LONCA MAKINA SAN. TIC. A.S.

# SUSTAINABILITY REPORT

2025

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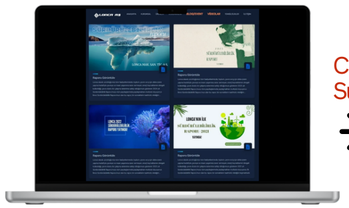
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# 01 ABOUT US

# About the Report

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Lonca Makina's Sustainability Report has been prepared to share our company's sustainability approach, risks, and opportunities with our stakeholders in an open and transparent manner.
Since 2021, we have been preparing our sustainability reports in accordance with the GRI – Global Reporting Initiative Standards' Core Option. This report covers our activities and the targets we have set in line with our sustainability strategy between January 1, 2025 and December 31, 2025.

The report's content is structured to meet the expectations of the sustainability frameworks our company is a part of, and includes key information on our sustainability approach. Updated annually, this report evaluates our company's environmental, social, and economic performance and highlights our progress in sustainability. This report serves as proof of our commitment to environmental, social, and governance (ESG) initiatives, summarizing the steps we are taking towards a more sustainable future.

Lonca Makina's sustainability strategy focuses on the conservation of natural resources, the development of innovative and environmentally friendly products, and projects that create social benefit. The steps we take in this direction constitute an important part of our sense of responsibility for a sustainable future.
The report also outlines the progress we have made and the challenges we face in achieving our long-term sustainability goals. Through strong communication and collaboration with our stakeholders, we aim to continue setting an example in our sector by disseminating best practices in sustainability.



All headings in the Table of Contents are linked to the relevant pages. You can easily navigate to the page you want to go to within the report by clicking on the relevant heading in the Table of Contents.



Thanks to the navigation menu on each page, you can easily navigate to the sections you want within the report.



For questions, comments, and suggestions regarding the report, please contact quality@ensim.com.tr

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# General Manager's Message

Dear Stakeholders,

We take great pride in where we are today, having started our journey in 1984. Since our inception, we have continued to produce with the same determination and sense of responsibility, prioritizing the strengthening of domestic production and creating added value for our country. By undertaking the responsibilities required of our identity as a producer, we focus on sustainable growth.

## The Year 2025: Opportunities and Challenges

2025 was a period marked by intense global economic and political fluctuations. In many markets, including Turkey, inflationary pressures, rising costs, and exchange rate volatility made business practices more complex. In export-oriented sectors in particular, these variables necessitated strategic flexibility and a strong management approach.
Despite all these challenges, we continue to move forward without compromising our focus on production, employment and innovation. While conducting our operations, we act with a sense of responsibility towards the society we operate in and all the stakeholders we interact with. Our goal is to strengthen our presence in international markets while positioning our brand as more competitive and powerful on a global scale. In line with this, we are consolidating our leadership in Turkey while steadily increasing our effectiveness abroad.

## Messages to Stakeholders

Sustainability is a philosophy that considers the future while meeting the needs of the present, and it encompasses the shared responsibility of the entire society. As Lonca, we aim to spread this awareness by placing sustainability at the heart of our way of doing business. It is important for organizations and individuals to focus on long-term sustainable growth; this is possible through the conservation of environmental resources and consideration of social responsibility.
We aim to enhance corporate success and add value to society by developing sustainability-based decision-making processes. We strive to continuously improve ourselves through education and innovation, while creating shared value through collaboration with our stakeholders. We are aware of the steps we are taking for the future and hope to move forward together towards creating a greener, fairer, and more inclusive world. We invite all our stakeholders to join us on this journey.

## Innovation and Sustainability

We are systematically working to make innovation an integral part of our corporate culture. Within the scope of the Inosuit Program, conducted under the umbrella of the Turkish Exporters' Council, we are implementing innovative practices in the areas of R&D, digitalization, and customer focus, prioritizing sustainable innovation.
In this era of uncertainty, we aim to advance our sustainability approach by drawing strength from our accumulated knowledge and values. While continuing our efforts to reduce our environmental impact, we are determined to move forward in order to increase societal benefit and create long-term value together with all our stakeholders. We always prioritize our responsibility to contribute to the economic and social development of our country.
I would like to extend my sincere thanks to all our employees, business partners, customers, dealers, and all stakeholders who have supported us throughout this process with their hard work, contributions, and dedication.

Kind regards,

**Lonca Makina General Manager**
**Ayhan Ozturk**

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# About Lonca

Lonca Makina Sanayi Ticaret A.S. has been operating in the field of measurement and control devices since 1984. Starting with sales activities in Karaköy in its early years, the company gradually expanded into importing humidity, temperature, pressure, and flow measuring devices, becoming the Turkish representative for various international brands. Since 1996, Lonca has aimed to deliver the products of the brands it represents to its customers quickly and reliably, strengthening its position in the sector by developing solutions for special requests in addition to standard products.
Founded in 2001, Lonca, anticipating the need for domestic sensor production, began its manufacturing activities with level sensors. Subsequently, it expanded its production capabilities by adding flow, pressure, and temperature sensors to its product portfolio. Thus, by increasing its product diversity, the company strengthened its goal of offering high-quality and economical solutions and began conducting its production activities under the ENSİM SENSORS brand.

Lonca Makina has undergone a significant transformation by relocating its operations to a more modern and efficient production infrastructure in line with its growing production capacity and increasing operational needs. With the new facility, production areas have been reorganized, processes optimized, and operational flows made more efficient. This relocation has significantly contributed to increased production capacity, more systematic business processes, and more efficient resource management. Thanks to the modern production infrastructure, both quality standards have been strengthened and speed and efficiency in delivery processes have been increased.

Adopting customer satisfaction as its core priority, Lonca has focused on continuously improving product and service quality and has obtained various national and international certifications. The company continues its work with the vision of making the ENSİM SENSORS brand a globally recognized sensor brand. 64% of Lonca Makina is owned by Ms. Mürüvvet Gülsün İnan and 30% by Mr. Ayhan Öztürk. The foundation of the company's success lies in its customer-centric approach, innovative production philosophy, and continuous improvement goals.

Lonca Makina aims not only to grow in its existing markets but also to become an effective player on a global scale. To this end, it continuously increases its R&D investments, closely monitors new technologies in the sector, and develops its products in line with these developments.
Adopting sustainability as a key part of its business processes, Lonca carries out various projects to reduce its environmental impact and fulfill its social responsibilities. Efforts in energy efficiency, waste management, and community contribution support the company's understanding of sustainable growth.
In line with this approach, Lonca Makina Sanayi Ticaret A.Ş. continues its pioneering role in its sector with strategies that not only meet today's needs but also consider the requirements of the future. It aims to be a strong business partner in both local and international markets with its innovative, reliable, and sustainable solutions.

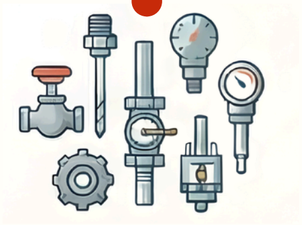


# Milestones

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## 1970–2002: Production Fundamentals and Commercial Expansion

**1970**



### The Beginning and Diversification of Manufacturing (1970–1980)



Production of temperature sensors, thermowells, immersion thermocouples, and control valves has started.

**1994-1995**



### Commercial Offices and Representatives

With the opening of the office in Perpa, Istanbul, international representation relations have begun to be established.



**2002**



### Advances in Production Technology

Piyalepaşa, Istanbul – Production of level sensors has begun.

## 2003–2025: Quality Standards and Future Vision

**2003-2022**

### Certification



| | |
|---|---|
| **2003** | ISO 9001:2015 Quality Management System |
| **2017** | ATEX Explosive Atmosphere Certificate |
| **2019** | ISO 45001/10002 /3834--2/27001 |

Critical certifications such as ISO 9001, ATEX, and Information Security have been registered.

### Strategic Scope Expansion



**2023-2024**

The ATEX certification was expanded in the temperature and flow group, updating the current ISO standards.



**2025**

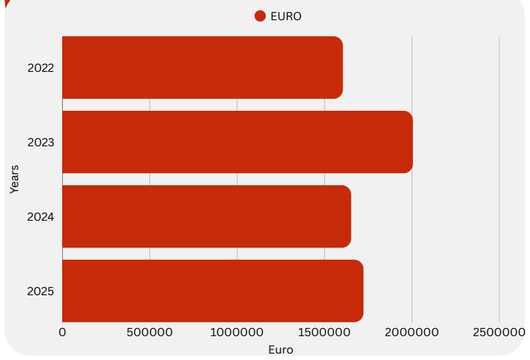
### Major Transformation and New Facility

The facility's capacity was expanded, and it was relocated to a modern workspace.

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# Lonca in Numbers

## Gross Sales Figures by Year




**17**
Number of white-collar employees

**19**
Number of blue-collar workers

**36**
Average age

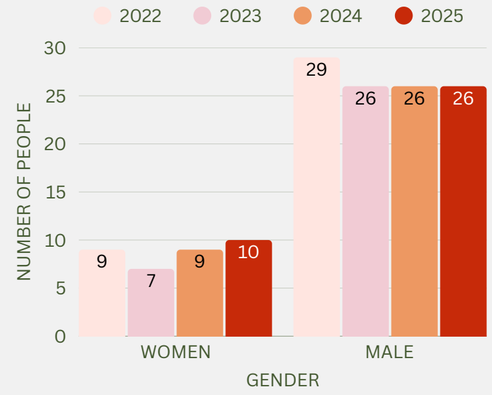
## Our Memberships

- İSTANBUL TİCARET ODASI 1882 — ISTANBUL CHAMBER OF COMMERCE
- immib — ISTANBUL MINING AND METALS EXPORTERS ASSOCIATION
- ISO — ISTANBUL CHAMBER OF INDUSTRY

## Generational Distribution

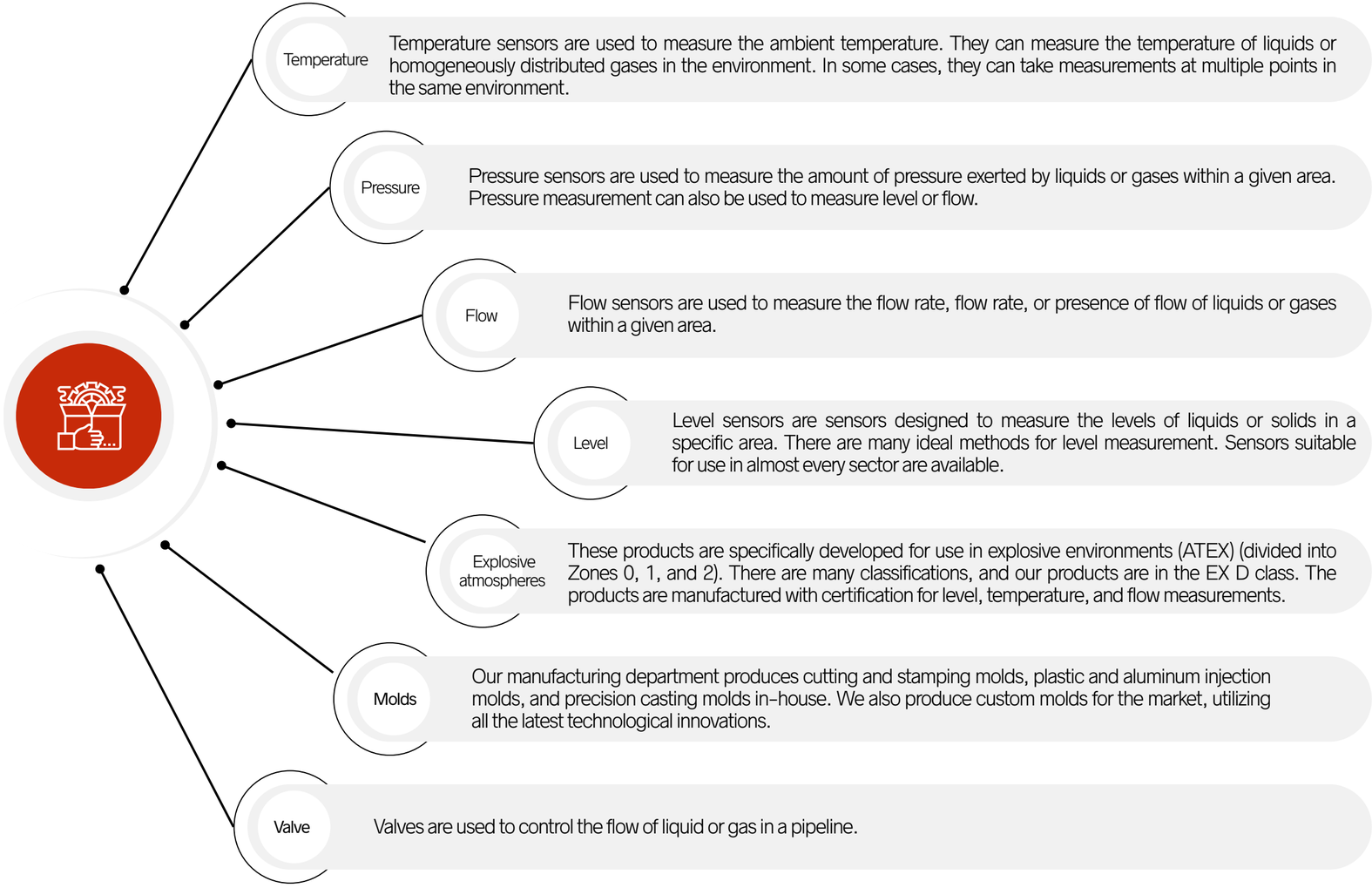
| | |
|---|---|
| Baby boomers staff count | 2 |
| Number of Generation X employees | 4 |
| Millennial staff numbers | 23 |
| Generation Z staff numbers | 7 |

## Gender Distribution



# Product Tree

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**Temperature** — Temperature sensors are used to measure the ambient temperature. They can measure the temperature of liquids or homogeneously distributed gases in the environment. In some cases, they can take measurements at multiple points in the same environment.

**Pressure** — Pressure sensors are used to measure the amount of pressure exerted by liquids or gases within a given area. Pressure measurement can also be used to measure level or flow.

**Flow** — Flow sensors are used to measure the flow rate, flow rate, or presence of flow of liquids or gases within a given area.

**Level** — Level sensors are sensors designed to measure the levels of liquids or solids in a specific area. There are many ideal methods for level measurement. Sensors suitable for use in almost every sector are available.

**Explosive atmospheres** — These products are specifically developed for use in explosive environments (ATEX) (divided into Zones 0, 1, and 2). There are many classifications, and our products are in the EX D class. The products are manufactured with certification for level, temperature, and flow measurements.

**Molds** — Our manufacturing department produces cutting and stamping molds, plastic and aluminum injection molds, and precision casting molds in-house. We also produce custom molds for the market, utilizing all the latest technological innovations.

**Valve** — Valves are used to control the flow of liquid or gas in a pipeline.

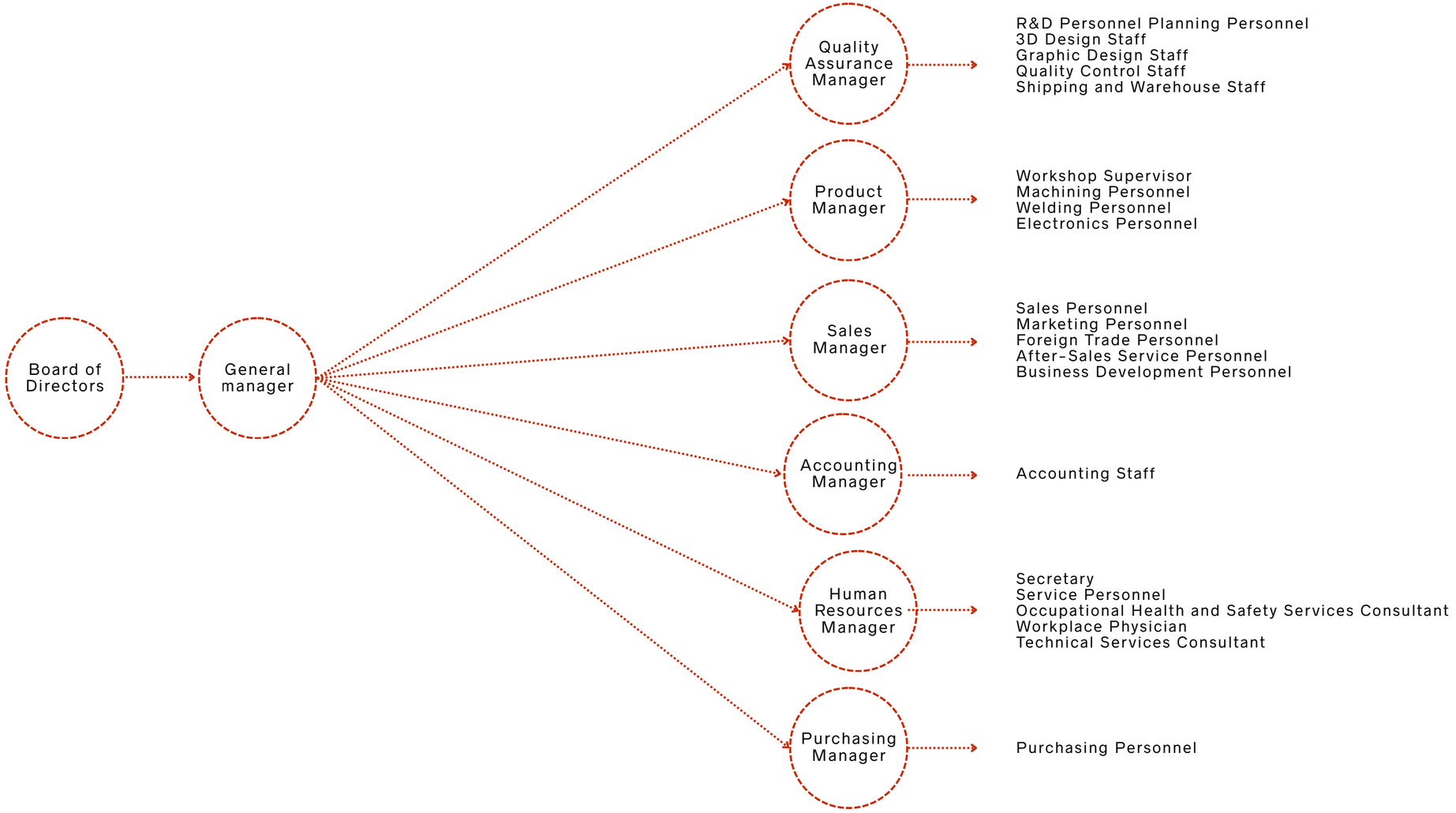


# 02 CORPORATE GOVERNANCE

# Governance Structure

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The Human Resources and Administrative Affairs Manager, Accounting Manager, Production Manager, Sales Manager, Purchasing Manager and Quality Assurance Manager report directly to the General Manager. Our management structure is as follows:



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We systematically continue our corporate development and improvement efforts to achieve our goals and create sustainable value for our stakeholders. At the core of these efforts is an approach that aims to make our processes more transparent, fair and accountable.

We consider it our primary responsibility to fully comply with all laws, regulations, and legislation in force within the sector and country in which we operate. This approach encompasses not only fulfilling legal requirements but also maintaining high ethical standards. All our employees act with this awareness, strengthening the reliability and reputation of our company.

Our corporate governance approach provides a robust structure that supports us in achieving our strategic goals. Our management team brings together diverse experiences and areas of expertise to develop innovative and sustainable solutions; thereby improving our operational processes and creating value for our stakeholders.
Our Board of Directors is balanced with two women and two men. This diversity allows for the convergence of different perspectives, contributing to more inclusive and sensible decision-making. The diverse expertise and experience of our board members represent a significant advantage in achieving our sustainability goals.

Our commitment to gender equality is a value embraced not only at the management level but at all levels of the organization. This approach strengthens our corporate culture and contributes to more robust and sustainable relationships with our internal and external stakeholders.

Board of Directors

**AYHAN OZTURK**
Chairman of the Board

**MURUVVET GULSUN INAN**
Board Member

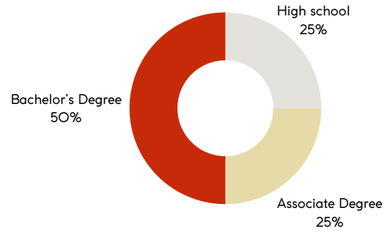
**HUSAMETTIN AVCU**
Board Member

**NILGUN VIDINLI**
Board Member

Gender Distribution




Educational Status




Senior Management

**AYHAN OZTURK**
General Manager

**FERIDUN HAMURCU**
Production Manager

**YELIZ KINAY**
Human Resources Manager

**ALPER AKMAN**
Finance Manager

**HILAL DEMIRKAYA**
Quality Assurance Manager

| Senior Management | His/Her job | Start Date | Education | Professional Experience |
|---|---|---|---|---|
| Ayhan Ozturk | General Manager | 01.08.1992 | Yıldız Technical University, Faculty of Engineering - Mechanical Engineer | 33 years |
| Feridun Hamurcu | Production Manager | 10.03.2018 | Istanbul Technical University, Faculty of Engineering - Electronics Engineer | 24 years |
| Yeliz Kinay | Human Resources Manager | 02.01.2012 | Istanbul University, Faculty of Communication - Media and Communication | 15 years |
| Alper Akman | Accounting Manager | 16.04.2008 | Alaçam Imamhatip High School | 17 years |
| Hilal Demirkaya | Quality Assurance Manager | 01.10.2019 | Sakarya University Faculty of Business Administration - Business Administration | 6 years |

# Sustainability Governance

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At Lonca, we position sustainability as an integral part of our corporate strategy and a fundamental element of our long-term success. In this regard, we approach sustainability strategically by integrating it into the management of all our financial and non-financial assets. In this way, we aim to develop long-term, mutually beneficial, and value-oriented relationships with our stakeholders. By focusing on environmental, social, and governance (ESG) areas, we support the development of our corporate structure along the axis of sustainability.
We systematically conduct our sustainability efforts within the framework of our defined Sustainability Policy. This policy was developed with the contributions of our Sustainability Team with the aim of reducing our environmental impact, increasing our social contribution, and strengthening compliance with corporate governance principles.

While fully complying with legal regulations and ethical principles in all our operations, we embrace a strong sense of environmental and social responsibility encompassing all our employees. Thanks to our innovation-focused approach, we develop sustainable solutions that respond not only to current needs but also to future expectations.
With this understanding, we continuously review our business processes, identify areas for improvement and implement more efficient and effective practices. At the same time, we prioritize training and awareness programs to increase our employees' awareness of environmental and social issues. While fulfilling our responsibilities to society through concrete actions, we place sustainability at the center of all our decision-making processes for a healthier and more livable future. In this regard, we aim to create a lasting and positive impact in the long term.



To achieve our sustainability goals, we invest in energy-efficient technologies to minimize our environmental impact, while also organizing campaigns to raise awareness among our employees and the community.

To increase our societal contributions, we participate in various social responsibility projects at both local and global levels. Through our projects in education, health, and social equality, we aim to reach all segments of society and utilize our resources in the most effective way for a sustainable future.

To strengthen our commitment to corporate governance principles, we adopt a management approach based on transparency, accountability, and ethical values, building trust-based relationships with our stakeholders. In this context, we regularly publish reports to measure and share our sustainability performance with our stakeholders.

We are committed to raising our awareness of growing environmental and social challenges worldwide and to offering innovative and sustainable solutions. Sustainability will remain not just a goal, but a value at the heart of how we do business.

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# Sustainable Supply Chain

We view supply chain management not merely as an operational activity, but also as a strategic area where our sustainability approach is reflected in the field. Accordingly, raising awareness among our suppliers and promoting environmentally friendly purchasing practices are among our top priorities for creating a sustainable supply chain.

Our holistic approach, encompassing all stages from supply processes and logistics to quality control activities and human rights practices, is based on establishing long-term collaborations and creating mutual value. In our supplier selection processes, we prioritize criteria such as respect for human rights, working conditions, occupational health and safety, adherence to ethical principles, and environmental impact.

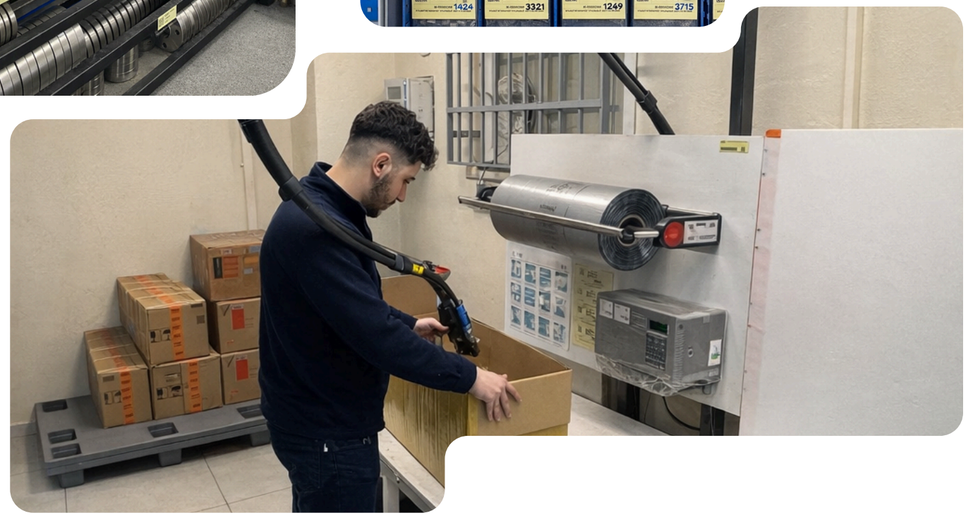
Driven by a sense of responsibility stemming from domestic production, we adopt environmentally conscious and sustainable practices at every stage of our supply chain. In this context, we systematically manage our supplier relationships within the framework of the "Supplier (Outsourcing) Contract and Evaluation Procedure" and the "Procurement Procedure".

Our suppliers undergo detailed analysis and evaluation processes in accordance with quality certifications, environmental and social risk assessments, management systems, and customer satisfaction criteria. In every procurement process with companies included in the Approved Outsourcing List, pricing and delivery terms are determined in accordance with the relevant procedures.

Our purchasing activities are conducted in accordance with technical standards and occupational health and safety requirements, and all transactions are recorded and traceable through our ERP system. The effective management of these processes is carried out in coordination with relevant managers and sales teams.
Our company's operational structure consists of an integrated system encompassing design, marketing, sales, R&D, and production processes. Three-dimensional and graphic design, business development, and R&D activities are carried out in a manner that is consistent with and integrated into all processes, in line with our quality policy.





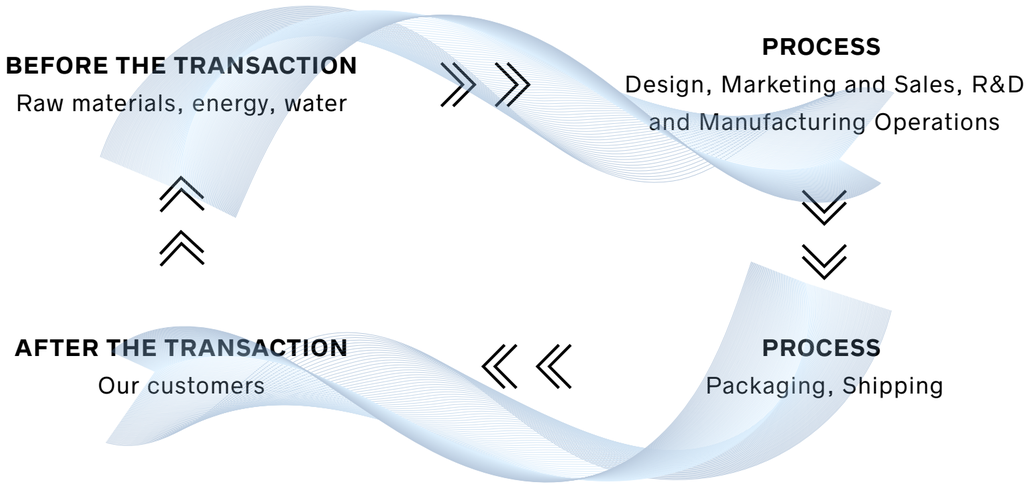



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At Lonca, we meticulously manage our packaging processes, which constitute the final stage of our supply chain, taking into account both environmental impact and cost efficiency. We reuse waste paper from office operations and shipping packaging from suppliers, incorporating them into our packaging processes to support more efficient resource utilization. Through this approach, we both reduce our environmental impact and minimize potential risks by increasing customer satisfaction at the final stage of the supply chain.
All customer relationship processes for our products, from pre-sales to post-sales, are systematically managed within the scope of the "Quotation Generation, Foreign Trade and Contract Control, Storage and Protection, Transportation and Logistics Procedure". In this framework, we address the processes of receiving customer requests, evaluating orders, creating production and shipment plans, and providing sales and post-delivery support services with an integrated approach.

Our long-term relationships with our customers are based on mutual trust and cooperation. We carefully consider their feedback and aim to exceed their expectations by providing quick and effective solutions to their needs. Furthermore, we are committed to fulfilling our environmental and social responsibilities by embracing sustainability principles at every stage of our supply chain. In this context, we continuously improve our processes using innovative technologies and digital solutions, increasing efficiency and minimizing our environmental impact. These steps we are taking towards the future will continue to create value for both our business partners and our customers.



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# Business Continuity

Business continuity is a strategic approach that requires an organization to anticipate risks that could disrupt its operations, prioritize its critical processes correctly, and be prepared for potential disruptions. In this regard, Lonca implements an up-to-date and systematic Business Continuity Plan to ensure uninterrupted operational activity in the event of unforeseen circumstances.

Our plan, designed to minimize the impact of extraordinary and emergency situations on company operations and to ensure continuity during these processes, is actively in place. Within this plan, measures, tasks, and responsibilities to ensure business continuity are clearly defined.

As part of our information systems recovery plan, a crucial element of business continuity, all critical company data is regularly backed up. Operational data, email records, and all information system data are stored and protected in secure environments to eliminate the risk of data loss.




Our Business Continuity Policy includes the following core commitments in compliance with applicable legal regulations, relevant legislation, and Quality Management System requirements:

Systematically identifying and analyzing potential risks, and developing preventive and protective measures through regular checks.

Ensuring the sustainability of corporate reputation by prioritizing customer satisfaction and employee safety.

To implement, monitor, and continuously improve business continuity capabilities in accordance with international standards.

In emergency situations, prioritizing the safety of employees and stakeholders and restarting critical operations as quickly as possible.

To create a robust infrastructure that will minimize the impact of unforeseen events.

Raising awareness through training and drills, and maintaining the system's readiness by sustaining planning, monitoring, and improvement processes with management support.

Through this approach, the Lonca aims to strengthen its operational resilience and create a reliable structure capable of continuing its activities under all circumstances.

# Risk Management

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Our risk management efforts are carried out within the framework of seven different management systems implemented within the company, in coordination with department managers and the Risk and Opportunity Assessment Team. This team proactively analyzes potential situations that could affect the business, identifies existing risks, and develops effective management methods. The identified risks and opportunities are comprehensively evaluated and monitored in Management Review meetings held twice a year.

At Lonca, we approach risk management in accordance with corporate risk management principles and in alignment with our strategic goals. We view risks not only as potential threats but also as areas for growth and opportunity. In this context, we adopt a holistic approach that focuses on increasing risk awareness throughout the organization, anticipating potential scenarios, analyzing their impacts, and developing necessary action plans.

- From a sustainability perspective, risk management encompasses areas such as operational processes, customer satisfaction, market dynamics, stakeholder relations, and supply chain, as well as natural disasters, climate change, resource efficiency, recycling, employee rights, and equal opportunities. Simultaneously, risk assessment studies are systematically conducted to support sustainable economic growth.

Occupational health and safety risks are identified in collaboration with a specialized consulting firm, and work processes are adjusted accordingly. This ensures employee safety and operational continuity.

The sustainability-focused efforts undertaken aim to identify and analyze risks and develop effective action plans to address them. Through this approach, Lonca both manages existing risks and strengthens its resilience for the future.

Risk management at Lonca is implemented through the following steps:

Setting objectives
Identifying and assessing risks
Creating an Objective Action Plan



# Business Ethics

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Lonca, together with its subsidiaries and affiliates, considers it a fundamental responsibility not only to create economic value but also to provide social benefit and establish a human-centered work environment. In line with this understanding, it adheres to current legal regulations and international agreements to which the Republic of Turkey is a party in all its activities, acts with principles of honesty and integrity, and prioritizes transparency and accountability.

Our Business Ethics Policy is a comprehensive guide designed to ensure the effective management of compliance risks and to respond more strongly to the expectations of our local and international stakeholders. This policy provides a guiding framework for Lonca employees and business partners, supporting the adoption and application of fundamental ethical values.

Our policy encompasses not only legal obligations but also our responsibilities to our customers, employees, shareholders, suppliers and business partners, competitors, and society. Lonca employees adhere to high ethical standards in all business and decision-making processes while complying with the legal regulations of the countries in which they operate. In this context, avoiding situations that could compromise impartiality, lead to personal gain, or create a perceived conflict of interest is a fundamental principle.

We make our Business Ethics Policy accessible to all our employees and stakeholders by sharing it on our company website. Furthermore, we actively operate our feedback mechanism through a Request and Complaint Form, allowing stakeholders to submit their opinions, suggestions, and complaints.

The fact that we have not received any complaints in the areas of business ethics and human rights as of 2025 is an important indicator of the effectiveness of our approach in this area and the robustness of our corporate culture.










Request and Complaint Form

# Business Ethics

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- We uphold honor, honesty, and high moral standards, and we do not tolerate any corruption or unfair competition driven by self-interest.
- In addition to our legal responsibilities, we are aware of our responsibilities to our customers, colleagues, suppliers, competitors, and society.
- We will not engage in attitudes or behaviors that would damage personal or company trust, or the reputation of the institution.
- We strive to keep our promises. We fulfill our obligations on time and in full.
- We always treat our colleagues fairly and respectfully. We develop trusting, stable, and honest relationships.
- We always prioritize the safety and quality of our services and products. We never compromise on quality in our product development processes, and with 100% transparency, we make improvements based on our customers' needs and requests.
- Every individual within the company respects and abides by the legal order of our country and the countries in which it operates in all its activities. They absolutely refrain from engaging in illegal or criminal activities. They do not resort to methods or approaches that are unacceptable to business and social ethics.
- The common goal of all individuals within the company is to make breakthroughs that will create added value. We strive to provide a respectful environment where individuals can freely express their ideas. Bringing innovation and benefit to our country and industry is one of our primary objectives.
- We support production processes that prevent the waste of national resources and the impoverishment of society. We provide resources for social services and infrastructure.
- As a general rule, we avoid the personal use and waste of company assets.
- We are committed to making every effort to protect the environment. We work to raise environmental awareness.
- We will not share information that could create a competitive disadvantage, trade secrets, financial and other information not yet publicly disclosed, information regarding personnel rights, or the personal data of our employees, customers, and stakeholders with any person, institution, or organization, neither during our employment nor after we leave the company.
- As employees of the Lonca, we aim to avoid conflicts of interest. We will not use our current positions to personally, or through our families or relatives, gain personal benefit from individuals or organizations with whom we have business relationships. We will not engage in any additional or personal financially motivated business activities outside of the Lonca Inc.
- We communicate with our customers consistently, fairly, and attentively, based on respect and sincerity.








# Stakeholder Engagement

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| STAKEHOLDER GROUP | COMMUNICATION METHOD | FREQUENCY OF COMMUNICATION |
|---|---|---|
| EMPLOYEES | Sustainability Report, Employee Engagement Survey, Internal Communication Meetings, Occupational Health and Safety Training, Internal Information Announcements, Corporate Development Initiatives, Employee Training, Website, WhatsApp Company Group, Management Review Meeting | Annual, Instant, Continuous, 6-month |
| CUSTOMERS | Sustainability Report, Customer Satisfaction Survey, Meetings and Interviews, Customer Visits, Website | Annual, On-demand, As per plan, Permanent |
| SUPPLIERS | Sustainability Report, Meetings and Discussions, Website | Annual, On Demand, Permanent |
| PUBLIC INSTITUTIONS AND ORGANIZATIONS | Audits, Meetings and Discussions, Incentives, Website | Periodic/instantaneous, On-demand, Continuous |
| FINANCIAL INSTITUTIONS | Meetings and Discussions, Website | On demand, continuously. |
| SHAREHOLDERS | Sustainability Report, Annual Report, General Assembly Meetings, Information and Special Circumstance Announcements, Website | Annual, Instantaneous, Continuous, |
| EDUCATIONAL INSTITUTIONS | Infrastructure and Instructor Support, Website | On demand, continuously. |
| MEDIA | Social Media Posts, Website, Magazine Newsletters | Instant, Continuous, On Demand |

As an important part of our corporate culture, we prioritize collaborative and inclusive stakeholder communication. By maintaining open, continuous, and multi-channel communication with all our stakeholders, we move towards our strategic goals with more solid and sustainable steps.
This interaction, which we conduct in line with the principles of digitalization and transparency, directly contributes to the development of our sustainability efforts.

Broad Stakeholder Ecosystem: We aim to create mutual value with a broad network of stakeholders, ranging from our employees and customers to suppliers and media organizations.
Feedback-Focused Approach: We shape our projects by taking into account feedback from our stakeholders, while also closely monitoring market trends.
Trust-Based Relationships: We prioritize building long-term, trust-based relationships in line with shared goals.

Through this approach, we aim to generate sustainable value within a strong and resilient ecosystem that can adapt to changing conditions.

# Stakeholder Relations

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**Employees**
At Lonca, we believe that human resources are paramount and we act accordingly. We emphasize the importance of open communication to foster a sense of "we" among all employees, ensure harmonious and successful teamwork, and strengthen the feeling of belonging. We use employee satisfaction surveys as an effective tool to understand employees' expectations and needs.

**Financial Institutions**
We understand the importance of collaborating with financial institutions. Accordingly, we aim for growth by making investments that align with current financial conditions.

**Suppliers**
We recognize that the collaborative and growth-oriented relationships we build with our suppliers create value for all processes. We conduct face-to-face meetings and visits to understand our suppliers' capabilities, communicate our needs, and effectively manage procurement processes.

**Shareholders**
We are committed to establishing and maintaining open and transparent communication with all our stakeholders, especially our shareholders. We manage our relationships with shareholders and advisors in a way that supports our brand value.

**Customers**
We strive to meet the diverse needs and expectations of our customers. Our large and dynamic sales and marketing organization enables us to make a difference in meeting customer expectations and ensuring satisfaction.

**Educational Institutions**
We understand the importance of training for our employees to improve every day. Therefore, we attend presentations and conferences organized by educational institutions and make sure to take advantage of opportunities for sharing and learning.

**Media**
We consider the media a vital tool for effectively informing all our stakeholders and enhancing our reputation. We strive to maintain close, open, accurate, and transparent communication with media organizations, and we primarily promote our products and services through the print media.

**Public Institutions and Organizations**
We maintain our relationships with public institutions and organizations in accordance with legal regulations. We share all our reports and information in a timely manner, and we participate in meetings and working groups to exchange views on various issues with these organizations.

# ESG Policies



| Policy Name | Policy Scope |
|---|---|
| Quality Policy | We are committed to fulfilling the requirements of the ISO 9001 Quality Management System, improving product quality, managing risks, and achieving the defined objectives. |
| Environmental and Energy Policy | The company is committed to fulfilling the requirements of ISO 14001 Environmental Management System and ISO 50001 Energy Management System, raising environmental awareness among stakeholders, reducing waste, supporting recycling, and continuous improvement. |
| Customer Satisfaction Policy | We are committed to fulfilling the requirements of the ISO 10002 Customer Satisfaction Management System, meeting customer requests and needs, resolving feedback and complaints, and improving customer satisfaction. |
| Occupational Safety Policy | The company is committed to fulfilling the requirements of the ISO 45001 Occupational Health and Safety Management System, reducing all types of risks, and preventing accidents and occupational diseases. |
| Information Security Policy | The company is committed to fulfilling the requirements of the ISO 27001 Information Security Management System, protecting its information assets, preventing security breaches, and complying with the Turkish Personal Data Protection Law (KVKK). |
| Business Continuity Policy | We are committed to fulfilling the requirements of the ISO 22301 Business Continuity Management System and ensuring business continuity in the event of any emergency. |
| Customer Rights | Lonca strives to ensure that every customer is greeted with a smile, receives quality products, and has their complaints and requests addressed. |
| Zero Accidents Guarantee | It strives to ensure workplace safety, protect the lives of employees, and reduce the risk of accidents to zero. |
| Business Ethics | It strives to act honestly, transparently, and ethically towards all its stakeholders. |
| Sustainability Policy | It aims to protect the environment, improve energy performance, manage its rights and responsibilities with all stakeholders in an accountable, equitable, transparent, fair and responsible manner, and prioritize the rights of its employees. |



# 03 SUSTAINABILITY STRATEGY

# Vision/Mission/Values

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## Vision

To be a leading, innovative, and value-creating brand on a global scale in measurement and control instruments.



## Mission

To be a reliable and sustainable solution partner by adding value to our stakeholders and offering a wide range of products without compromising on quality.

## Values

Those who conduct legal, legitimate, and impartial trade.

Open to different ideas

Prioritizing stakeholder satisfaction and aware of its responsibilities.

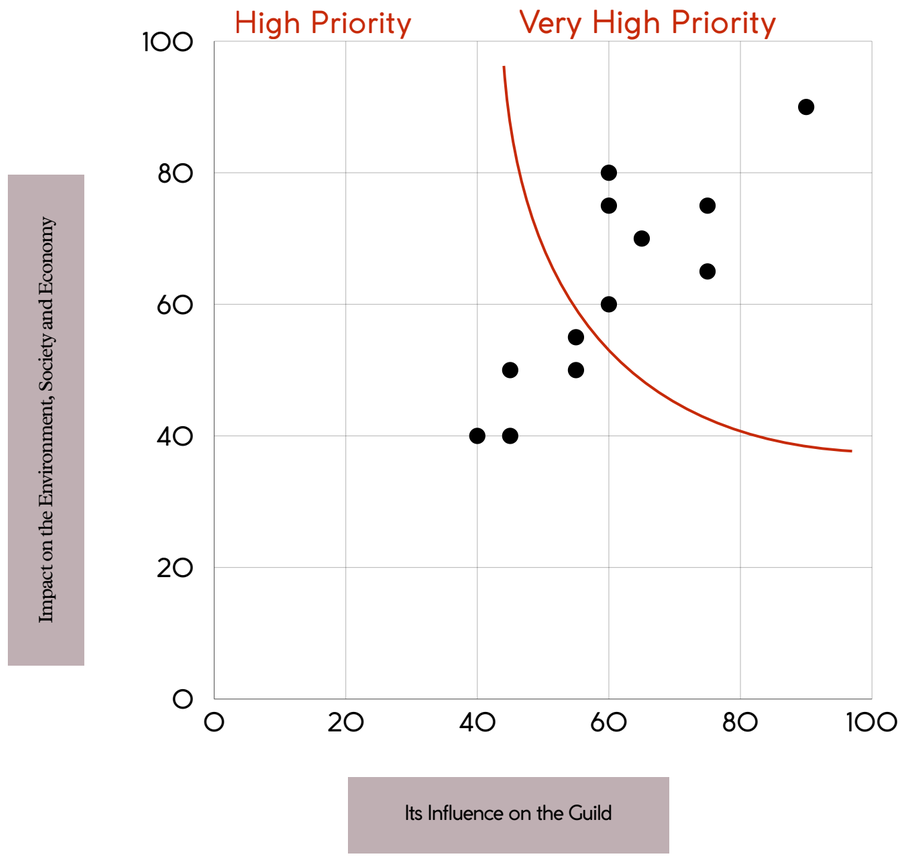
Using resources efficiently based on the principle of conservation, and being respectful and sensitive to the environment.

A company that values qualified and highly motivated human resources and labor.

Quality/process-oriented in products and services.

# Materiality Analysis

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| | | |
|---|---|---|
| Very High Priority | 1 | Product Quality and Safety |
| | 2 | Occupational Health and Safety |
| | 3 | Information Security and Data Privacy |
| | 4 | Digital Transformation and Lean Manufacturing |
| | 5 | Business Ethics, Transparency, and Compliance with Laws |
| | 6 | Sustainable Supply Chain Management |
| | 7 | R&D and Innovation |
| High Priority | 8 | Human Rights and Society Relations |
| | 9 | Customer Satisfaction |
| | 10 | Corporate Governance |
| | 11 | Waste Management |
| | 12 | Energy Management |

As Lonca, we are resolutely continuing our work on the issues we have classified as "Very High Priority" and "High Priority" in line with the prioritization analysis we have conducted.
By integrating sustainability principles into our business strategies, we aim to both support our corporate development and create a more positive environmental and social impact. In this context, we regularly inform our employees, aiming to make sustainability an integral part of our corporate culture.
Based on our strategic priorities and interactions with our stakeholders, we have identified a total of 7 “Very High Priority” and 5 “High Priority” issues, and we are focusing on these areas.

# Material Topics



| Importance Level | Priority Issue | Relevant SDG | The Core of Guild Activities | Relevant Report Section |
|---|---|---|---|---|
| Very High Priority | Product Quality and Safety | 12-Responsible Production and Consumption | With our wide range of products, we demonstrate our expertise in our field by obtaining certificates and documents that prove our quality for our brand. | Product Quality and R&D Page: 40 |
| Very High Priority | Occupational Health and Safety | 3- Good Health and Well-being | We operate in accordance with laws and regulations, prioritizing zero accidents and zero occupational diseases. | Occupational Health and Safety Page: 45 |
| Very High Priority | Digital Transformation and Lean Manufacturing | 9-Industry, Innovation and Infrastructure | We are embracing digital transformation in all of our company's processes and working to streamline our production. | Product Quality and R&D Page: 40 |
| Very High Priority | R&D and Innovation | 9-Industry, Innovation and Infrastructure | Taking customer demands and industry trends into account, we are working to improve the performance of our products and are modernizing our manufacturing line. | Product Quality and R&D Page: 40 |
| Very High Priority | Business Ethics, Transparency, and Compliance with Laws | 10-Reduced Inequalities | We operate with 100% transparency, trust, equality, and a sense of responsibility in all our communications with our stakeholders. | Business Ethics, p. 19 |
| Very High Priority | Sustainable Supply Chain Management | 12-Responsible Production and Consumption | We evaluate our suppliers according to our relevant procedures, ensuring the quality of the products we have manufactured and/or purchased. | Our Sustainable Supply Chain Page: 18 |

# Sustainability Strategy

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In line with our Sustainability Policy, which we established in 2021, we continue to strengthen our responsibilities towards the environment, society, and the future, and to maintain our commitment to continuous improvement. In the coming period, with the aim of achieving a stronger and more leading position in the sector, we aim to make our Sustainability Policy and reporting activities more comprehensive and systematic.

In developing our sustainability strategy, we prioritized issues that have the greatest impact on our business processes through detailed analysis. Accordingly, we conduct information and training activities to increase our employees' sustainability awareness, and we adopt environmental sensitivity as a fundamental approach in all our operations. At the same time, we place transparency, equality, and accountability at the heart of our corporate values.
As we progress towards our defined goals, we prioritize fulfilling our responsibilities towards the environment, society, and future generations, and we are committed to continuous improvement in this process. In this context, we aim to invest in innovative solutions to increase energy efficiency and to ensure more effective use of resources by supporting the widespread adoption of sustainable practices in our supply chain.

To increase our societal contribution, we develop social responsibility projects and establish collaborations with local stakeholders and communities. We support the sustainability development of our employees, encourage their participation in training, and value the emergence of innovative ideas. Furthermore, we maintain open, transparent, and strong communication with our stakeholders by regularly sharing our sustainability goals and progress.
Through this holistic approach, we aim not only to improve our corporate performance but also to increase social benefit and leave a more livable world for future generations. As Lonca Makina, we take responsibility for a sustainable future and are resolutely continuing our work in this direction.




Sapling Donation Project on Behalf of QR Code Scanners




Upcycling Coffee Waste with Wastespresso

# Sustainability Goals

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| Main Title | Relevant SKA | Performance Topic | Current Situation in 2025 | Target 2026 |
|---|---|---|---|---|
| Energy Management |  | Electricity Consumption per Product | 0.46 kWh of electricity was consumed per product. | The goal is to reduce electricity consumption by 20%. |
| | | Natural Gas Consumption | Natural gas is used solely for heating purposes, not in our manufacturing operations. | The goal is to reduce natural gas consumption by 20% through energy-saving measures. |
| Environmental Management |  | Water Consumption | The water is not used in our manufacturing operations; it is used solely for cleaning purposes. | The goal is to reduce water consumption by 10% through conservation measures. |
| Waste Management |  | Waste that is Recycled | 2766 kg of scrap iron, steel, and aluminum waste was given to scrap metal companies. | The goal is to increase the amount recycled by 20%. |
| Sales and Marketing Strategy |  | Average Sales (monthly) | Our average monthly sales amounted to €145,543. | Our monthly sales target for 2026 is set at €209,500. |
| |  | Product Production Number (annual) | A total of 20,769 products were manufactured. | The target is to manufacture 30,000 units of the product. |
| Customer Relations |  | Customer Visit (monthly) | An average of one customer visit was made per month. | The target is 25 customer visits per month. |
| | | Number of New Customers (monthly) | An average of 20 new customers are acquired each month. | Our target for 2026 is 100 new customers. |

# Sustainability Goals

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| Main Title | Relevant SKA | Performance Topic | Current Situation in 2025 | Target 2026 |
|---|---|---|---|---|
| Human Resources Management |  | Training Hours (annual) | In 2025, an average of 32 hours of training was provided per staff member. | The goal is to maintain a minimum training requirement of 35 hours per staff member by 2026. |
| | | Employee Satisfaction (annual) | According to the surveys conducted, employee satisfaction was measured at 64%. | The target is to achieve 65% employee satisfaction. |
| Our Sustainable Supply Chain |  | Product Service | Products sent for service are delivered within an average of 10 business days. | The aim is to reduce this period to 7 days. |
| | | Product Delivery Time | Our products are delivered within an average of 7 days. | The target is to deliver the products within 2 days. |
| | | Supplier Evaluation | We have an Approval Procedure in place to evaluate our suppliers. As a result of this evaluation, supplier performance was measured at 74 out of 100 points in 2025. | The target is to increase the supplier score to 75 in 2026. |
| Sustainability Governance |  | Sustainability reporting should be done in accordance with international standards. | Data collection and other preparations for the 2025 Lonca Sustainability Report have begun. | The goal is to ensure reporting compliant with the Global Reporting Initiative (GRI) for 2026 and subsequent years. |
| Product Quality and R&D |  | Design and Development | Six design projects have been initiated and the design processes are ongoing. | The goal is to rapidly increase R&D activities by 2026. |



# 04 ENVIRONMENTAL SUSTAINABILITY

# Environmental Management Policy

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We consider environmental responsibility an integral part of our way of doing business and shape all our activities accordingly. We conduct regular training sessions to raise our employees' environmental awareness and are committed to minimizing the impact of our operations on the natural environment.
In accordance with our Environmental Management System Procedure and applicable legal regulations, we meticulously implement our practices in areas such as waste management, water use, and the efficient utilization of natural resources. Environmental risks and areas for improvement are regularly analyzed by our Environmental Management Team and discussed in Management Review meetings, thus supporting our commitment to continuous improvement.

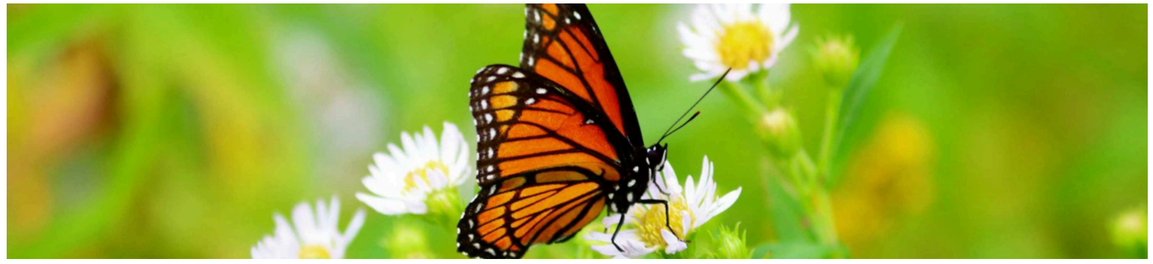
With our ISO 14001 Environmental Management System Certificate, which we have held since 2019, we have integrated our environmentally focused management approach into our corporate processes.
As of 2025, there are no environmental non-compliances, administrative sanctions, or penalties arising from our operations. Our production processes do not generate wastewater; domestic wastewater is disposed of in accordance with Istanbul Water and Sewerage Administration (İSKİ) regulations.

In line with the goals we have set within the scope of our Environmental and Energy Policy, we continue our training activities to increase the environmental awareness of our employees, closely follow technological developments, and encourage the use of materials that are suitable for the environment and human health. Furthermore, as part of our fight against climate change, we develop and implement projects aimed at increasing energy efficiency.
In this regard, we are continuously working to spread an environmentally conscious work culture throughout the organization and to ensure that all our stakeholders adopt this approach.







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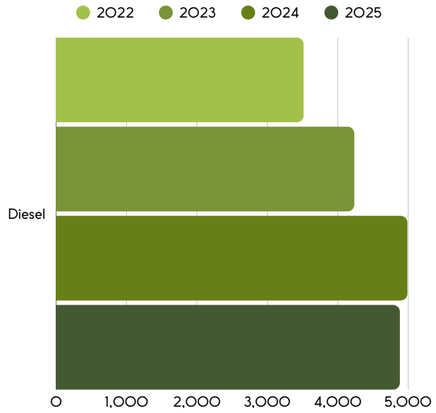
# Energy Management

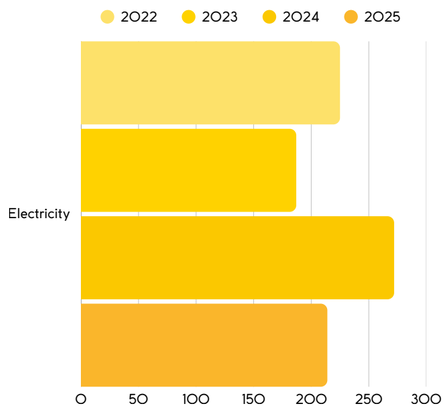
As Lonca, we adopt a holistic approach to reduce our greenhouse gas emissions and manage our energy use more effectively. While developing practices to increase energy efficiency in our operational processes, we prioritize expanding the use of renewable energy sources and setting concrete targets in this regard.

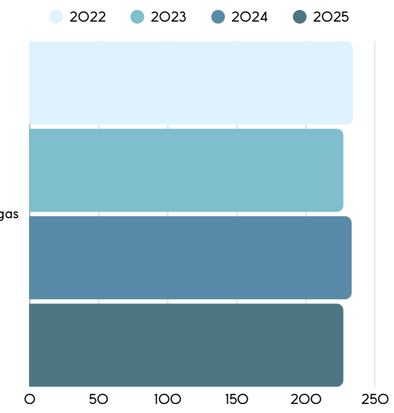
We regularly review and update our energy management system in accordance with ISO 50001 standards and with a commitment to continuous improvement. Based on Significant Energy Use (SEU) analyses, we monitor our energy consumption, identify areas for performance improvement, and focus our improvement efforts in those areas.

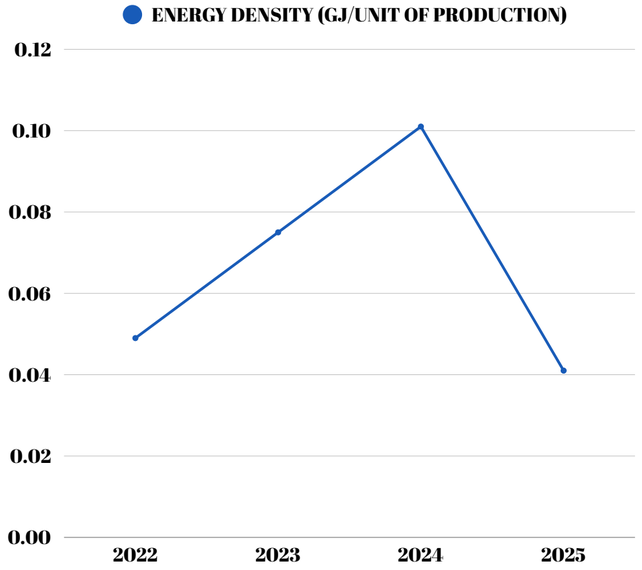
As part of our Environmental and Energy Policy, we base all our processes on the following fundamental objectives:

- The sustainable, efficient and economical use of energy resources,
- Choosing energy-efficient equipment, products, and services,
- Supporting designs and applications that prioritize energy performance,
- Adopting a continuous improvement approach in all activities.
- With this approach, we aim to both reduce our environmental impact and create a sustainable operational structure focused on energy efficiency.




**NOTE: Energy density calculations were performed using data from Natural Gas, Diesel, and Electricity. The unit of energy is gigajoules.**

# Waste Management

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We manage all our processes, from raw material procurement to the end of the product's lifecycle, with environmental impacts in mind, and implement effective practices for the efficient use and recycling of resources.

As Lonca, in accordance with our Environmental Management System Procedure, we separate the waste generated during our activities at the source and fully comply with all the requirements of the relevant environmental legislation. We continuously improve our environmental management processes by complying with the standards set forth in our ISO 14001 Environmental Management System Certificate.

We aim to minimize our environmental impact by collaborating with licensed companies in waste recovery and disposal processes. As part of our circular economy approach, we continue to develop projects aimed at reducing packaging use, shifting towards more sustainable alternatives, and increasing the use of packaging solutions with a high percentage of recycled content.







**Recycling**

We collect our office waste separately and send it to licensed recycling facilities. We hand over metal waste from our processes to scrap collectors for recycling. Waste that needs to be disposed of is sent to disposal facilities as a last resort.

**Separation at Source**

In the office area, we temporarily store our waste separately at the source using recycling bins with the appropriate waste codes, while in the manufacturing area we store it using the relevant containers.

**Waste reduction**

We take preventative measures in our office and production operations by reducing waste generation at the source.

**Reuse**

During the shipping process of our products, we reuse all types of packaging waste; we take care not to throw any packaging away. Furthermore, we contribute to the circular economy by reusing our waste paper in the packaging process.

# Water Management

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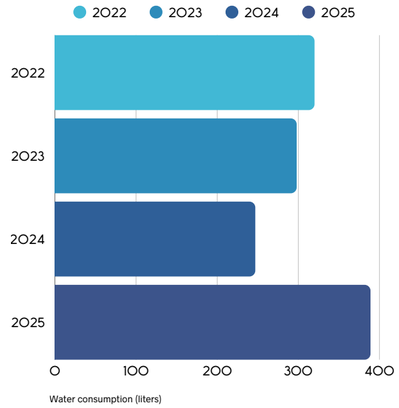
Turkey is among the countries at risk in terms of water resources, and the increasing water demand from industry, agriculture, and settlements makes the sustainable management of existing resources more critical every day. Accordingly, the conservation, efficient use, and transmission of water to future generations are among the fundamental priorities of our environmental responsibility.

At Lonca, we view water not only as a natural resource but also as a strategic asset that must be protected. In this context, we regularly monitor our water consumption and keep it under control through measurable data. We are expanding the use of applications that enable the systematic tracking of consumption data, and integrating methods that support water conservation into our business processes. At the same time, we strengthen our corporate awareness by organizing communication and training activities to increase our employees' awareness on this issue.

- An examination of our operations reveals that our production processes do not require direct water use. This ensures that our operations have a limited impact on water resources and allows us to fulfill our responsibility for water management more effectively. Furthermore, we are implementing practices to increase water efficiency in offices and common areas, considering not only direct but also indirect water consumption.
- In this context, efforts are being made to prioritize water-saving equipment, establish internal control mechanisms to prevent unnecessary use, and develop conscious consumption habits among employees. Furthermore, resource efficiency is supported by choosing methods that optimize water usage in maintenance and cleaning processes.

- At Lonca, we don't limit our approach to water resource conservation to just our own operations; we also prioritize raising awareness about this issue throughout our supply chain and among our business partners. In this regard, we aim to minimize our environmental impact and create long-term value by making sustainable water management an integral part of our business practices.

With this holistic approach, we aim to both contribute to the conservation of existing water resources and to promote a more conscious and responsible management understanding throughout the organization in line with our sustainability goals.








# 05 SUSTAINABLE PRODUCT MANAGEMENT

# Product Quality and R&D

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At Lonca, we focus on meeting customer expectations and needs while adopting an environmentally conscious approach. We aim to continuously improve the quality of our products and services by systematically evaluating feedback from our customers, suppliers, and employees. In line with Quality Management System requirements, we identify risks in advance and take necessary precautions, adopting a management approach that can turn potential crises into opportunities. We position the continuous improvement approach at the core of all our processes.

Our approach to R&D and innovation is not limited to technological advancement, but also encompasses increasing operational efficiency, reducing risks, and creating sustainable value. Accordingly, we regularly allocate resources to our Product Development (PD) and Research and Development (R&D) activities.
By closely following national and international developments, we are working on projects that will improve the quality of our products and services and enable us to offer sustainable solutions. As of 2024, we have significantly increased the budget allocated to our R&D and innovation activities compared to previous years, enabling us to develop and implement more projects. These investments strengthen our innovative capacity and support our competitive advantage.





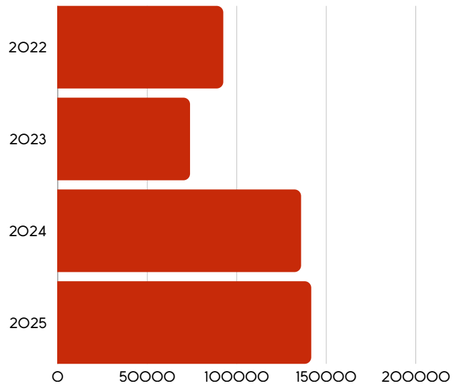
# Sales and Marketing Strategy

We integrated new strategies developed with our marketing team into our sales processes, creating a more effective structure. While identifying and implementing the projects we plan to carry out throughout the year, we placed greater emphasis on advertising efforts, particularly on social media and industry publications.

In 2025, our sales team participated in the MCA WORLD trade fair, increasing our brand visibility and providing opportunities to establish new business connections. Following the fair, we held a special event where we met with our stakeholders, further strengthening our relationships. This was also our first opportunity to participate in an international trade fair since the pandemic; we attended the WETEX fair in Dubai. We consider trade fair participation a vital tool supporting our sales and marketing activities.

Leveraging the strength of our existing distributorships for Galltec, Vaisala, BD Sensors, and Schaller brands, we aim to increase our visibility in international markets.

- As a team, we are focused on strengthening our collaboration and building a future filled with innovative and creative ideas. We are determined to continue our efforts to provide the best experience for our customers and to move our company forward.




Number of products sold







# Customer Relations

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At Lonca, we consider responding quickly and effectively to customer requests and taking a solution-oriented approach to emerging problems as our core priorities. We support our customer satisfaction and loyalty-centered approach with our wide product portfolio and many years of experience.
We actively use digital channels such as our Corporate WhatsApp Line and website to maintain direct and uninterrupted communication with our customers. We carefully evaluate feedback and closely monitor expectations through regular customer satisfaction surveys and field visits. We make the process measurable by sending evaluation surveys after visits.

To meet customer expectations, we maintain high standards of product and service quality while adhering to principles of timely delivery and sustainability. Based on customer feedback, we continuously improve our processes to create a more effective and efficient structure.

We utilize various interaction methods, such as meetings, field visits, surveys, and trade show participation, to build a strong communication network with our customers. This allows us to identify areas for improvement and enhance the value of our products and services.

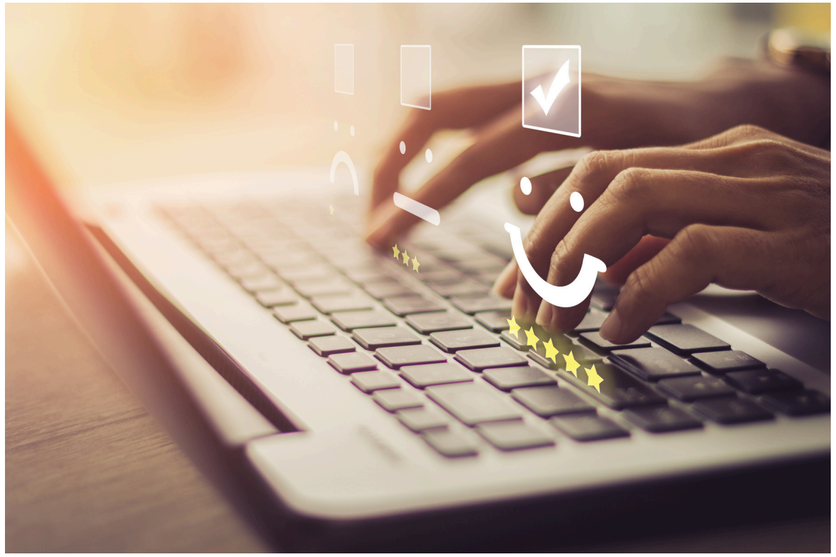
- We also place a high priority on the privacy and security of customer data. The fact that we have not received any customer complaints regarding data breaches or data loss to date demonstrates the effectiveness of our approach in this area.







To quickly resolve any issues our customers may have with our products, we use a QR code system on our product packaging. Customers can use these QR codes to report complaints and create feedback about our products.



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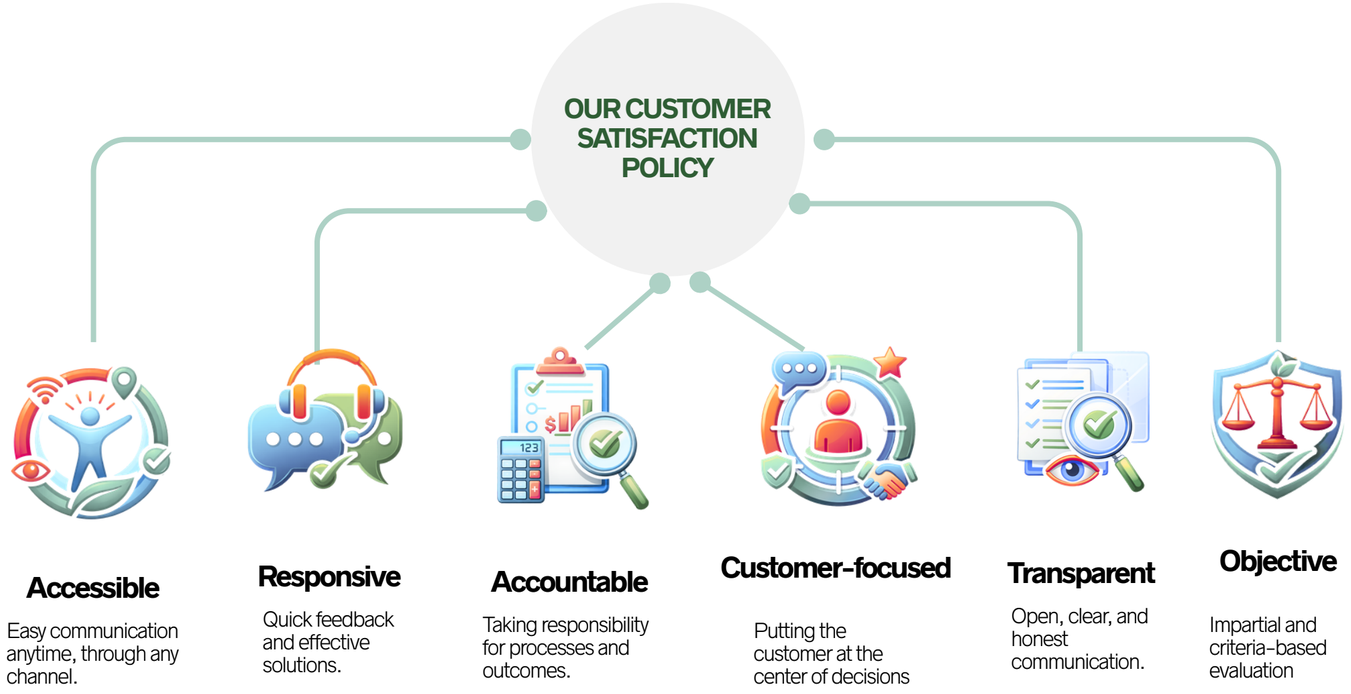
# Customer Relations

By managing customer relationships, our goals are:

- Minimizing data loss,
- To facilitate access to information,
- To make sales more effective,
- Reducing costs,
- To save materials,
- Increasing customer loyalty among existing customers while acquiring new customers,
- Improving customer service,

| Number of Customer Requests/Complaints/Suggestions | |
|---|---|
| 2022 | 5 |
| 2023 | 8 |
| 2024 | 7 |
| 2025 | 8 |

We ensure customer satisfaction by dividing our processes into headings such as marketing, sales, and after-sales support. In addition, we aim to provide more personalized services by leveraging innovative technologies in customer relationship management. This allows us to better understand our customers' needs, offer them the most suitable solutions, and develop long-term relationships. Furthermore, we regularly collect customer feedback to continuously improve our service quality and focus on exceeding customer expectations. These approaches are critical to increasing customer satisfaction and strengthening trust in our brand.





# 06 SOCIAL SUSTAINABILITY

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# Occupational Health and Safety

The health and safety of our employees is a fundamental element of our corporate culture. To this end, we develop systematic, preventive, and comprehensive practices to create a safe, healthy, and people-oriented work environment. Throughout the year, we conducted a total of 59 hours of occupational health and safety (OHS) training to raise employee awareness. Furthermore, we provide necessary Personal Protective Equipment (PPE) to ensure employee safety and hygiene, and conduct regular awareness campaigns. All these practices support our "Zero Accident" goal.

No cases of occupational diseases were detected during the reporting period. However, a work accident due to negligence occurred; however, the employee's health was not negatively affected. Following the incident, necessary training and awareness programs were implemented to prevent similar situations from recurring.

Our employees are provided with the necessary protective equipment against risks that may lead to occupational diseases; regular health surveillance and inspections are carried out by the workplace physician and health personnel. Within the scope of ergonomics practices, regulations regarding working with display screen equipment in the office environment are implemented in accordance with the legislation; adjustable screens and ergonomic work equipment are used. Furthermore, basic occupational health and safety training includes information on ergonomics and working with display screen equipment.

At Lonca, our approach to workplace safety encompasses the protection of employees, machinery and equipment, facilities, information assets, and corporate reputation against all types of risks, hazards, and damages. Within this framework, all our employees are expected to act with a sense of responsibility, considering both their own safety and the safety of their colleagues; taking necessary precautions; and minimizing potential risks.

As a guild, we operate under the ISO 45001 Occupational Health and Safety Management System Certificate. By managing our occupational health and safety processes in accordance with this standard and through the improvement efforts we undertake, we aim to minimize risks.
We place the health and safety of our employees and all stakeholders among our top priorities, and we are determined to continue our efforts to create a safe working environment.

















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# Emergency and Fire Safety

In the event of an emergency, all employees at the Guild act in accordance with the Emergency Plan and Evacuation Instructions. To ensure a rapid and effective response to fires or similar emergencies, the following teams have been formed:

First Aid Team
Fire Fighting Team
Protection and Rescue Team
Energy Resources Response Team
Evacuation and Communication Team

These teams are responsible for ensuring perimeter safety during emergencies, controlling energy sources, providing first aid to the injured, and responding to risks such as fires. Through drills conducted at least once a year, staff knowledge and awareness are updated, and the effectiveness of emergency plans is tested.
Each team operates within the framework of defined tasks and responsibilities:

First Aid Team: Provides basic medical assistance in case of injury.
Fire Fighting Team: Responds to fire risks and effectively uses fire extinguishing equipment.
Protection and Rescue Team: Ensures the safe rescue and evacuation of people in danger.
Energy Resources Response Team: Prevents potential risks by controlling electricity and other energy sources.
Evacuation and Communication Team: Manages communication during the emergency and coordinates the evacuation process.

Thanks to coordination between teams, emergencies that may occur at the Guild are responded to quickly and effectively, and employee safety is ensured at the highest level. Regularly conducted drills improve the ability of personnel to act correctly and quickly in crisis situations, while contributing to preparedness for possible scenarios. In line with this approach, the Guild continues to provide a safe working environment and always prioritize the safety of its employees.







# Human Rights Practices

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As a guild, we consider our employees our most valuable asset and strive to provide equal and fair working conditions for all our staff. We embrace equal opportunity for everyone, regardless of gender, language, religion, or race, as a fundamental principle.
We recognize the impact of employee satisfaction on motivation and organizational commitment. Therefore, we value the opinions and contributions of each employee and prioritize collaborative progress towards shared goals. We are committed to providing a fair, respectful, and peaceful working environment, and we continuously strive to improve it. In line with this approach, no cases of discrimination or violations of the rights of local communities were reported during the reporting period.

As part of our community service activities, we continue to provide scholarships to students in need to support equal opportunities in education.

In line with our corporate social responsibility principles, we utilize surplus food from our cafeteria operations without waste, aiming to create both environmental and social benefits by contributing to the feeding of stray animals.

As part of our participation in the fair, we implemented an application that supports our visitors in contributing to nature through digital tools. With this initiative, we encouraged increased environmental awareness and contributed to the protection of natural resources in line with our sustainability approach.

The main goal of all our efforts is to support the development of our employees as individuals who respect human rights, to increase their awareness of fundamental rights and freedoms, and to create a modern, participatory work environment.




This is an exhibition image from our
"Let Your QR Code Green the Future!" project.







# Human Resources Management

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We believe that all our employees contribute to the development of our company culture and play a vital role in preserving our knowledge and upholding our core values. Accordingly, we conduct our recruitment processes independently of factors such as gender, language, race, ethnicity, political views, beliefs, religion, sect, age, or physical disability, evaluating candidates solely based on their competencies and suitability for the position, using objective criteria.

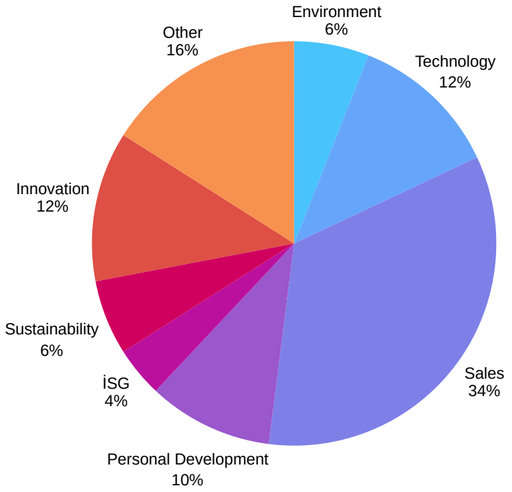
As part of our gender equality approach, we encourage increased employment of women in our production processes and support the participation of female employees in the workforce. Through orientation programs we organize for our new employees, we aim to help them get to know our company better and adapt quickly to our corporate structure.
We operate with the understanding that our corporate development is directly related to the individual development of our employees. Therefore, we create a work environment that encourages learning, and we support our employees' development by evaluating their training requests. We value contributing to the personal and professional development of our employees, who are open to continuous learning.

The success of our company is based on the contributions of our employees. Accordingly, we believe in the potential of each of our employees and are proud to provide the necessary opportunities to support their achievements and contribute to their development.

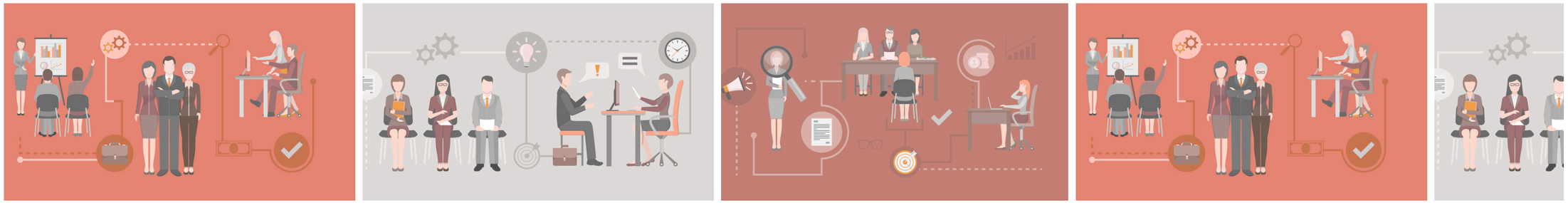
To increase employee motivation and ensure job satisfaction, we conduct our performance appraisal processes in a transparent and fair manner. By fostering a feedback culture, we help employees identify areas for development and guide them on their career journeys.

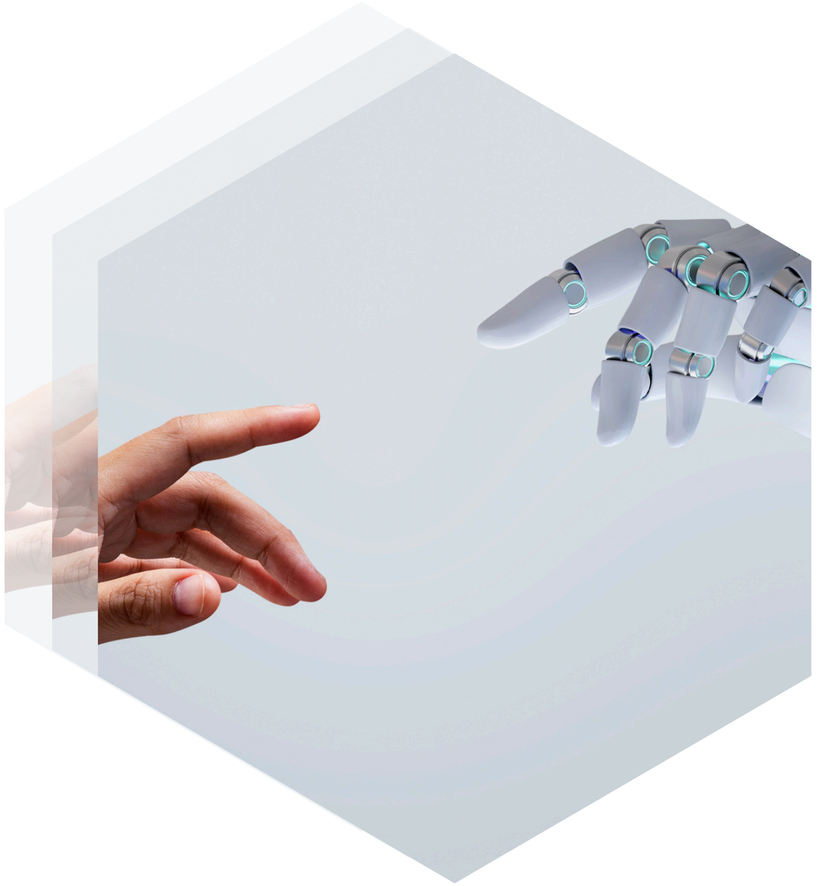
We operate in accordance with occupational health and safety standards to create a healthy and safe working environment; and we take care to maintain these standards through regular training and inspections.

In conclusion, we consider our employees our most valuable asset and place their happiness, development, and success at the top of our priorities. With this understanding, we aim to build sustainable growth and a successful corporate structure.




Training customs



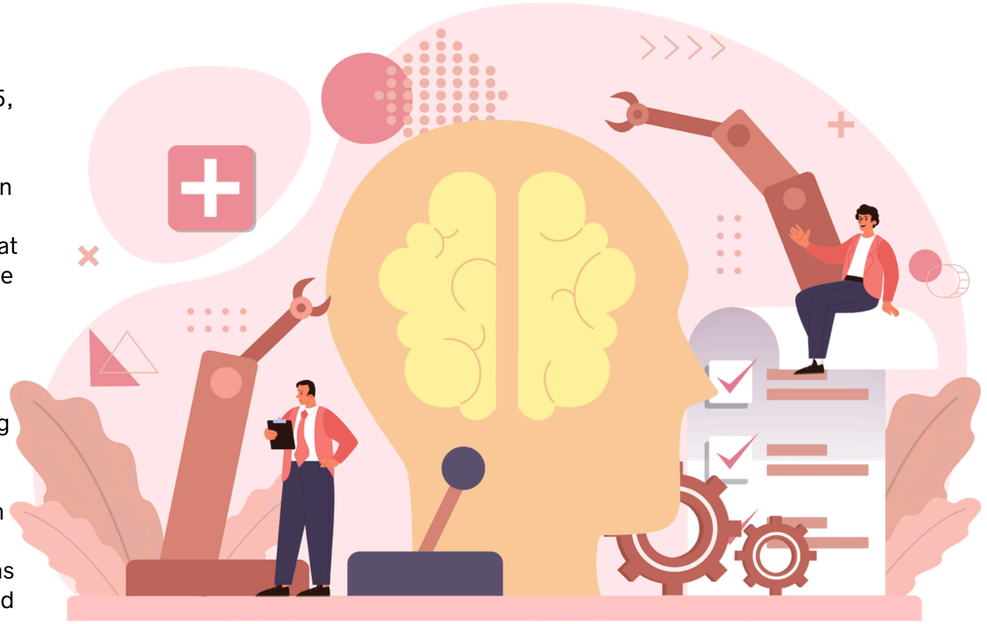


# 07 TECHNOLOGICAL TRANSFORMATION

# Corporate Innovation

By 2025, we aimed to expand our sustainability approach beyond simply managing environmental impacts, adopting a more holistic structure encompassing innovation, digital transformation, and corporate development. The work carried out throughout the year has ensured a stronger integration of our sustainability strategy into our operational processes.
As part of the innovation efforts carried out in 2025, a total of 41 meetings were held, and strategic decisions were made through these meetings to create sustainable value. The "Corporate Innovation and Sustainability Committee" established during this process played a significant role in ensuring that sustainability and innovation activities became more systematic, measurable, and manageable.

Within the scope of innovation management, mechanisms have been developed for project management, performance tracking, and increasing employee participation. In particular, the digitalization and active use of the employee suggestion system has contributed to the formation of a participatory sustainability culture within the organization. Through this system, employees' ideas in the areas of process improvement, efficiency, and sustainability are evaluated and incorporated into corporate development.



As part of our digital transformation efforts, data-driven decision-making processes have been strengthened, and steps have been taken to increase operational efficiency by evaluating artificial intelligence and automation applications. This approach directly contributes to our sustainability goals in terms of more effective use of resources and optimization of processes.

Workshops and evaluation meetings were held to increase interdepartmental collaboration, bringing together different perspectives and encouraging the development of sustainability-focused projects. Simultaneously, post-relocation evaluations identified areas for operational improvement and planned practices to support employee motivation.

In the coming period, our priority goals include further expanding the suggestion culture, completing ongoing projects, fully integrating the performance system, and expanding digital transformation practices.
In this context, we are committed to continuously improving our sustainability approach and creating long-term value for all our stakeholders.

Projects implemented throughout 2025 were shaped in line with the goals of increasing operational efficiency, optimizing resource utilization, and making processes more sustainable. Projects such as improving shipping and training processes, minimum inventory management, production prioritization, and marketing innovation have yielded significant gains in terms of both economic and environmental sustainability.

However, thanks to the creation of performance and KPI systems and their integration with the Lonca BI infrastructure, the measurement and monitoring of sustainability performance has become more effective. The definition and dissemination of strategic goals throughout the organization have supported the ownership of our sustainability goals at the corporate level.

# Corporate Innovation

At Lonca, we view innovation not merely as a project-based activity, but as an integral part of our corporate culture. In line with this approach, we implement various practices to increase employee participation and encourage innovative thinking. Through our innovation games, we aim to develop our employees' creative thinking skills, increase inter-team interaction, and support their problem-solving competencies. These activities enable our employees to gain different perspectives on business processes and take a more active role in generating innovative ideas. Furthermore, we consider employee suggestions a valuable resource for development and prioritize making these contributions visible. We present certificates of appreciation to employees who contribute to our suggestion system, aiming to both increase motivation and strengthen a participatory corporate culture. These practices increase employee commitment to the process while contributing to the widespread adoption of a continuous improvement mindset throughout the organization.

In addition to fostering a successful innovation culture, we are developing various strategies to ensure the sustainability of these processes. We regularly organize training and workshops to support our employees' continuous learning and development. These trainings focus on the latest industry trends and innovative techniques, aiming to enhance our employees' knowledge and skills.

At the same time, we strengthen internal communication by organizing platforms and forums that encourage information sharing between business units. This enables the integration of ideas from different units and leads to more comprehensive innovation projects.

As a guild, we are aware that innovation creates a competitive advantage. Therefore, in the future, we aim to cooperate with our external stakeholders, evaluate new opportunities, and develop joint projects.

In conclusion, our innovation-focused approach strengthens Lonca's position in the market while creating an ecosystem that supports the personal and professional development of our employees. This ecosystem fosters a structure where employees can express themselves, generate innovative solutions, and continuously renew themselves.





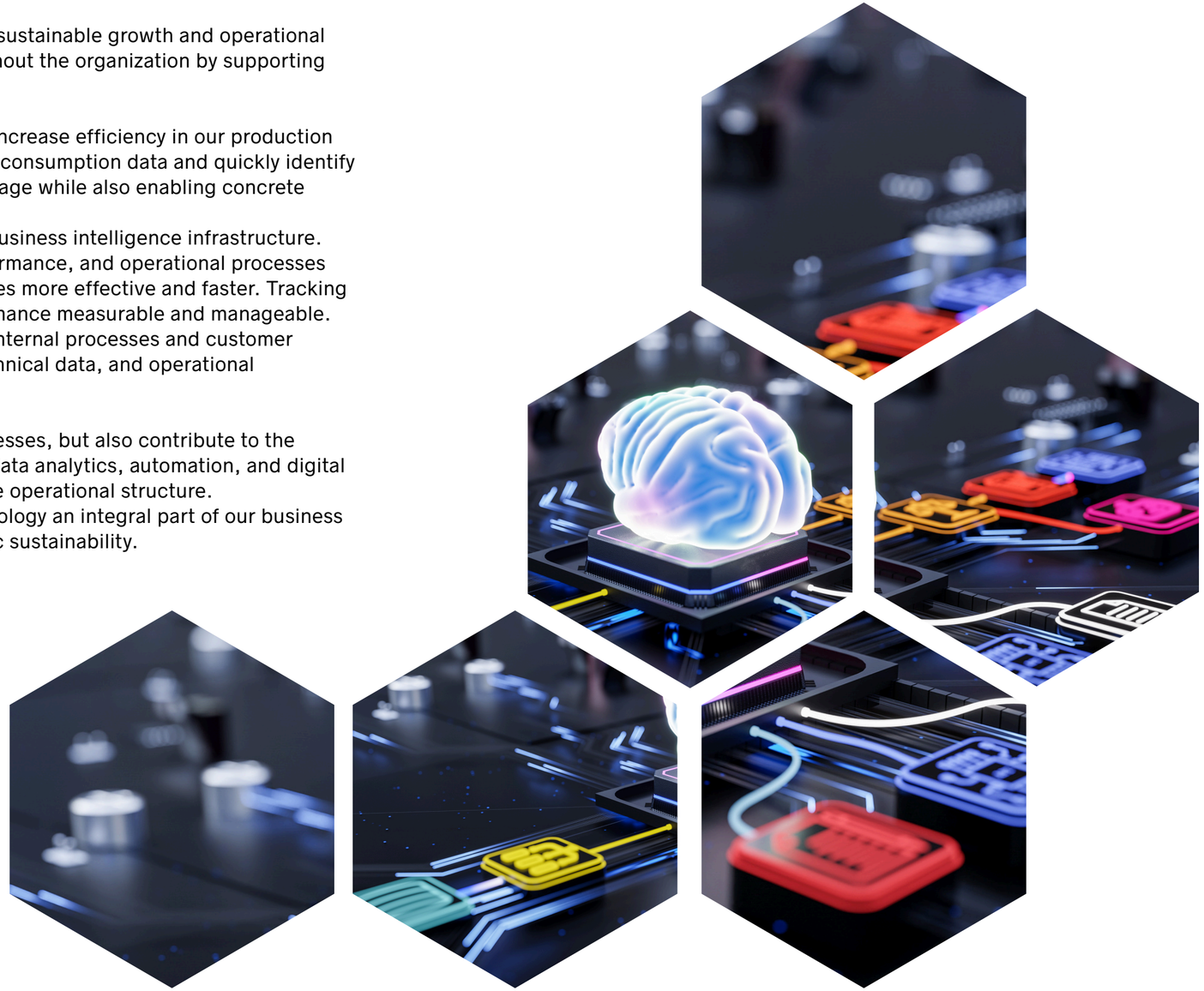



# Corporate Digital Competence

At Lonca, we position digital competencies as a fundamental element of sustainable growth and operational excellence. Accordingly, we are expanding digital transformation throughout the organization by supporting our business processes with data-driven decision-making mechanisms.

Thanks to the energy analyzers we have integrated into our machines to increase efficiency in our production and operational processes, we can monitor and analyze real-time energy consumption data and quickly identify areas for improvement. These systems provide transparency in energy usage while also enabling concrete actions to be taken to increase resource efficiency.
All collected data is analyzed and reported through our self-developed business intelligence infrastructure. Thanks to our Lonca BI system, data related to production, energy, performance, and operational processes can be monitored holistically, making strategic decision-making processes more effective and faster. Tracking KPIs through this system contributes to making our sustainability performance measurable and manageable.
In addition, with our My Ensim mobile application, we are digitizing our internal processes and customer interactions. This application provides quick access to our products, technical data, and operational information, while offering solutions that enhance the user experience.

Our digitalization investments are not limited to monitoring existing processes, but also contribute to the optimization and continuous improvement of those processes. Through data analytics, automation, and digital platforms, we aim to create a more efficient, transparent, and sustainable operational structure.
At Lonca, we continuously improve our digital capabilities, making technology an integral part of our business processes, and thereby contributing to both environmental and economic sustainability.





# 08 PERFORMANCE INDICATORS

# Economic Performance Indicators

ECONOMIC PERFORMANCE

| GRI 201-1 | | Economic value produced and distributed (TL) | | | |
|---|---|---|---|---|---|
| | | 2022 | 2023 | 2024 | 2025 |
| Revenues | ELG | 2.131.972,59 | 4.073.030,22 | 4.301.741,50 | 2.204.356,00 |
| | EFS | 1.071.278,20 | 4.324.462,66 | 3.466.774,50 | 4.939.343,49 |
| | ELF | 3.877.456,35 | 2.419.024,13 | 2.268.091,35 | 2.204.356,00 |
| | Other (Other sales of merchandise, etc.) | - | - | - | - |
| Employee wages and employee benefits | Salaries | 4.626.639,17 | 14.106.555,26 | 25.576.302,52 | 20.296.392,65 |
| | Insurance | - | - | - | - |
| | Other Benefits | - | - | - | - |
| Other Costs | Operating costs | - | - | - | - |
| Payments to capital providers | Common Shares | - | - | - | - |
| | Usufruct shares | - | - | - | - |
| Payments made to the state | Income tax | 380.722,30 | 1.502.023,20 | 3.096.597,80 | 11.640.981,01 |
| Other payments | Investments for the Community | - | - | - | - |

| GRI 201-4 | Financial support received from the government (TL) | | | |
|---|---|---|---|---|
| | 2022 | 2023 | 2024 | 2025 |
| Tax reductions | 31.865,75 | 108.951,29 | 191.721,84 | 33.571,87 |
| Financial aid and incentives | 0 | 0 | 0 | 0 |

# Environmental Performance Indicators

## RAW MATERIALS

| GRI 301-2 | Recycled raw material usage rate (%) | | |
|---|---|---|---|
| 2022 | 2023 | 2024 | 2025 |
| 10% | 10% | %12 | |

## ENERGY

| GRI 302-1 | Energy consumption from non-renewable sources (GJ) | | | |
|---|---|---|---|---|
| | 2022 | 2023 | 2024 | 2025 |
| Natural gas | 234,80 | 227,03 | 233,93 | 227,59 |
| Coal | 0 | 0 | 0 | 0 |
| Diesel | 3515,89 | 4235,07 | 4984,39 | 4882,69 |
| LPG | 0 | 0 | | 0 |
| Industrial waste | 0 | 0 | 0 | 0 |
| Total | 3.751 | 4.462 | 5.218 | 5.110 |

| GRI 302-1 | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|
| Electricity Consumption (GJ) | 225 | 187 | 272 | 214 |
| Steam Consumption (GJ) | 0 | 0 | 0 | 0 |

| GRI 302-1 | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|
| Total Energy Consumption (GJ) | 3.976 | 4.649 | 5.490 | 5.325 |

| GRI 302-3 | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|
| Energy Intensity (GJ/unit of production) | 0,049 | 0,075 | 0,101 | 0,041 |

| GRI 302-4 | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|
| Total Production (units) | 80507 | 61.889 | 54.200 | 130.516 |

## WATER AND WASTEWATER

| GRI 303-3 | Water extraction amount (m3) according to source type. | | | | |
|---|---|---|---|---|---|
| | Total | 2022 | 2023 | 2024 | 2025 |
| Third party water | | 320 | 298 | 247 | 389 |
| Grand Total | | 320 | 298 | 247 | 389 |

# Environmental Performance Indicators

## WATER AND WASTEWATER

| GRI 303-4 | Water discharge amount (m3) according to discharge points | | | |
|---|---|---|---|---|
| | 2022 | 2023 | 2024 | 2025 |
| Third party water | 320 | 298 | 247 | |
| Total | 320 | 298 | 247 | |

| GRI 303-5 | Total water consumption (m3) | | | |
|---|---|---|---|---|
| | 2022 | 2023 | 2024 | 2025 |
| Amount of water extracted from all areas (m3) | 320 | 298 | 247 | 389 |
| Amount of water withdrawn from all water-stressed areas (m3) | - | - | - | - |

| GRI 306-3 | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|
| Hazardous waste | - | - | - | 0,4 |
| Non-hazardous waste | 1,039 | 0,78 | 3,46 | 2,76 |
| Total | 1,039 | 0,78 | 3,46 | 3,16 |

# Social Performance Indicators

| GRI 401-1 | Number and percentage (%) of new employees by age and gender | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 2022 | | | | 2023 | | | | 2024 | | | | 2025 | | | |
| | Woman | | Male | | Woman | | Male | | Woman | | Male | | Woman | | Male | |
| | Number | Rate | Number | Rate | Number | Rate | Number | Rate | Number | Rate | Number | Rate | Number | Rate | Number | Rate |
| < 30 years old | 0 | 0,0% | 6 | 17,1% | 0 | 0,0% | 3 | 9,1% | 0 | 0,0% | 5 | 14,3% | 3 | 9,1% | 2 | 6,1% |
| 30 - 50 years old | 1 | 2,9% | 2 | 5,7% | 2 | 6,1% | 0 | 0,0% | 1 | 2,9% | 0 | 0,0% | 0 | 0,0% | 0 | 0,0% |
| > 50 years old | 0 | 0,0% | 0 | 0,0% | 2 | 6,1% | 2 | 6,1% | 1 | 2,9% | 0 | 0,0% | 0 | 0,0% | 0 | 0,0% |
| Total | 1 | 2,6% | 8 | 21,1% | 4 | 12,1% | 5 | 15,2% | 2 | 5,7% | 5 | 14,3% | 3 | 9,1% | 2 | 6,1% |

| GRI 401-1 | Number and percentage (%) of employees who left their jobs, categorized by age and gender. | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 2022 | | | | 2023 | | | | 2024 | | | | 2025 | | | |
| | Woman | | Male | | Woman | | Male | | Woman | | Male | | Woman | | Male | |
| | Number | Rate | Number | Rate | Number | Rate | Number | Rate | Number | Rate | Number | Rate | Number | Rate | Number | Rate |
| < 30 years old | 0 | 0% | 3 | 9% | 3 | 9% | 6 | 18% | 0 | 0% | 3 | 9% | 1 | 3% | 7 | 21% |
| 30 - 50 years old | 0 | 0% | 4 | 11% | 1 | 3% | 4 | 12% | 0 | 0% | 1 | 3% | 1 | 3% | 0 | 0% |
| > 50 years old | 0 | 0% | 1 | 3% | 0 | 0% | 0 | 0% | 1 | 3% | 0 | 0% | 0 | 0% | 0 | 0% |
| Total | 0 | 0% | 8 | 21% | 4 | 12% | 10 | 30% | 1 | 3% | 4 | 11% | 2 | 6% | 7 | 21% |

| GRI 401-1 | Number and percentage of personnel by age and gender (%) | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 2022 | | | | 2023 | | | | 2024 | | | | 2025 | | | |
| | Woman | | Male | | Woman | | Male | | Woman | | Male | | Woman | | Male | |
| | Number | Rate | Number | Rate | Number | Rate | Number | Rate | Number | Rate | Number | Rate | Number | Rate | Number | Rate |
| < 30 years old | 4 | 11,4% | 12 | 34,3% | 1 | 3,0% | 12 | 36,4% | 1 | 2,9% | 14 | 40,0% | 4 | 12,1% | 12 | 36,4% |
| 30 - 50 years old | 5 | 14,3% | 13 | 37,1% | 6 | 18,2% | 10 | 30,3% | 7 | 20,0% | 8 | 22,9% | 6 | 18,2% | 10 | 30,3% |
| > 50 years old | 0 | 0,0% | 4 | 11,4% | 0 | 0,0% | 4 | 12,1% | 1 | 2,9% | 4 | 11,4% | 0 | 0,0% | 4 | 12,1% |
| Total | 9 | 23,7% | 29 | 76,3% | 7 | 21,2% | 26 | 78,8% | 9 | 25,7% | 26 | 74,3% | 10 | 30,3% | 26 | 78,8% |

## EDUCATION AND TRAINING

| GRI 404-1 | Training duration given to personnel | | | |
|---|---|---|---|---|
| | 2022 | 2023 | 2024 | 2025 |
| Average (hours/personnel) | 35,29 | 25,00 | 26,19 | 35,07 |
| Total (hours) | 1.341 | 1.033 | 1.048 | 1.256 |

| GRI 404-1 | Training duration given to female staff | | | |
|---|---|---|---|---|
| | 2022 | 2023 | 2024 | 2025 |
| Average (hours/personnel) | 35,29 | 39,73 | 31,34 | 48,29 |
| Total (hours) | 318 | 278 | 282 | 483 |

| GRI 404-1 | Training duration given to male personnel | | | |
|---|---|---|---|---|
| | 2022 | 2023 | 2024 | 2025 |
| Average (hours/personnel) | 35,29 | 107,84 | 85,07 | 29,72 |
| Total (hours) | 1.023 | 755 | 766 | 773 |

# Social Performance Indicators

| GRI 403-8 | Number of personnel and subcontractors covered under occupational health and safety regulations. | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | 2022 | | 2023 | | 2024 | | 2025 | |
| | Employee | Subcontractor | Employee | Subcontractor | Employee | Subcontractor | Employee | Subcontractor |
| Those within the scope of occupational health and safety | 38 | - | 32 | - | 35 | - | 36 | - |
| Those that have undergone internal audits within the scope of occupational health and safety. | 38 | - | 32 | - | 35 | - | 36 | - |
| Those that are subject to occupational health and safety regulations inspected or certified by a third party. | 38 | - | 32 | - | 35 | - | 36 | |

| GRI 404-3 | Percentage of all employees who undergo regular performance and career development evaluations. | | | |
|---|---|---|---|---|
| | 2022 | 2023 | 2024 | 2025 |
| Woman | 5% | 6% | 6% | 6% |
| Male | 11% | 9% | 9% | 8% |

| GRI 404-3 | Percentage of all employees who undergo regular performance and career development evaluations. | | | |
|---|---|---|---|---|
| | 2022 | 2023 | 2024 | 2025 |
| Technique | 47% | 41% | 53% | 38% |
| Administrative | 13% | 16% | 9% | 16% |
| Production | 39% | 47% | 47% | 56% |

| GRI 404-1 | Training duration varies according to the study category. | | | |
|---|---|---|---|---|
| Average (hours/personnel) | 2022 | 2023 | 2024 | 2025 |
| Technique | 74,50 | 79,46 | 61,63 | 104,63 |
| Administrative | 268,20 | 206,60 | 349,23 | 251,10 |
| Production | 89,40 | 68,87 | 69,85 | 69,75 |
| Total (hours) | 432 | 355 | 481 | 425 |

# Social Performance Indicators

## DIVERSITY AND EQUAL OPPORTUNITY

| GRI 405-1 | Percentage of those on the board of directors and in senior management by gender (%) | | | |
|---|---|---|---|---|
| | 2022 | 2023 | 2024 | 2025 |
| Woman | 33% | 40% | 40% | 40% |
| Male | 67% | 60% | 60% | 60% |

| GRI 405-1 | Percentage of board members and senior management by age (%) | | | |
|---|---|---|---|---|
| | 2022 | 2023 | 2024 | 2025 |
| < 30 years old | 17% | 20% | 20% | 0% |
| 30 - 50 years old | 17% | 60% | 60% | 60% |
| > 50 years old | 67% | 20% | 20% | 40% |

| GRI 405-1 | Percentage of personnel in the employee category by gender (%) | | | |
|---|---|---|---|---|
| | 2022 | 2023 | 2024 | 2025 |
| Woman | 23,7% | 21,2% | 25,7% | 27,8% |
| Male | 76,3% | 78,8% | 74,3% | 72,2% |

| GRI 405-1 | Percentage of personnel in the employee category according to age distribution (%) | | | |
|---|---|---|---|---|
| | 2022 | 2023 | 2024 | 2025 |
| < 30 years old | 42% | 39% | 43% | 44% |
| 30 - 50 years old | 47% | 48% | 43% | 39% |
| > 50 years old | 11% | 12% | 14% | 11% |

## CHILD LABOR

| GRI 408-1 | Number of child laborers | | | |
|---|---|---|---|---|
| | 2022 | 2023 | 2024 | 2025 |
| Number | 0 | 0 | 0 | 0 |

## HUMAN RIGHTS ASSESSMENT

| GRI 412-2 | Hours allocated for employee training on human rights policies or procedures. | | | |
|---|---|---|---|---|
| | 2022 | 2023 | 2024 | 2025 |
| Total time (hours) | 28 | 20 | 21,6 | 23 |




# 09 GRI CONTENT INDEX

As required by the GRI Universal Standards, we provide a content index that identifies each of the GRI Standards and their descriptions included in the report.

Usage statement: Lonca has reported its usage for the period January 1, 2025 - December 31, 2025 in accordance with GRI Standards.

GRI used: GRI 1: Foundation 2021

Applicable GRI Standard(s): No industry guidelines apply.

# GRI CONTENT INDEX

| GRI CODE | EXPLANATION | PLACE OF THE STATEMENT IN THE REPORT |
|---|---|---|
| | CORPORATE PROFILE | |
| 2-1 | Name of the organization | Pages 1, 4, 6 |
| 2-2 | Activities, brands, products and services | Pages 1, 7, 8, 9 |
| 2-3 | The location of the organization's headquarters | Pages 6, 7 |
| 2-4 | The location of the company's production center. | Pages 6, 7 |
| 2-5 | The nature of ownership and legal structure | Pages 6, 7 |
| 2-6 | Markets served | Pages 6, 7 |
| 2-7 | The scale of the organization | Pages 6, 7 |
| 2-8 | Information about employees and other workers | Page 8 |
| 2-9 | supply chain | Pages 14, 15 |
| 2-10 | Changes that occurred regarding the organization and supply chain. | Pages 6, 14, 15 |
| 2-11 | The precautionary principle and approach. | Pages 16, 17, 22, 27, 33, 41, 42 |
| 2-12 | External interventions | Page 7 |
| 2-13 | Corporate memberships | Page 8 |
| | STRATEGY | |
| 2-14 | Statement from the highest decision-making body. | Page 5 |
| 2-15 | Key impacts, risks and opportunities | Pages 17, 27, 28, 29 |
| | ETHICS AND HONESTY | |
| 2-16 | Values, principles, standards, and norms of conduct | Pages 16, 18, 19, 24 |
| 2-17 | Ethical suggestion and reporting mechanisms. | Pages 16, 18, 19, 38, 39 |
| | GOVERNANCE | |
| 2-18 | Governance structure | Pages 11, 12 |
| 2-19 | The process by which the highest governance body delegates authority to senior executives and other employees regarding economic, environmental, and social issues. | Pages 11, 12 |
| 2-20 | Senior management responsibility for economic, social and environmental issues. | Pages 11, 12 |
| 2-21 | Stakeholder engagement on economic, social and environmental issues. | Pages 4, 20, 21 |
| 2-22 | Formation of the highest governing body | Page 12 |
| 2-23 | The head of the highest governing body | Pages 11, 12 |
| 2-24 | Nomination and election of the highest governing body | Pages 11, 12 |
| 2-25 | Conflicts of Interest | Pages 11, 12 |
| 2-26 | The role of the highest governance body in setting goals, values and strategy. | Pages 11, 12 |
| 2-27 | The collective knowledge of the highest governing body. | Pages 11, 12 |

# GRI CONTENT INDEX

| GRI CODE | EXPLANATION | PLACE OF THE STATEMENT IN THE REPORT |
|---|---|---|
| | GOVERNANCE | |
| 2-30 | The effectiveness of risk management processes. | Page 17 |
| 2-31 | Examining the economic, environmental, and social impacts. | Pages 28, 29 |
| 2-32 | The role of the highest governance body in sustainability reporting. | Page 13 |
| 2-33 | Communicating critical concerns. | Pages 13, 28, 29 |
| 2-34 | The nature and total number of critical concerns. | Pages 38, 39 |
| 2-35 | Pricing policies | This is not covered under the privacy policy. |
| 2-36 | The fee determination process | This is not covered under the privacy policy. |
| 2-37 | Stakeholder participation in pricing | This is not covered under the privacy policy. |
| 2-38 | Annual total wage rate | This is not covered under the privacy policy. |
| 2-39 | Percentage increase in total annual wage rate | This is not covered under the privacy policy. |
| | STAKEHOLDER ENGAGEMENT | |
| 2-40 | List of stakeholder groups | Pages 21, 22 |
| 2-41 | Percentage of employees covered by collective bargaining agreements | Pages 21, 22 |
| 2-42 | Identification and selection of stakeholders | Pages 21, 22 |
| 2-43 | Stakeholder engagement approach | Pages 21, 22 |
| 2-44 | Key issues and concerns | Pages 21, 22 |
| | REPORTING | |
| 2-45 | Entities included in the consolidated financial statements | Page 6 |
| 2-46 | Report content and limitations | Page 4 |
| 2-47 | List of priority issues | Pages 25, 26 |
| 2-48 | Repetition of information given in the previous report. | Page 4 |
| 2-49 | Changes to the reporting content | Page 4 |
| 2-50 | Reporting period | Page 4 |
| 2-51 | Date of the previous report | Page 4 |
| 2-52 | Reporting frequency | Page 4 |
| 2-53 | For questions regarding the report, please contact the relevant person. | Page 62 |
| 2-54 | Compliant with GRI standards. | Page 4 |
| 2-55 | GRI content index | Pages 57, 58, 59, 60, 61 |
| 2-56 | External audit | Page 4 |

# GRI CONTENT INDEX

| GRI CODE | EXPLANATION | PLACE OF THE STATEMENT IN THE REPORT |
|---|---|---|
| | ECONOMIC PERFORMANCE | |
| 3-1 | Clarification of priority issues and boundaries. | Pages 14, 15, 16, 28, 29, 36, 37, 38, 43, 44 |
| 3-2 | Management approach and components | Pages 14, 15, 16, 28, 29, 36, 37, 38, 43, 44 |
| 3-3 | Evaluation of the management approach | Pages 14, 15, 16, 28, 29, 36, 37, 38, 43, 44 |
| | TAXES | |
| 201-1 | Economic value produced and distributed | Page 50 |
| 201-2 | The financial impacts of climate change on the organization's operations and other risks and opportunities arising from climate change. | Page 17 |
| 201-4 | Financial support received from the government | Page 50 |
| | RAW MATERIALS | |
| 301-2 | Recycled raw material usage rate | Page 51 |
| | ENERGY | |
| 3-1 | Clarification of priority issues and boundaries. | Pages 14, 15, 27, 28, 29, 31, 32, 33 |
| 3-2 | Management approach and components | Pages 14, 15, 27, 28, 29, 31, 32, 33 |
| 3-3 | Evaluation of the management approach | Pages 14, 15, 27, 28, 29, 31, 32, 33 |
| 302-1 | Total Energy Consumption | Page 51 |
| 302-3 | Energy Density | Page 51 |
| 302-5 | Reduction in the energy requirements of products and services. | Pages 32, 36 |
| | WATER AND WASTEWATER | |
| 303-1 | Interactions with water as a shared resource. | Page 34 |
| 303-3 | Water extraction amount according to water source type. | Pages 50, 51 |
| 303-4 | Water discharge amount according to discharge points. | Pages 50, 51 |
| 303-5 | Total water consumption | Pages 50, 51 |
| | ARTICLE | |
| 306-1 | Waste generation and significant waste-related impacts. | Page 33 |
| 306-2 | Managing the impacts of significant waste. | Page 33 |
| 306-3 | Amount of waste produced | Page 50 |
| | ENVIRONMENTAL HARMONY | |
| 307-1 | Non-compliance with environmental laws and regulations | Page 31 |
| | SUPPLIER ENVIRONMENTAL ASSESSMENT | |
| 308-1 | Percentage of new suppliers screened using environmental criteria. | Pages 14, 15 |
| | EMPLOYMENT | |
| 401-1 | Number and ratio of new and departing employees by age and gender. | Page 53 |

# GRI CONTENT INDEX

| GRI CODE | EXPLANATION | PLACE OF THE STATEMENT IN THE REPORT |
|---|---|---|
| | OCCUPATIONAL HEALTH AND SAFETY | |
| 403-1 | Occupational health and safety management system | Page 41 |
| 403-2 | Hazard identification, risk assessment, and incident investigation. | Page 41 |
| 403-3 | Occupational health services | Page 41 |
| 403-4 | Worker participation, consultation, and communication on occupational health and safety. | Page 41 |
| 403-5 | Worker training on occupational health and safety. | Page 41 |
| 403-6 | Promoting worker health | Page 41 |
| 403-7 | Prevention and mitigation of occupational health and safety impacts directly related to employment relationships. | Page 41 |
| 403-8 | Number of personnel and subcontractors covered under occupational health and safety regulations. | Page 41 |
| 403-9 | Work-related injuries | Page 41 |
| 403-10 | Work-related illnesses | Page 41 |
| | EDUCATION AND TRAINING | |
| 404-1 | Training duration given to personnel | Page 53 |
| 404-2 | Employee skills development programs and transition assistance programs | Page 44 |
| 404-3 | The percentage of all employees who undergo regular performance and career development evaluations. | Page 53 |
| | DIVERSITY AND EQUAL OPPORTUNITY | |
| 405-1 | Percentage of those on the board of directors and in senior management by gender and age, Percentage of personnel in the Employee category by gender and age. | Page 54 |
| | PREVENTION OF DISCRIMINATION | |
| 406-1 | Incidents of discrimination and measures taken | Page 43 |
| | CHILD LABOR | |
| 408-1 | Businesses and suppliers at significant risk of child labor cases. | Page 55 |
| | LOCAL PEOPLE'S RIGHTS | |
| 411-1 | The total number of cases involving violations of the rights of indigenous peoples. | Page 43 |
| | HUMAN RIGHTS ASSESSMENT | |
| 412-2 | Hours allocated for employee training on human rights policies or procedures. | Pages 44, 55 |
| | SOCIAL ASSESSMENT OF SUPPLIERS | |
| 414-1 | Percentage of new suppliers screened using social criteria | Pages 14, 15 |
| | CUSTOMER HEALTH AND SAFETY | |
| 416-1 | Percentage of key product and service categories where health and safety impacts are being assessed for improvement. | Pages 38, 39 |
| 416-2 | Total number of non-compliance cases with regulations and/or voluntary regulations regarding the health and safety effects of products and services. | Pages 38, 39 |

# GRI CONTENT INDEX

| GRI CODE | EXPLANATION | PLACE OF THE STATEMENT IN THE REPORT |
|---|---|---|
| | MARKETING AND LABELING | |
| 417-1 | Information on products produced or services provided by the organization and labeling requirements. | Pages 14, 15 |
| 417-2 | Cases of non-conformity regarding product and service information and labeling. | Page 36 |
| 417-3 | Cases of non-compliance related to marketing communication. | Page 36 |
| | CUSTOMER PRIVACY | |
| 418-1 | Verified complaints regarding breaches of customer privacy and loss of customer data. | Pages 38, 39 |

# THANK YOU FOR REVIEWING

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