

Sustainability Report 2025

We Reinforce Life For a Sustainable
Future By Supporting Ecosystems





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ABOUT THE REPORT

As Kordsa Teknik Tekstil A.Ş. (“Kordsa”), we have prepared the 2025 Sustainability Report transparently to share our sustainability performance, strategy, and forward-looking risk and opportunity management with all stakeholders. Guided by our responsibility to help building a sustainable future, we are committed to proactively managing our sustainability-related impacts and continuously enhancing our environmental, social, and governance (ESG) performance. This report outlines our approach and progress, reaffirming our commitment to transparency, dedicated stakeholder engagement, and value creation across all our business segments.

Navigation Bar

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Throughout the report, you can navigate to relevant sections by clicking on bold, underlined text.
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All items in the table of contents link directly to the relevant sections of the report.
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You can access the contents and go to any part of the report using the navigation icon at the top of each page.
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KPIs subject to limited assurance are marked with a checkmark symbol.
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On pages with a play button, you can watch related videos.
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All acronyms and abbreviations used in this report are defined in the Glossary.

Navigation Icons for Capitals

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Financial
- 

Natural
- 

Social and Relationship
- 

Manufactured
- 

Intellectual
- 

Human



Scope of the Report

With the objective of transparently communicating our commitment to sustainability management to all stakeholders, we issue an annual sustainability report. We present non-financial information regarding our ESG impacts in an integrated manner through our 2025 Sustainability Report. This report encompasses all regions where we operate, based on the operational control approach.

Kordsa, as a global frontrunner in its sector, has been supplying premier tire companies worldwide with reinforcement materials for half a century. With time, Kordsa has broadened its reinforcing expertise, venturing into the composite market. The scope of this report covers a holistic view of the sustainability performance across our operational sites and subsidiaries, highlighting our contributions to the future of advanced materials and our leadership in promoting best practices throughout the sector.

All financial data are presented in U.S. dollar (USD) unless otherwise stated.

Reporting Period

This report covers the period from January 1, 2025 to December 31, 2025. To provide better insight into recent trends and fluctuations in performance indicators, data covering a three-year period is presented. Any deviations from the previous report are clearly indicated and supported with explanations.

Reporting Framework and Principles

This report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards. We also align our sustainability disclosures and practices with internationally recognized frameworks, including the United Nations Sustainable Development Goals (SDGs), the United Nations Global Compact (UNGC), and the Women's Empowerment Principles (WEPs).

This report is also based on the Double Materiality Assessment (DMA) conducted in 2024 in line with Corporate Sustainability Reporting Directive (CSRD)

and European Sustainability Reporting Standards (ESRS), which evaluates our sustainability impacts and dependencies, as well as the related risks and opportunities, and underpins the identification and prioritization of our material ESG topics.

Since we are subject to the Capital Markets Board of Türkiye and meeting the defined thresholds, we are required to implement the Türkiye Sustainability Reporting Standards (TSRS) 1: General Requirements for Disclosure of Sustainability-related Financial Information and TSRS 2: Climate-related Disclosures standards, as published in the Official Gazette dated December 29, 2023 (No. 32414/M) and has prepared its report accordingly. These standards represent the localization of International Financial Reporting Standards (IFRS) S1 and IFRS S2 frameworks in Türkiye, and in this context, we also take into consideration the guidance provided by Sustainability Accounting Standards Board (SASB) Standards in shaping our disclosures, while our climate-related disclosures align with the recommendations of the Greenhouse Gas (GHG) Protocol and the Science Based Targets initiative (SBTi). This report includes references to our TSRS Compliant Sustainability Report prepared for the year 2025.

Data Assurance

To enhance the credibility and objectivity of both the reporting process and its content, this report has been independently verified by a third-party assurance provider DRT Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. ("Deloitte") in accordance with International Standard on Assurance Engagement (ISAE) 3000 (Revised) and 3410 ("Standards").

Our Reporting Guidance for non-financial key performance indicators (KPIs) document sets out the definitions and details of the selected KPIs, while the Independent Assurance Report is available in the **Annexes**. KPIs that have been subject to limited assurance by DRT Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. ("Deloitte") are indicated with a checkmark symbol (✓), as shown in the **Navigation Bar**.



**BURAK ORHUN**

Chair of the Board of Directors

MESSAGE FROM OUR CHAIR



Our strategic priorities continue to be shaped around supporting sustainable employment, advancing sustainable production, developing sustainable materials, fostering a responsible supply chain, and creating lasting societal impact.

Dear Stakeholders,

Today's business landscape has entered a period in which climate risks are becoming increasingly visible, technological transformation is accelerating, and supply chains are being reshaped. Expanding regulations and changing stakeholder expectations require companies not only to manage the present but also to systematically strengthen their capacity to create long-term value. In this new environment, sustainability has become an integral part of corporate strategy and a key driver of long-term competitiveness.

Building on Sabancı Group's strong global presence, which spans diverse geographies and includes operations in 18 countries, Kordsa continues to turn more than half a century of materials science expertise into solutions with tangible global impact.

At the core of this approach lies our mission of "Reinforcing Life," which serves as a guiding principle in how we design our technologies, allocate our resources, and engage with production based on operational excellence, developing sustainable materials strengthened by innovation, fostering a responsible supply chain, and creating lasting societal impact. Since our establishment, our culture

of innovation, one of our most important competitive advantages, has enabled us to direct our Research and Development (R&D) and technology investments not only toward today's needs but also toward the transformation areas of the future.

The year 2025 marked a period in which we further strengthened our governance and reporting capabilities in the field of sustainability. While enhancing our reporting approach in line with the Türkiye Sustainability Reporting Standards, we integrated the monitoring and verification of our performance indicators as an integral part of our corporate governance structure. Our strong focus on transparency, adherence to ethical principles, and accountability has also reinforced our achievements across national and international platforms, including our performance in CDP assessments and maintaining our position in the BIST Sustainability Index.

Despite fluctuations in global markets, our disciplined approach to execution allowed us to preserve our resilience while strengthening our work with a focus on scalable growth areas. We approached changing demand dynamics not merely as a source of risk but as an opportunity for strategic transformation, further deepening our focus on advanced materials.

Looking ahead, we will continue to shape our sustainability journey with a more balanced perspective – one that places people, operational responsibility, and long-term resilience even more firmly at its center. We are committed to building a safe and inclusive working environment, supporting the development of our talent, and improving how we use resources across our operations and value chain. As we improve our environmental performance, we will also continue strengthening our governance practices with a focus on transparency and accountability. Supported by our innovation capabilities, we aim to create lasting value for our stakeholders and contribute to a more sustainable future.

Best Regards,

BURAK ORHUN

Chair of the Board of Directors

**ERGUN HEPVAR**

Chief Executive Officer (CEO)

MESSAGE FROM OUR CEO



At the core of our progress is the Kordsa culture, one that drives innovation, customer focus, quality, and empowerment, while strengthening our ability to transform for the future.

Dear Stakeholders,

The year 2025 was a period in which competition in our industry intensified and transformation became even more pronounced. Through our culture of execution, we continued to deliver sustainable value to all our stakeholders. In an environment where global uncertainties continued and fragilities in global supply chains increased, our resilient business model, long-term vision, and geographically diversified operational structure continued to support our agility and adaptability in responding to changing demand conditions. As a partner offering sustainable relationships at every level, Kordsa reinforced its position as a market leader.

While maintaining our strong position in the tire reinforcement business, we continued to deliver value-added solutions to our customers through sustainable and high-performance offerings. In the field of composite technologies, we expanded our product portfolio for aerospace, automotive, and advanced industrial applications. In our construction sector activities, we completed the sale of our Kratos construction solutions assets, developed since 2014, to Afyon Çimento, a subsidiary of Çimsa operating in the cement business line, in order to support its growth.

As part of our strategic roadmap, with our approach of creating differentiated value for our customers, we continued to deliver rapid and scalable solutions to meet the evolving needs of our customers. We further deepened our efforts on circular economy and resource efficiency in 2025. While continuing our projects aimed at increasing the use of recycled and sustainable raw materials, we managed our certification and standards compliance processes as part of our operational discipline. These steps supported both our goal of reducing our environmental impact and providing reliable supply for our customers.

On our net-zero journey, we continued to make progress in line with our reduction targets validated by the Science Based Targets initiative. We regularly monitored the on-site implementation of our action plans aimed at reducing our Scope 1 and Scope 2 emissions and integrated climate-related risks and opportunities into our decision-making processes. While our decarbonization roadmap remained an integral part of our long-term growth strategy, our “A” score in the CDP Climate Change and Water Security programs as well as in the Supplier Engagement Assessment (SEA), the results we achieved in the EcoVadis sustainability rating, and our continued

inclusion in the BIST Sustainability Index served as important indicators confirming our progress in sustainability on both national and international platforms.

At the core of all these developments lies the Kordsa culture, one that encourages innovation, is based on customer focus, operates with an uncompromising commitment to quality, and places empowering people at its center. This culture not only drives our performance today but also nurtures our capacity for transformation into the future.

I would like to extend my thanks to all our employees who contributed their efforts, as well as our business partners and stakeholders. Together, we will continue to “Reinforce Life” today and in the future with determination.

Best Regards,

ERGUN HEPVAR

Chief Executive Officer (CEO)



CORPORATE PROFILE

Reinforcing the future through innovation, global strength, and sustainable impact

We continue to strengthen our global footprint and deliver advanced reinforcement and composite technologies that enable safer, more efficient, and more sustainable solutions. Operating at the intersection of material science, engineering, and sustainability, we expand our impact across diverse industries while maintaining a strong focus on innovation, operational excellence, and customer-centricity. Our journey reflects a clear commitment to creating long-term value for our stakeholders while shaping a stronger, lighter, and more sustainable future.

The wing structure of the dragonfly

The dragonfly's wings are ultra-light, much like composite materials, yet they possess a microskeletal structure capable of withstanding very high speeds and strong winds.

[Kordsa At a Glance](#)[Awards and Achievements](#)[Facts & Figures](#)[Products, Industries, Markets](#)[Kordsa in the World](#)



Kordsa At a Glance

At Kordsa, we are developing advanced reinforcement technologies to contribute to a safer, more efficient, and more sustainable future. With our globally positioned operations, including 12 production facilities, 2 R&D centers, and 2 technical centers, we maintain a strong presence across North America, South America, Europe and Asia. This global footprint enables us to deliver agile, localized, and customer-centric solutions wherever we operate.

We operate at the intersection of technology, engineering, and sustainability, designing innovative solutions that support safer mobility, resilient infrastructure, and carbon reduction. Through our Tire Reinforcement and Composite Technologies business lines, we position our products across a wide range of applications, from automotive tires to advanced aerospace and industrial solutions.

Our technologies are embedded in one out of every three automobile tires and two out of every three aircraft tires produced globally, demonstrating both our scale and our trusted expertise.

In tire reinforcement, we develop high-performance and long-lasting solutions through nylon and polyester cord fabrics, hybrid reinforcements, and sustainable product alternatives.

In the field of composite technologies, we offer a broad and versatile product portfolio ranging from advanced fabric weaving solutions to aerospace-grade ceramic matrix prepreps, honeycomb structures, adhesive films, sandwich panels and specialized composite systems. These solutions enable high performance, lightweighting, and durability across aerospace, automotive, and industrial applications.

We place innovation at the core of everything we do. Leveraging our strong R&D capabilities and continuously expanding project portfolio, we not only focus on enhancing technical performance but also on reducing our environmental footprint. We embed sustainability into all our processes and place it at the heart of our value creation approach.

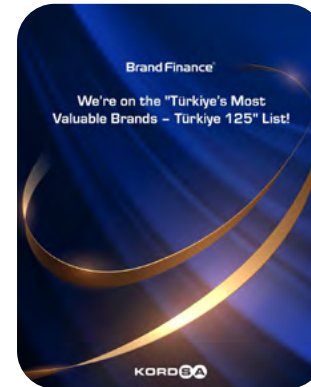
Guided by our “We Reinforce Life” vision, we prioritize creating long-term value for our customers, employees, and all stakeholders. We embrace focus and prioritization in the way we work, and act in line with our core values of integrity, accountability, adaptability, fairness, respect, and trust. In this context, we continue to deliver customer-centric solutions, empower our people, and foster innovation that supports sustainable growth.

Awards and Achievements

Awards

In line with our strong sustainability performance, we achieved the double “A” score in both Climate Change and Water themes in the 2025 Carbon Disclosure Project (CDP). With this result, we were included once again in the CDP “A” List, which brings together the world’s leading companies. In addition, we received an “A” rating in the Supplier Engagement Assessment (SEA), positioning us among global supplier engagement leaders.

Reflecting our brand strength and corporate performance, we were ranked 57th in the “Turkey 125 – Turkey’s Most Valuable and Strongest Brands” report published by Brand Finance.



Driven by our strong financial and operational performance in Türkiye, we were recognized as the leader in the textile category in the “Capital 500 – Turkey’s Largest 500 Private Companies” research conducted by Capital Magazine.



In recognition of our export performance, we were awarded the prestigious “Star of Export” award at the “Stars of Export Awards Ceremony” organized by the Istanbul Textile and Raw Materials Exporters’ Association (İTHİB).



As part of our sustainable production approach, we successfully renewed our ISCC PLUS certification following a zero non-conformity audit for our 100% recycled polyester production process at our İzmit facility.



In line with our focus on employee experience and corporate culture, Thai Indo Kordsa earned the Great Place to Work certification for the fourth consecutive year.





Recognizing our holistic sustainability approach, we were awarded second place in the Large-Scale Enterprises category at the Sustainability Performance Awards organized under the leadership of the Kocaeli Chamber of Industry.



Furthermore, we became the first company in the textile industry to obtain the ISO/IEC 42001 Artificial Intelligence Management System certification, reinforcing our commitment to responsible AI practices.



In addition, we were awarded a Silver Medal in the EcoVadis sustainability assessment, maintaining our strong performance with a score of 75.

Achievements

At Kordsa, we continued to deliver meaningful progress in 2025, supported by our strong global operations and sustainability driven approach.

We maintained our position in the BIST Sustainability Index, which includes companies listed on Borsa İstanbul that demonstrate strong performance in environmental, social, and governance criteria. This inclusion reflects our structured approach to sustainability and our consistent performance in this area.

Reflecting the strength of our global operational footprint, we were included in the “Top 50 Turkish Companies Abroad” research published by Capital Magazine. This development represents an important recognition of our international presence and operational scale, while enhancing our visibility in global markets. With our operations spanning Asia, Europe, North America, and South America, we continue to strengthen our global footprint.

These achievements reflect the strength of our business model, our global capabilities, and our commitment to creating sustainable long-term value.





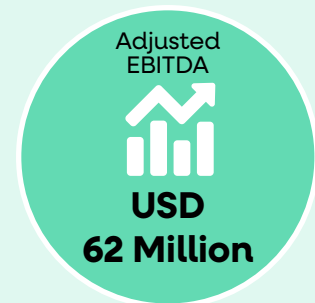
Facts & Figures

ECONOMIC

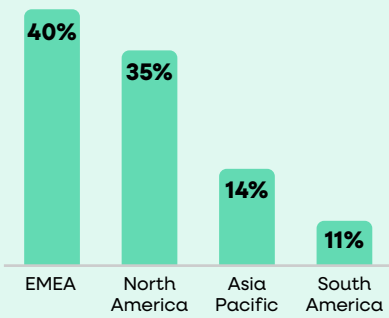


Global Footprint

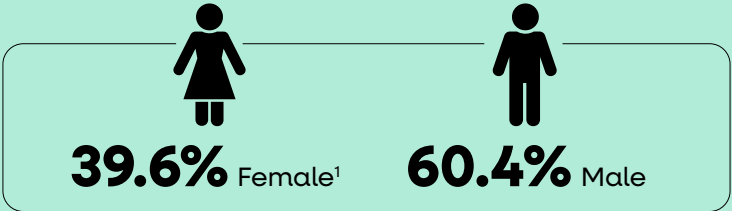
- 4 Continents
- 7 Countries
- 12 Factories
- 2 R&D Centers
- 2 Technical Centers



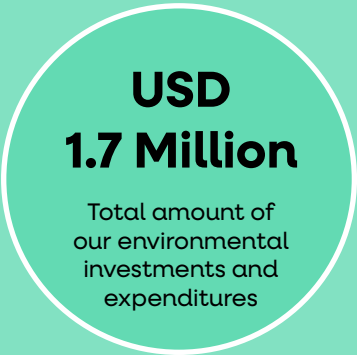
Regional Revenue Split



SOCIAL



ENVIRONMENTAL



- | | |
|--------------------------|---------------------------|
| 5.1% Emission Management | 5.7% Consultancy |
| 7.8% Waste Recycling | 32.3% Project Investments |
| 47.5% Waste Disposal | 1.6% Training |

Data represents white-collar employees. Among all employees, the rate of female employees is 17%.



Products, Industries, Markets

TIRE REINFORCEMENT TECHNOLOGIES

The transformation in the global automotive value chain and the intensifying competitive landscape continue to shape the tire reinforcement market. Leveraging its strong product and customer portfolio, Kordsa maintains its resilient and leading position in this market and stands out with its value-added solutions. The increasing demand for sustainable products in the tire industry and the rapid growth of electric vehicles have created new requirements, particularly in large-size segments of 18 inches and above and in high-performance tires. In response to these two key trends, Kordsa develops sustainability-focused, high-performance and value-added tire reinforcement solutions, which form the cornerstone of the Company's strategy centered on technology, sustainability and R&D.

PRODUCT	MARKET POSITION	APPLICATION AREAS	VALUE
NYLON 66 & POLYESTER TIRE CORD AND TIRE CORD FABRIC	Global Leader in the Automotive and Aircraft Tire Reinforcement Market	Passenger Cars, Light Commercial Vehicles, Construction Equipment, Agricultural Vehicles, Heavy- Duty Vehicles, Aircraft, Bicycles, Motorcycles	High-Performance Tires Enabled by Next- Generation NY66 And Polyester Solutions, Optimized Design Contributing to Weight Reduction, Support for Sustainability Through Recycled and Bio-Based Materials
SINGLE END CORD	Global Leader in the Automotive and Aircraft Tire Reinforcement Market	Automotive Industry, Mechanical Rubber Goods	Uniform Tires with High Performance and Structural Stability, Wide Product Range Including Polyester, NY66, and Hybrid Materials Improved Efficiency In Tire Manufacturing, Contribution to Sustainability Through Recycled and Bio-Based Materials
HYBRID TIRE CORD FABRIC	Technology and Market Leadership Through Proprietary Solutions, Offering a Broad Product Portfolio and Application-Specific Solutions	Racing Cars, Electric Vehicles, Passenger Vehicles, Agricultural Vehicles, Heavy-Duty Vehicles, Aircraft	Superior Performance Under High Speed, High Torque, and Demanding Conditions, Extended Tire Life Through High Load Durability.
EV PRODUCTS	Pioneer in the Reinforcement Market with Product Group Specifically Designed for Electric Vehicle Tires and High Performance Tires	Electric Vehicle Tires, Ultra High Performance Tires	Higher Energy Efficiency And Extended Driving Range Through Reduced Rolling Resistance, Enhanced Durability to Meet High Torque and Weight Requirements of Electric Vehicles, Lower Carbon Footprint Through Sustainable Materials and Production Approaches.
SUSTAINABLE TIRE CORD FABRIC PRODUCTS	Pioneer in the Reinforcement Market through Integrating Sustainability with Performance	Passenger Vehicles, Light Commercial Vehicles, Construction Equipment, Agricultural Vehicles, Heavy-Duty Vehicles, Aircraft	Sustainability Approach without Compromising Performance, Delivering Both High Performance and Reduced Environmental Impact.

COMPOSITE TECHNOLOGIES

Kordsa is positioned as a strategic player capable of responding to the evolving global demand for advanced materials, supported by its diversified target markets in composite technologies, broad product portfolio, and manufacturing network spanning Türkiye, Europe, and the United States. The Company develops high-performance, value-added solutions for next-generation applications that are lighter, stronger, and more sustainable, serving industries such as aviation, space, high- performance automotive, luxury automotive, motorsports, marine, and other advanced technology sectors. Its extensive product portfolio-ranging from advanced fabric weaving solutions to aerospace-grade ceramic matrix prepregs, honeycomb structures, adhesive films, and specialized composite systems-enables Kordsa to deliver innovative solutions to its target markets in a fast and efficient manner.

PRODUCT	MARKET POSITION	APPLICATION AREAS	VALUE
FABRICS	Broad Product Portfolio in Reinforcement Fabrics Including Carton, Glass, Aramid, UHMWPE and Hybrid Structures	Aerospace, Automotive, Motorsports, Sports & Leisure, Marine, Medical/Prosthetics, Defense, Industrial Applications	High Strength, Lightweight Structures, Hybrid Weaving Options, Customized Design Solutions
POLYMER MATRIX (THERMOSET) PREPREGS	Strong Technical Expertise and Manufacturing Capability in Epoxy-Based Prepreg Solutions	Aerospace, Automotive, Wind Energy Sports Equipment, Marine	Out-of-Autoclave (OCA) Options, High Surface Quality Controlled Resin Formulation, Low Smoke/ Toxicity Performance
THERMOPLASTIC PREPREGS	High Performance in PP and PAG Matrices with Superior Flexural Strength Compared to Conventional Alternatives	Automotive, Sports & Leisure, Industrial Applications	Recyclability Potential, High Fiber Volume Fraction (45-55%), Flexibility in Organo-Sheet and Roll Formats
NATURAL FIBER PREPREGS	Sustainable Prepreg Production Using Natural Fibers such as Flax and Hemp with PP/PLA Thermoplastic Matrices	Automotive, Sports & Leisure, Industrial Applications	Bio-Based Content, Lightweight Solutions, Aesthetic Surface Quality, Sustainable Fiber-Polymer Combinations
CERAMIC MATRIX COMPOSITE (CMC) PREPREGS	Single Source Supplier Position in Oxide-Oxide CMC Prepregs with Expertise in High-Temperature Resistance	Engine Surrounding Components, High-Temperature Resistant Structures, Aerospace Structural Parts	Temperature Resistance up to 315°C, Flame Retardancy, Chemical Resistance, Compatibility with Film Adhesives



Kordsa in the World



NORTH AMERICA (NA)
Business Areas
Tire Reinforcement
Composite

TURNOVER
**USD
280 MILLION**

SOUTH AMERICA (SA)
Business Areas
Tire Reinforcement

TURNOVER
**USD
85 MILLION**

**EUROPE, MIDDLE EAST
and AFRICA (EMEA)**
Business Areas
Tire Reinforcement
Composite
R&D Centers

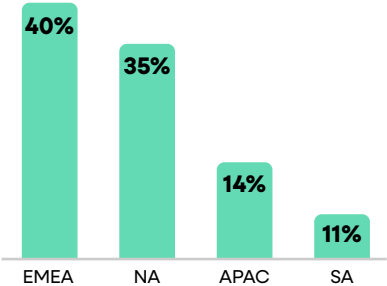
TURNOVER
**USD
319 MILLION**

ASIA PACIFIC (APAC)
Business Areas
Tire Reinforcement

TURNOVER
**USD
107 MILLION**



TURNOVER DISTRIBUTION BY REGIONS





CORPORATE GOVERNANCE

Our corporate governance framework ensures full alignment with regulatory requirements and ethical business practices, while enabling effective oversight of risks, opportunities, and sustainability-related matters across all our operations; supported by our Board of Directors and its committees, this structure embeds transparency, fairness, accountability, and responsible decision-making into every level of the organization, and reflects our commitment to a resilient and forward-looking governance model that underpins long-term value creation, strengthens stakeholder trust, and integrates sustainability considerations into our strategic and operational processes.

A spider web with perfect geometry

A spiderweb is the world's thinnest yet strongest "fibrous" structure relative to its weight; just like the cord fabric inside a tire.

[Corporate Structure](#)

[ESG Oversight and Governance](#)

[Risk and Opportunity Management](#)

[Business Conduct](#)



Corporate Structure

Kordsa's corporate structure is shaped by a strong governance framework built on the principles of transparency, fairness, responsibility, and accountability. While adhering to legal compliance and ethical business practices across all geographies in which it operates, the Company positions sustainable value creation and alignment with stakeholder expectations as core elements of its governance approach. In this context, business conduct remains one of our priority topics, as also emphasized in the previous reporting period. This structure goes beyond meeting compliance requirements and provides a holistic governance framework that supports strategic decision-making, enables the effective management of risks and opportunities, and fosters long-term growth.

The effectiveness of the Board of Directors is supported by a balanced composition that brings together diverse areas of expertise, knowledge, and experience. In the nomination process, criteria such as industry and sector experience, risk management and financial expertise, knowledge of ESG-related matters, international multi-geographical experience, and R&D and innovation capabilities are taken into consideration. In line with its commitment to diversity and inclusion, the representation of members from diverse backgrounds is regarded as an important factor enhancing the quality of decision-making processes.

In this context, Kordsa has adopted a Board of Directors Diversity Policy aimed at promoting a diverse and inclusive Board composition to strengthen governance effectiveness and support sustainable growth; the policy can be accessed [here](#). The Policy emphasizes diversity across a wide range of attributes, including age, gender, educational and professional background, international experience, and expertise in areas such as sustainability, R&D, digitalization, and finance. It also includes a target of achieving at least 30% female representation on its Board of Directors, reinforcing Kordsa's commitment to gender equality and inclusive decision-making.

Our Board of Directors consists of six members, including two independent members. One of the independent members serves as the Chair of both the Early Detection of Risk Committee and the Audit Committee, while also acting as a member of the Corporate Governance Committee. The other independent member serves as the Chair of the Corporate Governance Committee and is also a member of both the Early Risk Identification Committee and the Audit Committee. This structure supports the effective functioning of oversight and control mechanisms within the Board of Directors.



Kordsa Board of Directors Skills Matrix (2025)		Ratio (%)
Term (15+yrs)		100
Audit Experience		33
Financial Service Experience		33
Non-Financial Real Sector Experience		83
Risk Management Experience		100
Environmental Social and Corporate Governance Experience		33
International Multi Geographical Experience		100
Research and Development Experience		17
M&A Experience		67
Industry Experience		83
Digital Technologies Experience		17

Composition of Board of Directors at Kordsa (2025)	Member Number	Ratio (%)
Total Number of Board Members	6	100
Male	4	67
Female	2	33
Under 30 years old	0	0
30 - 50 years old	0	0
Above 50 years old	6	100
Minority or vulnerable groups	0	0
Executive	1	17
Independent	2	33



ESG Oversight and Governance

At Kordsa, oversight of material sustainability and climate-related matters is undertaken at the level of the Board of Directors, the highest governing body. The Board of Directors and its committees consider the environmental, social, and economic impacts of the Company’s activities, as well as the related risks and opportunities, as an integral part of the corporate governance approach. This structure ensures that sustainability considerations are embedded into strategic decision-making processes and managed in alignment with the Company’s long-term objectives.

Oversight Structure and Governance Mechanism

Sustainability governance is facilitated through the Corporate Governance Committee under the Board of Directors and is supported by the Early Detection of Risk Committee and the Audit Committee. These committees play an active role in identifying sustainability and climate-related risks and opportunities, monitoring performance, and evaluating the effectiveness of relevant control mechanisms.

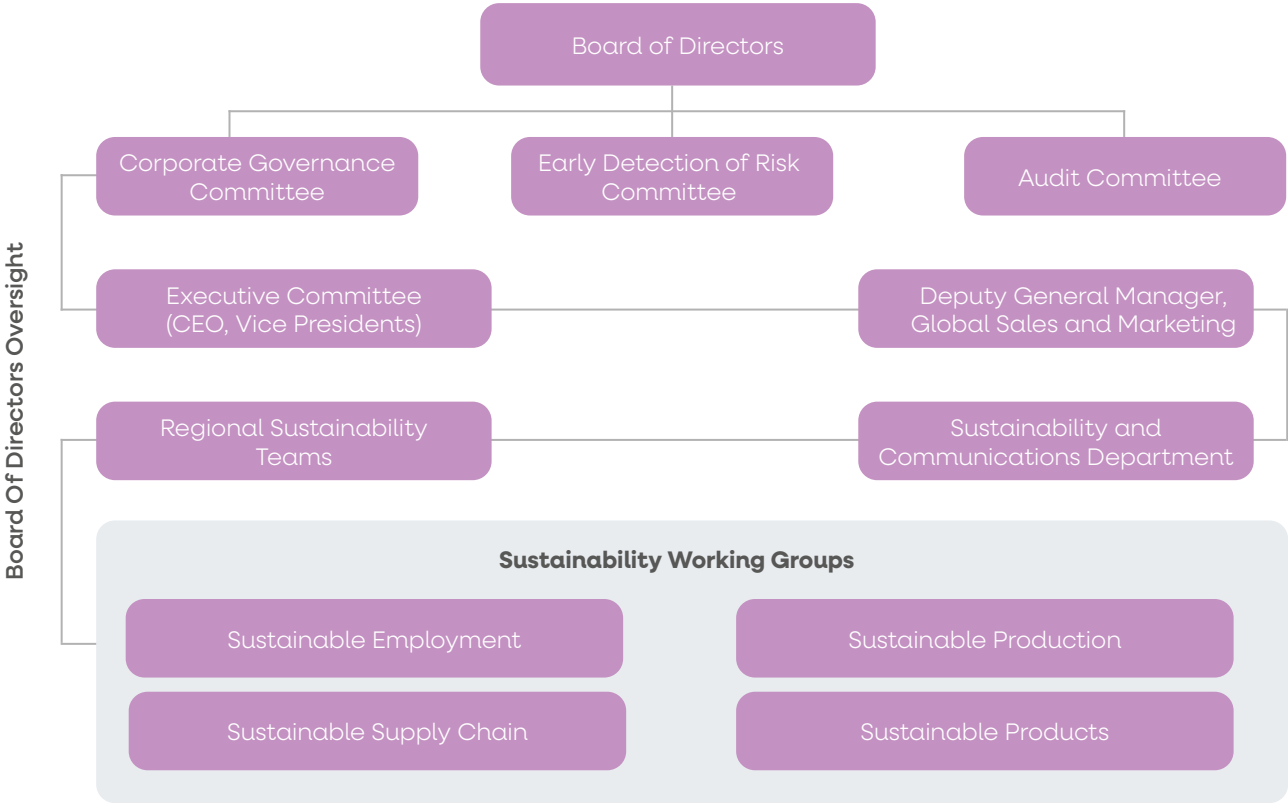
The Board of Directors approves sustainability strategies and targets, also oversees their alignment with the business model and contribution to long-term value creation. Committee outputs are regularly brought to the Board’s agenda, ensuring that sustainability matters are systematically addressed at the senior management level.

Implementation Structure, Responsibilities and Performance Monitoring

The governance chain between the Board of Directors and the operational structure begins with the Strategic Leadership Team (including the CEO), continues with the Directorate of Sustainability and Communication under the Chief Global Sales and Marketing Officer, and extends across the organization through Regional Sustainability Teams and Sustainability Working Groups. This structure ensures the consistent and coordinated implementation of sustainability strategies across all business units.

While the Directorate of Sustainability and Communication coordinates the implementation of the strategy, Regional Sustainability Teams regularly monitor performance indicators and support the execution of projects in collaboration with relevant departments. Progress on sustainability performance is tracked through quarterly reports and is regularly reviewed by the Strategic Leadership Team, where necessary actions are identified.

Sustainability objectives are cascaded into individual performance targets across the organization, starting from senior management, and are supported by performance-based incentive mechanisms directly linking sustainability achievements to the incentive structure. In this way, sustainability performance is embedded into decision-making and operational processes.



Policies and Governance Framework

Kordsa implements a systematic governance framework supported by policies and procedures to embed its sustainability-oriented management approach across the organization. The Kordsa Sustainability Policy can be accessed [here](#). Policies established in areas such as sustainability, environment, energy, water, and occupational health and safety support the management of sustainability-related risks and opportunities, while clearly defining responsibilities across the organization.

These policies are integrated into business processes and decision-making mechanisms to ensure that sustainability targets are reflected in operational practices and are regularly reviewed and updated in line with evolving risk environments and stakeholder expectations.



Risk and Opportunity Management

World Economic Forum (WEF) Global Risks Report

The World Economic Forum's Global Risks Report highlights that environmental risks continue to hold a significant share in the global risk landscape over the long term. In the 2025 edition, environmental risks remain among the most critical risks, alongside social, technological, and geopolitical challenges.

In this context, Kordsa's Global Risk Management Department has conducted comprehensive analyses to assess the potential impacts of these global risks on the Company's operations and value chain. Based on these assessments, proactive action plans have been developed to mitigate risks that may have a significant impact on the Company. In addition, targeted actions are planned to be implemented alongside insurance management practices to effectively manage these risks.

Throughout the year, significant risks emerging in line with global and sectoral developments have been evaluated. These include the potential escalation of regional conflicts, the slowdown observed in the European automotive and tire sector due to increasing competition from Asian manufacturers, and uncertainties related to climate change-driven transition risks. In addition, evolving customer expectations in the context of sustainability are considered a strategic area of focus for Kordsa.

Kordsa's risk and opportunity management framework is structured in alignment with internationally recognized standards, including COSO Enterprise Risk Management (ERM) and ISO 31000. At the highest level of this framework is the Early Detection of Risk Committee, which reports directly to the Board of Directors. The Committee conducts activities aimed at the early identification of risks that may affect the Company's viability and operational continuity and provides recommendations on necessary mitigation measures. In 2025, the Committee continued to convene regularly to assess developments in the risk landscape.

Supporting this structure, the Global Risk Management Department, operating under the Chief Financial Officer (CFO), plays a central role in identifying, assessing, and prioritizing risks and opportunities across the organization. Working in coordination with designated risk owners within business units, the Department evaluates risks based on likelihood and impact criteria and ensures the implementation of consistent control and monitoring processes across all business units.

To assess the financial impacts of risks and opportunities, Kordsa utilizes advanced analytical techniques such as scenario modeling and Monte Carlo simulations. The outputs of these analyses are shared with relevant business units, enabling the systematic integration of risk considerations into decision-making processes. Through this approach, operational and financial decision-making mechanisms are aligned with the Company's risk management framework.

In 2025, the results of the Double Materiality Assessment conducted in the previous period continued to be considered, and climate-related risks identified through this analysis were reassessed. Within this scope, no new risks were defined; instead, existing risks were reviewed based on current developments, and their prioritization and impact assessments were updated.

Physical Risk Factors (Floods, Wildfires, Extreme Heat and Cyclones)

Kordsa's production facilities located across different geographies may be exposed to physical risks arising from extreme weather events such as floods, wildfires, extreme heat, and cyclones (tropical storms). These risks have the potential to directly affect both facilities and operations. In this context, Kordsa implements measures to minimize the impacts of physical risks and to support operational continuity.

ERM GOVERNANCE & ACCOUNTABILITY





Measures Taken and Control Activities

- At facilities with higher exposure to flood risks, particularly in Indonesia, Thailand, and Chattanooga, physical protection measures are implemented in the short term to mitigate potential impacts. These include concrete barriers, manual water gates, drainage systems, as well as pump and valve infrastructure.
- To limit the impacts of climate- and water-related physical risks, regular site visits are conducted by expert risk engineers through insurance partners, ensuring comprehensive risk assessments.

Kordsa conducts “Water Stress Risk Assessment” by using multiple risk assessment tools such as “World Bank–IFC ThinkHazard” platform and the World Resources Institute (WRI) “Aqueduct Water Risk Atlas. In line with this assessment process; Kordsa Türkiye, USA - Carlsbad & Santa Ana (Axiom), USA - Anaheim (TPI), and Kordsa Brazil facilities have been identified in the water stress areas.

In addition to these geographic and basin-level indicators, Kordsa’s internal risk evaluation methodology incorporates site-specific factors such as the intensity and criticality of water use in operational processes, existing and planned investments, as well as ongoing and future R&D and innovation activities.

These elements are evaluated collectively to assess both current exposure and potential future vulnerabilities related to water availability and water-related disruptions. By integrating external risk indicators with internal operational considerations, Kordsa derives a consolidated water stress risk score at both site and group levels.

Based on the comprehensive risk assessment results, which consider facility conditions, operational processes, and local governance practices, the calculated risk impact scores have been assessed as low and remain below Kordsa’s defined materiality threshold. This holistic approach enables the Company to position water stress risks within its overall risk management framework, concluding that despite certain sites being located in high or extremely high water-stressed areas, the overall risk impact for Kordsa is currently not material.

- Additional measures are implemented to enhance facility resilience against physical risks such as extreme heat and wildfires, aiming to minimize their potential impact on operations.
- Property damage and business interruption insurance are renewed annually to limit the financial impacts of physical risks.
- Existing control mechanisms are regularly reviewed, necessary improvement actions are identified, and

knowledge sharing across facilities is encouraged to strengthen organizational resilience.

Transition Risk Factors: Emissions Trading System (ETS)

The implementation of the Emissions Trading System (ETS) in Türkiye is considered one of the key transition risks that may create cost pressures on Kordsa’s carbon-priced operations. In this context, the İzmit facility falls under Türkiye’s Monitoring, Reporting and Verification (MRV) regulation applicable to emission-intensive sectors. With the introduction of ETS, additional compliance obligations and potential carbon costs are expected in the medium and long term.

Under ETS, additional carbon costs may arise where allocated emission allowances are insufficient to cover direct emissions. Managing this risk will require improvements in production processes, increased energy efficiency, and investments supporting the transition to low-carbon technologies.

Measures Taken and Control Activities

- Projects aimed at reducing emissions are planned and implemented across Kordsa’s operations.
- Efforts are underway to increase the use of alternative and low-carbon energy sources in production processes.
- Research & Development activities focus on enhancing product performance, improving energy efficiency, and reducing environmental impact, while supporting flexible and efficient production structures that respond to changing market conditions.
- Collaboration opportunities with stakeholders are actively pursued to support sustainability targets.
- Kordsa’s emissions reduction targets have been validated by the Science Based Targets initiative (SBTi), and the Company continues to implement its 2050 Net Zero Roadmap.

Opportunity Factors: Products and Services

Transformations in the tire industry are driving increased demand for sustainability-oriented products, while the growing adoption of electric vehicles is creating additional demand for products with enhanced durability and performance. These developments present a significant growth opportunity for Kordsa.

In response, Kordsa is expanding its product portfolio of recycled polyester and recycled nylon and increasing the use of environmentally friendly chemicals in tire cord fabric production. These products contribute to customers’ carbon footprint reduction targets while strengthening Kordsa’s position as a preferred supplier of sustainable products and services.

The introduction of environmentally friendly products to the market supports customers’ emission reduction efforts while strengthening long-term business relationships and contributing to increased market share.

The realization of this opportunity is supported by investments in R&D and innovation, and Kordsa’s sustainable product development approach is integrated into its core business model and growth strategy.



Business Conduct

Ethics and Compliance

We strive to cultivate an open and ethical corporate environment that earns and sustains stakeholder trust. Kordsa operates an ethical management framework led by the CEO to proactively identify and address ethics-related risks throughout its global subsidiaries. The Global Legal and Compliance Head directly appointed by CEO collaborates with audit team, human resources team and appointed ethics compliance officers throughout the company.

Kordsa has reaffirmed its top management’s dedication to ethical management by endorsing the UN Global Compact and sharing this commitment with stakeholders both inside and outside the organization.

Ethics risk management at Kordsa is carried out through a structured and comprehensive framework based on three key stages: “prevention, assessment, and response”, ensuring that ethical risks are proactively addressed and embedded within our corporate culture. To promote greater transparency in our business operations. We have established a ‘Code of Ethics’ providing employees with a comprehensive framework to support sound and ethical decision-making. The Kordsa Code of Ethics can be accessed [here](#).

Core Principles of Code of Ethics

-  **Compliance with Laws and Regulations**
-  **Integrity and Ethical Conduct**
-  **Confidentiality and Information Security**
-  **Respect for People (Employees & Human Rights)**
-  **Responsible Business Relationships**
-  **Responsibility to Society and Environment**
-  **Accountability to Stakeholders**

In the prevention stage, we focus on strengthening ethical awareness and fostering a culture of integrity across the organization. The Global Legal and Compliance Department play an active role in delivering regular training programs and awareness initiatives, supported by multilingual Code of Ethics materials accessible to all employees. As part of the onboarding process, all employees are required to review and sign the Code of Ethics Form, confirming their understanding and commitment to the Company’s ethical principles. In 2025, the Code of Ethics form continued to be completed by all newly hired employees as part of the onboarding process. Continuous communication efforts further reinforce expected behaviors and alignment with our core pillars of responsibilities, integrity, confidentiality, and conflict of interest.

In the assessment stage, potential ethics-related risks are systematically assessed through internal audits, employee feedback channels, and annual ethics surveys conducted across the organization. These mechanisms enable us to monitor ethical awareness levels, identify emerging risks, and evaluate the effectiveness of our policies and practices. Strategic Leadership Team and the Ethics Board, ensure that identified risks are appropriately escalated and addressed with strong oversight.

In the response stage, we implement corrective actions and develop preventive measures to mitigate identified risks and prevent recurrence. Investigations are conducted in an impartial and confidential manner, supported by a strong commitment to good-faith reporting and a zero-tolerance approach to retaliation. Continuous monitoring and follow-up processes ensure the effectiveness of implemented actions, while insights gained contribute to the ongoing enhancement of our ethics and compliance framework. Through this end-to-end approach, Kordsa reinforces a resilient ethical culture and integrates ethics risk management into its broader governance and sustainability practices. Our ethics management processes are described on our [website](#).

Internal Auditing

At Kordsa, we carry out internal audit activities through a structured and risk-based approach that includes both regular and ad hoc audit practices. Regular audits are conducted in line with our internal audit methodology and annual audit plan, covering key areas such as operations, finance, information technologies, sustainability, SHE, procurement, and human resources. In addition, special audits are initiated when required, including cases triggered through reporting channels or identified risk indicators.

Our audit approach is data-driven and supported by advanced analytics, continuous auditing practices, and digital tools. Through the integration of robotic process automation (RPA), artificial intelligence (AI), and enhanced data analytics capabilities, we strengthen audit effectiveness and enable early identification of high-risk transactions and process deviations. Continuous audit practices have been expanded across all regions, supported by an extended query pool, new data sources, and process mining and machine learning applications.

All identified findings are evaluated objectively and addressed through clearly defined corrective and preventive actions. Audit results are systematically shared with relevant functions to ensure transparency, support process improvements, and prevent recurrence. In 2025, a total of 22 audit projects were successfully completed, aligned with Kordsa’s strategic priorities and covering core business processes across all regions.

Our internal audit function is continuously enhanced in line with international standards. In 2025, an independent Quality Assurance Review (QAR) conducted by PwC confirmed that our internal audit activities are in full alignment with Global Internal Audit Standards. In addition, regular training programs and knowledge-sharing sessions are organized on a quarterly basis to support continuous professional development and strengthen team capabilities.



IT Audits and Risk Assurance

Within the scope of IT audits, IT General Controls reviews were conducted in alignment with the risk-based audit plan. These audits focused on evaluating system resilience in areas such as data protection, cybersecurity, and business continuity. IT asset management controls were also assessed to ensure proper governance, monitoring, and security of technological resources. These activities contribute to the proactive management of organizational risks, reduction of vulnerabilities, and safeguarding of business continuity.

Kordsa Ethics Line



Kordsa has an anonymous ethics hotline operated by an independent third party. The Ethics Hotline serves as a confidential channel through which employees and stakeholders can raise questions and share concerns regarding potential unethical conduct.

When a report is submitted through the Ethics Hotline, a comprehensive record is created, and the process is managed by the Global Legal and Compliance team in a prompt, discreet, and confidential manner. Reports can be submitted either verbally or in writing, in the reporter's preferred language, and may be made anonymously to the extent permitted by applicable laws. The reporter is regularly informed about the status of the case throughout the process.

In this context, the Ethics Committee, operating under the CEO, is responsible for investigating, evaluating, and resolving reported cases in line with the principles of independence and impartiality.

Employees may also raise their concerns through their managers, the Global Legal and Compliance team, or the Human Resources Department, in addition to the Ethics Hotline.

At Kordsa, we are committed to ensuring the safety and protection of all employees who report suspected ethical violations in good faith, express their concerns, or cooperate in investigation processes. “Good faith reporting” refers to providing information honestly and with sincere intent, even if such concerns are later found to be unsubstantiated. The Company maintains a zero-tolerance approach to retaliation, and any retaliatory actions may result in disciplinary measures, including termination of employment and/or business relationships.

Further details regarding the Ethics Hotline are available on Kordsa's official [website](#).

Whistleblowing Procedure

The Kordsa Whistleblowing Procedure is embedded within the Kordsa Code of Ethics as a key component of its ethical framework. This procedure has been established to define the principles of reporting, outline the internal process within Kordsa, clarify how and which types of concerns can be raised, and provide guidance on the protection of individuals who report concerns. The Whistleblowing Procedure is available [here](#).

Compliance Management

We closely monitor increasing regulatory expectations, global trends, and emerging developments in the field of compliance. The foundation of our compliance management approach is to ensure that we and our subsidiaries operate in alignment with local and international laws, regulations, and standards, as well as our internal policies and procedures. We conduct all our domestic and international activities in accordance with applicable legal frameworks and provide

accurate, complete, and transparent information to relevant authorities in a timely manner. In this context, we implement a comprehensive set of internal policies and procedures supporting compliance, primarily including our Code of Ethics.

Our Global Legal and Compliance team closely follows regulatory developments and works to ensure the continuity of compliance across our organization, while regularly informing our employees and management on relevant updates. In addition, we conduct periodic training programs to strengthen our compliance culture and enhance employee awareness. We recognize the importance of continuous improvement in our compliance culture and consider employee and stakeholder feedback as a key input in this process. Accordingly, we provide various communication and training channels, both online and in-person, to enable our employees and stakeholders to openly express their views and concerns regarding compliance.

Detailed information on our compliance management processes is available on our [website](#).

Business Conduct KPIs are presented under the **Social Performance Indicators** section within the Performance Indicators chapter.

Legal and Compliance Department Activities in 2025

- Export control trainings organized for relevant employees across our global composites businesses to enhance compliance awareness and address regulatory expectations related to export control and sanctions programs.
- ISO 27001:2022 interim audit for Türkiye operations concluded with zero non-compliance findings.
- New and/or refresher training sessions on Business Ethics and Information Security conducted through all facilities.
- In addition to the Kordsa Ethics Hotline, which is active across all Kordsa facilities, a new platform for Disclosure and Third-party Risk Assessment has been implemented across our businesses and

2025 Highlights of Ethics and Compliance	Value
Total number of employees who completed ethics training (including human rights awareness)	2,478
Total hours of ethics training received (including human rights)	3,015 hours
Average ethics training time per employee	1.22 hours
Percentage of employees trained on business ethics	69%
Ethics training coverage rate – Türkiye	60%
Ethics training coverage rate – Kordsa North America	30%
Ethics training coverage rate – Brazil	91%
Ethics training coverage rate – Indonesia	98%
Ethics training coverage rate – Thailand	73%
Ethics training coverage rate – Italy	39%
Percentage of risky trading partners covered by due diligence	100%



facilities. This platform is designed to enhance transparency, standardize disclosure processes, and strengthen the identification, assessment, and management of third-party risks. It enables more consistent risk evaluations, improves compliance with internal policies and regulatory requirements, and supports better decision-making through centralized monitoring and reporting.

- Compliance programs covering export control, data privacy, and whistleblowing have been established at our subsidiary Microtex Composites. As part of these programs, employees have received trainings to raise awareness and strengthen adherence.
- Legislative Decree 231 compliance efforts have been initiated at Microtex Composites. The compliance activities are ongoing to establish the L231 model in line with regulatory requirements.
- Business ethics training organized for all employees at Microtex Composites. In addition, relevant employees have received training in export control and compliance practices.
- Training topics included bribery, corruption, fraud, human rights, discrimination, mobbing/harassment, confidentiality, antitrust, trade restrictions, and conflict of interests.
- No public ESG-related compliance cases occurred or were finalized against Kordsa; no contracts were terminated or not renewed due to corruption, and no public lawsuits related to corruption were opened against the company or its employees.
- Non-compliance fines for customs, taxes, and social security (Türkiye) amounted to USD 26,504.

For further details on Business Conduct, please refer to the **Social Performance Indicators** section.

Anti Bribery and Anti-Corruption

Kordsa has been a signatory to the United Nations Global Compact since 2014, and combating corruption is one of its ten core principles. In conducting all our activities and operations, we maintain an equal and impartial stance towards

public institutions and organizations, administrative bodies, non-governmental organizations, and political parties, without any expectation of benefit, and we fulfill our responsibilities with this awareness.

We act with a strong sense of social responsibility, comply with regulations related to the environment, consumers, and public health, and adhere to ethical rules. We support and respect internationally recognized human rights and are committed to combating all forms of corruption, including bribery and extortion.

Our Anti-Bribery and Anti-Corruption Policy, based on Turkish legislation, was established in 2015 and applies to our employees as well as our subcontractors, consultants, lawyers, and other business partners. The Anti-Bribery and Anti-Corruption Policy is publicly available on our website and can be accessed via the [link](#).

At Kordsa, communication and training on anti-corruption are provided within the framework of our Code of Ethics and cover all employees. In line with ethics risk management approach The Ethics Committee and Internal Audit functions are responsible for the reporting of unethical conduct and corruption-related incidents, taking necessary actions, and reporting such matters to the Sabanci Holding Ethics Committee. Our monitoring and control mechanisms include the Ethics Hotline, the Internal Audit Department, the Audit Committee, and audits conducted at the Holding level. In cases where a report related to bribery is submitted through the Ethics Hotline and an investigation is initiated, the Internal Audit Department additionally reports the matter to the Audit Committee. Facilitation payments are strictly prohibited which is clearly defined in Kordsa's Anti-Bribery and Anti Corruption Policy. Kordsa manages sensitive transactions within the framework of its Code of Business Ethics, Anti-Bribery and Anti-Corruption Policy, and related internal controls. To further strengthen governance, a dedicated approval procedure for sensitive transactions is being implemented, introducing risk-based review and multi-level approval mechanisms. Our employees are not allowed to engage in any business relationships that provide mutual or

unilateral benefit with family members, friends, or third parties. In addition, employees are prohibited from trading based on insider information or enabling others to do so. Employees are also not permitted to directly or indirectly manage another business or work for any individual or organization, whether during or outside working hours, in exchange for compensation or similar benefits.

In addition, within the scope of corruption risk management, we implement third-party risk assessment processes, conflict of interest disclosure mechanisms, and structured ethics and compliance practices. Through the Disclosure and Third-Party Risk Assessment platform, corruption risks are monitored in a more systematic and transparent manner, enabling early identification and effective management of potential risks. In 2025, no bribery or corruption cases were identified; consequently, no related disciplinary penalties were imposed, and no criminal proceedings were initiated against Kordsa.

Responsible Information Management

Kordsa positioned information security and personal data protection at the core of its digital transformation and sustainability journey. In line with increasing digitalization and our global operational structure, we considered safeguarding the confidentiality, integrity, and availability of our information assets as a strategic priority. Kordsa commits to the responsible management of confidential information. In this context, total information security investments in 2025 amounted to USD 540,000.

In line with this approach, our **Personal Data Processing and Protection Policy (PVP Policy)** defines the principles for lawful, fair, and purpose-specific processing of personal data in compliance with applicable regulations. The policy establishes clear roles and responsibilities across the organization, led by the CEO and supported by the Kordsa PVP Committee, and applies to a broad range of stakeholders including employees, candidates, business partners, and visitors. It also outlines the legal bases for data processing, including conditions

for explicit consent, and reinforces our commitment to ensuring data security, transparency, and accountability.

Information security activities are led by the Global Digitalization Director, reporting directly to the CEO, ensuring centralized oversight and alignment with our strategic priorities.

There is a cross functional governance structure for responsibility of overseeing company-wide information security activities and monitoring potential data breach incidents. Our information security management processes were carried out through the coordinated efforts of Global Legal and Compliance, Global Information Technologies, relevant business units, and control functions. We managed our processes in line with the principles of continuous risk analysis, implementation of technical and administrative controls, regular monitoring and testing activities, as well as rapid response and continuous improvement. We continuously track changes in global information security laws and regulatory requirements and incorporate them into our internal policies. In line with our ISO/IEC 27001-based Information Security Management System, Kordsa implemented a formal Information Retention and Disposal Framework supported by the Data Loss Prevention Procedure (DLP), Data Management Policy (DMP), and Information Retention and Disposal Management practices. Within this framework, information assets and document categories, including employee-related records and identification documents, are classified and managed through a defined records retention schedule that specifies retention periods, storage conditions, access controls, and approved disposal methods. Information is securely stored in accordance with its classification level to ensure confidentiality, integrity, and availability throughout its lifecycle. Upon the expiration of retention periods, records and data are securely deleted, destroyed, or anonymized using approved methods, and disposal activities are documented where applicable. These processes are supported by IT systems and regularly monitored to ensure compliance with internal policies, ISO 27001 requirements, and applicable legal and regulatory obligations, while also preventing the unnecessary

retention of personal and employee-related information.

To support the early identification and reporting of information security concerns, Kordsa has established dedicated whistleblowing mechanisms accessible to employees and external stakeholders. These mechanisms ensure confidentiality and include non-retaliation commitments, while providing secure reporting channels such as hotlines and designated contact points to report potential information security issues.

Information security and digital risks were managed as an integral part of our enterprise risk management framework. Cyber risks and data protection processes were regularly assessed and monitored at the senior management level supported by periodic risk reviews, detailed risk identification, and the implementation of corrective action plans. In this context, IT security risk assessments were conducted across 100% of our sites, ensuring comprehensive identification and evaluation of potential risks. In addition, 100% of risky trading partners within the defined scope were covered by an information security due diligence process, and the results were shared with the respective parties. Our Board of Directors approved the strategic framework for information security and artificial intelligence governance, ensuring an effective governance structure through the allocation of necessary resources and authorities.

In addition, we provided communication channels that enabled our employees to promptly, effectively, and securely report potential threats to the Information Technologies function, ensuring early identification of information security risks. Information security incident response processes are implemented through defined procedures designed to detect, respond to, and limit the impact of potential breaches, ensuring timely mitigation and minimizing further damage.

We retained the ISO/IEC 27001:2022 Information Security Management System certification and successfully completed its audit in 2025, thereby reaffirming our alignment with international best practices. Our ISO 27001 certification currently covers

our Türkiye İzmit (KTR) & Composite Technologies Center of Excellence (CTCE) and Thailand facilities, which account for 44% of our global workforce, while we continue to implement the same information security standards across all our operations. Accordingly, our information security processes were implemented within a common framework across the organization, maintaining the same level of discipline and standards in all locations. In addition, Kordsa obtained the ISO/IEC 42001 Artificial Intelligence Management System certification in 2025, ensuring that AI applications were managed within an ethical, secure, transparent, and accountable framework.

Within the scope of ISO 42001, risk assessments for AI systems were conducted, and principles such as data quality, algorithmic transparency, and human oversight were applied. AI solutions' compliance with applicable regulations and ethical standards was regularly monitored.

To enhance our resilience against cyber threats, we conducted annual external vulnerability assessments and penetration tests and performed security testing prior to the deployment of new applications. Identified vulnerabilities were prioritized based on their risk levels and remediated within defined timeframes. In this context, our vulnerability identification, assessment, and remediation processes were carried out in line with defined procedures and in alignment with international standards and best practices.

Operational resilience was a key component of our sustainability approach. Business continuity and disaster recovery plans were established for critical systems, regularly tested, and updated. Data was stored in redundant infrastructures, and periodic recovery tests were conducted. Information security incident management processes were executed in accordance with ISO 27001-defined procedures, with response times determined based on the severity of incidents. No significant information security breach occurred in 2025.

To protect customer and third-party data against unauthorized access and disclosure, we implemented network security controls (e.g., firewall systems),

access management, and other technical and administrative measures. These controls targeted 100% of customer and third-party data.

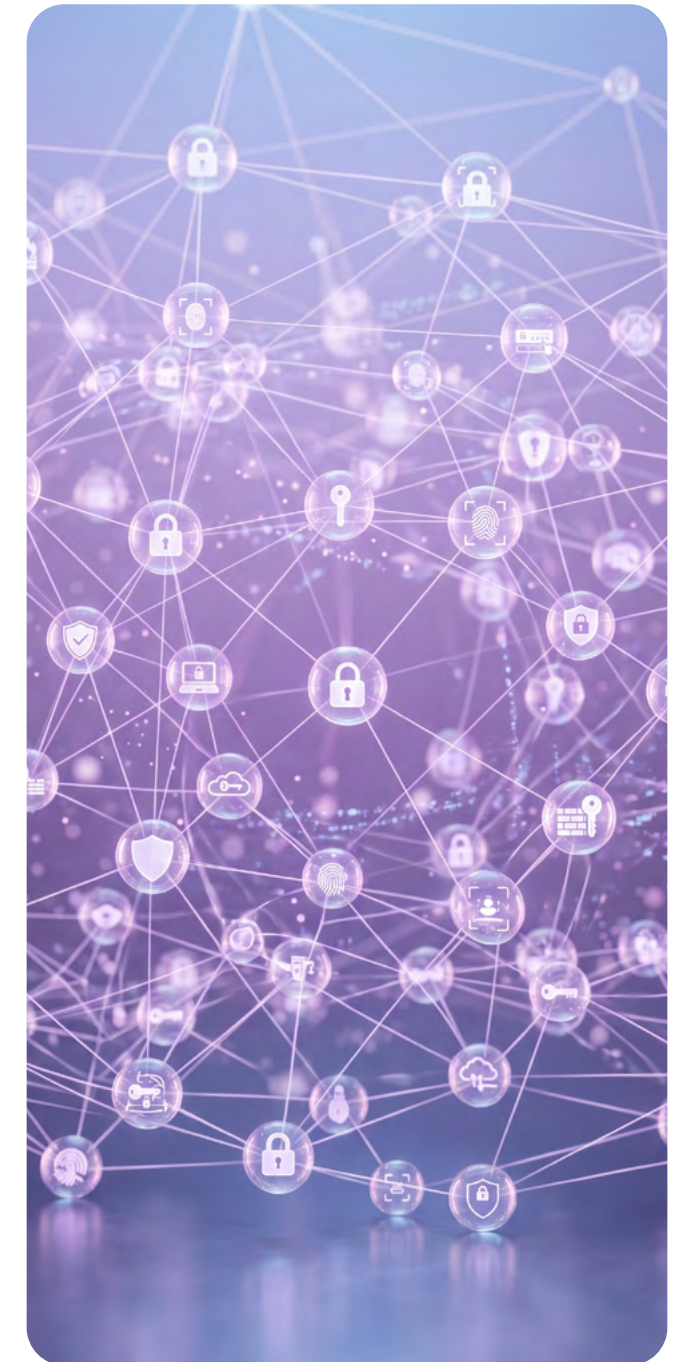
To monitor information security performance, we regularly tracked security incident management, vulnerability management and compliance KPIs defined under ISO 27001 and adopted a continuous improvement approach.

To promote a strong culture of information security and responsible AI, we provided regular awareness and training programs to employees. Employee participation and awareness were considered critical to ensuring the sustainability of digital security.

Through this holistic governance approach, we strengthened stakeholder trust while supporting a secure, transparent, and sustainable digital future.

Information Security Activities

- Board-level oversight and centralized governance under the Legal and Compliance Department
- Global alignment of ISO 27001 standards across all operations, including certified and non-certified sites
- Integration of ISO 42001 for ethical and accountable AI governance
- Proactive cybersecurity practices, including vulnerability assessments and penetration testing
- Continuous monitoring through KPI tracking and enterprise risk management integration
- Strong operational resilience supported by business continuity and disaster recovery plans
- Ongoing employee training and awareness to strengthen security culture





SUSTAINABILITY APPROACH AND MATERIALITY

At Kordsa, we position sustainability-driven value creation at the core of our long-term business strategy, embedding innovation and differentiated solutions into every aspect of our operations. Building on this strong legacy, we continue our journey as a more resilient, agile, and determined organization, committed to creating valuable impact for all stakeholders.

The leaf's magnificent vein structure

This delicate yet strong natural network ensures the leaf's durability and longevity. Just as Kordsa's cord fabric and composite technologies reinforce the structure of products without being visible.

[Sustainable Growth and Value Creation](#)

[Double Materiality Assessment](#)

[Material Topics and UN 2030 Global Goals](#)

[Company's Corporate Targets – ESG Scorecard](#)



Sustainable Growth and Value Creation

Operating in a rapidly evolving global landscape shaped by climate change, shifting customer expectations, and technological transformation, Kordsa integrates sustainability into its strategic decision-making processes. By focusing on operational excellence, financial discipline, and efficiency across all markets, the Company ensures long-term growth while contributing to environmental and social progress.

Our sustainability framework is built on a structured and comprehensive approach that integrates impact assessment, strategic alignment, operational execution, and measurable performance tracking. Within this context, we evaluate sustainability-related impacts, risks, and opportunities through a double materiality perspective, ensuring that both environmental and social impacts, as well as financial implications, are systematically addressed.

Sustainable Growth

Sustainability at Kordsa goes beyond managing environmental and social impacts; it represents a fundamental driver of competitive advantage and business resilience. Through continuous investment in R&D, innovation, and digitalization, Kordsa transforms global trends and stakeholder expectations into actionable strategies, reinforcing its ambition to be a partner that creates value through differentiation and leads market transformation.

Kordsa's approach to sustainable growth is anchored in our ability to generate long-term value through innovation, efficiency, and strategic differentiation. Innovation, embedded in the company's DNA, serves as the primary driver for developing advanced materials, improving processes, and delivering customer-centric solutions. We focus on energy efficiency, low-carbon technologies, and circular economy practices to create both environmental and economic value. By aligning our operations with these priorities, we not only enhance competitive positioning but also contribute to a more sustainable future.

Through this commitment to operational excellence and disciplined financial management, we maintain our focus on sustainable value creation while adapting to changing market dynamics and strengthening its role as a trusted partner to our customers.

Value Creation

As Kordsa, we manage our financial, manufactured, intellectual, natural, human as well as social and relationship capital through an integrated business model defined in the Integrated Reporting Framework (<IR> Framework). Our sustainability framework is built on a structured and comprehensive approach that integrates impact assessment, strategic alignment, operational execution, and measurable performance tracking. Within this context, Kordsa evaluates its sustainability-related impacts, risks, and opportunities through a double materiality perspective, ensuring that both environmental and social impacts, as well as financial implications, are systematically addressed.

We create long-term value by leveraging our strong capital structure, disciplined operating capital management, and our ability to generate stable and sustainable cash flows. We support our financial performance with a continuously evolving portfolio of high value-added products, enabling revenue growth, strong profitability, and resilience against market fluctuations.

We strengthen our manufacturing capabilities through advanced tire reinforcement technologies and composite solutions. Our global operations, extensive export network, and scalable production capacity reinforce our market leadership while supporting sustainable growth.

We place innovation at the core of our business model. Through continuous investments in R&D, digitalization, and innovation, we develop advanced technologies, expand our patent portfolio, and

enhance operational efficiency, supported by our R&D and technical centers and skilled talent base.

We minimize our environmental impact while improving resource efficiency. We actively manage carbon emissions, water use, and waste through circular economy practices and responsible production, while investing in renewable energy and environmental projects to support climate action.

We invest in our people to sustain long-term success. Through continuous learning, strong engagement,

and a focus on health, safety, diversity, and inclusion, we foster an agile and high-performing organization, further strengthened by digital Human Resources (HR) practices.

We also create value for our broader ecosystem. Through social investments, active participation in global and sectoral initiatives, and strong stakeholder engagement, we enhance trust, strengthen relationships, and contribute to long-term societal value.





Value Creation Model

Capitals	Inputs	Outputs	Created Value	Contributed SDGs
 Financial	- Efficient working capital management - Development of a value-added product portfolio	- USD 791 million revenue - USD 62 million adjusted EBITDA - USD 150 million operating cash flow	- Preservation of competitive strength - Ensuring sustainable profitability	  
 Manufactured	- Tire Reinforcement Technologies - Composite Technologies	7 countries with operational activities 157 sustainable products - USD 9.96 million investments in R&D innovation	- High production capacity - Extensive export network - Market leadership	  
 Intellectual	72 projects in R&D and innovation 34 collaborations in R&D and innovation - Innovation and digitalization	45 patent application 38 registered patents 2 R&D Centers and 2 Technical centers 88 researchers	- Operational efficiency - Technology-driven business model	 
 Natural	- Carbon and emissions management - Water management and efficiency - Waste management and circular economy - Biodiversity and ecosystem conservation - Green procurement and sustainable production	19.55% renewable electricity use - USD 1.74 million investments in environmental projects	- Contribution to combating climate change - Efficient use of natural resources	  
 Human	- Education and development programs - Employee health and safety - Employee engagement and motivation - Diversity and inclusion - Digitalization and human resources technologies	224,040 hours of education provided for employees 11% female employee ratio	Organization culture based on high engagement and inclusivity	     
 Social and Relationship	- Social investment projects - Active participation in international and sectoral initiatives	676 people reached via inclusion programs	- Increasing stakeholder trust - Increasing customer satisfaction	 

Double Materiality Assessment

Double Materiality Assessment (DMA) offers a comprehensive view of sustainability by assessing both an organization's impacts and the effects on it, thereby enhancing transparent decision-making and long-term resilience. We conducted a company-wide DMA covering our full value chain in 2024.

Our 2024 DMA evaluated sustainability topics through a dual lens: their impacts on people and the environment, and their potential financial effects on our business. We carried out this assessment through four main stages:

- i. Understanding the business activities:** Value chain mapping and stakeholder analysis
- ii. Identification:** Identifying impacts, risks & opportunities (IROs)
- iii. Assessment:** Assessment of materiality (both impact and financial)
- iv. Determination of the material matters:** Materiality mapping and matrix

We first mapped our value chain, business segments, and sites, then profiled internal and external stakeholders by their influence on and exposure to ESG outcomes. We identified key stakeholders and site-level environmental and social vulnerabilities to anchor materiality in operational reality. After the mapping, we fielded an ESRS-aligned survey asking stakeholders to rate the relevance of each topic and subtopic and to indicate expected time horizons (short/medium/long). We normalized the scores, compared them with predefined thresholds to classify topics as high, medium, or low impact, and prioritized them using criteria such as impact scale/scope, reversibility, likelihood, and time horizon.

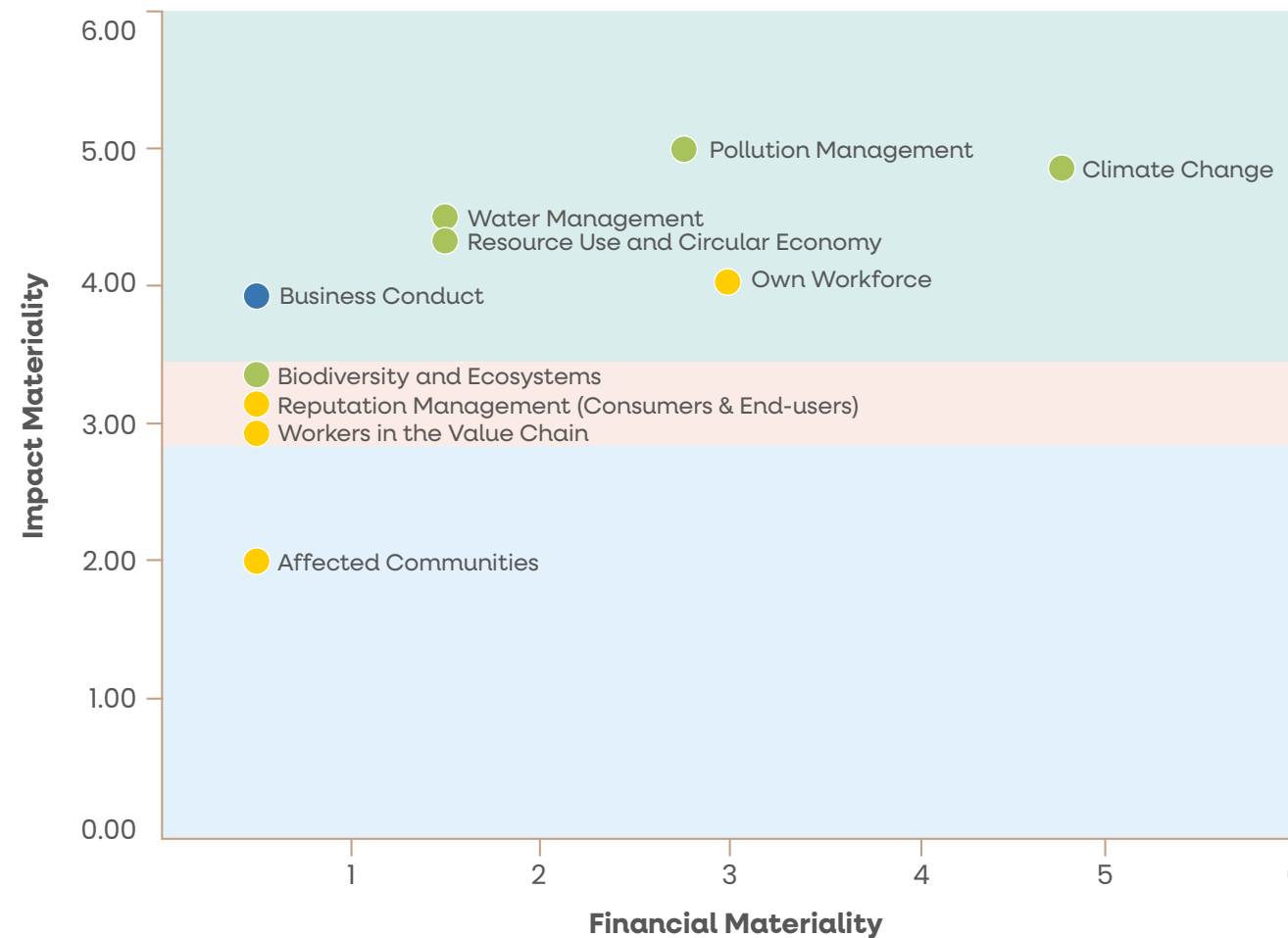
In parallel, our risk and sustainability teams developed a risk-and-opportunity inventory informed by scenario analysis, physical risk modeling, and sector insights. We scored items for financial magnitude and

likelihood and flagged those above our threshold as financially material. We then mapped ESRS topics to these items and overlaid impact results to build the materiality matrix and pinpoint double-material priorities. Six emerged; Pollution Management, Climate Change, Water Management, Resource Use & Circular Economy, Own Workforce, and Business

Conduct. Management approved these priorities, and we embedded them into our strategy, enterprise risk management, and KPIs.

For the full methodology and results, please refer to our DMA report via this [link](#).

Double Materiality Matrix - Kordsa





Material Topics and UN 2030 Global Goals

Our Approach Aligned to UN Sustainable Development Goals

We have been a signatory of the UN Global Compact, reflecting our commitment to a sustainable and inclusive global economy since 2014. Building on our continued progress, we contribute to eight Sustainable Development Goals (SDGs), with particular focus on SDG 12, SDG 13, and SDG 6, which are closely aligned with our key double materiality topics, namely pollution, resource use and circular economy, climate change, and water management, as well as SDG 8, which is linked to our priority areas in workforce and business conduct.

UN 2030 SDGs	UN Targets Supported by Kordsa	Related Disclosure Topics
	4.1: By 2030, ensure that all girls and boys complete free, equitable and quality primary and secondary education leading to relevant and effective learning outcomes.	Community Development
	4.c: By 2030, substantially increase the supply of qualified teachers, including through international cooperation for teacher training in developing countries.	Community Development
	5.1: End all forms of discrimination against all women and girls everywhere.	Fair Employment and Labor Practices
	5.5: Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life.	Diversity, Equity, and Inclusion
	6.4: By 2030, substantially increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity and substantially reduce the number of people suffering from water scarcity.	Water and Wastewater Management
	6.5: By 2030, implement integrated water resources management at all levels, including through transboundary cooperation as appropriate.	
	8.2: Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high value added and labor-intensive sectors.	Sustainable Growth Fair Employment and Labor Practice Talent Development and Organizational Growth
	8.8: Protect labor rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment.	Human Rights Occupational Health and Safety
	9.4: By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities.	R&D and Innovation
	9.5: Enhance scientific research, upgrade the technological capabilities of industrial sectors in all countries, in particular developing countries, including, by 2030, encouraging innovation and substantially increasing the number of research and development workers per 1M people and public and private research and development spending.	Technology & Digitalization
	12.2: By 2030, achieve the sustainable management and efficient use of natural resources.	Energy Management Water and Wastewater Management Raw and Other Materials Management
	12.4: By 2020, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimize their adverse impacts on human health and the environment.	Emissions (Carbon) Management Waste Management
	12.5: By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse.	
	13.2: Integrate climate change measures into national policies, strategies, and planning.	Emissions (Carbon) Management
	13.3: Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning.	
	17.6: Enhance North-South, South-South and triangular regional and international cooperation on and access to science, technology and innovation and enhance knowledge-sharing on mutually agreed terms, including through improved coordination among existing mechanisms, at the United Nations level, and through a global technology facilitation mechanism.	R&D and Innovation
	17.17: Encourage and promote effective public, public-private and civil society partnerships, building on the experience and resourcing strategies of partnerships.	



Sustainable Supply Chain Management

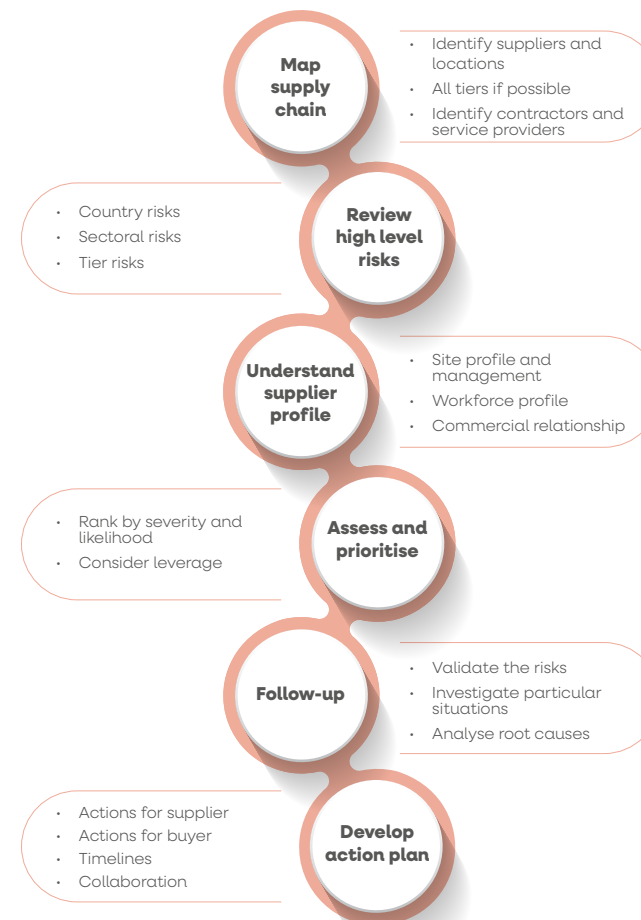
We are dedicated to the effective management of sustainability risks within our supply chain, and to continuous engaging with our supply chain. Kordsa established a supply chain sustainability program to co-create sustainable value across its value chain. We integrate environmental, social, and governance (ESG) criteria across our value chain, starting from sourcing to delivery. Kordsa's sustainable supply chain strategy is reflected in our **Sustainability Policy**. We require our business partners to operate in accordance with the principles in the supplier code of business ethics. The **Supplier Code of Business Ethics** outlines Kordsa's expectations regarding labor and human rights, health and safety, environment, energy, GHG emissions, responsible mineral management, ethics, and governance practices.

Internal Stakeholder View – An Employee from Purchasing Department

Kordsa maintains continuous communication with its suppliers through audits, surveys, and collaborations focused on ESG-related matters. The company prioritizes acting in alignment not only as an organization itself but also across the entire value chain in adapting to continuously evolving regulations and dynamic trends. During periodically conducted training sessions, Sustainable Supply Chain processes, practices, and our annual performance are also communicated to teams. Overall, this approach strengthens collaborations while also generating significant benefits in terms of the company's corporate reputation, alignment with customer expectations, and long-term sustainability performance.

Sustainable Supply Chain Working Group oversees company-wide sustainable supply chain program implementation. This working group is chaired by the Global Sourcing Group Manager and the Sustainability Director. Quarterly group meetings were held to monitor the assessment of sustainable supply chain program performance and key sustainable supply chain topics. Material topics are also reported to Strategic Leadership Team.

Overview of risk assessment process



We have implemented operational processes to promote inclusive sourcing across our supply chain. Our procurement policies prohibit any form of discrimination against suppliers and ensure that all vendors are evaluated based on fair, transparent, and objective criteria. Supplier selection processes are designed to provide equal opportunities to both local and global companies, supporting diversity and inclusion within our supplier base. In addition, we encourage participation from a broad range of suppliers and continuously review our sourcing practices to maintain fairness, accessibility, and equal consideration throughout the procurement lifecycle.

We have incorporated sustainability performance as a key criterion within our supplier assessment system and integrated environmental, labor, and human rights requirements into targeted supplier contracts. This approach motivates our suppliers, an essential part of our value chain, to enhance their sustainability practices. As a result of these efforts, we achieved and maintained a leadership rating of **'A' in the 2025 CDP Supplier Engagement Assessment**.

Supply Chain Sustainability Risk Management Approach

With our supply chain sustainability risk management approach, we systematically assess the environmental, social, and ethical risks of current and new suppliers through an established sustainability risk mapping framework. Specific criteria have been defined for selecting suppliers to be scoped in the risk assessment process. Key criteria: the supplier's geographic location, total yearly spent, and the category of the goods that are supplied. Also, Kraljic Matrix results embedded into this scope determination study. The risk map, covering our first-tier suppliers, is periodically reviewed by the Sustainable Supply Chain Working Group.

Through a risk-mapped approach, we identify most significant risks of adverse sustainability impacts and provide continuous monitoring. Details regarding supply chain risk mapping are outlined in the Kordsa Supply Chain Sustainability Assessment Procedure, and the document is reviewed at regular intervals.

Supply Chain Sustainability Assessment & Monitoring Program

In our efforts to build a sustainable supply chain, we systematically conduct sustainability screenings and assessments. We use a variety of tools to evaluate and oversee the sustainability performance of our current and new suppliers. In line with the evaluation results, suppliers must meet the defined threshold to be eligible for contract signing. With every purchase order sent to the suppliers by the purchasing teams, Kordsa's supplier code of conduct is automatically delivered as an attachment to the purchase order. If there is an update our supply chain is acknowledged through our website. Additionally, Kordsa tracks the percentage that has acknowledged the Kordsa's supplier code of conduct as a metric. Additionally, we integrate ESG-related clauses into suppliers' contracts. Non-compliance with the supplier code of conduct may result in suspension of business transactions.

Suppliers are undergoing sustainability assessments based on Kordsa's evaluation tools. We conduct "Kordsa Annual Supplier Sustainability Survey" each year and perform on site/off site sustainability audits for our suppliers as part of the "Annual Supplier Audit Program". On the other hand, suppliers are required to submit ESG assessment results from external third party.

Following the completion of performance evaluations and system audits, we carry out engagement activities with our suppliers to assess their results, to identify improvement and risk mitigation areas. Suppliers demonstrating exceptional ESG performance are distinguished as key suppliers within our value chain.

The sustainability issues we focus on through the assessment are as follows:

- Sustainability Governance
- Social Impacts (Ethics, Labor and Human Rights, Occupational Safety, Conflict & Extended Minerals)



- Environmental Impacts (Environmental Management, Energy and Emission Management, Waste Management, Materials Management, Product Carbon Footprint – Life Cycle Assessment (LCA) Reporting)
- Sustainable Supply Chain practices

Supply Chain Sustainability Performance Indicators and Objectives

Our goal is to minimize our impact to zero through the continuous identification and management of ESG risks across our supply chain. The effectiveness of our sustainable supply chain program is tracked through defined performance indicators, which are reviewed on a quarterly basis by the Sustainable Supply Chain Working Group.

In 2025, we prioritized maintaining our target, “Percentage of targeted suppliers that have undergone sustainability assessment” at 75%. We directed our efforts in line with this objective to broaden the program’s scope.

We aim for 100% compliance with the annual audit plan each year. In 2025, a total of 12 suppliers went through sustainability audits. Based on the audit results, improvement plans were developed and implemented with suppliers that are above risk acceptance level. For the suppliers with high performance on sustainability management recognized as leading suppliers. In 2025, approximately 67% of the audited suppliers were engaged in these improvement actions, guided by our capacity-building initiatives. These efforts aim to strengthen suppliers’ capabilities and ensure effective management of environmental and social risks across our supply chain.

We have continued supplier engagement efforts through 2025, holding one-on-one sustainability meetings with suppliers to support progress toward our targets. Product carbon footprint – LCA sharing, water security, and preparedness for upcoming regulations were among our key discussion topics.

We also aim to provide online training to enhance suppliers’ sustainability awareness and performance.

We have established a structured mechanism to integrate suppliers’ sustainability performance into the performance evaluation of our procurement departments. Buyers are assessed not only on cost, quality, and delivery metrics, but also on their effectiveness in managing ESG risks and promoting responsible practices within the supply base. Specific KPIs have been defined for procurement staff, including supplier ESG assessment completion rates, improvement in supplier sustainability performance, and engagement in corrective action processes. These criteria are embedded into the annual performance appraisal system.

Partnering for a Low-Carbon Future

In line with our commitment to reducing GHG emissions and fostering collaboration with our suppliers, Kordsa further commits that 64% of its suppliers, by emissions covering purchased goods and services, will have science-based targets by 2027. This target is integrated into our supplier engagement strategy, linking Scope 3 data collection with actionable reduction initiatives, and reinforcing measurable emissions reductions across our value chain. We collect primary Scope 3 data from suppliers. In 2025, we provided consultation services to two of our suppliers to identify and implement GHG reduction strategies.

In addition, we aim to acquisition of raw material LCA data from our supply chain. We integrate primary supplier data into our own Scope 3 calculation process and into our own LCA calculation process. In 2025, we supported two suppliers in conducting LCA calculations for two products.

We incorporate GHG emissions intensity and reduction performance into our supplier selection criteria. Suppliers demonstrating strong emissions management and clear reduction initiatives are prioritized in our procurement decisions.

Sustainable Supply Chain Training for Procurement Teams

We support the development of a sustainable supply chain by equipping our procurement professionals with the necessary knowledge and tools. In 2025, we continued to enhance the capabilities of all of our procurement teams through sustainable supply chain training, and we provided targeted learning programs focused on global regulatory developments, including the coverage of national and international requirements and appropriate compliance approaches. We aim to train 100% of our employees from the procurement team on environmental and social issues in the supply chain by 2028.

Supplier Capability Development Support

Based on the outcomes of our supply chain ESG risk assessments, we provided one-on-one consultations with selected suppliers. We also delivered customized training programs to strengthen understanding of ESG principles, tailored to each supplier’s specific conditions and needs. In addition, detailed assessments were conducted to identify potential risks more accurately and support the development of effective improvement plans. In 2025, we delivered ESG advisory support to two suppliers, supporting the sustainability performance of our supply chain.

In 2025, we invited **72** global and local suppliers to the Kordsa Annual Supplier Sustainability Survey. We provided training on sustainable procurement to **43%** of all supply chain employees across all locations.



Sustainable Supply Chain Program Indicators

Suppliers	2023	2024	2025
Percentage of targeted suppliers that have gone through a sustainability assessment	38%	39%	56% ✓
Percentage of targeted suppliers audited in line with annual scheduled audit plan	100%	100%	100% ✓
Number of suppliers evaluated in the scope of Human Rights	191	81	84

You can find more details about our supplier evaluation and selection processes on this [webpage](#).



Company’s Corporate Targets – ESG Scorecard

Each of our key sustainability priorities is underpinned by well-defined, measurable targets. These targets are closely tracked under the supervision of the Board of Directors and are embedded within the strategic agenda of our executive leadership. From the CEO downward, sustainability performance forms part of individual objectives and is directly connected to our variable remuneration structure, strengthening accountability across all levels of the organization.

Related SDG	Explanation of Target	Indicator	2025 Performance	2030/2050 Target
	Reducing GHG emissions (Base year: 2019)	Percentage of Scope 1&2 GHG emission reduction compared to the base year (%)	*42.6%	46.2% / 100%

Related SDG	Explanation of Target	Indicator	2025 Performance	2030 Target
	Reducing water withdrawal (Base year: 2019)	Percentage of water withdrawal reduction (%)	*39.4%	30% (compared to the base year)

Related SDG	Explanation of Target	Indicator	2025 Performance	2030 Target
	Sustainable Supply Chain Program	Percentage of targeted suppliers that have undergone sustainability assessment (%)	56%	100%

Related SDG	Explanation of Target	Indicator	2025 Performance	2026 Target
	Improving accident ratio in operations	Number of fatal injuries High-consequence injuries Recordable injuries	Fatal injuries: 0 High-consequence injuries: 0 Recordable injuries: 13	Zero accident
	Maintaining Effective Grievance Resolution Mechanisms	Percentage of ethics related grievance resolution (%)	100%	100%
	Increasing employee satisfaction	Rate of employee satisfaction (%)	To enable a clearer measurement of the outcomes of the company's ongoing transformation process, the survey period has been postponed to the following year.	70%
	Continuing employee development trainings	Sabancı of New Generation competencies	100% of the planned trainings have been completed	90% completion on planned trainings

Related SDG	Explanation of Target	Indicator	2025 Performance	2030 Target
	Increasing women employment (Office staff)	Ratio of women employees (%)	17%	%45

Related SDG	Explanation of Target	Indicator	2024 Performance	2026 Target
	Kordsa Kocaeli University Technology and Impact Center Studies	Participation rate	Opening of the center and engagement with more than 701 young people.	In progress

*2025 Performance is given compared to the base year



STRATEGY AND BUSINESS MODEL

At Kordsa, we closely monitor the global trends reshaping our industries, from sustainable and high-performance materials to electrification, lightweighting, circularity, and digital transformation. Evolving customer expectations, stricter regulations, and shifting trade dynamics are accelerating demand for low-carbon, traceable, and resource-efficient solutions across tire reinforcement and composite technologies. In response, we integrate sustainability, advanced materials, smart technologies, and innovation-driven R&D into our products, processes, and business models. Guided by these developments, we continue to strengthen our technology roadmap and deliver next-generation solutions aligned with the needs of a rapidly changing world.

The Power of Flawless Lightness

A feather floating in the air: the perfect balance of lightness, flexibility, and durability found in nature. Just as Kordsa's weight-reduction technologies for the aerospace and automotive industries deliver energy efficiency without compromising performance, helping to steer the world toward a greener future.

[Global and Sectoral Trends](#)

[Value Driven Expectations](#)

[R&D, Innovation and Technology](#)



Global and Sectoral Trends

Sectoral Trends	
Electric Vehicle (EV) Tire Requirements	The rapidly expanding EV market is driving new performance requirements for tires, including lower rolling resistance, enhanced load capacity, and reduced noise levels. These evolving expectations are shaping the development of reinforcement technologies in tire manufacturing.
Kordsa's Response	As the automotive industry transitions toward EVs and high-performance tires, next-generation solutions increasingly focus on enhanced strength, lower rolling resistance, lightweight structures, improved wear resistance, reduced noise levels, and sustainability. To address these evolving requirements, Kordsa provides innovative solutions under the Electric Vehicle product portfolio.
Ultra-High Performance (UHP) Tire Trends	UHP tires are increasingly gaining traction in premium and performance vehicle segments, requiring reinforcement solutions that can withstand extreme stress, speed, and heat conditions without compromising safety or durability. Global tire demand is shifting toward high-value segments, including EV-compatible, UHP, larger-rim, and premium tires, which require advanced performance characteristics such as higher load capacity, lower rolling resistance, reduced noise, enhanced durability, lightweight structures, and lower lifecycle emissions. This shift is further accelerated by electrification and evolving mobility trends, as EVs and premium vehicles demand more specialized and application-specific tire solutions. At the same time, tire manufacturers are placing greater emphasis on value over volume, focusing on differentiated, high-performance products with stronger sustainability credentials and closer alignment with original equipment (OE) requirements.
Kordsa's Response	Kordsa is advancing its high-tenacity yarns and specialized fabric constructions to meet the demanding requirements of UHP and EV-compatible tire applications. Focusing on high-value segments where performance expectations are increasingly demanding and application-specific, our reinforcement solutions are designed to deliver higher strength, lower rolling resistance, lightweight structures, improved durability, and lower lifecycle emissions. Through advanced material technologies and innovative product designs, including solutions under the Electric Vehicle product portfolio, Kordsa supports customers in developing next-generation tires that combine superior performance with sustainability.

Sectoral Trends	
CMR and PFAS Elimination	Eliminating CMR substances (carcinogenic, mutagenic, or reprotoxic) and PFAS (Per- and Polyfluoroalkyl Substances) compounds has become a key requirement in the development of safer and more sustainable composite materials, largely driven by international regulations. The EU's REACH Regulation (EC No 1907/2006) imposes strict controls through its Authorisation (Annex XIV) and Restriction (Annex XVII) lists, while the CLP Regulation (EC No 1272/2008) standardizes the classification of chemicals into CMR categories. PFAS are further regulated under the POPs Regulation (EU) 2019/1021 due to their persistence and health risks, and the proposed group-based PFAS restriction under REACH (submitted in January 2023) is expected to significantly limit their industrial use. These regulatory developments are driving composite manufacturers to phase out hazardous substances and adopt alternative chemistries that meet both performance and compliance requirements. As global markets increasingly align with EU chemical safety frameworks, regulatory compliance is becoming critical for product qualification and long-term market access.
Kordsa's Response	Kordsa has adopted a proactive approach to eliminate CMR- and PFAS-classified substances from its composite technologies, ensuring alignment with REACH (EC 1907/2006), CLP (EC 1272/2008), and the POPs Regulation (EU 2019/1021). This includes reformulating resin systems by replacing CMR-related monomers, accelerators, and additives with safer alternatives, while maintaining the required mechanical, thermal, and durability performance of aerospace-grade materials. Guided by a safety-by-design approach, Kordsa integrates regulatory foresight into its R&D processes, anticipating future requirements rather than reacting to them. Comprehensive testing confirms that these CMR- and PFAS-free solutions meet or exceed the performance of conventional systems. Through this approach, Kordsa supports customer compliance and sustainability goals while delivering high-performance composite solutions aligned with evolving global chemical safety standards.
Lightweighting in Aviation Composites	Lightweighting has become a core strategy in modern aircraft design to reduce fuel consumption, lower CO₂ emissions, and meet increasingly stringent sustainability requirements. Reducing aircraft mass improves aerodynamic efficiency, lowers engine thrust demand, and decreases total fuel burn, with even small weight reductions creating cascading efficiency gains. As a result, composite materials are widely used in primary structures such as wings, fuselage, nacelles, and control surfaces due to their weight advantage. This shift is closely linked to aviation's decarbonization efforts. With growing air traffic and limited availability of sustainable aviation fuels, reducing baseline energy demand through lightweight materials is one of the most immediate and scalable solutions. Composite materials, particularly carbon fiber reinforced polymers (CFRP), provide high strength to weight ratio, fatigue and corrosion resistance, enabling fuel efficiency improvements and supporting long-term climate targets. Even kilogram-level weight reductions translate into measurable fuel savings. Thermoset and thermoplastic composites enable lighter structures while maintaining performance and safety, allowing for improved aerodynamics, reduced part count, longer service life, and lower maintenance costs. Their extensive use in aircraft such as the Boeing 787 and Airbus A350 reflects the industry's shift toward lightweight architectures aligned with ICAO and IATA net-zero commitments, while also delivering clear economic benefits through reduced fuel consumption.
Kordsa's Response	Kordsa approaches lightweighting as a core pillar of composite innovation, developing material systems that maximize strength to weight performance without compromising safety, durability, or manufacturability. Through advanced fiber-reinforced composites including carbon fiber prepregs, woven fabrics, and optimized resin systems Kordsa supports fuel efficiency and emissions reduction in next-generation aircraft. These solutions leverage optimized fiber architectures, high-efficiency resin formulations, and advanced processing technologies to enable thinner, lighter, and structurally efficient laminates with high stiffness- and strength-to-weight ratios. In parallel, ongoing R&D in prepreg technologies supports the transition to thermoplastic and automation-compatible systems, addressing increasing needs for scalability, recyclability, and production efficiency in both narrow- and wide-body aircraft. Aligned with global aviation sustainability frameworks, Kordsa's lightweight composite solutions contribute to reduced lifecycle fuel consumption, support long-term emissions targets, and enable high-performance, environmentally responsible aircraft structures.



Global Trends	
Sustainability in Materials and Manufacturing	With increasing focus on sustainability and resource efficiency, the technical textiles industry is shifting toward reducing carbon emissions and adopting more sustainable raw materials, including recycled and bio-based inputs, along with lower-impact production processes. Sustainability has evolved beyond compliance and material substitution to become a core product design parameter in premium tire competition. As a result, leading tire manufacturers are increasingly embedding recycled and bio-based content, traceability, carbon footprint transparency, scalable circular material systems, responsible sourcing, and lifecycle impact reduction into their product strategies.
Kordsa's Response	Kordsa embeds sustainability into its high-performance product development, expanding the use of recycled and bio-based inputs, improving supply chain transparency, and investing in cleaner production technologies. Through integrating low-carbon innovation across its product development pipeline and supply chain operations, Kordsa positions itself as a key enabler for customers to meet growing demand for low-carbon, traceable, and circular materials in premium tire segments supporting ambitious sustainability targets without compromising performance.
Localization of Supply Chains	As global supply chains grow more complex, companies are shifting toward more regional and resilient structures driven by trade barriers, geopolitical risks, and supply disruptions. In this context, tire manufacturers are prioritizing localized sourcing and regional production to reduce lead times, improve supply security, lower emissions, and meet increasing expectations for flexible, proximity-based, and multi-region operations.
Kordsa's Response	Kordsa leverages its multi-region manufacturing footprint across six countries to enable localized sourcing, reduce logistics complexity and emissions, and enhance supply continuity, lead times, and operational agility in a fragmented trade environment.

Global Trends	
Digitalization and Smart Tire Ecosystems	Beyond physical performance, tire manufacturers are increasingly investing in intelligent tire technologies, connected services, and data-enabled monitoring to improve inventory management, in-field performance tracking, and end-to-end supply chain visibility supporting more efficient resource use, reduced waste, and greater transparency across the product lifecycle, in line with the growing demand for digitally integrated mobility solutions.
Kordsa's Response	Kordsa advances digitalization in tire reinforcement through RFID-enabled solutions that enhance traceability, product authentication, and lifecycle data visibility. By integrating RFID technology into reinforcement materials, Kordsa supports more transparent, data-driven tire ecosystems enabling improved inventory management, in-field performance tracking, and end-to-end supply chain visibility in line with the growing demand for digitally integrated mobility solutions.
Cost Competitiveness with Performance Reliability	In a value-focused market landscape, tire manufacturers are prioritizing margin resilience, operational efficiency, and disciplined capital allocation. At the same time, there is increasing pressure to balance cost competitiveness with sustainability commitments, requiring solutions that optimize both economic and environmental performance.
Kordsa's Response	Kordsa delivers cost-efficient solutions without compromising performance by leveraging its global manufacturing footprint, optimized supply chain, and advanced process technologies. Through continuous productivity improvements, regional sourcing, and value-engineered designs, Kordsa supports cost competitiveness and high performance while enhancing resource efficiency and reducing environmental impact across the value chain.
Fragmentation of Global Trade Rules	Trade conditions are becoming increasingly country-specific, with differentiated tariffs and agreements, while geopolitical tensions and trade route disruptions expose vulnerabilities in energy, logistics, and raw material flows. Rising volatility and chokepoint disruptions reduce predictability, driving the need for more flexible, diversified, and regionally balanced supply networks focused on resilience and sustainability.
Kordsa's Response	Kordsa leverages its diversified global manufacturing network to navigate complex and fragmented trade environments, enabling flexible production allocation, regional sourcing, and optimized logistics to manage tariff exposure and disruption risks. This multi-region capability enhances supply continuity, reduces dependency on single trade corridors, and supports more resilient, sustainable, and agile supply chains in response to evolving geopolitical and trade dynamics.



Value-Driven Expectations

Tire Reinforcement Technologies

Tire reinforcement customers increasingly expect solutions that combine sustainability, high performance, and cost efficiency across the entire value chain. In addition to the use of recycled and bio-based raw materials, there is a growing emphasis on traceability, carbon footprint transparency, and compliance with evolving regulatory and customer-specific sustainability requirements.

At the same time, premium and high-value tire segments are raising performance expectations, requiring reinforcement materials that deliver durability, lightweighting, lower rolling resistance, and consistent quality while reducing environmental impact. As a result, suppliers are expected to meet both advanced performance standards and sustainability targets simultaneously.

Life cycle assessments, circularity, sustainability certifications, and transparent sustainability roadmaps have become key evaluation criteria, alongside supply reliability, cost competitiveness, and technical collaboration capabilities. Customers also increasingly demand credible third-party reporting on emissions, water use, and supply chain sustainability, reinforcing the need for more responsible materials and processes across the value chain.



Composite Technologies

The composites market increasingly demands high-performance solutions aligned with global sustainability goals. Customers seek lighter, stronger materials for aerospace and e-mobility applications, along with thermoplastic alternatives, recyclable or bio-based resins and fibers, and greater carbon footprint transparency. There is also growing interest in end-of-life strategies and repairable composite structures.

In parallel, manufacturers face increasing pressure to modernize production through automation, digitalization, and smart manufacturing technologies. Advanced simulation tools and data-driven quality control are becoming essential to meet the tight tolerances and certification requirements of aerospace and automotive industries. Investments in automated fiber placement and out-of-autoclave curing technologies help reduce costs, minimize waste, and shorten development cycles.

Beyond material and process innovation, the industry is shaped by a complex regulatory landscape and the need for resilient, diversified supply chains. Certification requirements demand rigorous testing and long-term qualification, while geopolitical uncertainties push manufacturers to localize production and strengthen partnerships with academic and research institutions—ensuring solutions remain competitive and future-ready.





R&D, Innovation and Technology

At Kordsa, R&D strategy is a cornerstone of our commitment to sustainability and innovation and long-term value creation. We operate a global network of research centers, including two R&D centers in Türkiye (İzmit and İstanbul) and two Technical Centers in APAC and USA, where we integrate advanced research with industrial application.

Our R&D roadmap is aligned with our sustainability goals, focusing on the development of eco-friendly materials, energy-efficient processes, and circular economy solutions across our business lines. Through this approach, we aim not only to develop new technologies, but also to translate innovation into scalable business value. We embrace an open innovation model, collaborating with universities, startups, and industry partners to co-develop technologies that address global challenges. Kordsa collaborates with leading universities and research institutions on joint R&D projects in areas aligned with its strategic priorities and technological capabilities.

Through a hybrid intellectual property strategy and disciplined portfolio management, we ensure that our innovations deliver long-term value and support strategic priorities. This integrated approach reinforces not only our materials solutions, but also Kordsa's ability to adapt, differentiate, and grow in a rapidly evolving market environment, supporting a more resilient and sustainable future.

Pioneering Future Technologies Through Technology Roadmaps

We develop short, medium, and long-term technology roadmaps that guide our innovation journey and support the delivery of competitive and differentiated solutions to our customers. These roadmaps enable us to expand our sustainable product portfolio, enhance efficiency across materials, processes, and equipment, and proactively address emerging technologies shaping our industries.

Our roadmap development approach is built on the alignment of global technology trends, Kordsa's strategic priorities, and evolving customer expectations. By closely monitoring sector-specific developments with a strong focus on sustainability and digitalization, we drive continuous technological advancement and strengthen our ability to create long-term value.

Value Generation through Efficient Project Portfolio Management

We manage our R&D portfolio through a structured categorization framework, grouping projects into customer-focused initiatives, operational excellence projects, and know-how development programs.

Aligned with our technology roadmaps, we regularly conduct portfolio review workshops to assess strategic fit, prioritize resources effectively, and maintain alignment with Kordsa's growth priorities and resilience objectives.

Intellectual Property Rights

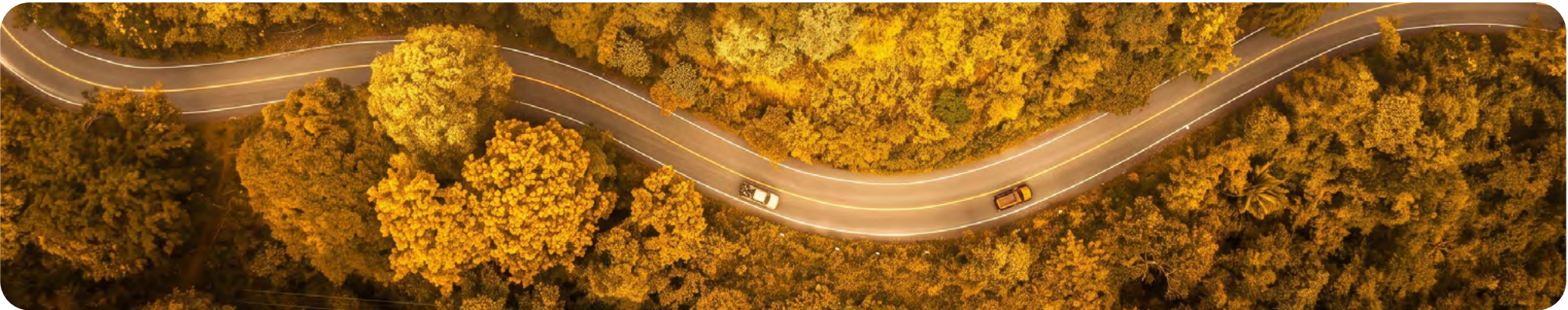
At Kordsa, we recognize intellectual property (IP) as a strategic asset that plays a critical role in driving innovation, supporting sustainable growth, and maintaining long-term competitive advantage.

We safeguard our innovations through a hybrid intellectual property approach that combines patent protection with trade secret management, while

ensuring full respect for the IP rights of external stakeholders.

Our IP and project portfolios are managed through an integrated approach, enabling effective alignment between our innovation and strategic priorities. During regular portfolio review workshops, project-specific intellectual property strategies are shaped through cross-functional collaboration and embedded throughout the project lifecycle, from inception to product realization. This alignment between intellectual property decisions, project portfolio choices, and company strategy strengthens our ability to monetize innovation, support sustainable growth, and build a more agile and resilient Kordsa.

Customer-Focused Projects	Operational Excellence Projects	Know-How Development Projects
Customer-focused projects are typically aligned with higher Technology Readiness Levels (TRL 7 and above) and are designed to address evolving customer needs through adaptable and market-driven solutions.	Operational excellence projects focus on strengthening our production capabilities, enhancing efficiency, and monitoring advancements in manufacturing technologies to support high-value product development.	Know-how development projects are positioned at earlier stages of maturity, focusing on emerging technologies and building future capabilities through lower TRL initiatives.





R&D Approach

2025 Facts and Figures on R&D and Innovation



55 (İzmit R&D Center) ✓
17 (İstanbul R&D Center) ✓

Approved R&D Projects
(Ministry of Industry and Technology)



617
Number of Patents Granted
45
New Patent Applications
1,096
Patent Applications



Team of 87 Employees
53 İzmit R&D Center
22 İstanbul R&D Center
12 Technical Center (IK, USA)



2
R&D Center



USD **9.6** Million
R&D Expenditures
Including Capex
and Opex



51%
Sustainability Focused*
R&D Expenditure Ratio
157
Number of Sustainable Product



21%
Ratio of Sustainable
Products Revenues to
Total Revenue



2
Technical Centers

*Less weight, eco-friendly adhesive technology, lower CO₂, lower rolling resistance, chemical recycling, eco-design, recycling.



Collaboration Projects

Horizon Projects Supported By The European Commission



WhiteCycle Project: As part of the European Commission's Horizon Europe Program, the WhiteCycle Project brings together a consortium of 16 partners across five countries to advance the recycling of complex plastic waste through biotechnological solutions. The initiative aims to contribute to a reduction of approximately 2 million tons of CO₂ emissions by enabling circular material flows. Throughout 2025, the project focused on a critical milestone: the separation and preparation of PET derived from complex tire waste streams for recycling. Significant progress was achieved in this phase, supporting the development of efficient closed loop recycling systems and facilitating the reintegration of recovered materials into high-performance technical applications. Looking ahead, Kordsa aims to utilize enzymatically recycled PET in cord fabric production by 2026, further strengthening its commitment to circular economy principles and sustainable material innovation.



EcoPlast Project: Kordsa participates in the EcoPlast Project, Empowering Circular Operations in the Automotive Plastics Value Chain, which was awarded €3.6 million in funding under the European Commission in 2024. The project brings together 14 partners with a shared objective of advancing circularity across the automotive plastics value chain. Within this collaboration, Kordsa focuses on the development of innovative recycling technologies and value-added material solutions. The initiative

aims to improve recycling efficiency, increase the utilization of secondary raw materials, and support the development of more sustainable products for the automotive industry. Through EcoPlast, Kordsa contributes to the creation of scalable and innovative solutions that strengthen circular economy practices and drive sustainable transformation across the sector.

Sustain LightTech: The Sustain LightTech Project, initiated under the EUREKA Lightweighting call, focuses on the development of sustainable and lightweight structural solutions for the automotive industry. Implemented in collaboration with ZKW, TU Wien, and 3D3, the project aims to reduce component weight in headlamp systems, enhance energy efficiency, and lower overall carbon footprint with advanced design and manufacturing approaches. Within this framework, Kordsa contributes by developing solutions based on recycled polymers and high-performance composite materials. By leveraging additive manufacturing and generative design methodologies, the project supports the transition towards more resource-efficient and low-carbon mobility solutions. Through Sustain LightTech, Kordsa continues to advance circular economy principles while contributing to the development of next-generation sustainable automotive technologies.

University Projects

University of California Senior Design Project

- As part of our know-how development approach, we collaborate with academic and industry partners to build future capabilities. In this context, we support the UCI Senior Design Project, conducted with University of California, Irvine and Axiom Materials Inc., focusing on lightning strike protection solutions for composite aircraft structures.
- Addressing the need for effective lightning strike protection in lightweight composite aircraft structures, the project aims to develop a lightweight surfacing film capable of safely conducting

lightning energy while preserving structural integrity and aerodynamic performance.

- Under the mentorship of experienced engineers, students apply theoretical knowledge to a real-world aerospace challenge through material selection, design trade-off analysis, safety considerations, and performance validation, supporting innovation and knowledge transfer between academia and industry.
- Beyond its technical outcomes, the project contributes to economic, environmental, and social value creation by exploring lightweight and material-efficient solutions that may support fuel efficiency and lower maintenance needs, while equipping future engineers with practical experience and collaboration skills.

TÜBİTAK-Supported Projects

1515 Frontier R&D Laboratory: Established in 2023 under the TÜBİTAK 1515 Frontier R&D Laboratory Support Program, Kordsa's Sustainable Advanced Materials Laboratory serves as a key platform for advancing next-generation material technologies. The laboratory focuses on polymer recycling, sustainable composite solutions, and smart mobility applications, supporting Kordsa's long-term innovation and sustainability agenda. Throughout 2025, the laboratory continued to generate impactful outcomes through scientific publications, patent applications, European Commission-funded projects, and collaborative initiatives with universities and start-ups. These efforts contribute to strengthening Kordsa's innovation ecosystem while accelerating the development of high-value, sustainable material solutions.

Sustainable Waste Management, Environmentally Responsible Recovery of Polyolefin Waste and Integration into Value-Added Industries: Implemented under the TÜBİTAK 1833 SAYEM Green Transformation Program, this project focuses on the environmentally responsible

recovery of polypropylene (PP) and polyethylene (PE) waste through innovative and sustainable processes. Developed in collaboration with key stakeholders, the initiative aims to establish an integrated value chain that transforms waste into high value-added end products. Within the scope of the project, a comprehensive productization approach is adopted to validate the recycling technologies developed, while enabling the creation of a holistic ecosystem spanning from raw material recovery to final product applications. Aligned with the European Green Deal, the project also incorporates digital product passport applications and detailed LCA, enhancing transparency, traceability, and environmental performance across the value chain. Through these efforts, Kordsa contributes to improving resource efficiency and advancing the integration of sustainable and circular solutions into value-added industries.

Sustainable Product Focus

At Kordsa, sustainable product development is guided by a strong R&D and innovation framework built on long-term collaboration and advanced material expertise. Given the stringent safety and performance requirements of the industries we serve, our product development cycles typically span 5 to 10 years, ensuring that our solutions meet the highest standards of reliability and durability. Within this framework, we focus on integrating sustainability principles into product design, including the use of sustainable materials and the adoption of circular economy practices, while continuously advancing performance-driven innovation.

Sustainability, quality, and compliance are embedded throughout our product and process development approach. In particular, our product technologies prioritize energy efficiency, emissions reduction, and life cycle thinking, supported by solutions such as out-of-autoclave processes, low-emission chemistries, and enhanced process efficiency. Across all operations, internationally recognized quality management systems, including AS/EN certifications,



are implemented alongside continuous improvement practices focused on waste reduction, operational efficiency, and in-process error prevention. In this context, our sustainable product portfolio is presented under two main business areas: Tire Reinforcement Technologies and Composite Technologies.

Tire Reinforcement Technologies

Kordsa’s tire reinforcement technologies are shaped by rapidly evolving global automotive dynamics, including intensifying competition, shifting supply-demand balances, and the transition toward sustainable mobility. In this environment, the increasing demand for high-performance and larger-size tires, particularly driven by the growth of electric vehicles, has redefined product requirements in terms of durability, efficiency, and environmental impact. Leveraging its strong product portfolio, global footprint, and long-standing expertise in polyamide 66 and polyester technologies, Kordsa continues to differentiate itself by maintaining technological leadership and market resilience. In response to these trends, the Company develops next-generation reinforcement solutions that combine high strength and performance with sustainability attributes, including reduced rolling resistance, optimized material use, and extended product life, while also enabling more efficient production processes.

Sustainability-driven innovation remains a core focus in tire reinforcement activities. Kordsa advances its R&D efforts on recycled and bio-based raw materials while collaborating with leading industry players to accelerate product validation and commercialization. These initiatives support circular economy practices and contribute to lower environmental impact through reduced resource use and improved fuel efficiency, while also enhancing driving safety and comfort. In parallel, digital innovations such as RFID-enabled tire solutions enhance traceability, lifecycle monitoring, and data-driven optimization, supporting more efficient and transparent product use. Through this integrated approach, Kordsa continues to deliver high-value, sustainable solutions as a strategic partner to leading global tire manufacturers. The following disclosures outline our tire reinforcement products and their key sustainability features.



CoKoon Dipping Technology

Developed by Kordsa in collaboration with Continental, CoKoon Dipping Technology represents a transformative innovation in tire reinforcement, offering a sustainable alternative to conventional bonding systems. By eliminating the use of formaldehyde and resorcinol in the adhesion of textile reinforcement materials to rubber, CoKoon contributes to a safer and more environmentally responsible production process.

Designed for seamless integration, the technology can be implemented across existing production lines without requiring additional equipment or investment, enabling rapid and scalable adoption. Through an open licensing model established with Continental, Kordsa supports the widespread dissemination of CoKoon, contributing to the establishment of a new global benchmark for sustainable tire manufacturing.

The CoKoon Dipping Technology delivers a cost-efficient and sustainable solution without requiring additional investment, while significantly enhancing occupational health and safety by eliminating hazardous chemicals from dipping processes. With its REACH-compliant, formaldehyde- and resorcinol-free formulation, it also contributes to reducing the environmental footprint of tire manufacturing.



Smart Mobility – RFID Technology

Kordsa is pioneering the integration of RFID (Radio Frequency Identification) technology into tire identification, enabling fully contactless tracking from production to end-of-life. RFID tags are embedded into tires before curing, becoming a durable, lifelong component capable of withstanding extreme conditions.

This solution provides event based real-time visibility and actionable data for OEMs, distributors, and fleet operators, improving tracking, efficiency, and decision-making across the tire lifecycle.

Developed with SES RFID Solutions GmbH, Kordsa’s patented flexible hybrid antenna integrates seamlessly into tires without additional processing, ensuring a cost-effective and scalable solution.

Technology also enhances transparency in recycling, supporting better waste management and sustainability. Kordsa is now advancing next-generation RFID solutions with smaller tags and improved RF performance to further expand smart mobility applications.

Innovative and Sustainable Cord Fabric Solutions for Electric Vehicles and Performance Tires

As the automotive industry shifts toward electric vehicles and high-performance tire applications, next-generation tire requirements increasingly emphasize higher strength, reduced rolling resistance, lightweight structures, enhanced wear resistance, lower noise levels, and improved sustainability performance. In response to these evolving needs, Kordsa develops advanced cord fabric solutions

under its Electric Vehicle product portfolio, which is positioned around durability, energy efficiency, and sustainability.

Within this portfolio, Ultra High Tenacity polyester (UHT 7G PET) enables thinner cord fabric structures and reduced rubber usage, contributing to lighter tires and improved energy efficiency through lower rolling resistance. Hybrid reinforcement solutions combining aramid and nylon offer superior strength and durability, making them well-suited for both electric vehicles and high-performance tire applications. In addition, the use of recycled PET and nylon materials supports reduced environmental impact while maintaining high performance standards.

Sustainable Polyester Tire Reinforcement Products



Kordsa continues projects to produce PET cord fabric using recycled raw materials, aiming to achieve high-performance tire applications upon approval of yarns developed through various recycling technologies. Through ongoing R&D, the Company enhances the performance of cord fabrics and yarns while offering products based on more sustainable raw material sources.

Pilot trials and industrial-scale production have been completed using yarns with 100% chemically recycled polymer. Following its implementation in the Indonesian facility, other plants also initiated production of 100% chemically recycled polyester yarn in 2024, while the Brazil plant successfully achieved production of 100% mechanically recycled yarn.



Project Name	Chemically Recycled PET for Technical Textile*	Mechanically Recycled PET for Technical Textile*
Place	Kordsa Global Technology R&D Center	Kordsa Global Technology R&D Center
Objectives and Actions	This project focuses on advancing chemical recycling technologies for PET to support the development of sustainable tire cord products, with particular emphasis on assessing the impact of current processes on product performance. Kordsa acts as a technology validator by evaluating chemically recycled PET feedstocks through comprehensive analysis of recycling systems. By collaborating with technology providers and assessing process maturity and TRL, raw material classification approaches aligned with product requirements are established. The project includes identifying local and global suppliers of recycled PET materials. Samples are obtained in chip form and tested at laboratory scale to assess material properties, followed by yarn and tire cord fabric trials across production facilities. Final validation is achieved through tire simulation tests at customer sites, confirming successful performance.	This project aims to build a strong foundation in mechanical recycling technologies for PET, focusing on the development of sustainable tire cord materials and evaluating the effects of current recycling processes on performance. Kordsa evaluates the feasibility of mechanically recycled PET feedstocks through detailed analysis of recycling systems. Through collaboration with technology providers and assessment of process maturity and TRL levels, raw material classification frameworks aligned with product targets are implemented. The project also involves identifying local and international suppliers of recycled PET. Samples are procured in chip form and analyzed through laboratory testing, followed by yarn and tire cord fabric trials at different facilities. Performance is validated through tire simulation tests conducted with customers, demonstrating successful application.
Results	These projects support the increased use of recycled PET in tire reinforcement applications, contributing to circular economy practices. In addition to environmental benefits, they promote recycling awareness, support workforce development, and create new business opportunities. Kordsa has been recognized as a finalist in the “Circular Economy” category of the Sustainable Business Awards for its innovative use of recycled PET in tire reinforcement materials and its contribution to sustainability and socio-economic value creation.	
Plans for Future	Building on the successful outcomes, Kordsa aims to further integrate recycling technologies into its production processes and product portfolio, expanding the use of sustainable materials across its operations.	

*Ongoing projects focused on keeping pace with advancements in recycling technologies and continuously improving the products we develop.





Recycled Nylon 6,6 Tire Reinforcement Products

At Kordsa, we are dedicated to advancing our customers' sustainability ambitions by developing solutions that contribute to a more responsible and resilient future. In this context, we have developed yarns and cord fabrics incorporating 40% mechanically recycled Nylon 6,6, delivering performance characteristics closely aligned with those of fully virgin materials. Within this scope, production and technological nylon waste is processed through dedicated recycling systems to produce nylon chips, which are then reintroduced into yarn and fabric manufacturing processes as secondary raw materials. We accomplished maintaining critical performance parameters while increasing the use of recycled inputs in high-performance applications. LCA results indicate that the use of recycled content significantly reduces the carbon footprint of tire cord products compared to those produced entirely from virgin materials. As Kordsa, we are actively evaluating potential supply options for post-consumer recycled nylon and expanding the use of recycled inputs across our production processes.

Innovative research and development activities are also ongoing at our R&D plants for further improvement and testing;

Chemically Recycled Nylon 6,6: Advancing Circularity in Tire Reinforcement

As part of its circular economy strategy, Kordsa is actively assessing the potential of chemically recycled Nylon 6,6 derived from end-of-life automotive and textile waste streams. This solution is designed to achieve up to 100% sustainable content while maintaining high-performance characteristics. LCA results indicate that this approach can deliver up to an 88% reduction in carbon footprint compared to conventional virgin-based materials.

Enzymatically Recycled Nylon 6,6: A Bio-Based Recycling Approach

Kordsa is also exploring enzymatic recycling technologies as an innovative biotechnological pathway for Nylon 6,6 recovery. This method focuses on processing mixed textile waste to enable high levels of sustainable content, with a target of reaching 100%. Currently under evaluation, this solution represents a promising option within Kordsa's broader sustainability roadmap for developing low-impact material alternatives.

Biomass Balanced Nylon 6,6: Lower-Impact Material Alternative

Kordsa is evaluating biomass balanced Nylon 6,6 as part of its efforts to reduce the environmental footprint of tire cord materials. By incorporating renewable feedstocks, this approach can achieve up to 50% sustainable content while enabling approximately a 25% reduction in carbon emissions compared to conventional alternatives. The concept is currently under strategic assessment for its applicability in tire reinforcement products.

Composite Technologies

Over the past decade, Kordsa has strategically transformed its composite technologies business into a core pillar of its global operations, evolving beyond traditional reinforcement into an integrated advanced materials platform. Through acquisitions and in-house capabilities, the Company has established a value chain spanning fabric design, prepreg manufacturing, honeycomb structures, and high-temperature composite systems. Supported by a global production and technology network across North America, Europe, and Asia, this structure enables Kordsa to address complex material needs across aerospace, automotive, mobility, and other high-performance industries. At the center of this ecosystem, the Composite Technologies Center of Excellence (CTCE), developed through industry-academia collaboration, brings together research, design, engineering, prototyping, and industrial-scale production under one structure.

Building on this foundation, Kordsa develops advanced composite solutions that deliver lightweight, high-strength, and durable performance while supporting sustainability objectives. Its portfolio includes aerospace-grade materials such as prepregs, sandwich panels, honeycomb cores, and flame-retardant systems compliant with industry standards, contributing to improved fuel efficiency and lower emissions. At the same time, the Company advances lower-impact alternatives through natural fiber-reinforced composites and bio-based resin systems, while prioritizing energy efficiency, emissions reduction, and life cycle thinking across product and process design. Supported by ongoing investments and strategic collaborations, this approach strengthens Kordsa's ability to respond to evolving regulations, customer expectations, and sustainability trends while maintaining high quality and performance standards.

Sustainable Solutions for Composite Materials

Kordsa continues certification and qualification processes for aerospace-grade composite materials, enabling the use of lightweight, high-strength, and durable solutions across applications. Its portfolio includes cabin interior sandwich panels, flame-retardant prepregs with low fire and smoke toxicity compliant with FAR 25.853, Nomex® honeycomb cores, and other structural components.

Conventional composites based on resin systems reinforced with carbon and glass fibers contribute to weight reduction, improved fuel efficiency, and lower emissions. In line with its sustainability objectives, Kordsa is advancing materials incorporating natural fibers and bio-based resin matrices. Following its investment in BPREG in 2024, the Company continued its efforts in 2025 to strengthen its capabilities in natural fiber-reinforced thermoset and thermoplastic composites, supporting the development of lower-carbon, high-performance material solutions across multiple industries.

Water Based Phenolic Honeycombs

Kordsa manufactures aramid honeycomb cores for a wide range of applications, including aerospace, aviation, construction, and consumer products. These cores are produced from Nomex® paper coated with water-based phenolic resin, providing exceptional flame resistance and compliance with stringent aerospace standards. Unlike conventional production methods, Kordsa's solvent-free formulation significantly reduces volatile organic compound (VOC) emissions, contributing to a safer production environment while minimizing the release of hazardous substances.

Out of Autoclave Prepregs

Kordsa has developed out-of-autoclave prepreg solutions that eliminate the need for traditional autoclave processes. By enabling curing through vacuum bag systems, this approach offers substantial energy efficiency advantages compared to conventional methods. Out-of-autoclave technology represents a more environmentally friendly alternative, delivering energy savings of up to 80% while maintaining high performance standards.

Biobased System for Honeycomb

Kordsa has introduced a next-generation honeycomb solution incorporating a bio-based resin system, offering a sustainable alternative designed with both environmental and human health considerations in mind. As a pioneering development in composite materials, this solution achieves a significantly reduced carbon footprint through both its material composition and production approach.



Project Name **Development of Sustainable Composite Materials**

Place İstanbul Composite R&D Center

Objectives and Actions The goal is to develop sustainable composites made from renewable resources such as biobased resins and natural fibers. This project aims to create eco-friendly materials that minimize carbon emissions by focusing on biobased and recyclable resins and fibers instead of traditional chemicals, ensuring mechanical integrity while adhering to sustainability principles.

Each component will be thoroughly characterized by mechanical, thermal, physical and chemical tests and performance compared to existing products through competitive analysis. Funded by TÜBİTAK 1515 Leading R&D Laboratories Support Program, this initiative aims to advance sustainable composite solutions.

Results Lab-scale formulations were developed using various biobased and recyclable thermoset resins sourced from multiple suppliers, and the resulting materials were evaluated for performance and compatibility with the existing production process. Based on these results, the most promising formulations were selected for large-scale prepreg trials, the findings were presented at the Polymer Science and Technology Congress, and discussions with suppliers for further sustainable formulation development are ongoing.

Plans for Future Expand research into additional applications of biobased composites beyond aircraft interiors, such as automotive and marine industries.

- Explore advanced processing methods to improve scalability and versatility of biobased prepreg systems.
- Establish collaborations with academic and industrial partners to further innovate and publish patents, papers and give conference talks.



Project Name		Flaxcycle
Place	İstanbul Composite R&D Center	
Objectives and Actions	The project focuses on developing flax fiber-reinforced thermoplastic composites as sustainable alternatives to conventional thermoset-based materials. By utilizing renewable flax fibers together with polypropylene (PP) and polylactic acid (PLA) matrices, the initiative aims to deliver lightweight, recyclable, and environmentally friendly material solutions. The resulting prepregs are further processed into slit tapes, enabling compatibility with automated manufacturing technologies such as Automatic Fiber Placement (AFP), which enhances production efficiency, precision, and repeatability.	
	The project aims to address the increasing demand for sustainable and automation-compatible materials, particularly in automotive and aerospace applications. It focuses on developing solutions suitable for visual and non-structural components while ensuring process efficiency, scalability, and alignment with the principles of circular economy.	
Results	Technical: In collaboration with BPREG, EcoRein was developed as a high-performance composite combining natural flax fibers with recyclable and biodegradable polymers.	
	Environmental: The material offers significant sustainability advantages, including reduced energy consumption, lightweight structure, and full recyclability.	
	Industrial Impact: EcoRein provides a competitive solution for automotive, aerospace, and industrial applications by combining performance with sustainability.	
Future Plans	Kordsa aims to commercialize the developed material across new application areas, further expanding its sustainable product portfolio and supporting broader adoption of bio-based composite solutions.	

Sustainability Features of Composite Products Developed at Kordsa

- Materials using bio-based resins and natural fibers provide more environmentally friendly alternatives while maintaining competitive mechanical performance.
- Bio-based resin systems offer improved mechanical and fire-resistant properties with lower product-level carbon footprints due to their renewable content.
- Carbon fiber fabrics contribute to sustainable mobility through their use in lightweight composite battery enclosures for electric vehicles.
- Solvent-free, flame-retardant epoxy prepreg solutions for the aviation industry reduce environmental impact while ensuring high fire performance.
- Flame-retardant resin systems enhance fire safety by delaying the release of harmful gases.
- Ceramic matrix composites used in aircraft engine components enable higher operating temperatures and improve fuel efficiency.
- Advanced resin mixing systems reduce energy consumption by preventing repeated heating cycles.
- Recyclable thermoplastic glass fiber-reinforced polypropylene prepregs support circular material use across industries.
- Third-generation out-of-autoclave prepregs reduce CO₂ emissions by replacing energy-intensive curing processes.



Project Name Biobased Interiors Project (2022-2025)

Place	Axiom Materials Inc.
Objectives and Actions	The project aims to replace conventional phenolic prepregs used in aircraft interior panels with a more sustainable alternative. It focuses on developing a bio-based prepreg system using furan resin, while ensuring compliance with required mechanical, thermal, and FST (Fire, Smoke, Toxicity) performance criteria. The initiative also targets reducing reliance on fossil-based chemicals and lowering the overall carbon footprint of the material system. The project targets the development of a furan-based prepreg that matches the performance of existing phenolic systems, while ensuring processability, laminate quality, and compatibility with standard manufacturing processes. It also aims to increase bio-based content and enable scalable production using existing equipment.
Results	Economic: Reduced dependency on phenolic chemistry and potential long-term cost advantages through renewable raw materials. Social: Improved working conditions by reducing exposure to hazardous emissions and supporting industry sustainability expectations. Environmental: Lower carbon footprint, reduced fossil-based inputs, and minimized hazardous by-products. Corporate: Strengthened sustainability portfolio, enhanced innovation positioning, and development of internal know-how in next generation prepreg systems.
Future Plans	Kordsa plans to collaborate with leading aerospace OEMs to evaluate the developed material in real applications, align on qualification requirements, and explore integration into future aircraft interior programs.

Project Name Biobased Honeycomb Project (2024-2025)

Place	Axiom Materials Inc.
Objectives and Actions	The project focuses on evaluating bio-derived furan resin as a sustainable alternative to conventional phenolic resin used in Nomex® honeycomb structures for aerospace applications. It aims to reduce environmental impact while maintaining mechanical integrity, thermal stability, and FST (Fire, Smoke, Toxicity) performance. Key focus areas include optimizing resin impregnation, ensuring structural reinforcement, achieving consistent curing behavior, and ensuring compatibility with existing manufacturing processes. The project aims to demonstrate the sustainability advantages of furan resin, including lower carbon impact and higher renewable content, while achieving performance comparable to phenolic-based systems. Additional targets include ensuring FST compliance, process compatibility, and establishing stable and scalable production parameters.
Results	Environmental: Reduced carbon footprint and lower VOC and hazardous emissions during processing. Social: Improved workplace safety through reduced exposure to phenolic emissions and increased sustainability awareness. Corporate: Strengthened alignment with aerospace sustainability goals and enhanced positioning in next-generation bio-based composite technologies.
Future Plans	Kordsa aims to collaborate with leading aerospace OEMs to evaluate the developed honeycomb structures in real applications, align on qualification requirements, and explore integration into future interior panel programs.



Digital Transformation

The year 2025 marked a new phase in Kordsa’s digital transformation journey, with a renewed vision and the redesign of business processes through advanced technologies. Across tire reinforcement and composite technologies, processes were restructured end-to-end, strengthening flexibility and competitiveness through digital integration spanning production, supply chain, R&D, and customer relations. Advanced automation systems and real-time data infrastructures implemented in production lines significantly improved transparency and traceability, while digitalized workflows shortened product development cycles and enhanced the precision and speed of quality control processes. In this context, the Finishing Quality Sensor project enabled real-time data collection, visualization, and traceability, preventing defective products caused by production errors from reaching customers.

Digital platforms in supply chain management strengthened supplier collaboration and improved efficiency in inventory and logistics processes. In 2025, an AI-supported energy optimization project was implemented across production facilities, optimizing energy and resource use, delivering cost advantages, reducing carbon footprint, and contributing to environmental sustainability goals. Digital monitoring systems also enabled real-time tracking and remote intervention, supporting rapid response to potential failures. In composite technologies, new investments accelerated product development and expanded the product portfolio, while digital capabilities improved responsiveness to customer needs in aerospace and automotive applications.

Data Analytics and Artificial Intelligence Applications

Data analytics and artificial intelligence have become integral to Kordsa’s operations. In tire reinforcement, big data and machine learning applications improved quality control, production optimization, and forecasting processes, while energy optimization initiatives in twisting production lines delivered energy savings and supported leaner

planning processes. Data collected through sensor networks across production lines are analyzed using AI algorithms, enabling early detection of failures and proactive maintenance management, thereby minimizing unplanned downtime and increasing production continuity and efficiency. At the same time, data analytics models used for demand forecasting improved responsiveness to market dynamics and enhanced customer satisfaction, while advanced analytics applied in yarn production lines further optimized processes and enabled maximum production efficiency.

AI-supported decision support systems contribute to strategic decision-making by generating insights from large datasets, improving both operational and financial performance. To support employee adaptation, comprehensive training and development programs were conducted, strengthening digital capabilities across the organization. Through Kordsa GPT and generative AI applications, access to internal knowledge has been accelerated, enabling more efficient and creative workflows. AI-based simulation and modeling tools have also been used in R&D and innovation projects to accelerate new product development. In addition, projects developed for corporate email communication enhanced both security and inclusiveness, enabling AI-based anomaly detection to prevent malicious and phishing emails while reducing biased language usage by approximately 50%.

Digital Transformation Roadmap

The X+3 digital transformation roadmap, introduced in 2024 in line with Kordsa’s strategic priorities, is regularly reviewed and updated by IT teams. Projects aimed at increasing digital maturity continue, supported by the global rollout of next-generation ERP systems, ongoing improvement initiatives, and the expansion of cloud-based solutions. Cybersecurity and data protection practices aligned with international standards have been implemented to safeguard digital assets, while stakeholder participation in the transformation process has been encouraged to strengthen collaboration and innovation culture.

Regular digital maturity assessments are conducted to evaluate progress, with results used to continuously update the roadmap and ensure sustainable success. In 2025, employee training and seminars in artificial intelligence further enhanced digital competencies and strengthened digital awareness across the Company. Complementing these efforts, Kordsa’s Global IT team developed a Digital Culture Ecosystem to strengthen employee engagement, collaboration, and innovation in hybrid working environments. Developed entirely through internal resources, the ecosystem integrates initiatives such as JoJo Chatbot, Emoji Board, Music Friday, Mystery Lunch, Ideation Hub, Show & Tell sessions, Culture Hour, and the Memory Wall, creating diverse channels for communication, knowledge sharing, and employee participation. By combining digital tools with cultural and social interaction mechanisms, the initiative contributed to stronger cross-functional collaboration, enhanced psychological safety, and a more connected digital workplace culture.

The roadmap also prioritizes sustainability and environmentally friendly technologies, with digital solutions developed for energy efficiency and waste management. Projects improving real-time traceability in supply chain and sales processes have increased lifecycle transparency and enabled faster decision-making.

Digital Projects Driving Efficiency and Agility

Digital projects initiated and completed in 2025 significantly improved operational efficiency and agility. Automation and IoT-based monitoring systems reduced disruptions and optimized resource use across production lines, while digital platforms enhanced customer integration and enabled more transparent and effective collaboration with business partners. By incorporating cybersecurity across customer and supplier interfaces, Kordsa strengthened its ecosystem and supported value-creating improvements.

To reinforce cyber resilience, Kordsa collaborated with business partners and industry leaders, closely monitoring cybersecurity trends and threats and

continuously updating its strategies. AI-based threat detection and analysis automation processes were developed, and automated security operations and anomaly detection modules were successfully implemented in 2025. This initiative represents a strategic step within the digital transformation roadmap and is expected to be further strengthened through future threat intelligence integrations. A browser-based AI assistant enabled faster access to corporate information and automated email routing, allowing natural language access to policies and documents while ensuring incoming communications are directed efficiently to relevant teams.

To support employee safety, a mobile application integrated with Kandilli Observatory earthquake data enables employees to send “I am safe” or “I need help” notifications via SMS along with location information. In drills, 1,400 employees were reached within 30 minutes, demonstrating high effectiveness in crisis management. These projects have played a critical role in advancing operational excellence, supported by innovation-driven culture and continuous development mindset.

Outcomes of Digital Transformation

As of 2025, digital transformation initiatives have strengthened competitiveness in tire reinforcement and composite technologies while improving operational efficiency and supporting sustainability objectives. AI and data analytics applications accelerated decision-making processes and improved customer satisfaction. Aligned with its roadmap, Kordsa continues to position itself as a future-ready, agile, and innovative organization, with digital transformation contributing not only to financial performance but also to employee satisfaction and social responsibility initiatives.

Achievements in digital transformation have been recognized through national and international awards, while strong digital capabilities and an innovation-driven culture continue to support long-term growth and value creation. In 2025, these outcomes played a significant role in advancing Kordsa’s sustainable growth and societal impact objectives.



ENVIRONMENTAL MANAGEMENT

Climate action and the protection of the natural environment lie at the very core of our sustainability vision and of our long-term value-creation model. Guided by this vision, we are advancing a clearly defined Low-Carbon Transition Plan that translates our Science Based Targets initiative (SBTi)-validated near- and long-term commitments into concrete operational priorities, charting our pathway toward net-zero across our value chain.

Beyond climate, we recognize that long-term industrial competitiveness depends on the responsible stewardship of the natural capital on which our operations and our value chain ultimately rely. In line with ISO 14001 and other internationally recognized standards, we extend our environmental management approach beyond our own facilities to the entire supply chain, aiming to reduce impacts, use shared resources responsibly, and strengthen resilience across our operations and beyond.

[Materials and Chemicals Management](#)

[Product Use and Product End-of-Life](#)

[Energy Management](#)

[Emissions Management](#)

[Air Pollution Management](#)

[Waste Management](#)

[Water and Wastewater Management](#)

[Customer Health and Safety](#)

Lightness That Takes Flight Toward the Future

Nature whispers through a maple seed that the secret to gliding without flapping lies in lightness and flawless aerodynamics. Inspired by this delicate yet durable structure, we are making aviation lighter and shaping the future with our advanced composite technologies.



At Kordsa, we position environmental stewardship as a fundamental element of our commitment to a sustainable future. We integrate the ISO 14001 Environmental Management System, together with relevant national and international standards, into our environmental management practices to ensure a structured and consistent approach.

In 2025, we allocated a total of USD 1.74 million to initiatives aimed at improving energy efficiency, increasing material circularity, preventing pollution, and reducing emissions and water consumption. Through our sustainable supply chain program, we expand our environmental management practices beyond our own operations by working closely with suppliers to integrate these principles throughout the value chain and foster a collective positive environmental impact. These efforts demonstrate our ongoing commitment to reducing our environmental footprint and progressing toward our sustainability goals.

In parallel, our R&D and production teams are actively involved in initiatives that promote the use of recycled and more sustainable materials, further advancing our environmental performance through innovation-driven and application-focused approaches.

In 2025, we take justified pride in the fact that none of our facilities incurred any fines or penalties related to environmental non-compliance, while half of our facilities hold ISO 14001 certification. We enhanced the competencies of our teams by delivering 29,609 man-hours of training in occupational health, safety, and environmental topics. These trainings covered upcoming regulatory developments as well as key management practices, including GHG and air emissions, water and waste management, chemical management, LCA methodology, and the ISCC Plus Standard. Environmental risk and impact management across the value chain was also addressed within this scope.

We systematically conduct annual environmental risk and impact assessments across 100% of our facilities and achieved zero environmental incidents or spills as of 2025.

We operate robust air emissions monitoring systems, supported by control technologies designed to prevent atmospheric pollutants, which are regularly verified by accredited organizations to ensure regulatory compliance. In addition, our Safe Chemical Management System reflects our strong commitment to protecting both the environment and human health, supported by comprehensive protocols governing the entire lifecycle of chemicals, from use to disposal.

At Kordsa, we strive to sustain and promote local biodiversity through sustainable land management and conservation. While past Environmental Impact Assessments (EIAs) have not identified any significant adverse impacts on biodiversity at our sites, we continue to integrate biodiversity considerations into our broader sustainability strategy. Kordsa has no sites or operations located in or near biodiversity-sensitive areas.

In this context, we aim to further strengthen our approach through future initiatives that support the conservation of nature in alignment with our Global Environmental and Sustainability Policies. Our comprehensive **[Global Environmental Policy](#)** and **[Sustainability Policy](#)** are available on our official **[website](#)**.





Materials and Chemicals Management

At Kordsa, effective chemical & material management is not only an operational necessity but also a key pillar of our commitment to sustainable manufacturing. As Korda we strive to reduce harm to the environment by substituting input materials with less hazardous or toxic. In a rapidly evolving industrial landscape, we recognize that every material we source, store, and utilize has an impact on the environment, our communities, and the long-term success of our business.

In 2025, 55% of our suppliers were sourced locally and 45% globally, demonstrating our balanced approach to enhancing supply chain resilience while supporting regional engagement. Approximately 70% of our total procurement expenditure was allocated to raw and other materials, and we systematically monitor chemical & material usage to drive efficiency. Accordingly, we embed intelligent and responsible chemical & material management practices across all our operations. This topic is owned by our SLT and is advanced through the coordinated efforts of our HSE, Production, R&D, and Quality teams across our facilities.

Kordsa is committed to ensuring that chemicals & materials used in its products and operations comply with applicable legal requirements and customer expectations. At Kordsa, our chemical management approach is fully aligned with the European Union’s REACH framework, encompassing the Registration, Evaluation, Authorization, and Restriction of Chemicals. We provide safeguarding human health and environmental protection by rigorously assessing chemical safety and implementing robust systems governing the safe handling, transportation, storage, and disposal of chemicals. Kordsa has specific protocols to label, store, handle, and transport hazardous substances to minimize environmental impact or exposure.

In line with this approach, we provide company-specific training programs to strengthen our employees’ knowledge and competence in the safe management of toxic and hazardous substances. These programs cover key topics such as chemical hazard identification, safe handling practices, the use of personal protective equipment, and emergency response. These trainings are provided as part of our core OHS training program, with relevant employees additionally receiving 6 hours of specialized ADR training, ensuring consistent application of safe chemical management practices across all operations. For detailed OHS training hours, please refer to the Performance Indicators.

In the [Environmental Performance Indicators](#) section, we provide detailed information on the proportion of materials reused across our facilities, demonstrating our commitment to sustainability.

Further information on our Materials and Chemicals Management approach (Implementation and Control) is available [here](#).

Environmental Emergency Preparedness and Response

At Kordsa, we implement comprehensive emergency preparedness and response procedures to prevent the unintended release of chemicals into the environment during operational activities. In 2025, no chemical-related environmental incidents occurred across our operations, as reflected in our Accidental Pollution Events record in the Environmental Performance Indicators. To maintain this performance and ensure ongoing operational readiness, we conduct periodic environmental emergency response drills across our facilities, including chemical leakage response training exercises.

Kordsa’s procedures define clear roles, responsibilities, and response actions for potential chemical spills and leaks, supported by appropriate containment equipment and regular risk assessments across our facilities. Our framework is documented through our Spill Response Procedure, ensuring operational

readiness and continuous improvement of our response capabilities.

At Kordsa, we are committed to promoting resource efficiency through collaborative initiatives that extend beyond our own operations to include our customers. While developing products aligned with our sustainability objectives, we place strong emphasis on improving material efficiency across both our operations and our customers’ processes. In this context, we carry out numerous operational and R&D projects focused on the reuse, recovery, and reduction of material consumption.

Use of Eco-friendly or Bio-based Input Materials

Kordsa advances the use of eco-friendly and bio-based input materials through solutions such as the Biobased System for Honeycomb, which incorporates a bio-based resin system with a significantly reduced carbon footprint, and continues to expand its work on natural fiber-reinforced thermoset and thermoplastic composites.

Use of Alternative, Less Hazardous Substances in Operations

Kordsa efforts minimize the use of hazardous substances by opting for alternative and less hazardous materials used during operations. Hazardous substances are progressively replaced with safer alternatives, as demonstrated by the CoKoon Dipping Technology that eliminates formaldehyde and resorcinol from textile-to-rubber bonding processes while enhancing occupational health and safety.

The CoKoon Dipping Technology delivers a cost-efficient and sustainable solution without requiring additional investment, while significantly enhancing occupational health and safety by eliminating hazardous chemicals from dipping processes. With its REACH-compliant, formaldehyde- and resorcinol-free formulation, it also contributes to reducing the environmental footprint of tire manufacturing.

Reuse of Packaging Materials & Recovered Input Materials

At Kordsa, the recovery and reuse of input materials is an integral part of our circular economy approach, helping us conserve natural resources, reduce reliance on virgin raw materials, and minimizing our product environmental footprint.

Reusing the packaging materials initiative was first launched at our Türkiye facility with the reuse of paper tubes and has since been expanded to include carton separators, steel shells, and wooden pallets, gradually extending across our other operations. We collect steel shells used as packaging for our products from our customers and reintegrate them into our processes. In addition, we continue to enhance material efficiency by reusing packaging components such as tubes, paper separators, and wooden pallets within our operations. In 2025, a total of 1.7 million units of materials were reused across our facilities, delivering cost savings of approximately USD 2.9 million. We continue to expand this initiative to additional sites and remain confident in further improving the process in the coming years.

Complementing this approach at the raw-material level, we also recycle our production-related nylon scraps and reintegrate them as recycled nylon chips into our yarn and fabric production. This enables us to significantly reduce virgin nylon raw material consumption. On the other hand, Life Cycle Analysis indicates that the use of recycled nylon content in our tire cord fabric significantly reduces the carbon footprint of the final product compared to fully virgin-based alternatives. Building on this experience, we are also exploring the use of post-consumer recycled materials as input in our future production, further strengthening the circularity of our value chain. We also developed products with recycled polyester raw materials. This achievement also enables us to reduce our consumption of virgin polyester raw materials. We have detailed our projects and products related to the use of recycled materials in the [Strategy and Business Model](#) section of this report.



Product Use and Product End-of-Life

At Kordsa, we extend our environmental stewardship beyond our own operations by addressing the environmental impacts associated with both the use phase and the end-of-life phase of our products. Guided by our Sustainability Policy and Product Life-cycle approach, we are committed to developing solutions that minimize environmental impact of our products during use and that support circularity at the end of their service life. We perform life cycle assessment studies of our products and use analysis results in our decision-making processes.

In 2025, we continued to implement initiatives aimed at reducing the environmental impacts associated with the use phase and end-of-life management of our products and packaging. These efforts included product design improvements, technical evaluations, performance comparisons, and internal development studies aimed at reducing the consumption of energy, water, chemicals, consumables, or other resources during product use. We also focused on designing and developing products that can extend our products lifetime. Among the various approaches we considered, lightweighting and durability were also part of these efforts.

To reduce environmental impacts from product and packaging end-of-life, we aim to further strengthen our approach to circularity, responsible disposal, and material recovery. As part of our forward-looking strategy, we plan to collaborate with external stakeholders on product end-of-life management activities. These collaborations are intended to support efforts related to product recovery, recycling, safe treatment, and improved end-of-life practices. By working with external partners, we are prioritizing actions that will help us contribute to broader circular economy practices beyond our own operations. Details of the collaborations we have undertaken on this topic can be found under the **Strategy and Business Model** section.

We also provided information to product users on proper product disposal, recycling, or return options to promote circular material flow. We provided product labels, brochures, technical documents, customer communications, or other relevant channels. This information was designed to guide users on appropriate end-of-life handling and to help minimize landfill disposal, environmental leakage, and the use of virgin materials in new products.

In 2025, we also focused on optimizing primary packaging to reduce material consumption and facilitate disposal by product users. Within this scope, actions were taken to reduce packaging weight, simplify material composition, or increase recyclability. Through packaging optimization, we aim to reduce resource consumption, support efficient waste management, and improve the environmental performance of our products and packaging.

Our comprehensive environmental management approach continues to guide our actions across our operations and value chain. In 2025, we maintained our focus on product stewardship, resource efficiency, circularity, and responsible environmental management, while continuing to identify new opportunities to reduce the environmental impacts of our products throughout their life cycle.





Energy Management

At Kordsa, we recognize that the energy-related decisions we make today play a critical role in shaping a more sustainable future. With a forward-looking approach, we prioritize improving energy efficiency and reducing energy intensity across our operations, aiming to minimize energy consumption per unit of production while supporting our broader sustainability objectives.

At Kordsa, electricity, natural gas, and steam constitute the primary energy sources supporting our operations and are managed systematically in line with our **Energy Management Policy**.

Our Energy Committee, composed of representatives from various functions, regularly monitors and measures energy consumption in accordance with ISO 50001 standards. The committee prepares comprehensive energy reports and leads initiatives aimed at improving energy efficiency and reducing consumption, with a target of achieving at least 1% annual efficiency improvement compared to previous years.

By proactively aligning with energy regulations and standards, we demonstrate leadership in responsible manufacturing while strengthening our competitiveness in global markets. We deliver comprehensive training programs on energy efficiency and conservation across all our facilities, and our energy management teams actively participate in consultancy sessions and technology-focused trainings to stay up to date with emerging developments.

In 2025, energy audits conducted by external experts at our İzmit and Thailand facilities identified additional opportunities to further enhance energy efficiency.

At the beginning of each year, our facilities initiate

projects aligned with our energy efficiency objectives. Building on the programs implemented in 2025, our energy training initiatives, designed to enhance employees’ awareness and capabilities in energy-saving practices, continued across all locations this year, further strengthening our performance. Through quarterly Sustainable Production Working Group meetings, attended by representatives from all our global facilities, we review the progress of annual energy efficiency projects and monitor overall energy consumption. Renewable energy usage rates are also assessed on an annual basis.

We systematically monitor energy consumption patterns at both facility and process levels, recognizing the direct impact of product diversity and production planning on energy use. Key performance indicators such as Dtex, speed, scrap rates, and unit production are reviewed on a monthly basis and evaluated during facility-level Business Planning Review meetings with relevant departments. Maintaining and prioritizing energy efficiency remains a consistent and integral focus of our operations year after year.

Performance in 2025

- Our electricity consumption showed a decrease of 22% compared to 2024, while natural gas consumption similarly decreased by 13%.
- Kordsa’s overall renewable energy consumption rate reached 19.55%, including 79,711 MWh of I-REC certified electricity purchased and 7,351 MWh of electricity generated through our own renewable energy facilities.
- A total of 6,872 MWh of electricity was generated through on-site solar power systems at our Indonesia and Thailand facilities.

Throughout 2025, Kordsa successfully implemented 12 energy efficiency projects. These included 9 electricity-saving initiatives delivering annual savings of 2,544 MWh, and 3 natural gas-saving initiatives achieving annual savings of 743 MWh.

Further details on our Environmental Management Approach (Implementations and Control) are available [here](#).

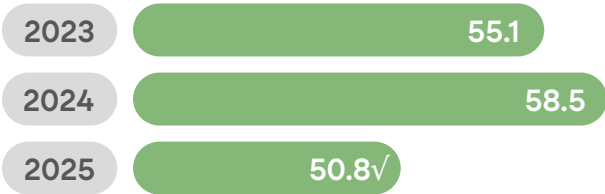
Additional information on our Energy Management Approach (Implementations and Control) can be accessed [here](#).

Detailed insights into our energy consumption data are provided [here](#).

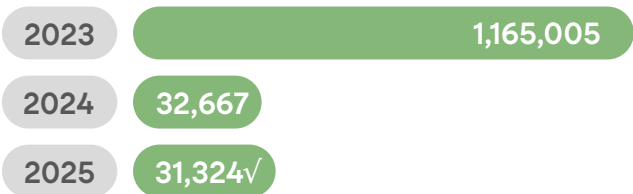
Electricity Consumption (MWh)



Natural Gas Consumption (Million Sm³)

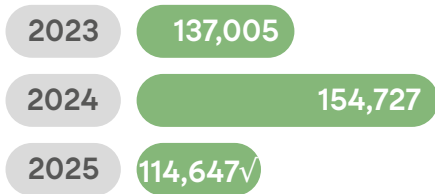


*LPG Consumption (kg)

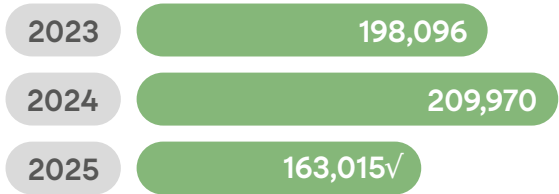


*LPG is used as an alternative fuel when necessary.

Diesel Oil Consumption (liter)



Gasoline Consumption (liter)





Energy Saving Projects

13 CLIMATE ACTION 	Selected Energy Saving Projects (Electricity) in 2025			
	Project Details	Site	Realized Annual Savings	Savings Unit
	Cooling Tower Energy Optimization Project	Türkiye	853,706	kWh/year
	Yarn Production Area Energy Saving Project	Türkiye	822,818	kWh/year
	Pressured Air Tank Bluff Reduction Project	Türkiye	403,716	kWh/year
	Air Handling Unit Motor and Fan Energy Efficiency Project	Indonesia	145,575	kWh/year
	Improving the Operating Efficiency of Electric Motors Project	Indonesia	113,400	kWh/year
	Energy Saving Project for twisting process	Thailand	110,916	kWh/year
	Dust Collection System Optimization Project for Energy Efficiency	Indonesia	62,500	kWh/year
	IoT-Enabled Lighting and HVAC Control Project	Indonesia	31,560	kWh/year
Total Saving 2,544,191 kWh/year				

13 CLIMATE ACTION 	Selected Energy Saving Projects (Natural Gas) in 2025			
	Project Details	Site	Realized Annual Savings	Savings Unit
	Polyester Styles Energy Efficiency Project for Dipping Ovens 2&7	Indonesia	420,565	kWh /year
	Polyester Styles Energy Efficiency Project for Dipping Ovens 6&7	Indonesia	318,515	kWh /year
Total Saving 742,572 kWh /year				



Project Name AI-enabled Energy Optimization and Recommendation System for Sustainable Manufacturing

Place Kordsa İzmit

Objectives and Actions The project aims to integrate energy efficiency and emission performance into production planning, making energy consumption a core decision-making parameter alongside operational criteria. It seeks to identify the most energy-efficient production conditions through AI-driven analysis of integrated production and energy data. By optimizing machine selection and operating parameters while proactively detecting abnormal energy consumption, the project aims to reduce energy costs, lower carbon emissions, and embed sustainability into daily operations.

Results The AI models achieved 93% accuracy on 10-minute data and 96% accuracy in order-based analyses, providing reliable decision support for energy-efficient production planning. The project identified an annual saving potential of 8.5 million kWh of electricity, approximately USD 777,000 in cost savings, and over 3,500 tons of CO₂ emission reductions, while embedding energy efficiency into day-to-day operational decision-making.

Future Plans The project continues to evolve into a scalable sustainable production platform. Ongoing work focuses on natural gas optimization, energy analysis of utility and auxiliary plants, and the integration of energy-focused production scheduling. With its structure suitable for multi-facility deployment, the platform offers a strong foundation for scalable and sustainable value creation across the organization.





Emissions Management

At Kordsa, we recognize climate change as one of the most pressing challenges facing our planet. In this context, we strive to meet our Science-Based Targets aiming to limit global warming to 1.5°C. We are targeting to achieve net zero greenhouse gas emissions across our value chain by 2050. In line with our commitment to the Science-Based Targets initiative, we continue to implement actions to reach our near- and long-term targets.

Responsibility

At Kordsa, climate action is positioned as a strategic priority at the highest levels of our organization. Within our governance structure, all governing bodies, starting from the Board of Directors, take responsibility for shaping climate-related strategies and ensuring the implementation of necessary actions to address climate change. We believe that effective climate leadership begins at the top and must be embedded across all levels of the organization.

To operationalize this commitment, we have established a dedicated management team responsible for driving our GHG emissions reduction efforts, supported by a dedicated budget allocated specifically for GHG management activities. Reinforcing accountability at the leadership level, the compensation of our management team is directly linked to performance against our GHG reduction targets, ensuring that progress toward our climate goals remains a tangible and measurable priority.

Guided by clearly defined responsibilities and ambitious targets, we continue to advance with determination toward a net-zero future.

Risk Management

At Kordsa, we monitor climate change-related risks within an integrated risk management framework led by the Early Detection of Risk Committee under the Board of Directors. We systematically assess potential regulatory developments associated with the transition to a low-carbon economy, while also evaluating risks and opportunities arising from extreme weather events and evolving customer preferences.

Climate-Change Related Targets

Overall Net-Zero Target:

Kordsa is committed to achieving net-zero greenhouse gas emissions across its entire value chain by 2050.

Near-Term Targets:

Kordsa targets a 46.2% reduction in absolute Scope 1 and Scope 2 GHG emissions by 2030, compared to the base year 2019. In addition, the Company aims to reduce absolute Scope 3 GHG emissions, covering fuel- and energy-related activities as well as the processing of sold products, by 25% by 2030, compared to the 2021 base year. Kordsa also commits to ensuring that 64% of its suppliers, by emissions related to purchased goods and services, will set science-based targets by 2027.

Long-Term Targets:

Kordsa aims to reduce absolute Scope 1 and Scope 2 GHG emissions by 90% by 2050, compared to the 2019 base year. Furthermore, the Company targets a 90% reduction in absolute Scope 3 emissions by 2050, compared to a 2021 base year, covering purchased goods and services, fuel- and energy-related activities, upstream and downstream transportation and distribution, and the processing of sold products.

In 2025, a 42.6% reduction in Scope 1 and Scope 2 greenhouse gas emissions was recorded compared to our 2019 base year. Due to the flood that occurred

in March 2025 in the region where Kordsa’s facilities in Indonesia are located, operations at the facilities were temporarily affected. As a result, GHG emission levels decreased beyond anticipated levels. In addition, our absolute Scope 3 GHG emissions from fuel- and energy-related activities and the processing of sold products decreased by 47.64% in 2025 compared to the 2021 base year.

The Steps We Took in Combatting Climate Change

- In 2023, we received an ‘A-’ leadership level rating for our CDP Climate Change Program. We secured our score ‘A’ in the CDP Supplier Engagement Rating.
- In 2024, we received ‘A’ leadership level rating in CDP Climate Change.
- In 2025, we earned a place on the CDP 2025 Global A List for both Climate Change and Water Security.

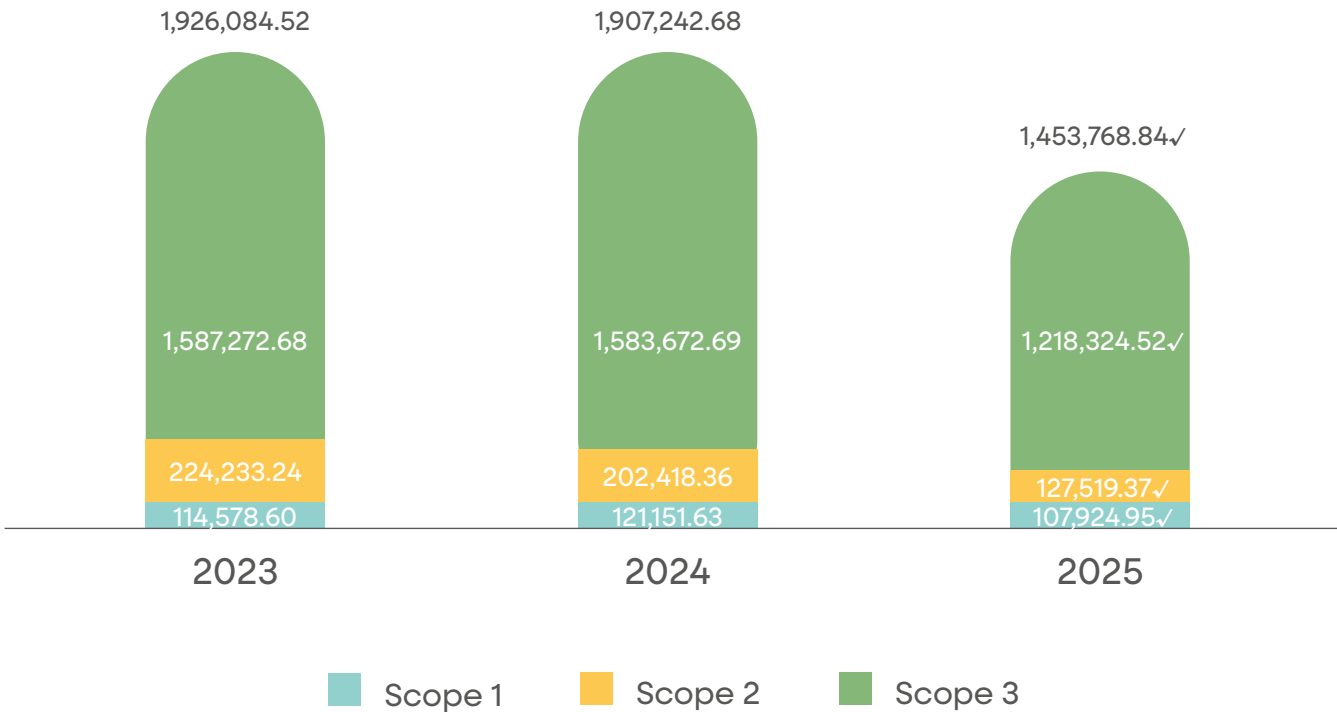




CDP Climate Change Theme Scores by Years



GHG Emissions (tCO₂e)



Total GHG Emissions* (tCO₂e)

S1+ S2

2023

2024

2025

338,811.84

323,569.99

✓ 235,444.32

S1 + S2 + S3**

1,926,084.52

1,907,242.68

✓ 1,453,768.84

✓ Data verified by Deloitte

*In 2025, we achieved 43% reduction in scope 1&2 emissions compared to the 2019 base year. Scope 2 emissions are market-based.

** Data from all Kordsa facilities are included.

The calculations were conducted according to the methodology outlined in the GHG Protocol.

Scope 3 Data Includes:

C1- Purchased Goods and Services

C3- Fuel and Energy Related Activities
(not reported under Scope 1 and 2)

C4- Upstream Transportation and Distribution

C5- Waste Generated in Operations

C6- Business Travel

C7- Employee Commuting

C9- Downstream Transportation and Distribution

C10- Processing of Sold Products

C12- End-of-Life Treatment of Sold Products

C13- Downstream Leased Assets

Our approach to emissions management is an integral component of our overarching **Sustainability Policy**. Our approach to non-GHG air emissions and other local environmental impacts, such as particulate matter, volatile organic compounds, noise, and odor, is addressed separately under the Air Pollution Management section.

A detailed overview of our environmental management strategy, encompassing both implementation and control mechanisms, is available [here](#).

A detailed overview of our emissions management strategy, encompassing both implementation and control mechanisms, is available [here](#).

For detailed insights into our emissions performance and reporting, please refer to the data provided [here](#).



Air Pollution Management

While our GHG emissions and climate-related performance are addressed under our Emission Management approach, we also recognize that non-GHG air emissions and other local environmental nuisances, including particulate matter (PM), volatile organic compounds (VOCs), NO_x, SO_x, noise, and odor, which can directly affect the ecosystems and communities surrounding our operations.

In line with our Environmental Policy and ISO 14001 framework, we systematically identify, monitor, and mitigate these impacts at source through engineered controls, best operational practices, and continuous monitoring. Local environmental risks, alongside climate-related risks, are evaluated within the integrated risk management framework overseen by the Early Detection of Risk Committee under the Board of Directors, ensuring that air quality and community-related impacts receive the same level of governance attention as our broader environmental priorities. Across all our facilities, air pollution measurements are conducted at intervals defined by both legal requirements and internal standards, and all our facilities remain in compliance with the applicable regulatory limits.



Preventing Atmospheric Pollutants at Source: Our manufacturing operations are equipped with engineered emission control systems designed to capture and reduce atmospheric pollutants before they are released into the environment. Stack emissions, including PM, VOC, NO_x and SO_x are measured periodically by accredited laboratories in line with applicable national regulations, and results are tracked against legal limit values to ensure full compliance. Process improvements, raw material substitutions, and energy efficiency initiatives further contribute to reducing pollutant generation at the source.

Noise Monitoring and Mitigation: Recognizing that noise emissions can affect both surrounding ecosystems and neighboring communities, we conduct periodic boundary noise measurement campaigns at our facilities through accredited third-party providers. Measurement results are evaluated against regulatory limit values and internal performance benchmarks, and any deviations trigger corrective action under our Environmental Management System. To reduce machinery-related noise, control measures such as enclosing equipment within insulated rooms or installing acoustic curtain systems are implemented.

Odor Mitigation: In order to prevent odor-related impacts on surrounding communities, we apply isolated storage and controlled ventilation techniques for materials with potential odor emissions, supported by ozone technology. Process parameters such as temperature and ventilation rates are optimized to minimize odor generation at source, and any community feedback is addressed through our stakeholder grievance mechanisms.

Total Air Emissions (tonnes)	2023	2024	2025
NOx	212.26	164.77	91.04
SOx	22.76	13.31	10.31
VOC	45.38	54.88	46.05

Waste Management

At Kordsa, we implement a comprehensive waste management approach across all our operations, reflecting our commitment to sustainability, operational efficiency, and responsible production. Our primary focus is to minimize waste generation at its source throughout our processes.

Through comprehensive waste mapping studies, we identify the sources of waste and develop clear, actionable plans to achieve our targets.

All waste generated is managed through methods such as recycling, recovery, landfill, incineration, and direct disposal, ensuring full compliance with applicable national regulations.

In line with our continuous improvement approach, we actively seek opportunities to divert waste from landfills through recycling and recovery solutions.

Also, we have been focused on reducing both total waste amount and waste intensity across all our operations. In 2025, we successfully reduced our total

waste amount by 22% in 2025 compared to 2024.

Throughout 2025, we proactively implemented various waste reduction initiatives across our facilities, with a strong focus on waste mapping studies to minimize waste generation at its source. During the reporting period, we continued to reuse materials that could otherwise be treated as waste, enabling more efficient use of our resources while contributing to the prevention of environmental pollution.

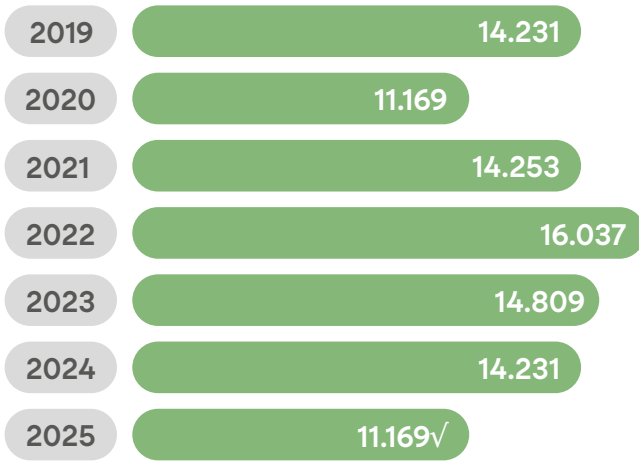
The principles guiding our waste management practices are embedded in our Sustainability Policy, accessible [here](#).

Comprehensive information on the implementation and control mechanisms of our environmental management approach can be found [here](#).

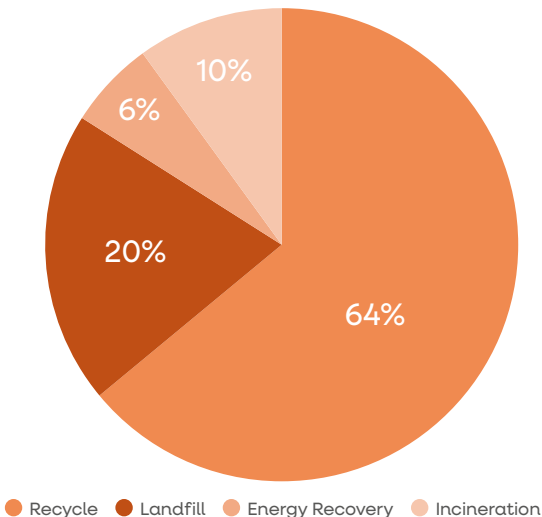
Details of the implementation and oversight of our waste management practices are presented [here](#).

Our waste data, classified by disposal method, is available [here](#).

Total Waste Amount (tonne)



Waste Disposal Type Rate in 2025

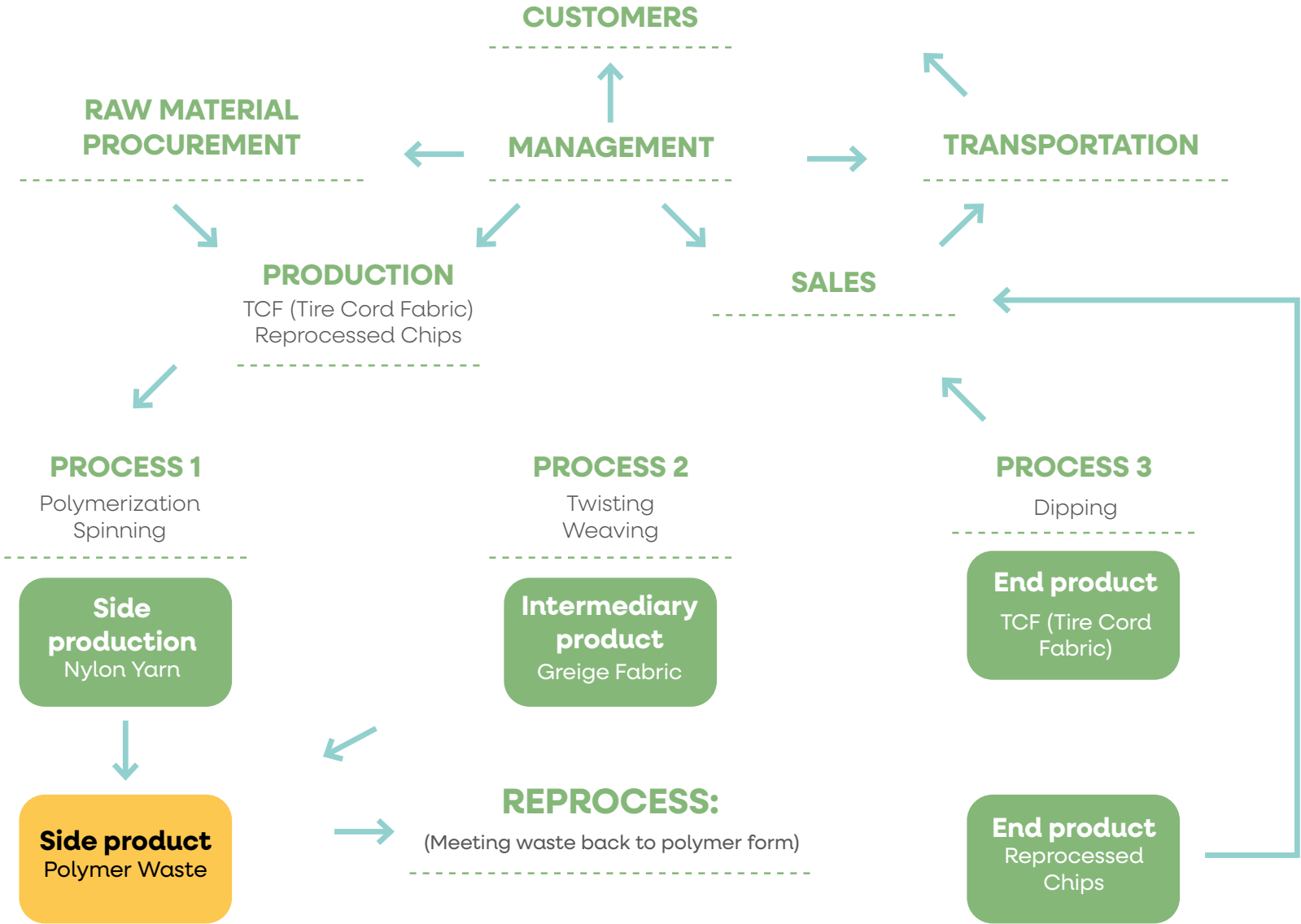




Our Contribution in Advancing the Circular Economy

At our Kordsa Türkiye facility, we take a leading role in advancing circular economy practices by converting nylon production waste into recycled nylon raw materials. Through this innovative process, we enable the reuse of low-carbon inputs across multiple industries, contributing to the regeneration of resources within the broader economy.

In 2025, we successfully reintegrated approximately 1,081 tonnes of nylon waste into the global circular economy. This achievement reflects our leadership in sustainable resource management and underscores our commitment to reducing our environmental impact.





Water and Wastewater Management

Water is a critical resource, and we acknowledge the growing global pressures related to water scarcity and pollution. By placing strong emphasis on efficient water management, we aim to safeguard natural resources while supporting resilient and responsible manufacturing operations.

Across all our operations, every drop of water used is thoroughly treated at our wastewater treatment facilities before being discharged into rivers or municipal systems, ensuring full compliance with local regulations. Through our strategic investments, we ensure that our treatment capacity is designed to meet future growth and expansion needs without disruption.

At each of our plants and offices, we focus on optimizing water use and promoting the reuse of treated water. Wastewater analyses are conducted regularly, with strict monitoring and control mechanisms in place to ensure compliance with legal requirements. In line with our continuous improvement approach, we provide training on responsible water consumption and encourage employees to promptly report leaks or inefficiencies. In addition, through our Sustainable Supply Chain Program, we assess water safety and water management risks across our value chain, adopting a holistic approach to water stewardship.

In 2025, we reassessed our technological capabilities and planning approach and accordingly reviewed our water target. According to the new target, we are committed to reducing our absolute water withdrawal at our tire facilities by 30% by 2030 compared to our 2019 base year and continue to implement water-saving projects on an annual basis. Our key focus areas include wastewater recycling, pollution-reducing treatment technologies, rainwater utilization, and water efficiency practices.

Responsibility

In line with Kordsa's governance framework, responsibility for water management is embedded across all levels of the organization, starting from the Board of Directors. Strategic direction and related actions are defined and implemented with strong oversight, ensuring effective governance. Our management team integrates water security into our broader sustainability and risk management frameworks, while allocating the necessary resources to achieve our targets. This approach reinforces our commitment to responsible water stewardship and sustainable operations.

Risk Management

Within our corporate risk management approach, we systematically monitor water-related risks across all our facilities. Throughout the year, we conduct regular assessments considering the short-term (0–1 year), medium-term (1–5 years), and long-term (5–35 years) impacts of water-related risks from a holistic perspective.

In this process, we leverage internationally recognized tools and methodologies such as the WRI Aqueduct water risk mapping tool, the COSO Enterprise Risk Management Framework, and the ISO 31000 Risk Management Standard. These enable us to identify potential water-related risks at an early stage and manage them effectively through a proactive approach.

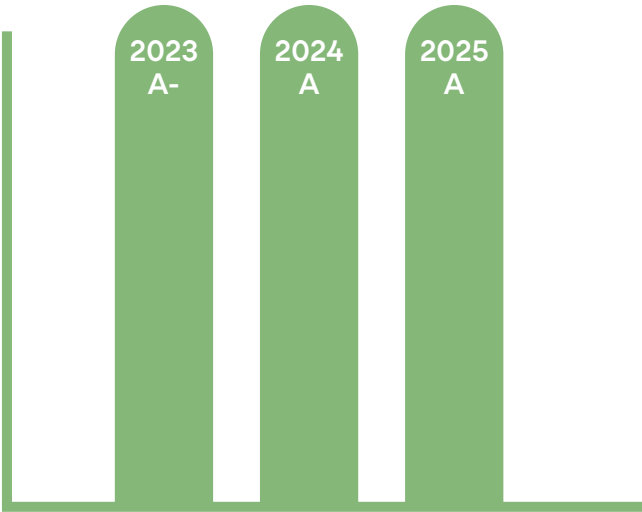
Detailed information on water-related risk areas is available in our [2025 CDP Report](#).

Our 2025 Performance

In 2025, we were recognized in the CDP A List for the water theme. As of 2025, we have defined our water management performance indicator as absolute water withdrawal. This indicator reflects a 40% reduction compared to our 2019 base year. In addition, our absolute water withdrawal decreased by 23% in 2025 compared to 2024. This decrease

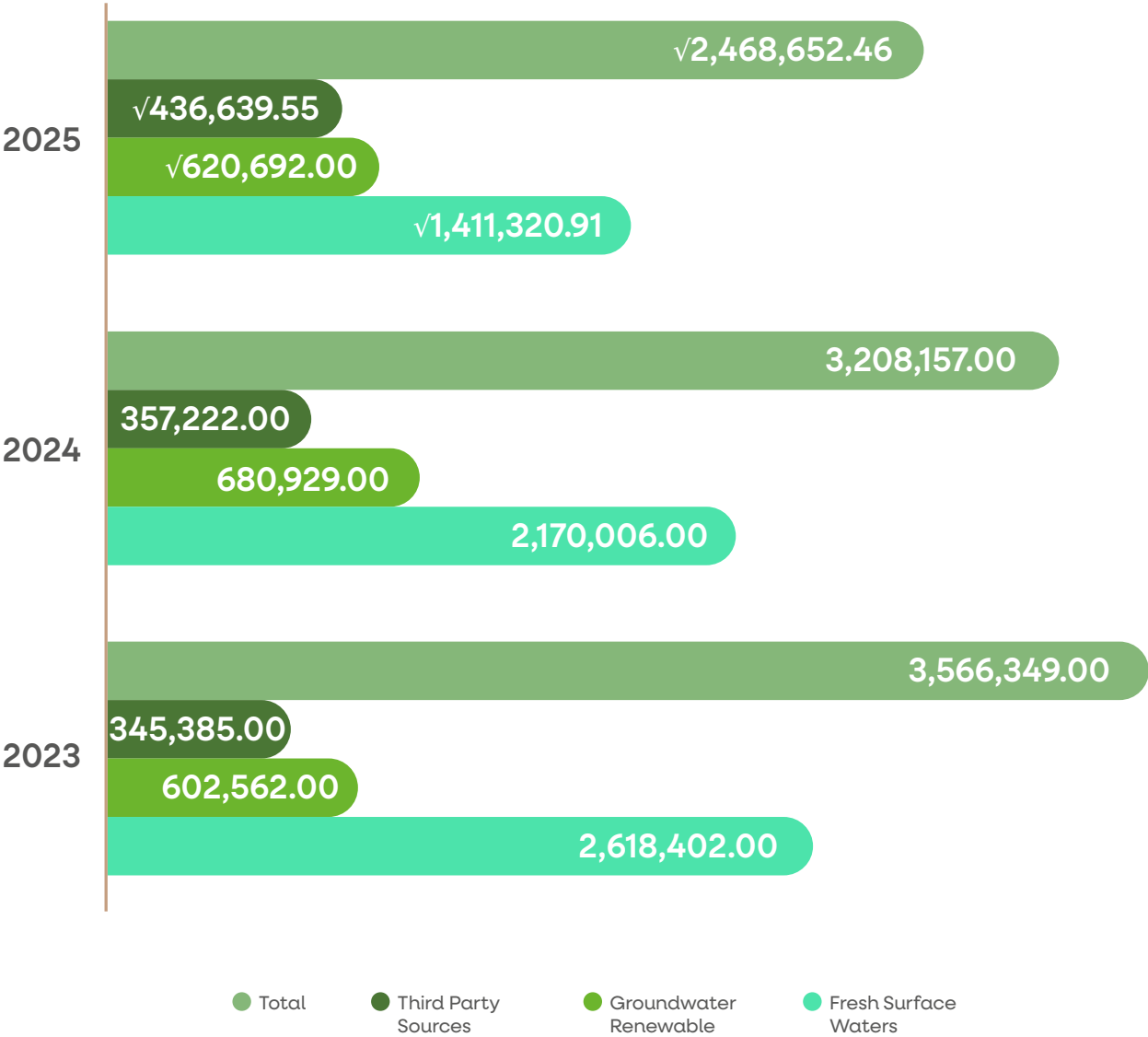
enabled us to achieve our 2030 target ahead of schedule. The reduction was mainly driven by decreased water withdrawal at our Indonesia plant due to the flood that occurred during the reporting period. We will continue to closely monitor our water performance and focus on sustaining improvements through effective water and wastewater management practices.

CDP Water Security Theme Scores by Years



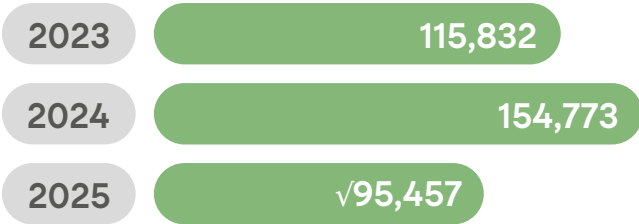


Water Withdrawals (m³)



Data from all Kordsa facilities are included.

Recycled Water* (m³)



*The decline in recycled water volume in 2025 is primarily driven by the non-operation of the water recycling unit at our Indonesia facility due to the flood that occurred during the reporting period.

Information on our water management approach is available [here](#).

Our Water Policy can be found [here](#).

Our Sustainability Policy is available [here](#).



Selected Water Efficiency Projects Conducted in 2025

Selected 2025 Water Efficiency Projects			
Project Name	Place	Objectives and Actions	Results
Cooling Tower Oto-Bluff System Project	Türkiye	Cooling tower water consumption reduction system implementation	26,640 m³ water saving
Wastewater Treatment Plant Refurbishment Project	Türkiye	WWTP discharge water quality improvement	45% reduction in wastewater discharge pollutant load



Customer Health and Safety

In 2025, we continued to strengthen our approach to customer health and safety by ensuring that our products are designed, manufactured, stored, transported, and used in a manner that does not pose unacceptable risks to customers. Our approach is guided by the **Kordsa Customer Health and Safety Policy**, which applies to all Kordsa operations, including product design and development, raw material sourcing, manufacturing, storage, transportation, and customer use phases across all regions where we operate.

Through this Policy, Kordsa commits to ensuring product safety through robust quality management systems compliant with ISO 9001 and IATF 16949, protecting customer health by identifying, assessing, and minimizing potential health impacts associated with the use, handling, and disposal of its products, and maintaining full compliance with applicable product safety and chemical regulations, including REACH, as well as customer-specific requirements.

We recorded zero product recall incidents and zero customer feedback or complaints related to product safety or customer health and safety concerns in 2025. This performance reflects the effectiveness of our preventive quality, health, and safety management practices and our continued focus on defect prevention, risk-based thinking, and continuous improvement. To protect customer health and safety, product safety and customer health and safety considerations are embedded into key processes such as design and development, supplier management, production control, logistics, non-conformity management, and customer claim management.

We continuously provide product-related health and safety information, including essential storage and handling precautions, to promote the safe handling and use of our products.

Kordsa also collaborates with suppliers and customers to support safe product use and chemical safety throughout the value chain. As part of this approach, SDS documents are requested from suppliers, relevant compliance controls are conducted, and Kordsa SDS documents are shared with customers where applicable.

In addition, Kordsa implements mechanisms to limit potential health and safety impacts related to chemical content and emissions, including volatile organic compounds where relevant. Our cord fabric products do not contain VOC-emitting substances such as toluene, xylene, ethyl acetate, methyl ethyl ketone (MEK), or solvent-based components, helping to minimize VOC emissions and potential chemical exposure risks associated with our products.

Customer Complaint Management Process



Complaint Receipt and Acknowledgement
Customer complaints are reviewed by the Quality Assurance (QA) Engineer, and feedback confirming receipt of the complaint and initiation of the investigation is provided to the customer within 24 hours.



Initial Assessment and Communication
Within 72 hours, an information-sharing meeting is organized with the relevant departments. The complaint is then registered in the Salesforce system, and a one-page complaint summary is shared with the plant via email and displayed on factory communication boards.



Root Cause Analysis
Cross-functional root cause analysis meetings are conducted using problem-solving methodologies such as 5 Whys Analysis and Fishbone (Ishikawa) Analysis to identify and verify the underlying causes of the issue.



Corrective and Preventive Actions
Corrective and preventive actions are defined and tracked by the Quality Department through the QMDS system. Following action definition, a QAR (8D Report) is submitted to the customer.



Complaint Closure
Upon completion of all agreed actions, the complaint is formally closed in the Salesforce system.



Effectiveness Verification and Customer Feedback
Two month after closure, a product audit and customer satisfaction survey are conducted. Three months after closure, an Action Effectiveness Audit is performed to verify the sustainability and effectiveness of implemented actions.



Customer-Specific Requirements:
If the customer has specific requirements, timelines and deliverables are adjusted and managed according to the customer's expectations and requests.



Stakeholder View (Customer):

Kordsa is recognized for its leadership in sustainability, particularly in climate and circularity initiatives, and for its strong willingness to collaborate with customers. Its global footprint, leadership in Polyamide 66 innovation, accessible leadership team, strong customer-facing organization, and customer-focused approach are regarded as key strengths. Stakeholders also encourage further progress in providing customer- and product-specific carbon footprint data and clearer roadmaps toward greenhouse gas emission reduction targets.



PEOPLE AND SOCIAL IMPACT

Through our human capital, we invest in our employees by fostering talent, well-being, and continuous development, while ensuring fair employment practices, strong occupational health and safety standards, and inclusive growth opportunities. Through our social capital, we build meaningful relationships with the communities we serve through purpose-driven engagement. Together, these efforts strengthen the social foundations that support long-term resilience and shared value creation across all the geographies where we operate.

Invisible Armour: The Architecture of Fibres

The silk cocoon, which appears from the outside to be a soft shell, is in fact formed by the continuous geometric coiling of a single fibre. Just like the engineering behind Kordsa's composite technology! This micro-architecture provides maximum impact resistance with zero additional weight.

[Human Rights](#)

[Fair Employment and Labor Practices](#)

[Talent Development and Organizational Growth](#)

[Diversity, Equity, and Inclusion \(DE&I\)](#)

[Occupational Health and Safety](#)

[Empowering Communities and Social Impact](#)



Human Rights

Since becoming a signatory to the United Nations Global Compact (UNGC) in 2014, we consistently reaffirmed our commitment to promoting and safeguarding human rights across all our operations. Building on the principles of the Compact, we have adopted a responsible business approach that places human dignity, fairness, and ethical conduct at the core of our corporate culture.

In every country where we operate, we are committed to acting in full compliance with the Universal Declaration of Human Rights, the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises, the Fundamental Conventions of the International Labour Organization (ILO), the ILO Declaration on Fundamental Principles and Rights at Work, as well as all applicable laws and regulations. By embracing the international declarations, conventions, and principles to which our country is a party, we ensure that the rights of our employees are fully respected. We treat our employees with honesty and fairness, are committed to providing a non-discriminatory working environment, and guarantee that our employees can fully and accurately exercise their personal rights.

- Detailed information regarding our Human Rights Management Approach, including practices and control mechanisms, can be accessed via the relevant [link](#).
- Our commitment is further articulated in the [Kordsa Human Rights Policy](#).
- Our ethical framework is governed by the [Kordsa Code of Business Ethics](#).
- To ensure transparency and accountability, our [Whistleblowing Procedure](#) is publicly available for review.

Our dedication to promoting and protecting human rights covers our entire value chain, including subcontractors and suppliers, through our Sustainable

Supply Chain Program and contractual obligations. In this way, we work to encourage all our stakeholders to uphold and protect human rights.

Kordsa has zero-tolerance against child labor, forced labor, and any form of discrimination. Risks related to these issues are regularly assessed and managed through established policies and procedures.

- We provide training to our employees on child labor and forced labor.
- We carry out age verification during the recruitment process.
- We do not tolerate discrimination in any workplace practice, including recruitment, training, remuneration, promotion, or any other employment-related decision.

During recruitment processes, compliance with minimum age requirements is ensured through age verification and the review of the accuracy and validity of official documents obtained via the e-Government system. All employees are informed about ethical standards during onboarding, while regular training programs and ethics compliance declarations continuously reinforce awareness across the organization.

Internal control mechanisms are implemented through our Code of Business Ethics and Ethics Committee structure, and compliance risks are monitored on a regular basis. Employees can confidentially report concerns through the Ethics Hotline, and all reports are independently reviewed and managed through a robust and effective investigation process.

Fair Employment and Labor Practices

We believe that our employees are our greatest source of value. Accordingly, we are dedicated to protecting their health and safety, nurturing their personal and professional development, and building a fair, supportive, and empowering work environment where labour rights and fundamental human rights are fully upheld at every stage of the employee journey, from onboarding to retirement.

Our early talent programs play a key role in attracting and developing future talent by providing students with hands-on business experience, exposure to Kordsa's culture, and opportunities to build technical and professional capabilities. In parallel, our employer branding efforts reach qualified candidates through social media, career platforms, and employee-experience-driven communications.

We foster an open and transparent communication culture by providing employees with multiple channels to share their suggestions, requests, and concerns. Employees can submit feedback through the İşim Tamam application, while physical suggestion and complaint boxes are available at production sites to ensure accessibility for all employees. In addition, regular management-led communication sessions, including Town Hall meetings, Biz Bize gatherings, and Tea Talks, provide opportunities for employees to engage directly with leadership, ask questions, and share feedback. All feedback is reviewed by the relevant functions and considered as part of our continuous improvement and employee engagement efforts.

We also maintain dedicated channels to capture employee input and concerns. Through our “Work with Your Network” employee referral program, employees can recommend potential candidates from their professional and personal networks and are rewarded when a referred candidate successfully completes the recruitment process and joins the company. In parallel, our Ethics Hotline enables employees to safely report concerns related to unethical conduct,

compliance violations, or other workplace issues while all reports are reviewed by the relevant teams and managed through established investigation and resolution processes.

Sustainable Employment Policy

Kordsa's **Sustainable Employment Policy** serves as the cornerstone of our efforts to safeguard employee well-being and growth, and covers the following key areas:

- Comparable Terms and Conditions
- Working and Living Conditions
- Freedom of Association
- Reasonable Working Hours
- Grievance Mechanisms
- Local Legal Compliance & Kordsa Requirements
- Capability Building
- Equal Opportunities and Ensuring Gender Equality
- Prohibitions of Forced and Child Labor

Working Conditions

At Kordsa, we are dedicated to cultivating a positive and inclusive workplace that supports employee well-being, strengthens internal relationships, and upholds fair labour practices. The initiatives we put in place are designed both to ensure equitable working conditions and to deepen employee engagement, which we consider a key driver of long-term organizational success.

Employees' attendance records are monitored through the Meyer platform based on card access data, enabling us to systematically track and record working hours. In addition, employees' annual overtime hours are regularly monitored through company systems to ensure adherence to the legal annual overtime limit stipulated by applicable labor legislation.



Overtime categories and the corresponding compensation rates are determined in accordance with the provisions of the Collective Bargaining Agreement (CBA) for covered employees, and similar principles are applied for non-covered employees. To ensure transparency, employees access their payroll records to verify that overtime payments are accurately reflected in their payslips.

We have deepened our focus on agile working models and flexible organizational structures with the flexible work model, we aimed to strengthen work-life balance. All full-time employees are offered comprehensive benefits such as healthcare services, health insurance, and retirement plans. In addition to these core benefits, Kordsa provides market-aligned benefits tailored to local regulations and practices across the countries where it operates. Depending on the location, employees may also receive benefits such as meal and transportation support, life insurance, parental leave, and other well-being initiatives designed to support their health, financial security, and work-life balance.

Equal Pay and Employee Representation

Compensation processes within our company are based on objective criteria, including employees’ tenure, position, professional experience, and the competencies required for the relevant role. Salary determination and review processes take into account both internal pay equity and market conditions, while gender is never considered a factor in any compensation-related decision. Accordingly, we are firmly committed to the principle of equal pay for equal work.

Compensation for Director-level positions and above is managed in line with the policies and principles established by Sabancı Holding, while compensation processes for positions below the Director level are administered by our company. To maintain a competitive and sustainable compensation structure, we consider various market benchmarks, including organizational size, revenue, workforce scale, industry, and employer brand positioning of comparable companies. In addition, employees’ competencies, performance, tenure, career progression, and

the outcomes of our performance management processes are taken into account when making compensation decisions. This approach enables us to maintain both internal pay equity and external market competitiveness, while supporting the attraction, retention, and development of talent.

We are committed to providing fair, competitive, and responsible compensation practices that support employees’ well-being and contribute to sustainable employment. Through this approach, we aim to offer a compensation framework that supports employees’ quality of life while attracting, developing, and retaining talent. Fairness, transparency, and equal opportunity remain the guiding principles of our compensation practices.

We communicate the remuneration process to all employees through internal communication channels and manager briefings. Employees are informed about the remuneration cycle, key milestones, and relevant policies to support a transparent and consistent process.

For employees covered by the CBA, employee representation is provided through union representatives, who are appointed in accordance

with applicable legislation and collective bargaining provisions. These representatives serve as a communication and consultation channel between employees and management on matters affecting employees including compensation, working conditions, working hours, and occupational health and safety and ensuring that employees’ views and concerns are appropriately represented and addressed.

Collective Bargaining

CBAs are in place across Kordsa’s operations in Türkiye, Indonesia, and Brazil, reflecting our commitment to constructive social dialogue, fair labor practices, and effective employee representation.

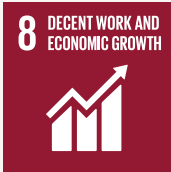
In Türkiye, employees are covered by a CBA signed with the TEKSİF Trade Union. The latest agreement was signed in 2025 and entered into force on 1 April 2025 for a term of 33 months.

In Indonesia, employees are covered by a CBA concluded with the Serikat Pekerja Kimia Energi Pertambangan, Minyak, Gas Bumi dan Umum (SPKEP) at PT Indo Kordsa Tbk. The agreement was renewed on 24 November 2025 for the period from 1 January 2026 to 31 December 2027.

In Brazil, employees are covered by a CBA with the Sindicato dos Trabalhadores da Indústria de Fiação, Tecelagem e Similares do Estado da Bahia. The agreement is renewed annually, with the most recent renewal taking place in September 2025.

In 2025, the number of our employees covered by collective bargaining agreements in Türkiye, Indonesia, and Brazil reached 1,820, representing 50.3% of our total workforce. During the current reporting period, no incidents involving the violation of freedom of association or the right to collective bargaining were identified, and we have no operations considered to pose significant risk in these areas.

These CBAs establish the framework for key terms and conditions of employment, including wages, benefits, working hours, leave entitlements, occupational health and safety, and other employment-related rights. They also provide a structured mechanism for ongoing dialogue and cooperation between employee representatives and management.



Project Name	Digital Global HR Report
Place and Time	Global Operations-2025
Objectives and Actions	Building on the global HR data integration and reporting initiative launched in previous years in collaboration with a third-party provider, the platform continued to be utilized throughout 2025 to consolidate and analyse workforce data from all locations on a single platform. The solution enables the daily integration of HR data across global operations.
Results	The digitalization of reporting processes helped improve efficiency, reduce administrative workload, and maintain a high level of data accuracy across all regions.
Plans for Future	While the existing platform remained in use throughout 2025, Global HR and Global IT teams initiated a strategic transformation project to further enhance the sustainability and efficiency of the solution. The project aims to migrate the current third-party infrastructure to an internally developed platform, allowing workforce data to be managed entirely within company systems.



Topic Covered by Collective Labor Agreement	Türkiye	Indonesia	Brazil
Occupational Health and Safety	√	√	√
Working Conditions (work-rest hours, leaves)	√	√	√
Training	√	√	-
Career Management	-	√	-
Employee Representatives’ Tasks and Responsibilities	√	√	-
Additional Work Payments	√	√	√

Employees with Collective Labor Agreement	2025 Number	Percentage
Türkiye	673	37%
Indonesia	768	42%
Brazil	379	21%

Employee Satisfaction

Fostering and continuously enhancing employee satisfaction is a priority for us, and we rely on a wide range of channels to monitor it. Satisfaction levels are tracked on an ongoing basis through multiple channels including employee engagement surveys, roundtable meetings held with our CEO and Strategic Leadership Team (SLT), and regular employee interaction sessions.

These platforms enable our senior leaders to listen directly to employees, gather meaningful feedback, and strengthen two-way dialogue across the organization. By bringing together voices from different functions, locations, and seniority levels, we ensure that employee perspectives are heard in an inclusive and transparent manner, and that the insights gained translate into concrete actions that shape our people-focused decisions and initiatives.

In addition to these continuous channels, we conduct a comprehensive Employee Engagement and Experience Survey periodically, in collaboration

with an external consultancy firm, while pulse checks are carried out in the intervening years to monitor progress. According to our most recent comprehensive survey conducted in 2023, our global employee engagement score reached 85%, marking significant progress in our journey toward building a more engaged and satisfied workforce.

While our 2023 engagement score stood at 85%, the regional surveys conducted in 2024 produced a consolidated score of 66%. This decline reflected a combination of factors, including changes in survey methodology, the impact of global economic conditions, sectoral contraction, and shifts in our strategic priorities. In response, we revisited and revised our previously communicated target to ensure it remained realistic and aligned with the new operating environment.

This positive trend reaffirms the effectiveness of our people-centric approach and our commitment to listening to, learning from, and acting on the feedback of our employees. Looking ahead, we will

continue to enhance the employee experience while keeping our targets aligned with evolving internal dynamics and external conditions.

Our engagement surveys and pulse checks cover all levels of the organization, including both white-collar and blue-collar employees, with results reviewed through company-wide, functional, and team-based breakdowns. Survey outcomes are jointly evaluated by Human Resources and the relevant business leaders, and for areas with lower engagement scores, a root cause analysis is conducted, and this analysis is supported by survey segmentations, open-ended employee comments, and, where necessary, focus group discussions or one-on-one feedback sessions. Based on these findings, action plans focusing on areas such as communication, leadership practices, development opportunities, and process improvements are developed under the responsibility of the relevant managers, with guidance from Human Resources, and are monitored regularly to ensure progress and efficiency.





8

DECENT WORK AND
ECONOMIC GROWTH

Regular Employee Engagement Meetings

Location	Meeting Name	Frequency	Target Group	Participation	Aim
Brazil	Engagement, Organizational Climate & Leadership Styles	Biannually	Representatives of each department	About 70 people	To share the engagement results and build together an action plan to get better results.
Thailand	Employee Engagement Driver Meeting and Chatroom	Quarterly	All employees	50-70 people	Share employees' opinions about any problem in the company and find solutions together.
Indonesia	Communication Forum Engagement, Organizational Climate & Leadership Styles	Quarterly	All employees	Over 900 people	Inform all updates of HR or related-HR information or company in general and available open positions.
US/Composites US	Townhalls/Coffee Breaks, Engagement	Quarterly	All employees	Over 500 people	Important company Information and engagement
Türkiye	Townhall, HR Roadshow, Engagement, Organizational Climate & Leadership Styles	Quarterly, biannually	All Employees	Over 1,000 people	Inform all updates of HR or related-HR information or company in general.

8

DECENT WORK AND
ECONOMIC GROWTH

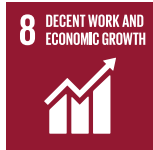
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RESPONSIBLE
CONSUMPTION
AND PRODUCTION

Project Name

My Work is Complete

Place and Date	Kordsa Türkiye-2025
Objectives and Actions	This project aimed to improve communication with employees and provide them with faster and more efficient access to HR services. Also, through the completed SOS modules, employees can provide updates on their well-being during emergency situations.
Results	This initiative has significantly improved communication with employees, resulting in increased employee engagement, satisfaction, and loyalty.
Plans for Future	Moving forward, we plan to expand the application's use across the entire Kordsa organization. New features under development include: • Tracking Positive Vibes points and understanding the corresponding rewards • Tracking the status of health insurance applications related to major life events (e.g., childbirth, marriage, divorce)



Great Place to Work – Indo Kordsa & Thai Indo Kordsa & Kordsa Brazil

Throughout the year,
we organized a wide

range of initiatives aimed at strengthening employee engagement, wellbeing, and workplace experience. These included employee engagement programs, sports days, CSR projects, team trips, Communication Forum sessions, Employee Wellbeing Webinars, the Employee Assistance Program through Psycare, on-site psychological consultation services, ‘Great Place to Work’ initiatives, office renovation projects, and flash flood recovery actions.

These efforts were met with highly positive feedback from our employees, who appreciated the opportunities to participate, contribute ideas, and

engage with the organization beyond their daily responsibilities. Their active involvement reinforced our belief that Kordsa is a workplace where people feel valued, supported, and empowered to perform at their best while contributing to a positive and inclusive culture.

In 2025, we regained our ‘Great Place to Work’ certifications in Indonesia, Thailand, and Brazil. In addition, our Brazil operations successfully renewed their industry-specific and state-level Great Place to Work certifications.

Wellbeing Initiatives

We reinforce our wellbeing initiatives with measurable impact, high participation, and local adaptations.

In our company, a multi dimensional approach is implemented to support employees in stress management and psychological well being. First and

foremost, as part of our healthy living training series, regular sessions on psychological resilience and stress management are delivered by specialist physicians. These trainings provide employees with practical methods for coping with stress, maintaining work life balance, building mental resilience, and developing healthy communication skills.

Flexible working hours, workload balance monitoring, and social activities are also offered as complementary practices to enhance psychological well being. All of these measures aim not only to protect employees’ physical health but also their mental health, ensuring that they can work in a sustainable environment with high motivation.

In line with our global principles and centralized governance, we share selected examples of physical, mental, and social wellbeing practices implemented across our operating locations during 2025, each shaped by local dynamics.





Kordsa Türkiye

Kordsa has implemented several initiatives to enhance employee well being, support work life balance, and foster an inclusive corporate culture.

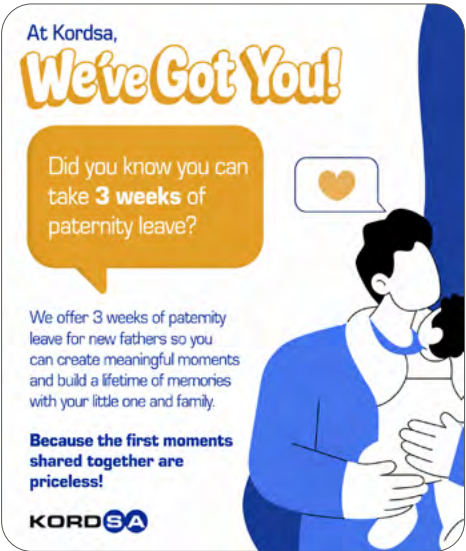
Health Services and Nutritionist Support: A dedicated nutritionist was made available within the factory to promote healthy eating habits among employees. Initiated in 2025 by the Health and HR teams, this program is ongoing. Outcomes include increased health awareness and improved workforce productivity.

• **Well Being Initiatives:**

- **Yoga and Breathing Therapy:** Regular sessions were organized to support stress management and psychological well being, helping employees achieve mental and physical relaxation.
- **Healthy Living Training Series:** Specialist physicians delivered training sessions on psychological resilience and stress management, equipping employees with skills to maintain work life balance and strengthen mental resilience.
- **Breast Cancer Awareness Program:** Conducted annually in October, this program included seminars and free medical examinations for female employees, raising awareness of early diagnosis and reinforcing a health focused organizational culture.

“**Kordsa’da Bu Da Var**” **Communication Series:**

In addition to health services and well being programs, **communication and information sharing** play a key role in supporting employee well being at Kordsa. To ensure that employees are fully aware of the benefits available to them, a dedicated mailing initiative called “**Kordsa’da Bu Da Var**” has been launched.



APS (Atenção Primária à Saúde, Primary Health Care):

This program is designed to promote a proactive approach to health by encouraging individuals to prioritize their well-being before urgent care becomes necessary. During program healthcare professionals (a nutritionist, a doctor and a psychologist) scheduled appointments to response personalized support needs.

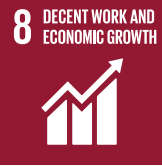
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Stakeholder View (Customer):

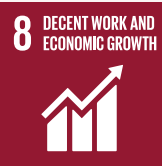
Kordsa has several initiatives and programs to support employee well-being in the physical, mental, and social spheres. The company routinely conducts regular safety inspections, emergency response drills, ergonomic and psychosocial assessments, and ongoing training aligned with local regulatory requirements and best practices promoted by Kordsa Global.

For the sake of health, the company also offers medical support and periodic health checkups, along with various benefits such as a health plan for employees and their families, fostering a pleasant and respectful work environment focused on employee satisfaction.

Kordsa also has social programs with the community, including local volunteer initiatives, internal campaigns, and celebrations that promote integration and a strong sense of belonging for its employees. Thus, the company demonstrates a strong commitment to the well-being of its employees, always showing itself to be aligned with sustainability priorities.



Project Name	Mental Health Program - Levemente
Place and Time	Kordsa Brazil - 2025
Objectives and Actions	This mental health Program engaged all employees across the company, promoting open conversations about the topic and encouraging everyone to recognize, understand, and manage their emotions. It helped create a more supportive and aware work environment Key steps included awareness, engagement activities, emotional recognition training, and continuous support actions
Results	Increased awareness, reduced stigma, and improved employee well-being and engagement.
Plans for Future	Expand the program by introducing new topics related to mental health



Project Name	Healthy Pathways – Chronic Care & Well-being Program
Place and Time	Kordsa Brazil - 2025
Objectives and Actions	The main aim of this program is to promote early identification, effective management, and prevention of chronic diseases among employees, improving quality of life, productivity, and reducing health-related risks and costs. To achieve these objectives, we assess employee health needs and relevant data, identify target groups and priority areas, and design integrated prevention and care initiatives. We also engage employees through awareness-raising and support activities, implement the program in collaboration with healthcare partners, and continuously monitor outcomes to ensure effectiveness and ongoing improvement.
Results	Improved employee well-being and quality of life, increased health awareness, stronger engagement in self-care, and the promotion of a supportive and health-focused organizational culture.
Plans for Future	Strengthening employee engagement to ensure long-term sustainability and impact





Thai Indo Kordsa

Thai Indo Kordsa cooperates with Phra Nakhon Si Ayutthaya Provincial Public Health Center to organize cancer screening at the company. The screening includes 4 types of cancer; cervical, colon, liver, and breast cancer, aiming to support employee physical wellbeing.

เชิญชวน บริษัทและพนักงาน
ตรวจคัดกรองสุขภาพกับ สสจ. 2568

ฟรี รู้เร็ว รักษาทัน
ลดเสี่ยง เสียชีวิต

ไม่เสียค่าใช้จ่าย

- แจ้งขอตรวจกับพนักงานในฝ่าย HR
- ผลตรวจฟรี
- ตรวจ ณ ศูนย์บริการสาธารณสุข
- ไม่ต้องไปโรงพยาบาล รอคิวไม่นาน
- ติดต่อขอข้อมูลเพิ่มเติมจากสาธารณสุข

Line OA

สอบถาม โทร 082-4643147, 087-4847213, 061-3956264

1. ตรวจคัดกรองมะเร็งปากมดลูกด้วยตนเอง
สสจ. อายุ 30 - 59 ปี ไม่เสียค่าใช้จ่าย

2. ตรวจคัดกรองมะเร็งลำไส้ใหญ่
อายุ 50 - 70 ปี

3. ตรวจคัดกรองมะเร็งตับ เบาหวาน บี และ ซี
ทุกเดือน ปี 2535

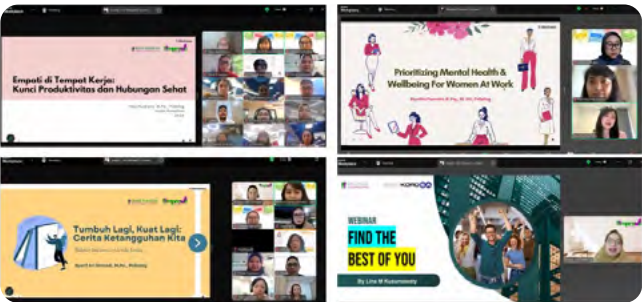
4. ตรวจคัดกรองมะเร็งเต้านม
สตรี อายุ 30 - 70 ปี



Indo Kordsa

In 2025, The Company held the “Employee Wellbeing Webinar Series in 2025” in partnership with Iradat Consultant, featuring trainings such as ‘Being Resilient’, ‘Empathy at the Workplace’, ‘Prioritizing Mental Health & Wellbeing for Women at Work’, and ‘Find the Best of You’. These sessions were designed

to help employees better understand empathy and responsibility at work, support mental health and wellbeing for women, and encourage personal growth.



To commemorate World Cancer Day on February 4, 2025, Indo Kordsa held a General Cancer Awareness Health Talk for employees. In July 2025, HR Indo Kordsa, together with the Clinic Team, organized a Skin Health Talk led by Dr. Fitri Firmansah, responding to employee feedback to support better skin health. Additionally, a Dental Health Talk for all Office employees took place on July 16, 2025, featuring the theme “Healthy Teeth, Healthy Financial Wallet.”



Indo Kordsa celebrated National Women’s Health Day 2025 on September 24 by hosting a Pound Fit workout session with Coach Nadira Purdayinta and female employees.



Each quarter, Indo Kordsa organizes the Reinforcers Morning Walk, where employees gather to walk around the site, promoting physical wellbeing and enjoying the greenery.

TPI & Axiom

For Mental Health Awareness Day, we distributed informational flyers to encourage understanding and support around mental health.

In recognition of Breast Cancer Awareness Month, employees participated by wearing pink, and we shared educational materials along with resources from our health carrier, Aetna, to encourage preventative care and appointment scheduling.

OCTOBER
BREAST CANCER AWARENESS MONTH

Team,

The month of October is **National Breast Cancer Awareness** month.

Each year, **1 in 8 women** in the United States will develop breast cancer in her lifetime. This means that nearly all of us know or will know someone whose life has been touched by breast cancer. While breast cancer is far more common in women, men can also be impacted, which is why raising awareness is so important for everyone.

Remember:

Early detection saves lives: Perform regular self-checks and discuss with your doctor when to begin regular mammograms.

Think of your lifestyle choices:

- Maintain a healthy weight
- Limit alcohol
- Stay active

Stay informed: Learn about breast cancer risk factors and prevention strategies

Support one another: Encourage, uplift and stand by friends and family affected by breast cancer.

To honor those who have fought this battle, we kindly request you wear **pink** (or something **pink**) on **Monday, October 13th**. Stop by the breakroom (building 1) between 11:00 A.M.-12: 00 P.M for a refreshing strawberry pink lemonade

Together, we bring awareness. Together, we bring hope.

October WE WEAR PINK

EARLY DETECTION SAVES LIVES



Additionally, we hosted a Health Week in December, where employees were provided with healthy snacks, including items such as fruits, yogurt, granola bars, etc. We also brought in an Acai bowl cart, offering fresh, healthy options prepared onsite for all employees.



Family-Supportive Workplace

We are committed to fostering a supportive workplace that enables employees to balance their professional and family responsibilities. Through our people-centered approach, we promote work-life balance by implementing policies and practices that support employees at different stages of life. Our family support initiatives include paid maternity leave before and after childbirth. We also implement social protection measures, including maternity protection from workplace risks and protection against dismissal.

At Kordsa, we place great importance on strengthening employee engagement, motivation, and our corporate culture. Throughout 2025, we organized a variety of social, cultural, and well-being activities that brought our employees and their families together, creating a warm and inclusive environment.

Reinforcing Family Bonds in Kordsa Brazil

As part of its employee well-being and diversity efforts, Kordsa Brazil continued to implement the “Reinforcing Family Bonds” program, designed to support employees and their families throughout the parenthood journey. In 2025, 24 Reinforcers joined the Reinforcing Family Bonds Program.

Key components of the program include:

- Pregnancy monitoring support through Kordsa’s Medical Service and dedicated digital applications,
- Expert-led training and awareness sessions on pregnancy and parenting,
- Family support gift packages for new parents,
- Extended maternity and paternity leave practices,
- Flexible working arrangements supporting work-life balance.

Engagement Activities at Kordsa Turkey

- **Mother’s Day Celebration:** A special pasta workshop was held where employees participated together with their mothers. This event not only created joyful memories but also reinforced family bonds by integrating loved ones into the workplace experience.



- **Factory Family Day:** Employees welcomed their families to the factory, offering them the chance to see production processes up close. Children enjoyed specially designed activities, while families gained a deeper connection to the workplace.



- **April 23 National Sovereignty and Children’s Day:** Dedicated celebrations and activities for employees’ children highlighted national values while strengthening family participation in corporate culture. The children’s enthusiasm brought energy and joy into the workplace.



Recognition and Rewarding

At Kordsa, we apply a fair and motivating recognition and reward approach designed to retain skilled talent at every level of the organisation.

All Stars Awards

The ‘All Stars Awards’ is our global recognition and reward program. Since 2006, we have been celebrating successful projects and the employees behind them on an annual basis, with award decisions made by dedicated jury teams established for the program.

Every employee is encouraged to take part by submitting projects of their own. The process begins at the end of each year, with project submissions and evaluations carried out over a period of approximately four months. All employees are then invited to the awards ceremony held the following year, which is also broadcast live via video conference to ensure participation across all locations.



Positive Vibes

Positive Vibes is the company’s employee recognition and rewards platform, designed to celebrate achievements, recognize years of service, and enable instant peer-to-peer appreciation. Seasonal benefits, such as holiday and New Year gift balances, are also provided through the platform, allowing employees to redeem them at participating brands and merchants, where applicable.

Talent Development and Organizational Growth

At Kordsa, we embrace an integrated approach to talent development and organizational growth. We design and implement end-to-end training and development initiatives, from senior leadership to the front line, that go beyond regulatory compliance and respond to evolving needs, and we complement these with comprehensive wellbeing initiatives that support our people’s physical, mental, and social health. This integrated model enables us to maintain a safe, healthy, and efficient workplace while strengthening our teams’ capabilities and capacity, engagement, and sustainable performance.

Training and Development

Training, development, and career management processes across the company are carried out through a systematic approach aimed at enhancing competencies, strengthening leadership capabilities, and supporting the long-term development of employees.

We believe that experiential learning is one of the most effective approaches to personal and professional development. In this context, we support employee growth through cross-functional rotations, international assignments, participation in projects, and opportunities to lead new initiatives. In addition, we foster social learning and development through coaching and mentoring programs, assessment center practices, and stakeholder feedback mechanisms. Within this framework, the Global Mentorship Program stands out as one of our key initiatives promoting interpersonal learning and experience sharing.

These practices are shaped in line with the 70:20:10 development model, which combines experiential, social, and structured learning approaches. We continue to strengthen employees’ knowledge, skills, and competencies through classroom-based, online, and offline training programs.



HUB - Centralized Online Learning Management System



It is accessible across all locations and supporting employee development in local languages worldwide.

Through the platform, employees can access a broad range of learning content covering technical skills, leadership, personal development, well-being, and mandatory compliance training. To encourage continuous engagement, participation is supported through regular communications, interactive content, and recognition mechanisms.

Internship Programs

G.O. Reinforcers is our short-term internship program designed to introduce both Turkish and international students to the world of business through a remote working model, complemented by a range of development activities offered across the various countries in which Kordsa operates. 26 interns from 5 countries participated in the program, fostering cross-cultural collaboration and global engagement.

Future Reinforcers is a 6-month, project-based internship program. Throughout the program, interns are placed on projects within different Kordsa departments and benefit from training opportunities that actively contribute to their career development.

results are reviewed within budget, performance, and competency evaluation meetings, where necessary actions are planned to ensure continuous improvement in line with our sustainable growth objectives.

Measuring Training Effectiveness

The effectiveness of training programs is systematically measured under our Training and Development Procedure, with evaluation methods tailored to the type of training and intended learning outcomes. For knowledge-based trainings, exams, pre-test/post-test applications, and certification results are used, while competency development

trainings are assessed through managerial observations, employee-manager development discussions, and performance evaluation outcomes. For certified trainings in areas such as occupational health and safety, environment, and quality, examinations are conducted and employees meeting the defined success criteria are certified; where the required level is not achieved, training is repeated. For blue-collar employees, on-the-job and refresher trainings are assessed through competency-based evaluations using polyvalence matrices. In addition, training evaluation surveys following long-term development programs capture participant feedback on content, implementation quality, trainer performance, and training environment. The impact of trainings on employee performance, career development, and business outcomes is analysed through performance review processes, development discussions, competency assessments, and career and succession planning, and these outputs are used as direct inputs for the following year's training needs analysis and annual training plan.

Senior Management Development

The development of senior management (C-level and director levels) is structured systematically and aligned with corporate strategy, leadership competencies, and sustainable growth objectives. Individual development plans for senior executives are built on performance evaluation processes, organizational and individual competency assessments, and career and succession planning, prioritizing strategic leadership, team and change management, business and financial acumen, a global mindset, and decision-making competencies. These plans are advanced through tools such as leadership programs delivered by Sabancı Holding (e.g., XCELERATE), global and local leadership development programs, coaching and mentoring, strategic training, assessment center applications, external executive development programs, and, where appropriate, international assignments and project-based roles.

Support for Academic Development

Beyond internal training, we encourage employees to pursue master's, doctoral, and certification

programs that contribute to their professional and career development, within the framework of defined policies and procedures. Participation is evaluated based on alignment with the employee's role and job requirements, performance level, and career and succession plans, with priority given to programs focused on leadership development, deepening of expertise, and critical competencies. Participation in the Sabancı Executive MBA and other postgraduate programs conducted in collaboration with Sabancı Holding is managed by Human Resources in line with annual quotas and application evaluation processes, while non-MBA master's programs directly related to an employee's role are also supported. Company support may include full or partial coverage of tuition fees and financial support for certification and academic programs within the allocated budget; for certified and long-term programs, mutual commitment agreements are obtained to ensure the sustainability of training investments.

Performance Evaluation

At Kordsa, performance and career development evaluations are carried out for all of our employees. In 2025, 100% of employees received regular performance and career development reviews. Our reward mechanisms are structured in alignment with overall company performance. We actively encourage the career advancement of our people, regularly review the leadership styles of our managers, and closely monitor the work environment they shape.



We consider a strong performance culture an essential part of our working life. To reinforce this culture, we rely on Perfx, the web-based performance management platform developed by SabancıDx. Supported by a mobile application, the platform provides an accessible and user-friendly experience across all of our locations, enabling employees and managers to set, update, and monitor their goals throughout the year. Rather than relying on traditional annual evaluations,

Measurable Targets and Monitoring

We set measurable targets to support employee training and development and monitor them regularly. Key targets include the annual average training hours per employee, the planned management of the annual training and development budget, and the development of critical technical and behavioural competencies. Under the coordination of Human Resources, training participation rates, average training hours per employee, and program-based completion figures are tracked through our systems and shared with senior management via periodic reports. These



we adopt a continuous performance management approach built around goal setting, regular feedback discussions, progress reviews, and periodic evaluations. Throughout the year, employees and managers engage in performance and development-focused conversations to assess progress, identify development opportunities, and determine any necessary actions.

Since 2022, we have been implementing the Objectives and Key Results (OKR) framework through this platform. Built around our strategic priorities, the OKR framework introduces agility and adaptability that help us respond effectively to the evolving demands of a dynamic business environment. It reinforces the alignment between individual goals and organizational priorities, while promoting transparency, focus, and accountability at every level. By establishing a clear link between individual contributions and broader business outcomes, the OKR approach supports a result-oriented culture and strengthens our long-term performance management capabilities.

Individual Development and Career Planning

Individual development and career plans are created through an integrated approach aligned with performance management, competency assessments, and organizational needs. The annual performance evaluation serves as a key input: performance results are assessed alongside demonstrated competencies, development areas, and potential, and discussed during employee-manager development meetings, leading to personalized development plans. A variety of tools support this process, including competency-based assessments, position-specific technical and behavioural competency analyses, potential assessments, assessment center applications, and coaching and mentoring programs. Competency and development needs are addressed through system-based evaluations (self-assessments and manager assessments) for white-collar employees and through polyvalence matrices for blue-collar employees. For employees with leadership potential, talent pools and targeted development programs are implemented,

with long-term career and succession plans managed systematically. Career progression and competency development are regularly monitored through performance evaluation results, competency assessments, development plan completion status, and managerial feedback, and reviewed during organizational and workforce review processes to assess career readiness, potential, and alignment with succession plans.

Internal Mobility and Promotion

Internal mobility and promotion processes are managed in line with transparent and objective criteria, evaluating employee performance results, position-specific technical and behavioural competencies, potential assessments, completion status of role-relevant training and development, and organizational needs together through a holistic talent management approach. By prioritizing internal talent mobility, we filled 9 open positions through internal mobility, enhancing employee development and strengthening organizational agility.

Participation, completion, and progress records for company-wide training, development, certification, on-the-job, and e-learning activities are systematically monitored and reported under the coordination of Human Resources through the eBA and QDMS systems. These records serve as key inputs in career development and promotion evaluations, with employees' completion of development plans, achievement of competency targets, and readiness for role requirements closely monitored, supported by competency analyses for white-collar employees and polyvalence matrices and on-the-job training evaluations for blue-collar employees.

Progress is reviewed within annual performance evaluations, development discussions, and organizational review meetings, ensuring that internal mobility and promotion processes are based on measurable performance and competency indicators, thereby supporting equal opportunity and sustainable talent development.

We provide international assignment opportunities to support the personal and professional growth of our

employees, while at the same time building a unified corporate culture across all Kordsa locations. To date, 17 of our employees, 4 of whom are women, are currently on long-term overseas assignments.

Global Alignment Program

It is a strategic leadership development initiative designed by our global HR team to foster unity and coherence among leaders across Kordsa's international operations. Rooted in our business strategy, core values, leadership competencies, and culture of collaboration, the program brings leaders together under a shared vision. Project engaged participants from Indonesia, Thailand, Brazil, and the United States, reflecting diverse perspectives across regions.

Building on these foundations, global leadership reflection sessions continued in 2025, further strengthening shared direction, collective insight, and a cohesive leadership mindset across all regions.

2025 Performance

- We invested about USD 10.6 million in training
- 224,040 total hours of training received by employees, 52.6 hours of training provided per person.

Average Training Hours by Gender	
Men	37
Women	55

Trainings Provided by Category	
Career Development	78%
Safety, Health and Environment	14%
Personal Development	3%
Other	3%
Ethics & Human Rights	1%

For further information on our Training and Development Management Approach (Implementations and Control) and Global Development Programs, please visit our website. Detailed training-related data is available in the Performance Indicators section of this report.

Leadership Development Programs at Kordsa Türkiye

Building on the initial launch in 2024, the Supervisor Development Program continued in 2025 with a focused set of technical and soft skill trainings. The program covered key technical areas such as operational excellence, quality and laboratory processes, occupational health and safety, and cross-functional production processes. In parallel, soft skill trainings including intergenerational management, change management and adaptability, and train-the-trainer programs were delivered. These initiatives supported supervisors' technical expertise, leadership capabilities, and cross-functional effectiveness across the organization.



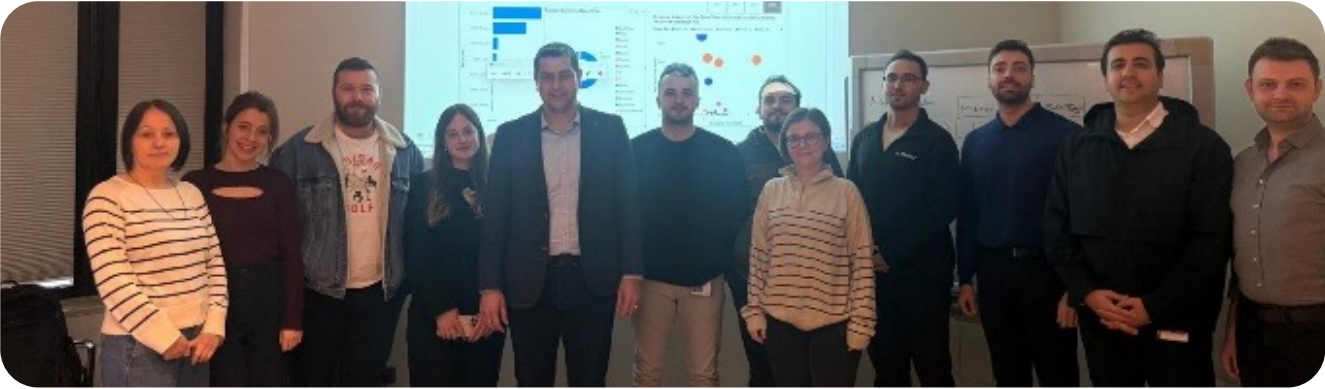


The Manager's Backpack training program provided an immersive two-day learning experience, exploring Kordsa's leadership philosophy, the role of leaders in HR processes, and essential leadership competencies. Through interactive sessions and real-life scenarios, participants developed practical skills to become more effective leaders.



White Collar Soft Skill Trainings

To further strengthen personal effectiveness, customer relationship management capabilities, and digital skills, a comprehensive set of soft skill and future-oriented trainings was delivered to white-collar employees. These programs included storytelling to enhance impactful communication, data visualization with Power BI to support data-driven decision-making, as well as trainings on analytical thinking and agile decision-making. In addition, employees participated in project management trainings, Power Automate sessions to improve process efficiency, artificial intelligence trainings aimed at increasing awareness and practical understanding of emerging technologies, and customer relationship management trainings to strengthen internal and external stakeholder engagement.



HR Communication Sessions

As part of the **HR Communication Sessions**, moderated by the CHRO and the People & Culture Director, the topic of psychological safety was addressed. During these sessions, open discussions were held to raise awareness around psychological safety, and employees' questions and areas of curiosity were openly shared and answered. These sessions aimed to foster transparency, trust, and open dialogue across the organization.

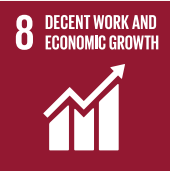


Manager, Supervisor & Lead Training at Axiom

Each month, HR hosts a training session for managers, supervisors and lead focusing on developing their skills and knowledge in people management. Topics include conflict resolution, providing feedback, conducting documentation discussions, coaching, and the disciplinary process, among others. These sessions are designed to be collaborative and incorporate discussion based, scenario driven training.



Project Name	Leadership Development Journey (Decolar & Impulsiona)
Place and Date	Kordsa Brazil - 2025
Objectives and Actions	To improve and align leadership skills and leadership styles of our operational leaders we initiated this program
Results	Increased our leaders's awareness on leadership skills and improve our Employee's Experience with better feedback and leadership styles adapted to each situation.
Plans for Future	Other techniques to improve their skills in line with Kordsa's Leadership style may be included.



Our Human Resources Practices

Title	Practice	Contents
Orientation	BBF	During their first three months at Kordsa, newly hired colleagues are paired with Buddies from within the organization to help them integrate into the company.
Talent Development	Global Alignment	Leadership and management training series tailored for senior management roles across all Kordsa global operations
Talent Development	Sabancı Holding Development Programs	Talent development series (TP-X, In-Lead, IVAA, X-Celerate, X-Posure, Generative AI) encompassing all Sabancı Holding group companies yearly, including international collaborations and trending topics for Hypo employees.
Talent Development	E-MBA	E-MBA program featuring designated quotas for Sabancı Group employees.
Talent Development	E- Learning	Providing technical, personal development, and legal training through the Kinde & Talent LMS (the HUB) system, our Kordsa digital development platform is based on lifelong learning principles. This platform, updated with state-of-the-art technology, offers Mandatory, Personal Skills, Technical training, and enriched content covering hobbies, well-being, as well as leadership development.
Talent Development	Global Rotation and Collaborations with Foreign Universities	Kordsa implements a project-based employee exchange program, allowing team members to work in different countries for 6 months to 1 year, fostering collaboration and project execution with local teams.
Talent Development	Global Job Posting	Internal Cross-Country Vacancy Platform: This mechanism enables employees to discover and apply for job openings in company branches.
Talent Development	Global Mentoring Program	Employees participate in a 6-month mentoring initiative, partnering with experienced mentors from various countries and departments.
Communication	Yammer	Corporate Social Network
Communication	Sabancı Social	This digital platform unites Sabancı Group staff, boosting interaction, communication, and collaboration as well as strengthening the shared 'Sabancı' identity.
Communication	Social Clubs	Women's, Club, Sports & Travel Club, Photography Club, Help for Stray Animals Club, Music Club, and Social Responsibility Club
Performance Evaluation	Perfx	Performance Management App
Recognition and Rewarding	Positive Vibes	Instant Recognition and Rewarding Platform
Recognition and Rewarding	Seniority Award	At Kordsa, we value our employees' dedication and recognize their long service. As part of our Positive Vibes system, we reward employees for 5, 10, 15, 20, and 30 years of service. For employees who have completed 25 years of service, we are offering a special vacation package for 2 people in a beautiful seafront 5-star hotel.
Recognition and Rewarding	All Stars	Managed by Global Human Resources, the Global Recognition and Rewarding initiative acknowledges exceptional projects and high-performing teams, enhancing employee engagement and success.
Equal Opportunity	Paternity Leave	We provide fathers with a 3-week leave that they can use any time before their child's first birthday.
Equal Opportunity	Maternity Leave	We provide new mothers with up to 1-year leave that they can be with their babies in their first months.
DE&I	Global Diversity, Equity & Inclusion (DE&I) Committees	5 DE&I committees structured
Back Ups	Talent Forum	Sessions where Kordsa Global white collar employee performance and competencies are discussed, and development plans are created.
Fringe Benefits	Fringe Benefits	Life Insurance, Private Pension Plans, Health Insurance, Premium, Flexible Benefits - Social Assistance Utility and Internet payments, Daily Meal Support, and Ergonomic Assistance through Avansas vouchers.
Wellbeing	Leaves	Kordsa has expanded its leave policies to enhance employees' work-life balance, offering various types of leave applicable under different circumstances and conditions, including 5 days of annual leave in the first year, birthday leave, menstrual leave, maternity leave, paternity leave impact day, and first day of school leave.

Diversity, Equity and Inclusion (DE&I)

At Kordsa, we strive to build an inclusive and people-oriented workplace where diversity is embraced, equal opportunities are promoted, and employees are encouraged to continuously develop their skills and capabilities. We believe that creating a respectful and supportive working environment enables our employees to actively contribute to both personal and organizational growth.

All human resources practices, including hiring, placement, promotion, rotation, termination, leave, compensation, and training are carried out without discrimination, with decisions based solely on talent, performance, and experience. Factors such as race, colour, gender, sexual orientation, gender identity, religion, political opinion, nationality, social status, disability, or age are not considered in recruitment or evaluation processes. Guided by the principle of “equal pay for equal work,” employees performing similar tasks with comparable skills and knowledge receive the same rights, while salary practices are aligned with regional living standards to maintain fairness. These measures are documented in the **Sustainable Employment Policy** and reinforced by compliance with local laws and regulations, ensuring that recruitment and evaluation processes remain transparent, fair, and inclusive.

To prevent discrimination and harassment, we provide regular awareness trainings covering topics such as mobbing, harassment, violence, and discrimination, as well as the proper use of reporting channels. Confidential complaint mechanisms, including the Navex Ethics Hotline and the Ethics Committee, ensure that employees can safely raise concerns. Inclusive practices are also implemented to support the participation of employees with disabilities, with recruitment processes designed to guarantee equal opportunities and workplace arrangements focused on creating a safe, healthy, and accessible environment. Flexible working hours, family-life support, and the elimination of unsafe or hostile conditions further reinforce our commitment to an inclusive culture where the contributions of all

employees are recognized and valued.

Alongside our commitment to fair recruitment and career development practices, we offer a range of employee benefits and workplace arrangements intended to support well-being and work-life balance. These include maternity-related health coverage under private health insurance plans and dedicated lactation rooms at our facilities.

We are committed to fostering an inclusive and respectful workplace grounded in equal opportunity, fair employment practices, and merit-based career development. These principles are reflected across our recruitment, talent management, learning, and leadership development processes, with the aim of ensuring employees have equal access to growth and advancement opportunities. As part of our long-term workforce strategy, we have set a target to increase the proportion of female employees to 45% by 2030, while also aiming for a more balanced representation of women in leadership roles through talent development, succession planning, and inclusive people practices. These objectives are supported by a range of policies and practices, including our Code of Business Ethics, equal opportunity principles, and performance and talent management processes.

In 2025, women represented approximately 16.7% of our total workforce, while the proportion of women in managerial roles reached 34.7%. During the reporting period, female employment levels were influenced by organizational restructuring processes implemented in response to evolving global and sectoral dynamics, where operational resilience and business continuity remained key priorities. Despite these developments, Kordsa continues to maintain its commitment to fostering a more balanced and inclusive workforce.

In 2025, a total of 26 female employees and 108 male employees utilized maternity and paternity leave benefits, with 94% returning to work following their leave period. In the same year, the ratio of employees with disabilities across Kordsa operations was recorded as 2%.

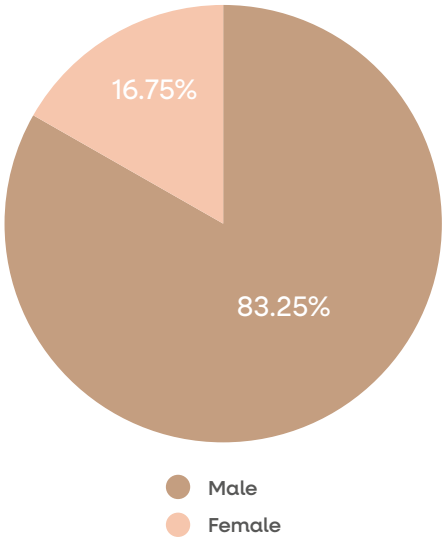
Our commitment to diversity and inclusion is further reflected in a series of initiatives:

- In 2022, together with the Sabancı University Gender and Women’s Studies Center of Excellence (SU Gender), we organized equal opportunity and inclusion training initiatives aimed at increasing awareness and reinforcing an inclusive working environment across the organization.
- In 2023, our Global Rotation Program was awarded first place in the “Sabancı of New Generation” category at the ‘Sabancı Golden Collar Awards’ in recognition of its contribution to global employee mobility and talent development practices.
- In 2023, Kordsa became eligible to receive the Gender Equality Certification within the scope of the Equal Opportunities Model (FEM) developed by the Women Entrepreneurs Association of Türkiye (KAGİDER).
- In 2024, as part of our ‘Unistars’ internship program designed for university students, we delivered inclusive language training sessions aimed at fostering equality-focused and inclusive communication practices among young talents.
- In 2025, the Global Online (GO) Project Internship Program reached a greater number of countries compared to the previous year.

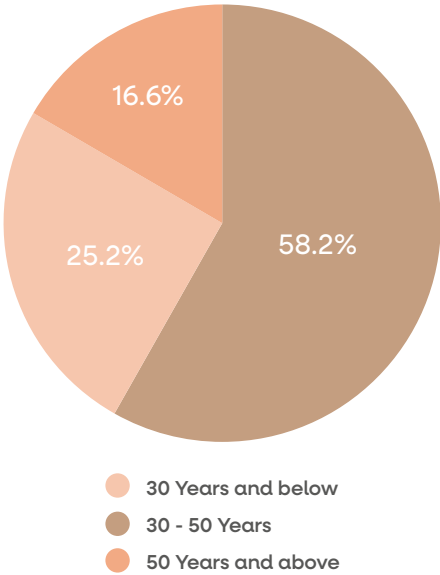




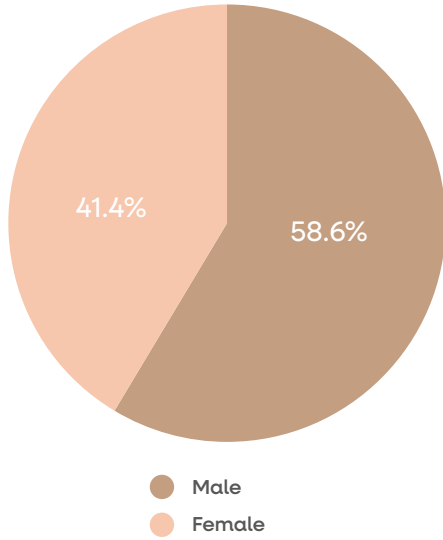
Employees by Gender



Employees by Age Group



R&D Center Employees by Gender



Number of Employees by Region	
EMEA	1,350
Asia Pacific	1,261
South America	379
North America	627

Average Tenure (Years) by Country	
All Kordsa	10.0
Türkiye	8.8
Indonesia	11.6
Thailand	12.5
Brazil	11.0
USA	9.2

Average Tenure (Years) by Gender	
Female	8.7
Male	10.3

Average Tenure (Years) by Employee Type	
White Collar	10.3
Blue Collar	10.0



Inclusive Workplace

Kordsa promotes an inclusive workplace culture through DE&I Committees established across its operations. These committees enable employees from different backgrounds and experiences to connect, exchange ideas, and contribute to initiatives that support diversity, equity, and inclusion throughout the organization. By encouraging active participation and collaboration, the committees also create opportunities for employee development, visibility, and leadership engagement. In parallel, Employee Resource Group (ERG) activities continue to be carried out in all regions where Kordsa operates, supporting local inclusion efforts and strengthening employee interaction across the global organization.

Women Impact: Focuses on strengthening women's participation across the organization and supporting greater representation in different roles and leadership levels.

Reinforcers with Disabilities: Supports initiatives aimed at improving the inclusion, accessibility, and representation of employees with disabilities within the workforce.

Identities @Kordsa: Promotes awareness and understanding of diverse identities while encouraging an inclusive and respectful workplace culture.

Roots @Kordsa: Encourages diversity by fostering awareness and respect for different cultural, ethnic, racial, and religious backgrounds across the organization.

Well-being Manifestors: Concentrates on sustaining employees' physical and mental health.

To strengthen awareness and engagement around inclusive workplace, we also regularly share a newsletter with our employees featuring quarterly activities and developments from across the organization. Prepared collaboratively by regional ERG groups with the support of Human Resources teams, the newsletter includes updates on local and global inclusive workplace initiatives as well as informative content addressing various inclusion-related topics and themes.

Collaborative Initiatives with Universities

In collaboration with the Kadir Has University Gender and Women's Studies Research Center and the Sabancı University Gender and Women's Studies Center of Excellence, we carried out various initiatives to strengthen diversity, equity, and inclusion practices across the organization. Within this scope, we:

- Conducted awareness sessions and engagement activities for employees to support a more inclusive workplace culture,
- Performed methodological studies related to Gender Pay Gap assessments and supported practices promoting equitable career opportunities,
- Evaluated end-to-end recruitment processes to further enhance inclusive talent management practices,
- Updated existing policies and developed new frameworks, including the Sustainable Employment Policy and Human Rights Policy,
- Established ERGs to encourage employee participation and representation across different regions and functions,
- Supported the integration of women into production line roles across relevant operations,
- Implemented well-being initiatives aimed at supporting the physical and mental health of employees,

- Delivered cultural bias and inclusive language training within the scope of the Unistars internship program offered to university students,
- Conducted accessibility analyses to support the recruitment and inclusion of employees with disabilities.

Accessibility Analysis

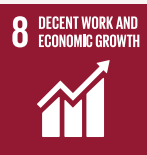
Kordsa considers accessibility an essential component of an inclusive workplace. We recognize that physical and digital barriers may limit the participation of employees with disabilities in daily business life and organizational processes. To support equal access and a more inclusive working environment, we initiated comprehensive accessibility assessments across our facilities. Within the scope of these studies conducted in our Türkiye operations, areas requiring physical and digital improvement were identified and evaluated to support safer, more accessible, and barrier-free workplaces for all employees.

Inclusive Recruitment

At Kordsa, we aim to foster recruitment practices grounded in equal opportunity, inclusiveness, and fairness. We continuously review our hiring and assessment processes to support unbiased decision-making and encourage broader participation from diverse talent groups. Through inclusive recruitment practices and wider outreach efforts, we seek to attract candidates with different perspectives, experiences, and capabilities that can contribute to our organizational culture and long-term success.

Details of our management approach on equal opportunities and diversity are [here](#).



**Project Name**

Being Plural

Place and Date

Kordsa Brazil - 2025

Objectives and Actions

The objective of this program is to increase the awareness of our Reinforcers about equal opportunity and Inclusion

We schedule 4 days of activities. In 2025 edition, we had some stands with quick games and explanation about equal opportunity and Inclusion aspects and also a lecture of one Reinforcer sharing his experience. Instead of only formal presentations, we created interactive stands, real-life storytelling, and dynamic experiences, making the topic more relatable and engaging.

Multiple channels were used (WhatsApp, internal communication, visual materials), with clear and inviting language.

Results

Increased our Reinforcers' awareness on equal opportunity and Inclusion

Plans for Future

Continue this initiative on a regular basis

**Inclusive Workplace Practices Across the Organization**

In 2025, our company implemented a wide range of initiatives to strengthen diversity, equality, and inclusion across the organization.

Kordsa Türkiye**Diversity, Equality, and Inclusion (DEI) Training:**

Conducted in collaboration with Kocaeli University Impact Center, this program aimed to raise awareness of diversity and inclusivity while reinforcing an equality-based workplace culture. Through structured training sessions, employees gained deeper DEI awareness, and young talents developed a stronger sense of equality.

Inclusive Language Awareness Program: Held annually on March 8, this program combined psychologist-led awareness sessions with interactive exercises. It helped employees recognize unconscious biases, adopt inclusive language, and strengthen the organization's communication culture.



International Women's Day: On International Women's Day, employees created vision boards to visualize their personal and professional aspirations while celebrating the inspiring women of Kordsa. The event provided an opportunity to recognize achievements, encourage inspiration, and reinforce our commitment to an inclusive workplace.



Biased Language Outlook Add-in: Introduced as a digital awareness tool, this add-in provided real-time alerts and educational prompts whenever biased or exclusionary language was detected in digital communication. It enabled immediate correction and fostered sustainable inclusive practices.

Indo Kordsa Kartini Day 2025

Kartini Day, observed on April 21st, honours Raden Adjeng Kartini as a trailblazer for women's rights and education in Indonesia. This day is historically important, emphasizing the significance of women's empowerment and emancipation. Indo Kordsa marked Kartini Day by wearing traditional clothing like kebaya and batik, paying tribute to R.A. Kartini and celebrating Indonesia's cultural heritage.

**Kordsa Inc**

- Employee Appreciation Cookout: Managers and employees hosted a cookout featuring grilled food and informal gatherings to recognize employees' contributions and strengthen workplace connections.
- Custodial Recognition Day: Special recognition activities were organized to acknowledge the dedication and contributions of custodial employees in maintaining a safe and clean working environment.
- Holiday Meals and Year-End Celebrations: Employees came together for holiday meals and seasonal celebrations that provided opportunities for appreciation, social interaction, and recognition of collective achievements throughout the year.



Composites US

Community Team Involvement - Axiom

Axiom's Operations Department formed a soccer team through the City of Irvine. The team, named Hotmelt Football Club (FC) come together to promote teamwork and engagement outside of the workplace. We are cheering them on as they aim for another first place finish in their division.



Ropes Course – Axiom

Axiom hosted a team-building activity in which employees collaborated to navigate an elevated obstacle course. Participants supported one another by offering guidance and encouragement while crossing the course.



Holiday Events

Throughout the year, our sites organized a variety of employee engagement, appreciation, and awareness-focused activities designed to strengthen workplace culture and foster a sense of belonging. These initiatives included seasonal celebrations, employee recognition events, team-building activities, and awareness campaigns, such as Valentine's Day and Cinco de Mayo celebrations, Sundae Funday events, summer burger trucks, employee appreciation treats, Mother's Day recognitions, Breast Cancer Awareness Month activities, Halloween celebrations, Christmas events, and other employee-focused gatherings.



Cinco de Mayo Celebration at Textile Products, Inc.

On May 5th, the TPI team came together to celebrate Cinco de Mayo with a delicious potluck. Our employees brought in an amazing variety of dishes—from flavorful rice and grilled meats to salsa, chips, and tortillas. The lunchroom was full of great food, great energy, and even greater people.

It was a wonderful opportunity for team members to connect and enjoy a cultural celebration together. Thank you to everyone who brought a dish and helped make this celebration a success!





Occupational Health and Safety

At Kordsa, our commitment to eliminating workplace injuries is driven by an integrated approach that combines workplace safety with a strong behavioural safety culture.

At Kordsa, safeguarding the health and safety of our employees remains a core priority within our sustainability strategy. Reflecting this strong commitment, safety is systematically placed at the forefront of all strategic meetings and reporting processes. We consider a safe and healthy working environment not only a legal obligation but also a shared responsibility and a key driver of long-term sustainable success.

Access our Kordsa Global Occupational Health and Safety Policy [here](#).

In line with our Occupational Health and Safety and Environmental policies, our governance structure is supported by a dedicated OHS&E (Occupational Health, Safety, and Environment) organization led by a department manager and supported by a multidisciplinary team of engineers, specialists, and technicians. Roles and responsibilities are formally defined in internal job descriptions, while the OHS&E Manager operates within a structure positioned two reporting lines below the CEO/General Manager, ensuring both operational effectiveness and alignment with senior leadership.

Occupational health services are managed through an on-site infirmary operated under an external service model (OSGB), where two workplace physicians provide continuous medical support, health monitoring, and preventive care services to employees.

We also leverage digital tools to strengthen our safety culture and responsiveness. Through the “I’m Safe” application, employees can access safety rules, training materials, incident details, surveys, and internal communications in real time. In addition, the S.O.S. module has been developed to support

communication and rapid assistance during emergencies, enabling timely coordination and employee support in crisis situations.



We implement the ISO 45001 Occupational Health and Safety Management System across our operations to ensure a standardized and preventive approach to managing occupational risks. Currently, 25% of our facilities are certified under the ISO 45001 standard, with continued efforts to expand certification coverage across our operations.

Across all Kordsa sites, dedicated occupational health, safety, and environment (OHS&E) teams are in place, supported by formal occupational health and safety committees that report directly to management. These teams play a critical role in strengthening the company's OHS&E framework by providing leadership, guidance, and employee empowerment through continuous training and knowledge sharing.

Employee representation is ensured through structured mechanisms tailored to our operational setup. In our fabric operations, representation is carried out by the labor union, while in yarn operations, employee representatives are elected through formal selection processes. As a company classified under the hazardous category, OHS committees convene every two months, where chief employee representatives actively contribute

by raising topics such as working conditions, occupational safety findings, and employee concerns, establishing a regular consultation mechanism with management.

The outcomes of OHS risk assessments and corresponding corrective and preventive actions are systematically monitored and reported on a monthly basis. Reporting is conducted through alternating OHS day meetings and OHS committee meetings, resulting in a total of 12 structured reporting cycles annually, ensuring continuous management oversight and timely decision-making

Stakeholder View (Collaborating Institution):

Kordsa is recognized for its strong commitment to process safety, risk management, and the prevention of major industrial accidents. Its proactive approach to regulatory compliance, continuous improvement mindset, and collaborative way of working with stakeholders are regarded as key strengths. The Company's efforts in implementing and aligning major accident prevention policies and safety management systems are viewed as important contributions to environmental protection, community safety, and responsible business practices, reinforcing its reputation as a reliable and sustainability-oriented organization.

Occupational Health and Safety Committees, established across all our facilities and covering 100% of our workforce, operate with a unified vision of achieving zero incidents. Through proactive initiatives, they promote engagement and reinforce a shared sense of accountability, embedding safety into everyday operations.

Across all functions and employees with occupational safety responsibilities, we pursue a common goal: zero workplace accidents and zero occupational diseases. This ambition is supported by a behavior-based safety culture that emphasizes awareness and collective responsibility.

Our approach extends beyond our direct workforce to include visitors, contractors, and subcontractors, all of whom are integrated into our OHS systems and policies. To enhance accessibility and understanding, our procedures are made available in multiple languages across all operational locations.

We continuously improve working conditions by leveraging advanced technologies, strengthening communication channels, and delivering comprehensive training programs that reinforce a proactive and preventive safety culture.

Hazard identification and risk assessment processes are supported by a multi-layered structure, including weekly risk assessment meetings, planned and unannounced site inspections, internal and external audits (ISO 14001 & ISO 45001, customer and regulatory audits), near-miss reporting systems, behavioral safety notifications, and specialized committee inspections (ergonomics, chemical, and electrical). Identified risks are evaluated in accordance with the Risk Assessment Procedure and tracked through the QDMS system until closure, after which reassessments are conducted to ensure effectiveness.





We place strong emphasis on employee-driven safety awareness and encourage continuous improvement through structured initiatives and targeted programs. Workplace health units rigorously monitor employee health checks and follow-ups to ensure full regulatory compliance. All measurement and analysis processes related to occupational health and safety are systematically managed in line with legal requirements.



As part of our emergency preparedness approach, we conduct regular risk assessments and organize drills to strengthen employee readiness. Emergency plans are designed not only to protect human health but also to ensure business continuity and minimize environmental impacts. Internal audits are carried out in accordance with annual plans, while line management performs routine safety walkthroughs to reinforce on-site compliance.

Our emergency management system is governed by a formal procedure aligned with legal requirements. We conduct four emergency drills annually, and their effectiveness is evaluated using structured observation forms). Improvement actions identified during drills are documented and tracked through the QDMS system until completion. In addition, annual emergency training programs are implemented to enhance employee preparedness and response capabilities.

Occupational health and safety is fully integrated into our change management processes rather than being treated as a standalone function. We

conduct regular risk assessments to identify, evaluate, and mitigate occupational risks. In 2025, 100% of our facilities completed comprehensive health and safety risk analyses. Each year, thousands of potential hazards are identified and addressed, ensuring that safety remains a central consideration in all operational changes.

Extending this approach beyond our own operations, our Sustainable Supply Chain Program promotes awareness and monitors occupational health and safety practices throughout our value chain.

2025 Performance

Throughout 2025, no fatal accidents or occupational diseases were recorded across any Kordsa facility or among subcontractors.

A total of 13 recordable incidents occurred during the year, all involving employees. The Lost Time Injury Rate (LTIR) across all plants was 0.88, while the Employee LTIR was 0.78 and the Contractor LTIR was 1.43.

We continue to manage occupational health and safety in alignment with ISO 45001, with our İzmit (Türkiye) and Thailand facilities maintaining certification.

Our Occupational Health and Safety Management Approach, including its implementation and control mechanisms, is further detailed [here](#).

Occupational Health and Safety performance data by country can be found [here](#).

Details of Occupational Health and Safety Committees are also can be found [here](#).

Our occupational health and safety training programs are delivered in line with an annual training plan, which is developed by considering past observations, employee feedback, and identified areas for improvement. Training frequencies are determined based on regulatory requirements for hazardous workplaces, while additional training sessions are organized in response to emerging needs. All training activities are formally documented through internal systems, and certifications are provided

where required. To ensure alignment between job roles and associated risks, task-specific instructions are developed and regularly communicated to employees within defined cycles. This alignment is further reinforced through routine job observation assessments (JCC), evaluating both employee compliance with procedures and the adequacy of instructions in relation to operational practices.

The occupational health and safety performance of contractors and subcontractors is monitored and managed through an integrated approach aligned with our core OHS management system.

A dedicated safety specialist is responsible for overseeing contractor training plans, risk assessment processes, and system integration. Contractors are subject to the same training requirements, incident reporting, investigation procedures, and KPI tracking mechanisms as Kordsa employees, ensuring a consistent and non-discriminatory approach across all workforce categories.

Our structured training approach is reflected in the total number of occupational health and safety training hours delivered across our global operations, as presented below.

Total OHS Training Hours	Kordsa	Contractor	OHS TRAININGS
Türkiye - İzmit	7,822 ✓	1,073	In 2025, our occupational health and safety training programs encompassed a wide spectrum of critical topics. Employees participated in general awareness, health-focused, and technical training modules. In addition, over 20 specialized areas were covered, including working at height, machine safety, Lockout/ Tagout (LOTO), safe chemical management, hazardous material labelling, storage, handling and transportation, safe driving practices, fire response, emergency search and rescue, and first aid.
Türkiye - CTCE	1,005	475.5	
Brazil	8,877 ✓	456	
Indonesia	1,633 ✓	2,156	
Thailand	3,532 ✓	72	
USA - Chattanooga	4,492	62.5	
USA - Laurel Hill	344	105.81	
USA - Quakertown (FDI)	361	0.00	
USA - Anaheim (TPI)	350	1.00	
USA - Carlsbad (Axiom)	67	2.00	
USA - Santa Ana (Axiom)	754	168	
Microtex- Italy	372	0.00	

Employee Suggestions for Operational Excellence

The employee suggestion system transformed by TPM integration has been available on the Kaizen portal since 2019. We've implemented constraints and acceptance criteria to optimize our suggestion (Kaizen) system. This strategic approach has yielded a noticeable enhancement in Kaizen quality, alongside a decline in total Kaizens in line with error reduction goals. In 2025, we received 1,000 improvement suggestions from our employees.



Empowering Communities and Social Impact

In line with our “**We Reinforce Life**” vision, which forms the foundation of the social responsibility projects carried out across Kordsa’s value chain, we continue to act with a commitment to creating long-term value for society.

Collaboration with the General Directorate of Vocational and Technical Education of the Ministry of National Education

Kordsa continues to reinforce its collaborations in vocational education to contribute to the development of a qualified workforce. In line with this commitment, a new collaboration agreement was signed with the General Directorate of Vocational and Technical Education of the Ministry of National Education in 2024, marking the launch of a new phase of the initiative.

The pilot implementation was initiated at Sabancı Vocational and Technical Anatolian High School. The program aims to provide 11th and 12th grade students with practical training opportunities in environments that closely reflect real production operations.

Within the scope of the Industrial Maintenance and Repair Program, the project focuses on enhancing students’ technical and vocational competencies. As of 2025, a total of eight students have been enrolled in the program.

Students’ development will be monitored through regular performance evaluations throughout the program, with a five-year tracking process planned. The initiative aims to support youth employment, contribute to the development of a qualified workforce for the industry, and help build a sustainable talent pipeline. High-performing graduates will be considered for employment opportunities within Kordsa.

Sabancı Youth Mobilization and Kordsa Technology & Impact Center



Launched in 2024, the Sabancı Youth Mobilization is part of Sabancı Holding and its group companies’ commitment to contributing to social development and investing in future generations. The initiative builds upon the Republic Mobilization campaign, which was launched in 2021 and continued for three years.

The program aims to support young people’s development in entrepreneurship, innovation, and sustainability through a network of Sabancı Technology and Impact Centers established across Türkiye. By bringing together Sabancı Group companies within a shared development ecosystem, the initiative seeks to enhance young people’s technical capabilities, leadership skills, and employability.

Inspired by the words of the founder of the Republic of Türkiye, Mustafa Kemal Atatürk, “My greatest hope is in the youth,” the Sabancı Youth Mobilization aims to promote equal opportunities for young people, support the development of a qualified workforce, and contribute to transforming brain drain into brain gain in the second century of the Republic.

In line with this vision, Kordsa established the fifth Sabancı Technology and Impact Center at Kocaeli University in December 2024. As one of Sabancı Holding’s Material Technologies Group companies, Kordsa has created a development ecosystem serving students from various engineering disciplines, particularly electrical and electronics engineering, chemical engineering, and civil engineering.

The Center’s activities focus on strengthening students’ technical knowledge, operational perspective, and leadership competencies. Programs are designed around a holistic development model incorporating project-based learning, technical and personal development training, mentorship, and innovation-focused activities.

Training and Development Activities

As of 2025, the following development programs have been delivered through the Kordsa Technology and Impact Center:

- “A Day in the Life of a Quality Engineer,” Continuous Improvement, and Operational Excellence trainings
- “TPM & Lean Philosophy for Young Talents,” introducing Total Productive Maintenance (TPM) and lean manufacturing culture
- “Anticipate Hazards, Prevent Risks, Stay Safe” training delivered in collaboration with the Environmental Engineering Club
- “Lean Thinking: The Key to Efficient and Sustainable Production” training
- Presentation skills and effective communication sessions under the Career Journey Workshop program
- Interview simulation events organized in collaboration with the Engineering Minds Club
- Human Resources networking events



Target Audience and Reach

More than 9,000 students enrolled in the Faculty of Engineering at Kocaeli University constitute the Center’s potential target audience. Across Türkiye, the Sabancı Youth Mobilization aims to reach a total of 30,000 young people.

Shortly after its opening in 2024, the Center reached more than 120 young participants. As of 2025, total participation has grown to 870 young people.

Employee Volunteering and Young Talent Development

Kordsa employees play an important role in the Center’s activities through volunteering and knowledge sharing. As of 2025, 18 Kordsa employees have actively contributed as volunteers by providing training, mentoring, and professional experience sharing.

Strong integration has also been established between the Center and Kordsa’s young talent development programs. As part of this collaboration:

- 7 students are participating in internships under the Kordsa Workplace Vocational Training Protocol (İME).
- 3 long-term Future Reinforcers interns have been integrated into the Center’s activities and projects.

As a result, a total of 10 young talents have gained hands-on professional experience within Kordsa.



Long-Term Impact and Sustainability Approach

The Kordsa Technology and Impact Center aims not only to equip students with technical knowledge but also to foster perspectives on sustainability, innovation, and operational excellence. Through the program, students have opportunities to develop innovative ideas in advanced material technologies and participate in industry-academia collaboration projects.

Supported by the technological expertise and infrastructure of the Sabancı Group, the Center provides a strong development platform that helps prepare young people for the workforce. Through this model, Kordsa aims to contribute to the development of a sustainable talent pipeline and support the education of future engineers.

Workplace Vocational Training (İME) Programs

In line with its sustainable development approach, Kordsa considers supporting young people’s professional development and contributing to the cultivation of a qualified workforce among its key responsibilities. Through its Workplace Vocational Training (İME) programs conducted in collaboration with Kocaeli University and Marmara University, Kordsa provides practical learning opportunities that strengthen university–industry cooperation.

Within the scope of the İME program, students gain hands-on experience by working in Kordsa’s production, technical, and operational functions during designated periods of their academic studies. The program enables participants to reinforce their theoretical knowledge through real-world applications while enhancing their technical skills and professional competencies. Students are also exposed to key business practices, including occupational health and safety, quality management, operational excellence, and continuous improvement processes.

In addition, the program supports the development of critical workplace competencies such as teamwork, analytical thinking, problem-solving, and effective

communication. By combining academic learning with practical experience, the program helps students better prepare for professional life and strengthens their employability.

In 2025, a total of 10 students participated in practical training and internship programs at Kordsa under the İME framework. The program aims to facilitate young people’s transition into the workforce and increase their employment readiness.

To measure the sustainability impact and effectiveness of the İME program, Kordsa monitors the following key performance indicators:

- Number of students participating in the program
- Technical competency and skills development assessment results
- Post-program employment rate
- Number of projects conducted within the scope of university–industry collaboration
- Participant satisfaction rates

Through its Workplace Vocational Training programs, Kordsa aims to strengthen its young talent pipeline while contributing to the development of the qualified workforce needed by the industry.

Inclusive Employment in Collaboration with the United Nations Development Programme (UNDP)

Kordsa develops partnerships with international organizations to further strengthen its commitment to equal opportunity and inclusion. In this context, inclusive employment practices have been implemented through a collaboration with the United Nations Development Programme (UNDP).

The collaboration aims to support workforce participation and foster a working environment that provides equal opportunities for all individuals. Recruitment and onboarding processes carried out within the scope of this partnership are supported by development and adaptation programs designed to

facilitate employees’ sustainable integration into the organization.

In 2025, two employees were hired by Kordsa through the UNDP collaboration. This initiative contributes to the strengthening of inclusive human resources practices while encouraging the participation of individuals with diverse backgrounds, experiences, and capabilities in the workforce.

To measure the impact and effectiveness of the initiatives conducted under the UNDP collaboration, Kordsa monitors the following key performance indicators:

- Number of employees hired through inclusive employment initiatives
- Employees’ onboarding, adaptation, and development progress
- Participation rates in diversity and inclusion awareness activities
- Long-term employment sustainability

Through its inclusive employment approach, Kordsa aims to expand partnerships that create social value and contribute to the development of a more inclusive and sustainable working ecosystem.

Collaborations with Kocaeli University and Sabancı University IT Offices

As part of its digital transformation strategy, Kordsa collaborates with the IT Offices of Kocaeli University and Sabancı University to support the development of young technology talents and strengthen university–industry cooperation. These collaborations provide students with practical experience in areas such as software development, data analytics, artificial intelligence, automation, and cybersecurity, while contributing to the creation of a sustainable talent ecosystem that supports Kordsa’s digitalization journey.

Through the Kocaeli University IT Office program, students actively participate in digital applications, automation projects, and data analytics initiatives

used within Kordsa’s operational processes. The program enables participants to strengthen their technical competencies while gaining hands-on exposure to end-to-end business processes and industrial applications. By working on real business challenges, students gain valuable experience in software development, system integration, process improvement, and digital transformation projects.

In addition, students contribute to research and development activities by participating in projects related to data analytics, artificial intelligence, automation systems, and digital process optimization. By combining academic knowledge with practical industry experience, the program supports the development of innovative thinking, problem-solving, project management, and collaboration skills.

Through these partnerships, Kordsa aims to contribute to the development of future technology professionals while fostering innovation, supporting digital capabilities, and strengthening the connection between academia and industry.



Indo Kordsa Corporate Social Responsibility Program

Throughout the year, Indo Kordsa contributed to the well-being of neighbouring communities through ongoing educational support programs for underprivileged children and the distribution of essential aid packages. To further strengthen community well-being, Indo Kordsa also supported local maternal and child healthcare services.

In line with its commitment to fostering social solidarity and inclusive community development, Indo Kordsa provided donations and essential assistance to families and individuals in need during religious and cultural celebrations. In addition, charitable giving initiatives were carried out throughout the year to support the socio-economic well-being of local communities.



Indo Kordsa Link & Match Program 2025 With Vocational High Schools

In 2025, Indo Kordsa launched the 2025 “Link & Match Internship Program” for Vocational High School Students. The program features one month of soft and hard skills training at the Reinforcers Learning Center. This initiative aims to develop competitive industry-ready talent and demonstrates Indo Kordsa’s commitment to educational social responsibility.



FDI – Community Outreach / Wounded Warrior Project

In 2025, FDI strengthened its community engagement by supporting a veterans’ organization through fundraising activities, participating in a book drive, and donating toys to a local charity.





PERFORMANCE INDICATORS

As part of our value creation approach, we systematically monitor key performance indicators (KPIs) indicators across economic, social, and environmental issues. These indicators provide critical insights that support informed decision-making, effective risk and opportunity management, and the achievement of our sustainability objectives. By embedding KPI monitoring into our governance and management processes, we strengthen our ability to create long-term value for all stakeholders.

For a comprehensive overview of our performance indicators and historical data, please refer to our website at this [link](#).

Nature, the Strongest Shield

Nature weaves its strongest shields with the flexibility of silky fibers. Just as in the unbreakable mother-of-pearl structure of a seashell, we use our advanced composite materials to give the vehicles of the future both lightness and superior strength.

[Economic Performance Indicators](#)[Social Performance Indicators](#)[Environmental Performance Indicators](#)



Economic Performance Indicators

Economic Value Created & Distributed ('000 USD)	2023	2024	2025
Economic Value Generated (Net Revenues)	1,052,824	973,274	872,277
Economic Value Distributed to Stakeholders	2023	2024	2025
Operating Expenses	896,646	857,085	769,868
Benefit to Employees	141,049	149,170	149,257
Benefit to Government	13,218	7,762	5,938
Benefit to Providers of Capital	0	0	0
Benefit to Community	4,551	114	5
Economic Value Retained (Profit)	16,836	-26,114	-38,002
Financial Assistance Received From Government	2023	2024	2025
Turquality	185	208	297
Tax Reliefs	2,025	2,079	1,100
Incentives	0	0	0



Social Performance Indicators

KORDSA EMPLOYEE DIVERSITY			
Employees by Gender	2023	2024	2025
Female	741	676	606√
Male	3,570	3,640	3,011√
Total	4,311	4,316	3,617√
Employees By Type of Employment and Gender	2023	2024	2025
White-collar - Female	385	346	315√
White-collar - Male	612	572	480√
Blue-collar - Female	356	330	291√
Blue-collar - Male	2,958	3,068	2,531√
Total	4,311	4,316	3,617√
Employees By Location and Gender	2023	2024	2025
Türkiye - Female	204	190	148
Türkiye - Male	1,324	1,467	1,128
Indonesia - Female	112	107	96
Indonesia - Male	1,026	1,012	835
Thailand - Female	110	106	99
Thailand - Male	260	257	227
Brazil - Female	62	63	65
Brazil - Male	307	319	315
USA - Female	228	182	172
USA - Male	577	501	439
Italy - Female	24	27	26
Italy - Male	72	79	65
Germany - Female	1	1	0
Germany - Male	3	4	1
China - Female	0	0	0
China - Male	1	1	1
Total	4,311	4,316	3,617
Employees By Age Group and Gender	2023	2024	2025
Below 30 Years - Female	211	171	140√
Below 30 Years - Male	1,058	1,088	771√
30 - 50 Years - Female	359	337	311√
30 - 50 Years - Male	1,901	1,956	1,795√
Above 50 Years - Female	171	168	155√
Above 50 Years - Male	611	596	445√
Total	4,311	4,316	3,617√

Employees by STEM-related positions	2023	2024	2025
Female	38	65	82√
Male	72	124	136
Employees By Gender (%)	2023	2024	2025
Female	17%	16%	17%√
Male	83%	84%	83%√
Employees By Age Group and Gender (%)	2023	2024	2025
Below 30 Years - Female	5%	4%	4%
Below 30 Years - Male	25%	25%	21%
30 - 50 Years - Female	8%	8%	9%
30 - 50 Years - Male	44%	45%	50%
Above 50 Years - Female	4%	4%	4%
Above 50 Years - Male	14%	14%	12%
Employees By Region and Gender (%)	2023	2024	2025
APAC - Female	5%	5%	5%
APAC - Male	30%	29%	29%
EMEA - Female	5%	5%	5%
EMEA - Male	32%	36%	33%
NA - Female	5%	4%	5%
NA - Male	13%	12%	12%
SA - Female	1%	2%	2%
SA - Male	7%	7%	9%
Employees by Management Category and Gender (%)	2023	2024	2025
STEM-related positions – Female	35%	34%	38%√
STEM-related positions – Male	65%	66%	62%
Management Positions – Female	31%	31%	33%√
Management Positions – Male	69%	69%	66%
First Level Management Positions – Female	28%	27%	29%
First Level Management Positions – Male	58%	59%	58%
Top Management Positions – Female	3%	4%	4%
Top Management Positions – Male	11%	10%	8%



Employees at Manager and Above Management Level by Region (%)	2023	2024	2025
APAC	24%	24%	24%
EMEA	45%	46%	48%
NA	25%	22%	21%
SA	6%	7%	6%
Governance Bodies (Board of Directors and SLT) By Age Group and Gender	2023	2024	2025
Female	33%	36%	42%
Male	67%	64%	58%
Below 30 years	0%	0%	0%
30 - 50 years	17%	29%	25%
Above 50 years	83%	71%	75%
Expats	20%	7%	8%
Employees with disabilities	0%	0%	0%

KORDSA EMPLOYEE TURNOVER			
Recruitment and Dismissals by Gender and Age Group	2023	2024	2025
Recruitment - Female	116	61	46√
Recruitment - Male	317	436	190√
Recruitment - Female (Below 30 Years)	51	24	14√
Recruitment - Male (Below 30 Years)	200	323	106√
Recruitment - Female (30-50 Years)	51	28	27√
Recruitment - Male (30-50 Years)	90	99	65√
Recruitment - Female (Above 50 Years)	14	9	5√
Recruitment - Male (Above 50 Years)	27	14	19√
Total – Recruitment	433	497	236√
Total – Dismissals	512	833	1,102√
Ratio of Total Recruitment by Gender	2023	2024	2025
Recruitment - Female	26.79%	12.27%	19.49%
Recruitment - Male	73.21%	87.73%	80.51%
Ratio of Total Dismissals by Gender	2023	2024	2025
Dismissals - Female	23.05%	18.25%	11.43%
Dismissals - Male	76.95%	81.75%	88.57%
Internal Human Capital Allocation	2023	2024	2025
Open Positions	36	19	46
Open Positions closed with internal candidates	9	35	9
Turnover Rate	2023	2024	2025
Total Employee Turnover	12%	19.06%	28.03%√
Employee Initiated Turnover	4.20%	9.11%	6.23%

EMPLOYEE TENURES			
Average Length of Service (Years)	2023	2024	2025
All Kordsa	10.4	9.9	10.0
Türkiye	8.3	8.0	8.8
Indonesia	13.2	12.5	11.6
Thailand	13.7	12.7	12.5
Brazil	11.5	11.1	11.0
USA	8.6	9.3	9.2
China	16.27	17.3	18.3
Germany	-	4.5	2.7
Italy	-	3.4	4.3
Average Length of Service (Years)	2023	2024	2025
White Collar	9.7	10.1	10.3
Blue Collar	10.6	9.9	10.0
Average Length of Service (Years)	2023	2024	2025
Female	8.1	8.3	8.7
Male	10.9	10.2	10.3

KORDSA TRAINING DATA			
	2023	2024	2025
Total Number of Trained Employees	4,572	4,625	4,258
Total Training Hours Per Person	48.51	52.13	52.62√
Total training costs (USD)*	936,840.14	469,318.06	422,831.78√
*Trainings provided to subcontractors are included.			
Average Training Hour (By Gender)	2023	2024	2025
Annual training hours for per employee (women)	48.45	45.47	36.98
Annual training hours for per employee (men)	48.79	48.96	55.21
Average Training Hour (By Training Type)	2023	2024	2025
Career Development	61.12	48.09	72.27
Personal Development	17.77	26.01	4.83
Health, Safety and Environment	18.4	8.64	9.41
Training Hours	2023	2024	2025
Career Development	135,538	168,426	175,172√
Personal Development	39,401	23,717	6,626√
Health, Safety and Environment	40,816	37,872	31,993√
Total Training Hours	221,766	241,118	224,040√
Contractor Trainings	2023	2024	2025
Total Number of Trained Contractors	257	6589	2200
Total Training Hours	5,342	9,042	6,589



KORDSA ETHICS

	2023	2024	2025
Total Number of notifications/ complaints on ethics hotline	17	37	28
Number of notifications/ complaints resolved within the year	17	36	27
Number of discrimination incidents	0	0	0
Number of harassment (Mobbing) incidents	0	5	1
Number of information security incidents	1	0	0
Total training hours on ethics provided to employees (including human rights)	5,891	5,152	3,015√
Total number of employees trained on ethics within the year	2,611	1,760	2,478
Average number of ethics training hours per employee	2.26	2.93	1.22
Coverage of ethics trainings within the company	Kordsa North America: 5%	Kordsa North America: 23%	Kordsa North America: 30%
	Brazil: 92%	Türkiye: 4%	Türkiye: 60%
	Indonesia: 89%	Brazil: 76%	Brazil: 91%
	Thailand: 44%	Indonesia: 94 %	Indonesia: 98%
		Thailand: 44%	Thailand: 73%
Coverage of Ethics Training Topics	Italy: 39%		
	Bribery /Corruption / Fraud / Human Rights Discrimination / Mobbing / Harassment / Confidentiality / Antitrust / Trade restrictions / Conflict of Interests		

KORDSA COMPLIANCE

	2023	2024	2025
Non-compliance fines for customs, taxes, and social security regulations (USD)	44,355.69	46,138.38	26,504.24
No public cases on compliance occurred and/or finalized on environmental, social or governance topics, against Kordsa.			

KORDSA ANTI-BRIBERY AND ANTI-CORRUPTION

	2023	2024	2025
Number of bribery and corruption cases occurred	0	4	0
Number of disciplinary penalties to employees because of these cases	0	3	0
Number of criminal cases to Kordsa because of these cases	0	0	0
No contract with business partners that was terminated or failed to be renewed due to violations related to corruption; no public lawsuit opened against our company or our employees because of corruption.			



KORDSA OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT (1)

Plants			Türkiye			Thailand		
Accidents	Group	Unit	2023	2024	2025	2023	2024	2025
The number and rate of fatalities as a result of work-related injury	Kordsa Employee	Number	0.00	0.00	0.00√	0.00	0.00	0.00√
		Rate	0.00	0.00	0.00√	0.00	0.00	0.00√
	Contractor	Number	0.00	0.00	0.00√	0.00	0.00	0.00√
		Rate	0.00	0.00	0.00√	0.00	0.00	0.00√
The number and rate of high-consequence work-related injuries (excluding fatalities)	Kordsa Employee	Number	0.00	0.00	0.00√	0.00	0.00	0.00√
		Rate	0.00	0.00	0.00√	0.00	0.00	0.00√
	Contractor	Number	0.00	0.00	0.00√	0.00	0.00	0.00√
		Rate	0.00	0.00	0.00√	0.00	0.00	0.00√
The number and rate of recordable work-related injuries	Kordsa Employee	Number	2	1	4√	0.00	3.00	1.00√
		Rate	0.12	0.31	1.37√	0.00	3.84	1.33√
	Contractor	Number	0	1.00	2.00	0.00	0.00	0.00
		Rate	0	1.57	3.09	0.00	0.00	0.00
The number of hours worked	Kordsa Employee	Number	3,252,208	3,192,172	2,919,562√	784,025	781,993	752,279√
	Contractor	Number	660,227	636,932	646,360√	200,511	167,843	110,126√
Occupational disease	Kordsa Employee	Number	0.00	0.00	0.00√	0.00	0.00	0.00√
		Number of Lost Days	0.00	0.00	0.00√	0.00	0.00	0.00√
	Contractor	Number	0.00	0.00	0.00	0.00	0.00	0.00
		Number of Lost Days	0.00	0.00	0.00	0.00	0.00	0.00

KORDSA OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT (2)

Plants			Indonesia			Brazil		
Accidents	Group	Unit	2023	2024	2025	2023	2024	2025
The number and rate of fatalities as a result of work-related injury	Kordsa Employee	Number	0.00	0.00	0.00√	0.00	0.00	0.00√
		Rate	0.00	0.00	0.00√	0.00	0.00	0.00√
	Contractor	Number	0.00	0.00	0.00√	0.00	0.00	0.00√
		Rate	0.00	0.00	0.00√	0.00	0.00	0.00√
The number and rate of high-consequence work-related injuries (excluding fatalities)	Kordsa Employee	Number	0.00	0.00	0.00√	0.00	0.00	0.00√
		Rate	0.00	0.00	0.00√	0.00	0.00	0.00√
	Contractor	Number	0.00	0.00	0.00√	0.00	0.00	0.00√
		Rate	0.00	0.00	0.00√	0.00	0.00	0.00√
The number and rate of recordable work related injuries	Kordsa Employee	Number	0.00	0.00	1.00√	0.00	1.00	2.00√
		Rate	0.00	0.00	0.57√	0.00	1.36	2.68√
	Contractor	Number	0.00	1.00	0.00	0.00	0.00	0.00
		Rate	0.00	3.16	0.00	0.00	0.00	0.00
The number of hours worked	Kordsa Employee	Number	2,126,867	2,015,460	1,757,986√	775,617	736,858	747,169√
	Contractor	Number	392,336	316,037	320,274√	195,168	300,528	159,124√
Occupational disease	Kordsa Employee	Number	0.00	0.00	0.00√	0.00	0.00	0.00√
		Number of Lost Days	0.00	0.00	0.00√	0.00	0.00	0.00√
	Contractor	Number	0.00	0.00	0.00	0.00	0.00	0.00
		Number of Lost Days	0.00	0.00	0.00	0.00	0.00	0.00



KORDSA OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT (3)

Plants			USA – Chattanooga			USA – Laurel Hill		
Accidents	Group	Unit	2023	2024	2025	2023	2024	2025
The number and rate of fatalities as a result of work-related injury	Kordsa Employee	Number	0.00	0.00	0.00	0.00	0.00	0.00
		Rate	0.00	0.00	0.00	0.00	0.00	0.00
	Contractor	Number	0.00	0.00	0.00	0.00	0.00	0.00
		Rate	0.00	0.00	0.00	0.00	0.00	0.00
The number and rate of high-consequence work-related injuries (excluding fatalities)	Kordsa Employee	Number	0.00	0.00	0.00	0.00	0.00	0.00
		Rate	0.00	0.00	0.00	0.00	0.00	0.00
	Contractor	Number	0.00	0.00	0.00	0.00	0.00	0.00
		Rate	0.00	0.00	0.00	0.00	0.00	0.00
The number and rate of recordablework-related injuries	Kordsa Employee	Number	1	2	1.00	1	2.00	1.00
		Rate	0.57	4.43	3.36	3.90	9.67	6.69
	Contractor	Number	0.00	0.00	0.00	0.00	0.00	0.00
		Rate	0.00	0.00	0.00	0.00	0.00	0.00
The number of hours worked	Kordsa Employee	Number	348,323	451,643	297,714	255,635	206,887	149,408
	Contractor	Number	31,353	30,003	24,853	14,728	16,356	37,133
Occupational disease	Kordsa Employee	Number	0.00	0.00	0.00	0.00	0.00	0.00
		Number of Lost Days	0.00	0.00	0.00	0.00	0.00	0.00
	Contractor	Number	0.00	0.00	0.00	0.00	0.00	0.00
		Number of Lost Days	0.00	0.00	0.00	0.00	0.00	0.00

KORDSA OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT (4)

Plants			Composite Technologies Center of Excellence (CTCE)			USA – Anaheim (TPI)		
Accidents	Group	Unit	2023	2024	2025	2023	2024	2025
The number and rate of fatalities as a result of work-related injury	Kordsa Employee	Number	0.00	0.00	0.00	0.00	0.00	0.00
		Rate	0.00	0.00	0.00	0.00	0.00	0.00
	Contractor	Number	0.00	0.00	0.00	0.00	0.00	0.00
		Rate	0.00	0.00	0.00	0.00	0.00	0.00
The number and rate of high-consequence work-related injuries (excluding fatalities)	Kordsa Employee	Number	0.00	0.00	0.00	0.00	0.00	0.00
		Rate	0.00	0.00	0.00	0.00	0.00	0.00
	Contractor	Number	0.00	0.00	0.00	0.00	0.00	0.00
		Rate	0.00	0.00	0.00	0.00	0.00	0.00
The number and rate of recordable work related injuries	Kordsa Employee	Number	0.00	1.00	0.00	6	0.00	1.00
			0.00	3.67	0.00	47.91	0.00	5.71
	Contractor	Number	0.00	0.00	0.00	0.00	0.00	0.00
			0.00	0.00	0.00	0.00	0.00	0.00
The number of hours worked	Kordsa Employee	Number	202,065	272,784	208,558	125,236	113,379	175,006
	Contractor	Number	60,960	86,776	85,243	16,054	1,809	0.00
Occupational disease	Kordsa Employee	Number	0.00	0.00	0.00	0.00	0.00	0.00
		Number of Lost Days	0.00	0.00	0.00	0.00	0.00	0.00
	Contractor	Number	0.00	0.00	0.00	0.00	0.00	0.00
		Number of Lost Days	0.00	0.00	0.00	0.00	0.00	0.00



KORDSA OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT (5)

Plants			USA – Quakertown (FDI)			USA – Carlsbad (Axiom)		
Accidents	Group	Unit	2023	2024	2025	2023	2024	2025
The number and rate of fatalities as a result of work-related injury	Kordsa Employee	Number	0.00	0.00	0.00	0.00	0.00	0.00
		Rate	0.00	0.00	0.00	0.00	0.00	0.00
	Contractor	Number	0.00	0.00	0.00	0.00	0.00	0.00
		Rate	0.00	0.00	0.00	0.00	0.00	0.00
The number and rate of high-consequence work-related injuries (excluding fatalities)	Kordsa Employee	Number	0.00	0.00	0.00	0.00	0.00	0.00
		Rate	0.00	0.00	0.00	0.00	0.00	0.00
	Contractor	Number	0.00	0.00	0.00	0.00	0.00	0.00
		Rate	0.00	0.00	0.00	0.00	0.00	0.00
The number and rate of recordable work related injuries	Kordsa Employee	Number	0.00	0.00	0.00	0.00	0.00	0.00
		Rate	0.00	0.00	0.00	0.00	0.00	0.00
	Contractor	Number	0.00	0.00	0.00	0.00	0.00	0.00
		Rate	0.00	0.00	0.00	0.00	0.00	0.00
The number of hours worked	Kordsa Employee	Number	255,085	264,996	206,472	42,824	39,805	29,069
	Contractor	Number	15,527	12,789	0.00	6,978	2,550	173.77
Occupational disease	Kordsa Employee	Number	0.00	0.00	0.00	0.00	0.00	0.00
		Number of Lost Days	0.00	0.00	0.00	0.00	0.00	0.00
	Contractor	Number	0.00	0.00	0.00	0.00	0.00	0.00
		Number of Lost Days	0.00	0.00	0.00	0.00	0.00	0.00

KORDSA OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT (6)

Plants			USA – Santa Ana (Axiom)			Microtex (Italy)		
Accidents	Group	Unit	2023	2024	2025	2023	2024	2025
The number and rate of fatalities as a result of work-related injury	Kordsa Employee	Number	0.00	0.00	0.00	0.00	0.00	0.00
		Rate	0.00	0.00	0.00	0.00	0.00	0.00
	Contractor	Number	0.00	0.00	0.00	N/A	0.00	0.00
		Rate	0.00	0.00	0.00	N/A	0.00	0.00
The number and rate of high-consequence work-related injuries (excluding fatalities)	Kordsa Employee	Number	0.00	0.00	0.00	0.00	0.00	0.00
		Rate	0.00	0.00	0.00	0.00	0.00	0.00
	Contractor	Number	0.00	0.00	0.00	0.00	0.00	0.00
		Rate	0.00	0.00	0.00	0.00	0.00	0.00
The number and rate of recordable work related injuries	Kordsa Employee	Number	0.00	0.00	0.00	2	6	0.00
		Rate	0.00	0.00	0.00	15.84	33.93	0.00
	Contractor	Number	0.00	0.00	0.00	N/A	N/A	0.00
		Rate	0.00	0.00	0.00	N/A	N/A	0.00
The number of hours worked	Kordsa Employee	Number	333,214	291,308	291,348	126,246	176,814	173,910
	Contractor	Number	10,079	11,632	10,836	N/A	N/A	0.00
Occupational disease	Kordsa Employee	Number	0.00	0.00	0.00	0.00	0.00	0.00
		Number of Lost Days	0.00	0.00	0.00	0.00	0.00	0.00
	Contractor	Number	0.00	0.00	0.00	0.00	N/A	0.00
		Number of Lost Days	0.00	0.00	0.00	0.00	N/A	0.00



KORDSA OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT (7)

TOTAL				All Plants	
Accidents	Group	Unit	2023	2024	2025
The number and rate of fatalities as a result of work-related injury	Kordsa Employee	Number	0.00	0.00	0.00
		Rate	0.00	0.00	0.00
	Contractor	Number	0.00	0.00	0.00
		Rate	0.00	0.00	0.00
The number and rate of high-consequence work-related injuries (excluding fatalities)	Kordsa Employee	Number	0.00	0.00	0.00
		Rate	0.00	0.00	0.00
	Contractor	Number	0.00	0.00	0.00
		Rate	0.00	0.00	0.00
The number and rate of recordable work related injuries	Kordsa Employee	Number	12.00	16.00	11.00
		Rate	71.15	57.20	21.71
	Contractor	Number	0.00	2.00	2.00
		Rate	0.00	4.73	3.09
The number of hours worked	Kordsa Employee	Number	8,627,346	8,544,099	7,708,481
	Contractor	Number	1,603,972	1,583,255	1,394,121
Occupational disease	Kordsa Employee	Number	0.00	0.00	0.00
		Number of Lost Days	0.00	0.00	0.00
	Contractor	Number	0.00	0.00	0.00
		Number of Lost Days	0.00	0.00	0.00

KORDSA OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT (8)

OHS TRAINING HOURS PER EMPLOYEE	2023	2024	2025	OHS TRAINING HOURS PER CONTRACTOR	2023	2024	2025
Türkiye – İzmit	10.70	9.32	9.08√	Türkiye – İzmit	8.00	8.00	4.51
Türkiye – CTCE	6.45	4.19	7.39	Türkiye – CTCE	8.88	14.30	20.67
Brazil	19.60	12.30	22.08√	Brazil	2.10	9.00	2.00
Indonesia	4.20	2.70	1.77√	Indonesia	3.00	1.40	1.39
Thailand	9.60	7.76	10.21√	Thailand	7.90	1.94	0.19
USA – Chattanooga	14.30	17.00	28.08	USA – Chattanooga	0.00	6.00	4.46
USA – Laurel Hill	8.00	5.00	3.78	USA – Laurel Hill	0.00	0.00	2.94
USA – Quakertown (FDI)	4.90	3.20	2.77	USA – Quakertown (FDI)	5.00	3.20	0.00
USA – Anaheim (TPI)	7.00	1.70	3.53	USA – Anaheim (TPI)	7.00	7.42	1.00
USA – Carlsbad (Axiom)	1.50	10.00	5.20	USA – Carlsbad (Axiom)	1.50	10.00	2.00
USA – Santa Ana (Axiom)	9.89		4.50	USA – Santa Ana (Axiom)	9.89	10.00	18.64
Italy – Microtex	2.00	11.00	11.30	Italy – Microtex	1.00	NA	0.00
TOTAL			8.80	TOTAL			1.85



ENVIRONMENTAL TRAINING	2025			
	TRAINING HOURS PER EMPLOYEE	TOTAL EMPLOYEE TRAINING HOURS	TRAINING HOURS PER CONTRACTOR	TOTAL CONTRACTOR TRAINING HOURS
Türkiye – İzmit	0.02√	414.00√	1.00	238.00
Türkiye – CTCE	1.00	53.00	1.00	23.00
Brazil	4.9√	618.72√	0.86	98.00
Indonesia	2.5√	320.41√	1.68	1,548
Thailand	0.70	140.50√	0.16	61.00
USA – Chattanooga	1.7√	303.54	0.00	0.00
USA – Laurel Hill	0.60	58.70	0.27	9.80
USA – Quakertown (FDI)	0.0	0.0	0.00	0.00
USA – Anaheim (TPI)	1.70	161.00	0.00	0.00
USA – Carlsbad (Axiom)	2.90	35.00	0.00	0.00
USA – Santa Ana (Axiom)	2.10	278.00	0.56	5.00
Italy – Microtex	0.0	0.00	0.0	0.00
TOTAL	1.70	2,383.00	1.15	1,982.80

Employees with Collective Bargaining Agreement	2023	2024	2025
Türkiye	778	845	673
Indonesia	942	932	768
Brazil	297	314	379
USA	0	0	0
China	0	0	0
Thailand	0	0	0
Total	2,017	2,091	1,820
Percentage of employees covered by collective agreements (%)	46.7%	48.4%	50.3%



Topic Covered by Collective Labor Agreement	2023			2024			2025		
	Türkiye	Indonesia	Brazil	Türkiye	Indonesia	Brazil	Türkiye	Indonesia	Brazil
Occupational Health and Safety	√	√	√	√	√	√	√	√	√
Working Conditions (work-rest hours, leaves)	√	√	√	√	√	√	√	√	√
Training	√	√	-	√	√	-	√	√	-
Career Management	-	√	-	-	√	-	-	√	-
Employee Representatives' Tasks and Responsibilities	√	√	-	√	√	-	√	√	-
Additional Work Payments	√	√	√	√	√	√	√	√	√

Sustainable Procurement Performance Report			
	2023	2024	2025
Ratio of targeted suppliers who have gone through a sustainability assessment survey	38%	39%	56%√
Ratio of targeted raw material suppliers audited in line with annual scheduled audit plan	100%	100%	100%√
Number of suppliers evaluated in the scope of Human Rights	191	81	84



Environmental Performance Indicators

KORDSA ENERGY CONSUMPTION			
Electricity (kWh)	2023	2024	2025
Türkiye - İzmit	160,645,697	185,546,504	154,590,493 ✓
Türkiye - İstanbul (CTCE)	1,878,410	1,578,658	1,742,529
Indonesia	197,855,660	194,574,787	109,626,252 ✓
Thailand	36,366,848	36,138,445	27,323,871
Brazil	62,896,284	67,559,188	68,655,387 ✓
USA – Chattanooga	58,077,093	52,691,413	53,457,008 ✓
USA – Laurel Hill	21,937,203	21,531,863	20,450,935
USA – Quakertown (FDI)	1,585,779	1,521,966	1,438,220
USA – Anaheim (TPI)	1,114,440	1,275,768	1,130,928
USA – Carlsbad (Axiom)	532,201	570,902	479,913
USA – Santa Ana (Axiom)	3,155,830	3,358,761	3,514,124
Italy – Microtex	2,683,777	2,962,917	3,035,307
TOTAL	548,729,222	569,311,173	445,444,966 ✓

KORDSA ENERGY CONSUMPTION			
Natural Gas (Sm³)	2023	2024	2025
Türkiye – İzmit	22,309,837	24,606,803	21,579,649 ✓
Türkiye – İstanbul (CTCE)	125,557	96,865	100,230
Indonesia	8,046,975	7,867,238	3,975,746 ✓
Thailand	4,207,644	4,581,532	3,614,255 ✓
Brazil	2,466,166	2,986,038	2,915,229 ✓
USA – Chattanooga	15,337,577	16,068,028	16,311,975 ✓
USA - Laurel Hill	1,937,300	1,953,427	2,086,242
USA - Quakertown (FDI)	37,033	33,994	37,417
USA - Anaheim (TPI)	5,163	6,063	2,608
USA - Carlsbad (Axiom)	82,442	105,775	33,546
USA - Santa Ana (Axiom)	395,806	169,017	163,069
Italy- Microtex	111,756	43,148	8,753
TOTAL	55,063,256	58,517,928	50,828,719 ✓



KORDSA ENERGY CONSUMPTION

Other Fuels	Diesel Oil (liter)			Gasoline (liter)			LPG (kg)		
	2023	2024	2025	2023	2024	2025	2023	2024	2025
Türkiye – İzmit	43,652	41,032	42,339 ✓	146,827	154,078	113,987 ✓	1,133,305	0	0 ✓
Türkiye – İstanbul (CTCE)	1,227	604	604	0	0	0	0	0	0
Indonesia	48,388	59,477	35,767 ✓	11,107	10,051	9,016 ✓	0	0	0 ✓
Thailand	15,146	12,483	10,242 ✓	9,055	8,325	8,519 ✓	12,270	11,985	10,545 ✓
Brazil	1,535	1,585	2,158 ✓	8,047	7,345	7,015 ✓	19,110	20,090	19,928 ✓
USA – Chattanooga	5,076	9,456	6,442 ✓	6,069	11,674	7,018 ✓	0	172	250 ✓
USA – Laurel Hill	795	0	307	503	443	371	0	0	0
USA – Quakertown (FDI)	227	908	908	9,448	5,799	3,483	0	0	0
USA – Anaheim (TPI)	3,271	2,658	2,099	918	491	684	0	0	0
USA – Carlsbad (Axiom)	3,780	2,723	1,891	2,991	2,512	3,655	320	420	600
USA – Santa Ana (Axiom)	1,203	908	1,021	1,437	1,464	1,000	0	0	0
Italy – Microtex	12,703	22,892	10,868 ✓	1,693	7,788	8,266 ✓	0	0	0 ✓
TOTAL	137,005	154,727	114,647 ✓	198,096	209,970	163,015 ✓	1,165,005	32,667	31,324

Explanations for Data: In 2025, 486.47L of fuel oil was used in the Chattanooga facility. ✓



KORDSA EMISSIONS (Scope 1)

Kordsa Plants (tCO ₂ e)	2023	2024	2025
Türkiye – İzmit	49,612.23	53,987.13	47,423.73 ✓
Türkiye - İstanbul (CTCE)	261.33	232.81	277.80 ✓
Indonesia	16,835.45	16,415.47	9,179.72 ✓
Thailand	8,878.20	9,640.37	9,163.26 ✓
Brazil	5,192.14	6,377.62	6,381.63 ✓
USA - Chattanooga	28,954.22	30,119.81	31,002.73 ✓
USA - Laurel Hill	3,642.06	3,572.70	3,855.05 ✓
USA - Quakertown (FDI)	94.07	81.51	82.60 ✓
USA - Anaheim (TPI)	20.53	19.31	12.01 ✓
USA - Carlsbad (Axiom)	172.66	207.83	77.35 ✓
USA - Santa Ana (Axiom)	635.08	315.43	387.90 ✓
Italy – Microtex	280.64	181.64	81.18 ✓
TOTAL	114,578.60	121,151.63	107,924.95 ✓

KORDSA EMISSIONS (Scope 2)

Kordsa Plants (tCO ₂ e)	2023	2024	2025
Türkiye - İzmit	52,797.44	59,027.55	67,091.39 ✓
Türkiye - İstanbul (CTCE)	0	0.00	0.00 ✓
Indonesia	126,838.61	102,184.05	22,714.37 ✓
Thailand	20,236.85	15,753.93	10,824.23 ✓
Brazil	5,874.51	3,681.98	3,741.72 ✓
USA - Chattanooga	15,807.57	14,341.68	15,660.12 ✓
USA - Laurel Hill	5,413.10	5,313.08	5,630.76 ✓
USA - Quakertown (FDI)	474.96	412.16	390.99 ✓
USA - Anaheim (TPI)	252.42	253.57	220.61 ✓
USA - Carlsbad (Axiom)	120.54	113.47	93.62 ✓
USA - Santa Ana (Axiom)	714.79	667.59	685.51 ✓
Italy – Microtex	599.65	669.30	466.05 ✓
TOTAL	224,233.24	202,418.36	127,519.37 ✓

We purchased **International Renewable Energy Certificate (I-REC)** of 78,000 MWh for our Indonesia plant. In addition, we produced 7,352 MWh of electricity in our İzmit, İstanbul (CTCE), Indonesia, Thailand and Microtex facilities. Thus, we obtained 19.55% ✓ of our electrical energy from renewable energy sources.



KORDSA EMISSIONS (Scope 3)

Categories (tCO ₂ e)		2023	2024	2025
C1	Purchased Goods and Services	1,116,041.03	1,120,895.74	875,831.28 ✓
C2	Capital Goods	0.00	0.00	0.00 ✓
C3	Fuel and Energy Related Activities	115,708.21	100,862.63	91,227.25 ✓
C4	Upstream Transportation and Distribution	64,529.80	75,142.24	52,666.38 ✓
C5	Waste Generated in Operations	1,959.04	1,630.29	1,504.60 ✓
C6	Business Travel	2,536.21	1,250.80	723.52 ✓
C7	Employee Commuting	4,092.72	4,571.45	5,151.07 ✓
C8	Upstream Leased Assets	0.00	0.00	0.00 ✓
C9	Downstream Transportation and Distribution	7,276.06	10,133.91	7,092.23 ✓
C10	Processing of Sold Products	252,933.03	249,598.59	169,767.37 ✓
C11	Use of Sold Products	0.00	0.00	0.00 ✓
C12	End-of-Life Treatment of Sold Products	20,766.89	18,246.61	12,856.03 ✓
C13	Downstream Leased Assets	1,429.67	1,340.42	1,504.81 ✓
C14	Franchises	0.00	0.00	0.00 ✓
C15	Investments	0.00	0.00	0.00 ✓
TOTAL		1,587,272.68	1,583,672.69	1,218,324.52 ✓

KORDSA EMISSIONS (Total)

Scope 1&2

Kordsa Plants (tCO ₂ e)	2023	2024	2025
Türkiye - İzmit	102,409.67	113,014.69	114,515.12 ✓
Türkiye - İstanbul (CTCE)	261.33	232.81	277.80 ✓
Indonesia	143,674.05	118,599.52	31,894.09 ✓
Thailand	24,217.86	25,394.29	19,987.50 ✓
Brazil	11,066.65	10,059.60	10,123.35 ✓
USA - Chattanooga	44,761.79	44,461.49	46,662.85 ✓
USA - Laurel Hill	9,055.15	8,885.78	9,485.81 ✓
USA - Quakertown (FDI)	569.03	493.67	473.58 ✓
USA - Anaheim (TPI)	272.95	272.88	232.62 ✓
USA - Carlsbad (Axiom)	293.20	321.30	170.96 ✓
USA - Santa Ana (Axiom)	1,349.87	983.02	1,073.41 ✓
Italy – Microtex	880.29	850.93	547.23 ✓
TOTAL	338,811.84	323,569.99	235,444.32 ✓



KORDSA EMISSIONS (Total)		Scope 1&2&3	
Kordsa Plants (tCO ₂ e)	2023	2024	2025
Total	1,926,084.52	1,907,242.67	1,453,768.84 ✓

REUSED MATERIALS (Reuse Ratio)				
Materials	Plants	2023	2024	2025
Steel Shells	Türkiye - İzmit	46%	83%	100%
	USA - Laurel Hill	100%	86%	82%
	Indonesia	94%	100%	86%
	Thailand	85%	76%	99%
	Brazil	85%	93%	84%
Tubes	Indonesia	18%	23%	16%
	USA - Chattanooga	19%	24%	14%
	Brazil	79%	65%	73%
Carton Separators	Türkiye - İzmit	13%	28%	21%
	Indonesia	11%	7%	5%
	USA - Chattanooga	25%	25%	17%
Wooden Pallets	Türkiye - İzmit	25%	48%	35%
	Indonesia	21%	25%	26%
	USA - Chattanooga	35%	38%	58%

REUSED MATERIALS (Overall Material Reuse Ratio)			
Materials	2023	2024	2025
Steel Shells	70%	88%	91%
Tubes	24%	28%	24%
Carton Separators	14%	18%	15%
Wooden Pallets	25%	39%	36%



KORDSA WASTE MANAGEMENT DATA											
Waste By Type (tonnes)		Hazardous Waste	Non-Hazardous Waste	Total Waste	Waste By Disposal Method (tonnes)		Recycle	Landfill	Energy Recovery	Incineration	Total Disposed Waste
Türkiye – İzmit	2023	2,080	4,091	6,171	Türkiye – İzmit	2023	3,888	498	321	1,464	6,171
	2024	1,811.94	4,299.48	6,111.42		2024	3,971.05	505.87	196.90	1,437.61	6,111.42
	2025	1,394.00 ✓	3,218.00 ✓	4,612 ✓		2025	3,375.25 ✓	505.01 ✓	141.04 ✓	598.57 ✓	4,619.87 ✓
Türkiye - İstanbul (CTCE)	2023	113.39	236.23	349.62	Türkiye - İstanbul (CTCE)	2023	236.23	0	0	113.39	349.62
	2024	52.36	13.32	65.68		2024	13.98	0	0	51.80	65.78
	2025	91.40	8.42	99.82		2025	14.83	0	0	91.18	106.01
Indonesia	2023	816	2,485	3,301.40	Indonesia	2023	2,514.64	0.54	496.46	289.76	3,301.40
	2024	849.26	2,293.15	3,142.41		2024	2,314.94	0.26	559.24	267.96	3,142.40
	2025	765.33 ✓	1,279.67 ✓	2,045.00 ✓		2025	1,292.72 ✓	0.20 ✓	386 ✓	378.88 ✓	2,057.8 ✓
Thailand	2023	73.76	1,582.97	1,656.73	Thailand	2023	1,488.06	140.78	28.00	0	1,656.84
	2024	106.47	1,621.26	1,727.73		2024	1,474.14	126.05	127.54	0	1,727.73
	2025	75.10	1,205.61	1,280.71		2025	1,038.71	188.49	53.51	0	1,280.71
Brazil	2023	9.81	765.55	775.36	Brazil	2023	640.46	73.02	62.80	0	776.28
	2024	39.91	838.25	878.16		2024	666.69	158.99	52.48	0	878.16
	2025	51.3 ✓	986.26 ✓	1,037.56 ✓		2025	758.53 ✓	192.40 ✓	86.63 ✓	0 ✓	1,037.56 ✓



KORDSA WASTE MANAGEMENT DATA

Waste By Type (tonnes)		Hazardous Waste	Non-Hazardous Waste	Total Waste	Waste By Disposal Method (tonnes)	Recycle	Landfill	Energy Recovery	Incineration	Total Disposed Waste	
USA - Chattanooga	2023	2	463	464.64	ABD - Chattanooga	2023	347.08	117.24	0.16	0.16	464.64
	2024	0.52	334.14	334.66		2024	273.35	61.02	0.29	0	334.66
	2025	2.04 ✓	241.03 ✓	243.07 ✓		2025	191.89 ✓	51.18 ✓	0✓	0 ✓	243.07✓
USA - Laurel Hill	2023	0.28	659.48	659.76	ABD - Laurel Hill	2023	47.07	612.58	0.05	0.06	659.76
	2024	0.14	242.24	242.38		2024	13.80	228.47	0	0.11	242.38
	2025	0.02	429.97	429.99		2025	24.83	405.17	0	0	429.99
USA - Quakertown (FDI)	2023	0	140.08	140.08	ABD - Quakertown (FDI)	2023	69.38	70.70	0	0	140.08
	2024	0	125.37	125.37		2024	63.46	61.91	0	0	125.37
	2025	0	141.55	141.55		2025	56.97	84.57	0	0	141.54
USA - Anaheim (TPI)	2023	0	419.00	419.00	ABD - Anaheim (TPI)	2023	48.13	373.75	0	0	421.88
	2024	0	328.7	328.7		2024	0	328.70	0	0	328.70
	2025	0.48	232.98	233.46		2025	3.21	232.98	0	0	236.19
USA - Carlsbad (Axiom)	2023	0	48.40	48.40	ABD - Carlsbad (Axiom)	2023	12.00	37.60	0	0	49.60
	2024	155.48	88.10	243.58		2024	39.70	55	0	0	94.70
	2025	0	60.45	60.45		2025	15.45	60.45	0	0	75.90
USA - Santa Ana (Axiom)	2023	46.75	406.52	453.27	ABD - Santa Ana (Axiom)	2023	34.00	379.72	23.53	16.01	453.26
	2024	51.81	431.32	483.13		2024	32.97	416.35	19.82	14	483.13
	2025	42.47	482.23	524.70		2025	19.76	475.08	27.29	2.58	524.70
Italy – Microtex	2023	98.42	271.62	370.04	Italy – Microtex	2023	209.60	0	0	43.76	253.36
	2024	108.34	439.03	547.36		2024	533.57	6.12	0	10.10	549.79
	2025	104.86	355.46	460.32		2025	404.56	55.76	0	10.10	470.42

KORDSA TOTAL GLOBAL WASTE DATA

Waste By Type (tonnes)	2023	2024	2025
Hazardous Waste	3,240	3,176	2,527 ✓
Non-Hazardous Waste	11,569	11,054	8,642 ✓
Total Waste	14,809	14,231	11,169 ✓
Waste By Disposal Method (tonnes)	2023	2024	2025
Recycle	9,535	9,398	7,197 ✓
Landfill	2,304	1,949	2,251 ✓
Energy Recovery	932	956	694 ✓
Incineration	1,927	1,782	1,081 ✓
Total Disposed Waste	14,698	14,084	11,224 ✓



KORDSA WATER MANAGEMENT DATA

Water Withdrawals (m³)	Years	Fresh Surface Water	Groundwater-Renewable	Third-Party Sources	TOTAL WITHDRAWALS
Türkiye – İzmit	2023	0	491,925	127,214	619,139
	2024	0	588,370	119,104	707,474
	2025	0 ✓	513,641 ✓	61,797✓	575,438 ✓
Türkiye - İstanbul (CTCE)	2023	0	0	6,555	6,555
	2024	0	0	5,396	5,396
	2025	0	0	6,003	6,003
Indonesia	2023	600,622	0	0	600,622
	2024	387,128	0	0	387,128
	2025	219,416 ✓	0✓	0✓	219,416 ✓
Thailand	2023	0	0	81,294	81,294
	2024	0	0	81,749	81,749
	2025	0	0	67,399	67,399
Brazil	2023	0	110,637	8,096	118,733
	2024	0	92,559	37,740	130,299
	2025	0✓	107,051 ✓	6,968 ✓	114,019 ✓
USA – Chattanooga	2023	2,017,779	0	101,577	2,119,356
	2024	1,782,878	0	91,528	1,874,406
	2025	1,191,905 ✓	0✓	276,814 ✓	1,468,719 ✓
USA - Laurel Hill	2023	0	0	2,786	2,786
	2024	0	0	1,242	1,242
	2025	0	0	1,253	1,253
USA - Quakertown (FDI)	2023	0	0	2,585	2,585
	2024	0	0	1,256	1,256
	2025	0	0	1,254	1,254
USA - Anaheim (TPI)	2023	0	0	7,815	7,815
	2024	0	0	7,628	7,628
	2025	0	0	5,750	5,750
USA - Carlsbad (Axiom)*	2023	0	0	1,246	1,246
	2024	0	0	721	721
	2025	0	0	1,317	1,317
USA - Santa Ana (Axiom)	2023	0	0	3,687	3,687
	2024	0	0	4,063	4,063
	2025	0	0	3,825	3,825
Italy – Microtex	2023	0	0	2,530	2,530
	2024	0	0	6,795	6,795
	2025	0	0	4,261	4,261



WATER WITHDRAWALS (m³)	2019	2020	2021	2022	2023	2024	2025
Fresh Surface Water	3,166,772	2,035,366	2,735,498	2,674,782	2,618,402	2,170,006	1,411,321 ✓
Groundwater - Renewable	658,350	633,601	657,425	689,092	602,562	680,929	620,692 ✓
Third Party Sources	260,600	231,409	262,813	347,172	345,385	357,222	436,640 ✓
Total Withdrawals	4,085,721	2,900,376	3,655,736	3,711,048	3,566,349	3,208,158	2,468,652 ✓



KORDSA WATER MANAGEMENT DATA

Water Discharges (m³)	Years	Fresh Surface Water	Third-Party Sources	Other	TOTAL DISCHARGES
Türkiye – İzmit	2023	0	347,125	0	347,125
	2024	0	367,138	0	367,138
	2025	0 ✓	254,695 ✓	0✓	254,695 ✓
Türkiye - İstanbul (CTCE)	2023	0	5,900	0	5,900
	2024	0	4,856	0	4,856
	2025	0	5,402	0	5,402
Indonesia	2023	59,866	0	0	59,866
	2024	32,855	0	0	32,855
	2025	19,782 ✓	0 ✓	0✓	19,782 ✓
Thailand	2023	0	65,035	0	65,035
	2024	0	65,399	0	65,399
	2025	0	53,919	0	53,919
Brazil	2023	0	35,012	0	35,012
	2024	0	39,993	0✓	39,993
	2025	0 ✓	39,962 ✓	0	39,962 ✓
USA – Chattanooga	2023	957,372	1,016,895	0	1,974,267
	2024	1,079,058	622,106	0	1,701,163
	2025	830,148 ✓	600,718 ✓	0 ✓	1,430,866 ✓
USA - Laurel Hill	2023	0	2,507	0	2,507
	2024	0	1,117	0	1,117
	2025	0	1,128	0	1,128
USA - Quakertown (FDI)	2023	0	2,508	0	2,508
	2024	0	1,161	0	1,161
	2025	0	1,129	0	1,129
USA - Anaheim (TPI)	2023	0	7,033	0	7,033
	2024	0	6,865	0	6,865
	2025	0	5,175	0	5,175
USA - Carlsbad (Axiom)	2023	0	1,122	0	1,122
	2024	0	676	0	676
	2025	0	1,185	0	1,185
USA - Santa Ana (Axiom)	2023	0	3,318	0	3,318
	2024	0	3,657	0	3,657
	2025	0	3,442	0	3,442
Italy – Microtex	2023	0	2,277	0	2,277
	2024	0	6,116	0	6,116
	2025	0	3,835	0	3,835



Recycled Water (m³)	Years	Amount	Total 2023	Total 2024	Total 2025
Türkiye – İzmit	2023	76,904	115,832	154,773	95,457 ✓
	2024	102,771			
	2025	69,407 ✓			
Indonesia	2023	38,928			
	2024	52,002			
	2025	26,050 ✓			

By Location	Compliance with wastewater discharge limits of local regulations*
Türkiye - İzmit	✓
Indonesia	✓
Thailand	✓

*For the location-based discharge parameters realized during the reporting period, the regulations of the specified regulator organizations were taken as basis;
Türkiye - Regulation on Water Quality Control Table 10.1 Textile Industry (Open Fiber Yarn Production and Finishing), Table 10.7 Textile Industry (Synthetic Textile Finishing etc.), Table 20.1 (Industrial Cooling Waters and Similar) and Table 20.7 (Water Softening, Demineralization and Regeneration, Activated Carbon Washing and Regeneration Plants), Indonesia - Indonesia Ministry of Environment and Forestry effluent quality limit standards, Thailand - Organized Industrial Zone limit discharge parameters standards in which the facility is located.

Percentage of operational sites assessed on specific environmental risks

2023	2024	2025
100%	100%	100%



Accidental pollution events (such as spills, leakages)

Kordsa Plants (tCO ₂ e)	2023	2024	2025
Türkiye - İzmit	0	0	0
Türkiye - İstanbul (CTCE)	0	0	0
Indonesia	0	0	0
Thailand	0	0	0
Brazil	0	0	0
USA - Chattanooga	0	0	0
USA - Laurel Hill	0	0	0
USA - Quakertown (FDI)	0	0	0
USA - Anaheim (TPI)	0	0	0
USA - Carlsbad (Axiom)	0	0	0
USA - Santa Ana (Axiom)	0	0	0
Italy – Microtex	0	0	0



AIR EMISSIONS

Air Emissions	Year	Unit	Türkiye - İzmit	Türkiye - İstanbul (CTCE)	Indonesia	Thailand	Brazil	USA - Chattanooga	USA - Laurel Hill	USA - Quakertown (FDI)	USA - Anaheim (TPII)	USA - Carlsbad (Axiom)	USA - Santa Ana (Axiom)	Italy - Microtex
NOx Emissions	2025	Tonnes	34.22	-	2.99	14.97	7.01	25.72	3.29	0	0	1.51	1.32	-
	2024	Tonnes	29.94	-	52.22	17.19	8.32	50.43	3.84	0	0	1.51	1.32	-
	2023	Tonnes	49.5	-	98.08	19.93	13.73	26.56	3.42	No measurement	0	0.18	0.86	-
SOx Emissions	2025	Tonnes	2.63	-	0.12	6.29	1.07	0.16	0.02	0	0	0.01	0.01	-
	2024	Tonnes	2.30	-	2.67	6.37	1.62	0.31	0.02	0	0	0.01	0.01	-
	2023	Tonnes	3.51	-	10	6.13	2.94	0.16	0.02	No measurement	0	0.0008	0.004	-
VOC Emissions	2025	Tonnes	4.34	-	No measurement	21.28	5.84	1.41	1.18	0	0	3.93	8.07	-
	2024	Tonnes	1.97	-	No measurement	25.42	11.19	2.77	1.53	0	0	3.93	8.07	-
	2023	Tonnes	2.42	NA	No measurement	23.71	10.92	1.46	3.64	No measurement	0	0	3.23	NA

ENVIRONMENTAL FINES

[illegible]



ELECTRONIC WASTES

E-Wastes	Year	Unit	Türkiye - İzmit	Türkiye - İstanbul (CTCE)	Indonesia	Thailand	Brazil	USA - Chattanooga	USA - Laurel Hill	USA - Quakertown (FDI)	USA - Andheim (TPII)	USA - Carlsbad (Axiom)	USA - Santa Ana (Axiom)	Italy - Microtex
E-wastes collect separately	2025	Yes/No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	2024	Yes/No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	2023	Yes/No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
E-wastes send to recycle	2025	Yes/No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	2024	Yes/No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	2023	Yes/No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
E-waste amount*	2025	Tonnes	4,621.701	0	0.2	0.05	0.07	1.6	0	0	0	0	0.04	0
	2024	Tonnes	4,167.94	0	0	1.50	1.36	0	0	0	0.03	0	0.02	0
	2023	Tonnes	4,208.72	0	0	0.23	0.92	0.3	0	0	0	0	0.06	0

*Managing the end-of-life of our e-waste is one of our environmental priorities since those wastes are strictly harmful to both the environment and people's health.

According to the act, e-waste requires proper disposal through an accredited treatment and recycling facility. We have implemented E-waste initiatives for Kordsa's facilities. During 2025, we recycle 4,623.66 tons of e-waste.



WATER POLLUTANTS

Water Pollutants	Year	Unit	Türkiye - İzmit	Türkiye - İstanbul (CTCE)	Indonesia	Thailand	Brazil	USA - Chattanooga	USA - Laurel Hill	USA - Quakertown (FDI)	USA - Anaheim (TPII)	USA - Carlsbad (Axiom)	USA - Santa Ana (Axiom)	Italy - Microtex
Wastewater treatment system	2025	Yes/No	Yes	No	Yes	Yes	No	No	No	No	No	No	No	No
	2024	Yes/No	Yes	No	Yes	Yes	No	No	No	No	No	No	No	No
	2023	Yes/No	Yes	No	Yes	Yes	No	No	No	No	No	No	No	No
Conduct analysis on wastewater	2025	Yes/No	Yes	No	Yes	Yes	No	No	No	No	No	No	No	No
	2024	Yes/No	Yes	No	Yes	Yes	No	No	No	No	No	No	No	No
	2023	Yes/No	Yes	No	Yes	Yes	No	N/A	N/A	No	No	No	No	No
BOD	2025	Tonnes	No measurement	-	1.76	1.89	-	-	-	-	-	-	-	-
	2024	Tonnes	No measurement	-	4.5	8.11	-	-	-	-	-	-	-	-
	2023	Tonnes	No measurement	-	9.16	4.8	-	-	-	-	-	-	-	-
COD	2025	Tonnes	29.22	-	5.81	4.95	-	-	-	-	-	-	-	-
	2024	Tonnes	54.49	-	15.15	19.34	-	-	-	-	-	-	-	-
	2023	Tonnes	22.23	-	30.36	12.72	-	-	-	-	-	-	-	-
Total suspended solids (TSS)	2025	Tonnes	7.71	-	1.36	1.1	-	-	-	-	-	-	-	-
	2024	Tonnes	19.59	-	2.43	4.7	-	-	-	-	-	-	-	-
	2023	Tonnes	7.18	-	3.53	4.85	-	-	-	-	-	-	-	-
T-N	2025	Tonnes	9.02	-	1.07	1.86	-	-	-	-	-	-	-	-
	2024	Tonnes	10.84	-	4.23	3.84	-	-	-	-	-	-	-	-
	2023	Tonnes	8.23	-	3.12	2.78	-	-	-	-	-	-	-	-
T-P	2025	Tonnes	0.421	-	No measurement	No measurement	-	-	-	-	-	-	-	-
	2024	Tonnes	0.497	-	No measurement	No measurement	-	-	-	-	-	-	-	-
	2023	Tonnes	0.45	-	No measurement	No measurement	-	-	-	-	-	-	-	-
Total Water Pollutant Emission: 66.17 tonnes														



ANNEXES

The Annexes complements the disclosures in this report by providing supporting information, methodologies, and reporting references. It serves as a resource for stakeholders seeking a deeper understanding of our sustainability performance and reporting approach.

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Moving toward the future

Moving toward the future requires not resisting the wind, but lightening our load in harmony with it. Just like the silky, microscopic network of fibers that allows a dandelion seed to float through the air, we, too, are lightening the nature of motion with our cord fabric and composite technologies.





Sustainability Engagement with Stakeholders

Our stakeholder priorities presented below are based on the DMA conducted in 2024 and remain valid. The table highlights the sustainability subtopics identified as most significant through stakeholder input. For a detailed overview of this study, including stakeholder participation, survey results, and the prioritization of sustainability topics, please refer to our 2024 Sustainability Report.

Climate Change	Emissions reduction and energy efficiency	Own Workforce	Occupational health and safety
	Physical risks (e.g., acute or physical risks)		Talent development and training
	Transition risks (e.g., regulation, market, reputation etc.)		Equal opportunity and diversity
Pollution Management	Climate-related opportunities (e.g., low-carbon products, resource efficiency)	Workers in the Value Chain	Employment continuity and working conditions (e.g., long-term contracts, fair hours, safe work environment)
	Air pollutants and air quality impacts		Human rights in the supply chain
	Waste management and recycling		Decent working conditions
Water Management	Prevention of water and soil contamination	Affected Communities	Social audit across the value chain
	Pollution reduction technologies		Fair wages and labor practices
	Water use efficiency		Accessibility to Kordsa for local communities (e.g., ease of communication, availability of resources)
Biodiversity and Ecosystems	Wastewater management and discharge	Reputation Management	Negative impacts of Kordsa operations on local communities (e.g., environmental, social, and health risks)
	Environmental impacts (e.g., scarcity, pollution)		Positive contributions to local communities (e.g., economic growth, employment opportunities)
	Water-related sustainability risks and opportunities		The long-term commitment of Kordsa to the well-being of local communities
Resource use & Circular Economy	Impact of operations on local ecosystems	Business Conduct	Product quality, innovation and sustainability performance
	Use of sustainable materials or alternatives to reduce biodiversity impact		Commitment to ethical business practices
	Impact of supply chain processes on local ecosystems (including supplier activities)		Stakeholder satisfaction and feedback
	Strategic planning to minimize biodiversity impacts		Transparency in supply chain and operations
	Raw material efficiency and sustainable sourcing		Anti-bribery and corruption
	Circular product design and recyclability		Data privacy and cybersecurity
	Waste reduction and material recovery		ESG risk management and compliance
	Life-cycle assessment of products		Responsible business practices in own operations and supply chain



Key Stakeholder Communication Platforms

Key Stakeholder Communication Platforms

Stakeholders	Communication Platforms	Objective/Content of Communication	Communication Frequency
Employees	Sustainability Evaluation Survey	Materiality and Performance	Once a year
	Sustainability Report	Sustainability Performance	Once a year
	Plant newsletters such as the Kordsa Magazine	To announce important developments about the company	Several times a year
	Yammer	To enhance CEO communication and sharing developments about the Kordsa with employees	As needed
	Strategy Meeting	During this meeting, the CEO provided employees with insights into Kordsa's strategic direction and roadmap	Once a year
	All Stars	To select the best projects and most successful activities within the company	Once a year
	Global Leadership Summit (Kordsa GLS)	To review the previous year and share the vision of the next year	Once a year
	Social media	To share news about the company, products, and developments	Continuous
	+Vibes – Empactivo	Communication with employees, recognition & reward platform	Continuous
	Human Resources Employee Meetings	Communicating developments in human resources, remuneration, and fringe benefits	Several times a year
Customers	Sustainability Survey	Sustainability Strategy	Once a year
	Sustainability Report	Sustainability Performance	Once a year
	Annual Report	To review the performance of the company in the previous year	Once a year
	Press Section on Website	To announce new developments about the company through press releases	Continuous
	Magazines and Newspapers	To announce new developments about the company through press releases and interviews in both national and international publications	Continuous
	Social Media	To share news about the company, products and developments	Continuous
	E-mailing	To share developments about the company or collaborations exclusive to stakeholders	As needed
	Trade Fairs	To establish contact with existing and new customers	Several times a year
Shareholders	Earning Calls	To announce mid-year results	Two times a year
	General Assembly	To announce annual results	Once a year
	E-mail by request	To convey information on e-mail for those shareholders who request	Several times a year
Investors	Newsletters	To announce important developments about the company through the media	Continuous
	TV Programs	To announce important developments about the company	Several times a year
	Magazines and Newspapers	To announce important developments about the company	Several times a year
	Web Site	To announce important information	Continuous
	Public Disclosure Platform	To publish the report of the Capital Markets Board To announce special situations	Four times a year As needed
	Telephone/E-mails	To respond to investors' request for information about the company	Upon request from the investors
	Social Media	To share news about the company, products and developments	Continuous



OHS Committees

Management-Worker Health and Safety Committees			
Name of Committee	Definition	Legal / Voluntary	Participants
OHS Committee	Official meeting of the representatives of the employer and employees. All legal decisions are made by this committee.	Legally required	Employer representatives, union representatives, managers, subcontractor representatives
Emergency Response Team	Organized for all shifts in the plant.	Legally required	Blue and white-collar employees
Electrical Safety Management	Lays down all rules and standards on electricity hazards in the plant; makes inspections and provides training.	Company initiative	Mostly white-collar and also blue-collar employees
Process Safety Management	Carries out activities and inspections for explosions, fires, leaks and occupational accidents that may arise from the production process.	Company initiative	White-collar employees
Hazardous Chemicals Committee	Identifies hazards where chemicals are used, conducts risk analyses, sets safety markings properly and provides training on chemical hazards.	Company initiative	White and blue-collar employees
Ergonomics Committee	Oversees the identification of ergonomic risks and improvement works.	Company initiative	White-collar employees
Occupational Health & Safety Management Committee	Works to improve OHS performance, disseminate OHS culture, manage improvement and development activities, and review performance.	Company initiative	All department managers and representatives, and Operations Director as Chair



Memberships

NGO/ Association Name	
ISTANBUL CHAMBER OF COMMERCE	DEFENSE, AVIATION AND SPACE INSTITUTE ASSOCIATION
ISTANBUL CHAMBER OF INDUSTRY	KALDER QUALITY ASSOCIATION
KOCAELI CHAMBER OF COMMERCE	EQUALITY IN BUSINESS PLATFORM
KOCAELI CHAMBER OF INDUSTRY	KAGIDER THE WOMEN ENTREPRENEURS ASSOCIATION OF TÜRKİYE
TÜYİD TURKISH INVESTOR RELATIONS SOCIETY	UNDP
TÜSİAD TURKISH INDUSTRY AND BUSINESS ASSOCIATION	TTSIS TURKISH TEXTILE INDUSTRY EMPLOYERS’ UNION
BORSA İSTANBUL A.Ş.	TAYSAD AUTOMOTIVE VEHICLES SUPPLIERS’ ASSOCIATION
CENTRAL SECURITIES DEPOSITORY & TRADE REPOSITORY OF TÜRKİYE	ERTA INTEGRATED REPORTING TÜRKİYE ASSOCIATION
CHAMBER OF MECHANICAL ENGINEERS	BSCD TÜRKİYE
THE INSTITUTE OF INTERNAL AUDITING – TÜRKİYE (TİDE)	UN GLOBAL COMPACT
FIBER REINFORCED CONCRETE ASSOCIATION	DEİK FOREIGN ECONOMIC RELATIONS BOARD
MACRO SYNTHETIC FIBRE ASSOCIATION	DEİK TÜRKİYE – USA BUSINESS COUNCIL
TRADE COMMITTEES OF KOCAELI CHAMBER OF INDUSTRY	DEİK TÜRKİYE - BRAZIL BUSINESS COUNCIL
TURKISH COMPOSITE MANUFACTURERS ASSOCIATION	DEİK TÜRKİYE - INDONESIA BUSINESS COUNCIL
	DEİK TÜRKİYE - THAILAND BUSINESS COUNCIL



UNGC Content Index

UN Global Compact Principles		
Human Rights	Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights.	Social Management
	Principle 2: Businesses should make sure that they are not complicit in human rights abuses.	Social Management
Labor	Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	Social Management
	Principle 4: Businesses should uphold the elimination of all forms of forced and compulsory labour.	Social Management Ethics and Compliance
	Principle 5: Businesses should uphold the effective abolition of child labour.	Social Management Ethics and Compliance
	Principle 6: Businesses should uphold the elimination of discrimination in respect of employment and occupation.	Social Management Ethics and Compliance
Environment	Principle 7: Businesses should support a precautionary approach and environmental challenges.	Environmental Management
	Principle 8: Businesses should undertake initiatives to promote greater environmental responsibility.	Environmental Management
	Principle 9: Businesses should encourage the development and diffusion of environmentally friendly technologies.	Environmental Management
Anti-Corruption	Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.	Ethics and Compliance



GRI Content Index

Statement of use	Kordsa has reported in accordance with the GRI Standards for the period 01.01.2025-31.12.2025
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	None

GRI STANDARD	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
General disclosures						
GRI 2: General Disclosures 2021	2-1 Organizational details	Page 3-4		Reasons for omission are not permitted for GRI 2 disclosures under the GRI Standards. GRI Sector Standard reference numbers are also unavailable for some disclosures.		
	2-2 Entities included in the organization's sustainability reporting	Page 4				
	2-3 Reporting period, frequency and contact point	Page 4, 129				
	2-4 Restatements of information	No restatements				
	2-5 External assurance	Page 126-127				
	2-6 Activities, value chain and other business relationships	Page 11				
	2-7 Employees	Page 74				
	2-8 Workers who are not employees	Page 10				
	2-9 Governance structure and composition	Page 15				
	2-10 Nomination and selection of the highest governance body	Page 15				
	2-11 Chair of the highest governance body	Page 15				
	2-12 Role of the highest governance body in overseeing the management of impacts	Page 5-6				
	2-13 Delegation of responsibility for managing impacts	Page 5-6				
	2-14 Role of the highest governance body in sustainability reporting	Page 14-15				
	2-15 Conflicts of interest	Code of Ethics				
	2-16 Communication of critical concerns	Code of Ethics				
	2-17 Collective knowledge of the highest governance body	Page 14-15				
	2-18 Evaluation of the performance of the highest governance body	Page 14-15				
	2-19 Remuneration policies	Remuneration Policy				
	2-20 Process to determine remuneration	Remuneration Policy				
	2-21 Annual total compensation ratio	Remuneration Policy				
	2-22 Statement on sustainable development strategy	Page 30-43				
	2-23 Policy commitments	Page 14, 15, 20, 45, 47, 48, 52, 54, 57, 58, 60, 73, 75, 78				
	2-24 Embedding policy commitments	Page 14, 15, 20, 45, 47, 48, 52, 54, 57, 58, 60, 73, 75, 78				
	2-25 Processes to remediate negative impacts	Page 30-43				
	2-26 Mechanisms for seeking advice and raising concerns	Page 18-21				
	2-27 Compliance with laws and regulations	Page 18-21				
	2-28 Membership associations	Page 113				
	2-29 Approach to stakeholder engagement	Page 111				
	2-30 Collective bargaining agreements	Page 61-62, 92				



GRI STANDARD	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
Material Topics						
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Page 25				
	3-2 List of material topics	Page 25				
Business Conduct						
GRI 3: Material Topics 2021	3-3 Management of material topics	Page 25				
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	Page 20				
	205-2 Communication and training about anti-corruption policies and procedures	Page 20				
	205-3 Confirmed incidents of corruption and actions taken	Page 87				
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Page 20				
GRI 415: Public Policy 2016	415-1 Political contributions	Page 20				
Resource Use and Circular Economy						
GRI 3: Material Topics 2021	3-3 Management of material topics	Page 25				
	301-1 Materials used by weight or volume	Page 46				
GRI 301: Materials 2016	301-2 Recycled input materials used	Page 46				
	301-3 Reclaimed products and their packaging materials	Page 46				
Climate Change						
GRI 3: Material Topics 2021	3-3 Management of material topics	Page 25				
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Page 48-50				
	302-4 Reduction of energy consumption	Page 48-50				
	302-5 Reductions in energy requirements of products and services	Page 48-50				
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Page 51-52				
	305-2 Energy indirect (Scope 2) GHG emissions	Page 51-52				
	305-3 Other indirect (Scope 3) GHG emissions	Page 51-52				
	305-5 Reduction of GHG emissions	Page 51-52				
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Page 53				
Water Management						
GRI 3: Material Topics 2021	3-3 Management of material topics	Page 25				
	303-1 Interactions with water as a shared resource	Page 56-57				
GRI 303: Water and Effluents 2018	303-2 Management of water discharge-related impacts	Page 56-57				
	303-3 Water withdrawal	Page 56-57				
	303-4 Water discharge	Page 56-57				
Pollution Management						
GRI 3: Material Topics 2021	3-3 Management of material topics	Page 25				
GRI 306: Waste (2020)	306-1 – Waste generation and significant waste-related impacts	Page 54-55				
	306-2 – Management of significant waste-related impacts	Page 54-55				
	306-3 – Waste generated	Page 54-55				
	306-4 – Waste diverted from disposal	Page 54-55				
	306-5 – Waste directed to disposal	Page 54-55				
Biodiversity and Ecosystems						
GRI 3: Material Topics 2021	3-3 Management of material topics	Page 25				
GRI 101: Biodiversity 2024	101-1 Policies to halt and reverse biodiversity loss	Page 45				
	101-4 Identification of biodiversity impacts	Page 110				
	101-5 Locations with biodiversity impacts	Page 110				
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	Page 28				
	308-2 Negative environmental impacts in the supply chain and actions taken	Page 28				



GRI STANDARD	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
Own Workforce						
GRI 3: Material Topics 2021	3-3 Management of material topics	Page 25				
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Page 86				
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Page 60-82				
	401-3 Parental leave	Page 60-61				
	403-1 Occupational health and safety management system	Page 78-82				
GRI 403: Occupational Health and Safety (2018)	403-2 Hazard identification, risk assessment, and incident investigation	Page 78-82				
	403-3 Occupational health services	Page 78-82				
	403-4 Worker participation, consultation, and communication on occupational health and safety	Page 78-82				
	403-5 Worker training on occupational health and safety	Page 78-82				
	403-6 Promotion of worker health	Page 78-82				
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Page 78-82				
	403-8 Workers covered by an occupational health and safety management system	Page 78-82				
	403-9 Work-related injuries	Page 88-91				
	GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Page 86			
404-2 Programs for upgrading employee skills and transition assistance programs		Page 68-73				
404-3 Percentage of employees receiving regular performance and career development reviews		Page 86				
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Page 14				
GRI 406: Nondiscrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Page 87				
Workers in the value chain						
GRI 3: Material Topics 2021	3-3 Management of material topics	Page 25				
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Page 60				
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labour	Page 60				
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	Page 28				
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	Page 28				
	414-2 Negative social impacts in the supply chain and actions taken	Page 28				
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Page 60				
Affected Communities						
GRI 3: Material Topics 2021	3-3 Management of material topics	Page 25				
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Page 80-83				
Consumers and End Users						
GRI 3: Material Topics 2021	3-3 Management of material topics	Page 25				
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Page 84				
	201-4 Financial assistance received from government	Page 84				
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Page 19-20				



2025 Reporting Guidance

Kordsa Sustainability Report 2025 - Reporting Principles

This reporting principle (“Principle”) contains information about the data collection and calculation methodologies of Kordsa Teknik Tekstil A.Ş.’s (“Kordsa”, “the Company”) indicators included in the Kordsa Sustainability Report 2025. Unless otherwise stated, the indicators within the scope of the assurance include data from all Kordsa locations.

These indicators cover environmental, social, and economic indicators. It is the responsibility of the company management to ensure that appropriate procedures are in place to prepare these indicators specified below, in all material respects, in accordance with the principle.

The information contained in this guide covers the fiscal year ended 31 December 2025 and the global operations under Kordsa’s responsibility as detailed in the “Key Definitions and Scope of Reporting” section. The indicators where contractor companies are included in the scope are specified in the “Key Definitions and Reporting Scope” section, and contractor companies are not included in the indicators that are not specified.

General Reporting Principles

- The following principles have been considered in the preparation of this guidance document:
- In the preparation of information - to emphasize the basic principles of relevance and reliability of information to users of information,
 - In the reporting of information - emphasizing the principles of comparability/consistency of information with other data, including the previous year, and the principles of understandability/transparency providing clarity to users.

Key Definitions and Scope of Reporting

For this report, the Company makes the following definitions:

Indicator	Scope
Social Indicators	
Number of Employees by Gender (#)	Represents the total number of employees at all locations of the company in the reporting period, by male and female employees.
Number of Employees by Age & Gender (#)	Represents the number of employees under the age of 30, between the ages of 30-50 and over the age of 50, and the number of men and women for each age group during the reporting period.
Number of Employees Recruited by Age Group & Gender (#)	Represents the numbers of male and female employees in the total number of employees recruited during the reporting period and age groups (under 30, between 30-50 and over 50).
Number of Employees Dismissed (#)	Represents the total number of employees who quit their jobs during the reporting period, along with a breakdown by gender (male and female).
Total Employee Turnover Rate (%)	Represents the ratio of employees who left the organization—regardless of whether the termination was initiated by the employee or the employer—to the average number of employees during the reporting period.
Business Ethics	
Number of Employees Trained on Ethics (#)	Represents the total number of employees who received business ethics training during the reporting period.
Total Training Hours (hour)	Represents the total duration of trainings provided to the Company employees during the reporting period. Trainings are reported in 5 main categories: Career Development, Personal Development, Health Safety and Environment, Ethics and Other Trainings.



Indicator	Scope
Occupational Health and Safety	
The Number and Rate of Fatalities as a Result of Work-Related Injury (#)	Represents the number of fatal accidents that occurred in all Kordsa locations during the reporting period (Türkiye-İzmit, Indonesia, Brazil, and Chattanoogaogga-USA were selected as auditing scope in facilities).
The Number and Rate of High-Consequence Work-Related Injuries (Excluding Fatalities) (#)	Represents the number of high-severity (excluding fatal accidents) occupational accident incidents that occurred in the all Kordsa locations during the reporting period (Türkiye-İzmit, Indonesia, Brazil, and Chattanoogaogga-USA were selected as auditing scope in facilities).
The Number and Rate of Recordable Case (#)	Represents the number of all registered occupational accidents that occurred during the reporting period for all Kordsa locations (Türkiye-İzmit, Indonesia, Brazil, and Chattanoogaogga-USA were selected as auditing scope in facilities).
Working Hours (hour)	Represents the total number of hours worked by the Company's employees at all Kordsa locations during the reporting period (Türkiye-İzmit, Indonesia, Brazil, and Chattanoogaogga-USA were selected as auditing scope in facilities). Working hour ratio represents the ratio of working hours of the company employees and subcontractor employees to total working hours during the reporting period.
Occupational Disease	It refers to temporary or permanent illness, physical or mental disability that employees suffer from due to a recurring reason or the conditions of the work they do during the reporting period. It is monitored through notifications made to the Social Security Institution during the reporting period.
Energy Consumption	
Electricity (kWh)	Represents the total amount of electrical energy purchased for all Kordsa locations during the reporting period (Türkiye-İzmit, Indonesia, Brazil, and Chattanoogaogga-USA were selected as auditing scope in facilities). This energy is monitored through invoices received from service provider institutions and is used in the relevant locations for air conditioning, lighting, electrical device usage, and other operations requiring electricity.
Natural Gas (sm ³)	Represents the total amount of natural gas (by volume - standard cubic meters) used in heating, kitchen and other operations requiring natural gas for all Kordsa locations during the reporting period (Türkiye-İzmit, Indonesia, Thailand, Brazil, and Chattanoogaogga-USA were selected as auditing scope in facilities), which is purchased and tracked from the invoices received from the service providers.
Diesel (liter)	Represents the amount (by volume-liter) of diesel fuel purchased for all Kordsa locations (Türkiye-İzmit, Indonesia, Thailand, Brazil, Microtex and Chattanoogaogga-USA were selected as auditing scope in facilities) and consumed by the generators and vehicles belonging to the Company during the reporting period, which is monitored from the invoices received from the service provider institutions.
Gasoline (liter)	Represents the total amount (by volume-liter) of gasoline used in the Company's vehicles purchased for all Kordsa locations during the reporting period (Türkiye-İzmit, Indonesia, Thailand, Brazil, Microtex and Chattanoogaogga-USA were selected as auditing scope in facilities). and tracked from the invoices received from the service provider institutions.
Fuel Oil (liter)	Represents the total amount (by volume-liter) of fuel oil consumed for production of steam and dowtherm needs USA-Chattanoogaogga during the reporting period and tracked from the invoices received from the service provider institutions.
LPG (kg)	Represents the total amount (weight-kilograms) of LPG consumed for all Kordsa locations during the reporting period (Türkiye-İzmit, Indonesia, Thailand, Brazil, Microtex and Chattanoogaogga-USA were selected as auditing scope in facilities), which was purchased and monitored from the invoices received from the service provider organizations.
Ratio of Electricity Consumption from Renewable Sources to Total Electricity Consumption (%)	Represents the Company's electricity consumption from renewable sources (I-REC certificate purchases and direct consumption from renewable energy sources) as a percentage of total electricity consumption during the reporting period.



Indicator	Scope
Scope 1 & 2 & 3 Emissions	
Scope 1 Emissions (tCO ₂ e)	Represents to the greenhouse gas emissions caused by the consumption of energy resources such as natural gas, LPG, diesel, propane, fuel-oil and gasoline, and the use of cooling gas and fire extinguishers for the Company's locations in the reporting period.
Scope 2 Emissions – Location Based (tCO ₂ e)	Represents the indirect greenhouse gas emissions arising from the production of purchased electricity for the Company's locations in the reporting period.
Scope 2 Emissions – Market Based (tCO ₂ e)	Represents the greenhouse gas emissions arising from the consumption of electricity from non-renewable sources that are not certified with renewable energy certificates within the amount of electricity purchased for the Company's locations in the reporting period.
Scope 3 Emissions (tCO ₂ e)	Represents emissions include all indirect emissions (other than those in Scope 2) that take place across the reporting company’s value chain, covering both upstream and downstream activities.
Water Management	
Water Withdrawal (m³)	For all Kordsa locations during the reporting period (Türkiye-İzmit, Indonesia, Brazil, and Chattanooga-USA were selected as auditing scope in facilities); - Surface Water, - Groundwater and - means the total water withdrawal (by volume - cubic meters) supplied from 3rd party service providers and monitored by meter readings and water bills.
Wastewater Discharge (m³)	Represents the discharges (by volume - cubic meters) of wastewater produced by the Company's Türkiye-Izmit, Brazil and Indonesia locations to the receiving environment (surface water) and wastewater channel during the reporting period, and the discharges are monitored through meter reading records.
Recycled Water	Represents water that was recycled in the Company's Türkiye-Izmit and Indonesia locations.
Compliance with Water Discharge Limits (-)	Represents compliance that the pollutant parameter values in the wastewater discharge analysis report of the Company's Türkiye-Izmit, Indonesia and Thailand facilities during the reporting period are below the relevant local regulatory receiving environment quality limit values.
Waste Management	
Waste by Type (tonnes)	Represents the total amount of solid and liquid wastes generated at the relevant locations of all Kordsa locations during the reporting period (Türkiye-İzmit, Indonesia, Brazil, and Chattanooga-USA were selected as auditing scope in facilities), according to their hazardous nature (hazardous or non-hazardous).
Waste by Disposal Method (tonnes)	Represents the total amount of solid and liquid wastes generated at all Kordsa locations (Türkiye-İzmit, Indonesia, Brazil, and Chattanooga-USA were selected as auditing scope in facilities) according to the disposal method (recycling, landfilling, energy recovery and incineration) during the reporting period.



Indicator	Scope
Sustainable Business Model	
Ratio of Sustainable Products Revenues to Total Revenue (%)	Represents the percentage of the Company's revenue from products and services produced during the reporting period, which are defined as sustainable (the methodology based on the European Union Sustainable Finance Taxonomy study is taken into consideration), to the total reporting year revenue.
Number of Sustainable Products (#)	Represents the total number of products and services produced by the Company during the reporting period that are defined as sustainable (the methodology based on the European Union Sustainable Finance Taxonomy study is taken into consideration).
R&D Expenditures Including CapEx and OpEx (USD)	Represents the total expenditures (U.S. dollar) made by the Company within the scope of R&D activities during the reporting period.
Ratio of Sustainability-Oriented R&D Budget to Total R&D Budget (%)	Represents the ratio of the Company's sustainable-focused R&D projects budget to the total R&D budget in the reporting period.
Sustainable Procurement	
Percentage of suppliers that have been subjected to sustainability assessment among targeted suppliers (%)	Represents the ratio of suppliers that have completed the online sustainability survey planned for the suppliers identified by the Company during the reporting period.
Proportion of Raw Material Suppliers Whose Assurances are Completed in Line with the Annual Assurance Plan (%)	Represents the percentage of completion of the sustainability audit planned by the Company for raw material suppliers during the reporting period.



Data Preparation

Social Indicators

Employee Turnover Rate:

The following formulas are used in the calculation of employee turnover rates. While calculating the number of total working hours, the average number of employees in the reporting period is taken into consideration.

Formulas:

Total Employee Turnover Rate

= (Total number of employees who left the company, including voluntary resignations and employer-initiated terminations) / Average number of employees × 100

Occupational Health and Safety (OHS):

The following definitions and formulas are used in the calculation of OHS data.

The average number of employees in the reporting period is considered when calculating total number of working hours. Number of accidents means the total number of occupational accidents. For Türkiye-Izmit location, it was followed up with Social Security Institution (SSI) notifications. In Indonesia, Brazil and USA-Chattanooga locations, it was followed up with accident notification forms.

- High severity accidents (excluding fatal accidents and registered accidents): Recorded accidents resulting in permanent incapacity for work or loss of limb.
- Registered occupational accidents: The sum of accidents classified as Lost Time Incidents (LTI), Medical Treatment Incidents (MCI) and Restricted Work Incidents (RWI).
- Lost Time Incident (LTI): A lost workday incident is

defined as an occupational accident that results in an injury and the employee is unable to return to work on the first working day following the day of injury.

- Medical Intervention Incident (MCI): When events requiring medical intervention occur, if the injured person can return to work on the first working day following the injury, it is considered in this class.
- Restricted Work Event (RWE): The injured person can return to work on the first working day following the day of injury, but if it is decided that he/she cannot fully perform his/her own job due to his/her condition and is asked to work temporarily in another task, it is evaluated in this class.

Formulas:

Number of Registered Occupational Accidents = Number of accidents with lost time + Number of accidents requiring medical intervention + Number of accidents causing restricted work

Registered Work Accident Severity Rate = (Absenteeism due to Accident / Total Working Hours) x -1,000,000

Registered Work Accident (Frequency) Rate: (Number of registered work accidents / Total working hours) x -1,000,000

Death Rate due to Occupational Accidents = (Number of deaths due to occupational accidents / Hours worked) x -1,000,000

High Severity Occupational Accident Rate (excluding fatal accidents and recorded accidents) = Number of high severity occupational accidents (excluding fatal accidents and recorded accidents) / Hours worked) x -1,000,000

Environmental Indicators

Energy Consumption by Fuel Type:

Within the scope of energy consumption data, primary energy and fuel sources including electricity, natural gas, LPG, diesel, and gasoline are reported. Electricity consumption and natural gas consumption data are obtained from the meters and invoices of service providers. LPG and diesel consumption data are obtained from service providers' invoices for generators and company-owned vehicles. Gasoline consumption is obtained from the invoices of service providers for company-owned vehicles.

Türkiye-Izmit electricity consumption excludes common area consumption from Kordsa electricity consumption, since common area consumption is included in the total amount in the shared invoices for electricity consumption. In the invoices shared for electricity consumption in Chattanooga-USA, electricity consumption of other businesses is excluded from Kordsa electricity consumption since there are businesses other than Kordsa in the location.

The Company uses the following conversion factors in its energy consumption calculations:

- At the Indonesia location, since the refrigerant gas weight unit is invoiced in pounds, a conversion factor of [1 lb*(0.4536) * kg/ lb] is used for conversion to kg.
- At the Chattanooga (USA) location, since diesel and gasoline supply units are invoiced in gallons, a conversion factor of [1 gallon*(3.7854) * liter/gallon] is used for conversion to liters.

Scope 1 and Scope 2 Emissions:

Scope 1 and Scope 2 emissions are calculated in accordance with ISO 14064-1 and Greenhouse Gas Protocol: Corporate Calculation and Reporting Standard. In the calculations, CO₂, CH₄, N₂O, HFCs (refrigerant gas), and CO₂ equivalent factors from the emissions of fire extinguishers were used. The emission factors used are detailed in the table

below. For CO₂, CH₄, and N₂O conversion factors, “DEFRA (UK Department for Environment, Food and Rural Affairs) 2025 Emission Factors” (<https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2025>) published by the UK government for Izmit-Türkiye and Indonesia locations were taken as a basis. “Emission Factors for GHG Inventories” published by the US EPA (United States Environmental Protection Agency) for the natural gas conversion factors of the USA-Chattanooga plant was taken as a basis. “Emission Factors for Corporate Inventories” published by the Federal Government of Brazil (<https://www.gov.br/mcti/pt-br/acompanhe-o-mcti/cgcl/paginas/fator-medio-inventarios-corporativos>) for Brazil location was taken as a basis. The carbon emission factors arising from the emissions of HFCs (refrigerants) and fire extinguishers are based on the 5th Assessment Report (AR5) published by the International Panel on Climate Change (IPCC).

Electric energy emissions consumed from the grid: calculated using CO2 emission factors published by the International Energy Agency in 2022 for the Indonesia and Italy locations. For Türkiye location, the GHG emissions are calculated using Emission factors data sheet published by The Ministry of Energy and Natural Resources in 26.12.2025.

For Thailand location, the GHG emissions are calculated using emission factors published by Thai National LCI Database on January 2026.

For Brazil location, the GHG emissions are calculated using emission factors for corporate inventories 2025 edition, published by Brazilian Ministry of Science, Technology and Innovation.

For the US-Chattanooga and US-Laurel Hill locations, the “EPA Power Profiler Zipcode Tool” published by the EPA (United States Environmental Protection Agency) was used.



Emission Factors - Scope 1	kg CO ₂ e of CO ₂ per unit	kg CO ₂ e of CH ₄ per unit	kg CO ₂ e of N ₂ O per unit	kg CO ₂ e per unit
Diesel – (liter)	2.62818	0.00029	0.03308	2.66155
Gasoline (liter)	2.32567	0.00820	0.00597	2.33984
Natural Gas (m³)	2.08504	0.00307	0.00095	2.08906
LPG (tonne)	2,935.18	2.5536	1.62735	2,939. 36095
Fuel Oil (liter)	3.16262	0.00530	0.00701	3.17493
Propane (tonne)	2,993.40	2.5872	1.6451	2,997.63233
Refrigerant gases– R22	N/A	N/A	N/A	1,960
Refrigerant gases– R123	N/A	N/A	N/A	90.4
Refrigerant gases– R134A	N/A	N/A	N/A	1,530
Refrigerant gases– R410A	N/A	N/A	N/A	2,255.50
Fire extinguisher– CO ₂				1

Emission Factors - Scope 2 (kg/kWh)	kgCO ₂ -e/kWh
Electricity (renewable energy)	0.00
Electricity (Türkiye)	0.4340
Electricity (Thailand)	0.4750
Electricity (Brazil)	0.0545
Electricity emission factors for our operations in Italy and Indonesia are taken from IEA data, as this data is licensed it cannot be shared on this document.	

Scope 3 Emissions:

Scope 3 emissions are calculated in accordance with ISO 14064-1 and Greenhouse Gas Protocol: Corporate Value Chain (Scope 3) Accounting and Reporting Standard. All 15 categories listed in the Standard are evaluated and various emission factors and calculation methods are selected depending on the requirements of each category and the activity data.

Scope 3 Category 1-Purchased Goods and Services (ton CO₂ eq./year) represents the total amount of emissions resulting from the purchase of raw materials, intermediate products, and final products

required for the production operations carried out by the Company during the reporting period. Purchased services are excluded from this category as their impact on the GHG emissions are assessed to be below materiality threshold. The emissions from this category are calculated using the emission factors published by Ecoinvent and DEFRA (UK Department for Environment, Food and Rural Affairs) for the year 2025. The activity data (in tons of goods purchased) for this category is collected from internal purchasing and delivery records.

The emissions from transportation of the purchased goods to Kordsa facilities are included in Category 4.

Scope 3 Category 2-Capital Goods (ton CO₂ eq./year) represents the total amount of emissions resulting from extraction, production and transportation of capital goods purchased or acquired by the reporting company during the reporting period. This category is estimated using “EPA Supply Chain Emission Factors v1.3”. The activity data (cost of goods purchased in USD) for this category is collected from internal purchasing records. This category is excluded from the inventory as the emissions related to this category is assessed to be below the materiality threshold.

Scope 3 Category 3-Fuel and Energy-related Activities (ton CO₂ eq. /year) - represents the total amount of emissions resulting from the extraction, production and transportation of fuels and energy consumed by the Company to carry out its production operations during the reporting period. The emissions from this category are calculated using the emission factors published by DEFRA (UK Department for Environment, Food and Rural Affairs) for the year 2025. The activity data (in amount of fuels and electricity used) for this category is collected from supplier invoices.



Scope 3 Category 4-Upstream Transportation and Distribution (ton CO₂ eq. /year) represents the total amount of emissions resulting from the transportation of raw materials, intermediate products and final products, and transportation services purchased due to the Company’s production operations, as well as the transportation services purchased by the Company to transport its own products during the reporting period. The emissions from this category are calculated using the emission factors published by DEFRA (UK Department for Environment, Food and Rural Affairs) for the year 2025. The activity data (transportation modes, tons of goods transported and transportation km’s) for this category is collected from internal records.

Scope 3 Category 5-Waste Generated in Operations (ton CO₂ eq. /year) represents the total amount of emissions resulting from the disposal and treatment of waste generated during the production operations conducted by the Company and related auxiliary activities during the reporting period, in accordance with the waste management hierarchy. The emissions from this category are calculated using the emission factors published by DEFRA (UK Department for Environment, Food and Rural Affairs) for the year 2025. The activity data (amount and type of waste generated) for this category is collected from internal records.

Scope 3 Category 6-Business Travel (ton CO₂ eq. / year) represents the total amount of emissions resulting from transportation of employees for business-related activities during the reporting year. Ground travel is excluded from this category because employees only travel with company cars, emissions of which are reported under Scope 1. The emissions from this category are calculated using the emission factors published by DEFRA (UK Department for Environment, Food and Rural Affairs) for the year 2025. The activity data (flight routes and cabin class) for this category is collected from the service provider company.

Scope 3 Category 7-Employee Commuting (ton CO₂ eq. /year) represents the total amount of emissions resulting from the transportation of Company employees between their homes to the company locations during the reporting year. The emissions from this category are calculated using the emission factors published by DEFRA (UK Department for Environment, Food and Rural Affairs) for the year 2025. The activity data (amount of fuels consumed for personnel shuttles) for this category is collected from the service provider company. For locations where there are no company shuttles available, the activity data is modeled using a simplified methodology based on representative assumptions. The calculation assumes an average return commuting distance between employees’ homes and the workplace, the annual number of days worked, and that all employees commute using an average petrol-powered passenger vehicle, with the corresponding emission factor applied to estimate GHG emissions.

Scope 3 Category 8-Upstream Leased Assets (ton CO₂ eq. /year) represents the total amount of emissions resulting from the operation of assets leased by the Company from other entities during the reporting year, where the emissions are not included in Scope 1 or Scope 2. These are typically assets used in business operations (e.g., office buildings, vehicles, equipment) that are leased and not owned by the Company. This category is excluded from the inventory as Kordsa does not have any upstream leased assets.

Scope 3 Category 9-Downstream Transportation and Distribution (ton CO₂ eq. /year) represents the total amount of emissions resulting from the transportation and distribution of products sold by the reporting company in the reporting year between the Company’s operations and the end customer (if not paid for by the reporting company). The emissions from this category are calculated using the emission factors published by DEFRA (UK Department for Environment, Food and Rural Affairs) for the year 2025. The activity data (transportation modes, tons

of goods transported and transportation km’s) for this category is collected from internal records.

Scope 3 Category 10-Processing of Sold Products (ton CO₂ eq. /year) represents the total amount of emissions resulting from processing of intermediate products sold by the Company in the reporting year by downstream companies. The emissions from this category are calculated using the emission factors published by Kordsa’s customers in their CDP reports. The activity data (tons of goods produced) for this category is collected from internal records.

Scope 3 Category 11-Use of Sold Products (ton CO₂ eq. /year) represents the total amount of emissions resulting from the end use of products sold by the Company during the reporting year. These are indirect emissions generated when customers or end-users operate, consume, or otherwise utilize the products during their useful life. This category is excluded from the inventory as Kordsa does not produce any end product use of which may result in GHG emissions. Kordsa only produces intermediate products which are used to produce other goods.

Scope 3 Category 12-End of Life Treatment of Sold Products (ton CO₂ eq. /year) represents the total amount of emissions resulting from the disposal and treatment of products sold by the Company during the reporting year, as they reach the end of their life. The emissions from this category are calculated using the emission factors published by DEFRA (UK Department for Environment, Food and Rural Affairs) for the year 2025 and EPA (US Environmental Protection Agency) WARM version 16. The activity data (tons of goods sold to each country) for this category is collected from internal records.

Scope 3 Category 13-Downstream Leased Assets (ton CO₂ eq. /year) represents the total amount of emissions resulting from the operation of assets owned by the Company and leased to other entities during the reporting year, where the Company does not have operational control. These emissions occur

at the lessee’s facilities or from their use of leased equipment. The emissions from this category are calculated using the emission factors published by DEFRA (UK Department for Environment, Food and Rural Affairs) for the year 2025 and Emission factors data sheet published by the Turkish Ministry of Energy and Natural Resources in 06.12.2025. The activity data (amount of electricity and fossil fuels used) for this category is collected from internal records.

Scope 3 Category 14-Franchises (ton CO₂ eq. /year) represents the total amount of emissions resulting from the operation of franchises during the reporting year, that are not directly owned by the Company but operate under its brand name. These emissions account for the activities and energy consumption of franchisees over which the Company does not have operational control. This category is excluded from the inventory as Kordsa does not have any franchises.

Other Environmental Performance Indicators

Water withdrawal data: The total amount of water withdrawn from nature by the relevant locations of the Company has been calculated. This includes municipal water and groundwater in Izmit-Türkiye; surface water in Indonesia; groundwater and municipal water in Brazil and surface water and municipal water in Chattanooga-USA.

Water consumption data for Türkiye-Izmit, Brazil and Indonesia locations were obtained from purchase invoices and consumption reports. In the Chattanooga-USA location, municipal water consumption was obtained from water purchase invoices and water withdrawn from the river was obtained from flow meter reading records located at the entrance of the facility. The Izmit-Türkiye and Brazil locations discharges their wastewater to the wastewater canal and the Indonesia location discharges its wastewater to the receiving environment (surface water).



Water consumption is calculated after the data collection process using the following formula: Water Consumption = Water Withdrawal – Water Discharge.

Compliance with Water Discharge Limits (-): These plants follow the wastewater pollution parameter discharge limits by complying with regional regulations, and discharge wastewater tracked through the evidence of wastewater meter readings and sample reports located at the plant discharge point.

Recycled Water: The total amount of water recycled in the Company’s Türkiye-Izmit and Indonesia locations.

Economic Indicators

The following definitions and formulas are used in the calculation of economic indicators.

Sustainable Products and Services:

The methodology based on the European Union Sustainable Finance Taxonomy study was taken into consideration in the categorization of sustainable products. In this context, Sustainable Business Model Products and services identified as sustainable are;

- Products and services that provide benefits related to the direct reduction of environmental resources / carbon emissions (mitigation),
- Products and services related to the reduction of environmental resource use / carbon emissions in technologies and activities that are not considered sustainable in nature (transition),
- Products and services that are not considered as direct source / carbon emission reduction activities, but facilitate the dissemination of related technologies (enabler)
- Grouped as products and services that create positive social impact.

In 2025, the Company has a total of 157 sustainable products. The amount of sustainable product and service revenues represents the Company’s revenues from products and services that fall within the scope of the sustainable products and services mentioned above. The revenues of the products identified as sustainable are obtained from the sales lists monitored on a product basis, and the total revenue from the relevant product types is calculated within the scope of this indicator. The ratio of sustainable products and services revenue to total revenue is calculated by dividing the total revenue of sustainable products and services by the Company’s total revenue in the reporting period. Total revenue refers to the total revenue figure obtained by the Company as of the end of the reporting year and stated in the Kordsa Annual Report published as of 31.12.2025.

Formulas:

Ratio of Sustainable Product and Service Revenue to Total Revenue = Sales Revenue from Sustainable Product and Service Sales / Total Revenue-

R&D expenditures represent the Company’s R&D expenditures including CapEx and OpEx in the reporting period. In this indicator, the total amount is calculated from the expenditures made within the approved budget of the Company.

Sustainability-focused R&D budget refers to the Company’s sustainability-focused R&D budget in the reporting

period. The total amounts in these indicators are formed from the expenditures made within the approved budget of the Company.

Formulas:

Ratio of Sustainability Focused R&D Budget to Total R&D Budget (%) = Sustainability Focused R&D Budget / Total R&D Budget

Re-opinion Statement

The measurement and reporting of validated data inevitably involve a degree of estimation. Where there is a change of more than 5% in the data at company level, a re-statement of opinion may be considered.



2025 Independent Assurance Report



INDEPENDENT ASSURANCE REPORT

DRT Bağımsız Denetim ve SMMM A.Ş. (“Deloitte”) independent auditor's limited assurance report to the Board of Directors of Kordsa Teknik Tekstil A.Ş. (“Company”) and its subsidiaries (together referred to as “Group”) on the 2025 Sustainability Report for the year ended 31 December 2025.

Scope of Limited Assurance Engagement

We have been engaged to perform a limited assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised) and Assurance Engagements on Greenhouse Gas Statements (ISAE) 3410 (“Standards”) on whether the Selected Sustainability Information listed below (the “Selected Information”) in the Company's Sustainability Report for the year ended 31 December 2025 (the “2025 Sustainability Report”) has been prepared in accordance with the principles set out in the Reporting Guidance section of the Company's Sustainability Report on pages 118-125.

Our assurance engagement does not cover other information included in the 2025 Sustainability Report, or Sustainability Information or any other information related to the 2025 Sustainability Report (including any images, audio files, documents embedded in a website or embedded videos).

Selected non-financial performance data for limited assurance

We have been engaged by the Group to perform limited assurance procedures on the accuracy of the following key performance indicators included in the 2025 Sustainability Report for the year ended 31 December 2025. The scope of the indicators subject to limited assurance procedures and found on pages 28, 35, 48, 52, 54, 57, 79, 85-88, 91-104 marked with an of the 2025 Sustainability Report for the year ended 31 December 2025 is as follows:

SOCIAL PERFORMANCE INDICATORS

Occupational Health and Safety Indicators

Number of accidents (#)

Number of fatal accidents (#)

Number of occupational diseases (#)

Occupational health and safety training hours (h)

Working hours (h)

Employees by Category

Total number of employees (#)

Number of employees by nationality (#)

Number and percentage of female employees (#, %)

Number and percentage of male employees (#, %)

Percentage of female managers (%)

Percentage of female managers in revenue-generating roles (%)

Percentage of female employees in STEM roles (%)

Number of new hires by age group (#)

Number of employees who left the organization by gender (#)

Number of employees who left the organization by age group (#)

Employee turnover rate by gender (%)



Training

Total training hours (h)

Total training hours by type of training (h)

Total training cost (USD)

Average training hours per employee (h)

Supplier

Ratio of targeted suppliers who have gone through a sustainability assessment (%)

Ratio of targeted raw material suppliers audited in line with annual scheduled audit plan (%)

ENVIRONMENTAL PERFORMANCE INDICATORS

Energy Consumption

Total energy consumption (MWh)

GHG Emissions

GHG emissions (tCO₂e)

Scope 1 emissions (tCO₂e)

Scope 2 emissions – location-based (tCO₂e)

Scope 2 emissions – market-based (tCO₂e)

Scope 3 emissions (tCO₂e)

Water Consumption

Water consumption (m³)

Water withdrawal by source (m³)

Water recycled and reused (%)

Total water discharged (m³)

Compliance with wastewater discharge criteria

Waste

Hazardous waste (tonnes)

Non-hazardous waste (tonnes)

Waste by disposal method (tonnes)

Non-hazardous waste including ash waste (tonnes)

Total waste excluding ash waste (tonnes)

Total waste including ash waste (tonnes)

ECONOMIC PERFORMANCE INDICATORS

Sustainable Business Model

Number of SDG-linked products and services (#9)

Percentage of SDG-linked R&D and innovation activities (%)

R&D expenditures – OPEX and CAPEX (USD)

Environmental Investments and Expenditures

Savings and reductions achieved through environmental investments (MWh – tCO₂e)



2025 Independent Assurance Report



Structural constraints

All assurance engagements have inherent limitations due to the selective testing of the information under review. Fraud, error or non-compliance may therefore occur and not be detected. In addition, non-financial information, such as non-financial information contained in reporting documents, is subject to more structural limitations than financial information, given the nature and methods used to identify, calculate and sample or estimate such information.

Our assurance engagement provides limited assurance as defined in ISAE 3000 (Revised) and (ISAE) 3410 (“Standards”). The procedures performed as part of a limited assurance engagement differ in nature and timing - and to a lesser extent - from a reasonable assurance engagement. The level of assurance obtained in a limited assurance engagement is therefore significantly narrower than the scope of a reasonable assurance engagement.

Special Purpose

Our work has been undertaken to inform the Group's Board of Directors of the matters we are required to report in this report and for no other purpose. To the extent permitted by law, we accept no responsibility to any person or entity other than the Group's Board of Directors for the assurance audit we have conducted or the conclusion we have reached.

Our Independence and Competence

We comply with the independence and other ethical provisions of the *Code of Ethics for Accounting Professionals* published by the International Ethics Standards Board for Accounting Professionals, which sets out the basic principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

We apply the International Standard on Quality Management 1 (ISQM 1) and accordingly maintain a robust system of quality control, including policies and procedures that document compliance with relevant ethical and professional standards and requirements in laws or regulations.

Responsibilities of Management

The Group Management is responsible for the preparation, accuracy and completeness of the sustainability information and statements in the report. The Group Management is responsible for setting the Group’s sustainability goals, establishing and maintaining appropriate performance management and internal control systems from which the reported information is derived.

Responsibilities of the Practitioner

Our responsibility is to reach a conclusion on the Selected Information based on our procedures. We conducted our limited assurance engagement in accordance with International Standards on Assurance Engagements and, in particular, International Standard on Assurance Engagements (ISAE 3000) (Revised) and Assurance Engagements on Greenhouse Gas Statements (ISAE 3410) on Assurance Engagements Other than Independent Audits.

The assurance engagement performed represents a limited assurance engagement. The nature, timing and extent of the procedures performed in a limited assurance engagement are limited compared to those required in a reasonable assurance engagement. As a result, the level of assurance obtained in a limited assurance engagement is lower.



Our Key Assurance Procedures

We carried out limited assurance on the accuracy of the selected key performance indicators specified below in the section “Selected non-financial performance data for limited assurance” related to 2025 year and included into the Report.

To achieve limited assurance, the ISAE 3000 (Revised) and (ISAE) 3410 (“Standards”) requires that we review the processes, systems and competencies used to compile the areas on which we provide our assurance. Considering the risk of material error, we planned and performed our work to obtain all of the information and explanations we considered necessary to provide sufficient evidence to support our assurance conclusion.

To form our conclusions, we undertook the following procedures:

- Analyzed on a sample basis the key systems, processes, policies and controls relating to the collation, aggregation, validation and reporting processes of the selected sustainability performance indicators;
- Made inquiries with employees of the Group responsible for sustainability performance, policies and corresponding reporting;
- Performed selective substantive testing to confirm the accuracy of received data to the selected key performance indicators;
- Made inquiries of management and senior executives to obtain an understanding of the overall governance and internal control environment, risk management, materiality assessment and stakeholder engagement processes relevant to the identification, management and reporting of sustainability issues; and

We believe that our evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusion.

Limited Assurance Conclusion

Based on our work and the assurance procedures performed, nothing has come to our attention that causes us to believe, in our opinion, that the Selected Information referred to above in the Group’s 2025 Sustainability Report for the year ended 31 December 2025, for which we were engaged to provide limited assurance, has not been prepared, in all material respects, in accordance with the Reporting Manual, as described in the “Auditor's Responsibilities” section above.

Restrictions on Use

This Report, including the conclusion, has been prepared for the Board of Directors of Kordsa Teknik Tekstil A.Ş. to assist in reporting the Group's performance and activities related to the Selected Information. We hereby authorize the inclusion of this report in the Sustainability Report prepared for the year ending 31 December 2025, to enable Kordsa Teknik Tekstil A.Ş. Board of Directors to demonstrate that it has fulfilled its responsibilities by preparing an independent limited assurance report on Selected Information. Except to the extent permitted by law and in cases where prior written approval has been obtained and expressly agreed upon, we do not accept or assume any responsibility to anyone other than the Board of Directors of Kordsa Teknik Tekstil A.Ş. and the company in connection with the work we have performed or the report we have prepared.

DRT BAĞIMSIZ DENETİM VE SERBEST MUHASEBECİ MALİ MÜŞAVİRLİK A.Ş.
Member of **DELOITTE TOUCHE TOHMATSU LIMITED**

Zere Gaye Şentürk
Partner

İstanbul, 14 August 2026



Glossary

AFP: Automatic Fiber Placement

APAC: Asia-Pacific

BoD: Board of Directors

CDP: Carbon Disclosure Project

CEO: Chief Executive Officer

CFO: Chief Financial Officer

CMC: Ceramic Matrix Composite

CSRD: Corporate Sustainability Reporting Directive

CTCE: Composite Technologies Center of Excellence

DLP: Data Loss Prevention

DMA: Double Materiality Assessment

DMP: Data Management Policy

EMEA: Europe, Middle East, and Africa

EDRC: Early Detection of Risk Committee

ERM: Enterprise Risk Management

ESG: Environment, Social, and Governance

ESRS: European Sustainability Reporting Standards

ETS: Emissions Trading System

FST: Fire, smoke, toxicity

GHG: Greenhouse Gas

HR: Human Resources

IFRS: International Financial Reporting Standards

IEC: International Electrotechnical Commission

IP: Intellectual Property

IR: Integrated Reporting

IROs: Impacts, risks & opportunities

ISAE: International Standard on Assurance Engagement

ISO: International Organization for Standardization

KPIs: Key Performance Indicators

KTR: Kordsa Türkiye İzmit

LCA: Life Cycle Assessment

MRV: Monitoring, Reporting and Verification

OOA: Out-of-Autoclave

PET: Polyethylene terephthalate

PE: Polyethylene

PLA: Polylactic acid

PP: Polypropylene

PVP: Personal Data Processing and Protection

QAR: Quality Assurance Review

R&D: Research and Development

SDGs: Sustainable Development Goals

SBTi: Science Based Targets initiative

TRL: Technology Readiness Levels

TSRS: Türkiye Sustainability Reporting Standards

UCI: University of California, Irvine

UHT 7G PET: Ultra High Tenacity polyester

UN: United Nations

UNGC: United Nations Global Compact

USD: United States Dollar

VOC: Volatile organic compound

WEPs: Women's Empowerment Principles

WRI: World Resources Institute



Report Contacts

Nevra Aydoğan

Sustainability and Communications Director

Nevra.Aydogan@kordsa.com

<https://www.kordsa.com>



<https://www.facebook.com/Kordsa/>

facebook: @Kordsa



<https://x.com/KordsaOfficial?lang=en>

X: @KordsaOfficial



<https://www.instagram.com/kordsaofficial/>

Instagram: @kordsaofficial



<https://www.youtube.com/c/KordsaOfficial>

Youtube: @kordsa



<https://www.linkedin.com/company/kordsa/>

DESIGN

Tazefikir

info@tazefikir.com

DISCLAIMER

The information and analyses contained in the KORDSA sustainability report (hereinafter “report”) have been compiled from resources and information deemed as accurate and reliable within the timeframe the report was prepared for informative purposes only, and not to be used as a basis for any investment decision.

The company, its managers, employees, and other persons and organizations who contributed to the drafting of this report cannot be held responsible for the damages that may arise from the use of the information contained herein. All rights of this report belong to KORDSA.

Our report is prepared in the digital environment and is not published.