



**Sustainability
Report
2022-2023**

**We
collaborate**

**We
produce
value**



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As MKS Marmara, in 1976, we laid the foundations for our successful journey in the industry. Starting with formalin production, we grew to become Türkiye's sole producer of pentaerythritol and sodium formate. By means of our achievements in the international market and our leadership in exports, we positioned our country as a global player in the chemical industry. With 47 years of experience, we play a pioneering role in the organic chemicals sector, offering a wide range of product applications spanning from agricultural products and livestock to the leather industry, airport runways, and aircraft engines.

Aligned with the values of environmental and social responsibility, we will continue to support the growth of the Turkish Chemical Industry by embracing responsible production principles in accordance with the United Nations Sustainable Development Goals.

Happy employees

We believe that our most valuable resource is people, and we continuously encourage our employees to develop themselves. Our low employee turnover rate is the strongest indicator of our ethical management approach and the value that we place on our team. Through sustainability training, we enhance our employees' awareness; by means of our social responsibility projects, we contribute to our community. Together with our team of experts, we continue to add value to our brand.

Total Number of
Employees
227



Global achievements

Building on our 47-year production journey, we take pride in being a globally integrated facility today. We reach international markets as Türkiye's sole producer of pentaerythritol and sodium formate, and we continue to evolve in line with the sector's needs in the field of specialty chemicals, achieving success through state-of-the-art production methods. As a leading company in the Turkish Chemical Industry, we move confidently into the future with a strong financial structure and capital strength.

Total
Revenue
USD 110 Million



Sustainable investments

We see sustainability not as a responsibility but as an opportunity to shape our future. In line with the Sustainable Development Goals, we focus on environmental, social, and economic objectives. Within this framework, we conduct our production activities in compliance with international quality standards. To reach our net zero carbon goal, we invest in renewable energy and implement sustainable resource recovery solutions.

Investments

2022: **EUR 823,579**
2023: **EUR 8,843,944**



About the Report

This report has been prepared as MKS Marmara's second sustainability report.

Our report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards, the United Nations Sustainable Development Goals (UN SDGs), and the Türkiye Sustainability Reporting Standards (TSRS).

Covering the period from January 1, 2022, to December 31, 2023, this report has been prepared as the second sustainability report of MKS Marmara Entegre Kimya San. A.Ş. The report more strongly emphasizes our company's goal-oriented management approach while demonstrating the integration of the sustainability philosophy into our corporate structure and the concrete steps taken in this field.

As MKS Marmara, we aim to present our performance across a broad spectrum to all our stakeholders within our sphere of influence, from developing green products and energy solutions to enhancing employee health, education, and well-being, from implementing responsible investment strategies to bringing green technology projects to life.

Our report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards, the United Nations Sustainable Development Goals (UN SDGs), and the Türkiye Sustainability Reporting Standards (TSRS). The content

has been prepared by taking into account the activities of our Gemlik Plant and Headquarters, evaluating reliable and verifiable data from 2022 and 2023. We publish this report electronically to ensure accessibility for all stakeholders within our sphere of influence.

Among the key priorities of this report are reducing our carbon footprint, implementing energy efficiency projects in line with our 2053 net-zero carbon target, and increasing the use of renewable energy sources. Additionally, we aim to optimize resource utilization and reduce energy consumption by improving our waste management and recycling processes.

During the report preparation process, our Working Groups and Sustainability Committee played an active role, making significant progress on relevant topics. If you have any questions, comments, or suggestions regarding the report, please feel free to contact us at mks.gemlik@mksmarmara.com. Any feedback from you will continue to inspire us on our sustainability journey.

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Message from the CEO

In 2022 and 2023, we marked significant milestones in achieving our sustainability goals.

As MKS Marmara, we approach sustainability with an integrated perspective that considers environmental, social, and economic dimensions. In this way, we safeguard the needs of future generations while creating long-term value for our stakeholders.

Dear Stakeholders,

The years 2022 and 2023 were shaped by a series of external factors that challenged global economic and social balances. During this period, as the effects of the pandemic persisted, supply chain disruptions, fluctuations in energy prices, and geopolitical crises emerged as major challenges for the business world. The chemical industry, like many other industries, bore the impact of these complex dynamics.

Although demand rose in the latter period of the pandemic, this heightened demand strained already disrupted logistics processes, leading to further disruptions in global trade flows. Shortly thereafter, and amid the lingering effects of the pandemic, the Russia-Ukraine crisis erupted, significantly impacting Europe's energy supply and causing interruptions in the procurement of vital resources such as natural gas, which is crucial for chemical production. In response, leading global economies implemented restrictive measures aimed at undermining Russia's economy, severely disrupting the natural flow of trade. Toward the end of 2023, the Israel-Palestine conflict triggered a new wave of humanitarian and economic crises in the Middle East. These political crises weakened regional stability and further intensified pressures on the global economy.

The wars occurring in Türkiye's neighboring regions have exacerbated trade challenges with many of our key economic partners. In particular, the sanctions imposed on Russia—one of the world's largest raw material suppliers—have affected both the Turkish economy and the economies of our primary trade partners in the European Union. Under these circumstances, adapting to evolving dynamics and restructuring business processes in line with sustainability principles have become critical necessities for both our Company and the industry as a whole.

These developments also impacted the local economy in various ways, directly influencing and reshaping the chemical industry amid ongoing uncertainties. Subsequently, 2022 and 2023 were marked by significant inflationary pressures in Türkiye, much like in many other economies. Consumer prices escalated in concert with rising inflation, posing challenges for businesses in managing costs. Additionally, rising interest rates drove higher financing costs, prompting companies to reassess their investment and growth strategies. During this period, local supply chains gained greater importance, and notable shifts were observed in the behaviors, preferences, and habits of decision-makers across the supply, production, marketing, and consumption cycles.



Message from the CEO

We operate in alignment with the United Nations Sustainable Development Goals.

In the fight against climate change, we continuously enhance our energy management, focus on renewable energy investments, and implement projects in compliance with ISO 50001 standards to reduce carbon emissions.

As MKS Marmara, we procure a significant portion of the raw materials used in our production processes through imports. Restrictive economic measures and risks encountered along critical logistics routes, such as the Red Sea, have negatively impacted the competitiveness of raw material procurement, leading to increased production costs.

Additionally, the economic crisis Türkiye experienced in 2022 and 2023 significantly raised labor costs, service expenses, and financing expenditures. As a result, the rising cost of finished goods, coupled with sales volumes falling below targets and declining profitability, has necessitated a reassessment of our operational processes.

The sudden and unpredictable shifts in global and local dynamics have once again underscored the importance of a sustainability-driven vision. Alongside our commitment to creating long-term value, these challenging periods have highlighted the critical need for the efficient use of resources and the reduction of environmental impacts.

With our modern and technological production methods, we manage all current management systems required by the industry in line with advanced administrative standards and consider sustainability an integral part of our operations. We adopt an approach that balances our environmental, social, and economic responsibilities, acting in alignment with the United Nations Sustainable Development Goals. In the fight against climate change, we continuously enhance our energy management, including implementing projects that comply with ISO 50001 standards to reduce our carbon emissions, and focusing on renewable energy investments. In waste management, we promote recycling while integrating process by-products into the circular economy. As the impacts of the climate crisis intensify, the well-being of our employees and our engagement with society remain a priority for us. In this regard, we maintain our social responsibility initiatives, investing in education and community-focused projects to create value for both our employees and society.

Considering the environmental, social, and economic impacts of our industry, sustainability is not merely a topic but a long-term concept that encompasses both risks and opportunities.

As MKS Marmara, we approach sustainability with a holistic perspective, addressing the environmental, social, and economic dimensions. In safeguarding the needs of future generations, we define sustainability as our commitment to creating long-term value for our stakeholders and contributing to society.

In this context, key challenges facing our industry include waste management, water conservation, access to labor, exchange rate fluctuations, and tightening regulations and standards on emissions reduction. As MKS Marmara, we follow a strategy aimed at turning these challenges into opportunities. While striving to reduce our carbon emissions by means of green energy transitions, we ensure the sustainable financing of our investments by leveraging government incentives. By prioritizing digital transformation projects, we enhance the efficiency and agility of our operational processes. Through these initiatives, we aim not only to minimize environmental and social risks but also to lead our industry's sustainability trends.

The years 2022 and 2023 mark a significant milestone in our journey toward achieving our sustainability goals. As MKS Marmara, we laid the foundation for our sustainability efforts several years earlier, thus enabling us to swiftly implement environmental and energy efficiency-focused projects throughout this two-year period. With our export-oriented structure, we embraced global sustainability agendas early on and restructured our organization accordingly. We established and diligently followed action plans that we monitored at regular intervals, further demonstrating our firm commitment to achieving our goals during this period.

In line with our environmental responsibilities, we are working on deep-sea cooling system investments to enhance water resource efficiency and reduce environmental impacts. As part of our transition to renewable energy, we made significant progress by completing the permitting processes for wind energy power plant investments in the Balıkesir Havran region.

Additionally, to improve energy efficiency and minimize environmental pollution, we renovated our boiler facility, establishing a more environmentally friendly infrastructure.

As MKS Marmara, we demonstrate our commitment to the principles of accountability and transparency through our corporate governance approach, which we have integrated into all our operational processes. From our Board of Directors to our Executive Committee, we ensure the regular oversight of decisions and policies implemented at every level. We foster a work culture rooted in ethical values by establishing open communication channels for our employees and stakeholders. Our Sustainability Committee periodically evaluates environmental, social, and economic performance indicators, transparently reports our progress, and regularly shares updates with management.

MKS Marmara remains committed to strengthening its environmentally conscious production approach, embracing sustainability not merely as a goal but as an evolving corporate responsibility. With our transparent governance approach, forward-looking sustainability projects, and strong sense of corporate responsibility, we will continue to reinforce our leadership in the industry while enhancing our contributions to both the environment and society.

We extend our gratitude to all our stakeholders who have supported us throughout this process, to all the institutions we collaborate with, to our dedicated and committed team, and to everyone within our sphere of influence throughout the entire life cycle of the products we manufacture.

We are confident that we will continue to move forward together on our sustainability journey, achieving constant improvement.

Chief Executive Officer

Message from the General Manager

Over the past decade, we were ranked seven times as the export leader in organic chemical exports.

MKS Marmara launched a 14 MW installed capacity wind energy power plant (WPP) project to reduce emissions from electricity consumption and obtained the Environmental Impact Assessment (EIA) approval for this initiative.

Dear Stakeholders,

As one of the leading companies in Türkiye's chemical industry, MKS Marmara Entegre Kimya Sanayi A.Ş. was established in 1976 with the aim of producing formaldehyde and formaldehyde-based resins. Since the beginning of our production journey in 1979, we continuously expanded our product portfolio with strategic and innovative additions: Today, we are an integrated facility manufacturing five different chemical compounds.

The economic contraction observed in both domestic and international markets, influenced by global and local developments, became particularly evident in the last quarter of 2022 and continued throughout 2023. This situation led to a decline in MKS Marmara's sales volumes and profitability rates. Despite these challenging market conditions, we successfully maintained our stability, achieving an EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) of TL 509.3 million in 2022 and TL 337.7 million in 2023. We retained our strong position in the industry

during the reporting periods, remaining a key player across local and international markets. We also achieved significant success in exports, ranking as the organic chemical export leader seven times over the last decade. With a production approach that adapts to the evolving needs of the industry, we continue to uphold our leadership in the domestic market for formaldehyde and formaldehyde-based resins while standing out on the global stage as Türkiye's sole producer of pentaerythritol and sodium formate.

We owe these achievements to our dedicated efforts and success-oriented strategies. In recent years, MKS Marmara has taken momentous steps in line with its growth strategies. Within this framework, we developed comprehensive projects in critical areas such as digital transformation, energy efficiency, and green energy investment, launching our steam production facility and waste-to-energy power plant projects in 2022 with a total budget of approximately eight million euros. By 2023, we had completed 50% of these investments and we continue to advance these initiatives.



Message from the General Manager

In 2022 and 2023, we achieved a total reduction of 52.8% in our Scope 1 emissions.

In 2023, we received a perfect score in the TFS (Together for Sustainability) audit and successfully maintained our Bronze Medal rating in the EcoVadis assessment.

We also made notable progress in line with our strategic priorities, including digital transformation, green energy investments, energy efficiency, and circularity. In modernizing our business processes, we implemented key projects aimed at building a more resilient structure for the future.

As part of our digital transformation efforts, we transitioned to a modern ERP system in 2022, aligning with contemporary business requirements. This transformation has rendered our processes more efficient, integrated, and trackable. In the same year, we upgraded the steam boilers used in our operations to a more technological, efficient, and environmentally friendly system. In line with our sustainability vision, we initiated deep-sea cooling system investments to optimize water resource utilization and reduce environmental impacts. As part of our renewable energy transition goal, we completed the permitting processes for our wind energy power plant investment in the Balıkesir Havran region. Additionally, we carried out boiler modernization projects to enhance energy efficiency and minimize environmental

pollution. By means of investments that incorporate sustainability awareness into our internal operations, we increased our energy efficiency and reduced our environmental impact.

In the field of sustainable products, our R&D efforts continue to focus on expanding the share of bio-based product content. In this regard, we acquired a homogenizer for our R&D pilot facility, enabling the application of bio-based additives. Additionally, we procured a GPC (Gel Permeation Chromatography) device for the characterization of new resin products; this device plays a crucial role in both new product development and the optimization of existing product properties. To enhance customer satisfaction, we consistently improve our product analysis methods and investing in achieving higher quality standards. Our short-term goals include substituting bio-based raw materials within our product portfolio and optimizing our production processes to enhance sustainability. To support our sustainable production objectives, we initiated the ISCC Plus certification process to confirm the compliance of our bio-based products with international standards.

In 2022 and 2023, we also enjoyed a significant achievement in terms of international recognition of our sustainability efforts. In 2022, we successfully completed the ERP integration and were awarded a Bronze Medal in the EcoVadis sustainability assessment. That same year, we also passed the SEDEX audit with no major non-compliance findings. In 2023, we achieved a perfect score in the TFS (Together for Sustainability) audit and successfully maintained our Bronze Medal rating in the EcoVadis assessment.

Our Company launched a 14 MW installed capacity wind energy power plant (WPP) project to reduce emissions from electricity consumption and obtained the Environmental Impact Assessment (EIA) approval for this initiative. Additionally, we replaced our coal boiler with a circulating fluidized bed technology that offers higher efficiency; ESP (Electrostatic Precipitator) and Wet Scrubber systems were integrated into the boiler to minimize environmental impacts. To reduce chemical usage, we implemented physical pre-conditioning methods, completely eliminating the use of chemicals in our water treatment units. We also expanded our environmental training programs to further enhance employee awareness, and we calculated our corporate carbon footprint at all levels, including Scope 1, Scope 2, and Scope 3. Utilizing these insights, we initiated improvement plans for the future.

In 2021, our Scope 1 emissions were calculated at 121,729.52 tons of CO₂ equivalent. By 2022, we achieved a 26.6% reduction, bringing emissions down to 89,306.05 tons. In 2023, we further reduced emissions by 35.6%, reaching 57,459.14 tons. Over the course of two years, we successfully achieved a total reduction of 52.8% in Scope 1 emissions. Our Scope 2 emissions, resulting from electricity consumption, were calculated at 17,584 tons of CO₂ equivalent in 2021. In 2022, these emissions increased by 39.3%, reaching

24,505.72 tons. However, in 2023, we reversed this trend and achieved a 10.6% reduction, bringing emissions down to 21,902.41 tons.

We have made it a priority to create a transparent and open environment where our employees can express themselves freely. In this innovation-driven setting, we not only focus on the present, we also commit to bequeathing a more livable world to future generations. While modernizing our processes through digital transformation and innovation projects, we remain focused on investments that enhance efficiency and strengthen sustainability. In the medium and long term, our goal is to continue growing through energy efficiency and technological advancements. With this vision, we aim to differentiate ourselves, both within the Company and across the industry, advancing with a governance approach that positions us as a leader on national and regional levels.

Thanks to the dedication and commitment of our employees, who stand by us on this journey, we continue to build on our achievements and move forward together toward a stronger future. With this Sustainability Report, we are pleased to share our successes, achieved through a consistent environmentally and socially responsible production approach even during a critical phase of our transformation journey. I firmly believe that by overcoming potential risks and leveraging emerging opportunities, we will shape our future with even stronger goals. I sincerely thank all our stakeholders who have accompanied us on this journey and who have contributed to helping us achieve our objectives.

Kind regards,

Metin Uysal
General Manager

Our Performance in 2022-2023

We contributed 43.5 tons of recyclable waste to the circular economy.

In 2022, we launched our steam generation facility and waste-to-energy electricity generation facility projects with a budget of approximately €8 million, and by 2023, we had completed 50% of these projects.

In 2022 and 2023, we contributed a total of 43.5 tons of recyclable waste to the circular economy.

Our Scope 1 emissions, which amounted to 121,729.52 tons of CO₂ equivalent in 2021, were successfully reduced by 52.8% to 57,459.14 tons in 2023.

In 2022, we completed the ERP integration and earned a Bronze Medal in the EcoVadis sustainability rating.



MKS Marmara at a Glance



About MKS Marmara

With over 40 years of experience in the chemical industry, we operate as a leading company in the sector.

We continue our sustainability journey with great determination, managing our environmental, social, and economic responsibilities through an integrated approach and operating with a long-term vision.

Establishment

1976

Number of Employees

227

Revenue

USD 110 Million

Exports (Average)

USD 45 Million

Field of Activity

Chemical Production

As MKS Marmara, which was founded in 1976 and began operations in 1979 with the production of formalin and formaldehyde-based adhesives, we have been a leading player in the chemical industry for over four decades. Our company has continuously expanded its product portfolio by adapting to market conditions and shifting towards the production of new and strategic products. In addition to being Türkiye's sole pentaerythritol producer, we have also specialized in sodium formate and formaldehyde-based resins, assuming a pioneering role in the industry with our production capacity and product quality.



With our strong position in the international market, MKS Marmara has become a significant export force in Türkiye's chemical industry, particularly in the field of organic chemicals. As of 2023, we have achieved a revenue of 110 million USD and an export volume of 45 million USD while continuing our operations with a total of 227 employees.

The foundation of our success in both local and global markets lies in our commitment to internationally recognized technical and social quality standards in our production processes. In this regard, we maintain our industry leadership by receiving annual awards for our organic chemical exports.

Moving forward with great determination in our sustainability journey, we manage our environmental, social, and economic responsibilities with an integrated approach and a long-term vision. To anticipate future needs today, we prioritize digital transformation projects, energy efficiency, and green energy investments, aiming to contribute to both industrial and societal development.

Our Products

With our wide range of advanced technology products, we sustainably meet the needs of the industry.

The foundation of our market leadership lies not only in our approach to sustainable production but also in our principle of being a reliable supplier.

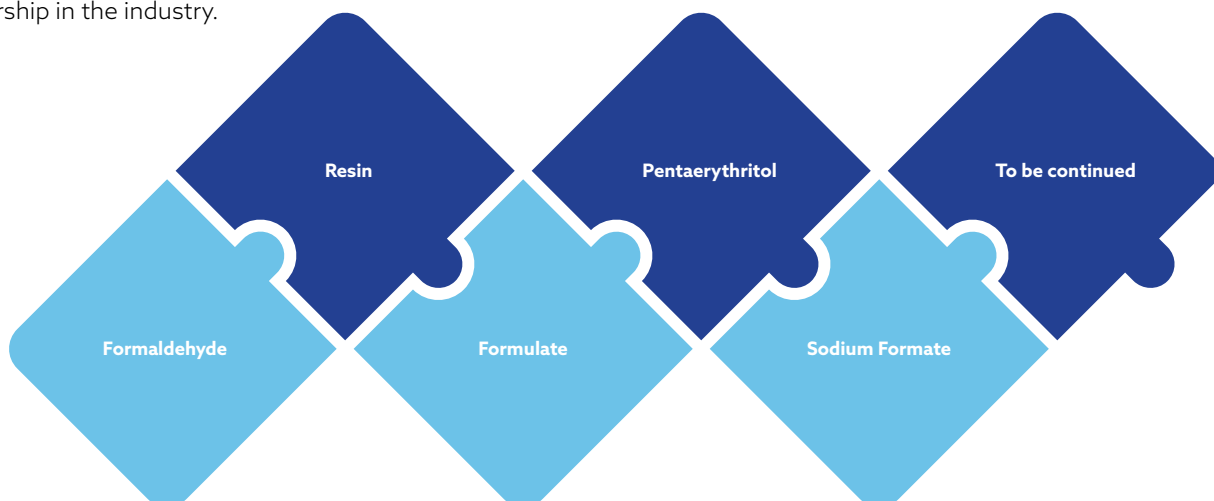
As MKS Marmara, we sustainably meet the needs of the industry with our wide range of advanced technology products, developed through our deep-rooted work in the chemical industry. The foundation of our product portfolio consists of formaldehyde solution and the urea-formaldehyde, melamine-formaldehyde, and phenol-formaldehyde adhesives produced from this solution. In addition, our strategic products, such as pentaerythritol and sodium formate, are among the key elements that strengthen our leadership in the industry.

As MKS Marmara, our sodium formate product, manufactured in our integrated production facilities in Gemlik in compliance with international quality standards, continues to be one of our innovative solutions in industrial applications. With our biodegradable, granulated de-icing product developed from sodium formate, we offer an environmentally friendly and effective solution. Additionally, thanks to its high purity and compliance with feed standards, we also market this product as a feed additive chemical.



FORMALDEHYDE

Formaldehyde is a chemical obtained through the high-temperature oxidation of methanol and is used in industrial applications by being absorbed into water. It serves as a key component in the production of urea-formaldehyde and phenol-formaldehyde resins, as well as pentaerythritol. Our urea-formaldehyde and phenol-formaldehyde resins are commonly used as adhesives in wood panel production, while their etherified derivatives act as curing agents in epoxy resin formulations. Additionally, formaldehyde plays a role in the production of specialty chemicals such as polyoxymethylene plastic (POM), isocyanates, and 1,4-butanediol, as well as in textile and water treatment chemical synthesis. Due to its antibacterial properties, formaldehyde also has significant applications as a disinfectant.



PENTAERYTHRITOL

Our pentaerythritol product ($C_5H_{12}O_4$) is a polyol compound containing four hydroxyl groups and holds a significant place in the chemical industry. Available in white crystalline or powder form, this product is preferred across various sectors due to its durability and versatile applications. It plays an essential role in the production of alkyd resins, which serve as solvents in oil-based paints, as well as in the manufacturing of oil-based paints, polyurethanes, PVC stabilizers, and plastic lubricant chemicals.

Our Products

As of 2023, we have taken significant steps in sustainability-focused product development and production processes.

As the sole producer of pentaerythritol and sodium formate in Türkiye and one of the few manufacturers worldwide, we stand out in the industry with our product quality and supply reliability.

Our Position in the Industry

As the sole producer of pentaerythritol and sodium formate in Türkiye and one of the few manufacturers worldwide, we stand out in the industry with our product quality and supply reliability. We hold a leading position in the production of these chemicals both domestically and within our region. With our strong performance in technical support, we respond swiftly to the needs of our customers. Since our establishment, we have maintained our presence in the industry as a company that pioneers the use of the best available technologies in the production of all products in our portfolio, always aiming for the highest quality standards. Our company strives to achieve the highest level of product purity and performance, while its dynamic structure allows us to modify products according to customer demands, offering tailored solutions. We aim to establish long-term relationships in our business partnerships and adopt a sustainable business model. By setting shared goals with our customers, we continue to build long-term success together.

At the core of our market leadership approach lies our principle of being a reliable supplier. Regular customer visits, along with the conferences, fairs, and symposiums we participate in annually, enable us to closely follow innovations and developments in our industry. This allows us to implement the necessary improvements in our products swiftly and to uphold our vision of being the first company to introduce world-class innovations to the domestic market. To adapt to changing market dynamics and newly enacted regulations, we promptly implement the required plans and programs. Within the scope of our sustainability-focused efforts, we are advancing our R&D activities and collaborations to manufacture products using bio-based resources and recycled materials.

Together with our customers, we work on product development projects designed to align with future competitive conditions and help them advance further, while also swiftly sharing industry innovations to support long-term business partnerships. We prioritize

providing fast and effective solutions to meet our customers' needs. Thanks to one of our key competitive advantages—our strategic geographical location and proximity to the European market—we offer fast and efficient supply solutions, particularly for sodium formate and pentaerythritol products. Likewise, we strengthen our presence in nearby markets by easily delivering our UF and phenolic resin products to neighboring countries. To maintain and enhance these advantages, we remain focused on continuous improvement, offering innovative and customer-oriented solutions. Keeping up with industry advancements and rapidly adapting to evolving market conditions play a crucial role in sustaining our leadership.

Innovative Approaches in Product Development

As of 2023, MKS Marmara has taken significant steps in sustainability-focused product development and production processes. We have expanded our portfolio by introducing new products made with bio-based raw materials in our pentaerythritol and phenolic resin product lines. In line with our sustainability goals, we remain committed to advancing our efforts in this area.

As part of our strategies for entering new markets, we continue to develop phenolic resins suitable for various applications. We aim to add another new product to our portfolio in the near future.

We are making significant investments in the use of environmentally friendly and efficient technologies in our production processes. We closely examine new technologies in our production processes and work to integrate applications into our facilities that both reduce

our carbon footprint and enhance energy efficiency. In this context, our investment in a more efficient steam generation facility is in its final stages of completion. Additionally, supplementary equipment has been installed on our production lines to increase energy recovery. Inefficient pumps and electrical equipment have been replaced with high-efficiency alternatives, significantly improving the energy efficiency of our facilities.

Moreover, we have decided to invest in ensuring that all the electricity consumed in our facilities is generated from wind energy. With these strategic steps, we aim to significantly reduce the carbon footprint of our products in the future. Our initiatives focused on energy efficiency and environmental sustainability form the foundation of our long-term strategies.

SODIUM FORMATE

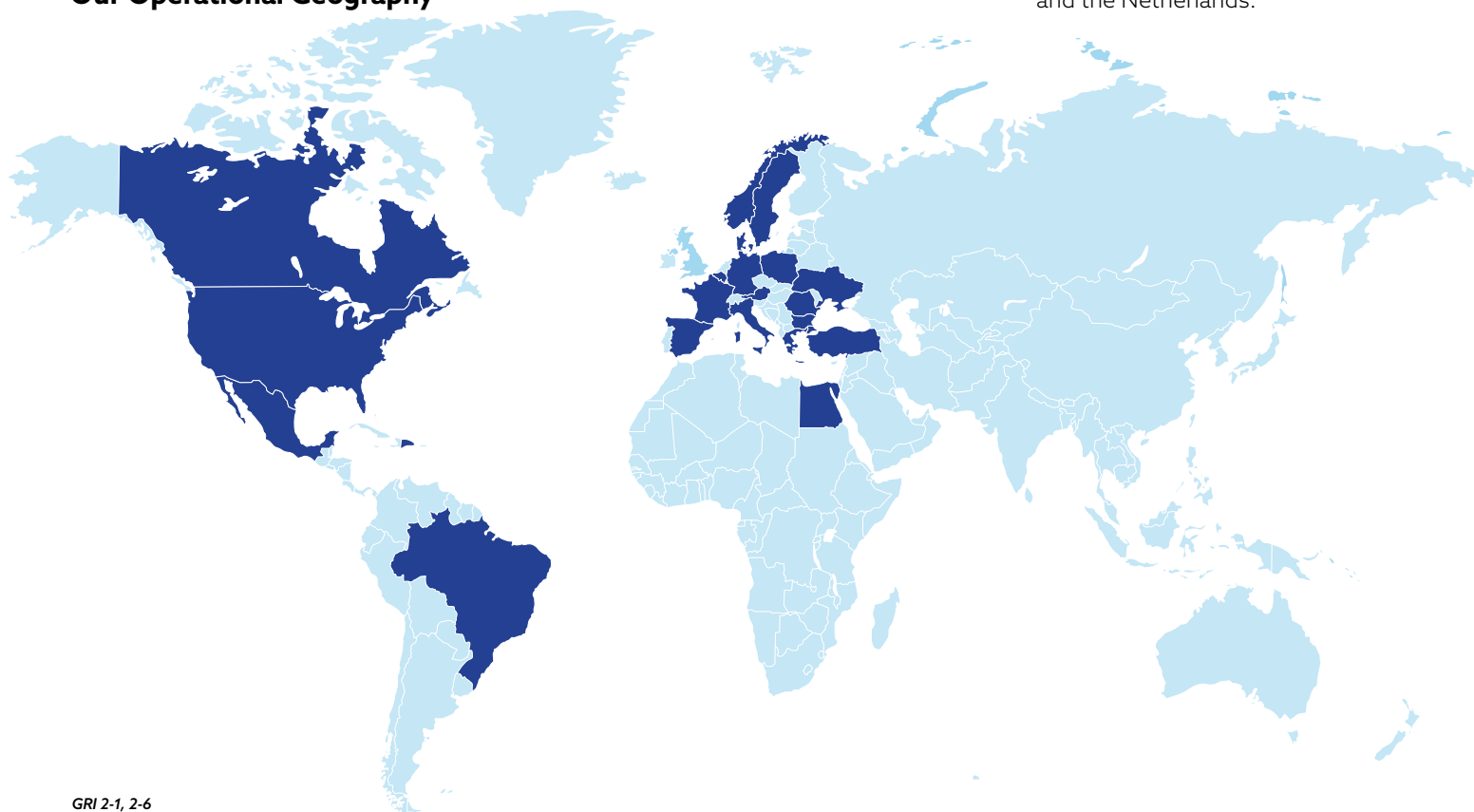
Sodium formate (HCOONa) is an organic salt derived from formic acid with a sodium base and is available in white crystalline or powder form. Due to its mildly alkaline nature and high solubility, it has a wide range of applications across various industries. This chemical we produce can be used as a de-icing agent in specialized formulations. In solution form, it is preferred as a pH regulator in textile dyeing processes, leather tanning, and mineral acid formulations. Additionally, it plays a significant role in the feed industry as an agent that enhances vitamin absorption and serves as a raw material in the production of formic acid.

Our Operational Geography

With 95% of our exports directed to the European and American markets, we maintain a strong presence in global trade.

Pentaerythritol and sodium formate are produced in seven countries worldwide, including the United States, Russia, Germany, Sweden, Spain, China, and Taiwan.

Our Operational Geography



As MKS Marmara, we have built an extensive export network thanks to the quality and reliability of our products. The majority of our exports, 95%, are shipped to the European and American markets. Our key export destinations include Germany, Austria, the United States, Mexico, Belgium, Bulgaria, Brazil, Canada, Denmark, the United Kingdom, Morocco, Algeria, Egypt, Finland, France, Sweden, Norway, Spain, Romania, Greece, Italy, Poland, Ukraine, the Dominican Republic, and the Netherlands.

We adopt a customer-focused approach to meet the specific needs of different markets. As we expand into new regions, we carefully analyze customer requirements and provide technical support during trial processes. Our production processes are guided by flexibility and a solution-oriented approach, allowing us to make adjustments based on customer demands. Additionally, we implement efficient logistics solutions to ensure the timely and secure delivery of our products to target markets.

To drive growth in new industries and regions, we collaborate with leading regional companies, developing partnership models that enable us to respond to customer demands swiftly and effectively. Through this flexible and innovative approach, we continue to strengthen our competitiveness in global markets and foster long-term relationships with our customers.

26
Countries of
Operation

Our Mission, Vision, and Corporate Values

Our Vision

To be an organization that maintains the firsts and advanced practices in its sector, in the meanwhile recognized in terms of quality and sustainability, producing competitive products, and concurrently growing by constantly developing its own methods in its production areas.

As MKS Marmara, we are aware that focusing on excellence is essential to fulfilling our mission and achieving our vision. Throughout this process, our management principles and core values guide our activities and decisions. As the MKS Marmara family, we wholeheartedly believe in our corporate principles and remain committed to upholding our values.

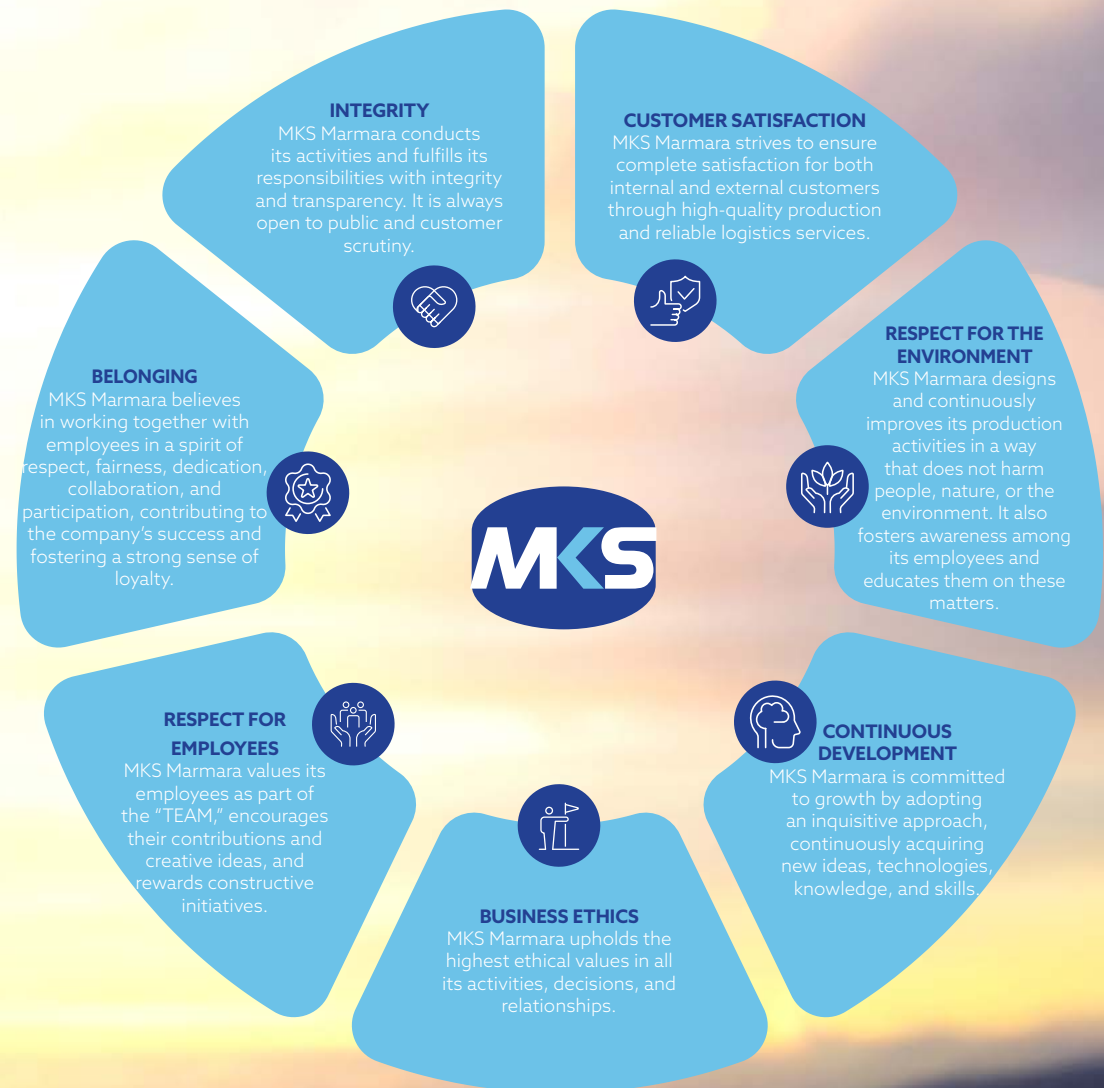
Our Mission

To be a company that understands customer needs and expectations, protecting ethical values and environmental awareness based on the three pillars of sustainability in all its operations; prioritize global standards in quality, management systems, and products.



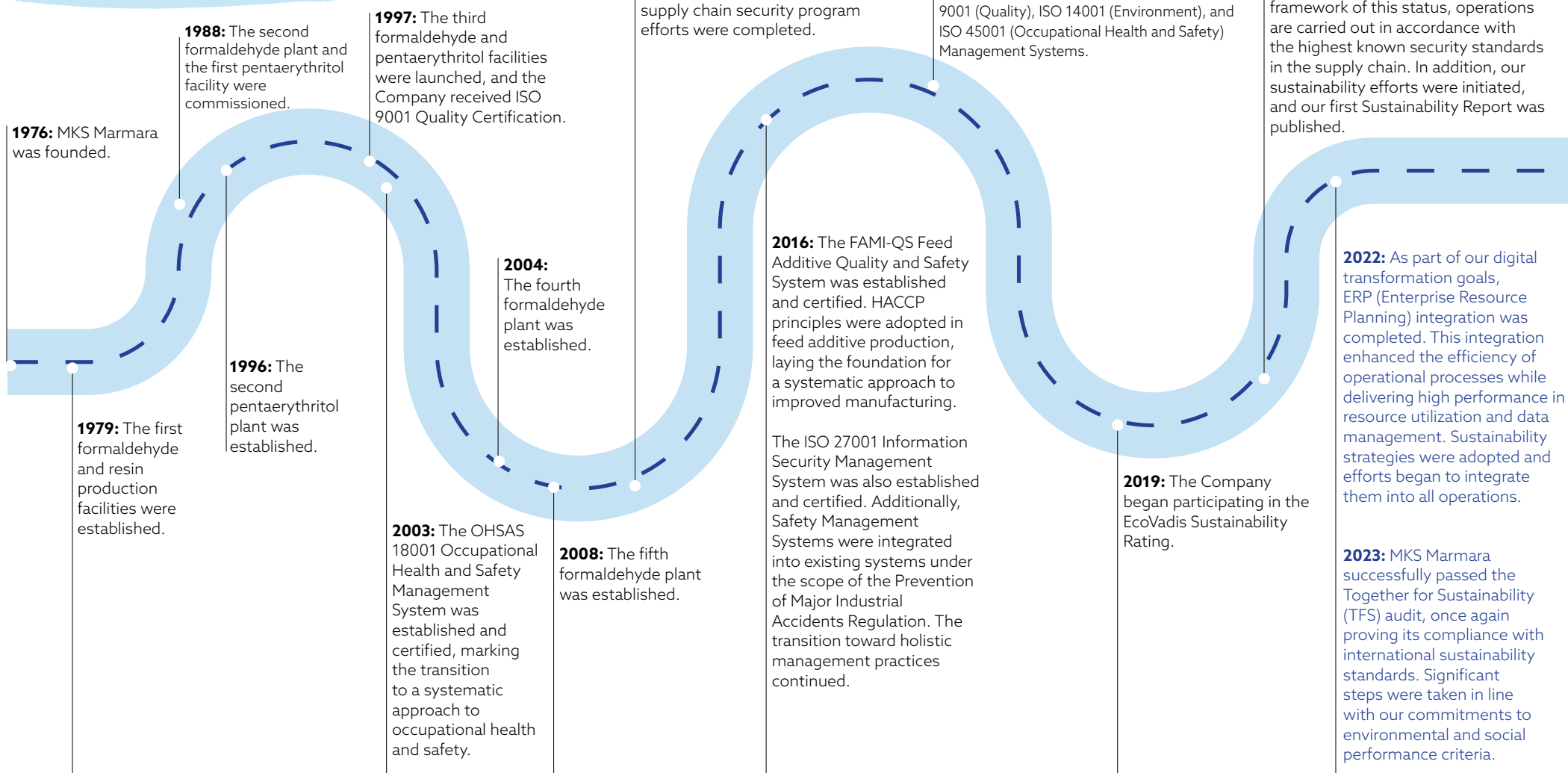
Our Mission, Vision, and Corporate Values

Our Corporate Values



Milestones

Our sustainable success story



MKS Marmara in 2022 and 2023

We contributed to Türkiye's chemical exports by reaching over 20 countries with our products.

As MKS Marmara, we effectively managed our operations in 2022 and 2023 and successfully sustained our financial and operational performance despite challenging market conditions.

In 2022 and 2023, driven by our sustainability vision, we made significant progress across many areas—from export achievements and energy efficiency projects to innovations in production capacity and prestigious international awards. By reaching over 20 countries with our products, we contributed to Türkiye's chemical exports. During this period, we increased our global market presence through high export rates to the European Union and North America, while further strengthening our energy management system with the ISO 50001:2018 certification. Moreover, by transitioning to bio-based raw materials in products such as phenolic resins and pentaerythritol, we took meaningful steps toward a more sustainable future. All these accomplishments have reinforced our leading position in the sector by combining our ability to deliver innovative solutions, financial stability, and operational excellence.

The years 2022 and 2023 were challenging for many industries due to the economic downturn in both Türkiye and the global economy. Nevertheless, as MKS Marmara, we effectively managed our operations and successfully sustained our financial and operational performance despite these difficult market conditions, achieving a positive EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization). Despite the impacts of the economic contraction in Türkiye and the global economy, we achieved a positive EBITDA and demonstrated stable performance as a company. We recorded an EBITDA of TL 509.3 million in 2022 and TL 337.7 million in 2023.



MKS Marmara in 2022 and 2023

We continued our sustainable growth through our financial stability.

In 2023, our community investments reached TL 23.7 million.

Our Financial Activities

Net Sales

2022

TL 2,182,171,525

2023

TL 2,126,768,110

Operating Profit

2022

TL 456,612,226

2023

TL 334,129,798

Profit / Loss for the Period

2022

TL 364,075,074

2023

TL 131,703,587

Employee Salaries and Social Benefits

2022

TL 52,598,534

2023

TL 137,724,724

Payments to Government by Country

2022

TL 57,883,130

2023

TL 29,300,656

Total Community Investments

2022

TL 11,557,423

2023

TL 23,763,578



Our Awards and Achievements

As MKS Marmara, we have left behind a period marked by significant awards and accomplishments.

- In line with our digital transformation goals, we successfully completed the integration of ERP (Enterprise Resource Planning) to ensure more effective and efficient use of our corporate resources. Through this integration, we enhanced the efficiency of our operational processes, achieved optimization in resource utilization, and ensured high performance in data management.
- Following the SEDEX audit, which promotes responsible and fair business practices as part of ethical trade partnerships, we successfully passed without any major non-conformities. This achievement reaffirmed our commitment to responsible supply chain management and the protection of employee rights.



- We reaffirmed our dedication to sustainability by successfully passing the Together for Sustainability (TFS) audit with a perfect score of 100. This achievement demonstrates our Company's commitment to compliance with international sustainability standards and the importance it places on environmental and social performance criteria.
- As a result of the EcoVadis assessment—recognized as one of the world's most respected sustainability reporting platforms—we were awarded a bronze medal, highlighting that our sustainability efforts have been acknowledged at an international level.

Sustainability Governance



Our Sustainability Strategy and Organization

We embrace sustainability as a strategic business model, taking into account the environmental, social, and economic balance.

As a company that bears responsibility not only for today's world but also for the world of the future, we move forward with a focus on efficiency, transparency, and innovation.

At every stage of our operations, we embrace sustainability as a strategic business model and adopt an approach that considers environmental, social, and economic balance in order to meet the needs of future generations. As a company that bears responsibility not only for today's world but also for that of the future, we move forward with a focus on efficiency, transparency, and innovation. We integrate our sustainability approach across all departments—starting from our Committee and extending through the efforts of our working groups—and continually foster new awareness through training initiatives.

In line with our sustainability strategy, we adopt an approach that not only manages the risks encountered during processes of change and transformation, but also seizes emerging opportunities. Since our establishment, we have aimed to enhance our social impact by aligning our social responsibility projects with the United Nations Sustainable Development Goals (UN SDGs). With the aim of creating a better life and contributing to sustainable development, we continue our efforts in line with six specific goals we have selected from the UN SDGs.

Our Focused Sustainable Development Goals



Our Sustainability Strategy and Organization

We work to systematically implement our sustainability goals.

Our Sustainability Committee develops joint solutions and environmentally friendly strategies in a transparent manner and in coordination with all departments.

Our Sustainability Committee

Our Sustainability Committee develops joint solutions and environmentally friendly strategies in a transparent manner and in coordination with all departments. It is responsible for the transition to sustainable management and the governance of processes within a balanced decision-making mechanism in environmental, social, and economic contexts. In line with this responsibility, the Committee evaluates its interactions with working groups every three months and reports its findings directly to the General Manager. By including managers from various departments of MKS Marmara, the Committee aims to adopt a holistic perspective.

At our Company, the Sustainability Committee has been structured on two distinct levels:

1. Management Level: This is the management level at which our sustainability strategy is defined and the general framework for its implementation is established. This structure consists of an organizational team made up of Executive Board members and Department Managers, and is responsible for making strategic decisions and planning the necessary steps to put those decisions into action.

2. Implementation Level: This level represents the implementation stage where we aim to improve performance indicators in the areas of environment, social responsibility, and governance, and to achieve transformation in operational processes. With an organizational structure that includes representatives from all departments, we work to systematically implement our sustainability goals.

MKS Marmara Sustainability Management Committee

**Management
Level - Strategy
Development**

Role	Name-Surname	Committee Role
Plant Manager	Yüksel Akyüz	Leader
Accounting and Finance Manager	Mustafa Ünlü	Member
Sustainability & Quality Manager	Onur Özkaya	Member
R&D and Quality Assurance Manager	Tarık Polat	Member
Operations Manager	Yusuf Gökyer	Member
Maintenance and Project Manager	Mehmet Ünver	Member
Domestic Trade Manager	Muhammet Taşçı	Member
International Trade Manager	Salih Yiğit	Member

MKS Marmara Sustainability Committee

**Implementation
Level: Integration
of Strategies into
Processes**

Role	Name-Surname	Committee Role
Sustainability & Quality Manager	Onur Özkaya	Member
SMS Chief	Abdülvehap Ağ	Member
Environmental Engineer	Burak Öner	Member
Human Resources Manager	Adem Akman	Member
Electrical Maintenance Chief	Alper Uzuntaş	Member
Import & Export Operations Administrator	Murat Yılmaz	Member

Sustainability Risks and Opportunities Analysis

**We shape our strategies
in line with global risks.**

At MKS Marmara, risks and opportunities are examined and managed under five main categories.

As MKS Marmara, we approach climate and environmental issues with a focus on both risks and opportunities. In this context, we conduct scenario analyses particularly aimed at managing acute risks, and we use the resulting data as a key input in shaping our corporate strategies. We thoroughly analyze the positive and negative impacts of our operations on the environment, map out the scope and extent of these impacts, and structure our sustainability goals accordingly. By considering customer demands, national targets and regulations, as well as financial structure analyses, we set realistic and achievable goals and implement a business model that ensures both environmental and economic sustainability.

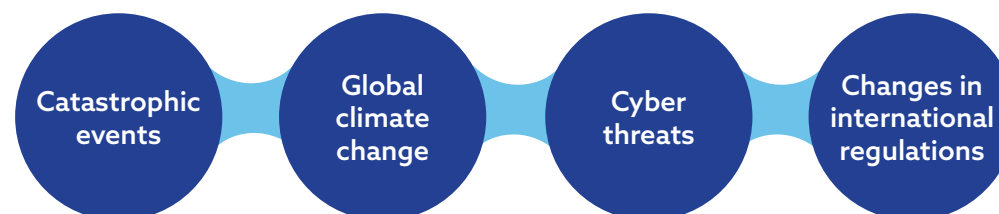
Macro Environment Analysis

As MKS Marmara, we conduct thorough analyses of external factors that are beyond our control but may impact our Company. In our macro environment analysis, we have examined in detail the factors that could influence our operations and focused on those with a probability of occurrence above 50%, whether their impact is positive or negative. In this context, our strategies have been shaped by taking into account the risks present in the global industry as well.

Development and Transformation Trends



Global Industry Risks



These topics are among the key factors that may impact our Company's sustainable growth targets. In line with our analyses, we develop proactive solutions to address these risks.

Our Sustainability Goals

In the long term, we aim to achieve carbon neutrality across all our operations.

As MKS Marmara, we have defined our sustainability goals within a realistic and attainable framework that encompasses our short, medium, and long-term planning. Throughout this process, we have taken into account customer demands, the targets and regulations set by public authorities, and prioritizations aligned with the financial structure of our Company.

In the short term, we focus on concrete steps such as improving the energy efficiency of our existing processes, reducing our carbon footprint, and making improvements in waste management.

In the medium term, our priorities include implementing renewable energy projects, increasing the use of bio-based raw materials in our product portfolio, and promoting sustainable practices throughout our supply chain.

In the long term, we aim to achieve carbon neutrality across all our operations and to establish a business model that creates both environmental and social value by aligning with global sustainability standards.

Our Sustainability Strategies	Our Goals 2022-2026
Zero Waste and Circular Economy	<ul style="list-style-type: none"> • Elimination of waste-related costs and preparation of projections for potential future cost items. • Increasing the use of alternative resources. • Reducing off-site plastic usage by 95%. • Reducing paper usage in both field operations and offices by 80% by 2025. • Achieving zero waste in resource use and processes by 2026. • Continuing social responsibility projects focused on circular economy within the scope of zero waste and sustainable development.
Combating Water Scarcity	<ul style="list-style-type: none"> • Monitoring water usage and costs based on product and location. • Increasing efficient use of water. • Calculating the water footprint. • Reducing water consumption in production by 2030. • Increasing water efficiency by predetermined rates by 2030. • Collecting and utilizing rainwater. • Upgrading our treatment facility using advanced technology systems. Identifying areas for greywater use and achieving a 50% recovery rate. • Ensuring 100% reuse of recovered water in processes by 2030. • Providing training on efficient water use and hygiene. • Developing social responsibility projects to support rainwater harvesting and reuse in schools located near our facility. • Reducing water footprint through the use of seawater cooling systems.
Research & Development, Production Efficiency, and Innovative Products	<ul style="list-style-type: none"> • Incorporation of bio-based products into our product portfolio.
Management and Development of Competencies	<ul style="list-style-type: none"> • Establishing a salary/bonus system based on performance management in 2024. • Implementing career development programs by 2023 and initiating evaluation processes by 2024. • Conducting and publishing employee engagement and satisfaction surveys every two years until 2030. • Planning the Performance Management System by 2023 and ensuring its full implementation by 2024. • Planning competency development programs. • Increasing the training rate by 30% by 2026 to enhance employee skills and competencies. • Planning competency-based training programs by 2023 and ensuring their implementation by 2024.
Occupational Health and Safety	<ul style="list-style-type: none"> • Organizing occupational health and safety (OHS) campaigns to reduce workforce losses. • Providing training on health and safety management at home and at work, involving employees and their families. • Monitoring, evaluating, and scoring the OHS performance of suppliers and contractors. • Conducting annual inspections to detect leaks in facilities and completing necessary improvement actions.
Social Equality	<ul style="list-style-type: none"> • Establishing equal opportunity policies. • Providing training on human rights and gender equality. • Increasing the proportion of women in central roles by 5% by 2030. • Conducting a social rights study to ensure that employee housing is adequate, safe, and affordable.
Reducing the Carbon and Water Footprint of Suppliers	<ul style="list-style-type: none"> • Balancing the economic growth and business continuity of suppliers. • Exploring opportunities to reduce emissions across the value chain. • Conducting studies to establish incentives for emission reduction. • Establishing and operating a stakeholder-focused social and environmental audit and compliance mechanism specifically for carbon and water footprint.

Our Sustainability Goals

Our Sustainability Strategies	Our Goals 2022-2026
Energy Efficiency	<ul style="list-style-type: none"> • Developing “Renewable Energy” projects within the scope of energy efficiency. • Achieving a 75% share of renewable energy in total energy consumption. • Reducing energy losses by 25% by 2030 through energy efficiency projects. • Increasing collaboration with universities on energy efficiency initiatives. • Supporting energy efficiency research and thesis studies conducted in educational institutions.
Increasing the Implementation of Sustainable Management Practices and Growth Aligned with Sustainable Development Policies	<ul style="list-style-type: none"> • Increase in economic growth. • Ensuring the continuity of ‘Sustainable Management and Reporting Practices’. • Evaluating investment decisions within the sustainability committee and considering all decisions from the perspective of carbon and water footprint. • Membership in the UN Global Compact and commitment to its principles. • Promoting sustainable management among stakeholders. • Reporting MKS Marmara’s contribution to the identified UN SDGs. • Establishing an anti-bribery and anti-corruption compliance program by 2025.
Digitalization	<ul style="list-style-type: none"> • Developing a digital transformation roadmap. • Transitioning to systems integrated with ERP by 2026.
Enhancing Communication and Social Responsibility Awareness	<ul style="list-style-type: none"> • Transitioning to a budget model for social responsibility projects by 2024 and ensuring effective management. • Identifying projects to foster integration between the people of Gemlik and MKS Marmara. • Determining the NGOs to collaborate with. • Organizing sustainability awareness meetings and trainings in schools. • Informing the local community about significant decisions.
Education	<ul style="list-style-type: none"> • Investing in educational institutions located in regions with potential employee interest. • Diversifying internship programs. • Implementing recruitment and training programs in Gemlik focused on potential employees. • Supporting public education initiatives to prevent traffic accidents. • Promoting and investing in university and vocational STEM (Science, Technology, Engineering, and Mathematics) education. • Providing training and opportunities in fields such as engineering, chemical technology, and related areas.
Green Investment	<ul style="list-style-type: none"> • Taking natural resources into account in investment decisions. • Assigning value to water. • Setting an appropriate price for carbon generated as a by-product.

Stakeholder Engagement and Communication

A strategic roadmap has been developed by addressing the needs and expectations of our stakeholders.

With the evaluation and guidance of our Sustainability Board and Committee, the “Stakeholder Analysis and Prioritization” study was carried out during this reporting period.

Our stakeholders are individuals and groups who either affect or are affected by our organization and its operations. In our approach to sustainable management, stakeholder management holds significant importance, as stakeholders have a direct or indirect impact on the risks and opportunities our Company may face in the future.

With the initiation of sustainability efforts at MKS Marmara, a strategic roadmap was developed by addressing the needs and expectations of our stakeholders. Under the evaluation and guidance of our Sustainability Board and Committee, the “Stakeholder Analysis and Prioritization” study was conducted during this reporting period. As a result of this study, we defined our communication and management processes under seven main stakeholder groups.



Stakeholder Engagement and Communication

We are building a strong network of interaction with our stakeholders.

As MKS Marmara, we believe that the relationships we build with our stakeholders play a critical role in achieving our sustainability goals. Our international customer portfolio and major suppliers are among institutions with a high awareness of sustainability. In this context, we aim to create shared awareness by establishing a strong network of interaction with both our domestic and international stakeholders.

We adopt an impact-oriented approach in our stakeholder management and carry out various initiatives to raise the sustainability awareness of our domestic customers and suppliers. We actively explore collaboration opportunities with universities and take part in knowledge sharing and the development of joint projects. By working together with our stakeholders during the new product development phase, we establish partnerships that support adaptation to innovation. We also collaborate with public institutions and organizations to contribute to social responsibility projects and carry out initiatives aimed at achieving sustainable development goals.

Ensuring customer satisfaction and building sustainable relationships lie at the core of our business processes. In this regard, customer visits and the regular customer satisfaction

surveys we conduct are among the most important components of our feedback mechanisms. Through these methods, we gain a better understanding of our customers' needs and expectations, providing us with the opportunity to continuously improve our business processes.

In managing customer complaints, we actively leverage technology. Complaints are tracked through a software-based system, and root cause analyses are conducted to take concrete steps in preventing the recurrence of potential issues. We also support these processes with regular meetings, adopting a continuous improvement approach to strengthen our customer-focused strategies.

Our engagement with stakeholders continues to serve as a guiding element in achieving our sustainability goals. In this context, we embrace a continuous learning and development approach to enhance the effectiveness of our feedback mechanisms and to develop solutions tailored to our stakeholders' needs. In all these processes, we aim to create value not only in our business operations but also in generating societal and environmental benefits, by upholding mutual trust and transparency. Guided by this understanding, we remain committed to building a sustainable future through innovative methods and strong collaborations.


Stakeholder Group	Communication Method	Frequency of Communication
Employees	Corporate Magazine	Quarterly
	Stakeholder workshops	2-3 times per year
	Trainings and seminars	Annually planned or organized as needed
Customers	Visits	Monthly or project based
	Brochures	1-2 times per year
Shareholders	Annual reports	Once a year
	Meetings	Quarterly
Suppliers	Stakeholder meetings	Semi annually
	Supplier days	Once a year
	Social and environmental audits	1-2 times per year
Local Authorities	Informative brochures	Once a year
	Trainings and seminars	Semi annually or project based
	Visits	Semi annually
	Social responsibility projects	Annual evaluation as needed
Public Institutions and Organizations	Meetings	2-3 times per year
	Investor presentations	Once a year
	Correspondence	As needed
Universities, NGOs, Professional Associations, Neighbors, Global Organizations (ILO and UN)	Career days	1-2 times per year
	Sectoral knowledge sharing	Project based or as needed
	Research and development activities	Continuous

Our Corporate Memberships and Supported Initiatives

Through our memberships, we continue to contribute to both our sector and society.

By working in close cooperation with İKMİB, we support the development and implementation of sustainable export policies.

In order to contribute to the development of our sector and adopt a business model aligned with global standards, we maintain various corporate memberships and collaborations. These memberships enable us to stay informed about current developments in the sector, develop innovative approaches, and be an effective stakeholder in the business world. Below are detailed descriptions of the organizations we are members of and the nature of our relationships with them.

Name	Abbreviation	Description
Gemlik Chamber of Industry and Commerce	 GTSO	MKS Marmara maintains a strong collaboration with GTSO, which regulates commercial activities in Gemlik and contributes to the development of the local business community. Through our GTSO membership, we take part in significant projects that support regional development and industry growth.
Istanbul Chemicals and Chemical Products Exporters' Association	 İKMİB	As one of the most prominent associations representing Türkiye's chemical sector, İKMİB provides guidance for our export activities. This membership offers us opportunities to enhance our export operations and strengthen our global competitiveness.
Istanbul Chamber of Commerce	 İTO	Our membership in İTO, one of Türkiye's most established chambers of commerce, enables us to play an active role in shaping business-related policies. It also provides a valuable platform for addressing sector-specific challenges and pursuing business development initiatives.



As of 2023, there are no new memberships or initiatives; however, we continue to contribute to our sector and society through our existing memberships. These affiliations support us in closely following current developments in the industry, developing innovative approaches, and positioning ourselves as an effective stakeholder in the business world. Below are the organizations we are members of and the details of our collaborations with them.

Gemlik Chamber of Industry and Commerce (GTSO)

Within the scope of our collaboration with GTSO, we actively support projects aimed at the economic and social development of our region. This cooperation contributes to strengthening the local economy and enhancing the well-being of the local community.

Istanbul Chemicals and Chemical Products Exporters' Association (İKMİB)

By working in close cooperation with İKMİB, we contribute to the development and implementation of sustainable export policies. Through this collaboration, we aim to enhance the international competitiveness of Türkiye's chemical industry and promote environmentally conscious export practices.

Istanbul Chamber of Commerce (İTO)

Through our membership in İTO, we play an active role in shaping policies and practices related to our sector. This participation not only supports the development of our industry but also contributes to the growth of Türkiye's economy.

These memberships and collaborations form a vital foundation for realizing our sustainability vision and for building stronger and more effective relationships with our stakeholders. In the coming periods, we will continue to strengthen our existing memberships while seeking new collaborations and partnerships to add value to both our sector and society.

Material Topics and Materiality Matrix

Our materiality assessment has been prepared by taking into account the expectations of our stakeholders.

As MKS Marmara, we aim to enhance operational excellence and achieve our sustainability goals by acting in line with these material priorities.

MKS Marmara's materiality matrix has been developed as a fundamental guide to ensure the effective implementation of our sustainability strategy. This study, prepared with consideration of stakeholder expectations, reinforces our commitment to transparency and accountability. In line with our material topics, we aim to allocate our financial, technological, and human resources most efficiently by focusing on the most urgent and impactful areas within environmental, social, and governance (ESG) matters.

In creating the matrix, stakeholder input, impact assessments, and sectoral benchmarks were taken as key references. Through this approach, sustainability

issues were objectively prioritized, ensuring that our strategic decisions are built on a solid foundation. Our prioritization of critical topics such as climate change mitigation, carbon management, and the circular economy strongly supports the Company's long-term environmental vision and sustainable growth objectives.

At MKS Marmara, we aim to enhance operational excellence and achieve our sustainability goals by acting in line with the priorities identified in this study. Serving as a clear compass in our sustainability journey, the materiality assessment also plays a vital role in making our business processes more efficient and resilient. Furthermore, this study stands as a significant indicator of our transparency and accountability toward our stakeholders.



Material Topics and Materiality Matrix














The materiality assessment has also served as a foundation for the development of sustainability strategies.



Sustainable Development Goals We Contribute to

By integrating the United Nations Sustainable Development Goals (UN SDGs) into our business processes, we are taking steps that add value to the future. In line with our identified material topics across environmental, social, economic, and governance areas, we continue our efforts to support sustainable development through selected SDGs. From combating climate change to water management, from developing innovative products to advancing human rights, we remain committed to driving transformation both within our sector and across society.

We will continue to progress with the aim of creating positive change across a broad spectrum—from climate action and water management to innovative product development, human rights, responsible consumption and production, and quality education. In this context, some of the key SDGs we focus on are:

Sustainability Topic	Contributed Sustainable Development Goals (SDGs)
ENVIRONMENTAL	
Combating Climate Change, Adaptation and Resilience	
Sustainable Carbon Management	 
Waste Management and Circular Economy	 
Water Management	
Environmentally Friendly Products	
Biodiversity	 
ECONOMIC	
Operational Excellence and Business Continuity	 
Product and Service Quality	
Effective Energy Management	 
R&D, Innovation and Digital Transformation	

ECONOMIC	
Sustainable Economic Performance	
Sustainable Supply Chain Management	 
Logistics Impacts	 
SOCIAL	
Occupational Health and Safety	
Employee Engagement and Satisfaction	
Employee Well-being and Development	 
Equal Opportunity, Diversity and Inclusion	 
Human Rights	
Gender Equality	
Corporate Citizenship	
GOVERNANCE	
Corporate Governance	
Business Ethics, Legal Compliance and Transparency	
Proactive Risk and Crisis Management	
Anti-Bribery and Anti-Corruption	
Data Security and Privacy	

Corporate Sustainability



Corporate Governance

We manage our operations based on the principles of transparency, accountability, and effective governance.

Our firm commitment to anti-bribery and anti-corruption, integrity, transparency, accountability, and business ethics forms the foundation of our corporate culture.

At MKS Marmara, we continuously reshape our corporate governance approach with a focus on sustainability. While managing our operations based on the principles of transparency, accountability, and effective governance, we strive to balance the needs of both present and future generations. Throughout 2023, we further developed our sustainability strategy and continued integrating environmental, social, and governance (ESG) principles into all our business processes. This integration not only enhances our operational efficiency but also strengthens our relationships with stakeholders. Through our governance model, we aim to contribute to a more sustainable future by supporting our ability to adapt to evolving global conditions and pursue long-term value creation.

At the core of MKS Marmara's corporate governance approach lies the alignment of strategic objectives with sustainability principles, the management of business processes within this framework, and the full compliance of Company activities with laws, corporate policies, and internal regulations. Our Board of Directors, the highest decision-making body overseeing these processes, is also responsible for the effective identification of the human and financial resources necessary to achieve our long-term value creation goals and for the regular monitoring of management performance.



Our Corporate Policies

Our corporate policies, which embody and support our governance approach, have been shaped in full alignment with the sustainability goals of our Company. These policies ensure that sustainability principles are considered at every stage of our operational processes. Our main policies include:

Energy Management Policy: In line with the ISO 50001 Energy Management System standards, we aim to continuously improve energy efficiency and encourage investments in renewable energy sources. This policy helps us minimize our environmental impact by reducing energy consumption and lowering our operational costs.

Occupational Health and Safety Policy: To ensure the highest level of safety for all our employees and stakeholders, we organize comprehensive OHS training programs and make continuous infrastructure investments to improve our occupational safety standards. We carry out our efforts with the target of zero workplace accidents.

Ethics and Compliance Policies: Our firm commitment to anti-bribery and anti-corruption, integrity, transparency, accountability, and business ethics forms the foundation of our corporate culture. These policies ensure ethical conduct in all our business relationships and full compliance with legal regulations.

Board of Directors, Executive Board, and Committees

We coordinate operational management through our Executive Committee.

At MKS Marmara, the committees reporting to the Board of Directors play a key role in achieving our sustainability goals.

Board of Directors

MKS Marmara's Board of Directors is composed of experts with many years of experience in the sector and plays an active and critical role in defining our strategic objectives, effectively implementing our sustainability policies, and advancing our corporate governance approach. The Board bases its decision-making processes on the principles of transparency, accountability, fairness, and integrity, aiming to ensure the long-term success of the Company and to create sustainable value for all stakeholders.

Executive Committee

At MKS Marmara, we have a strong Executive Committee that effectively coordinates the operational management of our Company and the process of achieving our strategic goals. The Committee consists of a Chairperson and three members. Our Chairperson also serves as the employer of the Company, and the Committee ensures effective coordination in advancing toward our strategic objectives. One of our members, the General Manager, has been serving the Company for many years with deep expertise in trade and operational management.

Committees and Working Groups

Reporting to the Executive Committee At MKS Marmara, the committees reporting to the Board of Directors play a key role in achieving our sustainability goals:

Sustainability Committee: This committee ensures strategic decision-making in key areas such as green energy projects, carbon footprint management, and the circular economy. It is also responsible for the preparation of sustainability reports.

Sustainability Committee		
Name	Title	Position in the Committee
Yüksel Akyüz	Plant Manager	Leader
Mustafa Ünlü	Accounting and Finance Manager	Member
Onur Özkaya	Sustainability and Quality Manager	Member
Tarık Polat	R & D and Quality Assurance Manager	Member
Yusuf Gökyer	Operations Manager	Member
Mehmet Ünver	Maintenance and Project Manager	Member
Muhammet Taşçı	Domestic Trade Manager	Member
Salih Yiğit	Foreign Trade Manager	Member

Sustainability Management Committee: The Sustainability Management Committee has been established to define, implement, and monitor sustainability strategies. In line with environmental, social, and governance (ESG) criteria, this committee aims to ensure the integration of sustainability goals across the organization and to facilitate the efficient execution of related processes.

Sustainability Management Committee		
Name		Position
Onur Özkaya		Member
Abdülvehap Ağ		Member
Burak Öner		Member
Adem Akman		Member
Alper Uzuntaş		Member
Murat Yılmaz		Member

OHS Working Group: The Occupational Health and Safety (OHS) Working Group evaluates occupational health and safety risks, develops preventive measures, and carries out efforts to minimize workplace accidents. Prioritizing employee health and safety, the group aims to ensure a safe working environment.

OHS Working Group		
Member		Position
Security Management System Chief		Leader
Human Resources Manager		Member
Occupational Physician		Member
Chief Foreman Representative		Member
Chief Employee Representative		Member
Mechanical Maintenance Foreman		Member
Electrical Maintenance Foreman		Member
Subcontractor Representative		Member
Process Safety Engineer		Member
Environmental Engineer		Member

Board of Directors, Executive Board, and Committees

Energy Working Group: The Energy Working Group develops projects aimed at increasing energy efficiency, promoting the use of renewable energy sources, and optimizing energy consumption. It implements an energy management system in accordance with ISO 50001 standards and strives for continuous improvement.

Environment and Climate Working Group	
Member	Position
Environmental Engineer	Leader
Mechanical Maintenance Engineer	Member
Formaldehyde & Resin Production Engineer	Member
Penta Production Chief	Member
Import and Export Operations Manager	Member
Environmental Consultant	Member
Greenhouse Gas Verification Consultant	Member

Workplace Working Group: The Workplace Working Group focuses on enhancing employee satisfaction, fostering an inclusive work environment, and promoting practices that respect human rights. Its priorities include supporting employee development and ensuring fair working conditions.

Workplace Working Group	
Member	Position
Human Resources Manager	Leader
Import and Export Operations Manager	Member
General Accounting Officer	Member
Invoice, Current Account and Personnel Officer	Member
Personnel Affairs Officer	Member
Administrative Affairs Officer	Member
Occupational Physician	Member
HR Consultant	Member

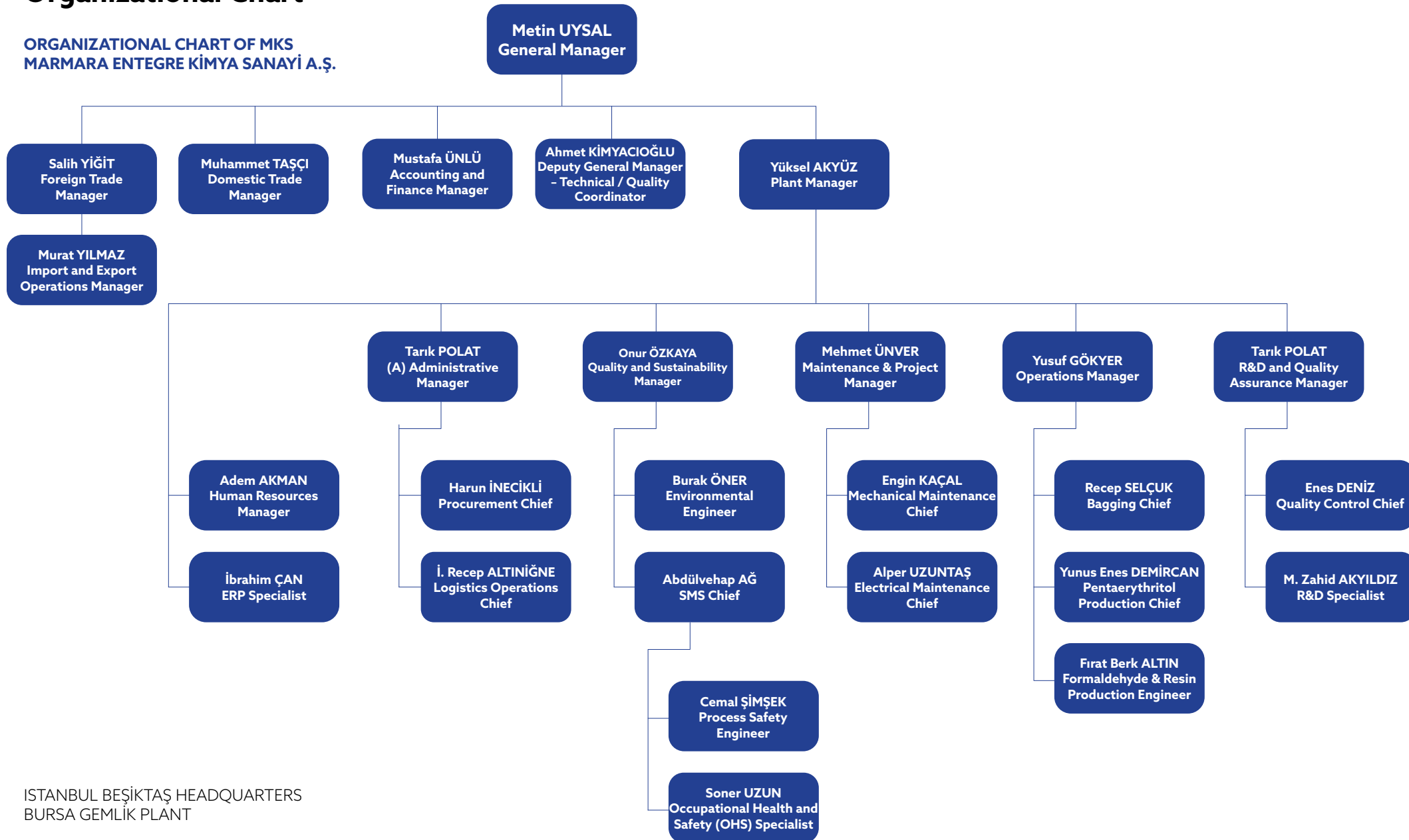
Energy Working Group	
Member	Position
Electrical Maintenance Chief	Leader
Formaldehyde and Resin Engineer	Member
Penta Production Chief	Member
Mechanical Maintenance Chief	Member
Environmental Engineer	Member
Process Safety Engineer	Member
OHS Specialist	Member
Construction Works Supervisor	Member

Supply Chain Working Group

Supply Chain Working Group	
Member	Position
Import and Export Operations Manager	Leader
Logistics Operation Chief	Member
Procurement Chief	Member
Quality Control Chief	Member
Human Resources Manager	Member
Security Management System Chief	Member
Environmental Engineer	Member
General Accounting Officer	Member
KKDIK (REACH Türkiye) Consultant	Member

Organizational Chart

ORGANIZATIONAL CHART OF MKS MARMARA ENTEGRE KİMYA SANAYİ A.Ş.



İSTANBUL BEŞİKTAŞ HEADQUARTERS
BURSA GEMLİK PLANT

GRI 2-9, 2-11

MKS Marmara Sustainability Report 2022-2023

Business Ethics, Legal Compliance, and Transparency

Integrity and honesty are our core values.

The Ethics and Human Rights Board, established to prevent, report, and resolve unethical behavior, serves as a reliable support mechanism for all our employees.



Ethical Principles and Management Approach at MKS Marmara

At MKS Marmara, integrity and honesty are our core values in all business processes and relationships. We conduct our interactions with employees, customers, shareholders, and other partners in line with these principles. Our ethical values are clearly defined in our **"Code of Ethics and Principles of Conduct"** directive, which is shared with all employees and serves as the foundation of our operations. The Ethics and Human Rights Board, established to prevent, report, and resolve

unethical behavior, provides a reliable support mechanism for all our employees.

Ethics Hotline and Reporting Mechanisms

Our Company offers multiple channels for reporting ethical violations. Employees and other stakeholders may submit ethics reports to the Ethics and Human Rights Board via email, telephone, or postal mail. It is also possible to directly contact members of the Board. The identities of whistleblowers are kept confidential, and the transparency of the process is ensured. No ethics violation reports were submitted in 2022 or 2023.

Factory Ethics and Human Rights Board Members

Plant Manager
Operations Manager
R & D and Quality Assurance Manager
Maintenance and Project Manager
Quality and Sustainability Manager
Human Resources Manager

Head Office Ethics and Human Rights Board Members

General Manager
Deputy General Manager
Accounting and Finance Manager
Foreign Trade Manager
Domestic Trade Manager

Communicating Ethical Principles to Employees

New employees are introduced to our ethical principles during the onboarding program, while existing employees are informed through annually planned training sessions. In addition, our business ethics policy is published on our official website and made accessible to all. Beyond training, regular awareness programs are conducted to encourage the adoption and internalization of ethical values among our employees.

Our Activities to Promote an Ethical Culture

At MKS Marmara, various initiatives have been implemented to foster a culture of business ethics throughout the organization. To strengthen employee commitment to ethical values, regular business ethics trainings are conducted, and the importance of ethical behavior is emphasized at every opportunity. The Ethics and Human Rights Board is

responsible for closely monitoring and evaluating potential violations and, when necessary, refers cases to disciplinary committees. Through transparent communication channels, our Company supports the reporting and effective prevention of unethical behavior.

We actively demonstrate our commitment to the principle of transparency in our business processes. Employee access to information is facilitated through internal communication platforms, bulletin boards, emails, and video conferencing tools. In addition, social media, surveys, and feedback systems are used to gather valuable insights and suggestions from employees, which are taken into account in decision-making processes—thereby promoting a transparent and participatory management approach. Meetings between company boards and employee representatives are held regularly to ensure strong and transparent communication between management and staff.

Business Ethics, Legal Compliance, and Transparency

With our continuously updated processes, we ensure full compliance with regulations.

Our Sedex membership is a tangible indicator of our commitment and determination to align with ethical trade standards.

Legal Compliance and Monitoring of Industry Standards

Changes in legal regulations and industry standards are regularly monitored through our legal consultants, reputable industry associations, and relevant governmental bodies. With continuously updated processes, we ensure full compliance with all applicable laws and fulfill our responsibilities in this area without exception. Our business ethics, transparency, and legal compliance policies enable us to build trust-based, strong relationships with our stakeholders and establish long-term, sustainable partnerships.

Sedex Membership and Ethical Trade Practices

MKS Marmara is a member of Sedex, a global platform aimed at improving working conditions in supply chains. This platform provides valuable support in ethical data sharing, reporting, and collaboration processes. Our Sedex membership is a concrete demonstration

of our commitment to complying with ethical trade standards and maintaining high levels of integrity in our operations.

Ethics and Disciplinary Processes

At MKS Marmara, transparency is one of our key principles in ensuring compliance with and commitment to our ethical values. Our Ethics Board actively works to prevent behaviors that violate ethical principles and to resolve such cases with diligence when necessary. In its evaluation of non-compliance, the Board adheres to legal frameworks such as the Disciplinary and Personnel Regulations, Labor Law, Occupational Health and Safety Legislation, as well as internal workplace rules and conditions. When a violation is identified, the relevant individual(s) are referred to the Disciplinary Committee.

Structure and Responsibilities of the Disciplinary Committee

Our Disciplinary Committee consists of experienced employee representatives and qualified employer representatives. At our production facilities, the committee comprises 6 regular and 2 substitute members, while at our headquarters it includes 4 regular and 2 substitute members. The committee ensures that ethical violations are evaluated thoroughly and fairly. In addition to identifying inappropriate behavior, the committee also determines the necessary corrective actions and develops solution-oriented approaches. During this process, the reporting of discrimination cases and the assessment of actions taken are carefully overseen by the Ethics and Human Rights Board.

4

The number of principal members in the Disciplinary Committee (Headquarters)



Sustainable Production Integrated with the Economy



Customer Satisfaction and Experience

We place customer satisfaction at the core of our business processes.

To continuously improve the customer experience, we conduct regular visits and perform root cause analyses in complaint management to prevent recurring issues.

2023 Domestic Customer Satisfaction Rate

92%

2023 International Customer Satisfaction Rate

89%

At MKS Marmara, we place customer satisfaction at the center of our business processes and adopt flexible production models in line with this approach. We enhance our responsiveness to customer demands and accelerate supply processes through effective inventory management. To continuously improve the customer experience, we conduct regular visits and aim to prevent recurring issues by performing root cause analyses in complaint management. Additionally, we consistently improve our processes by regularly measuring our performance through customer satisfaction surveys.

Customer Profile and Areas of Operation

Internationally, we maintain successful collaborations with globally recognized and reputable companies operating in sectors such as coatings, adhesives, lubricants, and aerospace. Domestically, we actively serve industries including paint, leather, wood-based panels, animal feed, and resin. Thanks to this diversity, we continuously



develop our product portfolio with an openness to innovation, offering tailored and effective solutions to a wide range of customer profiles.

Sustainable Customer Relations

As of 2023, our customer satisfaction rates were measured at 92% domestically and 89% internationally. We respond to 100% of customer feedback, ensuring the highest level of trust and transparency in our stakeholder relationships. Additionally, we demonstrate our sensitivity to environmental sustainability by listening closely to our customers' expectations—this has led us to initiate the development of bio-based resins in line with their demands.

Our Commitment to Customer Health and Safety

We provide comprehensive training, detailed informational resources, and effective technical support to ensure the safe and healthy use of our products by our customers.

- **Training:** We organize informative training sessions on product use, safety procedures, and potential emergency management.
- **Information Sharing:** Safety Data Sheets (SDS) and detailed technical information are shared transparently with our customers.
- **Support:** Our expert technical teams offer continuous support, responding promptly and effectively to all customer inquiries and meeting their needs.

Customer Satisfaction and Experience

We consider customer health and safety among our highest priorities.

At MKS Marmara, we view full compliance with all applicable legal requirements and regulations in every area of our operations as one of our foremost responsibilities, and we carry out this commitment with great diligence.

At MKS Marmara, customer health and safety are among our highest priorities. In our commitment to protecting customer well-being and contributing to a sustainable future, we outline the following key pledges:

Product Compliance

As MKS Marmara, we conduct all necessary analyses with great care to ensure that our products fully comply with all relevant health and safety standards. To independently verify and document the safety and compliance of our products, we regularly carry out tests in independent and accredited laboratories. Throughout the entire life cycle of our products, we proactively identify all potential risks and hazards, and we continuously work to reduce these risks to acceptable levels.

Customer Information

We ensure that our customers are provided with all necessary information for the safe and healthy use of our products in a complete and accurate manner. Through Safety Data Sheets (SDS) and our experienced technical team, we offer continuous and effective support whenever needed.

Transparency and Communication

As MKS Marmara, we are committed to maintaining transparent and open communication with our customers at all times. We provide detailed and clear information regarding the materials used in our products, their contents, and any potential health and safety impacts. We respond to all customer inquiries openly, honestly, and promptly, upholding the principles of transparency and clarity in all customer interactions.



Legal Compliance

At MKS Marmara, ensuring full and complete compliance with all applicable legal requirements and regulations in every area of our operations is one of our top responsibilities. We closely monitor regulatory developments related to REACH, CLP, KKDİK, and other key legal frameworks, and we take all necessary actions to comply with these regulations. Our sensitivity to legal compliance is an integral part of our business processes.

Emergency Response

We are committed to providing rapid and effective technical support in the event of any potential emergency our customers may experience during or after product use. Our emergency procedures and expert teams are always ready to respond to any urgent need in the shortest time possible. To maintain the highest levels of customer satisfaction and safety, we continuously work to improve our emergency response practices.

Continuous Improvement

We consider customer feedback to be a highly valuable input and evaluate it carefully to continuously optimize our processes and products. We embrace a philosophy of continuous improvement in order to enhance customer satisfaction and meet their expectations in the best possible way. Providing our customers with the safest and healthiest products is our top priority.

This policy came into effect on September 1, 2023, and reflects MKS Marmara's commitment to customer health and safety.

Operational Excellence and Business Continuity

We ensure the highest level of traceability across all our operations.

UKAS accreditation demonstrates that MKS Marmara's management systems comply with international best practices and have been verified by an independent third party.

We aim to achieve our operational excellence and business continuity objectives through robust management systems developed and implemented in line with international standards. Our Company is regularly audited by independent and reputable certification bodies accredited by the United Kingdom Accreditation Service (UKAS). As a result of these audits, our compliance with relevant standards is formally documented. Through this process, we continuously improve our operations, enhance our performance, and ensure the highest level of traceability across all our activities.

The Importance of UKAS Accreditation:

UKAS (United Kingdom Accreditation Service) is the national accreditation body of the United Kingdom. UKAS accreditation independently evaluates and confirms the competence, impartiality, and performance capability of organizations that provide certification, testing, inspection, and calibration services. Certificates issued by a certification body accredited by UKAS are highly regarded and trusted on an international level. This accreditation demonstrates that MKS Marmara's management systems comply with international best practices and have been validated by an independent third party. It provides an additional level of assurance to our customers, business partners, and other stakeholders regarding the quality of the services and products we offer. Furthermore, UKAS accreditation supports organizations in pursuing continuous improvement and a strong focus on customer satisfaction.

Chronology of Management Systems Implemented

- ***ISO 9001:2015 Quality Management System:***

Implemented in 1997, this system supports our goals of delivering quality services and ensuring customer satisfaction. In response to increasing competition and evolving customer needs, we continuously improve our processes.

- ***ISO 45001:2018 Occupational Health and Safety Management System:***

Launched in 2003, this system reflects our primary goal of achieving zero workplace accidents. MKS Marmara holds the distinction of being the first company certified under this standard.

- ***ISO 14001:2015 Environmental Management System:***

Introduced in 2012, this system enables us to implement environmental practices that go beyond legal compliance, driven by a sense of social responsibility. Our waste management processes are fully tracked in a digital environment.

- ***ISO 27001:2013 Information Security Management System:***

Established in 2016, this system prioritizes data security and business continuity, ensuring compliance with both national and international regulations.

- ***FAMI-QS Ver. 6.0 & Q-S Feed Additives Management System:***

Adopted in 2016, this system ensures safety and quality standards in the production of feed additives, based on the principles of HACCP.

- ***ISO 50001:2018 Energy Management System:***

Activated in 2021, this system was developed in line with our energy efficiency and sustainability objectives.



Operational Excellence and Business Continuity

We draw strength from international standards to ensure business continuity.

With the implementation of our new ERP system, process traceability has been enhanced, and process improvement efforts have been carried out through report analysis to support our operational excellence goals.

Integration of Management Systems into Sustainable Management



Operational Improvement Initiatives

In 2022 and 2023, comprehensive projects were carried out to enhance the efficiency of operational processes. With the implementation of our new ERP system, traceability across processes was improved, and process improvement efforts were conducted through report analysis to achieve our operational excellence objectives. Within this scope, targeted investments were made in critical areas, and steps were taken to boost efficiency.

Business Continuity Strategy

To ensure business continuity, a comprehensive Disaster Recovery and Restoration Plan was put into effect. This plan aims to minimize data loss and maintain uninterrupted operations. Processes such as daily data backups, cross-backups, and system recovery within 48 hours are in place. Additionally, Crisis Management Teams and Emergency Response Teams have been assigned to ensure rapid action during crises. Regular drills and training sessions are conducted to enhance staff knowledge and skills, while manual record-keeping methods are used to ensure data security. The integration of new technological solutions

and cloud-based systems supports our business continuity efforts and strengthens our operational resilience.

At MKS Marmara, we rely on international standards to ensure operational excellence and guarantee business continuity. We are committed to continuously improving our processes, developing environmentally responsible practices, and achieving our goals with the contributions of our employees. Our management systems are designed not only to comply with global standards but also to effectively support our operational processes.



Management System	Description
ISO 9001:2015 Quality Management System	This system, which aims to enhance customer satisfaction and product quality, helps us increase our competitiveness by continuously improving our processes.
ISO 45001:2018 Occupational Health and Safety Management System	The safety and health of our employees are our top priorities. In line with our zero-accident goal, we are committed to creating a safe working environment.
ISO 14001:2015 Environmental Management System	Through our environmentally conscious practices, we reduce our carbon footprint, improve our waste management processes, and fulfill our environmental responsibilities.
ISO 27001:2013 Information Security Management System	We operate in accordance with international standards to ensure data security and business continuity.
FAMI-QS Ver. 6.0 & Q-S Feed Additives Management System	By guaranteeing quality and safety in feed additives, we secure our production processes.
ISO 50001:2018 Energy Management System	We implement more sustainable production methods by increasing energy efficiency.

Operational Excellence and Business Continuity

Our Process Improvement Efforts

The steps we take to make our processes more effective and efficient are shaped by the support of our employees and the power of technology.

Topic	Description
Integration of Management Systems	We manage our processes more effectively by integrating quality, environmental, and safety management systems.
Technological Advancement and Digitalization	The safety and health of our employees are our top priorities. We are committed to creating a safe working environment in line with our zero-accident goal.
Training and Awareness Activities	We regularly organize training programs to enhance the knowledge and skills of our employees and to improve compliance with quality standards.
Environmentally and Sustainability-Oriented Improvements	Acting with environmental sensitivity, we improve our waste management and optimize our production processes through energy-saving projects.
Internal Audit Mechanism	We audit all our processes under the leadership of different department heads and contribute to improvements across the organization.

Operational Challenges and Our Solution Approaches

Topic	Description
Environmental Challenges	To address large-scale environmental challenges such as climate change, we implement projects that reduce our carbon footprint and adopt circular economy practices.
Energy and Resource Utilization	To reduce energy costs and enhance resource efficiency, we implement projects in line with the ISO 50001:2018 standard.
Supply Chain Management	We build a strong supply chain network by evaluating the social and environmental performance of our suppliers.
Digital Security and Business Continuity	Through our Disaster Recovery Plan and cross-backup systems, we ensure data security and maintain our business continuity.
Employee Health and Safety	To ensure the safety of our employees and achieve our zero-accident target, we conduct regular training sessions and risk assessments.

Key Performance Indicators (KPIs) for Operational Excellence

The key performance indicators (KPIs) we have defined to monitor our operational excellence goals and evaluate our performance cover critical areas such as sustainability, energy efficiency, environmental impact, quality, and occupational health and safety. These indicators serve as a roadmap in achieving our strategic objectives. Our key KPIs are presented in the table below.

Topic	Indicators
Strategic Planning and Activity Execution	<ul style="list-style-type: none"> Strategic activity and investment plan realization rate
Occupational Health and Safety (OHS)	<ul style="list-style-type: none"> Accident frequency and severity rate Number of fatal accidents and occupational diseases Accidents resulting in lost workdays
Energy and Resource Efficiency	<ul style="list-style-type: none"> Energy consumption per unit of production Development of new energy efficiency projects and compliance with plans Total energy consumption
Environmental Performance	<ul style="list-style-type: none"> Amounts of hazardous and packaging waste Water consumption and production volume
Quality Management	<ul style="list-style-type: none"> Customer complaint resolution time Product yield
Supply and Logistics Performance	<ul style="list-style-type: none"> On-time supply and delivery rate Compliance with shipment schedules
Customer Satisfaction and Market Performance	<ul style="list-style-type: none"> Customer satisfaction rate Number of product recalls
Training and Employee Performance	<ul style="list-style-type: none"> Training plan realization rate and training hours per employee Turnover rate Compliance with competency development action plan
Audit and Process Compliance	<ul style="list-style-type: none"> Compliance with audit plans Action completion rate and duration Number of critical vulnerabilities
Maintenance and Operational Processes	<ul style="list-style-type: none"> Compliance with maintenance plans Number of repaired malfunctions Electricity consumption and unit electricity cost

Operational Excellence and Business Continuity

We adopt a management approach aligned with sustainability ratings.

In the 2023 EcoVadis Sustainability Rating, we were awarded the Bronze Medal based on our performance in the categories of environment, labor and human rights, business ethics, and sustainable procurement.



International Compliance Obligations



At MKS Marmara, in line with our operational excellence objectives, we adopt a management approach that aligns with international standards and sustainability ratings. In this context, based on our performance in the categories of environment, labor and human rights, ethics, and sustainable procurement, we were awarded the Bronze Medal in the 2023 EcoVadis Sustainability Rating.



Similarly, we successfully passed independent international audits conducted under the SEDEX Ethical Trade Partnership framework, with no non-compliance identified in areas such as environment, health and safety, business continuity, and labor standards. These reports, which are accessible on the SEDEX platform, reinforce our commitment to transparency and help us build strong, trust-based relationships with our customers.



In addition, we have enhanced the security of our supply chain to comply with the Customs-Trade Partnership Against Terrorism (C-TPAT) program. We have implemented the necessary systems to minimize terrorism-related risks within our supply chain, in accordance with customs and border protection standards.



Under the Law on the Protection of Personal Data (KVKK), we have established dedicated systems to ensure data security and protect personal information within our Company. These efforts have resulted in a secure information management system for both our employees and customers.



Furthermore, through the Authorized Economic Operator (AEO) status, we have aimed to facilitate customs procedures and enhance the reliability of our supply chain. This system, completed in 2021, is a key factor in strengthening our competitiveness in international trade.

Sustainable Supply Chain Management

We focus on efficiency and environmental responsibility within our supply chain.

Reducing the carbon and water footprint of suppliers is one of MKS Marmara's core sustainability strategies.



You can access the Supplier Code of Ethics [here](#).

As MKS Marmara, we are committed to sustainable supply chain management by integrating environmental, social, and economic sustainability principles into our procurement processes. Our aim is to make our operations more efficient, environmentally friendly, and ethical. We prioritize responsibility and transparency at every stage of the supply chain and manage all processes within the framework of our integrated management systems.

To ensure the sustainability of our supply chain, we implement strategies that emphasize efficiency and environmental responsibility. For instance, we conduct carbon footprint calculations and monitoring activities in our logistics processes and assess our suppliers' sustainability performance through independent rating platforms such as EcoVadis. The outcomes of these evaluations guide our improvement initiatives.

Our supplier policy encompasses key elements such as ethical conduct, environmental awareness, social responsibility, legal compliance, and product



safety. We expect our suppliers to comply with environmental criteria such as energy efficiency, reduction of greenhouse gas emissions, and effective waste management. We also require strict adherence to social responsibility principles, including respect for human rights, non-discrimination, and the provision of safe working conditions.

Compliance with international standards such as ISO 9001, ISO 14001, ISO 45001, ISO 27001, ISO 50001, and FAMI-QS is among the primary criteria in our supplier selection process. Furthermore, in 2024, we plan to begin sourcing bio-based raw materials with the implementation of ISCC+ certification and supporting infrastructure, aiming to reduce our carbon footprint. Approximately 40% of our suppliers are domestic, and we are working to increase this ratio in line with our sustainability strategy.

We take various precautions against potential risks within our supply chain. By increasing the storage capacity for critical raw materials and seeking alternative suppliers, we are preparing for possible disruptions.

We also strengthen our risk management by establishing long-term collaborations with reliable suppliers.

Our goal is to work closely with our suppliers to reduce their carbon and water footprints, increase their resilience to climate-related risks, and enhance their overall sustainability performance. In this context, we organize training on environmental and occupational health and safety, develop projects aimed at increasing recycling rates, and take concrete steps toward reducing greenhouse gas emissions.

Our 2022-2026 sustainability plans prioritize the application of environmental compliance criteria for new suppliers and the enhancement of emission reduction opportunities across the value chain. In line with this vision, we position our suppliers as strategic partners in building a sustainable future.

R & D, Innovation, and Digital Transformation

We develop innovative solutions for our customers.

In line with our customers' specific needs, we create innovative solutions throughout the product design and manufacturing processes.

At MKS Marmara, we view every research and development activity as a strategic opportunity—one that elevates our Company to a higher level, contributes to the development of our employees, and strengthens our corporate structure. We structure our R&D efforts under two main categories: "studies" and "projects."

Studies involve continuous improvement activities aimed at enhancing the performance of existing products, increasing efficiency, and making product modifications tailored to customer demands in a short timeframe. Within this scope, we develop innovative solutions throughout the product design and production processes based on the specific needs of our customers.

Projects, on the other hand, are long-term initiatives focused on areas such as sustainability, energy efficiency, environmentally friendly production, carbon footprint reduction, and the development of innovative technologies. Through these projects, we aim to build infrastructures that meet future demands and deliver groundbreaking solutions in our sector. The duration of our new product development projects typically ranges from six to eighteen months.

We aim to improve our production processes in alignment with our sustainability goals. Accordingly, we plan our R&D activities on an annual basis. As a result of four projects carried out in 2022 and 2023, we successfully developed and implemented two new products into our production lines. The necessary facility improvements for these products have been completed. These projects support both our environmental and operational sustainability objectives, reinforcing our strategic priorities such as energy efficiency and a low carbon footprint.

As part of our innovation-driven product development efforts, a total of four innovative projects were initiated in 2022 and 2023, two of which successfully resulted in new products. Among the notable projects are the production of phenolic resins with bio-based raw material additives and the development of high-content impregnation resins. These efforts have contributed significantly to our sustainability and innovation strategy, enabling us to diversify our product portfolio and enhance our competitiveness in the market.

Our R&D Department, which comprises approximately 2% of our total workforce, aims to deliver innovative solutions to the industry each year through new projects, thereby strengthening our competitive edge. In this direction, our new product development activities continue to support sustainable growth.



Our R&D and Innovation Collaborations

As MKS Marmara, we collaborate with universities and various research institutions to accelerate our research and development processes and enhance our innovation capacity. During our projects, we consult with universities to define methodologies and integrate academic expertise into our research processes. All of our R&D activities are carried out in our in-house laboratories. Additionally, based on the specific needs of our projects, we obtain specialized consultancy services from firms operating in relevant sectors. To support our analysis and testing processes, we also collaborate with nearby research institutes such as the Bursa Test and Analysis Laboratory (BUTAL).

Our Innovation and Digitalization Investments

As MKS Marmara, we made significant investments in R&D and innovation during 2022 and 2023. On average, our R&D budget accounts for 0.3% of our total budget, and we aim to increase this ratio to 0.5% in the medium term. By doing so, we intend to boost our research intensity and, in alignment with our long-term growth objectives, realize our vision of becoming an R&D center.

In the field of digital transformation, we have been conducting comprehensive efforts to improve business processes and enhance efficiency. In recent years, we replaced our outdated ERP system, which no longer met our operational needs, with more innovative and functional applications. Development efforts in this area continue internally, designed to meet both current and future business requirements. As part of our digital transformation initiatives, we

are also continuously improving our laboratory infrastructure. In this context, we equipped our R&D laboratory with an FTIR device and a GPC device in 2022-2023. With these new additions, we aim to enhance our analytical capacity and achieve more efficient and faster results.

Our R&D Approach with a Focus on Sustainability

At MKS Marmara, we conduct intensive research to ensure that our products and services align with environmental sustainability principles. A key focus of these efforts is replacing the raw materials used in our production processes with more sustainable and environmentally friendly alternatives. Our R&D activities, particularly centered around bio-based raw materials, represent one of our most important forward-looking steps in this field.

In pursuit of sustainable product development, we go beyond internal R&D projects and strategically consider technology transfer and collaborations with consulting firms specialized in the industry. Throughout this process, our senior management actively supports the necessary actions to ensure swift alignment with our sustainability transformation goals.

Among our Company's long-term strategic goals is to take meaningful steps toward becoming carbon neutral. In line with this objective, we will continue our research efforts to source energy and raw materials from sustainable origins. Additionally, we plan to closely follow global advancements in this area, build new collaborations, and implement the necessary infrastructure investments.

Data Security and Privacy

Our Information Security Policy complies with ISO 27001 and the Law on the Protection of Personal Data (KVKK).

To strengthen our data security strategy in the future, we plan to implement cloud backup systems that are resistant to ransomware attacks—systems that cannot be deleted or encrypted—and to use NAC (Network Access Control) solutions to enhance network security.

**Number of Employees
Trained on KVKK**

119

**Number of Penetration Tests
Conducted in One Year**

2

At MKS Marmara, we manage our information governance in line with our Information Security Management System Policy and carry out this process through our IT Department and Information Security Board. The responsibility of protecting the Company's information assets and ensuring compliance with national and international standards is among the primary duties of these units. We regularly assess, prioritize, and take the necessary precautions regarding information security risks. All our customer, infrastructure, process, and technology information is protected based on confidentiality principles and shared only with authorized individuals. Our senior management allocates the necessary resources to ensure the continuity of this system and monitors its implementation by setting annual information security objectives.

Our Information Security Policy has been established in accordance with ISO 27001 and KVKK standards and is continuously updated. We are committed to using the

best systems and the latest technologies in our data security strategy. We actively utilize technologies such as SIEM tools, DSS applications, and DLP products to ensure data security. In addition, we conduct Penetration Tests twice a year and organize Information Security Awareness Trainings.

Protection of Personal Data

The protection of personal data is one of our Company's top priorities. Our policies established under the scope of KVKK cover the processes related to the collection, processing, storage, and sharing of data. These policies are shared with all our stakeholders and are made accessible on our website. In addition, through the support of professional external audits during our ISO 27001 certification process, we ensure continuous improvement of our policies and procedures. Awareness is raised through KVKK trainings organized annually for our employees. In 2023, a one-hour KVKK training per person was provided to 119 employees by our legal consultants. We also publish informative texts on KVKK in our corporate magazine.

The data collected from our customers, employees, and business partners is backed up, access permissions are defined based on data classifications, and data leakages are prevented through DLP solutions. We follow a proactive approach by reviewing daily log reports against cybersecurity threats and taking the necessary precautions in our system. Furthermore, in order to strengthen our data security strategy in the future, we plan to implement cloud backup systems that cannot be deleted or encrypted in the face of ransomware attacks, and to use NAC products for network security.

With this approach adopted in the field of data security and privacy within our Company, we aim not only to strengthen our existing systems but also to be prepared for potential threats in the future.



Logistics Impacts

We prioritize the optimization of transport capacity to reduce carbon emissions.

Using the EcoVadis sustainability assessment platform, we regularly monitor the environmental impacts of our logistics processes.



As MKS Marmara, we adopt comprehensive strategies in our logistics processes to measure and reduce environmental impacts. To reduce carbon emissions in logistics, we prioritize the optimization of transport capacity. Ensuring that vehicles operate at full capacity improves resource efficiency while minimizing environmental impact. Additionally, we prefer alternative transportation methods, opting for low-emission options such as sea freight instead of road transport.

In our inbound and outbound transportation processes, we calculate our carbon footprint by multiplying the ratio of transported mass to distance traveled by the emission factor provided by DEFRA.

Green Logistics and More Sustainable Solutions

To reduce the carbon footprint impact during the delivery of finished products to our customers, we have initiated the process of replacing our forklifts with electric models. We also plan to prepare the infrastructure for the future use of electric trucks in our logistics operations. Moreover, through the simplification and optimization of logistics processes, we aim to reduce energy consumption.

Although we do not yet widely use low-emission or electric vehicles in our logistics operations, we continue to advance our transformation plans in this area. In particular, we aim to collaborate with logistics companies to promote the use of fuels derived from renewable energy sources and to support environmental sustainability.

To reduce environmental impact, we increase efficiency through route and load optimization strategies. In addition, we focus on innovative projects to develop more environmentally friendly logistics solutions in the future.

Waste Management and Recycling

Regarding the management of waste generated in our logistics processes, we send materials such as polyethylene, polypropylene, and paper—used in the supply of powdered and granular products—to licensed recycling companies.

Monitoring and Reporting Environmental Impacts

We regularly monitor the environmental impacts of our logistics processes using the EcoVadis sustainability assessment platform. Through this platform, we carry out improvement efforts in sustainable procurement areas and continue to make our processes more environmentally friendly.

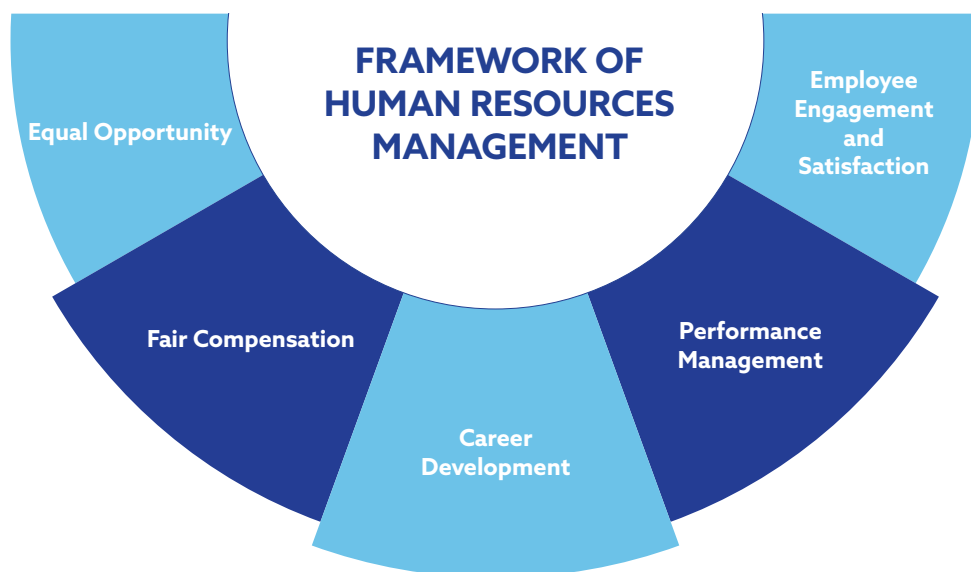
Social Development Integrated with Human



Human Resources

We consider the development, satisfaction, and well-being of our employees among our top priorities.

Our goal is to maximize the potential of our employees and ensure that our Company values and ethical standards are embraced at all levels.



At MKS Marmara, by placing sustainability principles at the core of our Human Resources policies, we consider the development, satisfaction, and well-being of our employees among our top priorities. Our aim is to maximize the potential of our employees, ensure that our Company values and ethical standards are embraced at all levels, and create an ecosystem that supports sustainable growth.

Our Green Human Resources Projects

In 2022 and 2023, we continued to strengthen our sustainability approach through environmentally friendly human resources projects. The projects we implemented in this context are as follows:

- We reduced paper usage by sharing written documents in digital format. We achieved savings by using digital file management tools with our employees. Software such as QDMS and IFS supports this process.
- To raise environmental awareness, we regularly organized awareness trainings on recycling, energy saving, and sustainable business practices under the leadership of our environmental engineer.

- We launched reward-based projects to integrate Zero Waste awareness into the social lives of our employees. For example, we gave a battery to employees who brought in 10 used batteries, and 1 liter of oil to those who brought 3 liters of waste oil.
- On June 5th, World Environment Day, we donated 200 saplings to the TEMA Foundation on behalf of our employees in 2022. In 2023, we gifted each of our employees an olive sapling.
- In 2022, we participated in a tree planting event organized by the Forestry Directorate with our volunteer employees.
- We prioritized recycled paper use in the issues of our in-house magazine.

Our Human Resources Principles

At MKS Marmara, we adhere to the following core principles in our Human Resources policies:

Prioritizing the well-being of our employees.

Ensuring that all employees embrace our Company values and ethical standards.

Supporting diversity and offering equal opportunities.

Sustaining employee satisfaction and development.

Human Resources

In 2023, our employee turnover rate was recorded at 19%.

We continue to implement policies aimed at designing our working environment in a way that enables every individual to reach their full potential and increases the participation of employees with disabilities in the workforce.

EMPLOYEE PROFILE

At MKS Marmara, we closely monitor the dynamics of our workforce and develop strategic approaches to ensure business continuity. In 2022, our employee turnover rate was 7.97%. In 2023, this rate increased to 19%. The primary reason for this rise is the enactment of the EYT (Retirement Age Adjustment) law, which led to the retirement of a portion of our employees.

In line with our principles of inclusiveness and equality, we also support the employment of individuals with disabilities. Our 6 employees with disabilities, who make up 2.64% of our total workforce, are valuable members of MKS Marmara. We continue to design our working environment in a way that enables every individual to realize their full potential and implement policies that enhance the participation of employees with disabilities in professional life.

	2022	2023
Employee Data by Age		
Total Number of Employees	228	224
Over 50 years old	29	31
Between 30-50 years old	142	138
Under 30 years old	57	55
New Employees by Age		
Number of New Hires	33	35
Over 50 years old	0	0
Between 30-50 years old	6	9
Under 30 years old	27	26
Employee Data by Length of Service		
Employees with 0-5 Years of Service	86	86
Employees with 5-10 Years of Service	49	54
Employees with Over 10 Years of Service	93	84
Employee Data by White-Collar / Blue-Collar Distribution		
Factory White-Collar	20	20
Head Office White-Collar	27	29
Factory Blue-Collar	173	167
Head Office Blue-Collar	8	8
Employee Turnover Data (Hires & Departures)		
Hires	33	35
Departures	18	39
Employee Data by Contract Type		
Permanent Employment Contract	228	224
Other	0	0

Human Resources

We provide an inclusive working environment with equal opportunities.

Offering opportunities for the personal development of our employees and ensuring a healthy work-life balance to support a better quality of life are among our top priorities within our career management approach.

Our Equal Opportunity Policy

As MKS Marmara, we adopt the principle of offering equal opportunities in employment as a core value, in line with both international and national obligations as well as our corporate policies. During recruitment, promotion, and career development processes, we ensure equal opportunities among our employees regardless of race, gender, age, or disability. This approach aims to create a fair and inclusive working environment that enables each employee to realize their full potential.

Career Management

We attach great importance to the continuous development of our human resources in achieving our strategic goals. We have an internal evaluation system for identifying suitable employees for new positions and for the development of those positions. Our promotion system is one of the tools we use in career planning, helping us meet our future human resource needs while maintaining a high level of employee engagement. In doing so, we enhance work motivation and productivity, fostering synergy among employees.

Providing opportunities for the personal development of our employees and ensuring a better quality of life by maintaining work-life balance are among our top priorities within career management.



Talent Management

At the core of talent management lies the goal of managing the right positions with the right placements, and this process begins with recruitment. Our aim is to discover employee talents and integrate them into the organization. During recruitment, we apply various additional modules such as technical and personal development tests and foreign language exams to ensure suitability for a competitive environment.

Compensation Policy and Employee Benefits

At our Company, we implement a fair and sustainable compensation policy to enhance the well-being of our employees and to adapt to the competitive conditions of our sector. Salaries are determined based on the experience, competencies, and job performance of our employees. In addition, success and continuity are encouraged and supported through reward programs.

Employee Benefits:

The fringe benefits we offer to our employees include the following:

- Bonus payments
- Meal card allowance
- Fuel/heating assistance
- Annual leave support
- Holiday allowances for Ramadan and Eid al-Adha
- Marriage, birth, and bereavement assistance
- Clothing card allowance
- Educational support for employees' children
- Housing loan support
- Night shift premium

Human Resources

We support our employees throughout their career journeys.

In 2022 and 2023, we carried out various projects and activities to support the professional development of our employees and to help them maximize their potential.



EMPLOYEE ENGAGEMENT AND SATISFACTION

Our employee engagement and satisfaction efforts are carried out in a planned manner and progress in line with the targets set within this scope. Maintaining a high level of employee engagement is considered one of the core components of our human resources processes. Accordingly, lifelong learning programs are implemented to support the development of our employees. In addition, improving employee performance is seen as another important part of this process, and it is actively supported.

Performance, Career, and Talent Development Support

In 2022 and 2023, we carried out various projects and activities to support the professional development of our employees and maximize their talents. Through annual competency assessments, we identify our employees' development needs and plan relevant training programs. To promote leadership and talent development, we support our employees' career journeys. Our experienced employees mentor younger colleagues by sharing their knowledge and experience. Additionally, through one-on-one management meetings and feedback processes, we closely monitor the development of our employees.

Our Motivation Programs and Activities

We have implemented various programs to enhance employee engagement, including:

- Career development and training opportunities
- Social events and gatherings
- Reward and recognition programs
- Employee suggestion systems
- Continuously improved working conditions
- Regular employee surveys and functioning feedback mechanisms
- Picnic events
- Iftar dinners
- Sports activities
- Awards for employees who complete 10 and 20 years of service
- Traditional cuisine days
- Marriage support
- Retirement celebrations
- Flower deliveries, jewelry gifts, and other presents on special occasions
- Special dessert day events
- Family breakfast gatherings
- Special social events for our employees with disabilities on International Day of Persons with Disabilities
- Social activity support for employees' children on April 23rd National Sovereignty and Children's Day
- Instant recognition programs for specific achievements or occasions
- Celebrations for International Coffee Day
- Support for private swimming pool memberships
- Educational support benefit for employees' children
- Interest-free personal loans for home purchases, healthcare, and weddings
- Prize competitions among employees
- Informational seminars on maintaining work-life balance

Work-Life Balance and Flexible Working Opportunities

To support work-life balance, we offer our employees the following opportunities:

- Paid Excuse Leave: An annual allowance of 25 hours of paid excuse leave is granted.
- Marriage Leave: While the legal marriage leave is 3 days, our Company offers 6 days of leave.
- Health Support: No salary deductions are made for medical rest reports, and medical visit permissions are granted.
- Flexible Leave Rights: Advance leave, administrative leave, and public holiday practices are available.

Our Social and Emotional Support Programs

To address the social and emotional needs of our employees, we offer the following opportunities:

- Social Activities: Various events are organized to strengthen team spirit.
- Health and Well-being Programs: Services such as supplementary health insurance, pool memberships, and health screenings are provided.
- Psychological Support: Psychological support and counseling services are available for our employees.
- Surveys and Communication Mechanisms: Regular feedback is collected to identify employee needs.

Human Resources

Regular surveys are conducted at scheduled intervals to measure the satisfaction of our employees.

To encourage long-term retention, strengthen loyalty, and enhance motivation, a loyalty award program has been introduced.

Employee Surveys and Their Outcomes

To measure employee satisfaction, surveys are conducted at regular intervals. In the satisfaction survey conducted in 2021, 170 out of 215 employees participated, resulting in a participation rate of 79%. While these surveys were previously conducted every three years, it was decided to conduct them every two years to further improve employee satisfaction. Accordingly, in the 2023 survey, 159 out of 224 employees participated, reaching a participation rate of 71%. The feedback received from the survey is evaluated, and necessary improvement actions are implemented. Based on participant evaluations, our employee satisfaction rate was measured at 68.14%.

The improvement and development actions implemented based on the results of the employee satisfaction and engagement surveys are as follows:

Social Activity Planning

Steps have been taken to increase social events in order to boost employee motivation and strengthen team spirit. The scope of sports activities has been expanded, picnic events and iftar dinners have been revised, and new events such as family-inclusive breakfasts have been organized. These activities aim to strengthen social ties among employees.

Occupational Health and Safety

Within the scope of Occupational Health and Safety (OHS), general workplace safety rules have been reviewed, and improvements have been made to working conditions. A zero-accident incentive system has been implemented. Arrangements have been made in accordance with professional standards to ensure a safe working environment for all employees.



Working Conditions

To make working conditions more comfortable, a coffee distribution initiative was launched during break times to meet employees' coffee needs. This improvement represents another significant step toward enhancing employee satisfaction.

Loyalty Award

To encourage employees to remain with the organization for longer, increase their loyalty, and strengthen their motivation, a loyalty award program has been initiated. This award plays an important role in reinforcing organizational commitment.

Transportation Requests

Based on feedback received from the 2023 satisfaction survey, the employee shuttle routes were revised and the number of stops increased to facilitate easier transportation to work.

Human Resources

We aim to strengthen knowledge and competencies through employee training programs.

To support the development of our employees, we conducted trainings in more than 50 topics between 2022 and 2023, covering a wide range from management systems and vocational qualification programs to sustainability and technical expertise trainings.



EMPLOYEE WELL-BEING AND DEVELOPMENT

Training Programs that Make a Difference

In 2022 and 2023, we expanded our training activities with the goal of strengthening the knowledge and competencies of our employees. To provide a more efficient training experience, a modern training hall was established, and our training programs have since been conducted in this space.

Training Data	2022	2023
Total Training Hours	3,579.5	4,252
Training Hours per Person	15.84	18.9
OHS Training Hours	16	16
Total Training Hours per Person	31.84	34.9

GRI 3-3, 403-5, 404-1, 404-2

Training Type	Training Content
Management Systems	ISO 50001
	ISO 27001
	FAMI-QS Trainings
	Internal Auditor Trainings for Integrated Management Systems
	Lead Auditor Training for Integrated MS 50001
	Lead Auditor Training for Integrated MS
	Informative Training on Integrated MS
	Informative Training on FAMI-QS
	Informative Training on ISMS
	Basic Sustainability Training
Personal Development Trainings	English Language Training
	Project Management Trainings
	OHS Expertise Training
	Stress Management Training
	Legal Awareness Training
	Training on Drafting International Contracts
	Procurement Training
	Advanced MS Excel Training
	Trainings under Occupational Health and Safety Legislation
	Environmental Trainings
Legal Regulation Trainings	Health Trainings
	Trainings under Authorized Economic Operator Status
Vocational Trainings Required under Law No. 6331	Industrial Type Steam Boiler Operation Training
	Basic Chemical Process Training in Hazardous and Highly Hazardous Work
	Logistics Management Training in Hazardous and Highly Hazardous Work
	Packing Training in Hazardous and Highly Hazardous Work
	Quality Control Training in Hazardous and Highly Hazardous Work
Vocational Qualification Trainings	Level 3 Steel Welder Training
	Level 3 Machinery Maintenance Technician Training
	Valet Training
	Industrial Transporter Training
	Construction Worker Training
	Manlift Operator Certification Training
	Forklift Operator Certification Training
	Loader Operator Certification Training
	First Aid Training
	First Aid Renewal Training
	Occupational Hygiene Training
	Personal Data Protection Law (KVKK) Training
	Chemical Assessment Expert (KDU) Training
	Trainings Related to Chemicals
	Trainings under the Scope of Prevention and Mitigation of Major Accidents
	Internal Vocational Trainings
	EKAT Training (Work on Live Electrical Installations)
	ATEX Training
Lifelong Learning Programs and Technical Trainings	Authorization Training for Periodic Inspection Engineers
	Carbon Footprint Calculation Training
	Water Footprint Training
	Water and Wastewater Sampling Training
	Foreign Trade Legislation Training
	Calibration Training
	ERP - IFS Module Training
	Static Electricity and Grounding Awareness Training
	Demand Forecasting, Production Planning and Control Training
	Basic Wind Energy and Wind Turbine Technology Training
	IECEX Exproof Equipment Periodic Inspection and Control Training

Human Resources

We are taking significant steps toward gender equality.

We act with the goal of ensuring equal opportunities in the workforce, bringing together individuals from diverse backgrounds, and offering equal rights across all genders.

EQUAL OPPORTUNITY, DIVERSITY, AND GENDER EQUALITY

As MKS Marmara, we act with the aim of ensuring equal opportunities in the workforce, bringing together individuals from diverse backgrounds, and offering equal rights regardless of gender. Within the framework of our company policies, we are committed to providing equal rights and opportunities to our employees regardless of gender, age, disability, or ethnic background. In this context, since 2023, the employment of female employees has been increased, marking a significant step toward gender equality.

Gender Equality and Awareness Initiatives

- Seminar on Preventing Violence Against Women: In 2023, this event was organized to raise awareness on gender equality and inform our employees.
- Neglect and Abuse Prevention Project: Conducted in cooperation with the Ministry of National Education, this awareness initiative aimed to inform our employees on the topic.
- Paternity Leave Practices: Paternity leave has been revised on a working day basis to allow working fathers to spend more time with their children in the early days.



Occupational Health and Safety

Occupational health and safety is an essential part of our sustainability strategy.

We manage occupational health and safety trainings more efficiently by distributing them throughout the year.

As MKS Marmara, we prioritize the safety and health of our employees above all else and manage our business processes with a world-class approach. In this context, we aim to provide a safer and healthier working environment for our employees by implementing the ISO 45001:2018 Occupational Health and Safety Management System. ISO 45001, as an international standard aimed at preventing accidents and health risks in workplaces, provides a framework in the field of occupational health and safety. Our practices are also carried out in full compliance with the Occupational Health and Safety Law No. 6331 and related regulations, as well as the standards of the International Labour Organization (ILO). A risk- and opportunity-based approach is adopted to create a safe and healthy organizational structure.

Occupational health and safety is an important part of our sustainability strategy. In this regard, our goals include conducting OHS campaigns to reduce workforce losses, providing training on health and safety management at home and at work for employee families, monitoring, evaluating, and scoring the OHS performance of suppliers and contractors, and conducting annual leakage detection and improvement works in our facilities.

In line with our goals, our spending on OHS significantly increased in 2022 and 2023. While a total of TL 341,366 was spent in 2022, this amount reached TL 5,563,026 in 2023. Through these investments, we aim to achieve continuous improvement in our occupational health and safety performance. In 2022 and 2023, important OHS projects were implemented. Fire suppression systems were installed for the new bagging unit, boiler unit, and acetaldehyde tanks; fresh air masks were renewed. Aerosol fire suppression systems were activated for electrical panels and other equipment, and a horizontal lifeline was added to the new boiler pipe bridge. Additionally, innovative practices such as the supply of mobile gas detectors were carried out.

We are progressing by standardizing comprehensive measures across all our operations to prevent workplace accidents and ensure a safe working environment. We regularly conduct risk analyses, increase field inspections, and thoroughly examine the root causes of near-miss incidents. Periodic inspections of equipment, fire systems, and environmental measurements are carried out meticulously.



To increase our employees' awareness of OHS, we organize various training and awareness programs, which constitute 30% of our total trainings. The annual 16-hour OHS trainings, first aid trainings held in cooperation with the Red Crescent, and light search and rescue trainings provided by AFAD have enhanced our employees' knowledge levels. In addition, training on the regulation concerning the prevention and mitigation of major industrial accidents was provided. Emergency planning and fire safety procedures are also carried out with great care. In accordance with regulations, our emergency plans are renewed every two years and are supported with regular training and drills for employees. Detailed information about emergency situations is provided during onboarding training.

At MKS Marmara, we organize various activities to promote the OHS culture among all our employees. We raise awareness through an OHS-themed drawing contest involving employees' children and articles published in our corporate magazine Erguvan. In addition, a department-based zero accident reward system has been introduced to boost employee motivation.

As part of our sustainability strategy, OHS campaigns have been carried out to reduce workforce losses, and health and safety management trainings have been provided to employee families. Furthermore, the OHS performance of suppliers and contractors has been regularly monitored, and annual studies have been conducted to detect leaks in our facilities.

Regular monitoring and evaluation activities play a significant role in our OHS processes. Within the scope of our Integrated Management Systems, internal and external audits are conducted once a year, and monthly field inspections are regularly carried out. Risk analyses are conducted across the entire organization and revised under the framework of change management. Within the scope of the Regulation on the Prevention and Mitigation of Major Industrial Accidents, Dow-FEI, HAZOP, and ETA-FTA analyses have been completed for processes falling under the regulation.

Occupational Health and Safety

We monitor occupational accidents and take corrective actions accordingly.

As we move forward with sustainable steps into the future, we will continue to protect the safety of our employees and stakeholders at the highest level.

Occupational safety board meetings are held to monitor processes in detail and ensure continuous improvement. As we move forward with sustainable steps into the future, we will continue to protect the safety of our employees and stakeholders at the highest level.

At MKS Marmara, we adopt a safety-first approach in projects carried out with contractors. From the project phase onwards, comprehensive assessments are conducted, and system-based practices grounded in hazard analysis and risk assessment are implemented. Through these practices, health and safety management is effectively maintained. Work accidents, corrective actions, and the annual distribution of related measures are regularly monitored and reported. The closure rate of actions carried out in line with the planned corrective activities was recorded as 100% in 2022, and 85% in 2023.

	2022	2023	Total
Number of Work Accidents	12	6	48
Number of Corrective Actions	13	6	50
Number of Actions Related to Corrective Measures	23	14	98
Action Closure Rate (%)	100	85	

Corrective actions, near-miss notifications, and system improvements are planned as an integrated whole, and the necessary actions are carried out with great diligence. In this way, the continuity of a comprehensive and planned approach is ensured.

	2022	2023	Total
Number of Near-Miss Cases	31	11	68
Number of Corrective Actions	31	11	69
Number of Actions Related to Corrective Measures	30	10	102
Action Closure Rate (%)	100	100	100

OHS Training Hours and Performance Indicators	2022	2023
Average annual OHS training hours per employee	16	16

Our Occupational Health and Safety (OHS) performance indicators have been disclosed.

OHS Data	MKS		Contractors		Total	
	2022	2023	2022	2023	2022	2023
Number of Lost-Time Injuries	12	6	0	2	12	8
Number of Fatalities	0	0	0	0	0	0
Number of Lost Days	96	169	0	31	96	200
Injury Frequency Rate (%)	25.84	12.57	0	4.18	25.84	16.75
Injury Severity Rate (%)	1.23	2.8	0	0.51	1.23	3.31
Diagnosed Occupational Diseases	0	0	0	0	0	0

Occupational Health and Safety

We prepare our employees for various scenarios through drills.

To support employee motivation and strengthen the occupational health and safety culture, a department-based reward system was implemented in 2022, and employees in the relevant departments were rewarded at least twice in both 2022 and 2023.

Number of Occupational Health and Safety Committee Members

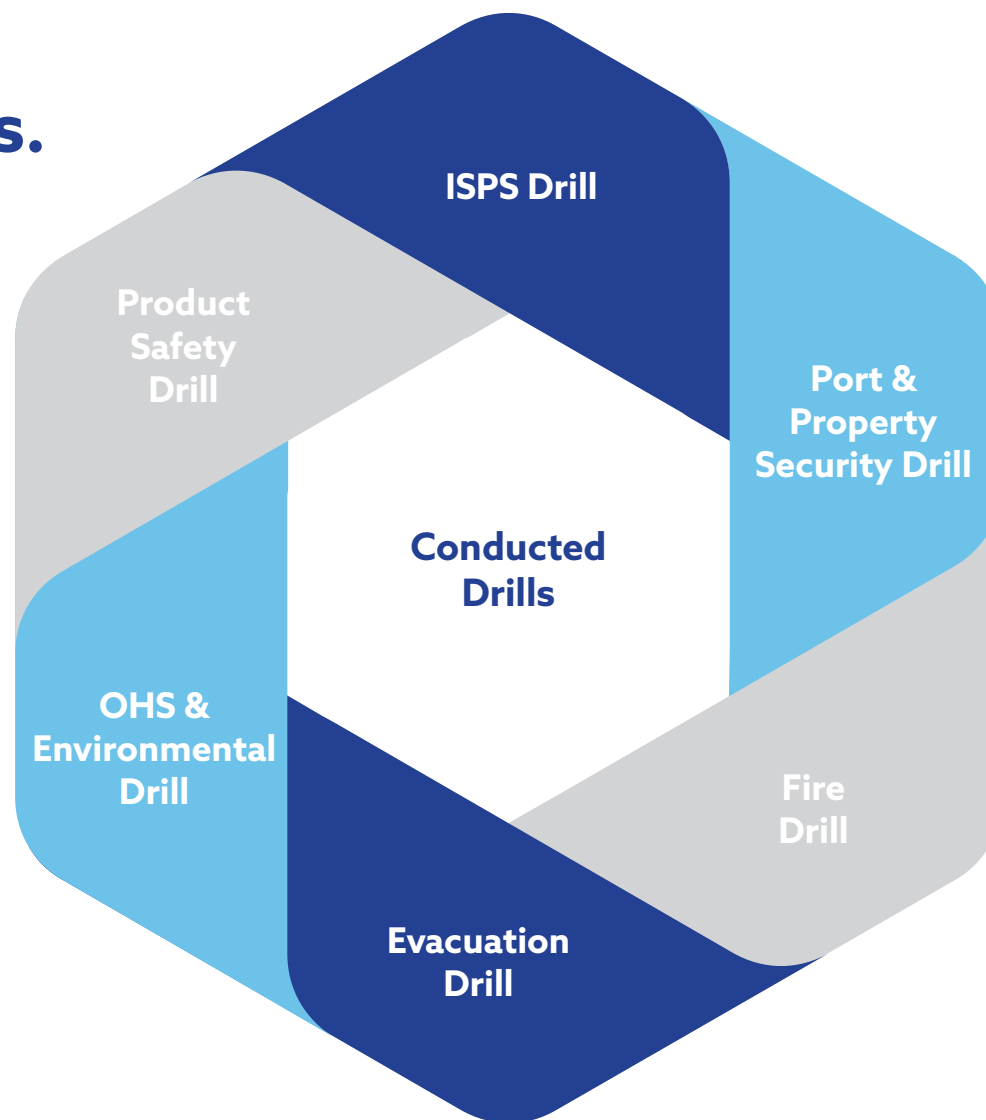
10

Number of Fatal Accidents in 2023

0

Within the scope of compliance obligations, our Occupational Health and Safety Committee operates with an effective and comprehensive structure. The committee consists of ten members: the Quality and Sustainability Manager (Committee Chair), Occupational Health and Safety Specialist, Workplace Doctor, Human Resources Manager, Chief Representative of Shop Floor Supervisors, Mechanical Maintenance Chief, Electrical Maintenance Chief, Subcontractor Representative, Chief Employee Representative, and Environmental Engineer. The decisions made by the committee are supported by relevant action plans, and the implementation processes are meticulously monitored.

To support employee motivation and promote a strong occupational health and safety culture, a department-based reward system was introduced in 2022. In both 2022 and 2023, employees in the relevant departments were rewarded at least twice. In addition, drills were organized for various scenarios to ensure employees are prepared. The drills conducted and their respective dates are detailed below.



Corporate Citizenship

We aim to contribute to regional development and social progress.

We shape our corporate social responsibility projects through an integrated approach aligned with the United Nations Sustainable Development Goals (SDGs).

As MKS Marmara, we build our concept of corporate citizenship on carrying social, environmental, and ethical values into the future. Through our social responsibility projects focused on health, education, environment, and social areas, we aim to contribute to regional development and social progress.

We shape our corporate social responsibility projects through an integrated approach with the United Nations Sustainable Development Goals (SDGs). For many years, we have maintained our identity as a socially conscious company by supporting philanthropic initiatives. In addition, as part of our sustainability journey, we are accelerating efforts to increase our social impact through our core business strategies.

Our Contributions to Local Communities

For many years, we have been organizing social responsibility activities to meet the needs of local communities. In 2023, to support education, health, and cultural activities, our Human Resources Manager conducted an informational seminar for the regional workforce at the İŞKUR Gemlik Employment Fair. Furthermore, in 2024, we took part in

a project in collaboration with the Ministry of National Education for the preparation of the book "100 Scientists" to be distributed in primary schools.

To encourage our employees' participation in social responsibility projects, we use awareness-raising communication channels and support voluntary involvement. Through our collaborations with non-governmental organizations, local authorities, and other stakeholders, we carry out activities such as providing education, seminar support, and resources.

Our Sustainability and Social Responsibility Goals

Through projects focused on health, education, environment, and social aid, we contribute to regional development. We plan these efforts in alignment with our long-term sustainability strategy and focus on creating social value.

Our future plans include reaching wider audiences and increasing our social impact through projects that support social development. With the participation of our employees and stakeholders, we continue to build a sustainable future together.

Our Social Responsibility Projects

Annual Term	Aid Organization	Details of Aid	Total amount with VAT (TL)
2022	Gemlik Soup Kitchen	In-kind food donation	42,812.20
2022	Gemlik District Governorship		21,199.00
2022	Gemlik Basketball Club	Cash donation	20,000.00
2022	LÖSEV Foundation	One brick donation per each of our 225 employees	11,250.00
2022	Gemlik Imam Hatip High School	In-kind food donation	10,331.90
2022	Cihatlı Private School	Donation of 7 printed mugs	371.70
2023	Atatepe School for the Disabled	Lunch for students and teachers	398,719.30
2023	Gemlik Soup Kitchen	In-kind food donation	480,654.60
2023	Earthquake Victims	Private living container, in-kind food aid	2,242,945.60
2023	Gemlik Vocational High School	Kitchen equipment	31,742.23
2023	Port Authority	Ice cream	7,000.00
2023	Çukurbahçe Mosque and Quran Course Association	Processed painted aluminum	75,000.23
2023	Gemlik Western Black Sea Association	Office furniture	10,000.00
2023	Turkish Red Crescent, Gemlik Branch	Laminate flooring and labor costs	15,500.40
2023	Gemlik Imam Hatip High School	In-kind food donation	52,899.50
2023	Gemlik District Governorship	Support of 100 books	3,000.00
2023	Gemlik State Hospital, Uludağ University Faculty	Mask donation	
2023	Women's Day	Women's Day celebration at school under protocol	
2023	Teachers' Day	Teachers' Day celebration at school under protocol	
2023	Earthquake Victims	Motivational event for earthquake victims	

Green Transformation Integrated with the Environment



Combating Climate Change, Adaptation, and Resilience

We raise environmental awareness through climate change awareness training for our employees.

Our approach to environmental management forms the foundation of our vision for sustainable production and creating value for society.

At MKS Marmara, we act with an awareness of the global-scale impacts caused by environmental problems. We regard issues such as population growth, rapid urbanization, loss of biodiversity, unconscious consumption of natural resources, and air, water, and soil pollution caused by waste released into nature as problems not only affecting specific regions, but as common challenges faced by the entire world. This situation poses a threat to life across a wide spectrum, ranging from species extinction to pandemics.

We believe in the importance of international cooperation and a holistic approach to ensure the continuity of natural life, secure the sustainability of resources, and leave a healthier environment for future generations.

In order to protect ecological balance and effectively combat environmental problems, we aim to create awareness and behavioral change by considering the decisions made in international conferences.

In this context, we support environmental education efforts and emphasize the importance of sustainability-based training programs to foster a sense of responsibility towards nature and to produce solutions to environmental issues. We are committed to working with all our strength for a sustainable future, with the belief that solving environmental problems is only possible through societal awareness and collective effort. Our approach to environmental

management forms the foundation of our vision for sustainable production and creating value for society. We adopt a sustainability-focused approach with the aim of using natural resources efficiently and minimizing environmental impacts, and our processes are carefully planned, implemented, and monitored by our Sustainability and Quality Department.

While ensuring full compliance with legal requirements, we implement environmentally friendly solutions such as waste management, recycling practices, and energy saving. By acting together with our employees and stakeholders, we strive to raise environmental awareness and contribute collectively to a more sustainable future.



Climate Change Awareness Trainings

At MKS Marmara, we consider environmental awareness as a set of behaviors, attitudes, and mindsets that individuals and societies should adopt in order to act in harmony with nature. In line with our goal to promote the understanding of sustainability, we launched climate change awareness trainings for our employees as of 2023. Through these trainings, we aim to help our employees transform their environmental knowledge and attitudes into environmentally friendly and beneficial actions. The topics presented on the following page are delivered regularly to our employees as part of our efforts to raise environmental awareness and contribute to our sustainability goals at MKS Marmara.

Combating Climate Change, Adaptation, and Resilience

We have implemented our short, medium, and long-term plans for the 2022-2026 period.

Training Title	Description
Waste Management and Environmental Legislation	Provides employees with information on proper waste management, recycling practices, and compliance with environmental legislation.
Environmental Management	Focuses on the implementation and auditing of environmental management systems in line with environmental sustainability principles.
Zero Waste Management	Training on preventing waste, using resources more efficiently, and integrating the zero-waste approach into business processes.
Energy Awareness	Raises awareness on energy saving, the use of renewable energy sources, and environmentally conscious approaches to energy consumption.

Strengths and Weaknesses

One of the initial steps taken in our journey to combat climate change has been to evaluate our company's economic, environmental, and social activities through a SWOT analysis. As MKS Marmara, we have clearly defined the priorities within our sphere of influence and, in line with these priorities, implemented our short-, medium-, and long-term plans for the 2022-2026 period. Our goal is to take firmer steps by leveraging our strengths while continuing to address and improve upon our weaknesses.

Sustainability Areas	Our Strengths	Our Weaknesses
Economy	<ul style="list-style-type: none"> • High reputation (credibility) • Strong financial structure and capital strength • Presence in the global market • Strong economic power of the group to which MKS Marmara belongs • Financial stability • Budget allocated to sustainability management 	<ul style="list-style-type: none"> • Keeping up with the rapid change in information technologies
Environment	<ul style="list-style-type: none"> • Reuse of waste within the system • Investments in renewable energy • Presence of basic environmental facilities (treatment, conditioning, etc.) • Project developed to meet all cooling needs from the sea • Availability of water recovery technologies • Having ISO 14001 Environmental Management System certification • Membership in the EcoVadis platform 	<ul style="list-style-type: none"> • Use of fossil fuels and high carbon footprint • Water demand within the company • Presence of an energy-intensive production chain • Negative sectoral perception affecting the company
Social	<ul style="list-style-type: none"> • High employee engagement • Low employee turnover rates • Membership in the Sedex platform • Initiation of sustainability efforts • Corporate memory • Strong sense of belonging • Employee competencies • Implementation of various compliance audits • Ethical management • High awareness of social responsibility within the company 	<ul style="list-style-type: none"> • Ineffective corporate communication • Social responsibility projects not being effectively communicated • Lack of cooperation with NGOs and public institutions, and thus not making long-term investments in talent and developed economy

Combating Climate Change, Adaptation, and Resilience

We continue to take concrete steps in line with Türkiye's 2053 Net Zero Emissions Target.



Our Strategy and Focus Areas in Combating Climate Change

As MKS Marmara, we have defined our strategic action plans in line with our climate change mitigation and environmental sustainability goals, and we continue to take concrete steps in this direction. Our performance in various areas, including environmental indicators, environmental management, energy management, water management, waste management, combating climate change, reduction of greenhouse gas emissions and other emissions, and supplier management, is regularly reported.

Our environmental management processes are carried out within the framework of the ISO 14001:2015 Environmental Management System standard, ensuring the continuity of our management system. Within the scope of our environmental management policy, we focus on the following key elements:

- **Conservation of Natural Resources:**

Ensuring the efficient use of resources and their sustainable management.

- **Pollution Reduction:** Implementing projects that minimize the environmental impact of waste and promote recycling practices.

- **Zero Waste Target:** Reducing the amount of waste across all our operations to minimize our overall environmental impact.

- **Reduction of Environmental Footprint:**

Lowering our carbon footprint through energy efficiency projects and investments in renewable energy.

Our Action Plan

Within the framework of its sustainability strategies, MKS Marmara has implemented the following action plans:

- **External Trainings:** It is planned to provide climate change-themed trainings to our employees within the scope of social responsibility.
- **Training Plan Update:** Our environmental training plans have been updated by adding content related to climate change.
- **Corporate Publications:** Climate change will be addressed at least once a year in the Company's corporate publications to raise awareness among our stakeholders.

Port Operations and Environmental Compliance

Our port facility located in the Sea of Marmara is not only significant for providing logistical advantages but also plays an important role in fulfilling our environmental responsibilities. In our maritime operations:

- **Law No. 5312 on Intervention in Oil and Other Harmful Substances:** Our risk assessment and emergency response plans are carried out within the scope of this regulation and are supported by trainings and drills.
- **International Ship and Port Facility Security (ISPS) Implementation:** Applied in our ports in accordance with international security standards.

As part of our efforts to combat climate change, our investments focused on transitioning to renewable energy sources and reducing greenhouse gas emissions are ongoing. In particular, our renewable energy projects, zero waste target, and strategic goals to reduce our environmental footprint constitute the cornerstones of MKS Marmara's sustainability vision.

Our Compliance with the 2053 Net Zero Emission Target

In line with Türkiye's 2053 Net Zero Emission Target, we are enhancing our sustainability strategy and continuing to take concrete steps to achieve this goal. Through our investments and projects carried out as part of our efforts to combat climate change, we aim to reduce emission levels and minimize the effects of global warming.

As of 2023, we have organized climate change awareness trainings for our employees and shared the specific impacts of renewable energy projects at our factory. These awareness activities have been implemented as part of our Company's sustainability vision.

Current Investments and Planned Actions

- **Transition to Renewable Energy Sources:** A wind power plant with a capacity of 14 MW has been commissioned. This investment reflects our commitment to transitioning to renewable energy.
- **New High-Efficiency Coal Boiler:** The new boiler system has been put into operation, resulting in lower waste generation and reduced coal consumption.
- **Increased Use of Natural Gas:** A gradual shift toward increased use of natural gas has been initiated, enhancing overall energy efficiency.
- **Use of Electric Vehicles:** A phased transition to electric vehicles is planned for forklift operations.
- **Use of Bio-Based Raw Materials:** The use of bio-based raw materials (acetaldehyde) has been increased, and our commitments in this field have been strengthened with the acquisition of the ISCC Plus certification in 2024.

The above investments and strategic actions make significant contributions to reducing the effects of global warming by lowering emission levels. In line with the 2053 Net Zero Emissions Target, we remain committed to supporting the future of both our country and our planet through innovative projects and sustainable energy solutions.

Sustainable Carbon Management

We regularly monitor and report our carbon footprint.

We are aware that managing carbon in a sustainable manner is of great importance both for reducing environmental risks and for enhancing the long-term resilience of our business operations.

Scope 1 Emissions Reduction Rate (2022-2023)

36%

Scope 2 Emissions Reduction Rate (2022-2023)

11%

Increasing carbon emissions are causing serious environmental problems around the world, leading to global warming, climate irregularities, and extreme weather events. This situation has negative effects on all areas, from natural ecosystems to economies. At the local level, impacts are felt through rising energy costs, decreased air quality, and increased pressure on natural resources.

We are aware that managing carbon in a sustainable manner is of great importance both for reducing environmental risks and for enhancing the long-term resilience of



our business operations. Through energy efficiency projects and investments in renewable energy, we not only reduce our operational costs but also contribute to global sustainability efforts in collaboration with our partners across the supply chain.

Our Policy

At MKS Marmara, our carbon management policy aims to reduce greenhouse gas emissions, improve energy efficiency, and promote production based on renewable energy sources. This policy has been shaped in line with our Occupational Health and Safety (OHS), Environmental

and Energy Policy, as well as our Bio-Based Products Policy, and is grounded in the principles of environmental sustainability and operational efficiency.

As part of the implementation of our policy:

- We reduce our carbon footprint by using bio-based and recycled raw materials.
- We develop energy efficiency projects in line with ISO 50001 standards.
- We organize awareness and training programs for our employees and suppliers.
- We regularly monitor and report our carbon footprint performance.

Our Scope 1, 2 and 3 Emission Values

GHG Scope	GHG Value, tons CO ₂ eq (2021)	GHG Value, tons CO ₂ eq (2022)	GHG Value, tons CO ₂ eq (2023)	Reduction Rate (2022-2023) (%)
SCOPE 1 TOTAL CO ₂ eq, tons	121,729.52	89,306.05	57,459.14	36%
SCOPE 2 TOTAL CO ₂ eq, tons	17,584.00	24,505.72	21,902.41	11%
SCOPE 3 TOTAL CO ₂ eq, tons	195,465.50	267,246.37	234,164.80	12%

Efficient Energy Management

We enhance energy efficiency in our production processes by using environmentally friendly technologies.

By initiating the establishment of a wind power plant with a capacity of 14 MW, we have taken a significant step toward transitioning to renewable energy sources.

At MKS Marmara, our approach to energy management aims to achieve our sustainable production goals by minimizing environmental impacts. The widespread use of fossil fuels—one of the main causes of global climate change—in energy consumption has led to greenhouse gas emissions exceeding the planet's capacity. The processes of energy generation, use, and consumption have caused irreversible changes to the environmental balance. With this awareness, we are working to enhance energy efficiency, shift toward renewable energy sources, and reduce our carbon footprint. Our energy management processes are carried out in an integrated manner with our goal of building a sustainable future. In this context, we have taken a significant step toward transitioning to renewable energy sources by initiating the establishment of a wind power plant with a capacity of 14 MW, and we continue to invest in sustainable energy with determination.

We enhance energy efficiency in our production processes by using low-energy-intensity and environmentally friendly technologies. In this regard, we effectively utilize technologies such as Variable Speed Drive Controllers, Steam Turbines, Steam Traps, Efficient Steam Plants, Recuperators, and Flue Gas Economizers. To continuously improve our energy performance, we conduct regular reviews and optimization efforts. While supporting the procurement of energy-saving products and services, we also raise energy awareness among our employees through training programs. Furthermore, we adopt a pollution-prevention approach and take steps to ensure the sustainable use of natural resources. This holistic approach to energy management reinforces MKS Marmara's environmental responsibility goals. Within the scope of the ISO 50001 Energy Management System (EnMS), we have established energy objectives, targets, and performance criteria, and we manage our investments accordingly by allocating appropriate budgets.

We apply energy efficiency as a key criterion in our supplier evaluation and selection processes. In doing so, we ensure that our business partners also contribute to our sustainability approach.

14 MW
Installed Capacity of the
Wind Power Plant



Efficient Energy Management

We have achieved significant reductions in our energy consumption.

At MKS Marmara, we believe that renewable energy holds critical importance both for environmental sustainability and for energy independence.

Internal Energy Consumption (2021-2023)

The energy consumption data of our company for the years 2021-2023 is presented in the table below:

Energy Type	2021	2022	2023
Electricity (kWh)	33,562,018.00	33,281,813.60	30,089,862.24
Natural Gas (Sm ³)	549,199.00	578,125.00	147,217.00
Lignite (tons)	49,754.00	51,239.00	42,178.00
Diesel (liters)	97,863.00	84,455.00	72,293.53

These data indicate that we have achieved significant reductions in our energy consumption. Notably, there have been visible decreases in electricity, lignite, and diesel consumption.

Energy Reduction Efforts and Savings Amounts

The projects we have implemented to improve energy efficiency and the energy savings achieved are summarized in the table below:

Project No	Description	Energy Saved (kWh/year)
1	Investment in a 38 MW boiler unit to replace two existing boilers used for heat generation (with a total capacity of 23.38 MW)	26,000,000
2	Generation of electricity by replacing pressure-reducing valves (from 16 bar to 4 bar) in the Pentaerythritol Plants with a screw-type steam turbine	5,000,000

Energy Management Activities and Investments for the 2022-2023 Period

In 2022 and 2023, we took significant measures to reduce our energy consumption. In this context, we renewed our Energy Audit report and evaluated the results obtained. We developed efficiency-enhancing projects, ensured their continuity, and presented them with investment planning. We maintained ongoing energy measurements and continued optimization efforts related to consumption. Evaluating the feasibility of new projects in terms of energy efficiency has become a part of our corporate culture. Key investments we made within the scope of energy management during this period are as follows:

Investment Item	Amount (€)
90-92% Efficient Circulating Fluidized Bed Steam Boiler	6,800,000
Screw-Type Steam Turbine	2,000,000
TSP-6 Closed-Circuit Cooling Water Pump	40,000
TR-4 and TR-5 Compensation Panels with Harmonic Filters	40,000

Our Approach to and Investments in Renewable Energy

As MKS Marmara, we believe that renewable energy holds critical importance both for environmental sustainability and energy independence. The efficient use of resources is one of the most reliable and long-term solutions for meeting energy needs. For this reason, we have taken a significant step toward generating energy from renewable sources and are currently investing in a 14 MW Wind Power Plant (WPP) located in the Havran district of Balıkesir province. Having completed the project planning and permitting processes, we have entered the installation phase of this investment and aim to commence electricity generation by August 2026.

Our 2024 and Long-Term Energy Management Goals

As MKS Marmara, our goals for 2024 and the long term in the fields of energy management and energy efficiency are as follows:

- Use of Renewable Energy: Transitioning to renewable energy sources by moving away from fossil fuels as much as possible. Our WPP investment is a significant step taken in line with this goal.
 - Minimization of Heat Loss and Recovery of Waste Heat: We develop projects that involve insulating process equipment and recovering waste heat to generate energy. Our screw-type steam turbine project is one of our successful implementations in this area.
 - Increasing the share of renewable energy use to 75% of total energy consumption.
 - Reducing energy losses by 25% by the year 2030 through energy efficiency projects.
- We continue our strategic planning to achieve these goals and remain committed to ongoing investments in the field of energy efficiency.

Water Management

We utilize innovative technologies to reduce water consumption.

Since 2021, we have been regularly measuring and analyzing our water footprint.

Our water management policy is based on the principles of sustainability, efficiency, and environmental responsibility. Water is considered a critical performance indicator for our processes, and groundwater is used in our operations. With this awareness, we carry out comprehensive efforts to ensure the effective and sustainable use of water resources.

Our Water Management Policy and Practices

Since 2021, our company has been regularly measuring its water footprint and conducting detailed analyses of potential leaks and water consumption. The data obtained is evaluated together with senior management, and corrective actions are promptly implemented to address identified issues. We utilize innovative technologies to reduce water consumption.

In particular, we plan to significantly reduce our water use through solutions such as a seawater-based cooling system. In wastewater management, we prioritize environmental sensitivity and ensure that wastewater is disposed of without harming the environment. We regularly organize training sessions to raise employee awareness on water conservation. Our water management performance is monitored through regular reporting and continuously optimized with an improvement-oriented approach. This holistic approach supports the protection of natural resources and the minimization of environmental impacts, thereby contributing to the achievement of our company's sustainability goals.



Water Footprint Measurement Data (2021–2023)

The total amount of water used by our company and its distribution for the years 2021–2023 is presented in the table below:

Water Source/Usage Area	2021 (m³)	2022 (m³)	2023 (m³)
Groundwater (Total)	101,400.00	102,925.00	98,297.00
Freshwater (Total)	308.00	322.00	361.00
Total Water Used (m³)	101,685.24	103,224.14	98,658.22
Domestic Use	9,499.50	13,451.01	9,206.75
Operations and Other Uses	24,376.50	41,195.00	39,526.00
Cooling Tower	38,760.00	22,609.55	21,659.50
Formaldehyde/Resin	12,648.00	12,481.11	12,085.02
Boiler	14,892.00	11,590.34	13,807.00
Pentaerythritol	1,224.00	1,598.00	2,013.00

Water Management

We aim to achieve 100% utilization of recovered water by the year 2030.

We continue our efforts to reduce our water footprint within the scope of a comprehensive plan.

The “Total Water Used” values presented in the table include the sum of groundwater and freshwater usage.

According to these data, there is a decrease in our total water consumption in 2023 compared to previous years.

We use groundwater in our production processes. The distribution of our water consumption by source and the consumption amounts are summarized in the table below:

Type of Water by Source	2021 (m ³)	2022 (m ³)	2023 (m ³)
Municipal Water	–	–	–
Surface Water	–	–	–
Groundwater	101,397	102,925	98,297
Recovered/Reused Water Amount	–	–	–

As seen in the table, our primary water source between 2021 and 2023 has been groundwater. Our Company aims to make the best use of this resource by focusing on the efficient use of water. Although we do not yet have any recovered/reused water, efforts in this area are currently underway.

Water Footprint Reduction Plans and Targets

At MKS Marmara, we continue our efforts to reduce our water footprint within the scope of a comprehensive plan. The targets and action plans we have set in this context are as follows:

- Deep Sea Discharge Project
- Use of Sensor-Activated Faucets
- Training and Awareness Programs
- Rainwater Harvesting and Utilization
- Water Efficiency and Hygiene Trainings

2024 and Long-Term Water Management Goals

At MKS Marmara, our 2024 and long-term goals in the areas of water management and wastewater reduction are as follows:

- Monitoring water use and associated costs by product and location.
- Increasing water efficiency across all operations.
- Calculating and continuously tracking our water footprint.
- Reducing water consumption in production processes by 2030. In this context, we calculated our factory's water footprint in 2022 and set reduction targets for 2030.

- Increasing water efficiency rates by the levels defined for 2030.
- Harvesting and reusing rainwater.
- Improving our treatment plant through the integration of advanced technological systems.
- Identifying areas where greywater can be reused and achieving a 50% recovery rate.
- Ensuring 100% utilization of recovered water by 2030.
- Delivering training programs on water-efficient practices and hygiene.
- Developing social responsibility projects that enable the collection and reuse of rainwater in schools located in the region where our facility operates.
- Reducing our water footprint through seawater-based cooling systems.

As MKS Marmara, we remain fully committed to the sustainable management of water resources and to minimizing our environmental impact. In this direction, we aim to maximize our water management performance by adopting the principles of continuous improvement.

Groundwater Used
in 2023

98,297 m³

Groundwater Used
in 2022

102,925 m³

Zero Waste and Circular Economy Initiatives

We have been awarded the Basic Level Zero Waste Certificate.

By embracing the principles of a circular economy, we aim to transform waste into valuable resources.

We embrace zero waste and circular economy approaches to ensure the efficient use of resources and to minimize waste. Through these approaches, our company aims to reduce the consumption of natural resources, treat waste as a valuable resource, and minimize environmental impacts. Zero waste is a key component of our sustainability strategy and also serves as a performance indicator we monitor within the scope of combating climate change and reducing our greenhouse gas emissions.

Our Zero Waste Practices

As MKS Marmara, we launched our zero waste project in 2020 and have been awarded the Basic Level Zero Waste Certificate. Below, we outline the key steps we have implemented within the scope of our zero waste approach.

Waste Management and Resource Efficiency

We effectively carry out waste segregation and hazardous waste management processes. At our production site, we manage our waste in compliance with regulatory requirements, utilizing temporary storage areas, appropriate equipment, and competent personnel.

Waste Reduction Projects

We aim to reduce waste at its source through projects such as packaging waste reduction and process optimization.

Our Prioritization Approach

In line with the waste management hierarchy, we prioritize waste prevention, reduction, reuse, recycling, energy recovery, and finally, disposal. This approach is summarized in the diagram below:



Waste Management Hierarchy

Most Preferred Option	Prevention
	Reduction
	Reuse
	Recycling
	Energy Recovery
Least Preferred Option	Disposal

Our Circular Economy Strategies

By adopting the principles of a circular economy, we aim to transform waste into valuable resources. In this context, the initiatives we carried out in 2022 and 2023 are as follows:

• **Recovery and Reuse of Waste:** In 2022 and 2023, we contributed a total of 43.5 tons of recyclable waste back into the circular economy.

• Transition to Circular Raw Materials:

We initiated work related to the ISCC Plus certification to promote the use of bio-based alternatives for acetaldehyde raw materials and successfully obtained our certificate in 2024.

• Contribution to Carbon Reduction:

Through our wind power plant (WPP) project, we aim to supply the overall electricity consumption of our factory from renewable energy sources.

Zero Waste and Circular Economy Initiatives

We will continuously improve our zero waste efforts.

We aim to achieve zero waste at source in our facilities and offices by the year 2030.

In line with circular economy principles, waste recovery and reuse within recycling processes constitute our fundamental steps.

Area of Work	Description	Year	Quantity/Status
Recovery and Reuse of Waste	Contribution of recyclable waste to the circular economy	2022	43.5 tons
		2023	43.5 tons
Transition to Circular Raw Materials	ISCC Plus certification efforts for the use of bio-based alternatives in acetaldehyde and methanol raw materials	2022-2023	Work Initiated
Contribution to Carbon Reduction	Supplying the factory's overall electricity consumption from renewable energy sources (WPP Project)	Ongoing	Target: Electricity Supply from Renewable Sources

Our Waste Quantities

The waste quantities of our Company, classified as hazardous and non-hazardous, for the years 2019-2023 are presented in the table below:

Type of waste (ton)	2021	2022	2023
Hazardous Wastes	24	30	41.50
Non-Hazardous Wastes	61	43.50	43.50
Total	86	73.50	85

Expenditures Related to Waste

Management and Circular Economy

In 2023, our environmental expenditures amounted to 1,298,854.99 TL, while our water conditioning expenditures totaled 3,090,376.03 TL.

Our Future Goals

Zero waste and circular economy are key components of MKS Marmara's sustainability strategies. In this context, our defined goals are as follows:

- Increasing the use of alternative resources.
- Achieving zero waste at source by 2030 at our facilities and offices, by ensuring that waste is segregated at the source and contributes to the national economy within the framework of the circular economy.

- Developing social responsibility projects focused on the circular economy within the scope of zero waste and sustainable development. In compliance with regulatory obligations, waste is collected at all operational locations under properly defined conditions at the source, and either recycled or disposed of accordingly. As MKS Marmara, we will continue to uphold our commitment to zero waste and circular economy principles and continuously improve our efforts in this area.

2023 Environmental Expenditures

TL 1,298,854.99

2023 Water Conditioning Expenditures

TL 3,090,376.03

2023 Hazardous Waste Quantity

41.50 tons

2023 Total Waste Quantity

85 tons

Life Cycle Analysis

We carry out efforts to minimize the impacts of our products throughout their life cycle.

We conduct life cycle assessments of our products in accordance with internationally recognized ISO 14040 and 14044 standards.

As MKS Marmara, we carefully assess the environmental impacts of our products through life cycle analyses (LCA), which form the foundation of our sustainability approach, and we continuously strive to minimize these impacts. Since 2021, we have been conducting analyses that cover the entire life cycle of our products. These analyses enable us to examine in detail the environmental impacts at every stage, from raw material sourcing to production, usage, and final disposal.

Our Life Cycle Analysis Approach and Practices

Our company implements life cycle analysis (LCA) to systematically assess and improve the environmental impacts of its products. These analyses enable us to measure and minimize key environmental indicators such as the carbon footprint, energy consumption, water usage, and waste generation associated with our products. In this context, we carry out product-specific life cycle assessments in accordance with internationally recognized ISO 14040 and

14044 standards. These standards ensure the compliance and reliability of our analyses with international norms.

Our Efforts to Minimize Environmental Impact

As MKS Marmara, we carry out continuous and comprehensive efforts to minimize the environmental impacts of our products throughout their life cycle. Since 2021, the life cycle analyses we regularly conduct have formed the foundation of these efforts. Based on the results of these analyses, we work in close collaboration with our R&D department to explore innovative raw material alternatives aimed at developing more sustainable products. This approach not only enhances the environmental performance of our current products but also ensures that our future products are designed with sustainability in mind.

The impact of our investments on the product life cycle can be summarized as follows. This mapping provides a valuable roadmap for our improvement projections.

Relationship Between Our Investments and the Product Life Cycle

Investment Area	Description	Impact on Product Life Cycle	Improvement Projection
Transition to Renewable Energy Sources (WPP Project)	Meeting the factory's energy needs from renewable sources	Reduction of carbon emissions during the production phase	Significantly reducing the carbon footprint originating from production
Use of Bio-Based Raw Materials	Use of bio-based alternatives for raw materials such as acetaldehyde and methanol	Reduction of environmental impact during raw material sourcing and production phases	Reducing fossil fuel dependency and supporting biodiversity
Improvement of Waste Management and Recycling Systems	Increasing the recovery rate of production waste and improving disposal methods	Reduction of waste volume and preservation of natural resources	Developing waste management practices in line with circular economy principles
Water Efficiency Projects	Implementation of technologies and practices aimed at reducing water consumption	Reduction of water usage in production processes	Ensuring the sustainable use of water resources

At MKS Marmara, we adopt the principle of continuous improvement on our sustainability journey. We present our life cycle analyses and the actions we implement based on these analyses to our stakeholders as an indication of our commitment to minimizing our environmental impact and building a more sustainable future.

Eco-Friendly Products

We ensure optimal loading capacity during transportation to reduce emissions.

We focus on developing products that require less raw material, consume less energy and resources during production, and have a long service life.

Our Company implements a range of strategies to enhance the environmental sustainability of its products. These strategies cover a wide spectrum, from raw material selection to logistics operations, product design, and recyclability.

Bio-Based Raw Materials

To promote the use of environmentally friendly raw materials, we are carrying out initiatives for the procurement of bio-based acetaldehyde. This transition aims to significantly reduce environmental impact by decreasing our dependence on fossil fuels. These efforts also contribute to the development of sustainable raw material supply chains.

Optimal Logistics

To minimize the environmental impact of our logistics operations, we carefully plan transportation routes and ensure full-capacity loading during all transportation processes. This enables us to reduce emissions from transport, improve the efficiency of our logistics operations, and consequently lower our carbon footprint.

Sustainable Product Design

We focus on developing products that require less raw material, consume less energy and resources during production, and have a long service life. This approach aims to reduce the environmental impact of our products throughout their entire life cycle. The durability and longevity of our products also help reduce waste generation and promote resource efficiency.

Recyclability

We attach great importance to ensuring that our products are recyclable, can be repurposed as raw materials for new products, and are environmentally safe throughout their disposal phase. In doing so, we contribute to the circular economy, support the conservation of natural resources, and help reduce waste. The use of recyclable materials also facilitates waste management processes.

As MKS Marmara, we consider sustainability principles an integral part of our business model. Our efforts to develop environmentally friendly products and reduce environmental impact reflect our vision of leaving a more livable world for future generations. In this regard, we act with the principle of continuous improvement and closely follow new technologies and approaches to enhance our environmental performance.



Annexes



Performance Indicators

ECONOMIC PERFORMANCE INDICATORS

	2022	2023
Net Sales	TL 2,182,171,525	TL 2,126,768,110
Operating Profit	TL 456,612,226	TL 334,129,798
Net Profit/Loss for the Period	TL 364,075,074	TL 131,703,587
Employee Salaries and Benefits	TL 52,598,534	TL 137,724,724
Payments to the Government by Country	TL 57,883,130	TL 29,300,656
Total Investments in Community	TL 11,557,423	TL 23,763,578

SOCIAL PERFORMANCE INDICATORS

EMPLOYEE PROFILE	2022	2023
Employee Data by Age		
Total Number of Employees	228	224
Above 50 years	29	31
Between 30- 50 years	142	138
Below 30 years	57	55
New Employee Data by Age		
Number of New Hires	33	35
Above 50 years	0	0
Between 30- 50 years	6	9
Below 30 years	27	26
Employee Data by Seniority		
Number of Employees 0-5 Years (Up to 5 Years)	86	86
Number of Employees 5-10 Years (Up to 10 Years)	49	54
Number of Employees 10 Years and More	93	84
Employee Data by White Collar-Blue Collar Breakdown		
Factory White-Collar	20	20
Headquarters White-Collar	27	29
Factory Blue-Collar	173	167
Headquarters Blue-Collar	8	8
Employee Data by New Hires and Leavers		
New hires	33	35
Leavers	18	39
Employee Data by Contract Type		
Indefinite Term Employment Contract	228	224
Other	0	0

TRAINING DATA	2022	2023
Total Training Hours	3,579.5	4,252
Training Hour per Employee	15.84	18.9
OHS Training Hours	16	16
Total Training Hours per Person	31.84	34.9

OHS Training Hours and Performance Indicators	2022	2023
Average annual OHS training hours per employee	16	16

OHS data	MKS		Contractor Companies		Total	
	2022	2023	2022	2023	2022	2023
Number of Accidents with Lost Work Days	12	6	0	2	12	8
Number of Fatal Accidents	0	0	0	0	0	0
Number of Lost Days	96	169	0	31	96	200
Accident Frequency Rate (%)	25.84	12.57	0	4.18	25.84	16.75
Accident Severity Rate (%)	1.23	2.8	0	0.51	1.23	3.31
Occupational Disease Diagnosis	0	0	0	0	0	0

	2022	2023	Total
Number of Work Accidents	12	6	48
Number of Corrective Actions	13	6	50
Number of Actions Related to Corrective Actions	23	14	98
Rate of Closing Actions (%)	100	85	

	2022	2023	Total
Number of Near Misses	31	11	68
Number of Corrective Actions	31	11	69
Number of Actions Related to Corrective Actions	30	10	102
Rate of Closing Actions (%)	100	100	100

Performance Indicators

Our Social Responsibility Projects

Annual Term	Aid Organization	Details of Aid	Total amount with VAT (TL)
2022	Gemlik Soup Kitchen	In-kind food donation	42,812.20
2022	Gemlik District Governorship		21,199.00
2022	Gemlik Basketball Club	Cash donation	20,000.00
2022	LÖSEV Children with Leukemia Health and Education Foundation	One brick donation per each of our 225 employees	11,250.00
2022	Gemlik Imam Hatip High School	In-kind food donation	10,331.90
2022	Cihatlı Private School	Donation of 7 printed mugs	371.70
2023	Atatepe School for the Disabled	Lunch for students and teachers	398,719.30
2023	Gemlik Soup Kitchen	In-kind food donation	480,654.60
2023	Earthquake Victims	Private living container, in-kind food aid	2,242,945.60
2023	Gemlik Vocational High School	Kitchen equipment	31,742.23
2023	Port Authority	Ice cream	7,000
2023	Çukurbahçe Mosque and Quran Course Association	Processed painted aluminum	75,000.23
2023	Gemlik Western Black Sea Association	Office furniture	10,000.00
2023	Turkish Red Crescent, Gemlik Branch	Laminate flooring and labor costs	15,500.40
2023	Gemlik Imam Hatip High School	In-kind food donation	52,899.50
2023	Gemlik District Governorship	Support of 100 books	3,000.00
2023	Gemlik State Hospital, Uludağ University Faculty	Mask donation	
2023	Women's Day	Women's Day celebration at school under protocol	
2023	Teachers' Day	Teachers' Day celebration at school under protocol	
2023	Earthquake Victims	Motivational event for earthquake victims	

ENVIRONMENTAL PERFORMANCE INDICATORS

Scope 1, 2 and 3 Emission Values

GHG Scope	GHG Value, tons CO ₂ eq (2021)	GHG Value, tons CO ₂ eq (2022)	GHG Value, tons CO ₂ eq (2023)	Reduction Rate (2022-2023) (%)
SCOPE 1 TOTAL CO ₂ eq, tons	121,729.52	89,306.05	57,459.14	36%
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SCOPE 3 TOTAL CO ₂ eq, tons	195,465.50	267,246.37	234,164.80	12%

Energy Consumption within the Organization

Energy Type	2021	2022	2023
Electricity (kWh)	33,562,018.00	33,281,813.60	30,089,862.24
Natural Gas (Sm ³)	549,199.00	578,125.00	147,217.00
Lignite (tons)	49,754.00	51,239.00	42,178.00
Diesel (lt)	97,863.00	84,455.00	72,293.53

Performance Indicators

Water Footprint Measurement Data

Water Source/Area of Use	2021 (m³)	2022 (m³)	2023 (m³)
Well Water (Total)	101,400.00	102,925.00	98,297.00
Fresh Water (Total)	308.00	322.00	361.00
Total Amount of Water Used (m³)	101.685,24	103.224,14	98.658,22
Domestic Use	9,499.50	13,451.01	9,206.75
Business and Other Use	24,376.50	41,195.00	39,526.00
Cooling Tower	38,760.00	22,609.55	21,659.50
Formaldehyde/Resin	12,648.00	12,481.11	12,085.02
Boiler	14,892.00	11,590.34	13,807.00
Pentaerythritol	1,224.00	1,598.00	2,013.00

Type of Water by Source	2021 (m³)	2022 (m³)	2023 (m³)
Municipal Water	-	-	-
Surface Waters	-	-	-
Groundwater	101,397	102,925	98,297
Amount of Water Reclaimed/Reused	-	-	-

Waste Amounts

Waste Type (tons)	2021	2022	2023
Hazardous Waste	24	30	41.50
Non-Hazardous Waste	61	43.50	43.50
Total	86	73.50	85

GRI Content Index

For the Content Index - Essentials Service, GRI Services reviewed that the GRI content index is clearly presented, in a manner consistent with the Standards, and that the information in the index is clearly presented and accessible to stakeholders.

GRI 1	GRI 1: Foundation 2021	
Applicable GRI Sector Standard(s)	Since the sector standard for the chemical industry has not been prepared yet, no sector standard has been used.	
GRI STANDARD	DISCLOSURE	LOCATION AND/OR ANSWERS
GENERAL DISCLOSURES		
GRI 2: General Disclosures 2021	The Organization and Its Reporting Practices	
	2-1 Organizational details	About the Report, page 5 About MKS Marmara, page 12 Our Operational Geography, page 15
	2-2 Entities included in the organization's sustainability reporting	About the Report, page 5
	2-3 Reporting period, frequency and contact point	Reporting has been done for two years. About the Report, page 5
	2-4 Restatements of information	None.
	2-5 External assurance	No independent assurance statement has been obtained for the data in the report.
	Activities and Employees	
	2-6 Activities, value chain and other business relationships	About MKS Marmara, page 12 Our Products, page 13-14 Our Operational Geography, page 15 Sustainable Supply Chain Management, page 48
	2-7 Employees	Employee Profile, page 54 Social Performance Indicators, page 78-79
	2-8 Workers who are not employees	Employee Profile, page 54 Social Performance Indicators, page 78-79
	Governance	
	2-9 Governance structure and composition	Board of Directors, Executive Board, and Committees, page 36-37 Organizational Chart, page 38
	2-10 Nomination and selection of the highest governance body	Board of Directors, Executive Board, and Committees, page 36-37
	2-11 Chair of the highest governance body	Board of Directors, Executive Board, and Committees, page 36-37 Organizational Chart, page 38
	2-12 Role of the highest governance body in overseeing the management of impacts	Our Sustainability Strategy and Organization, page 23-24 Board of Directors, Executive Board, and Committees, page 36-37
	2-13 Delegation of responsibility for managing impacts	Our Sustainability Strategy and Organization, page 23-24 Board of Directors, Executive Board, and Committees, page 36-37

GRI Content Index

GRI STANDARD	DISCLOSURE	LOCATION AND/OR ANSWERS
GRI 2: General Disclosures 2021	2-14 Role of the highest governance body in sustainability reporting	Our Sustainability Strategy and Organization, page 23-24
	2-15 Conflicts of interest	Corporate Governance, page 35
	2-16 Communication of critical concerns	Our Sustainability Strategy and Organization, page 23-24 Material Topics and Materiality Matrix, page 31-32
	2-17 Collective knowledge of the highest governance body	Board of Directors, Executive Board, and Committees, page 36-37
	2-18 Evaluation of the performance of the highest governance body	Corporate Governance, page 35 Board of Directors, Executive Board, and Committees, page 36-37
	2-19 Remuneration policies	Employee Profile, page 55
	2-20 Process to determine remuneration	Employee Profile, page 55
	2-21 Annual total compensation ratio	Confidentiality restrictions: Since MKS Marmara is not a publicly traded company, it does not share annual compensation rate information in publicly available sources.
	Strategy, Policies and Practices	
	2-22 Statement on sustainable development strategy	Message from the CEO, page 6-7 Message from the General Manager, page 8-9
	2-23 Policy commitments	Corporate Governance, page 35
	2-24 Embedding policy commitments	Corporate Governance, page 35
	2-25 Processes to remediate negative impacts	Business Ethics, Legal Compliance, and Transparency, page 39-40
	2-26 Mechanisms for seeking advice and raising concerns	Business Ethics, Legal Compliance, and Transparency, page 39-40
	2-27 Compliance with laws and regulations	There were no developments that were not in compliance with the law during the reporting period, and no administrative penalties were imposed for non-compliance with laws and regulations Business Ethics, Legal Compliance, and Transparency, page 39-40
	2-28 Membership associations	Our Corporate Memberships and Supported Initiatives, page 30
	Stakeholder Engagement	
	2-29 Approach to stakeholder engagement	Stakeholder Engagement and Communication, page 28-29
	2-30 Collective bargaining agreements	There is no collective bargaining agreement.

GRI Content Index

GRI STANDARD	DISCLOSURE	LOCATION AND/OR ANSWERS
MATERIAL TOPICS		
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Material Topics and Materiality Matrix, page 31-32
	3-2 List of material topics	Material Topics and Materiality Matrix, page 31-32
	Sustainable Financial Performance	
GRI 3: Material Topics 2021	3-3 Management of material topics	MKS Marmara in 2022 and 2023, page 20 Material Topics and Materiality Matrix, page 31-32
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	MKS Marmara in 2022 and 2023, page 20 Economic Performance Indicators, page 78
	Sustainable Supply Chain	
GRI 3: Material Topics 2021	3-3 Management of material topics	Material Topics and Materiality Matrix, page 31-32 Sustainable Supply Chain Management, page 48 Supplier Code of Conduct
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	Sustainable Supply Chain Management, page 48
GRI 308: Supplier Environmental Assessment 2016	308-2 Negative environmental impacts in the supply chain and actions taken	There was no significant negative environmental impact in supply chain during the reporting period. Sustainable Supply Chain Management, page 48
GRI 414: Supplier Social Assessment 2016	414-2 Negative social impacts in the supply chain and actions taken	There was no significant negative social impact in supply chain during the reporting period. Sustainable Supply Chain Management, page 48
	Anti-Bribery and Anti-Corruption	
GRI 3: Material Topics 2021	3-3 Management of material topics	Material Topics and Materiality Matrix, page 31-32 Business Ethics, Legal Compliance, and Transparency, page 39-40
GRI 205: Anti-Corruption 2016	205-1 Operations assessed for risks related to corruption	Our Sustainability Goals, page 27 Business Ethics, Legal Compliance, and Transparency, page 39-40

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GRI STANDARD	DISCLOSURE	LOCATION AND/OR ANSWERS
	Effective Energy Management	
GRI 3: Material Topics 2021	3-3 Management of material topics	Material Topics and Materiality Matrix, page 31-32 Effective Energy Management, page 69-70 <u>Occupational Health & Safety & Environment & Energy Management System Policy</u>
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Effective Energy Management, page 69-70 Environmental Performance Indicators, page 79-80
	302-4 Reduction of energy consumption	Effective Energy Management, page 69-70 Environmental Performance Indicators, page 79-80
	Water Management	
GRI 3: Material Topics 2021	3-3 Management of material topics	Material Topics and Materiality Matrix, page 31-32 Water Management, page 71-72
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	Water Management, page 71-72
	303-3 Water withdrawal	Water Management, page 71-72 Environmental Performance Indicators, page 79-80
	303-5 Water consumption	Water Management, page 71-72 Environmental Performance Indicators, page 79-80
	Sustainable Carbon Management	
GRI 3: Material Topics 2021	3-3 Management of material topics	Material Topics and Materiality Matrix, page 31-32 Sustainable Carbon Management, page 68
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Sustainable Carbon Management, page 68 Environmental Performance Indicators, page 79-80
	305-2 Energy indirect (Scope 2) GHG emissions	Sustainable Carbon Management, page 68 Environmental Performance Indicators, page 79-80
	305-3 Other indirect (Scope 3) GHG emissions	Sustainable Carbon Management, page 68 Environmental Performance Indicators, page 79-80
	305-5 Reduction of GHG emissions	Sustainable Carbon Management, page 68 Environmental Performance Indicators, page 79-80

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GRI STANDARD	DISCLOSURE	LOCATION AND/OR ANSWERS
	Waste Management and Circular Economy	
GRI 3: Material Topics 2021	3-3 Management of material topics	Material Topics and Materiality Matrix, page 31-32 Zero Waste and Circular Economy Initiatives, page 73-74
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Zero Waste and Circular Economy Initiatives, page 73-74
	306-2 Management of significant waste-related impacts	Zero Waste and Circular Economy Initiatives, page 73-74
	306-3 Waste generated	Zero Waste and Circular Economy Initiatives, page 73-74 Environmental Performance Indicators, page 79-80
	306-4 Waste diverted from disposal	Zero Waste and Circular Economy Initiatives, page 73-74
	Employee Engagement and Satisfaction	
GRI 3: Material Topics 2021	3-3 Management of material topics	Material Topics and Materiality Matrix, page 31-32 Employee Profile, page 54 Human Resources Policy
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Employee Profile, page 54 Social Performance Indicators, page 78-79
	Occupational Health and Safety	
GRI 3: Material Topics 2021	3-3 Management of material topics	Material Topics and Materiality Matrix, page 31-32 Occupational Health and Safety, page 60-62 Occupational Health & Safety & Environment & Energy Management System Policy
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Occupational Health and Safety, page 60-62
	403-2 Hazard identification, risk assessment, and incident investigation	Occupational Health and Safety, page 60-62
	403-3 Occupational health services	Occupational Health and Safety, page 60-62
	403-4 Worker participation, consultation, and communication on occupational health and safety	Occupational Health and Safety, page 60-62
	403-5 Worker training on occupational health and safety	Employee Well-being and Development, page 58 Occupational Health and Safety, page 60-62 Social Performance Indicators, page 78-79
	403-6 Promotion of worker health	Occupational Health and Safety, page 60-62
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Occupational Health and Safety, page 60-62
	403-8 Workers covered by an occupational health and safety management system	Occupational Health and Safety, page 60-62
	403-10 Work-related ill health	Occupational Health and Safety, page 60-62 Social Performance Indicators, page 78-79

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GRI STANDARD	DISCLOSURE	LOCATION AND/OR ANSWERS
	Employee Well-being and Development	
GRI 3: Material Topics 2021	3-3 Management of material topics	Material Topics and Materiality Matrix, page 31-32 Employee Engagement and Satisfaction, page 56-57 Employee Well-being and Development, page 58
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Employee Well-being and Development, page 58
	404-2 Programs for upgrading employee skills and transition assistance programs	Employee Engagement and Satisfaction, page 56-57 Employee Well-being and Development, page 58
	Gender Equality	
GRI 3: Material Topics 2021	3-3 Management of material topics	Material Topics and Materiality Matrix, page 31-32 Equal Opportunity, Diversity, and Gender Equality, page 59
GRI 405: Diversity and Equal Opportunity 2016	405-2 Ratio of basic salary and remuneration of women to men	There is no gender-based discrimination in employee wages at MKS Marmara.
	Business Ethics, Legal Compliance, and Transparency	
GRI 3: Material Topics 2021	3-3 Management of material topics	Material Topics and Materiality Matrix, page 31-32 Business Ethics, Legal Compliance, and Transparency, page 39-40 Ethical Rules and Social Responsibility
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	There were no cases of discrimination at MKS Marmara during the reporting period. Business Ethics, Legal Compliance, and Transparency, page 39-40
	Human Rights	
GRI 3: Material Topics 2021	3-3 Management of material topics	Material Topics and Materiality Matrix, page 31-32 Business Ethics, Legal Compliance, and Transparency, page 39-40
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	MKS Marmara does not employ child labor in any way, and expects its suppliers and other stakeholders in the value chain to comply with the age provisions specified in the relevant laws and regulations.
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	MKS Marmara and all stakeholders in its value chain, especially its suppliers, do not employ forced labor in any way.

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GRI STANDARD	DISCLOSURE	LOCATION AND/OR ANSWERS
	Corporate Citizenship	
GRI 3: Material Topics 2021	3-3 Management of material topics	Material Topics and Materiality Matrix, page 31-32 Corporate Citizenship, page 63
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Corporate Citizenship, page 63
	Data Security and Privacy	
GRI 3: Material Topics 2021	3-3 Management of material topics	Material Topics and Materiality Matrix, page 31-32 Data Security and Privacy, page 50 Information Security Management System Policy
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	There were no verified complaints regarding violation of customer privacy and loss of customer data during the reporting period. Data Security and Privacy, page 50
	Combating Climate Change, Adaptation, and Resilience	
GRI 3: Material Topics 2021	3-3 Management of material topics	Material Topics and Materiality Matrix, page 31-32 Combating Climate Change, Adaptation, and Resilience, page 65-67 Occupational Health & Safety & Environment & Energy Management System Policy
	Operational Excellence and Business Continuity	
GRI 3: Material Topics 2021	3-3 Management of material topics	Material Topics and Materiality Matrix, page 31-32 Operational Excellence and Business Continuity, page 44-47
	Product and Service Quality	
GRI 3: Material Topics 2021	3-3 Management of material topics	Material Topics and Materiality Matrix, page 31-32 Operational Excellence and Business Continuity, page 44-47 Quality Management System Policy

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GRI STANDARD	DISCLOSURE	LOCATION AND/OR ANSWERS
	Corporate Governance	
GRI 3: Material Topics 2021	3-3 Management of material topics	Material Topics and Materiality Matrix, page 31-32 Corporate Governance, page 35
	Customer Satisfaction and Experience	
GRI 3: Material Topics 2021	3-3 Management of material topics	Material Topics and Materiality Matrix, page 31-32 Customer Satisfaction and Experience, page 42-43
	Proactive Risk and Crisis Management	
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability Risks and Opportunities Analysis, page 25 Material Topics and Materiality Matrix, page 31-32
	R&D, Innovation, and Digital Transformation	
GRI 3: Material Topics 2021	3-3 Management of material topics	Material Topics and Materiality Matrix, page 31-32 R&D, Innovation, and Digital Transformation, page 49
	Eco-Friendly Products	
GRI 3: Material Topics 2021	3-3 Management of material topics	Material Topics and Materiality Matrix, page 31-32 Eco-Friendly Products, page 76
	Biodiversity	
GRI 3: Material Topics 2021	3-3 Management of material topics	Material Topics and Materiality Matrix, page 31-32 Combating Climate Change, Adaptation, and Resilience, page 65-67

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