



KORDSA TEKNİK TEKSTİL A.Ş.

2025 CDP Corporate Questionnaire

C1. Introduction

(1.3) Provide an overview and introduction to your organization.

(1.3.3) Description of organization

Established in 1973 as a subsidiary of Sabancı Holding, Kordsa is a leading advanced materials company specializing in tire and construction reinforcement, composite technologies, and compounding. Kordsa operates across 4 continents and 6 countries, including Türkiye, Brazil, Indonesia, Italy, Thailand, and the USA, with more than 4,500 employees. Through its high-value-added and innovative reinforcement solutions, Kordsa aims to create sustainable value for its customers, employees, stakeholders, and communities under the vision of "Reinforcing Life." Kordsa has 2 R&D centers and 3 technical centers. Kordsa started 17 new R&D projects in the reporting year. These projects focus on issues such as: sustainable product and process technologies, reducing rolling resistance, eco-design, bio-based materials, chemical recycling, reducing the weight of products, reducing water pollution and GHG emissions. Kordsa provides high quality service and end-to-end solutions with a high level of technical competency. The main objective of the company is to "progress with innovative value-added technologies" by continuously investing in its employees and customers. Worldwide the company is the acclaimed holder of "The Reinforcer" title, thanks to its market leader position, its strong global footprint, its technological leadership and its experience on reinforcement. Every one in three automobile tires and every two in three aircraft tires are globally reinforced by Kordsa. In all the businesses we operate, we develop all our products with a sustainability perspective and aim to grow by creating social, environmental, and economic value. With our technologies in the tire reinforcement sector which reduce fuel consumption through decreased rolling resistance, with our composite technologies which reduce carbon emissions by making vehicles lighter and consume less fuel and also with our more durable and practical construction reinforcement solutions, we work for a sustainable future.

(1.4) State the end date of the year for which you are reporting data. For emissions data, indicate whether you will be providing emissions data for past reporting years.

	End date of reporting year	Alignment of this reporting period with your financial reporting period	Indicate if you are providing emissions data for past reporting years
	12/30/2024	☒ Yes	☒ No

(1.4.1) What is your organization’s annual revenue for the reporting period?

928735443

(1.5) Provide details on your reporting boundary.

	Is your reporting boundary for your CDP disclosure the same as that used in your financial statements?
	☒ Yes

(1.6) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

(1.6.1) Does your organization use this unique identifier?

☒ Yes

(1.6.2) Provide your unique identifier

TRAKORDS9182

LEI number

(1.6.1) Does your organization use this unique identifier?

☒ Yes

(1.6.2) Provide your unique identifier

78900SXVKCU8TLWQX46

D-U-N-S number

(1.7) Select the countries/areas in which you operate.

Select all that apply

☒ Italy

☒ United States of America

☒ Brazil

☒ Turkey

☒ Thailand

☒ Indonesia

(1.8) Are you able to provide geolocation data for your facilities?

	Are you able to provide geolocation data for your facilities?	Comment
	☒ Yes, for all facilities	<i>We have 12 production facilities geolocation data of which will be provided.</i>

(1.24) Has your organization mapped its value chain?

(1.24.1) Value chain mapped

☒ Yes, we have mapped or are currently in the process of mapping our value chain

(1.24.2) Value chain stages covered in mapping

Select all that apply

☒ Upstream value chain

☒ Downstream value chain

(1.24.7) Description of mapping process and coverage

As Kordsa we mapped our value chain to effectively identify, assess and manage value chain related to environmental dependencies, impacts, risks, and opportunities. We conducted a sustainability risk mapping of our tier 1 suppliers based on criteria such as procurement category, total spend volume and geographical location. Kraljic Matrix analysis performed by the global supply chain department was also an important input for risk mapping process. Kordsa implements sustainable supply chain program in line with the risk mapping study. Starting point of this program is our "Supplier Code of Conduct". We defined our requirements and expectations from our suppliers and business partners in this document and we request all of our suppliers to comply with this document. Both environmental and social requirements are involved in this document. We use various tools to assess and monitor our suppliers' environmental approach and performance. Kordsa Annual Supplier Sustainability Survey, and sustainability audits are important tools that we use. With those tools we basically request from our suppliers to disclose their policies, strategies, targets and performance regarding environmental topics. In the reporting year suppliers corresponding to 98.84 % of total supplier expenditures have been included in the sustainability assessment. In line with suppliers' responses, we assess upstream value chain related environmental risks, impacts and opportunities. We also regularly hold sustainability engagement meetings with our suppliers. Additionally, we conducted WRI (World Resources Institute) Supply Chain Analysis for water-related risks. This analysis was conducted to suppliers with a significant annual spent volume (of (500,000 USD or more). These prioritized suppliers constitute a significant portion of Kordsa's purchasing volume. The analysis study covers 79% of purchasing volume. In this analysis, water-related physical and regulatory risks are considered and defined. We are currently working on our downstream value chain mapping process, because although we directly work with our customers as a part of our downstream value chain, mapping the downstream value chain also includes identification and analysis of all the entities that handle our products after it leaves our premises until the products reaches the end consumer.

C2. Identification, assessment, and management of dependencies, impacts, risks, and opportunities

(2.1) How does your organization define short-, medium-, and long-term time horizons in relation to the identification, assessment, and management of your environmental dependencies, impacts, risks, and opportunities?

Short-term

(2.1.1) From (years)

0

(2.1.3) To (years)

1

(2.1.4) How this time horizon is linked to strategic and/or financial planning

This time horizon aligns with Kordsa's Corporate annual target setting. In short term, Company focuses on below factors: - Sudden environment-related incidents - Improvement areas in energy usage at processes, warehouses or offices aiming lower GHG emission -R&D projects for products with lower emission levels. - Improvement areas in water and waste management -Feasibility studies of long-term capital-intensive projects -Potential joint development projects within value chain. - Supplier engagement in sustainability Focusing on short-term time horizon improves Kordsa's responsiveness and adoptability skills to the rapid changing risk landscape. This increases awareness across the global organization in both risk identification and action planning step. Risk owners are collaborating with action owners to manage the impacts.

Medium-term

(2.1.1) From (years)

1

(2.1.3) To (years)

5

(2.1.4) How this time horizon is linked to strategic and/or financial planning

This time horizon aligns with Corporate X+5 target setting. In medium-term, company focuses on below factors: - Identify further improvement areas of energy usage at processes, warehouses or offices aiming to achieve medium term GHG emission targets. - Ongoing R&D projects on products with lower emission. - Initiating potential joint development projects with value chain. - Increasing supplier involvement and commitment. - Transition strategies of energy purchasing - Changing macro trends in Automotive, Tire and Aviation Industries. - 2030 targets of Kordsa, related global markets and other Companies. Focusing on medium term time horizon also improves responsiveness and allows Kordsa to maintain its X+5 plan and keep them up to date.

Long-term

(2.1.1) From (years)

5

(2.1.2) Is your long-term time horizon open ended?

☒ Yes

(2.1.4) How this time horizon is linked to strategic and/or financial planning

This time horizon aligns with Kordsa's commitment to become net zero by 2050. For long-term, business units focused on below factors: - Physical impacts of climate change for all stages of value chain and direct operations - Transition strategies to Energy purchasing decisions. - Technological limitations to enable further emission reduction. - Monitor and manage suppliers' sustainability commitment. - Follow macro trends in Automotive, Tire and Aviation Industries. Focusing on long term time horizon allows Kordsa initiate R&D activities from today and enable know-how development to achieve 2050 targets.

(2.2) Does your organization have a process for identifying, assessing, and managing environmental dependencies and/or impacts?

	Process in place	Dependencies and/or impacts evaluated in this process
	☒ Yes	☒ Both dependencies and impacts

(2.2.1) Does your organization have a process for identifying, assessing, and managing environmental risks and/or opportunities?

	Process in place	Risks and/or opportunities evaluated in this process	Is this process informed by the dependencies and/or impacts process?
	☒ Yes	☒ Both risks and opportunities	☒ Yes

(2.2.2) Provide details of your organization's process for identifying, assessing, and managing environmental dependencies, impacts, risks, and/or opportunities.

Row 1

(2.2.2.1) Environmental issue

Select all that apply

- ☒ Climate change
- ☒ Water

(2.2.2.2) Indicate which of dependencies, impacts, risks, and opportunities are covered by the process for this environmental issue

Select all that apply

- ☒ Dependencies
- ☒ Impacts
- ☒ Risks
- ☒ Opportunities

(2.2.2.3) Value chain stages covered

Select all that apply

- ☒ Direct operations
- ☒ Upstream value chain
- ☒ Downstream value chain

(2.2.2.4) Coverage

- ☒ Full

(2.2.2.9) Time horizons covered

Select all that apply

- ☒ Short-term
- ☒ Medium-term
- ☒ Long-term

(2.2.2.10) Integration of risk management process

- ☒ Integrated into multi-disciplinary organization-wide risk management process

(2.2.2.12) Tools and methods used

Commercially/publicly available tools

- ☒ EcoVadis
- ☒ WRI Aqueduct
- ☒ WWF Water Risk Filter
- ☒ Other commercially/publicly available tools, please specify :Thinkhazard

Enterprise Risk Management

- ☒ COSO Enterprise Risk Management Framework
- ☒ Enterprise Risk Management
- ☒ Internal company methods
- ☒ ISO 31000 Risk Management Standard
- ☒ Other enterprise risk management, please specify :Monte Carlo Simulation

International methodologies and standards

- ☒ ISO 14001 Environmental Management Standard
- ☒ Life Cycle Assessment

Other

- ☒ External consultants
- ☒ Materiality assessment
- ☒ Partner and stakeholder consultation/analysis
- ☒ Scenario analysis

(2.2.2.13) Risk types and criteria considered

Acute physical

- ☒ Drought
- ☒ Wildfires
- ☒ Heat waves
- ☒ Cyclones, hurricanes, typhoons
- ☒ Heavy precipitation (rain, hail, snow/ice)
- ☒ Flood (coastal, fluvial, pluvial, ground water)

Chronic physical

- ☒ Heat stress
- ☒ Water stress
- ☒ Water quality at a basin/catchment level
- ☒ Increased severity of extreme weather events
- ☒ Water availability at a basin/catchment level
- ☒ Changing temperature (air, freshwater, marine water)

Policy

- ☒ Carbon pricing mechanisms
- ☒ Changes to national legislation
- ☒ Increased pricing of water
- ☒ Regulation of discharge quality/volumes
- ☒ Statutory water withdrawal limits/changes to water allocation

Market

- ☒ Availability and/or increased cost of certified sustainable material

- ☒ Availability and/or increased cost of raw materials
- ☒ Changing customer behavior

Reputation

- ☒ Increased partner and stakeholder concern and partner and stakeholder negative feedback
- ☒ Stakeholder conflicts concerning water resources at a basin/catchment level

Technology

- ☒ Data access/availability or monitoring systems
- ☒ Transition to lower emissions technology and products
- ☒ Transition to water efficient and low water intensity technologies and products

Liability

- ☒ Non-compliance with regulations

(2.2.2.14) Partners and stakeholders considered

Select all that apply

- | | |
|---|--|
| ☒ NGOs | ☒ Regulators |
| ☒ Customers | ☒ Local communities |
| ☒ Employees | ☒ Water utilities at a local level |
| ☒ Investors | ☒ Other water users at the basin/catchment level |
| ☒ Suppliers | |

(2.2.2.16) Further details of process

The internal risk management procedure includes dependency, impact, opportunity and risk analysis altogether. Dependencies and impacts are identified at both materiality survey and 1-1 interview stages. They can also be derived from Key Risk Indicators (KRIs) or audit findings. While compiling global risk register, dependencies or impacts are either identified as separate risk titles or explained in detail in risk descriptions. Global Risk Management department (GRM) integrates all identified items into a global list and performs scenario analysis for each. For each scenario, dependencies, with probable impacts, are explicitly explained again in scenario descriptions prior to financial impact calculation step. All of Kordsa's global operational locations and product portfolio are included in the scope. The financial impact calculations are in proportion to the size of the locations and products' share in the global sales portfolio. To perform quantitative analysis, various inputs like sales tonnage, released emissions, water withdrawal, etc are used. For external key data, commercially or publicly available data tools are used. Some of

the key external data sources are RCP scenarios assumptions for climate change, flood or water stress, taxation method of upcoming regulations, industry benchmarks for emission intensity factor of raw materials. The external data sources are identified in the Governance Risk Compliance (GRC) system (Pentana) and calculation methods are explained for each item. All items registered in the GRC have been reviewed quarterly with related entity risk responsables. GRM also organizes a separate session with the Sustainability Department for global consolidation and alignment. During the assessment phase all registered items are included in Monte Carlo simulations. All climate change and water related registers are integrated into current entity risk reports which is also generated quarterly. The likelihood is calculated based on the probability of occurrence of such event within given timeframe. There are 5 degrees of probability scores as per its frequency of occurrence starting with point-1 (very rare) to point-5 (very likely). Impact levels are calculated after Monte Carlo simulation is applied. If the calculated financial impact exceeds the defined threshold, which is 1% deviation from budgeted EBITDA, the register is prioritized as defined in internal policy. All prioritized items need to assign with mitigation actions until impact falls below threshold. Each register in GRC is assigned with 3 scenarios (Minimum, Most Likely, Maximum) each having its own financial impact calculation. All calculated scenarios are included in Monte Carlo simulation to calculate Global Value at Risk (VaR). Regular monitoring has been performed via regular quarterly reviews with Business Units. Register list is updated after reviewing all input assumptions, likelihoods and KRIs. In column 3, value stages covered, “end of life management” has not been selected, because the end product sold to customers are integrated with rubber with some series of chemical and mechanical processes and the technology is not available yet to separate fabric product from rubber before to consider about alternative end of life management approaches. This process has not changed since the last reporting year.

Row 2

(2.2.2.1) Environmental issue

Select all that apply

- ☒ Plastics
- ☒ Biodiversity

(2.2.2.2) Indicate which of dependencies, impacts, risks, and opportunities are covered by the process for this environmental issue

Select all that apply

- ☒ Impacts

(2.2.2.3) Value chain stages covered

Select all that apply

- ☒ Direct operations
- ☒ End of life management

(2.2.2.9) Time horizons covered

Select all that apply

- ☒ Short-term
- ☒ Medium-term
- ☒ Long-term

(2.2.2.12) Tools and methods used

International methodologies and standards

- ☒ Environmental Impact Assessment
- ☒ ISO 14001 Environmental Management Standard

Other

- ☒ Materiality assessment
- ☒ Scenario analysis

(2.2.2.14) Partners and stakeholders considered

Select all that apply

- ☒ Customers
- ☒ Investors
- ☒ Local communities
- ☒ Regulators
- ☒ Suppliers

(2.2.2.16) Further details of process

We regularly assess our environmental impacts, and the impacts of plastics and our impacts on biodiversity is included in these environmental impact assessments. These assessments are performed annually, within specific stages of our value chain, specifically targeting direct operations and end-of-life management and is aligned with the ISO 14001 environmental management system. The scope of our analysis is partial, including tire reinforcement business unit only and our upstream and downstream value chain. The assessment is qualitative in nature, incorporating descriptive analysis, stakeholder involvement, and scenario analysis. It is site-specific and evaluates impacts over short and medium-term periods, ensuring a focused and relevant approach. The EIA process utilizes tools and methods such as

ISO 14001 standards, materiality assessment, and scenario analysis. Stakeholder engagement plays a crucial role, with active participation from customers, suppliers, regulators, local communities, and investors. Their input is essential for understanding the environmental impacts of our operations, particularly concerning plastic use and biodiversity conservation. By integrating these insights, our EIA process allows us to identify, assess, and manage environmental risks effectively, ensuring our commitment to responsible environmental stewardship.

[Add row]

(2.2.7) Are the interconnections between environmental dependencies, impacts, risks and/or opportunities assessed?

(2.2.7.1) Interconnections between environmental dependencies, impacts, risks and/or opportunities assessed

☒ Yes

(2.2.7.2) Description of how interconnections are assessed

Considering correlations and connections due to Kordsa's global footprint and material transfers between companies is a natural part of GRM processes at Kordsa. In the risks identification and review steps in terms of nature concepts, when there is a dependency, impact, risk or opportunity newly identified by a business, the GRM unit discusses the issue with other business managers and looks for the existence of a similar risk and its correlation with other risks defined for the business. For example, while water-related natural disasters such as flash floods are on the list in the short term, the effects of water stress and drought may increase in the same region in the long term. In this case, correlation between varying time maturities is taken into account. Or, different risks and opportunities may arise at the same time within the scope of a new regulation planned to come into force locally. Although these are written as separate records, it is clearly stated in the definition that they are linked within the scope of the same regulation. In addition, in terms of sales portfolio, it is predicted that the share of products produced using recycled materials will increase in the long term compared to existing products. As more sustainable products are added to Kordsa's portfolio, sales of some existing products may decrease. This situation also creates an interconnection within the global sales portfolio. In the calculation of financial effects, the multipliers in the correlation matrix created by GRM are used. The correlation matrix is updated every time a new risk is added to the GRC or there is a significant change in the risk landscape. Challenges about interconnections are mainly due to about the uncertainties of impacts of climate change in long term.

(2.3) Have you identified priority locations across your value chain?

(2.3.1) Identification of priority locations

☒ Yes, we have identified priority locations

(2.3.2) Value chain stages where priority locations have been identified

Select all that apply

- ☒ Direct operations
- ☒ Upstream value chain

(2.3.3) Types of priority locations identified

Sensitive locations

- ☒ Areas of limited water availability, flooding, and/or poor quality of water

Locations with substantive dependencies, impacts, risks, and/or opportunities

- ☒ Locations with substantive dependencies, impacts, risks, and/or opportunities relating to water

(2.4) How does your organization define substantive effects on your organization?

Risks

(2.4.2) Indicator used to define substantive effect

- ☒ EBITDA

(2.4.3) Change to indicator

- ☒ % decrease

(2.4.4) % change to indicator

- ☒ 1-10

(2.4.6) Metrics considered in definition

Select all that apply

- ☒ Frequency of effect occurring
- ☒ Time horizon over which the effect occurs
- ☒ Likelihood of effect occurring

(2.4.7) Application of definition

Risks are assessed based on impact simulation calculations via Monte Carlo analysis. Kordsa defines substantial financial or strategic impact if the risk impact simulation exceeds 1% of consolidated budgeted EBITDA or minimum \$1M. Once a risk is identified with substantial financial or strategic impact, it is automatically treated as exceeding the risk appetite or risk threshold. Risk owners are required to come up with an action plan and appoint action owners. Risks are calculated after each action implementation is complete. If the impact simulation for a risk is still calculated as over the threshold, risk owners are required to implement further actions until the impact simulation reduces below the threshold. In case the financial impact is not possible to calculate, there are alternative indicators like reputation, people, legal and environmental.

Opportunities

(2.4.2) Indicator used to define substantive effect

- ☒ EBITDA

(2.4.3) Change to indicator

- ☒ % increase

(2.4.4) % change to indicator

- ☒ 1-10

(2.4.6) Metrics considered in definition

Select all that apply

- ☒ Frequency of effect occurring
- ☒ Time horizon over which the effect occurs
- ☒ Likelihood of effect occurring

(2.4.7) Application of definition

Opportunities are assessed based on impact simulation calculations via Monte Carlo analysis. Kordsa defines substantial financial or strategic impact if the opportunity impact simulation exceeds 1% of consolidated budgeted EBITDA or a minimum \$1M. Once an opportunity is identified with substantial financial or strategic impact, it is automatically treated critical. Risk owners are required to come up with an action plan and appoint action owners to realize the opportunity. They are calculated after each action implementation is complete. In case the financial impact is not possible to calculate, there are alternative indicators like reputation, people, legal and environmental.

[Add row]

(2.5) Does your organization identify and classify potential water pollutants associated with its activities that could have a detrimental impact on water ecosystems or human health?

(2.5.1) Identification and classification of potential water pollutants

- ☒ Yes, we identify and classify our potential water pollutants

(2.5.2) How potential water pollutants are identified and classified

In line with our water policy, we rely on local and global regulations and standards on water management. We constantly examine the local legal regulations related to water pollutants in the countries where we operate and take the necessary measures within the framework of these regulations. Process we use to identify- classify and manage potential water pollutants: The chemicals used in production are selected by considering local and global regulations such as REACH and CLP. Water pollutants are defined as the chemicals that are not allowed in wastewater discharge or that may pose a risk if they are mixed with the water in case of a spillage or an environmental accident. In order to identify, classify and manage any potential water pollutants, Kordsa has a Hazardous Chemical Management procedure, which defines the chemical management systems approvals and controls. We provide trainings to employees and sub-contractors regarding environmental hazards of chemicals and chemical management procedures. Indicators used to identify pollutants: The chemical is not allowed to use if: - it contains any banned or restricted substances according to REACH. - it contains persistent organic pollutants As Kordsa we closely monitor and report any spill incidents or environmental accidents to

top management regularly. This is an important key performance indicator and we aim for 0 spills and environmental accidents each year. There were no spills or environmental accidents in 2024.

(2.5.1) Describe how your organization minimizes the adverse impacts of potential water pollutants on water ecosystems or human health associated with your activities.

Row 1

(2.5.1.1) Water pollutant category

☒ Oil

(2.5.1.2) Description of water pollutant and potential impacts

We consume oil products in the facilities such as diesel oil & gasoline. Oil pollution can have a devastating effect on the water environment, it spreads over the surface in a thin layer that stops oxygen getting to the plants and animals that live in the water. Oil on water surfaces is harmful to many forms of aquatic life because it prevents sufficient amounts of sunlight penetrating the surface and it also reduces the level of dissolved oxygen. Moreover, ingested oil can be toxic to affected animals, and damage to their habitat and reproductive rate may slow the long-term recovery of animal populations from the short-term damage caused by the spill itself.

(2.5.1.4) Actions and procedures to minimize adverse impacts

Select all that apply

- ☒ Water recycling
- ☒ Upgrading of process equipment/methods
- ☒ Implementation of integrated solid waste management systems
- ☒ Requirement for suppliers to comply with regulatory requirements
- ☒ Industrial and chemical accidents prevention, preparedness, and response
- ☒ Discharge treatment using sector-specific processes to ensure compliance with regulatory requirements
- ☒ Assessment of critical infrastructure and storage condition (leakages, spillages, pipe erosion etc.) and their resilience

(2.5.1.5) Please explain

How the selected procedures manage the risks of potential impacts: Kordsa facilities periodically inspect oil storage tanks and pipelines, to monitor any leakage or corrosion. Kordsa also has procedures response to environmental accidents, spills and leakages. There are containment measures for oil storage tanks. To be prepared for any emergency Kordsa also has emergency response equipment and teams. Related employees are trained to use emergency equipment and also to act in line with Kordsa's emergency plans. Kordsa also requires from its suppliers to be prepared for any environmental emergency. Suppliers are required to report environmental accidents within past five years to Kordsa during supplier assessments. Kordsa operates in compliance with local and global wastewater discharge legislations and limitations. Regular wastewater tests are conducted. All necessary systems are in place for water discharge compliance. How success is measured and evaluated: Kordsa aims zero environmental accidents and also 100% compliance with legal water discharge parameters within its own operations. Those two parameters are our success metrics. In 2024, there is no environmental accident and 100% compliance with the legal water discharge parameters. For our suppliers we expect to have no any environmental accidents. In the reporting year with in the scope of audited suppliers no any environmental accident reported.

Row 2

(2.5.1.1) Water pollutant category

☒ Other synthetic organic compounds

(2.5.1.2) Description of water pollutant and potential impacts

We use Synthetic organic compounds (SOCs) in production, and they are mainly present in dipping chemicals which we use during dipping process. Some examples of SOCs we use are latex, formaldehyde & resorcinol. These SOCs are toxic for aquatic organisms. SOCs tend to create both acute and chronic health effects and tend to damage the nervous system, kidneys; they may also pose a potential cancer risk both on humans and aquatic life.

(2.5.1.4) Actions and procedures to minimize adverse impacts

Select all that apply

- ☒ Water recycling
- ☒ Upgrading of process equipment/methods
- ☒ Reduction or phase out of hazardous substances
- ☒ Implementation of integrated solid waste management systems
- ☒ Requirement for suppliers to comply with regulatory requirements
- ☒ Industrial and chemical accidents prevention, preparedness, and response
- ☒ Discharge treatment using sector-specific processes to ensure compliance with regulatory requirements

- ☑ Assessment of critical infrastructure and storage condition (leakages, spillages, pipe erosion etc.) and their resilience

(2.5.1.5) Please explain

How the selected procedures manage the risks of potential impacts: Chemical storage tanks and pipelines are periodically inspected, to monitor any leakage or corrosion. There are environmental accidents, spills and leakages procedures and containment measures for chemical storage tanks. Kordsa also has emergency response equipment and teams. Employees are trained on how to use emergency equipment and act in line with Kordsa's emergency plans. Kordsa requires its suppliers to be prepared for environmental emergencies and report any accidents from the past five years to Kordsa during supplier assessments. Kordsa complies with local and global wastewater discharge laws, regularly conducts wastewater tests, and has all necessary systems in place to ensure water discharge compliance. How success is measured and evaluated: Kordsa aims zero environmental accident & 100% compliance with legal water discharge parameters within its own operations. Those two parameters are our success metrics. In the reporting year there is no environmental accident and 100% compliance with the legal water discharge parameters. For our suppliers we expect to have no environmental accidents. In 2024, within the scope of audited suppliers no environmental accident reported. Our R&D team developed Resorcinol and Formaldehyde-Free Overcure Formulations which provides using chemicals more environmentally friendly, compliant with regulations and contribute positively to water security.

C3. Disclosure of risks and opportunities

(3.1.1) Provide details of the environmental risks identified which have had a substantive effect on your organization in the reporting year or are anticipated to have a substantive effect on your organization in the future.

Climate change

(3.1.1.1) Risk identifier

☒ Risk1

(3.1.1.3) Risk types and primary environmental risk driver

Policy

☒ Carbon pricing mechanisms

(3.1.1.6) Country/area where the risk occurs

Select all that apply

☒ Turkey

(3.1.1.9) Organization-specific description of risk

Our plant in Izmit, Turkey is under the scope of Turkish Monitoring, Reporting and Verification (MRV) regulation. This regulation was an adoption of the EU MRV of GHG Emissions which is the basis of the EU Emissions Trading Scheme (EU ETS) where the emission intensive sectors are given an emission cap to control and reduce their emissions. As Turkey is following a similar path, there is a very high probability that additional requirements will be implemented in medium term. Turkey has no regulated carbon market yet. The draft regulation on Turkish ETS was published in July 2025, and according to this draft 2026 and 2027 will be the pilot phase and the 1st implementation will be between 2028-2035. This facility in Türkiye is responsible for producing around 38% of our tire-reinforcement products and it generates 34.3% of our global revenue. It is also assumed that unit carbon price may fluctuate heavily that the total allocated budget may be exceeded.

(3.1.1.11) Primary financial effect of the risk

☒ Increased indirect [operating] costs

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

☒ Long-term

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

☒ Very likely

(3.1.1.14) Magnitude

☒ Low

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

In the current reporting year, emissions trading system risk had no current financial impact on the Company's financial position, and financial performance and cash flows were not affected. However, in the medium to long term, factors such as increased integration into carbon markets, inadequate allowances, and rising carbon prices could increase Kordsa's production costs and put pressure on profitability. Furthermore, failure to comply with relevant regulations could result in additional impacts such as administrative sanctions. Such foreseeable indirect impacts justify considering the emissions trading system among the risks that could reasonably impact Kordsa's financial viability.

(3.1.1.17) Are you able to quantify the financial effect of the risk?

☒ Yes

(3.1.1.26) Primary response to risk

Infrastructure, technology and spending

- ☒ Increase environment-related capital expenditure

Water

(3.1.1.1) Risk identifier

- ☒ Risk2

(3.1.1.3) Risk types and primary environmental risk driver

Acute physical

- ☒ Flooding (coastal, fluvial, pluvial, groundwater)

(3.1.1.6) Country/area where the risk occurs

Select all that apply

- ☒ Indonesia
- ☒ Thailand
- ☒ United States of America

(3.1.1.7) River basin where the risk occurs

Select all that apply

- ☒ Chao Phraya
- ☒ Mississippi River
- ☒ Other, please specify: Java-Timor Major, Cassadine Minor Basin

(3.1.1.9) Organization-specific description of risk

Kordsa's facilities in Indonesia, Thailand, and Tennessee (Chattanooga)-USA, which cumulatively account for 28.9% of its global revenue, are located in geographies that are vulnerable to increased rainfall and flash floods in inland areas due to climate change. These facilities are responsible for 50.06% of our global tire-reinforcement products. Therefore, the company has classified flooding in these locations as an acute physical climate risk that could directly cause operational disruptions. Through the consolidation of the risk study, flood risk at these facilities has been assessed under a single heading, encompassing both long-term and short-term impacts. Our facilities in Indonesia and Thailand serve our global customers' tire production facilities in Asian markets and our facility in Chattanooga serves the North American market. Flood risk poses a risk to Kordsa's direct production operations and related downstream supply chain elements such as logistics, storage, and customer deliveries. The Indonesian facility is at the highest risk of flooding due to its location adjacent to the Cikeas River and its tropical climate, which experiences heavy rainfall year-round. The facility's production areas, auxiliary systems, storage areas, and fixed assets are at risk from flooding, and this risk could impact both direct operations and customer delivery continuity.

(3.1.1.11) Primary financial effect of the risk

☒ Decreased revenues due to reduced production capacity

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

☒ Short-term

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

☒ Likely

(3.1.1.14) Magnitude

☒ High

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

In the current reporting year, flood risk had no financial impact on the Company's financial position, and financial performance and cash flows were not affected by this risk. A significant impact, potentially affecting the Company's direct operations and potentially causing production disruptions, could occur as a result of the exacerbation of climate change impacts and an increase in the frequency of extreme weather events. This could lead to disruptions in the value chain and loss of profits. In the short, medium, and long term, if climate transition actions are not effectively implemented, flood risk could impact the Company's financial position, financial performance, and cash flows.

(3.1.1.17) Are you able to quantify the financial effect of the risk?

☒ Yes

(3.1.1.26) Primary response to risk

Policies and plans

☒ Use risk transfer instruments

Climate change

(3.1.1.1) Risk identifier

☒ Risk2

(3.1.1.3) Risk types and primary environmental risk driver

Acute physical

☒ Flooding (coastal, fluvial, pluvial, groundwater)

(3.1.1.6) Country/area where the risk occurs

Select all that apply

- ☒ Indonesia
- ☒ Thailand
- ☒ United States of America

(3.1.1.9) Organization-specific description of risk

Kordsa's facilities in Indonesia, Thailand, and Tennessee (Chattanooga)-USA, which cumulatively account for 28.9% of its global revenue, are located in geographies that are vulnerable to increased rainfall and flash floods in inland areas due to climate change. These facilities are responsible for 50.06% of our global tire-reinforcement products. Therefore, the company has classified flooding in these locations as an acute physical climate risk that could directly cause operational disruptions. Through the consolidation of the risk study, flood risk at these facilities has been assessed under a single heading, encompassing both long-term and short-term impacts. Our facilities in Indonesia and Thailand serve our global customers' tire production facilities in Asian markets and our facility in Chattanooga serves the North American market. Flood risk poses a risk to Kordsa's direct production operations and related downstream supply chain elements such as logistics, storage, and customer deliveries. The Indonesian facility, in particular, is considered to be at the highest risk of flooding due to its location adjacent to the Cikeas River and its tropical climate, which experiences heavy rainfall year-round. The facility's production areas, auxiliary systems, storage areas, and fixed assets are at risk from flooding, and this risk could impact both direct operations and customer delivery continuity.

(3.1.1.11) Primary financial effect of the risk

- ☒ Decreased revenues due to reduced demand for products and services

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

- ☒ Short-term

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

- ☒ Likely

(3.1.1.14) Magnitude

☒ High

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

In the current reporting year, flood risk had no financial impact on the Company's financial position, and financial performance and cash flows were not affected by this risk. A significant impact, potentially affecting the Company's direct operations and potentially causing production disruptions, could occur as a result of the exacerbation of climate change impacts and an increase in the frequency of extreme weather events. This could lead to disruptions in the value chain and loss of profits. In the short, medium, and long term, if climate transition actions are not effectively implemented, flood risk could impact the Company's financial position, financial performance, and cash flows.

(3.1.1.17) Are you able to quantify the financial effect of the risk?

☒ Yes

(3.1.1.26) Primary response to risk

Policies and plans

☒ Use risk transfer instruments

Climate change

(3.1.1.1) Risk identifier

☒ Risk3

(3.1.1.3) Risk types and primary environmental risk driver

Acute physical

☒ Wildfires

(3.1.1.6) Country/area where the risk occurs

Select all that apply

☒ United States of America

(3.1.1.9) Organization-specific description of risk

The region where Kordsa's Chattanooga, Tennessee, production facility is located is among the high-risk areas for wildfires due to rising temperatures, low humidity, and prolonged drought periods. This risk was identified as "long-term, high hazard" in the company's 2023 Risk Inventory, and the 2024 Activity Report addresses fire risk as a strategically managed issue under the heading of facility security for all facilities. Fire risk is regularly assessed annually through risk engineering audits conducted by independent insurance companies, and remediation measures are implemented at all facilities. Wildfires have the potential to directly impact production facilities, energy infrastructure, and stockpiles. This can lead to operational disruptions, disruption of logistics processes, and delays in customer deliveries. Indirect impacts include reduced labor productivity and the potential for increased insurance costs. The risk can impact both upstream and downstream of the value chain. This facility has produced 8.06% of our global tire-reinforcement products for the reporting period.

(3.1.1.11) Primary financial effect of the risk

☒ Decreased revenues due to reduced production capacity

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

☒ Long-term

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

☒ Likely

(3.1.1.14) Magnitude

☒ High

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

Wildfires have the potential to create multifaceted impacts, including direct physical damage, operational disruptions, and environmental destruction. Damage to production areas, equipment, or energy infrastructure can disrupt facility operations. Such an event can lead to financial consequences such as disruptions to customer deliveries, delays in contractual obligations, and lost profits. Furthermore, evacuation requirements and emergency response operations can create cost pressures. These impacts can manifest in the short term as emergency response and disruption management; in the medium term, as restructuring investments, equipment replacements, and insurance premium increases; and in the long term, as disruptions to supply chain resilience.

(3.1.1.17) Are you able to quantify the financial effect of the risk?

☒ Yes

(3.1.1.26) Primary response to risk

Policies and plans

☒ Use risk transfer instruments

(3.3) In the reporting year, was your organization subject to any fines, enforcement orders, and/or other penalties for water-related regulatory violations?

	Water-related regulatory violations	Comment
	☒ No	<i>In the reporting year none of our facilities were subject to any fines, enforcement orders or other penalties for water-related regulatory violations.</i>

(3.5) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

☒ No, but we anticipate being regulated in the next three years

(3.6) Have you identified any environmental opportunities which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future?

	Environmental opportunities identified
Climate change	☒ Yes, we have identified opportunities, and some/all are being realized
Water	☒ Yes, we have identified opportunities, and some/all are being realized

(3.6.1) Provide details of the environmental opportunities identified which have had a substantive effect on your organization in the reporting year or are anticipated to have a substantive effect on your organization in the future.

Climate change

(3.6.1.1) Opportunity identifier

☒ Opp1

(3.6.1.3) Opportunity type and primary environmental opportunity driver

Markets

☒ Increased demand for certified and sustainable materials

(3.6.1.5) Country/area where the opportunity occurs

Select all that apply

☒ Brazil

☒ Indonesia

☒ Thailand

☒ Turkey

☒ United States of America

(3.6.1.8) Organization specific description

Tire reinforcement is the core business unit for Kordsa and accounts for more than 2/3 of global sales in 2024. Kordsa has 7 facilities manufacturing for tire customers in Brazil, Indonesia, Thailand, Turkey and United States. The market has been showing signals to lean on sustainable product offers and technology has been evolving for some time. Leading companies in the industry have begun to prioritize recycled content products in line with their 2030 and 2050 targets. Furthermore, the proliferation of electric vehicles (EVs) in the US and EU markets has created new needs, such as increased tire durability due to battery weight and increased wear resistance. As a result of all these developments, tire manufacturers have shifted their focus to increasing the use of recycled and bio-based materials and incorporating more environmentally friendly chemicals into their products. Kordsa aims to grow its market share by expanding its recycled-content product portfolio and using more environmentally friendly chemicals. These R&D-driven innovations support Kordsa's sustainability goals and address evolving market demands.

Recycled polyester and nylon products, along with eco-friendly tire fabric technologies, position Kordsa as a preferred supplier for environmentally conscious customers.

(3.6.1.9) Primary financial effect of the opportunity

☒ Increased revenues resulting from increased demand for products and services

(3.6.1.10) Time horizon over which the opportunity is anticipated to have a substantive effect on the organization

Select all that apply

☒ Long-term

(3.6.1.11) Likelihood of the opportunity having an effect within the anticipated time horizon

☒ Very likely (90–100%)

(3.6.1.12) Magnitude

☒ Medium-low

(3.6.1.14) Anticipated effect of the opportunity on the financial position, financial performance and cash flows of the organization in the selected future time horizons

The increasing global demand for sustainable products and technologies creates both a revenue driver and a strategic opportunity for Kordsa. These products are attractive options for customers who prioritize low-environmental impact and carbon footprint reductions, contributing to the growth of sales volume and customer base in the international market. This opportunity supports Kordsa's global competitiveness, expanding its market share, and achieving a strong market position with its sustainable product portfolio. Kordsa's tire reinforcement business offers technologies that enable the use of environmentally friendly chemicals, creating positive environmental and health impacts. Gaining the capability to produce these products to meet the growing demand for recycled content products will ensure sustainable growth in product sales. Increased sales have the potential to increase the company's cash flow, strengthening its financial stability and market position in the long term.

(3.6.1.15) Are you able to quantify the financial effects of the opportunity?

☒ Yes

Water

(3.6.1.1) Opportunity identifier

☒ Opp2

(3.6.1.3) Opportunity type and primary environmental opportunity driver

Products and services

☒ Increased sales of existing products and services

(3.6.1.5) Country/area where the opportunity occurs

Select all that apply

☒ Indonesia

(3.6.1.6) River basin where the opportunity occurs

Select all that apply

☒ Other, please specify: Java Timor Major, Cisadane Minor Basin

(3.6.1.8) Organization specific description

Our facility in Indonesia is responsible for 35.6% of global production and more than 13% of global revenue in 2024. This facility serves our global customers' tire production facilities in Asian markets. This facility is also responsible for 12.07% of our total water withdrawals. To reduce this facility's dependence on fresh surface water, Kordsa launched a project to optimize its water usage for the dipping plant. Unavailability of water for operations may result in unplanned stoppages at facilities. Advanced technologies for wastewater treatment (WWTP) and water treatment plants (WTP) have been investigated to reduce the discharged wastewater. The water used for yarn operations evaporates while it is discharged slowly. In dipping processes, greige fabrics are dipped in a water-based chemical solutions. This

water has been treated in wastewater treatment plant and discharged by local regulation standards. By recycling and treating more water, Kordsa has an opportunity to withdraw less water and reduce its dependency to freshwater resources. Potential unplanned stoppages due to unavailability of water will be greatly reduced. With the WWTP, Kordsa is able to operate during water shortages in dry seasons. And while that drought will affect competitors' facilities nearby, and cause them to stop their production, our Indonesian facility may have the opportunity to increase its revenues due to increased demand for its products.

(3.6.1.9) Primary financial effect of the opportunity

☒ Increased revenues resulting from increased demand for products and services

(3.6.1.10) Time horizon over which the opportunity is anticipated to have a substantive effect on the organization

Select all that apply

☒ Long-term

(3.6.1.11) Likelihood of the opportunity having an effect within the anticipated time horizon

☒ Likely (66–100%)

(3.6.1.12) Magnitude

☒ Medium-high

(3.6.1.14) Anticipated effect of the opportunity on the financial position, financial performance and cash flows of the organization in the selected future time horizons

Kordsa will benefit with an improved financial position and cash flow situation due to increased sales.

(3.6.1.15) Are you able to quantify the financial effects of the opportunity?

☒ Yes

Climate change

(3.6.1.1) Opportunity identifier

☒ Opp3

(3.6.1.3) Opportunity type and primary environmental opportunity driver

Markets

☒ Increased demand for certified and sustainable materials

(3.6.1.5) Country/area where the opportunity occurs

Select all that apply

☒ Turkey

(3.6.1.8) Organization specific description

Climate change and the growing trend toward sustainable products present significant growth and innovation opportunities for Kordsa. Global customer demand for environmentally friendly products with a low carbon footprint is increasing. Kordsa's advanced plastic recycling project offers significant opportunities for sustainable management of plastic waste and the reusability of these materials. Advanced recycling stands out with its ability to transform plastic waste into higher-quality materials closer to the original raw material. It produces raw materials of a quality that mechanical recycling cannot produce and recycles even multi-layered plastics that mechanical recycling cannot recycle, even in an endless cycle, to high quality. This improves the quality of materials that can be reused in industry. The possibility of recycling and reusing polyolefin-based plastic waste offers a significant opportunity for implementing circular economy practices, reducing carbon footprint and developing more sustainable products. These products offer customers solutions with lower carbon footprints, while also offering Kordsa the opportunity to reduce the environmental impact of its production process. If this opportunity materializes, the potential impact is anticipated to be concentrated in Kordsa's downstream operations.

(3.6.1.9) Primary financial effect of the opportunity

☒ Increased revenues resulting from increased demand for products and services

(3.6.1.10) Time horizon over which the opportunity is anticipated to have a substantive effect on the organization

Select all that apply

☒ Medium-term

(3.6.1.11) Likelihood of the opportunity having an effect within the anticipated time horizon

☒ Very likely (90–100%)

(3.6.1.12) Magnitude

☒ Medium-low

(3.6.1.14) Anticipated effect of the opportunity on the financial position, financial performance and cash flows of the organization in the selected future time horizons

The potential impacts of this opportunity include increased demand for the sustainable products developed by Kordsa, and the resulting sales growth, leading to both increased revenues and strengthening the company's position in the international market by identifying new business opportunities.

(3.6.1.15) Are you able to quantify the financial effects of the opportunity?

☒ Yes

C4. Governance

(4.1) Does your organization have a board of directors or an equivalent governing body?

(4.1.1) Board of directors or equivalent governing body

☒ Yes

(4.1.4) Board diversity and inclusion policy

☒ Yes, and it is publicly available

(4.1.1) Is there board-level oversight of environmental issues within your organization?

	Board-level oversight of this environmental issue
Climate change	☒ Yes
Water	☒ Yes
Biodiversity	☒ Yes

(4.1.2) Identify the positions (do not include any names) of the individuals or committees on the board with accountability for environmental issues and provide details of the board's oversight of environmental issues.

Climate change

(4.1.2.1) Positions of individuals or committees with accountability for this environmental issue

Select all that apply

- ☒ Board chair
- ☒ Board-level committee

(4.1.2.2) Positions' accountability for this environmental issue is outlined in policies applicable to the board

- ☒ Yes

(4.1.2.3) Policies which outline the positions' accountability for this environmental issue

Select all that apply

- ☒ Other policy applicable to the board, please specify: Board's accountability for environmental issues is identified in Kordsa's Sustainability Policy.

(4.1.2.7) Please explain

The Board Chair has the ultimate overall responsibility at all terms including climate change-related issues with assistance from the Audit, Risk, Sustainability and Corporate Governance Committees. Some of the climate-change related responsibilities of the Board Chair are as follows: - Reviewing and guiding climate-related strategies - Identification of targets and approval and financing of projects that will lead the way to achieving the climate targets. - Ensuring the company performs within the limits of the pre-determined energy and water management goals - Management of climate-related risks and opportunities. Examples of climate-related decisions of the Board Chair during the reporting year; - IFRS has been published in Turkey as Turkish Sustainability Reporting Standard and our Board Chair has approved publishing our sustainability report in line with this standard. - Engagement with critical suppliers via letters to encourage them to set water and carbon-related targets in line with SBTi. Corporate Governance and Early Detection of Risk Committees are also responsible for climate-related issues. Both committees are chaired by members of our board. These two committees were established with the purpose of helping the Board of Directors to fulfil their duties and responsibilities in a healthy manner. The Resolutions of the Committees are advisory to the Board of Directors, and the Board of Directors is the final decision maker on related matters. Some of the climate-related responsibilities of Corporate Governance Committee and Early Detection of Risk Committee are: - Realization of climate-related strategies and roadmaps - Monitoring climate related annual budgets and capital expenditures - Monitoring targets and performance - Assessing and managing climate-related risks and opportunities. In 2024 climate-related decisions approved by those committees; -Performing an

Water

(4.1.2.1) Positions of individuals or committees with accountability for this environmental issue

Select all that apply

- ☒ Board chair
- ☒ Board-level committee

(4.1.2.2) Positions' accountability for this environmental issue is outlined in policies applicable to the board

- ☒ Yes

(4.1.2.3) Policies which outline the positions' accountability for this environmental issue

Select all that apply

- ☒ Other policy applicable to the board, please specify :Board's accountability for environmental issues are identified in Kordsa's Sustainability Policy.

(4.1.2.7) Please explain

The Board of Directors, our supreme governing body, supervises performance on material sustainability topics including water-related issues. Head of Sustainability, Corporate Governance Committee and Early Detection of Risk committee quarterly reports to the Board regarding progress and activities related to sustainability strategy including issues related to water security and mid-term roadmap activities and required budget analysis. In 2024 below water-related issues were scheduled agenda items at the Board Meetings: -Progress on water-related targets - Installation of the necessary equipment to further treat the discharge water of the nylon yarn production site in our Izmit plant, enabling us to recycle 60.000 m3 of water Corporate Governance and Early Detection of Risk Committees are also responsible for climate-related issues. Both committees are chaired by members of our Board. These two committees were established with the purpose of helping the Board of Directors to fulfill their duties and responsibilities in a healthy manner. The Resolutions of the Committees are advisory to the Board of Directors, and the Board of Directors is the final decision maker on related matters. Some of the water-related responsibilities of Corporate Governance Committee and Early Detection of Risk Committee are: - Application of water-related policies and strategies - Monitoring water related targets and performance - Assessing and managing water-related risks and opportunities - Within sustainable supply chain program, supplier letter prepared which indicates Kordsa's requirements from its suppliers in terms of climate change and water policies.

Biodiversity

(4.1.2.1) Positions of individuals or committees with accountability for this environmental issue

Select all that apply

- ☒ Board chair
- ☒ Board-level committee

(4.1.2.2) Positions' accountability for this environmental issue is outlined in policies applicable to the board

- ☒ Yes

(4.1.2.3) Policies which outline the positions' accountability for this environmental issue

Select all that apply

- ☒ Other policy applicable to the board, please specify :Board's accountability for environmental issues are identified in Kordsa's Sustainability Policy

(4.1.2.7) Please explain

The Board of Directors, our supreme governing body, supervises performance on material sustainability topics including biodiversity related issues. Corporate Governance and Early Detection of Risk Committees are also responsible for environmental related issues. Both committees are chaired by members of our Board. These two committees were established with the purpose of helping the Board of Directors to fulfil their duties and responsibilities in a healthy manner.

(4.2) Does your organization's board have competency on environmental issues?

Climate change

(4.2.1) Board-level competency on this environmental issue

- ☒ Yes

(4.2.3) Environmental expertise of the board member

Experience

- ☒ Executive-level experience in a role focused on environmental issues
- ☒ Active member of an environmental committee or organization

Water

(4.2.1) Board-level competency on this environmental issue

- ☒ Yes

(4.2.3) Environmental expertise of the board member

Experience

- ☒ Executive-level experience in a role focused on environmental issues
- ☒ Active member of an environmental committee or organization

(4.3) Is there management-level responsibility for environmental issues within your organization?

	Management-level responsibility for this environmental issue
Climate change	☒ Yes
Water	☒ Yes
Biodiversity	☒ Yes

(4.3.1) Provide the highest senior management-level positions or committees with responsibility for environmental issues (do not include the names of individuals).

Climate change

(4.3.1.1) Position of individual or committee with responsibility

Executive level

☒ Chief Executive Officer (CEO)

(4.3.1.6) Please explain

CEO is the highest management-level position and has the ultimate responsibility for management strategy and overall management including climate-related issues. CEO is also the Chair of the Strategic Leadership Team (SLT) which consists of Global Chief Operation Officers (Global COOs) who oversee plant operations, Chief Finance Officer, Chief Human Resources Officer, Chief Global Sales and Market Officer and Chief Technology Officer. SLT is the highest management-level committee in Kordsa. The CEO is assisted by the Head of Sustainability to monitor climate-related issues with a focus on actively putting in place new approaches to low-carbon transition. Global COOs are ultimately responsible for all climate-related issues on at the business line level. They inform the CEO regarding progress on climate-related action plans and targets on the business line level. The Chief Technology Officer reports on research and development, manufacturing and business units, decides on which low-carbon products need to be developed. Global COOs are also report on value chain engagement indicators related to environmental issues.

Water

(4.3.1.1) Position of individual or committee with responsibility

Executive level

☒ Chief Executive Officer (CEO)

(4.3.1.6) Please explain

CEO is the highest management-level position and has the ultimate responsibility for management strategy and overall management including water-related issues. CEO is the highest management-level position and has the ultimate responsibility for management strategy and overall management including climate-related issues. CEO is also the Chair of the Strategic Leadership Team (SLT) which consists of Global Chief Operation Officers (Global COOs) who oversee plant operations, Chief Finance Officer, Chief Human Resources Officer, Chief Global Sales and Market Officer and Chief Technology Officer. SLT is the highest management-level

committee in Kordsa The CEO is assisted by the Head of Sustainability to monitor water-related issues with a focus on actively putting in place initiative to realize water related targets. Global COOs are ultimately responsible of all water-related issues on the business line level. They inform the CEO regarding progress on water-related action plans and targets on a regional level. CTO reports on research and development, manufacturing and business units, related to water-related issues. Global COOs report on value chain engagement indicators related to environmental issues.

Biodiversity

(4.3.1.1) Position of individual or committee with responsibility

Executive level

☒ Chief Executive Officer (CEO)

(4.3.1.6) Please explain

CEO is the highest management-level position and has the ultimate responsibility for overall environmental management. CEO is also the Chair of the Strategic Leadership Team (SLT) which consists of Global Chief Operation Officers (Global COOs) who oversee plant operations, Chief Finance Officer, Chief Human Resources Officer, Chief Global Sales and Market Officer and Chief Technology Officer. SLT is the highest management-level committee in Kordsa. The CEO is assisted by the Head of Sustainability to monitor biodiversity related issues with a focus on actively putting in place new approaches. Global COOs are ultimately responsible for all biodiversity-related issues on the business line level. They inform the CEO regarding progress on biodiversity related issues on the business line level. Global COOs also report on value chain engagement indicators related to environmental issues.

Climate change

(4.3.1.1) Position of individual or committee with responsibility

Executive level

☒ Chief Operating Officer (COO)

(4.3.1.6) Please explain

Global Chief Operation Officers who oversee plant operations, are also involved in SLT (Strategic Leadership Team) which is the highest management-level committee in Kordsa. Global COOs are ultimately responsible of all climate-related issues on a business line level. They inform the CEO regarding progress on climate-related action plans and targets on business line level.

Water

(4.3.1.1) Position of individual or committee with responsibility

Executive level

☒ Chief Operating Officer (COO)

(4.3.1.6) Please explain

Global Chief Operation Officers who oversee plant operations, are also involved in SLT (Strategic Leadership Team) which is the highest management-level committee in Kordsa. Being a part of the SLT, Global COOs are naturally a part of the team with the highest responsibility on water-related issues. Their water-related responsibilities include: - Implementing water-related strategies that are decided by the SLT - Monitoring targets & performance - Implementing the risk management framework in their regions to be able to assess and manage their water related risks properly - Assessing future trends in water demands for their business lines - Supply chain engagement on water related issues Global COOs report the water-related developments in their business line (if there are any) in monthly SLT meetings & in the quarterly meetings that they organize with the Board of Directors. Some of the issues that are reported are; current status of water targets, water-related KPIs and implementation of water related roadmaps.

Climate change

(4.3.1.1) Position of individual or committee with responsibility

Executive level

☒ Chief Financial Officer (CFO)

(4.3.1.6) Please explain

There is an enterprise risk management process as well as business continuity management process at Kordsa, which are under the sole leadership of the CFO and the CEO respectively. Climate-related issues are reviewed by Early Risk Detection Committee. (which consists of 4 Board Members, 2 of whom are independent Board Members). Climate related risks are classified under 2 major categories; transition risks and physical risks. Early Risk Detection Committee evaluates and takes necessary decisions in line with the risk reports that Global Risk Department and CFO prepares. periodically.

(4.5) Do you provide monetary incentives for the management of environmental issues, including the attainment of targets?

	Provision of monetary incentives related to this environmental issue	Please explain
Climate change	☒ Yes	<i>The management of climate-related issues are included in the KPI's of key decision-makers.</i>
Water	☒ Yes	<i>The management of water-related issues are included in the KPI's of key decision-makers</i>

(4.6) Does your organization have an environmental policy that addresses environmental issues?

	Does your organization have any environmental policies?
	☒ Yes

(4.6.1) Provide details of your environmental policies.

Row 1

(4.6.1.1) Environmental issues covered

Select all that apply

- ☒ Climate change
- ☒ Water
- ☒ Biodiversity

(4.6.1.2) Level of coverage

- ☒ Organization-wide

(4.6.1.3) Value chain stages covered

Select all that apply

- ☒ Direct operations
- ☒ Upstream value chain
- ☒ Downstream value chain

(4.6.1.6) Indicate whether your environmental policy is in line with global environmental treaties or policy goals

Select all that apply

- ☒ Yes, in line with the Paris Agreement
- ☒ Yes, in line with Sustainable Development Goal 6 on Clean Water and Sanitation
- ☒ Yes, in line with another global environmental treaty or policy goal, please specify: Sustainable Development Goal 12: Responsible Consumption and Production Sustainable Development Goal 13: Climate Action Sustainable Development Goal 17: Partnerships for the Goals

(4.10) Are you a signatory or member of any environmental collaborative frameworks or initiatives?

(4.10.1) Are you a signatory or member of any environmental collaborative frameworks or initiatives?

☒ Yes

(4.10.2) Collaborative framework or initiative

Select all that apply

☒ UN Global Compact

☒ We Mean Business

☒ Race to Zero Campaign

☒ Science-Based Targets Initiative (SBTi)

☒ World Business Council for Sustainable Development (WBCSD)

☒ Other, please specify: **Alliance of CEO Climate Leaders**

C5. Business strategy

(5.1) Does your organization use scenario analysis to identify environmental outcomes?

Climate change

(5.1.1) Use of scenario analysis

☒ Yes

Water

(5.1.1) Use of scenario analysis

☒ Yes

(5.1.1) Provide details of the scenarios used in your organization's scenario analysis.

Climate change

(5.1.1.1) Scenario used

Climate transition scenarios

☒ IEA NZE 2050

(5.1.1.4) Scenario coverage

☒ Organization-wide

(5.1.1.5) Risk types considered in scenario

Select all that apply

☒ Policy

☒ Market

☒ Reputation

☒ Technology

☒ Liability

(5.1.1.6) Temperature alignment of scenario

☒ 1.5°C or lower

(5.1.1.8) Timeframes covered

Select all that apply

☒ 2030

☒ 2050

Water

(5.1.1.1) Scenario used

Water scenarios

☒ WRI Aqueduct

(5.1.1.4) Scenario coverage

☒ Organization-wide

(5.1.1.5) Risk types considered in scenario

Select all that apply

☒ Acute physical

☒ Chronic physical

☒ Policy

☒ Reputation

(5.1.1.8) Timeframes covered

Select all that apply

☒ 2030

☒ 2050

☒ 2080

Climate change

(5.1.1.1) Scenario used

Physical climate scenarios

☒ RCP 8.5

(5.1.1.2) Scenario used SSPs used in conjunction with scenario

☒ SSP5

(5.1.1.4) Scenario coverage

☒ Organization-wide

(5.1.1.5) Risk types considered in scenario

Select all that apply

☒ Acute physical

☒ Chronic physical

(5.1.1.6) Temperature alignment of scenario

☒ 4.0°C and above

(5.1.1.8) Timeframes covered

Select all that apply

☒ 2030

☒ 2050

☒ 2100

(5.1.1.11) Rationale for choice of scenario

RCP 8.5 in conjunction with SSP5 is selected in order to be able to prepare for the worst-case scenarios in terms of physical impacts of climate change.

Water

(5.1.1.1) Scenario used

Water scenarios

☒ WRI Aqueduct

(5.1.1.3) Approach to scenario

☒ Qualitative and quantitative

(5.1.1.4) Scenario coverage

☒ Organization-wide

(5.1.1.5) Risk types considered in scenario

Select all that apply

☒ Acute physical

☒ Chronic physical

☒ Policy

☒ Reputation

(5.1.1.8) Timeframes covered

Select all that apply

☒ 2030

☒ 2050

☒ 2080

(5.1.1.11) Rationale for choice of scenario

WRI Aqueduct is a very comprehensive and well-known tool which we utilize for our future strategies. We use this tool in order to prepare for future challenges and seize opportunities to lead in sustainable water management. We use both optimistic and pessimistic future projections of the tool to analyze our vulnerability for future challenges related to water.

[Add row]

(5.1.2) Provide details of the outcomes of your organization's scenario analysis.

Climate change

(5.1.2.3) Summarize the outcomes of the scenario analysis and any implications for other environmental issues

According to NZE 2050, in order to reach the goals of the Paris agreement there has to be a major shift in the transportation industry. Electric car sales would need to be 18 times more in 2030 than it was in 2020, and by 2050 cars on the road worldwide run on electricity or fuel cells. The NZE assumes that air travel, measured in revenue-passenger kilometers, increases by only around 3% per year to 2050 relative to 2020. This compares with about around 6% over the 2010-19 period. The NZE assumes that aviation growth is constrained by comprehensive government policies that promote a shift towards high-speed rail and rein in expansion of long-haul business travel, e.g. through taxes on commercial passenger flights. Kordsa's main clients are tire producers and these kinds of shifts in the transportation industry, may present an opportunity or become a risk, depending on how early we position ourselves in the industry. As a result, it is expected that the demand for sustainable products such as recycled or bio-based polymers will increase not only in tire industry but also in many other industries where high-performance engineering plastics are used. Description on how the results of the scenario analysis have informed at least one decision or action in relation to target setting and transition planning: In line with scenario analysis Kordsa have decided to get approval from SBTi for its long-term emission reduction goals and we have got our long-term and net zero targets validated by SBTi in July 2024. In 2024 our Board of Directors have approved the establishment of a new polyolefin recycling line in our İzmit factory, this production line is a part of our new business unit "Compounding" which was also established in 2024. With over 50 years of history and experience in the polymer industry, Kordsa has positioned itself as a forward-thinking organization by focusing on manufacturing high-performance engineering plastics, including compounds such as PA66, PA6, PBT, PET, PC, ABS, PP, PPS, and bio-based alternatives where applicable. For the worst-case scenario, we use RCP 8.5 combined with SSP5, which suggests a future with high GHG driven by rapid economic growth and heavy reliance on fossil fuels. The expected physical impacts include but not limited to: - Significant increase in global temperatures leading to more frequent heatwaves, droughts and water shortages - Increased frequency and severity of extreme weather events like storms and floods in some regions - Heightened scarcity of critical resources, driving up costs and necessitating more sustainable practices Kordsa is conducting scenario-based flood risk analyses covering its facilities in Thailand, Indonesia, and Chattanooga, USA. According to the results of these analyses, the Indonesian facility is considered at higher risk due to its location adjacent to the river and tropical climate. According to the pessimistic scenario, in the long term, there may be disruptions in operations and supply chains. Description on how the results of the scenario analysis have informed at least one decision or action in relation to resilience of business model and strategy: In order to increase the resilience of our business to climate related physical impacts, as a precaution for an expected scarcity of critical resources, our SLT decided to start 100% wastewater recycling project in our Indonesia facility. The project was completed at the end of December 2023, and 41,109 m³ water was recycled in 2024. With this project the wastewater in our

Indonesia facility is recycled and the plant will have near-zero discharge. As another bold effort to increase the resilience of the business model and strategy, solar power panel plants are implemented in Indonesia and Thailand facilities. Given Indonesia's reliance on fossil fuels for energy, there is a potential risk of future energy supply disruptions. The solar power plant operating at our Indonesia facility helps to mitigate these energy dependency risks. At Kordsa, we have long been focused on sustainable product development activities in our R&D centers to strengthen our capacity-building efforts. In 2024, 45.35% of our total R&D budget was allocated to sustainable product development projects. In 2024 our sustainable product revenue was %14.12.

Water

(5.1.2.3) Summarize the outcomes of the scenario analysis and any implications for other environmental issues

We considered the optimistic and pessimistic scenarios for 2030, 2050 and 2080. According to WRI Aqueduct water stress country ratings data set: Türkiye ranks 31st on the industrial water stress (High 40-80%) Italy ranks 40th with High industrial water stress (40-80%) Indonesia ranks 91st with Low-medium industrial water stress (10-20%) United States ranks 78th with Low-Medium(10-20%) Thailand ranks 57th with Medium-high water stress (20-40%) Brazil ranks 105th with Low water stress (<10%) The results of this analysis have informed the following action related to resilience of the business model and strategy: In order to increase the resilience of our business and as a precaution for an expected scarcity of critical resources, our SLT decided to start a 100% wastewater recycling project in our Indonesia facility. The project was completed at the end of December 2023, and 41,109 m³ water was recycled in 2024. In 2023, we implemented a project using advanced filtration and membrane technology to recover water from the wastewater discharged by our biological treatment plant in Izmit-Türkiye facility. With this project 40,000 m³ water was recovered in 2024.

(5.2) Does your organization's strategy include a climate transition plan?

(5.2.1) Transition plan

☒ Yes, we have a climate transition plan which aligns with a 1.5°C world

(5.2.3) Publicly available climate transition plan

☒ Yes

(5.3) Have environmental risks and opportunities affected your strategy and/or financial planning?

(5.3.1) Environmental risks and/or opportunities have affected your strategy and/or financial planning

☒ Yes, both strategy and financial planning

(5.3.2) Business areas where environmental risks and/or opportunities have affected your strategy

Select all that apply

- ☒ Products and services
- ☒ Upstream/downstream value chain
- ☒ Investment in R&D
- ☒ Operations

(5.3.1) Describe where and how environmental risks and opportunities have affected your strategy.

Products and services

(5.3.1.1) Effect type

Select all that apply

- ☒ Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

- ☒ Climate change
- ☒ Water

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

As awareness is rising and the impacts of climate change are becoming more visual, there is a shift in customer preferences towards more sustainable/ low-carbon products. As a strategic decision influenced by climate-related risks & opportunities, we decided to conduct more R&D projects to transform our existing product portfolio and to create new products including recycled or bio-based materials. Our R&D centers each year start new projects in line with costumers' expectations. These R&D activities mainly focus on; reducing the weight of the final product (which in turn reduces the fuel consumption), usage of recycled or bio-based raw materials and reducing product level carbon footprint. As the GHG emission regulations are becoming stricter throughout the world, these new products will be more attractive for the costumers. Time horizons covered: Short-medium and long term CASE STUDY: Developed products by R&D; Nylon Yarn and Tire Cord Fabric with 40% recycled content: We produce recycled content nylon yarn and nylon tire cord fabric with the recycled raw material obtained by recycling the by-product during Kordsa's yarn production processes. We have tested this new product with 40% recycled content, and the test results are very promising. LCA study shows that compared to using 100% virgin raw materials, the 40 % recycled content provides 33% less carbon footprint. In the future, we also plan to evaluate recycled nylon raw material from post-consumer sources. Biobased Honeycomb: The use of phenolic honeycomb structures in aviation applications is quite common. Resin is an important raw material of honeycomb production. We developed a bio-based alternative resin system (furan resin) that is produced from sugar cane waste instead of petroleum-based resins and used it in honeycomb production. We have also implemented circular economy practices by recycling the waste obtained from the field to industry. Thus, we have produced a new generation, bio-based, sustainable product with a very low carbon footprint through its content and production method.

Upstream/downstream value chain

(5.3.1.1) Effect type

Select all that apply

☒ Risks

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

☒ Climate change

☒ Water

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

Description of influence: The results of the risk analysis are always reflected to our short-medium and long-term strategies. We are aware that if we don't maintain a sustainable supply chain, we may be faced with risk to our business continuity and a risk to achieve our scope 3 emission reduction targets. That's why we started sustainable supply chain program in 2020. Time horizons covered: Short-medium and long term A case-study of most important strategic decisions (medium & long-term): In order to effectively manage supply chain related sustainability risks, we have developed a Sustainable Supply Chain Program. Our supply chain department prepared a Kraljic Matrix through which, we request sustainability assessments from the suppliers with high purchasing volume and have substantive impacts on our scope 3 targets. In 2024, we conducted sustainability assessments for 81 of our suppliers using different tools. We use various tools for supplier sustainability

monitoring such as Kordsa annual supplier survey and sustainability audits. The magnitude of this strategic impact is considered to be high as sustainable supply chain is a critical element of our business success. Also, in 2024 we continued our engagement campaign with our suppliers about GHG emission management. We periodically meet with our suppliers which have a high impact on our Scope 3 Cat: 1 Purchased Goods and Services category emissions.

Investment in R&D

(5.3.1.1) Effect type

Select all that apply

☒ Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

☒ Climate change

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

Kordsa considers R&D investments driven by climate-related impacts as an opportunity to create new markets and extend the presence on the existing market. In order to capitalize on this opportunity, Kordsa dedicates an annual budget to R&D activities. In 2024 our total R&D budget's 45.35% was allocated to sustainable product development projects. Time horizons covered: Short-medium and long term A case-study of most important strategic decisions (short-term): In the reporting period, Kordsa invested around 8.38million USD in R&D activities to develop low carbon products with lower environmental impact. The magnitude of impact that this area has on our business is considered to be medium.

Operations

(5.3.1.1) Effect type

Select all that apply

☒ Risks

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

☒ Climate change

☒ Water

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

Kordsa aims to reduce Scope 1&2 emissions 46.2% by 2030 compared to 2019 base year in line with our approved science-based targets. These targets are the basis of climate transition roadmap that identify actionable levers, costs and timeframe. Kordsa has a transition risk related to the possible implementation of an emission trading scheme in Türkiye. The most substantial strategic decisions that were influenced by climate-related risks in our operations was to increase renewable energy installed capacity. We have also made agreements for on-site solar panel production in Indonesia and Thailand facilities. In 2024 Kordsa's renewable electricity usage percentage was 21.33%, Kordsa aims to increase this ratio. Kordsa also performs various energy efficiency and water efficiency projects. In 2024, Kordsa saved 11,350 MWh energy with electricity and natural gas efficiency projects. Kordsa is committed to a 30% reduction in water withdrawal by 2030, actively pursuing water-saving projects annually. Our focus areas encompass rainwater utilization, wastewater recycling, pollution-reducing wastewater technologies, and water-saving methods. We have Water, Sanitation, and Hygiene (WASH) target which aims to maintain 100% of our employees have access to safely managed drinking water and sanitation services.

[Add row]

(5.4) In your organization's financial accounting, do you identify spending/revenue that is aligned with your organization's climate transition?

	Identification of spending/revenue that is aligned with your organization's climate transition	Methodology or framework used to assess alignment with your organization's climate transition
	☒ Yes	Select all that apply ☒ Other methodology or framework

(5.10) Does your organization use an internal price on environmental externalities?

	Use of internal pricing of environmental externalities	Environmental externality priced
	☒ Yes	<i>Select all that apply</i> ☒ Carbon ☒ Water

(5.10.1) Provide details of your organization's internal price on carbon.

Row 1

(5.10.1.1) Type of pricing scheme

☒ Shadow price

(5.10.1.2) Objectives for implementing internal price

Select all that apply

- ☒ Navigate regulations
- ☒ Drive energy efficiency
- ☒ Drive low-carbon investment
- ☒ Identify and seize low-carbon opportunities
- ☒ Influence strategy and/or financial planning
- ☒ Incentivize consideration of climate-related issues in decision making

(5.10.1.4) Calculation methodology and assumptions made in determining the price

As a subsidiary of Sabancı Holding, our company adopts the internal carbon price established by Sabancı Holding. The methodology and assumptions underlying this price have been defined at the Holding level. To estimate the annual cost of carbon, Sabancı Holding applied a carbon corridor approach. In the absence of a domestic carbon market and historical ETS data for Türkiye, the Holding conducted several analyses with the support of an external consultant. These analyses drew on the current Türkiye context, experiences from other emissions trading systems globally, potential linkages to the EU CBAM, and carbon pricing projections from recognized databases including NFGS, IEA, and IIASA under a below 2-degree scenario.

(5.10.1.10) Minimum actual price used (currency per metric ton CO2e)

8.6

(5.10.1.11) Maximum actual price used (currency per metric ton CO2e)

17.2

(5.10.1.12) Business decision-making processes the internal price is applied to

Select all that apply

- ☒ Capital expenditure
- ☒ Operations
- ☒ Risk management
- ☒ Opportunity management

(5.10.1.16) Details of how the pricing approach is monitored and evaluated to achieve your objectives

The pricing approach is monitored and evaluated regularly in order to be aligned with the changes in the carbon market. The given internal carbon price study was made by our mother company Sabancı Holding. Kordsa uses the outcomes of this study and implemented the carbon prices for the business decision making processes, especially for risk management purposes. The pricing approach is monitored and evaluated annually to achieve our climate-related targets and objectives detailed in our climate transition plan.

(5.10.2) Provide details of your organization's internal price on water.

Row 1

(5.10.2.1) Type of pricing scheme

☒ Shadow price

(5.10.2.4) Factors considered when determining the price

Select all that apply

- ☒ Anticipated water tariffs
- ☒ Costs of disposing water
- ☒ Costs of treating water
- ☒ Existing water tariffs

(5.10.2.6) Stages of the value chain covered

Select all that apply

- ☒ Direct operations

(5.10.2.11) Minimum actual price used (currency per cubic meter)

0.64

(5.10.2.12) Maximum actual price used (currency per cubic meter)

2.54

(5.10.2.13) Business decision-making processes the internal water price is applied to

Select all that apply

- ☒ Product and R&D
- ☒ Risk management
- ☒ Impact management
- ☒ Capital expenditure
- ☒ Opportunity management
- ☒ Dependencies management

(5.10.2.16) Details of how the pricing approach is monitored and evaluated to achieve your objectives

As Kordsa we have ambitious water withdrawal reduction targets. To achieve our water related targets we planned a roadmap. Each year we recalculate our internal water price, and each year we use this price on decision-making process of capital expenditure projects related to water reduction targets.

[Add row]

(5.11) Do you engage with your value chain on environmental issues?

Suppliers

(5.11.1) Engaging with this stakeholder on environmental issues

- ☒ Yes

(5.11.2) Environmental issues covered

Select all that apply

- ☒ Climate change
- ☒ Water

Customers

(5.11.1) Engaging with this stakeholder on environmental issues

☒ Yes

(5.11.2) Environmental issues covered

Select all that apply

☒ Climate change

☒ Water

Investors and shareholders

(5.11.1) Engaging with this stakeholder on environmental issues

☒ Yes

(5.11.2) Environmental issues covered

Select all that apply

☒ Climate change

☒ Water

(5.11.1) Does your organization assess and classify suppliers according to their dependencies and/or impacts on the environment?

Climate change

(5.11.1.1) Assessment of supplier dependencies and/or impacts on the environment

☒ Yes, we assess the dependencies and/or impacts of our suppliers

Water

(5.11.1.1) Assessment of supplier dependencies and/or impacts on the environment

☒ Yes, we assess the dependencies and/or impacts of our suppliers

(5.11.2) Does your organization prioritize which suppliers to engage with on environmental issues?

Climate change

(5.11.2.1) Supplier engagement prioritization on this environmental issue

☒ Yes, we prioritize which suppliers to engage with on this environmental issue

(5.11.2.2) Criteria informing which suppliers are prioritized for engagement on this environmental issue

Select all that apply

☒ In line with the criteria used to classify suppliers as having substantive dependencies and/or impacts relating to climate change

☒ Procurement spend

☒ Strategic status of suppliers

Water

(5.11.2.1) Supplier engagement prioritization on this environmental issue

☒ Yes, we prioritize which suppliers to engage with on this environmental issue

(5.11.2.2) Criteria informing which suppliers are prioritized for engagement on this environmental issue

Select all that apply

☒ In line with the criteria used to classify suppliers as having substantive dependencies and/or impacts relating to water

☒ Procurement spend

☒ Strategic status of suppliers

(5.11.5) Do your suppliers have to meet environmental requirements as part of your organization's purchasing process?

Climate change

(5.11.5.1) Suppliers have to meet specific environmental requirements related to this environmental issue as part of the purchasing process

☒ Yes, environmental requirements related to this environmental issue are included in our supplier contracts

(5.11.5.2) Policy in place for addressing supplier non-compliance

☒ Yes, we have a policy in place for addressing non-compliance

(5.11.5.3) Comment

As Kordsa we have a supply chain sustainability program. The first step of our program is “Kordsa Statement on Code of Business Ethics” in which we defined our requirements from our suppliers and business partners. This statement outlines our expectations for the undersigned conduct regarding labor and human rights, personal data protection, health and safety, environmental protection, ethics, and management practices. As Kordsa we inform all our suppliers and business partners regarding our Statement on Code of Business Ethics document, and we request our suppliers and business partners to comply with it. Any non-compliance may result in termination of the business relations by the Company.

Water

(5.11.5.1) Suppliers have to meet specific environmental requirements related to this environmental issue as part of the purchasing process

☒ Yes, environmental requirements related to this environmental issue are included in our supplier contracts

(5.11.5.2) Policy in place for addressing supplier non-compliance

☒ Yes, we have a policy in place for addressing non-compliance

(5.11.5.3) Comment

As Kordsa we have a supply chain sustainability program. The first step of our program is “Kordsa Statement on Code of Business Ethics” in which we defined our requirements from our suppliers and business partners. This statement outlines our expectations for the undersigned conduct regarding labor and human rights, personal data protection, health and safety, environmental protection, ethics, and management practices. As Kordsa we inform all our suppliers and business partners regarding our Statement on Code of Business Ethics document and we request our suppliers and business partners to comply with it. Any non-compliance may result in termination of the business relations by the Company.

(5.11.7) Provide further details of your organization’s supplier engagement on environmental issues.

Climate change

(5.11.7.3) Type and details of engagement

Capacity building

- ☒ Provide training, support and best practices on how to set science-based targets

Information collection

- ☒ Collect GHG emissions data at least annually from suppliers
- ☒ Collect targets information at least annually from suppliers

Innovation and collaboration

- ☒ Collaborate with suppliers on innovations to reduce environmental impacts in products and services

Water

(5.11.7.3) Type and details of engagement

Capacity building

- ☒ Provide training, support and best practices on how to mitigate environmental impact

Information collection

- ☒ Collect water quantity information at least annually from suppliers (e.g., withdrawal and discharge volumes)

C6. Environmental Performance - Consolidation Approach

(6.1) Provide details on your chosen consolidation approach for the calculation of environmental performance data.

Climate change

(6.1.1) Consolidation approach used

☒ Operational control

(6.1.2) Provide the rationale for the choice of consolidation approach

We have chosen operational control as consolidation approach for our GHG inventory, because with 12 sites across 6 countries, this method allows us to focus on the emissions within our direct operational influence, ensuring consistency in environmental management across diverse locations. We also don't have any other investments where we have equity shares but no operational control, therefore this consolidation approach is the most logical one for Kordsa.

Water

(6.1.1) Consolidation approach used

☒ Operational control

(6.1.2) Provide the rationale for the choice of consolidation approach

We have chosen operational control as consolidation approach for our water data, because with 12 sites across 6 countries, this method allows us to focus on data that is within our direct operational influence, ensuring consistency in environmental management across diverse locations. We also don't have any other investments where we have equity shares but no operational control, therefore this consolidation approach is the most logical one for Kordsa.

Plastics

(6.1.1) Consolidation approach used

☒ Operational control

(6.1.2) Provide the rationale for the choice of consolidation approach

We only assess plastic-related data in facilities that are under our operational control. Therefore, operational control is selected as the consolidation approach.

Biodiversity

(6.1.1) Consolidation approach used

☒ Operational control

(6.1.2) Provide the rationale for the choice of consolidation approach

We only assess biodiversity-related data in facilities that are under our operational control. Therefore, operational control is selected as the consolidation approach.

C7. Environmental performance - Climate Change

(7.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

Select all that apply

- ☒ ISO 14064-1
- ☒ The Greenhouse Gas Protocol: Scope 2 Guidance
- ☒ US EPA Emissions & Generation Resource Integrated Database (eGRID)
- ☒ The Greenhouse Gas Protocol: Corporate Value Chain (Scope 3) Standard
- ☒ 2019 Refinement to the 2006 IPCC Guidelines for National Greenhouse Gas Inventories
- ☒ The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

(7.3) Describe your organization's approach to reporting Scope 2 emissions.

(7.3.1) Scope 2, location-based

- ☒ We are reporting a Scope 2, location-based figure

(7.3.2) Scope 2, market-based

- ☒ We are reporting a Scope 2, market-based figure

(7.3.3) Comment

We are reporting a location-based Scope 2 emissions figure, resulting from the use of electricity from the grid. We have also purchased renewable energy from our suppliers through virtual PPAs, therefore we are also reporting a market-based figure.

(7.5) Provide your base year and base year emissions.

Scope 1

(7.5.1) Base year end

12/31/2019

(7.5.2) Base year emissions (metric tons CO2e)

128767.98

(7.5.3) Methodological details

The Scope 1 emissions figure includes emissions from 12 sites in 5 countries for the base year. The sources of emissions are stationary combustion of fossil fuels, mobile combustion in vehicles that are controlled by our company and fugitive gases from our cooling equipment and fire extinguishers. GHG emissions are calculated using GHG emission factors published by DEFRA and EPA (for US facilities). Fugitive emissions are calculated using GWP's from IPCC AR5. Our gross global Scope 1 GHG emissions are equal to our net global Scope 1 GHG emissions as we have no purchases of offsets in the base year.

Scope 2 (location-based)

(7.5.1) Base year end

12/31/2019

(7.5.2) Base year emissions (metric tons CO2e)

288773.75

(7.5.3) Methodological details

Scope 2 GHG emissions include emissions from the use of grid electricity in all of our sites (for the base year 12 sites in 5 countries). We use IEA emission factors to calculate location-based GHG emissions. We use EPA Power profiler tool to calculate GHG emissions for our US-Sites.

Scope 2 (market-based)

(7.5.1) Base year end

12/31/2019

(7.5.2) Base year emissions (metric tons CO2e)

281374.79

(7.5.3) Methodological details

Scope 2 GHG emissions include emissions from the use of grid electricity in all of our sites (for the base year 12 sites in 5 countries). We are able to reach market-based GHG emission factors for some of our facilities in US, and we use virtual PPA's in some of our sites to purchase renewable electricity.

Scope 3 category 1: Purchased goods and services

(7.5.1) Base year end

12/31/2021

(7.5.2) Base year emissions (metric tons CO2e)

1459457.87

(7.5.3) Methodological details

Our raw material purchases are included in this category. The emission factors are taken from Ecoinvent database and they include cradle to gate GHG emissions. GHG emissions from purchased services are excluded.

Scope 3 category 2: Capital goods

(7.5.1) Base year end

12/31/2021

(7.5.2) Base year emissions (metric tons CO2e)

0.0

(7.5.3) Methodological details

Capital goods purchases for the base year was below our materiality threshold. According to our materiality assessment, if a Capex purchase is over 1% of our total capital and operational expenses. In the base year the highest capital expense made up 0.18% of our total Capex and Opex. Therefore, there were no significant capital expenses. We have also made an assessment with Quantis Scope 3 evaluator tool and these emissions are estimated as 18,242 tons which makes 0.87% of our total scope 3 GHG emissions for the base year. This category was assessed to be not relevant and excluded from the base-year calculations.

Scope 3 category 3: Fuel-and-energy-related activities (not included in Scope 1 or 2)

(7.5.1) Base year end

12/31/2021

(7.5.2) Base year emissions (metric tons CO2e)

137934.34

(7.5.3) Methodological details

This category includes the GHG emissions resulting from the fuel and energy related activities which are calculated using Well to tank emission factors published by DEFRA. For electricity consumption, WTT UK& Overseas Electricity emission factors published by DEFRA is used. Emissions from line losses are calculated using IEA emission factors.

Scope 3 category 4: Upstream transportation and distribution

(7.5.1) Base year end

12/31/2021

(7.5.2) Base year emissions (metric tons CO2e)

57573.97

(7.5.3) Methodological details

This category includes all the emissions from transportation of purchased goods and also transportation services purchased by Kordsa for transporting our products to our customers. DEFRA emission factors are used for calculation of transportation related emissions. All calculations include WTT emissions.

Scope 3 category 5: Waste generated in operations

(7.5.1) Base year end

12/31/2021

(7.5.2) Base year emissions (metric tons CO2e)

1527.78

(7.5.3) Methodological details

The GHG emissions resulting from the waste produced in all Kordsa facilities are calculated using the “Waste Disposal” emission factors published by DEFRA.

Scope 3 category 6: Business travel

(7.5.1) Base year end

12/31/2021

(7.5.2) Base year emissions (metric tons CO2e)

612.84

(7.5.3) Methodological details

The emission factors for calculation of emissions from business travel are taken from DEFRA's Business Travel-air tab. The EFs with radiative forcing are used for the calculations. All calculations include WTT emissions.

Scope 3 category 7: Employee commuting

(7.5.1) Base year end

12/31/2021

(7.5.2) Base year emissions (metric tons CO2e)

4985.15

(7.5.3) Methodological details

This category includes the GHG emissions from employee shuttle services and daily commute of the employees via their own vehicles. The GHG emission factors for employee commuting are taken from DEFRA both for personnel shuttles and employees' own vehicles. All calculations include WTT emissions.

Scope 3 category 8: Upstream leased assets

(7.5.1) Base year end

12/31/2021

(7.5.2) Base year emissions (metric tons CO2e)

0.0

(7.5.3) Methodological details

We don't have any upstream leased assets. All GHG emissions for leased assets are reported under Scope 1 and Scope 2 GHG emissions.

Scope 3 category 9: Downstream transportation and distribution

(7.5.1) Base year end

12/31/2021

(7.5.2) Base year emissions (metric tons CO2e)

8769.21

(7.5.3) Methodological details

The GHG emissions resulting from the transportation of our products are reported under this category. We collected the average distance, average load and number of shipment data from our sites for the goods that are delivered to our customers. All calculations include WTT emissions.

Scope 3 category 10: Processing of sold products

(7.5.1) Base year end

12/31/2021

(7.5.2) Base year emissions (metric tons CO2e)

360565.43

(7.5.3) Methodological details

We have compiled the production data from all of our plants. Then made research on how much textile is contained in passenger car tires, light trucks, off-road vehicles, aircraft tires and truck tires. In the research we have used published data from US Tire Manufacturers Association, Waste and Resources Action Program and Science Direct. The emission factors are taken from the data published by our customers. GHG emissions from the processing of sold composite products are excluded. Composite products make up less than 0.6% of our production by weight for the base year. The GHG emissions from the processing of composite products were estimated using an internal methodology.

Scope 3 category 11: Use of sold products

(7.5.1) Base year end

12/31/2021

(7.5.2) Base year emissions (metric tons CO2e)

0.0

(7.5.3) Methodological details

All our products are intermediate products and need further processing (such as tire manufacturing) to be used. Therefore, this category is not applicable to our products.

Scope 3 category 12: End of life treatment of sold products

(7.5.1) Base year end

12/31/2021

(7.5.2) Base year emissions (metric tons CO2e)

57437.82

(7.5.3) Methodological details

The emissions for the End-of-life treatment is calculated based on the mass/volume of the intermediate product itself rather than the end product. The calculations are made using EPA Emission Factor.

Scope 3 category 13: Downstream leased assets

(7.5.1) Base year end

12/31/2021

(7.5.2) Base year emissions (metric tons CO2e)

1318.36

(7.5.3) Methodological details

To calculate the GHG emissions from downstream leased assets we use the electricity emission factors published by IEA, which we use for our Scope 2 calculations as well. For the natural gas and diesel oil used in downstream leased assets we use GHG emission factors published by DEFRA "Fuels" tab.

Scope 3 category 14: Franchises

(7.5.1) Base year end

12/31/2021

(7.5.2) Base year emissions (metric tons CO2e)

0.0

(7.5.3) Methodological details

Kordsa does not have any franchises.

Scope 3 category 15: Investments

(7.5.1) Base year end

12/31/2021

(7.5.2) Base year emissions (metric tons CO2e)

0.0

(7.5.3) Methodological details

Kordsa has not made any investments that should be reported under this category in the base year. All of the subsidiaries of Kordsa are included in Scope 1 and Scope2 calculations. We do not have any equity shares in any other company.

Scope 3: Other (upstream)

(7.5.1) Base year end

12/31/2021

(7.5.2) Base year emissions (metric tons CO2e)

0.0

(7.5.3) Methodological details

We have no other upstream scope 3 GHG emissions.

Scope 3: Other (downstream)

(7.5.1) Base year end

12/31/2021

(7.5.2) Base year emissions (metric tons CO2e)

0.0

(7.5.3) Methodological details

We have no other downstream scope 3 GHG emissions.

(7.6) What were your organization's gross global Scope 1 emissions in metric tons CO2e?

Reporting year

(7.6.1) Gross global Scope 1 emissions (metric tons CO2e)

121151.63

(7.6.3) Methodological details

The Scope 1 emissions figure includes emissions from 13 sites in 6 countries. The sources of emissions are stationary combustion of fossil fuels, mobile combustion in vehicles that are controlled by our company and fugitive gases from our cooling equipment and fire extinguishers. GHG emissions are calculated using GHG emission factors published by DEFRA and EPA (for US facilities). Fugitive emissions are calculated using GWP's from IPCC AR5. Our gross global Scope 1 GHG emissions are equal to our net global Scope 1 GHG emissions as we have no purchases of offsets in the reporting year.

(7.7) What were your organization's gross global Scope 2 emissions in metric tons CO2e?

Reporting year

(7.7.1) Gross global Scope 2, location-based emissions (metric tons CO2e)

278422.77

(7.7.2) Gross global Scope 2, market-based emissions (metric tons CO2e)

202418.36

(7.7.4) Methodological details

We are reporting location-based Scope 2 emissions resulting from electricity purchased and consumed from the grid for 13 plants in 6 countries. For all location-based figures we use national grid emission factors. All the amount of electricity purchased is included in the location-based figure. The amount of electricity for which there are i-Rec purchases is also included and calculated using the grid EF. We are also reporting a market-based figure, where the emissions for the i-Rec certified amounts is calculated with an emission factor of zero. The market-based emissions also include our Chattanooga and Laurel Hill plants where market-based emissions are calculated using residual emission factors that we have received from our electricity suppliers. The rest of the market-based figure is calculated using

the national grid EFs as we were not able to reach market-based emission factors. For the calculations: - For our facilities located in Türkiye, we have used the grid emission factors published by the Turkish Energy and Natural Resources Ministry. - For our Thailand facility we have used the Thailand National EF Database - For our Brazil facility we have used the Emission Factors published by the Federal Government of Brazil

(7.8) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

(7.8.1) Evaluation status

☒ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

1120895.74

(7.8.3) Emissions calculation methodology

Select all that apply

☒ Average product method

Capital goods

(7.8.1) Evaluation status

☒ Not relevant, explanation provided

Fuel-and-energy-related activities (not included in Scope 1 or 2)

(7.8.1) Evaluation status

☒ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

100862.63

(7.8.3) Emissions calculation methodology

Select all that apply

☒ Supplier-specific method

☒ Fuel-based method

Upstream transportation and distribution

(7.8.1) Evaluation status

☒ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

75142.24

(7.8.3) Emissions calculation methodology

Select all that apply

☒ Distance-based method

Waste generated in operations

(7.8.1) Evaluation status

☒ Not relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

1630.29

(7.8.3) Emissions calculation methodology

Select all that apply

☒ Waste-type-specific method

Business travel

(7.8.1) Evaluation status

☒ Not relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

1250.8

(7.8.3) Emissions calculation methodology

Select all that apply

☒ Distance-based method

Employee commuting

(7.8.1) Evaluation status

☒ Not relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

4571.45

(7.8.3) Emissions calculation methodology

Select all that apply

☒ Fuel-based method

☒ Distance-based method

Upstream leased assets

(7.8.1) Evaluation status

☒ Not relevant, explanation provided

Downstream transportation and distribution

(7.8.1) Evaluation status

☒ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

10133.91

(7.8.3) Emissions calculation methodology

Select all that apply

☒ Distance-based method

Processing of sold products

(7.8.1) Evaluation status

☒ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

249598.59

(7.8.3) Emissions calculation methodology

Select all that apply

☒ Average data method

☒ Average product method

Use of sold products

(7.8.1) Evaluation status

☒ Not relevant, explanation provided

End of life treatment of sold products

(7.8.1) Evaluation status

☒ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

18246.61

(7.8.3) Emissions calculation methodology

Select all that apply

☒ Waste-type-specific method

Downstream leased assets

(7.8.1) Evaluation status

☒ Not relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

1340.42

(7.8.3) Emissions calculation methodology

Select all that apply

☒ Fuel-based method

Franchises

(7.8.1) Evaluation status

☒ Not relevant, explanation provided

Investments

(7.8.1) Evaluation status

☒ Not relevant, explanation provided

Other (upstream)

(7.8.1) Evaluation status

☒ Not relevant, explanation provided

Other (downstream)

(7.8.1) Evaluation status

☒ Not relevant, explanation provided

(7.9) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	☒ Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	☒ Third-party verification or assurance process in place
Scope 3	☒ Third-party verification or assurance process in place

(7.9.1) Provide further details of the verification/assurance undertaken for your Scope 1 emissions and attach the relevant statements.

(7.9.1.3) Type of verification or assurance

☒ Limited assurance

(7.9.1.6) Relevant standard

☒ ISAE 3410

(7.9.1.7) Proportion of reported emissions verified (%)

100

(7.9.2) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

Row 1

(7.9.2.1) Scope 2 approach

☒ Scope 2 location-based

(7.9.2.4) Type of verification or assurance

☒ Limited assurance

(7.9.2.7) Relevant standard

☒ ISAE 3410

(7.9.2.8) Proportion of reported emissions verified (%)

100

Row 2

(7.9.2.1) Scope 2 approach

☒ Scope 2 market-based

(7.9.2.4) Type of verification or assurance

☒ Limited assurance

(7.9.2.7) Relevant standard

☒ ISAE 3410

(7.9.2.8) Proportion of reported emissions verified (%)

100

(7.9.3) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.

Row 1

(7.9.3.1) Scope 3 category

Select all that apply

- | | |
|---|---|
| ☒ Scope 3: Franchises | ☒ Scope 3: Use of sold products |
| ☒ Scope 3: Investments | ☒ Scope 3: Upstream leased assets |
| ☒ Scope 3: Capital goods | ☒ Scope 3: Downstream leased assets |
| ☒ Scope 3: Business travel | ☒ Scope 3: Processing of sold products |
| ☒ Scope 3: Employee commuting | ☒ Scope 3: Purchased goods and services |
| ☒ Scope 3: Waste generated in operations | |
| ☒ Scope 3: End-of-life treatment of sold products | |
| ☒ Scope 3: Upstream transportation and distribution | |
| ☒ Scope 3: Downstream transportation and distribution | |
| ☒ Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2) | |

(7.9.3.4) Type of verification or assurance

☒ Limited assurance

(7.9.3.7) Relevant standard

☒ ISAE 3410

(7.9.3.8) Proportion of reported emissions verified (%)

100

(7.10) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

☒ Decreased

(7.16) Break down your total gross global Scope 1 and 2 emissions by country/area.

	Scope 1 emissions (metric tons CO2e)	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Brazil	6377.62	3681.98	3681.98
Indonesia	16415.47	146852.85	102184.05
Italy	181.64	669.3	669.3
Thailand	9640.37	15753.93	15753.93
Turkey	54219.94	82695.65	59027.55
United States of America	34316.59	28769.06	21101.55

(7.17.3) Break down your total gross global Scope 1 emissions by business activity.

	Activity	Scope 1 emissions (metric tons CO2e)
Row 1	<i>Stationary Combustion</i>	119281.93
Row 2	<i>Mobile Combustion</i>	900.28
Row 3	<i>Fugitive Emissions from A/C Units and Refrigerators</i>	968.8
Row 4	<i>Fugitive Emissions from Fire Extinguishers</i>	0.62

(7.30) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	☒ Yes
Consumption of purchased or acquired electricity	☒ Yes
Consumption of purchased or acquired heat	☒ No
Consumption of purchased or acquired steam	☒ No
Consumption of purchased or acquired cooling	☒ No
Generation of electricity, heat, steam, or cooling	☒ Yes

(7.30.1) Report your organization's energy consumption totals (excluding feedstocks) in MWh.

Consumption of fuel (excluding feedstock)

(7.30.1.1) Heating value

☒ LHV (lower heating value)

(7.30.1.2) MWh from renewable sources

0

(7.30.1.3) MWh from non-renewable sources

607756.85

(7.30.1.4) Total (renewable + non-renewable) MWh

607756.85

Consumption of purchased or acquired electricity

(7.30.1.2) MWh from renewable sources

120979.15

(7.30.1.3) MWh from non-renewable sources

447857.16

(7.30.1.4) Total (renewable + non-renewable) MWh

568836.31

Consumption of self-generated non-fuel renewable energy

(7.30.1.2) MWh from renewable sources

474.86

(7.30.1.4) Total (renewable + non-renewable) MWh

474.86

Total energy consumption

(7.30.1.2) MWh from renewable sources

121454.01

(7.30.1.3) MWh from non-renewable sources

1055614.01

(7.30.1.4) Total (renewable + non-renewable) MWh

1177068.02

(7.30.6) Select the applications of your organization’s consumption of fuel.

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	

	Indicate whether your organization undertakes this fuel application
	☒ Yes
Consumption of fuel for the generation of heat	☒ Yes
Consumption of fuel for the generation of steam	☒ Yes
Consumption of fuel for the generation of cooling	☒ No
Consumption of fuel for co-generation or tri-generation	☒ No

(7.30.7) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

Oil

(7.30.7.1) Heating value

☒ LHV

(7.30.7.2) Total fuel MWh consumed by the organization

3409.29

(7.30.7.3) MWh fuel consumed for self-generation of electricity

345.21

(7.30.7.4) MWh fuel consumed for self-generation of heat

3064.08

(7.30.7.5) MWh fuel consumed for self-generation of steam

0

(7.30.7.8) Comment

We use Diesel oil, Gasoline and Fuel oil in our operations. Diesel oil is used both in generators to generate electricity and in our vehicles (trucks, company cars etc.) which is reported under heat. Gasoline is only used in mobile sources (trucks, company cars etc.) We also use fuel oil in our Chattanooga plant.

Gas

(7.30.7.1) Heating value

☒ LHV

(7.30.7.2) Total fuel MWh consumed by the organization

604347.56

(7.30.7.3) MWh fuel consumed for self-generation of electricity

0

(7.30.7.4) MWh fuel consumed for self-generation of heat

320958.55

(7.30.7.5) MWh fuel consumed for self-generation of steam

283389.01

(7.30.7.8) Comment

Natural gas and LPG consumption is included. Natural gas is used for heat and steam generation in our plants in İzmit-Turkey, Indonesia and Chattanooga-US. In other plants it is used for heat generation only. LPG or Propane is used in Thailand, Brazil and Chattanooga-US plants mainly in forklifts, therefore the LPG and Propane consumption is reported here as “consumption for self-generation of heat”.

Total fuel

(7.30.7.1) Heating value

☒ LHV

(7.30.7.2) Total fuel MWh consumed by the organization

607756.85

(7.30.7.3) MWh fuel consumed for self-generation of electricity

345.21

(7.30.7.4) MWh fuel consumed for self-generation of heat

324022.63

(7.30.7.5) MWh fuel consumed for self-generation of steam

283389.01

(7.30.7.8) Comment

All fuels used in all of our plants in stationary and mobile sources are included.

(7.30.9) Provide details on the electricity, heat, steam, and cooling your organization has generated and consumed in the reporting year.

Electricity

(7.30.9.1) Total Gross generation (MWh)

820.07

(7.30.9.2) Generation that is consumed by the organization (MWh)

820.07

(7.30.9.3) Gross generation from renewable sources (MWh)

474.86

(7.30.9.4) Generation from renewable sources that is consumed by the organization (MWh)

474.86

Heat

(7.30.9.1) Total Gross generation (MWh)

320580.21

(7.30.9.2) Generation that is consumed by the organization (MWh)

320580.21

(7.30.9.3) Gross generation from renewable sources (MWh)

0

(7.30.9.4) Generation from renewable sources that is consumed by the organization (MWh)

0

Steam

(7.30.9.1) Total Gross generation (MWh)

283389.01

(7.30.9.2) Generation that is consumed by the organization (MWh)

283389.01

(7.30.9.3) Gross generation from renewable sources (MWh)

0

(7.30.9.4) Generation from renewable sources that is consumed by the organization (MWh)

0

Cooling

(7.30.9.1) Total Gross generation (MWh)

0

(7.30.9.2) Generation that is consumed by the organization (MWh)

0

(7.30.9.3) Gross generation from renewable sources (MWh)

0

(7.30.9.4) Generation from renewable sources that is consumed by the organization (MWh)

0

(7.30.14) Provide details on the electricity, heat, steam, and/or cooling amounts that were accounted for at a zero or near-zero emission factor in the market-based Scope 2 figure reported in 7.7.

Row 1

(7.30.14.1) Country/area

☒ Turkey

(7.30.14.2) Sourcing method

☒ Financial (virtual) power purchase agreement (VPPA)

(7.30.14.3) Energy carrier

☒ Electricity

(7.30.14.4) Low-carbon technology type

☒ Large hydropower (>25 MW)

(7.30.14.5) Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

9189.61

(7.30.14.6) Tracking instrument used

☒ I-REC

(7.30.14.7) Country/area of origin (generation) of the low-carbon energy or energy attribute

☒ Turkey

(7.30.14.8) Are you able to report the commissioning or re-powering year of the energy generation facility?

☒ Yes

(7.30.14.9) Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

2013

(7.30.14.10) Comment

We have purchased renewable energy attribute certificates as part of our PPA with our energy supplier from Köprü Hydroelectric Power Plant.

Row 2

(7.30.14.1) Country/area

☒ Turkey

(7.30.14.2) Sourcing method

☒ Financial (virtual) power purchase agreement (VPPA)

(7.30.14.3) Energy carrier

☒ Electricity

(7.30.14.4) Low-carbon technology type

☒ Large hydropower (>25 MW)

(7.30.14.5) Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

29709.19

(7.30.14.6) Tracking instrument used

☒ I-REC

(7.30.14.7) Country/area of origin (generation) of the low-carbon energy or energy attribute

☒ Turkey

(7.30.14.8) Are you able to report the commissioning or re-powering year of the energy generation facility?

☒ Yes

(7.30.14.9) Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

2011

(7.30.14.10) Comment

We have purchased renewable energy attribute certificates as part of our PPA with our energy supplier from Hacıninoğlu Hydroelectric Power Plant.

Row 3

(7.30.14.1) Country/area

☒ Turkey

(7.30.14.2) Sourcing method

☒ Financial (virtual) power purchase agreement (VPPA)

(7.30.14.3) Energy carrier

☒ Electricity

(7.30.14.4) Low-carbon technology type

☒ Large hydropower (>25 MW)

(7.30.14.5) Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

13101.2

(7.30.14.6) Tracking instrument used

☒ I-REC

(7.30.14.7) Country/area of origin (generation) of the low-carbon energy or energy attribute

☒ Turkey

(7.30.14.8) Are you able to report the commissioning or re-powering year of the energy generation facility?

☒ Yes

(7.30.14.9) Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

2014

(7.30.14.10) Comment

We have purchased renewable energy attribute certificates as part of our PPA with our energy supplier from Arkun Hydroelectric Power Plant.

Row 4

(7.30.14.1) Country/area

☒ Turkey

(7.30.14.2) Sourcing method

☒ Financial (virtual) power purchase agreement (VPPA)

(7.30.14.3) Energy carrier

☒ Electricity

(7.30.14.4) Low-carbon technology type

☒ Small hydropower (<25 MW)

(7.30.14.5) Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

1547.72

(7.30.14.6) Tracking instrument used

☒ I-REC

(7.30.14.7) Country/area of origin (generation) of the low-carbon energy or energy attribute

☒ Turkey

(7.30.14.8) Are you able to report the commissioning or re-powering year of the energy generation facility?

☒ Yes

(7.30.14.9) Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

2015

(7.30.14.10) Comment

Our CTCE plant in Türkiye is located in a technology park. In this facility our electricity is supplied through the Technology Park Management and all the electricity used in this Technology Park is purchased as renewable energy through a financial PPA with the electricity supplier company.

Row 5

(7.30.14.1) Country/area

☒ Indonesia

(7.30.14.2) Sourcing method

☒ Purchase from an on-site installation owned by a third party (on-site PPA)

(7.30.14.3) Energy carrier

☒ Electricity

(7.30.14.4) Low-carbon technology type

☒ Solar

(7.30.14.5) Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

5209.41

(7.30.14.6) Tracking instrument used

☒ Contract

(7.30.14.7) Country/area of origin (generation) of the low-carbon energy or energy attribute

☒ Indonesia

(7.30.14.8) Are you able to report the commissioning or re-powering year of the energy generation facility?

☒ Yes

(7.30.14.9) Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

2022

(7.30.14.10) Comment

Rooftop solar panels were installed in our Indonesia plant. These solar panels are located in our facility and we have a direct line to the production, however the panels are owned by a third-party. We have a PPA with the production company and consume all the renewable electricity produced by the Solar Panels.

Row 6

(7.30.14.1) Country/area

☒ Indonesia

(7.30.14.2) Sourcing method

☒ Financial (virtual) power purchase agreement (VPPA)

(7.30.14.3) Energy carrier

☒ Electricity

(7.30.14.4) Low-carbon technology type

☒ Geothermal

(7.30.14.5) Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

57600

(7.30.14.6) Tracking instrument used

☒ TIGR

(7.30.14.7) Country/area of origin (generation) of the low-carbon energy or energy attribute

☒ Indonesia

(7.30.14.8) Are you able to report the commissioning or re-powering year of the energy generation facility?

☒ Yes

(7.30.14.9) Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

2015

(7.30.14.10) Comment

In our Indonesia plant we have purchased 57600 MWh of renewable energy through a financial PPA (VPPA) with our power supply company.

Row 7

(7.30.14.1) Country/area

☒ Thailand

(7.30.14.2) Sourcing method

☒ Purchase from an on-site installation owned by a third party (on-site PPA)

(7.30.14.3) Energy carrier

☒ Electricity

(7.30.14.4) Low-carbon technology type

☒ Solar

(7.30.14.5) Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

4622

(7.30.14.6) Tracking instrument used

☒ Contract

(7.30.14.7) Country/area of origin (generation) of the low-carbon energy or energy attribute

☒ Thailand

(7.30.14.8) Are you able to report the commissioning or re-powering year of the energy generation facility?

☒ Yes

(7.30.14.9) Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

2023

(7.30.14.10) Comment

Rooftop solar panels were installed in our Thailand plant. These solar panels are located in our facility and we have a direct line to the production, however the panels are owned by a third-party. We have a PPA with the production company and consume all the renewable electricity produced by the Solar Panels.

(7.53.1) Provide details of your absolute emissions targets and progress made against those targets.

Row 1

(7.53.1.1) Target reference number

☒ Abs 1

(7.53.1.2) Is this a science-based target?

☒ Yes, and this target has been approved by the Science Based Targets initiative

(7.53.1.4) Target ambition

☒ 1.5°C aligned

(7.53.1.5) Date target was set

11/01/2022

(7.53.1.6) Target coverage

☒ Organization-wide

(7.53.1.7) Greenhouse gases covered by target

Select all that apply

☒ Methane (CH₄)

☒ Sulphur hexafluoride (SF₆)

- ☒ Nitrous oxide (N2O)
- ☒ Carbon dioxide (CO2)
- ☒ Perfluorocarbons (PFCs)
- ☒ Hydrofluorocarbons (HFCs)

- ☒ Nitrogen trifluoride (NF3)

(7.53.1.8) Scopes

Select all that apply

- ☒ Scope 1
- ☒ Scope 2

(7.53.1.9) Scope 2 accounting method

- ☒ Market-based

(7.53.1.11) End date of base year

12/30/2019

(7.53.1.12) Base year Scope 1 emissions covered by target (metric tons CO2e)

128767.98

(7.53.1.13) Base year Scope 2 emissions covered by target (metric tons CO2e)

281374.79

(7.53.1.32) Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

410142.770

(7.53.1.54) End date of target

12/30/2030

(7.53.1.55) Targeted reduction from base year (%)

46.2

(7.53.1.56) Total emissions at end date of target covered by target in all selected Scopes (metric tons CO2e)

220656.810

(7.53.1.57) Scope 1 emissions in reporting year covered by target (metric tons CO2e)

121151.63

(7.53.1.58) Scope 2 emissions in reporting year covered by target (metric tons CO2e)

202418.36

(7.53.1.77) Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

323569.990

(7.53.1.79) % of target achieved relative to base year

45.69

(7.53.1.80) Target status in reporting year

☒ Underway

Row 2

(7.53.1.1) Target reference number

☒ Abs 2

(7.53.1.2) Is this a science-based target?

☒ Yes, and this target has been approved by the Science Based Targets initiative

(7.53.1.4) Target ambition

☒ Well-below 2°C aligned

(7.53.1.5) Date target was set

11/01/2022

(7.53.1.6) Target coverage

☒ Organization-wide

(7.53.1.7) Greenhouse gases covered by target

Select all that apply

☒ Methane (CH₄)

☒ Nitrous oxide (N₂O)

☒ Carbon dioxide (CO₂)

☒ Perfluorocarbons (PFCs)

☒ Hydrofluorocarbons (HFCs)

☒ Sulphur hexafluoride (SF₆)

☒ Nitrogen trifluoride (NF₃)

(7.53.1.8) Scopes

Select all that apply

☒ Scope 3

(7.53.1.10) Scope 3 categories

Select all that apply

☒ Scope 3, Category 3 – Fuel- and energy- related activities (not included in Scope 1 or 2)

☒ Scope 3, Category 10 – Processing of sold products

(7.53.1.11) End date of base year

12/30/2021

(7.53.1.16) Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target (metric tons CO2e)

137934.34

(7.53.1.23) Base year Scope 3, Category 10: Processing of sold products emissions covered by target (metric tons CO2e)

360565.43

(7.53.1.31) Base year total Scope 3 emissions covered by target (metric tons CO2e)

498499.770

(7.53.1.32) Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

498499.770

(7.53.1.52) Base year total Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)

23.85

(7.53.1.54) End date of target

12/30/2030

(7.53.1.55) Targeted reduction from base year (%)

25

(7.53.1.56) Total emissions at end date of target covered by target in all selected Scopes (metric tons CO2e)

373874.828

(7.53.1.61) Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions in reporting year covered by target (metric tons CO2e)

100862.63

(7.53.1.68) Scope 3, Category 10: Processing of sold products emissions in reporting year covered by target (metric tons CO2e)

249598.59

(7.53.1.76) Total Scope 3 emissions in reporting year covered by target (metric tons CO2e)

350461.220

(7.53.1.77) Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

350461.220

(7.53.1.79) % of target achieved relative to base year

118.79

(7.53.1.80) Target status in reporting year

☒ Achieved

Row 3

(7.53.1.1) Target reference number

☒ Abs 3

(7.53.1.2) Is this a science-based target?

☒ Yes, and this target has been approved by the Science Based Targets initiative

(7.53.1.4) Target ambition

☒ 1.5°C aligned

(7.53.1.5) Date target was set

11/07/2023

(7.53.1.6) Target coverage

☒ Organization-wide

(7.53.1.7) Greenhouse gases covered by target

Select all that apply

☒ Methane (CH₄)

☒ Sulphur hexafluoride (SF₆)

- ☒ Nitrous oxide (N2O)
- ☒ Carbon dioxide (CO2)
- ☒ Perfluorocarbons (PFCs)
- ☒ Hydrofluorocarbons (HFCs)

- ☒ Nitrogen trifluoride (NF3)

(7.53.1.8) Scopes

Select all that apply

- ☒ Scope 1
- ☒ Scope 2

(7.53.1.9) Scope 2 accounting method

- ☒ Market-based

(7.53.1.11) End date of base year

12/30/2019

(7.53.1.12) Base year Scope 1 emissions covered by target (metric tons CO2e)

128767.98

(7.53.1.13) Base year Scope 2 emissions covered by target (metric tons CO2e)

281374.79

(7.53.1.32) Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

410142.770

(7.53.1.54) End date of target

12/30/2050

(7.53.1.55) Targeted reduction from base year (%)

90

(7.53.1.56) Total emissions at end date of target covered by target in all selected Scopes (metric tons CO2e)

41014.277

(7.53.1.57) Scope 1 emissions in reporting year covered by target (metric tons CO2e)

121151.63

(7.53.1.58) Scope 2 emissions in reporting year covered by target (metric tons CO2e)

202418.36

(7.53.1.77) Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

323569.990

(7.53.1.79) % of target achieved relative to base year

23.45

(7.53.1.80) Target status in reporting year

☒ Underway

Row 4

(7.53.1.1) Target reference number

☒ Abs 4

(7.53.1.2) Is this a science-based target?

☒ Yes, and this target has been approved by the Science Based Targets initiative

(7.53.1.4) Target ambition

☒ 1.5°C aligned

(7.53.1.5) Date target was set

11/07/2023

(7.53.1.6) Target coverage

☒ Organization-wide

(7.53.1.7) Greenhouse gases covered by target

Select all that apply

☒ Methane (CH₄)

☒ Nitrous oxide (N₂O)

☒ Carbon dioxide (CO₂)

☒ Perfluorocarbons (PFCs)

☒ Hydrofluorocarbons (HFCs)

☒ Sulphur hexafluoride (SF₆)

☒ Nitrogen trifluoride (NF₃)

(7.53.1.8) Scopes

Select all that apply

☒ Scope 3

(7.53.1.10) Scope 3 categories

Select all that apply

- ☒ Scope 3, Category 1 – Purchased goods and services
- ☒ Scope 3, Category 3 – Fuel- and energy- related activities (not included in Scope 1 or 2)
- ☒ Scope 3, Category 4 – Upstream transportation and distribution
- ☒ Scope 3, Category 9 – Downstream transportation and distribution
- ☒ Scope 3, Category 10 – Processing of sold products

(7.53.1.11) End date of base year

12/30/2021

(7.53.1.14) Base year Scope 3, Category 1: Purchased goods and services emissions covered by target (metric tons CO2e)

1459457.87

(7.53.1.16) Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target (metric tons CO2e)

137934.34

(7.53.1.17) Base year Scope 3, Category 4: Upstream transportation and distribution emissions covered by target (metric tons CO2e)

57573.97

(7.53.1.22) Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target (metric tons CO2e)

8769.21

(7.53.1.23) Base year Scope 3, Category 10: Processing of sold products emissions covered by target (metric tons CO2e)

360565.43

(7.53.1.31) Base year total Scope 3 emissions covered by target (metric tons CO2e)

2024300.820

(7.53.1.32) Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

2024300.820

(7.53.1.54) End date of target

12/30/2050

(7.53.1.55) Targeted reduction from base year (%)

90

(7.53.1.56) Total emissions at end date of target covered by target in all selected Scopes (metric tons CO2e)

202430.082

(7.53.1.59) Scope 3, Category 1: Purchased goods and services emissions in reporting year covered by target (metric tons CO2e)

1120895.74

(7.53.1.61) Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions in reporting year covered by target (metric tons CO2e)

100862.63

(7.53.1.62) Scope 3, Category 4: Upstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)

75142.24

(7.53.1.67) Scope 3, Category 9: Downstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)

10133.91

(7.53.1.68) Scope 3, Category 10: Processing of sold products emissions in reporting year covered by target (metric tons CO2e)

249598.59

(7.53.1.76) Total Scope 3 emissions in reporting year covered by target (metric tons CO2e)

1556633.110

(7.53.1.77) Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

1556633.110

(7.53.1.79) % of target achieved relative to base year

25.67

(7.53.1.80) Target status in reporting year

☒ Underway

(7.54) Did you have any other climate-related targets that were active in the reporting year?

Select all that apply

- ☒ Net-zero targets
- ☒ Other climate-related targets

(7.54.2) Provide details of any other climate-related targets, including methane reduction targets.

Row 1

(7.54.2.1) Target reference number

- ☒ Oth 1

(7.54.2.2) Date target was set

11/01/2022

(7.54.2.3) Target coverage

- ☒ Organization-wide

(7.54.2.4) Target type: absolute or intensity

- ☒ Absolute

(7.54.2.5) Target type: category & metric (target numerator if reporting an intensity target)

Engagement with suppliers

- ☒ Percentage of suppliers (by emissions) with a science-based target

(7.54.2.7) End date of base year

12/30/2021

(7.54.2.9) End date of target

12/30/2027

(7.54.2.10) Figure or percentage at end of date of target

64

(7.54.2.11) Figure or percentage in reporting year

14.64

(7.54.2.12) % of target achieved relative to base year

22.87

(7.54.2.13) Target status in reporting year

☒ Underway

(7.54.2.15) Is this target part of an emissions target?

Yes, this target is part of our Abs4 long-term emission reduction target.

(7.54.2.16) Is this target part of an overarching initiative?

Select all that apply

☒ Science Based Targets initiative – approved supplier engagement target

(7.54.3) Provide details of your net-zero target(s).

Row 1

(7.54.3.1) Target reference number

☒ NZ1

(7.54.3.2) Date target was set

11/07/2023

(7.54.3.3) Target Coverage

☒ Organization-wide

(7.54.3.4) Targets linked to this net zero target

Select all that apply

☒ Abs1

☒ Abs2

☒ Abs3

☒ Abs4

(7.54.3.5) End date of target for achieving net zero

12/30/2050

(7.54.3.6) Is this a science-based target?

☒ Yes, and this target has been approved by the Science Based Targets initiative

(7.54.3.8) Scopes

Select all that apply

- ☒ Scope 1
- ☒ Scope 2
- ☒ Scope 3

(7.54.3.9) Greenhouse gases covered by target

Select all that apply

- | | |
|---|---|
| ☒ Methane (CH ₄) | ☒ Sulphur hexafluoride (SF ₆) |
| ☒ Nitrous oxide (N ₂ O) | ☒ Nitrogen trifluoride (NF ₃) |
| ☒ Carbon dioxide (CO ₂) | |
| ☒ Perfluorocarbons (PFCs) | |
| ☒ Hydrofluorocarbons (HFCs) | |

(7.54.3.17) Target status in reporting year

- ☒ Underway

(7.55) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

- ☒ Yes

(7.79) Has your organization retired any project-based carbon credits within the reporting year?

- ☒ No

C9. Environmental performance - Water security

(9.2) Across all your operations, what proportion of the following water aspects are regularly measured and monitored?

Water withdrawals – total volumes

(9.2.1) % of sites/facilities/operations

☒ 100%

Water withdrawals – volumes by source

(9.2.1) % of sites/facilities/operations

☒ 100%

Water withdrawals quality

(9.2.1) % of sites/facilities/operations

☒ 100%

Water discharges – total volumes

(9.2.1) % of sites/facilities/operations

☒ 100%

Water discharges – volumes by destination

(9.2.1) % of sites/facilities/operations

☒ 100%

Water discharges – volumes by treatment method

(9.2.1) % of sites/facilities/operations

☒ 100%

Water discharge quality – by standard effluent parameters

(9.2.1) % of sites/facilities/operations

☒ 100%

Water discharge quality – emissions to water (nitrates, phosphates, pesticides, and/or other priority substances)

(9.2.1) % of sites/facilities/operations

☒ 100%

Water discharge quality – temperature

(9.2.1) % of sites/facilities/operations

☒ 100%

Water consumption – total volume

(9.2.1) % of sites/facilities/operations

☑ 100%

Water recycled/reused

(9.2.1) % of sites/facilities/operations

☑ 100%

The provision of fully-functioning, safely managed WASH services to all workers

(9.2.1) % of sites/facilities/operations

☑ 100%

(9.2.2) What are the total volumes of water withdrawn, discharged, and consumed across all your operations, how do they compare to the previous reporting year, and how are they forecasted to change?

Total withdrawals

(9.2.2.1) Volume (megaliters/year)

3208.16

Total discharges

(9.2.2.1) Volume (megaliters/year)

Total consumption**(9.2.2.1) Volume (megaliters/year)**

977.16

(9.2.4) Indicate whether water is withdrawn from areas with water stress, provide the volume, how it compares with the previous reporting year, and how it is forecasted to change.

(9.2.4.1) Withdrawals are from areas with water stress☒ Yes**(9.2.4.2) Volume withdrawn from areas with water stress (megaliters)**

1203.45

(9.2.4.7) % of total withdrawals that are withdrawn from areas with water stress

37.51

(9.2.4.8) Identification tool☒ WRI Aqueduct

(9.2.7) Provide total water withdrawal data by source.

Fresh surface water, including rainwater, water from wetlands, rivers, and lakes

(9.2.7.2) Volume (megaliters/year)

2170.01

Groundwater – renewable

(9.2.7.2) Volume (megaliters/year)

680.93

Third party sources

(9.2.7.2) Volume (megaliters/year)

357.22

(9.2.8) Provide total water discharge data by destination.

Fresh surface water

(9.2.8.2) Volume (megaliters/year)

1111.91

Third-party destinations

(9.2.8.2) Volume (megaliters/year)

1119.09

(9.2.9) Within your direct operations, indicate the highest level(s) to which you treat your discharge.

Tertiary treatment

(9.2.9.2) Volume (megaliters/year)

32.86

Secondary treatment

(9.2.9.2) Volume (megaliters/year)

367.14

Primary treatment only

(9.2.9.2) Volume (megaliters/year)

65.4

Discharge to the natural environment without treatment

(9.2.9.2) Volume (megaliters/year)

1079.06

(9.2.9.6) Please explain

Relevance: We discharge to Tennessee river in our plant in Chattanooga without any treatment. Rationale for the level of treatment: Only cooling water is discharged to the river, which is not contaminated because it is not used in the process. This plant makes up 7.7% of our plants by number (1/13) Compliance with regulatory standards: The discharge of cooling water to the Tennessee river is in line with the local discharge regulations. Change in volume: When compared to the previous year the volume has increased by 12.71%. Definition of change: 0%- 5% about the same 5%- 25% higher or lower over %25: much higher or lower, hence 12.71% increase is classified as "Higher" Anticipated forward trend: as there is a planned capacity increase in our Chattanooga plant, we expect this volume to increase in the future.

Discharge to a third party without treatment

(9.2.9.2) Volume (megaliters/year)

686.55

(9.2.9.6) Please explain

Relevance: In all our plants except our plants in Indonesia (2 plants at one site), Turkiye and Thailand we discharge to third parties without treatment. All these plants make up 69.23% of our facilities by number (9/13). Compliance with regulatory standards: The 3rd parties (municipal sewage treatment plants) apply a conventional secondary treatment, and the treatment plants publicly states compliance with local water regulations. Change in volume: When compared to the previous year the volume has decreased by 21.90%. Rationale for the level of treatment: These facilities discharge to 3rd parties without treatment because there is no legal requirement to treat the water further before discharging to 3rd parties. Definition for change: 0%- 5% about the same 5%- 25% higher or lower over %25: much higher or lower, hence 21.90% decrease is classified as "Lower" Anticipated forward trend: There may be an increase when the new dipping unit is operational in our Chattanooga plant.

(9.3) In your direct operations and upstream value chain, what is the number of facilities where you have identified substantive water-related dependencies, impacts, risks, and opportunities?

Direct operations

(9.3.1) Identification of facilities in the value chain stage

☒ Yes, we have assessed this value chain stage and identified facilities with water-related dependencies, impacts, risks, and opportunities

(9.3.2) Total number of facilities identified

3

(9.3.1) Identification of facilities in the value chain stage

☒ Yes, we have assessed this value chain stage and identified facilities with water-related dependencies, impacts, risks, and opportunities

(9.3.2) Total number of facilities identified

32

(9.3.4) Please explain

In 2023 we have revised our assessment to identify priority locations in our Upstream Value Chain. The process for identifying the priority locations in the upstream value chain is as follows: We have first selected our key raw material suppliers which make up 73% of our procurement spend. We used WRI Aqueduct Water Risk Atlas tool to identify the water stress levels & impacts on water availability on their respective basins for these suppliers. We have also used Water Watch CDP Water Impact Index to identify the supplier's dependence on water & their impacts on water quality. Threshold to prioritize the supplier locations: For the WRI analysis, if the Baseline Water Stress and/or Baseline Water Depletion indicator is High or Extremely high the supplier impact is assessed to be substantive & the supplier location is identified as priority location. For the CDP Water Watch Index: If water impact rank for direct operations (withdrawal and/or pollution) is over 2 (Significant or Major damage to freshwater resources) OR Even if the direct impact is ranked below 2, if the total impact is rated "Very High" or "Critical" the impact of the supplier is assessed to be substantive & the supplier location is identified as priority location. Details of the suppliers cannot be disclosed due to confidentiality concerns.

(9.3.1) For each facility referenced in 9.3, provide coordinates, water accounting data, and a comparison with the previous reporting year.

Row 1

(9.3.1.2) Facility name (optional)

Indo Kordsa Production Facilities

(9.3.1.3) Value chain stage

☒ Direct operations

(9.3.1.4) Dependencies, impacts, risks, and/or opportunities identified at this facility

Select all that apply

- ☒ Dependencies
- ☒ Impacts
- ☒ Risks
- ☒ Opportunities

(9.3.1.5) Withdrawals or discharges in the reporting year

- ☒ Yes, withdrawals and discharges

(9.3.1.7) Country/Area & River basin

Indonesia

- ☒ Other, please specify: Java-Timor Major, Cisadane Minor Basin

(9.3.1.10) Located in area with water stress

- ☒ Yes

Row 2

(9.3.1.2) Facility name (optional)

KTR-Turkey Production Facility

(9.3.1.3) Value chain stage

☒ Direct operations

(9.3.1.4) Dependencies, impacts, risks, and/or opportunities identified at this facility

Select all that apply

☒ Dependencies

☒ Impacts

☒ Risks

☒ Opportunities

(9.3.1.5) Withdrawals or discharges in the reporting year

☒ Yes, withdrawals and discharges

(9.3.1.7) Country/Area & River basin

Turkey

☒ Other, please specify: Black Sea South Coast Major, Kocaeli Minor Basin

(9.3.1.10) Located in area with water stress

☒ Yes

Row 3

(9.3.1.2) Facility name (optional)

TIK-Thailand Production Facility

(9.3.1.3) Value chain stage

☒ Direct operations

(9.3.1.4) Dependencies, impacts, risks, and/or opportunities identified at this facility

Select all that apply

☒ Dependencies

☒ Impacts

☒ Risks

☒ Opportunities

(9.3.1.5) Withdrawals or discharges in the reporting year

☒ Yes, withdrawals and discharges

(9.3.1.7) Country/Area & River basin

Thailand

☒ Chao Phraya

(9.3.1.10) Located in area with water stress

☒ Yes

(9.3.2) For the facilities in your direct operations referenced in 9.3.1, what proportion of water accounting data has been third party verified?

Water withdrawals – total volumes

(9.3.2.1) % verified

☑ 76-100

(9.3.2.2) Verification standard used

ISAE3000 100% of the water withdrawal volumes for the facilities reported under 9.3.1 are verified. The assurance report is attached under section 13.2 of this report.

Water withdrawals – volume by source

(9.3.2.1) % verified

☑ 76-100

(9.3.2.2) Verification standard used

ISAE3000 100% of the water withdrawal volumes by source for the facilities reported under 9.3.1 are verified. The assurance report is attached under section 13.2 of this report.

Water discharges – total volumes

(9.3.2.1) % verified

☑ 76-100

(9.3.2.2) Verification standard used

ISAE3000 100% of the water discharge volumes for the facilities reported under 9.3.1 are verified. The assurance report is attached under section 13.2 of this report.

Water discharges – volume by destination

(9.3.2.1) % verified

☑ 76-100

(9.3.2.2) Verification standard used

ISAE3000 100% of the water discharge volumes by destination for the facilities reported under 9.3.1 are verified. The assurance report is attached under section 13.2 of this report

Water discharges – quality by standard water quality parameters

(9.3.2.1) % verified

☑ 76-100

(9.3.2.2) Verification standard used

ISAE 3000 100% of the water discharge quality by standard effluent parameters for the facilities reported under 9.3.1 are verified. The assurance report is attached under section 13.2 of this report

Water consumption – total volume

(9.3.2.1) % verified

☑ 76-100

(9.3.2.2) Verification standard used

ISAE 3000 100% of the water consumption volume for the facilities reported under 9.3.1 are verified. The assurance report is attached under section 13.2 of this report

(9.13) Do any of your products contain substances classified as hazardous by a regulatory authority?

	Products contain hazardous substances	Comment
	☒ No	<i>None of our products fall under this category.</i>

(9.15) Do you have any water-related targets?

☒ Yes

(9.15.1) Indicate whether you have targets relating to water pollution, water withdrawals, WASH, or other water-related categories.

	Target set in this category
Water pollution	☒ Yes
Water withdrawals	☒ Yes

	Target set in this category
Water, Sanitation, and Hygiene (WASH) services	☒ Yes

(9.15.2) Provide details of your water-related targets and the progress made.

Row 1

(9.15.2.1) Target reference number

☒ Target 1

(9.15.2.2) Target coverage

☒ Business division

(9.15.2.3) Category of target & Quantitative metric

Water withdrawals

☒ Reduction in total water withdrawals

(9.15.2.4) Date target was set

09/08/2019

(9.15.2.5) End date of base year

12/30/2019

(9.15.2.6) Base year figure

4073229.64

(9.15.2.7) End date of target year

12/30/2030

(9.15.2.8) Target year figure

2851260.75

(9.15.2.9) Reporting year figure

3182298.53

(9.15.2.10) Target status in reporting year

☒ Underway

(9.15.2.11) % of target achieved relative to base year

73

Row 2

(9.15.2.1) Target reference number

☒ Target 2

(9.15.2.2) Target coverage

☒ Organization-wide (direct operations only)

(9.15.2.3) Category of target & Quantitative metric

Water, Sanitation, and Hygiene (WASH) services

☒ Other WASH, please specify: Maintain 100% of our employees have access to safely managed drinking water and sanitation services

(9.15.2.4) Date target was set

09/08/2022

(9.15.2.5) End date of base year

12/30/2023

(9.15.2.6) Base year figure

99.99

(9.15.2.7) End date of target year

12/30/2024

(9.15.2.8) Target year figure

100

(9.15.2.9) Reporting year figure

100

(9.15.2.10) Target status in reporting year

☒ Achieved

(9.15.2.11) % of target achieved relative to base year

100

Row 3

(9.15.2.1) Target reference number

☒ Target 3

(9.15.2.2) Target coverage

☒ Site/facility

(9.15.2.3) Category of target & Quantitative metric

Water pollution

☒ Increase in water use met through recycling/reuse

(9.15.2.4) Date target was set

09/08/2022

(9.15.2.5) End date of base year

12/30/2022

(9.15.2.6) Base year figure

0

(9.15.2.7) End date of target year

12/30/2025

(9.15.2.8) Target year figure

46000

(9.15.2.9) Reporting year figure

41109

(9.15.2.10) Target status in reporting year

☒ Underway

(9.15.2.11) % of target achieved relative to base year

89

C11. Environmental performance - Biodiversity

(11.2) What actions has your organization taken in the reporting year to progress your biodiversity-related commitments?

(11.2.1) Actions taken in the reporting period to progress your biodiversity-related commitments

☒ Yes, we are taking actions to progress our biodiversity-related commitments

(11.2.2) Type of action taken to progress biodiversity- related commitments

Select all that apply

☒ Education & awareness

(11.4) Does your organization have activities located in or near to areas important for biodiversity in the reporting year?

Legally protected areas

(11.4.1) Indicate whether any of your organization's activities are located in or near to this type of area important for biodiversity

☒ No

(11.4.2) Comment

Environmental Impact Assessments are carried out during the establishment of new facilities and capacity increases of existing ones, and biodiversity is also addressed as a topic in these assessments. None of our facilities are located in or near to protected areas.

UNESCO World Heritage sites

(11.4.1) Indicate whether any of your organization's activities are located in or near to this type of area important for biodiversity

☒ No

(11.4.2) Comment

Environmental Impact Assessments are carried out during the establishment of new facilities and capacity increases of existing ones, and biodiversity is also addressed as a topic in these assessments. None of our facilities are located in or near to UNESCO World heritage sites.

UNESCO Man and the Biosphere Reserves

(11.4.1) Indicate whether any of your organization's activities are located in or near to this type of area important for biodiversity

☒ No

(11.4.2) Comment

Environmental Impact Assessments are carried out during the establishment of new facilities and capacity increases of existing ones, and biodiversity is also addressed as a topic in these assessments. None of our facilities are located in or near to UNESCO Man and the Biosphere Reserves.

Ramsar sites

(11.4.1) Indicate whether any of your organization's activities are located in or near to this type of area important for biodiversity

☒ No

Key Biodiversity Areas

(11.4.1) Indicate whether any of your organization's activities are located in or near to this type of area important for biodiversity

☒ No

(11.4.2) Comment

Environmental Impact Assessments are carried out during the establishment of new facilities and capacity increases of existing ones, and biodiversity is also addressed as a topic in these assessments. None of our facilities are located in or near to key biodiversity areas.

Other areas important for biodiversity

(11.4.1) Indicate whether any of your organization's activities are located in or near to this type of area important for biodiversity

☒ No

(11.4.2) Comment

Environmental Impact Assessments are carried out during the establishment of new facilities and capacity increases of existing ones, and biodiversity is also addressed as a topic in these assessments. None of our facilities are located in or near to other areas important for biodiversity.

C13. Further information & sign off

(13.1) Indicate if any environmental information included in your CDP response (not already reported in 7.9.1/2/3, 8.9.1/2/3/4, and 9.3.2) is verified and/or assured by a third party?

	Other environmental information included in your CDP response is verified and/or assured by a third party
	☒ Yes

(13.1.1) Which data points within your CDP response are verified and/or assured by a third party, and which standards were used?

Row 1

(13.1.1.1) Environmental issue for which data has been verified and/or assured

☒ Water

(13.1.1.3) Verification/assurance standard

General standards

☒ ISAE 3000

Row 2

(13.1.1.1) Environmental issue for which data has been verified and/or assured

☒ Climate change

(13.1.1.3) Verification/assurance standard

General standards

☒ ISAE 3000

☒ ISAE 3410, Assurance Engagements on Greenhouse Gas Statements

Climate change-related standards

☒ IRECS (International Renewable Energy Certificate services)