissions through corporate carbon

footprint reporting and continue our efforts to reduce carbon emissions intensively. In this regard, we remain committed to our goal of producing sustainable solutions by investing in technology and R&D.

### ENVIRONMENTAL Issues

- Monitoring and mitigation of emissions
- Energy management and efficiency
- Water management and water conservation
- Biodiversity conservation
- TCFD initiatives
- Supply continuity and traceability
- Waste management and circular economy



## SUSTAINABILITY REPORT 2023

Emissions and waste management are two of the major environmental risks we are concerned about, for which we carry out regular measurements. Emission gases are released to the environment through the gas washing unit in accordance with legal requirements, and the filters in dust collection chimneys are regularly cleaned. Non-hazardous wastes constitute 90% of our waste, and waste minimization efforts are continuously carried out.

In line with our Environment, OHS, Energy and Quality Policies, we monitor performance indicators, such as energy, emissions, biodiversity, waste and water consumption, and regularly evaluate them at PES meetings. The Environmental Committee convenes every two months to set environmental strategies and oversees their implementation.

Our environmental initiatives are controlled under our ISO 14001:2015 Environmental Management System and Zero Waste certifications. We have been promoting sustainability by increasing efficiency in production processes with the MES system since 2020. R&D projects to develop ecological and recyclable products are ongoing, and no environmental fines have been imposed on our company in the last three years.

We spent TRY 12,208,484 on environmental investments in 2022 and TRY 1,359,519 in 2023. These investments were made in relation to the conservation of natural resources, energy efficiency and waste management.

### Key Projects and Initiatives Climate Change and Resource Efficiency

Climate change is one of the most critical risks. Initiatives are undertaken for efficient use of resources and waste reduction to combat this risk. Long-term collaborations are established with suppliers that offer low emissions.

*63 green product projects implemented*

#### Sustainable Product Development

63 green product projects were implemented in 2023. Sustainable cooperation is established with business partners by developing recyclable products with a low carbon footprint.

#### Energy Efficiency

In 2023, the processes were improved by 9% for increased efficiency in energy consumption.

#### Water Management

With the aim of using water resources efficiently, 600 cubic meters of rainwater was used as process water thanks to the rainwater collection system installed at our Eurotec-2 plant in 2023.

#### Risk and Opportunity Management

Our Sustainability Committees regularly assess risks and opportunities. In 2023, 609 risks and 255 opportunities were identified. These risks and opportunities are monitored through the QDMS Risk module, ensuring that necessary actions are taken.

## Environmental Goals

At Eurotec Engineering Plastics, we consider keeping the effects of emissions, waste and wastewater on human health and the environment under control, optimizing energy use and handling all these processes in accordance with our environmental policies some of our main goals. We continue to take initiatives for a sustainable future by minimizing our environmental impacts.

## Environmental Practices at Eurotec

In line with our environmental sustainability goals, the basic principles we have identified for our operations consist of identification and classification, prevention, reuse, reduction and recycling. Based on these principles, we manage our waste, emission and wastewater management initiatives in line with our sustainability strategies.

We act proactively to combat environmental challenges, such as efficient use of resources, protection of biodiversity, water scarcity and climate change. Our goal is to control environmental risks through carbon footprint reduction, chemical management systems, and sustainable practices in production.

### Sustainable Products and Environmentally Friendly Production Processes

*Our brands Tecomid<sup>eco</sup> and Tecotek<sup>eco</sup> turn industrial and consumer waste into high-performance eco-friendly products.*

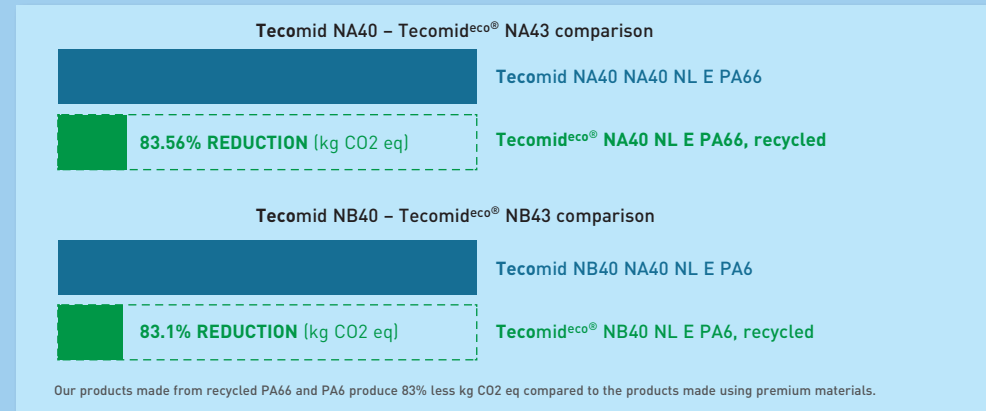
## SUSTAINABILITY REPORT 2023

Eurotec’s Green Product Range adopts an environmentally friendly production approach by offering sustainable material solutions. Our products made from recycled polymers, such as PA, PET, PC and PP, contribute to the reduction of environmental impacts by reusing industrial and consumer waste in line with a circular economy approach. In this respect, we develop sustainable solutions to reduce our carbon footprint and use natural resources efficiently.

Our brands, such as Tecomid<sup>eco</sup> and Tecotek<sup>eco</sup>, are produced from recycled industrial textile fiber waste and consumer bottle waste. These

products deliver high performance and environmentally friendly solutions for many industries, such as automotive, electrical-electronics, sports, home appliances and many others. In addition, we develop bio-based and biodegradable materials. Bio-based polyamides (PA5.6, PA6.10, PA11) are derived from agricultural sources and are used in industries, such as automotive and white goods. Our Tecobio® biodegradable product range is used in food packaging and daily consumer products and is easily degraded in nature and disposed of without harming the environment.

*“ We offer sustainable solutions with bio-based polyamides from agricultural sources and Tecobio® biodegradable products. ”*



### Environmentally Friendly Production Processes

We adopt an environmentally friendly approach not only in products but also in production processes. We make our production processes sustainable through environmentally friendly practices, such as solar energy, rainwater collection system and waste management. Our recycled PA production facility and life cycle assessment (LCA) processes foster the efficient use of resources and less waste generation.

### Automotive Applications and Global OEM Approvals

Recognized by many automotive manufacturers worldwide, Eurotec develops innovative products used for interior and exterior designs of vehicles as well as in under-hood and electrical components. These products increase environmental sustainability with their longevity and durability, playing a key important role in the automotive industry.

### Sustainable Solutions for E-Mobility and Electric Vehicles

The recyclable and energy-efficient materials we develop for electric vehicles due to the widespread use of these vehicles contribute to achieving our sustainability goals. These materials, which are especially ideal for parts used in electric vehicles, stand out with their high temperature and moisture resistant structure. Thus, we offer environmentally friendly and energy-saving solutions.

### Environmental Resilience and Performance

We consider not only performance and quality but also environmental sustainability in the products we develop. Our products offer long-lasting use thanks to their high durability, reducing waste generation and minimizing environmental impact for a sustainable future.

## Emission Monitoring and Reduction Initiatives

Since 2023, 7% of our energy consumption has been covered by renewable resources. We aim to bring this ratio to 12% in 2027 by increasing renewable energy investments and improving energy efficiency.

Eurotec placed emission management and carbon footprint initiatives at the core of its sustainability strategy to reduce its environmental impact. In this context, initiatives are undertaken to minimize carbon emissions through LCA (Product Life Cycle) actions and corporate carbon footprint measurements.

We have been strengthening our strategies for electric vehicle transition since 2023. In 2024, we aim to provide 5% of our vehicle fleet with electric vehicles and increase this ratio to 10% by 2026, contributing to our sustainable transportation goals.

Optimization of transportation and distribution operations plays a key role in this process. We monitor diesel oil consumption in product transportation regularly every month to reduce fuel consumption and minimize carbon dioxide emissions. In addition, daily work plans were created to minimize transfers between warehouses, and warehouse layouts were adjusted to minimize the production-warehouse transfer distance.

Our Company closely monitors energy consumption and optimizes both internal (Scope 1) and external

(Scope 2) energy consumption. In 2023, natural gas consumption was 199,203 kWh and energy consumption per capita was 88,331 kWh/man. Fuel oil consumption was 14,545 liters. For external energy consumption, electricity consumption was 9,718,127 kWh, attaining a value of 0.342 on a kWh/kg basis. We use more renewable energy, with 625,772 kWh of solar energy used in 2023. Significant progress has been made in our energy efficiency since the Solar Power Plant (SPP) was commissioned in July 2022.

We closely monitor our Scope 1 (direct) and Scope 2 (indirect) emissions as part of energy and emission management. In 2023, direct energy consumption (Scope 1) was 199,203 kWh and 14,545 liters due to the use of natural gas and fuel oil. External energy consumption (Scope 2) includes electricity consumption of 9,718,127 kWh. As part of efforts to reduce emissions, we are more committed to preferring renewable energy sources by using 625,772 kWh of solar energy in 2023. Thanks to the SPP (Solar Power Plant), we continue to reduce our carbon footprint.

### Reducing Our Carbon Footprint with GoGreen

As part of the GoGreen agreement with DHL logistics for sustainable transportation solutions, Eurotec prefers low-emission transportation options. We take steps to reduce our carbon footprint through environmentally friendly transportation and logistics

practices. Thanks to the GoGreen agreement, Eurotec cargo is delivered using environmentally friendly logistics solutions such as electric vehicles and bicycles.

Reducing carbon emissions with intermodal and maritime shipments has also been an important step in this process. Eurotec aims to increase both environmental and operational efficiency by continuing to produce sustainable solutions in transportation and logistics operations.

### Reducing our Environmental Impact with Life Cycle Analysis (LCA)

A Life Cycle Analysis (LCA) is a comprehensive method that evaluates the environmental impact of products from production to use and disposal. AT Eurotec, we meticulously carry out LCA initiatives for our products in line with our sustainability goals. Thus, we aim to continuously reduce our carbon footprint by minimizing the environmental impact of our products.

The results of the LCA initiatives demonstrate the success of our environmentally responsible production processes. For example, our Tecomid eco NA43 BK PA66 (recycled) achieved an 83.56% reduction in carbon emissions compared to Tecomid NA40 NL E PA66. Similarly, our PA5-6 product line achieved an 81% reduction in carbon emissions thanks to recycled materials.



## Energy Management and Efficiency Practices

“ *By optimizing our energy consumption with high-efficient motors and cooling systems, we reduced our carbon footprint by 15.76%.* ”

Eurotec Engineering Plastics aims to achieve maximum efficiency with minimum energy consumption in energy management. In this respect, the company took energy-saving measures such as choosing efficient pumps and motors. In addition, boiler systems were improved to reduce natural gas consumption.

The projects carried out during the reporting period provided energy savings of 59.4 MWh and a financial gain of TRY 249,000 by replacing the DC motor on the ZSK 50 line with an AC motor. Energy consumption was optimized with the installation of an inverter in the DVk 25 compressor, resulting in 32.18 MWh savings and a financial gain of TRY 136,000. The use of a low-pressure blower instead of a high-pressure compressor on the ZSK 70 B line resulted in energy

savings of 88.16 MWh and a financial gain of TRY 307,000. In addition, the use of a high-efficiency fiberglass fan in the cooling tower resulted in energy savings of 10.08 MWh and a financial gain of TRY 35,950.

Total energy consumption was 9,718,127 kWh in 2023, with an energy density of 0.3420 kWh/kg. In this process, 1,000 MWh of annual energy savings resulted in financial savings of TRY 3,075,067. Direct (Scope 1) greenhouse gas emissions were measured at 564.13 tons CO<sub>2</sub>e and indirect (Scope 2) greenhouse gas emissions at 4,266.38 tons CO<sub>2</sub>e. Scope 3 emissions were calculated at 141,361.39 tons CO<sub>2</sub>e due to the factors, such as purchased fuel, energy, goods and services, transportation and waste management. The company's greenhouse gas

intensity decreased by 15.76% compared to 2022, but the company continues to pursue improvement goals towards sustainability.

In 2023 measurements of air emissions, Volatile Organic Compounds (VOC) were found to be 0.23052 kg/hour. Particulate matter, NO<sub>x</sub>, SO<sub>x</sub>, TOC and other harmful emissions are monitored every two years, aiming to minimize the impact on the environment.

***In 2023, energy consumption per ton was measured at 0.342 kWh/kg. We aim to reduce this ratio to 0.340 kWh/kg in 2024, 0.325 kWh/kg in 2025 and 0.300 kWh/kg in 2026.***



## Water Management and Water Protection Goals

At Eurotec, we recognize that water is a critical resource for our planet and communities. In this regard, the protection and sustainable use of water resources is one of the cornerstones of our environmental strategies. Our water management processes are based on sustainability principles that aim to both increase operational efficiency and make the best use of natural resources.

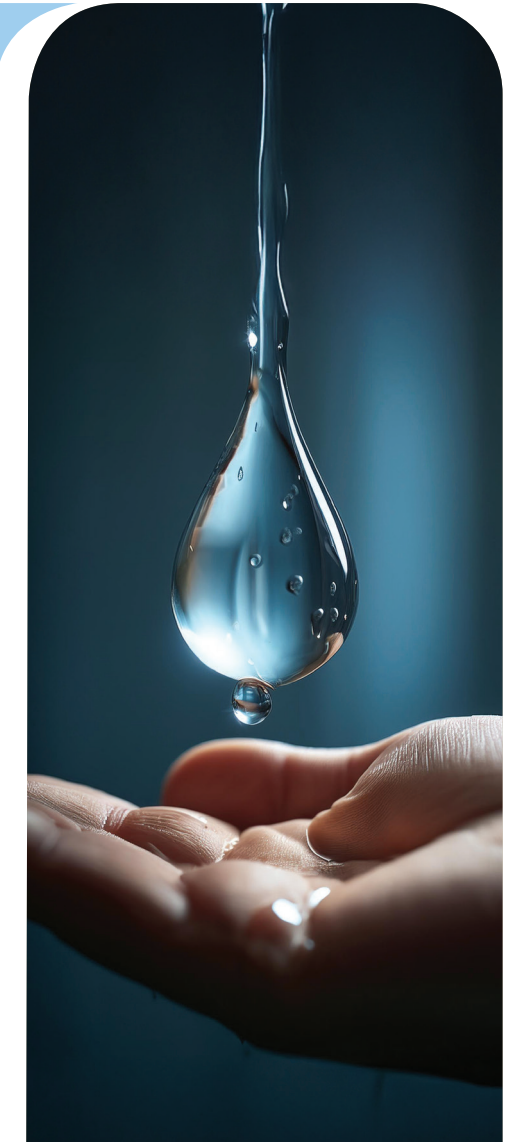
*“We recycled 19,979 m<sup>3</sup> of wastewater through advanced optimization processes in wastewater management.”*

Eurotec follows the principles of environmental sustainability for water use and management and improves this process continuously. In 2023, total water consumption was 23,505 m<sup>3</sup>, with a range of projects implemented for efficient water use. By using a rainwater collection system, the Company limited the rainwater consumption to 498 m<sup>3</sup>. This caused the water use intensity decrease from 1.6079 m<sup>3</sup>/kg in 2022 to 0.8271 m<sup>3</sup>/kg in 2023, indicating an improvement higher than 50%. This improvement demonstrates the success of water saving initiatives and optimization processes.

As part of wastewater management, domestic wastewater and process water are regularly sent to the ASB Common Treatment Plant. Water quality is monitored through weekly Chemical Oxygen Demand (COD) tests. The

amount of reused water was increased to make the use of water resources more efficient and 15% of the water used in 2023 was upcycled as wastewater. A total of 19,979 m<sup>3</sup> of wastewater was managed, which is an important indicator supporting the efficient use of water resources.

At Eurotec, we will continue our efforts to further reduce water consumption and improve our wastewater management processes. By 2026, we aim to reduce our water use ratio to 1.12, while we pursue the goal of reaching more advanced levels in water management through new technologies and innovative projects. In this process, we will continue to minimize our environmental impact and ensure water sustainability in cooperation with our stakeholders.



## Biodiversity Conservation

At Eurotec, we develop various strategies to minimize the impact of our operations on biodiversity. We take concrete steps to reduce our environmental footprint throughout the product life cycle. In this regard, we formulate sustainable products, implement energy efficiency projects and deliver innovative solutions to minimize environmental impacts. In line with our sustainability approach, we prioritize reducing the use of natural resources and promoting recycling processes to contribute to the protection of biodiversity.

After making an assessment, we found that the fields in which our company is active are not included in the regions with threatened species under the IUCN Red List. However, we continuously review and improve our environmental impacts to maintain this position sustainably and contribute to our efforts to protect natural life.

## Contributing to Climate Action

*In 2023, we reduced our carbon footprint thanks to 625,772 kWh of renewable energy generation and 1,000 MWh of energy savings.*

Energy efficiency projects are implemented, accompanied by investments made in renewable energy resources to increase environmental sustainability. In 2023, improving the energy consumption process and generating 625,772 kWh of renewable solar energy made significant contributions to the goals of reducing carbon footprint and minimizing energy intensity.

As part of combating the climate crisis, we strategically manage projects to reduce carbon emissions. The Sustainability Committee conducts regular risk analyses to monitor environmental impacts and reach energy efficiency goals, maintaining

efforts to improve some areas such as energy consumption optimization, waste management and water resources protection. In this regard, Scope 1, Scope 2 and Scope 3 emissions are monitored with focus on reducing the environmental impact of operations.

In 2023, direct greenhouse gas emissions (Scope 1) were measured at 564.13 tons of CO<sub>2e</sub> and indirect greenhouse gas emissions (Scope 2) were measured at 4,266.38 tons of CO<sub>2e</sub>. In addition, Scope 3 emissions were calculated as 141,361.39 tons of CO<sub>2e</sub> in 2023. These emissions show a 15.76% decrease compared to 2022: In 2022, direct emissions were 232.61 tons of CO<sub>2e</sub>, indirect emissions 4,129.69 tons of

CO<sub>2e</sub>, and Scope 3 emissions 169,173.32 tons of CO<sub>2e</sub>.

As part of combating the climate crisis, the company carried out a range of projects to optimize energy consumption and reduce greenhouse gas emissions. Thanks to these projects, a total of 1,000 MWh of energy was saved throughout 2023 thanks to these projects, resulting in a financial gain of TRY 3,075,067.

These actions yield tangible results in the fight against climate change, and efforts are underway to achieve environmental sustainability goals.



## Supply Continuity and Traceability Practices

*“ We optimize our energy and water consumption throughout the supply chain by monitoring efficient resource use and waste management processes. ”*

Sustainability and traceability practices in our supply chain are of strategic importance for long-term success and reducing environmental impacts. Ensuring the traceability of raw materials used in production processes contributes both to the maintenance of quality standards and the accomplishment of environmentally friendly practices.

Thanks to the long-term collaborations we have established with our suppliers, we follow approaches that adopt sustainability principles in raw material

procurement. Each step of the supply chain is regularly inspected and secured through traceability processes. In addition, the use of environmentally friendly materials and the preference of renewable resources contribute to the achievement of the company's environmental goals.

Making energy and resource consumption processes traceable, we work in harmony with our suppliers on the efficient use of resources such as water and energy consumption and compliance with waste management policies.



## Waste Management and Compliance with Circular Economy

Since 2023, our waste per kilogram has been 17.34 kg. Our target is to gradually reduce this amount to 15.38 kg by 2028.

The Company's waste management policies are fulfilled in accordance with the Waste Management Regulation published in the Official Gazette 29314 dated 02.04.2015. The aim is to transfer any hazardous and non-hazardous waste to licensed recycling companies without causing damage to the environment and human health and to minimize the use of natural resources. Waste is collected in appropriate containers at the plant and handled in accordance with recycling processes by separating them into categories, such as packaging waste, domestic waste, hazardous waste and medical waste.

Increasing resource efficiency and minimizing our environmental impact lie at the core of our sustainability goals. In this respect, we continuously improve our waste management strategies and reduce our environmental impact through recycling and recovery.

The amount of hazardous waste recovered for energy purposes, which was 53.1 tons in 2022, was 52.0 tons in 2023. This accounts for a decrease of 2.05%. This reduction is a concrete indicator of our improvement efforts to manage hazardous waste in a sustainable manner. By increasing energy recovery, we aim to both reduce the use of resources and ensure the reuse of waste.

The amount of non-hazardous waste recycled was 580.0 tons in 2022 and 515.3 tons in 2023. This accounts for a reduction of 11.2%. This reduction reflects our efforts to use resources more efficiently and our commitment to reducing waste.

Our long-term sustainability goals for waste management focus on increasing energy and material recovery and minimizing the total amount of waste. The results for 2023 demonstrate the progress we have made towards these goals, and we aim at higher levels of recycling and recovery in the future. We continue to develop more efficient processes to reduce waste and minimize environmental impact.

As part of waste management, recycling and reuse initiatives are of great importance. Non-hazardous waste, such as plastic chips, paper/cardboard packaging and wooden pallets, are regularly delivered to licensed recycling companies. Hazardous waste, on the other hand, is kept in secure temporary storage areas and transported using the MWTS (Mobile Waste Tracking System) to protect the environment and human health. Occupational safety measures are fully complied with when handling hazardous waste, where employees are provided with protective equipment. In addition, waste management projects were carried out in 2023, providing both environmental and financial benefits through steps such as the repair and reuse of wooden pallets.

At our plant, we place significant emphasis on recycling processes, re-integrating waste materials into production to minimize waste generation. Additionally,

we produce value-added products by using recyclable materials such as plastic bottles. As part of efforts to save energy, we also use compressor waste heat for heating the installations, thus saving energy.

### Waste Management Projects

In 2023, the rate of hazardous waste we produced was 1.84. Our goal is to improve our waste management and reduce our environmental impact by gradually reducing this ratio to 1.68 by 2028.

In 2023, the rate of non-hazardous waste we produced was 15.50. Our goal is to improve our waste management and reduce our environmental impact by gradually reducing this ratio to 11.52 by 2028.

*“ Thanks to our waste management projects, we reduced 37.5 tons of waste in 2023. ”*

In 2023, various waste management projects were implemented in line with sustainability goals, bringing significant environmental and financial benefits. These efforts include important steps to reduce the amount of waste:

- 1. Repair and Reuse of Pallets:** The cp3 pallets used in the production line were repaired and reused, eliminating the purchase of new pallets. This reduced 7.5 tons of waste and resulted in an annual savings of \$10,800.
- 2. Putting Closed Pallets into Use:** Closed pallets that could be considered waste were offered to customers for reuse, reducing the purchase of pallets. This reduced 30 tons of waste and resulted in annual savings of \$13,200.
- 3. Reduction of Scrap Products:** Thanks to the efforts to reduce the amount of scrap products resulting from production errors, the scrap rate was reduced from 1.18% in 2022 to 1.16% in 2023. This improvement generated an income of EUR 11,791.
- 4. Optimization of Scrap Pallets Transportation:** Both fuel consumption and emissions were reduced during the transportation of scrap pallets by lift trucks. This new practice resulted in annual labor savings of TRY 40,000 and fuel savings of TRY 40,000.

## Management Systems

Since the day it commenced its operations, Eurotec has adopted the principle of working in accordance with Management Systems Standards and developing a sustainable business model under these standards. The company's Quality, Environment, Occupational Health and Safety (OHS), Energy, Information Security and Customer Satisfaction policies are effectively implemented in all business processes in line with the commitments made. These policies are important cornerstones that reflect Eurotec's core values and enable it to reach its sustainability goals.

### Our Management Systems Standards:

Eurotec operates in accordance with the following management systems standards:

- 1. Quality Management System (ISO 9001):** It is a system applied by Eurotec to ensure compliance with quality standards in all business processes and to maximize customer satisfaction.
- 2. Automotive Quality Management System (IATF 16949):** Eurotec uses this system for continuous improvement, emphasizing error prevention and reducing variability and waste in the supply chain.
- 3. Environmental Management System (ISO 14001):** The Company complies with this standard to conduct environmentally sensitive production processes and minimize its environmental impact.

**4. Occupational Health and Safety Management System (ISO 45001):** It is a system that prioritizes the health and safety of employees, and an effective structure has been established to avoid occupational accidents and diseases.

**5. Energy Management System (ISO 50001):** Eurotec implements this management system to improve energy efficiency and ensure the effective use of energy resources.

**6. Information Security Management System (ISO 27001):** The Company complies with information security standards to protect the confidentiality, integrity and accessibility of information.

**7. Customer Satisfaction Management System (ISO 10002):** It is a management system based on customer satisfaction, which considers the feedback from customers and takes continuous improvement initiatives.

## Policies

### Quality, Environment, OHS and Energy Management Systems Policy

Thanks to the Quality, Environment, Occupational Health and Safety (OHS) and Energy management systems we have established in line with our vision, mission and values, we aim to contribute to sustainable development and to achieve a reputable position in the industry.

### Information Security Management System Policy

Leveraging our Information Security Management System, we aim to contribute to sustainable development and to lead the industry regarding information security.

### Customer Satisfaction Management System Policy

We continue our efforts in line with our Customer Satisfaction Management System to meet the expectations of our customers and promote sustainable growth.

### Conflict Minerals Policy

When it comes to sourcing minerals from conflict zones, we follow the OECD Compliance Guidelines and apply these principles.

### Sustainable Procurement Policy

We implement sustainable procurement policies that aim to establish a balance between human and nature by using economic resources efficiently, conserving natural resources and catering for the needs of future generations.

## Member Associations and Platforms

- Signatory to the United Nations Global Compact on Ethical Principles.
- Member organizations: TAYSAD, PAGEV, PLASFED, BEYSAD.

# Certificates, Awards and Sponsorships

## Sponsorships

### Sports and Scientific Sponsorships

Eurotec sponsors various sports clubs and scientific events to contribute to the development of young talents. The funding provided to organizations, such as Eurasia Sports Club and Yıldız Technical University Racing Team, contributes to the sportive and technological development of young people and helps them produce innovative solutions.



In addition, Eurotec shares knowledge and experience with industry stakeholders at international events such as Lunch&Learn with its sustainable innovative material solutions.



Eurotec's sponsorship initiatives also include collaborations with universities under educational projects. Significant sponsorships were provided through collaborations with Yıldız Technical University (YTÜ) and Istanbul Technical University (İTÜ). In addition, Eurotec is also known for its science projects for students and makes significant contributions to the scientific development of young people by distributing science sets to students as part of the YGA Science Movement project. Furthermore, YGA aims to instill a love for science in children and develop their scientific thinking skills through events such as the Eurotec Science Festival.



### Eurotec Football Team, Champion of Hearts

The Eurotec Football Team achieved a great success, qualifying for the finals of the European Free Zone (ASB) Football Tournament. The team stood out with its high performance, team spirit and gentlemanly struggle throughout the tournament, thus becoming the champion of our hearts. The Eurotec Football Team was really appreciated for reaching the final, which made the company more united and more of a team.



### Hacettepe University Simurgh Y Team Sponsorship

Eurotec funded the participation of Simurgh Y Team, Hacettepe University's unmanned aerial vehicle community, in the TEKNOFEST 2023 finals. This project allowed young engineers to showcase their projects regarding environmentally friendly technologies and unmanned aerial vehicles. Eurotec's support aims to contribute to the development of young people in technology.



## Certificates, Awards and Sponsorships

### Eurasia Sports Club Sponsorship Support

Eurotec supported the Eurasia Sports Club as a sponsor in the local youth basketball leagues. This sponsorship is a social responsibility project that aims to contribute to the development of young athletes and encourage the spread of sports. By increasing the opportunities for young people to do sports, it aims to bring them together with values such as healthy living and team spirit.

### Yildiz Technical University Racing Team Formula Student Sponsorship

Eurotec attended the launch of the 8th internal combustion and 2nd electric vehicle produced by Yildiz Technical University Racing Team for the Formula Student races in Italy and Czech Republic. This project aims to produce solutions for sustainable energy and environmentally friendly transportation and supports innovative projects carried out by young engineers.

### Lunch&Learn 22 International Plastic Injection Molding Conference

The Lunch&Learn 22 event, sponsored by Eurotec, stands out as an important conference in the plastic injection molding industry. Held in 2022 at the Crowne Plaza Istanbul Asia Hotel, this event provided a platform focusing on sustainable material solutions in the industry. Eurotec's solutions provided participants with information about innovative approaches.

- Sponsorship support was provided to the unmanned aerial vehicle teams of various universities at TEKNOFEST 2023.
- Sustainability messages were delivered in cooperation with WWF.
- AMI Plastics in Electric Vehicles Conference was sponsored.

### Awards in 2023:

- The company ranked 228th among Turkey's companies with the highest R&D expenditures in the R&D 250 list. In the tire-plastic-rubber industry, the Company ranked 4th among the companies with the highest R&D investments.



## Events

### Corporate Communications and Events

At Eurotec, we aim to achieve our sustainability goals by establishing strong communication with our stakeholders. Between 2022 and 2023, we emphasized our innovative and environmentally friendly approaches in the industry through corporate events and collaborations.

### Corporate Communication Events 2023

- “We gave our team members their awards at our usual New Year’s dinner in 2023.”
- “Our Vice Chairman Reha Gür participated as a panelist in the International Automotive Engineering Conference organized under the theme ‘Green and Digital Future’.”

### Corporate Communication Events 2022

- “As Eurotec, we executed a GoGreen agreement with DHL to reduce carbon emissions and we transport our consignments using environmentally friendly vehicles such as bicycles.”
- “We support young athletes by funding Avrasya Sports Club in the Infrastructure Basketball Local Leagues.”
- “By participating in Yıldız Technical University SPRING FEST ‘22 Mobility Edition, we meet young talents and offer them job/internship opportunities.”

- “We improve our range of sustainable materials, ranking among Turkey’s 250 Companies with the Highest R&D Expenditure.”

### Human Resources Events

At Eurotec, we regularly organize a range of events to make our employees more motivated and more socially engaged. We aim to maintain the work-life balance of our employees through both social activities and awareness programs on occupational health and safety.

### Human Resources Events (2021-2023)

#### 2021

##### 1. New Year’s Raffle and Seniority Incentive Awards:

We present plaques and awards to our employees who have completed 5, 10 and 15 years of service during the traditional New Year’s raffle organized every year.



**2. A Pleasant Break in Nature:** We organized a hike in İğneada Floodplain Forests with our employees and offered them the opportunity to relax and spend a pleasant day in nature.



**3. Enjoying Boza at Eurotec:** During the winter months, we gave our employees a warm and pleasant break by offering them boza.



#### 2022

##### 4. A Pleasant Break with Chocolate Waterfall:

We organized a chocolate waterfall event and provided our employees with a fun and sweet break.



##### 5. Seminar on Ways to Cope with Stress and Depression:

We organized an informative seminar on stress and depression management with the participation of Senior Psychologist Arife Özlem Güngör.



## Etkinliklerimiz

**1. Salep Event:** We organized a warm break event with our employees by offering salep during the winter months.



**7. April 23rd Joy at Eurotec:** We celebrated April 23rd with the children of our employees, making sure that children enjoyed various activities.



**8. Science Movement by YGA:** We organized a YGA Science Workshop to bring the children of our employees together with science.



**9. Yildiz Technical University Spring Festivals:** We came together with students and graduates at the career fair.



**10. Eurotec Football Team, Champion of Hearts:** Our football team, which made to the finals of the European Free Zone Football Tournament, became the champion of hearts.



**11. Eurotec Family Festival:** We came together with our employees and their families, organizing a fun picnic and game event.



**12. Ice Cream Event:** We organized an ice cream event as a refreshing break during the summer months.



**13. Stationery Voucher Distribution:** We distributed stationery vouchers for the children of our employees and presented bags as a gift to children starting 1st grade in primary school.



## SUSTAINABILITY REPORT 2023

**14. Laughter Yoga Seminar:** We helped our employees relieve stress with a fun and instructive laughter yoga seminar.



**16. Eurotec Family Festival (2nd Edition):** We came together with our employees and their families and organized a family festival for the second time.



**18. Stationery Voucher Distribution:** We distributed stationery vouchers for the children of our employees.



**20. Baked Potato Event:** As part of a pleasant break, we served baked potato.



## 2023

**15. Office Yoga:** We organized office yoga activities two days a week to reduce stress and increase motivation.



**17. Sculpture Workshop:** We organized a sculpture workshop in cooperation with Mekanda Sanat Var - Trakya.



**19. Celebrating the 100th Anniversary of the Republic:** We celebrated the 100th anniversary of our Republic with a marching band concert.



**21. Pleasant Break with Waffles:** By closing the year with a waffle treat, we offered our employees a sweet break.





# APPENDICES

## Performance Indicators

### Economic Performance Indicators

Economic Indicators			
	2022	2023	Birim
Production Amount	24.884	28.420	Tons
<b>ENVIRONMENT</b>			
Expenditures for environmental investments	12.208.484	1.359.519	TRY
<b>OCCUPATIONAL HEALTH AND SAFETY</b>			
Budget/investments allocated to occupational health and safety	897.145	1.444.366	TRY
<b>R&amp;D and INNOVATION</b>			
Budget/investments allocated to R&D and Innovation	26.586.423	39.382.520	TRY
<b>DEALERS AND DISTRIBUTORS</b>			
Total number of dealers and distributors	51	56	

### Social Performance Indicators

Employment Data						
EMPLOYMENT						
	2022			2023		
	Woman	Male	Toplam	Woman	Male	Total
Total number of employees	46	145	191	44	155	199
Number of white-collar employees	45	24	69	43	29	72
Number of blue-collar employees	1	121	122	1	126	127
Number of subcontracted workers by gender	6	7	13	6	7	13

## SUSTAINABILITY REPORT 2023

	2022			2023		
	Full time	Part-time	Total	Full time	Part-time	Total
Number of employees by working hours (Total)	191	-	191	199	-	199
Number of white-collar employees	69	-	69	72	-	72
Number of blue-collar employees	122	-	122	127	-	127
Number of subcontracted workers by duration of employment	13	-	13	13	-	13

	2022			2023		
	Woman	Male	Total	Woman	Male	Total
Number of employees by age						
Under 30 years old	17	40	57	13	51	64
30-50 years old	29	101	130	31	101	132
Over 50 years old	-	4	4	-	3	3

	2022			2023		
	Woman	Male	Total	Woman	Male	Total
Number of new employees hired during the year	7	17	24	7	67	74
Under 30 years old	5	8	13	6	38	44
30-50 years old (including 30 and 50 years old)	2	9	11	1	28	29
Over 50 years old	-	-	-	-	1	1

	2022			2023		
	Woman	Male	Total	Woman	Male	Total
Number of employees in R&D, innovation and digitalization departments	12	28	40	14	27	41

EMPLOYEE TURNOVER	2022			2023		
	Woman	Male	Total	Woman	Male	Total
Total number of employees who quit their jobs	5	14	19	4	45	49
Number of employees aged under 30 who quit their jobs	3	5	8	2	19	21
Number of employees aged 30-50 who quit their jobs	2	8	10	2	25	27
Number of employees over 50 who quit their jobs	0	1	1	-	1	1

SENIORITY	2022			2023		
	Woman	Male	Total	Woman	Male	Total
Number of employees working for 0-5 years	29	90	119	24	92	116
Number of employees working for 5-10 years	12	32	44	15	43	58
Number of employees working for 10 years or above	5	23	28	5	20	25

## SUSTAINABILITY REPORT 2023

MATERNITY/PARENTAL LEAVE	2022			2023		
	Woman	Male	Total	Woman	Male	Total
Number of employees taking maternity/parental leave	2	-	2	1	-	1
Number of employees returning to work after the end of maternity/parental leave	-	-	-	-	-	-

DIVERSITY AND EQUAL OPPORTUNITY	2022			2023		
	Woman	Male	Total	Woman	Male	Total
Number of managers						
Under 30 years old	-	-	-	-	-	-
30-50 years old	6	7	13	8	8	16
Over 50 years old	-	-	-	-	-	-
Total	6	7	13	8	8	16
	Woman	Male	Total	Woman	Male	Total
Number of women and men on the Board of Directors	-	5	5	-	5	5

	2022			2023		
	Woman	Male	Total	Woman	Male	Total
Number of disabled employees by gender	1	2	3	1	2	3
Minimum number of disabled employees to be employed as required by law	-	-	6	-	-	6
Number of foreign employees	-	-	-	-	-	-

	2023	Unit
Number of employees participating in the employee satisfaction survey	149	person
Employee satisfaction score	64%	%
Number of employees participating in employee engagement survey	149	person
Employee engagement score	62%	%

### Training/Performance Evaluation

TRAINING	2022			2023			Unit
	Woman	Male	Total	Woman	Male	Total	
Total number of personnel trained (excluding OHS training)	49	154	203	51	193	244	person
Number of white-collar employees trained (excluding OHS training)	48	25	73	50	34	84	person
Number of blue-collar employees trained (excluding OHS training)	1	129	130	1	159	160	person

## SUSTAINABILITY REPORT 2023

TRAINING HOURS	2022			2023			Unit
	Woman	Male	Total	Woman	Male	Total	
Training hours (excluding OHS training)	2685.5	3.661	3.661	3.150	3.143	6.293	person * hour
Average annual training hours per employee	55	24	18	62	16	26	hour

	2022	2023	Unit
Number of employees trained on ethical principles	24	164	person
Hours of training on ethical principles	-	328	person * hour
Number of employees trained on anti-bribery and anti-corruption	24	238	person
Number of employees trained on environmental issues	168	199	person
Hours of training on environmental issues	437,5	474	person * hour

SUBCONTRACTOR TRAINING	2022	2023	Unit
Hours of training provided to subcontractors	170	130	person
Average annual training hours per person for subcontractors	10	10	clock

Training programs and contents for employees and managers	Annual training hours
Situational Management Skills Training	14 hours (training hours per person)
Effective Communication Training	6 hours (training hours per person)
Negotiation Techniques Training	6 hours (training hours per person)
Teamwork Training	14 hours (training hours per person)
Basic Management Skills Training	7.5 hours (training hours per person)
Project Management	8 hours (training hours per person)
Effective Presentation Techniques	6.5 hours (training hours per person)
Trainer Training	12 hours (training hours per person)

PERFORMANCE EVALUATION	2022			2023		
	Woman	Male	Total	Woman	Male	Total
White Collar	-	-	-	38	21	59
Blue Collar	-	108	108	-	108	108

OHS Statistics	2022	2023
Number of near misses	24	25
Number of accidents with loss of days		
Number of fatal accidents	0	0
Lost day		
Accident Frequency Rate		
Accident severity rate	0,20	0,18

# Environmental Performance Indicators

## Energy and Emissions Management

### Internal (Scope 1) Energy Consumption

Energy consumption by fuel type	2022	2023	Unit
Natural Gas	185.277	199.203	kWh
Fuel-Oil	13.500	14.545	Lt

### External (Scope 2) Energy Consumption

Energy consumption by fuel type	2022	2023	Unit
Electricity	9.385.655	9.718.127	kWh

Energy generation from renewable energy sources	2022	2023	Unit	Description
Solar	232.629	625.772	kWh	SPP Commissioning date July 2022

### ENERGY DENSITY

Years	2022	2023	Unit	Description
Total energy consumption	9.385.655	9.718.127	kWh	
Intensity total per year	24.884.440	28.419.362	kg	Total Production (kg)
Energy intensity (total energy/total production)	0,3772	0,3420	kWh/kg	2024 Target 0.340 kwh/kg

### ENERGY SAVING

Years	2022	2023	Unit
Total annual energy savings	1.123	1.000	MWh
Total annual energy savings (TRY)	3.167.247,00	3.075.067,00	TRY

### GREENHOUSE GAS EMISSIONS

Scope 1 (direct) greenhouse gas emissions	2022	2023	Unit
CO2e	232,61	564,13	ton CO2e

Scope 2 (indirect) greenhouse gas emissions	2022	2023	Unit
CO2e	4.129,69	4.266,38	ton CO2e

Scope 3 emissions, if measured	2022	2023	Unit
CO2e	169.173,32	141.361,39	ton CO2e

## SUSTAINABILITY REPORT 2023

### GREENHOUSE GAS INTENSITY

Years	2022	2023	Unit	Description
Total greenhouse gas emissions	173.535,61	146.191,89	tons CO2e	
Intensity total per year	24.884,44	28.419,36	tone	Total Production (tons)
Greenhouse gas intensity (total emissions/total production)	6,973659	8,996743	ton CO2e/kg	

### AIR EMISSIONS

From air emissions, indicate the measured ones by mass flow rate.	2022	2023
Volatile Organic Compounds (VOC)		0,23052

### ENVIRONMENTAL FINE

Years	2022	2023	Unit
Environmental fine	0	0	TRY

### ENVIRONMENTAL INVESTMENTS

Years	2022	2023
Total environmental investments and expenditures	12.208.484	1.359.519

### WATER USE

Indicate the amount of water used by its source.	2022	2023	Unit
Mains water	40.011	23.505	m <sup>3</sup>
INTENSITY OF WATER USE (total use/total production)	1,6079	0,8271	m <sup>3</sup> /kg

### AMOUNT OF REUSED WATER AND WASTEWATER

Indicate the amount of water reused and the amount of wastewater.	2022	2023	Unit	Description
Amount of wastewater	34.009	19.979	m <sup>3</sup>	15% of the water used is wastewater

Amount of Hazardous Waste (Please enter the waste type in the description section.)	2022	2023	Unit
Recovered for energy purposes	53,067	51,980	tons
Total Amount of Hazardous Waste	53,067	51,980	tons
Amount of Non-Hazardous Waste (Please enter the type of waste in the description section)	2022	2023	Unit
Recycled	580,010	515,290	tons

# INDICES

## GRI Content Index

GRI Standard	Disclosure	Description
<b>GRI 1: Foundation 2021</b>		
<b>GRI 2: General Disclosures 2021</b>		
<b>GRI 2: General Disclosures 2021</b>	2-1 Organizational Details	About Eurotec (Pages 4-12)
	2-2 Entities included in the organization's sustainability reporting	About The Report (Page-2)
	2-3 Reporting period, frequency and contact point	About The Report (Page-2)
	2-4 Restatements of information	There is no information held
	2-5 External assurance	About The Report (Page-2)
	2-6 Activities, value chain and other business relationships	About Eurotec (Page-4) and Eurotec Value Chain (Page-17)
	2-7 Employees	We are constantly evolving (Pages 34-43) Pages 60-61)
	2-8 Workers who are not employees	Social Performance Indicators (Page-60)
	2-9 Governance structure and composition	Eurotec and Sustainability (Page-13)
	2-10 Nomination and selection of the highest governance body	Sustainability Management (Pages 20-21)
	2-11 Chair of the highest governance body	Management Structure and Organization (Page-13)
	2-12 Role of the highest governance body in overseeing the management of impacts	Impact, risk and opportunity management (Pages 15-16)
	2-13 Delegation of responsibility for managing impacts	Impact, Risk and Opportunity Management (Page-15)
	2-14 Role of the highest governance body in sustainability reporting	Sustainability management (Page-21)
	2-15 Conflicts of interest	Protecting Stakeholder Participation and Development (Page-31)
	2-16 Communication of critical concerns	Impact, Risk and Opportunity Management (Page-16)
	2-17 Collective knowledge of the highest governance body	Sustainability Management (Page-21)
	2-18 Evaluation of the performance of the highest governance body	Sustainability Management (Page-21)

GRI Standard	Disclosure	Description
<b>GRI 1: Foundation 2021</b>		
<b>GRI 2: General Disclosures 2021</b>		
<b>GRI 2: General Disclosures 2021</b>	2-19 Remuneration policies	Pricing and Fair Trade Mechanisms (Page-32)
	2-20 Process to determine remuneration	Pricing and Fair Trade Mechanisms (Page-32)
	2-21 Annual total compensation ratio	Pricing and Fair Trade Mechanisms (Page-32)
	2-22 Statement on sustainable development strategy	Strategic Priorities and Compatibility (Page-24)
	2-23 Policy commitments	Sustainability Policies (Page-23)
	2-24 Embedding policy commitments	Sustainability Policies (Page-23)
	2-25 Processes to remediate negative impacts	Waste Management and Compatibility with the Circular Economy (Page-58)
	2-26 Mechanisms for seeking advice and raising concerns	Eurotec and Sustainability (Page 14-16)
	2-27 Compliance with laws and regulations	Ethical Business Approach (Page-14)
	2-28 Membership associations	Attachments (Page-65)
	2-29 Approach to stakeholder engagement	Maintaining and Improving Stakeholder Participation (Page-31)
	2-30 Collective bargaining agreements	-
	<b>GRI 3: Material Topics</b>	
<b>GRI 3: Material Topics 2021</b>	3-1 Process to determine material topics	Sustainability Prioritization (Pages 25-27)
	3-2 List of material topics	Sustainability Prioritization (Page-27)
	3-3 Management of material topics	Management Targets (Page-29)
<b>R&amp;D and Innovation Investments</b>		
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Continuous Improvement (Pages-27.33.35.44.45.50.51)

## SUSTAINABILITY REPORT 2023

Circular Economy Compliance		
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	With Waste Management and Circular Economy Our Compliance (Page-51), Eurotec and Sustainability
<b>GRI 201: Economic Performance 2016</b>	201-1 Direct economic value generated and distributed	-
	201-2 Financial implications and other risks and opportunities due to climate change	Impact, Risk and Opportunity Management (Pages 15-16)
<b>GRI 203: Indirect Economic Impacts 2016</b>	203-1 Infrastructure investments	High Technology: Engineering Plastics (Page-8)

Employee Satisfaction and Loyalty		
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Eurotec Social Practices (Page-36), Employee Development and Commitment (Page-42)

Customer Satisfaction		
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	High Technology: Engineering Plastics (Page-8), Customer and Distributor Satisfaction (Pages-18,19)

Ethical Business and Management		
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Ethical Business Approach (Page-14)
<b>GRI 205: Anti-Corruption 2016</b>	205-2 Communication and training about anti-corruption policies and procedures	Qualified Management Approach (Page-30)

Tackling the Climate Crisis		
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Contribution to Climate Action (Pages-51.56)
<b>GRI 302: Energy 2016</b>	302-1 Energy consumption within the organization	Energy Management and Efficiency Applications (Page-54), Environmental Performance Indicators (Page-69)
	302-4 Reduction of energy consumption	Emission Tracking and Reduction Studies (Page-53), Energy Our Management and Efficiency Practices (Page-54)
	302-5 Reductions in energy requirements of products and services	We work with passion (Pages-51.52)
<b>GRI 305: Emissions 2016</b>	305-1 Direct (Scope 1) GHG emissions	Emission Tracking and Reduction Studies (Page-53)
	305-2 Indirect (Scope 2) GHG emissions	Emission Tracking and Reduction Studies (Page-53)
	305-4 GHG emission intensity	Energy Management and Efficiency Applications (Page-54)
	305-5 Reduction of GHG emissions	Energy Management and Efficiency Applications (Page-54)

Waste and Water Management		
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Water Management and Water Conservation Targets (Page 55)
<b>GRI 306: Waste 2020</b>	306-1 Waste generation and significant waste-related impacts	Sustainable Products and Environmentally Friendly Production Processes (Page-45)
	306-2 Management of significant waste-related impacts	Sustainable Products and Environmentally Friendly Production Processes (Page-45)
	306-3 Waste generated	Water Management and Water Conservation Targets (Page-55)
<b>GRI 303: Water and Effluents 2018</b>	303-1 Interactions with water as a shared resource	Water Management and Water Conservation Targets (Page-55)
	303-3 Water withdrawal	Environmental Performance Indicators (Page-70)
<b>GRI 304: Biodiversity 2016</b>	304- 2 Significant impacts of activities, products and services on biodiversity	Conservation of Biodiversity (Page-56)



## Report Tag

GRI 1: Foundation 2021

Eurotec Mühendislik Plastikleri A.Ş. Sustainability Report is issued in accordance with GRI Standards for the period from January 01, 2022 to December 31, 2023.

Eurotec 2023 Sustainability Report has been prepared by GTAlliance UK.

Sinem Keleş



Muhammet Ali Gizer

