



Pimsa Automotive Sustainability Report 2024

Corporate Sustainability Progress Report in Accordance
with GRI Standards

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Executive Summary

As a manufacturing company operating in the automotive sector, Pimsa Otomotiv addresses sustainability as a strategic management approach that supports long-term corporate resilience, operational efficiency, and stakeholder trust. This report has been prepared to present the company's policies, practices, and performance in the environmental, social, and governance (ESG) areas in line with the principles of transparency and accountability.

The 2024 Sustainability Progress Report covers the reference period of January 1, 2024 – December 31, 2024, and includes all operations of Pimsa Otomotiv included in the reporting scope. This report has been prepared with reference to the Global Reporting Initiative (GRI) Standards and aims to present Pimsa Otomotiv's practices in environmental, social, and governance areas in line with the principle of transparency.



Executive Summary - Continued

Pimsa Automotive's sustainability approach is built upon the principles of responsible production, efficient resource use, employee health and safety, and a strong governance structure. Throughout 2024, the primary areas of focus have been monitoring energy and resource consumption, strengthening occupational health and safety performance, enhancing employee competencies, and promoting a corporate culture based on ethical principles.

This report also includes the results of the materiality assessment conducted by considering stakeholder expectations and the environmental and social impacts of company operations. Pimsa Automotive views sustainability as a continuously evolving process and positions responsible practices in environmental, social, and governance (ESG) areas as an integral part of its corporate strategy.

Pimsa Automotive aims to strengthen its sustainability performance and risks in the upcoming periods through measurable goals, risk management, and improvement actions.





Organizational Overview

Company Profile

Pimsa Otomotiv operates as a manufacturing company in the automotive sector, continuing its operations with a customer-focused approach and a quality-oriented production mindset. The company creates value by developing products and solutions for the automotive industry in line with high quality standards and the goal of operational excellence.

Pimsa Otomotiv's operations are conducted within the framework of sustainability, occupational health and safety, environmental responsibility, and ethical business practices; this approach constitutes the fundamental elements of the company's corporate culture. Operational processes are managed with a focus on continuous improvement and efficiency.

The company's main operations are based in Turkey, providing services to national and international markets with investments in two locations in Europe.

Key Information

- Field of Activity: Polyurethane Part Production for Automotive, Construction Machinery, and Tractor Industries
- Headquarters: Turkey
- Operational Scope: Production and support processes
- Production Facility: 4 facilities in 3 countries
- R&D Center: 1 location

Legal Structure

Pimsa Otomotiv operates as a joint-stock company in accordance with the legislation of the Republic of Turkey.

Ownership Structure

The capital structure of Pimsa Otomotiv is organized as 6.67% corporate partnership and 93.33% individual partnership.

Report Scope

This report covers the 2024 activities for the central location of Pimsa Otomotiv San. ve Tic. A.Ş. in Çayırova. Other companies within the group have been excluded from the report scope.

Certificates

- IATF 16949:2016
- ISO 9001:2015
- ISO 14001:2015
- ISO 45001:2018
- TISAX
- Leed Gold

History

1975: Establishment and First Steps

Pimsa Poliüretan A.Ş. was founded in Küçükyalı, Istanbul, for the purpose of producing polyurethane parts for the automotive, furniture, construction, and defense industries. The company began operations with a production vision focused on polyurethane technologies.

In 1977, with orders received from the automotive sector, the strategic focus shifted to this area, and Pimsa became a leading manufacturer for the Turkish automotive industry.

2000s: Rise to Leading Supplier Position and Quality Standards

In 2000, acoustic part production began with HP Pelzer Pimsa Otomotiv Sanayi A.Ş., which was the first factory in the TOSB region. In 2001, a partnership was formed with the Italian Adler Group, a Fiat supplier, and Pimsa Adler Otomotiv A.Ş. began operations, strengthening polyurethane and plastic production competencies.

In 2003, the quality and environmental management infrastructure was solidified with ISO/TS 16949 and ISO 14001 certifications. In 2004, production for commercial vehicles and supply performance were certified with the Ford Q1 Certificate. In 2014, Pimsa proved its R&D competence by obtaining its first patent in Turkey regarding sun visor production methods.



1980s-1990s: Growth and Product Diversification in the Automotive Sector

Production capacity was expanded to meet increasing customer demands. With operations in Dudullu in 1985, the product portfolio was enriched to include engine insulation, floor carpets, and interior trim parts, in addition to seat cushion foam, steering wheels, and armrest production.

In 1995, Otimisa Teknik İmalat Ltd. Şti. was established to meet the need for metal parts. In 1999, Pimsa Direksiyon A.Ş. commenced operations for steering wheel production in partnership with German and Spanish firms.

2010s and Beyond: International Expansion and Sustainable Growth

In 2011, HP Pelzer Pimsa's Romania plant became operational. In 2012, the company name was changed to Pimsa Otomotiv A.Ş., and it relocated to its modern, eco-friendly production facility in TOSB. In 2013, Pelzer Pimsa began production in Russia.

In 2016, while receiving the Kocaeli Chamber of Industry Environment Award and LEED Gold Certification, the company was registered as the 265th R&D Center. In 2017, with the acquisition of the UK-based company QCL, the first overseas production center was established. In 2018, international technology competence was strengthened by obtaining the first patent in Europe, and a production facility was opened in Nuneaton.

In 2024, with the acquisition of the Philippine Hungary factory, international production capacity and operational footprint were expanded.

Geographical Footprint

Pimsa Otomotiv has a **multinational manufacturing structure** within the automotive supply chain, operating in three countries. The company's geographical footprint is structured to ensure operational continuity, supply chain resilience, and the ability to produce close to customers.

Geographical diversity increases Pimsa Otomotiv's operational flexibility, contributing to compliance with local regulations, production continuity, and the effective meeting of customer expectations.

European Region

Countries:

Türkiye, United Kingdom, Hungary

Manufacturing Facilities:

3 production facilities

In each country of operation, activities are managed through local management teams; production operations are governed in accordance with applicable legal and regulatory requirements.

Pimsa Otomotiv's multi-country operational structure constitutes a significant advantage in terms of ensuring supply chain continuity, distributing operational risks, and providing flexible production solutions close to customers.

Sustainability and ESG topics are addressed within the **existing management systems and legal compliance frameworks** in the countries of operation, and are monitored by taking regional differences and local requirements into account.



Products and Services

Our company offers a wide product portfolio for industrial applications. Our product development processes are based on sustainability criteria, energy efficiency, and circular economy principles. The company's portfolio consists of **53% agriculture and construction machinery** and **47% automotive sector** products and solutions. In the relevant reporting period, Pimsa Otomotiv produced **7,488,112 parts in the automotive segment** and **773,485 parts in the agriculture and construction machinery segment**. Our product portfolio is as follows:



Truck and Bus

Armrest, Floor Covering, Insulation, Fender Protector, Partition Panel, Signal Socket, Fender, Gear Knob, Steering Wheel, Sun Visor



Construction Equipment

Armrest, Control Panel, Floor Mat, Rear Cover, Storage Tray



Commercial Vehicle

Compressor Cover, Engine Cover, Engine Undercover, Side Panel



Passenger Car

Battery Insulator, Engine Cover, Engine Insulator, Fender, High-Pressure Pump Cover, Insulation Mats, Cargo Linings, Engine Underside, NVH Encapsulation, NVH Foams, NVH Seal, Sun Visor



Agricultural Machinery

Partition Wall, Fender Extension, Extra Seat Upholstery, Floor Mat, Header Gasket, Main Artist, Rear Window Cover, Side Panel, Trim Control Panel

All our products have their environmental impacts evaluated within the framework of life cycle analysis and are optimized with a continuous improvement approach. Customer feedback, regulatory requirements, and market trends are taken into account in our product development processes.

Products and Services


Pimsa Otomotiv

PIMSA Otomotiv Products - Bus, Trucks, Tractors & Heavy Duty Segment



- Sunvisor
- Arm rest
- Arm rest
- Storage Tray
- Headliners
- Instrumental Panel
- Steering Wheel
- Control Panel
- Gear Knob
- Partition Panel
- Floor mats
- Bulkheads
- Cab Trims
- Signal Extension
- Extention Fender
- Head Seal
- Extra Seat


Pimsa Otomotiv

PIMSA Otomotiv Products - Passenger Cars & LCV Segment



- Engine Cover
- Powertrain Encapsulation
- Lower Engine Cover
- Engine Insulator
- Pressure Pump Cover
- NVH Integral
- NVH Foams
- A pillar Insulator
- Arm Rest Pad
- Door Pad
- Fender
- Spoiler
- Sunvisors
- Mat Floor Insulation
- Insulation Mats
- Loadliners
- PP Trim Panels
- Stuffer Block
- Pillar Foam
- Head Rest
- Battery Insulator



Markets Served

Our products and services are developed for a variety of industries and customer segments. Market diversification is critical to our business continuity and growth strategy.

B2B Customers

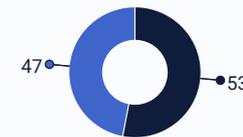
The majority of our customer portfolio consists of corporate clients. Our customer profile includes:

- OEM manufacturers
- Tier-1 suppliers
- Industrial integrators
- Project developers

Market Trends

Key trends shaping our industry:

- Transition to electric and autonomous vehicles
- Renewable energy investments
- Digital transformation and Industry 4.0
- Circular economy models
- Supply chain resilience



- Agriculture-Construction Ma...
- Automotive

Business Model and Value Creation

Our business model is built upon the principle of creating sustainable value. We aim to generate economic, social, and environmental value for all our stakeholders, while prioritizing operational efficiency, innovation, and responsible resource utilization.



Inputs

- **Financial capital** (Financial resources that ensure the sustainability of operations and the continuity of investments)
- **Natural resources** (Energy, raw materials, and other natural inputs used in production processes)
- **Human capital** (Experienced and competent employees with technical knowledge)
- **Intellectual capital** (Corporate knowledge, R&D competencies, patents, processes, and technological infrastructure)
- **Social capital** (Trust-based relationships established with customers, suppliers, and other stakeholders)

Business Activities

- Research, development, and innovation activities
- Procurement, production, and process management
- Quality control and assurance practices
- Logistics and distribution processes
- Sales and customer relationship management

Outputs

- High-quality and reliable products
- Employment and income generation
- Economic value added
- Technological and functional solutions
- Societal and social benefit

These outputs aim to create sustainable impact not only on economic performance but also for employees, suppliers, and the local community.

Core Principles of Value Creation

- **Sustainable Growth:** Achieving long-term and profitable growth by observing environmental and social responsibilities
- **Innovation:** Developing innovative solutions that meet customer needs and reduce environmental impacts
- **Operational Excellence:** Maintaining efficiency, quality, and occupational safety at the highest level
- **Stakeholder Focus:** Observing the expectations of all stakeholders in a balanced and transparent manner

Value Chain Overview

Pimsa Otomotiv's value chain consists of a holistic structure extending from the supply of raw materials and services to production, logistics, product usage, and end-of-life processes. The company treats quality, environmental management, operational efficiency, and legal compliance as core priorities at every stage of the value chain. The year 2024 has been evaluated as a "preparation and infrastructure development" reference year for Pimsa Otomotiv's sustainability efforts. Environmental and social practices will be developed gradually throughout the value chain.



We aim to achieve jointly determined sustainability goals by establishing long-term partnerships with our suppliers.



Organizational Structure

Board of Directors

Pimsa Otomotiv's Board of Directors is structured to determine the company's strategic direction, oversee corporate governance principles, and support sustainable growth. The Board of Directors consists of 5 members in total.

- 1 Chairman of the Board
- 1 Vice Chairman of the Board
- 3 Board Members

One of the Board members also serves as the General Manager. All members of the Board of Directors are male.

Governance Approach

The governance approach at Pimsa Otomotiv is based on the principles of transparency, accountability, responsibility, and fairness. The Board of Directors and senior management are responsible for ensuring that the company's operations are carried out in compliance with legislation, ethical principles, and corporate policies.

Sustainability issues are addressed at the senior management level; they are monitored and developed in line with the work determined by the participation of relevant functions.

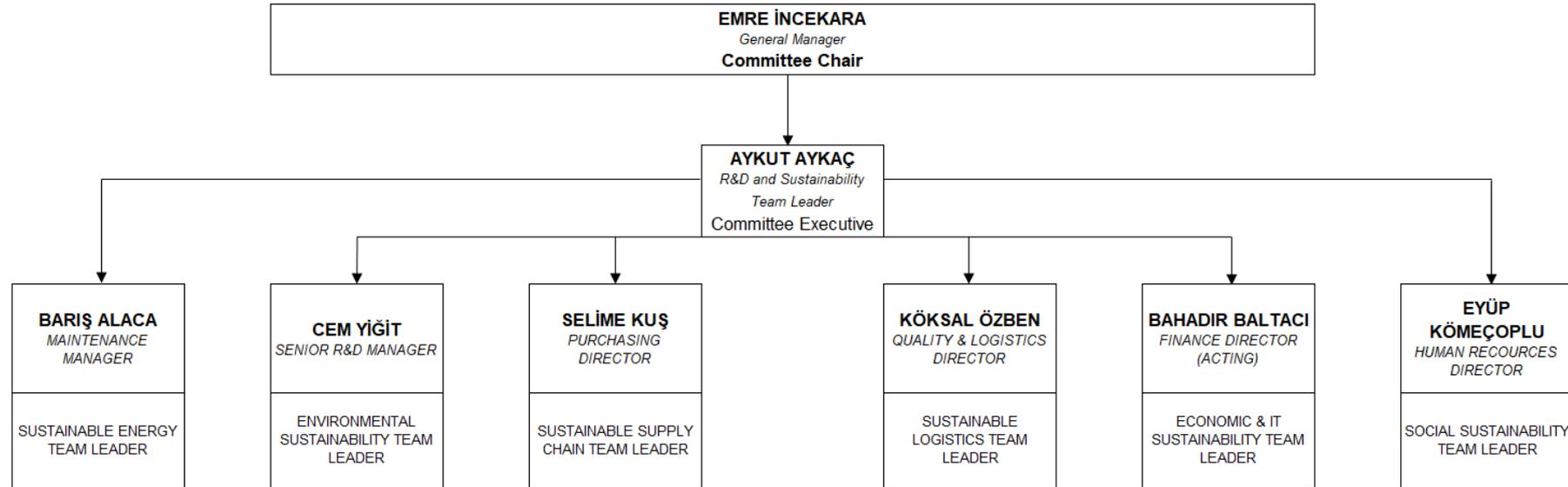
Senior Management

The company's daily operations and the implementation of its strategic goals are carried out by the senior management team operating under the leadership of the General Manager. Senior management consists of the following units based on functional responsibilities:

- Human Resources
- Supply Chain
- Production
- Research and Development
- Quality
- Finance and Information Technologies
- Project Management and Design
- Maintenance and Technical Services

This structure aims to increase operational efficiency, strengthen cross-functional coordination, and ensure the integration of the sustainability goals to be determined into business processes.

Sustainability Organizational Structure



At Pimsa Otomotiv, sustainability activities are coordinated by the **Sustainability Committee**, which is established under the supervision of senior management. The committee is responsible for determining the company's sustainability strategy, monitoring targets, and ensuring interdepartmental integration of relevant activities.

The committee structure consists of competent managers in the fields of energy, environment, procurement, logistics, economic, and social sustainability, and applications are followed through team leaders determined for each focus area. Through this structure, sustainability activities are integrated into operational processes and managed with a continuous improvement approach.

Pimsa Automotive – Sustainability Committee Roles

At Pimsa Automotive, sustainability management is intended to be carried out through a multi-layered structure covering strategic guidance, operational implementation, and performance monitoring. The Sustainability Committee has the following duties and responsibilities to ensure the company reaches its Environmental, Social, and Governance (ESG) goals.

1 Chairperson

The Chairperson of the Committee determines Pimsa Automotive's overall sustainability strategy and policies. They chair Committee meetings, provide guidance toward achieving sustainability goals, and assume high-level oversight responsibilities in relevant areas.

The Chairperson manages the development, approval, and updating processes of strategies, policies, and goals that support the company's goals, values, and vision regarding sustainable development. They also play a leading role in evaluating stakeholder engagement and current situation analyses.

3 Team Leaders

Team leaders create and implement operational sustainability plans for their respective areas of responsibility within Pimsa Automotive. They manage projects in priority areas such as energy efficiency, waste management, resource utilization, and occupational health and safety, while monitoring and reporting on progress.

They perform specialized analyses in specific sustainability topics and ensure effective coordination between relevant departments.

2 Sustainability Officer

The Sustainability Officer prepares Pimsa Automotive's tactical sustainability plans and ensures the coordination of their implementation. They monitor, analyze, and report on sustainability performance; they coordinate the preparation and publication of sustainability reports in accordance with relevant frameworks, primarily GRI standards.

In addition, they conduct communication on sustainability issues with employees, customers, investors, and other stakeholders; they organize awareness activities and sustainability training programs.

4 Team Members

Team members support the implementation of sustainability plans and actions in the field. They contribute to data collection, analysis, and reporting processes regarding sustainability performance; they work in cooperation with other teams to strengthen knowledge sharing.

Furthermore, they actively participate in sustainability projects and support the dissemination of a culture of continuous improvement.

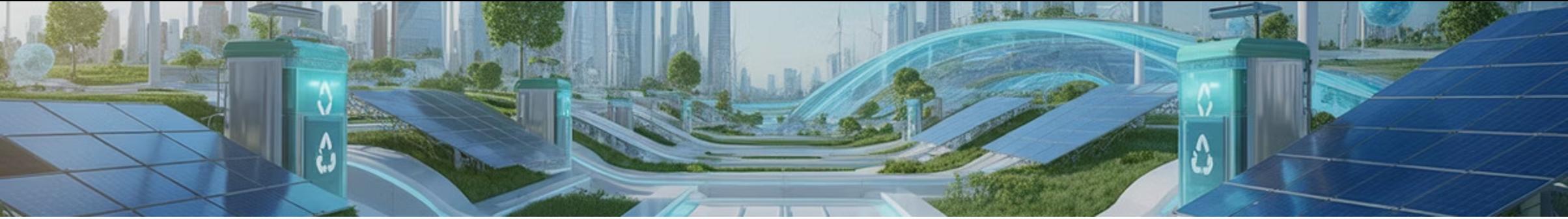
Through this structure, sustainability management at Pimsa Automotive will be carried out in an integrated manner across strategic decision-making, operational implementation, and performance monitoring processes.

Sustainability Organizational Structure

Pimsa Otomotiv's sustainability approach is structured around five core focus areas: energy, environmental, operational, economic, and social sustainability. This structure has been designed in alignment with the United Nations Sustainable Development Goals (SDGs), aiming to manage the environmental, social, and economic impacts of company operations with a holistic approach. The defined sustainability priorities have been established by considering the company's strategic goals, stakeholder expectations, and the impact of its operations, and have been integrated into relevant policies, targets, and action plans.

5 Core Sustainability Areas





Sustainability Vision and Commitment

Pimsa Otomotiv's sustainability vision is based on the responsibility of creating a livable world for future generations by protecting the planet's limited resources. The company shapes its business strategy in line with environmental boundaries, societal expectations, and sustainability principles, adopting long-term value creation as its primary goal. Our sustainability approach aims not only to reduce the environmental impacts of our operations but also to create lasting and inclusive benefits for employees, business partners, customers, and society.



Environmental Leadership

We aim to continuously reduce our environmental impacts in order to combat climate change, ensure efficient use of natural resources, and contribute to the protection of biodiversity.



Social Responsibility

We support inclusive practices that are based on respect for human rights, prioritize employee well-being and occupational health and safety, and contribute to social development.



Ethical Governance

By acting in line with the principles of transparency, accountability, and integrity, we adopt a corporate governance approach that is responsible towards all our stakeholders.

Our commitment is not limited to meeting legal and regulatory requirements. Pimsa Otomotiv aims to contribute to the dissemination of best practices in its sector, to advance the sustainability journey together with its suppliers and customers, and to assume a role that adds value to social transformation.

Our Sustainability Policy

As Pimsa Otomotiv, we are aware of our environmental, economic, and social responsibilities. The welfare and development of future generations are being reshaped and strengthened by our human and environment-oriented approach to sustainability, which encompasses respect for nature, economic sustainability, and a strong sense of community. With this awareness and determination;

- To support sustainable development, we actively contribute to economic, social, and environmental progress. In this direction, we shape our company's activities within the framework of sustainability principles and aim to add positive value to society, the environment, and the economy.
- We work actively to ensure that the economic, social, and environmental efforts we conduct in line with sustainable development goals spread to a wide audience, including our entire supply chain. We encourage our business partners to adopt good management practices and contribute to the implementation of sustainability principles across all business processes by providing the necessary guidance.
- We adopt sustainability as the fundamental roadmap in our business model. We produce all our products and services in line with these principles, optimizing our raw material and natural resource consumption by embracing a responsible production and consumption approach. We conduct our activities by considering the need to protect the environment and focus on developing innovative solutions to reach our sustainability goals.
- As a company that has adopted the principle of avoiding human rights violations, we make strong commitments in this regard in line with our human rights policy. We support these commitments with our practices and prioritize the protection and observance of human rights in all our business processes.
- We place special importance on protecting the rights of individuals who may be at high risk due to exclusion, vulnerability, or other conditions. We accept it as a fundamental responsibility to prevent any negative impact that may affect the rights of minority groups such as indigenous peoples, human rights defenders, migrants, women, children, the elderly, and the disabled. In this direction, we take measures to protect the rights of these groups in all our processes and place respect for human rights at the center of our business model.

Our Sustainability Policy - Continued

- At Pimsa Otomotiv, we show maximum sensitivity regarding mutual respect, equality, occupational health and safety, working hours, wages, forced labor, and child labor among all our employees. Through our practices and agreements, we integrate PIMSA's sustainability practices into all our operations and make these values the cornerstones of our corporate culture.
- We take care to prevent conflicts of interest and show maximum sensitivity to issues of information leakage, confidentiality, intellectual property, and information security. In these areas, we aim to protect the trust of our stakeholders and develop sustainable business relationships by acting in accordance with our company's ethical values. We continuously conduct training and awareness-raising activities on these issues to ensure that all our employees adopt these principles.
- We strictly prohibit bribery and other forms of corruption. As a company, we encourage transparency and honesty, and prioritize ethical behavior in all our business processes. This approach aims to strengthen our relationships with our stakeholders, based on the principles of reliability and accountability.
- We provide full authority to employee representatives on issues such as employee rights and communication with management, and we respect efforts to protect workers' rights. This approach aims to create a fair and effective communication environment by considering the opinions of our employees and strengthens the role of employee representatives. In this way, we ensure active cooperation regarding the protection and improvement of our employees' rights.
- We show maximum sensitivity to the supply of products in line with fair trade principles, fair competition, anti-corruption, compliance with commercial legislation, and anti-money laundering. By encouraging ethical behavior in these areas, we aim to create a transparent and fair business environment. By adhering to these principles in all our business processes, we aim to develop sustainable business relationships and raise standards in the sector.

Our Sustainability Policy - Continued

- Companies must act in full compliance with the tax laws and regulations in effect in the countries where they operate, adhering to both their legal provisions and the principles and objectives underlying these regulations. We view tax management and tax compliance as essential components of comprehensive risk management and audit systems. In this context, while fulfilling our legal obligations, we aim to create a sustainable business model by prioritizing the principles of transparency and accountability.
- Our employees take care to avoid creating negative environmental impacts on communities and society at large. We are committed to contributing to sustainable development goals by addressing such impacts. We shape our operations to minimize environmental impacts and provide a positive contribution to society, integrating sustainability principles into all our processes.
- We identify the negative impacts on the environment, including the areas where we exert influence through Pimsa's practices. By addressing environmental impacts, we establish measurable goals, objectives, and strategies to improve our environmental performance. We implement, verify where possible, monitor, continuously improve, and regularly review these objectives. Thus, we effectively fulfill our commitments regarding environmental sustainability.
- Through our emergency action plans, we take the necessary measures to prevent, reduce, and control all serious damage that may arise from environmental and health activities. In this direction, we have effective mechanisms in place to report immediately to the authorized bodies in case of potential situations. We aim to be prepared for potential risks by continuously reviewing and updating these plans.
- We are committed to developing and providing products and services that can be disposed of in a durable and safe manner according to their intended use. We create environmentally sensitive production processes by using natural resources sustainably. Furthermore, in addition to reducing energy and material inputs as much as possible, we aim to minimize pollution, greenhouse gas emissions, and waste generation (especially hazardous waste). In this context, we take care to integrate sustainability principles into every stage of our business processes.

Our Sustainability Policy - Continued

- In order to protect natural resources and minimize environmental impacts, we adopt effective recycling practices in all our operations. We aim to reduce waste, use recyclable materials, carry out circular economy studies, and integrate sustainability into our business processes.
- We are committed to providing meaningful and accurate information regarding environmental impacts, such as greenhouse gas emissions, resource efficiency, and other environmental issues. Furthermore, we conduct various training and awareness-raising activities to increase our customers' awareness of the environmental impacts of using our company's products and services. In this way, we aim to spread sustainability awareness and encourage environmentally friendly choices.
- As Pimsa Automotive, we are committed to the responsible sourcing of minerals used in our supply chain and the prevention of the use of conflict minerals. We expect all our suppliers to adopt mining practices that are respectful of human rights and compliant with environmental and ethical standards; we work in close cooperation with our suppliers to increase transparency and traceability, encourage the use of recycled and sustainable alternative materials, and aim to create a supply chain that is free of conflict minerals.
- As Pimsa Automotive, we commit to maintaining the highest standards of ethics, integrity, and sustainability; we encourage our employees, business partners, and stakeholders to report in good faith any situations that may constitute a violation of laws, company policy, or ethical principles regarding environmental, social, governance, or other matters. All reports made will be handled on the basis of confidentiality, and it is guaranteed that whistleblowers acting in good faith will not be subjected to any retaliation, pressure, or negative consequences; any violation of this principle will be evaluated within the scope of disciplinary sanctions.
- We carry out studies using a continuous improvement methodology to reduce our emissions, and we track and verify these processes annually. Furthermore, we are committed to becoming carbon neutral across our entire value chain by 2050. In line with this goal, we continue to develop strategies to minimize our environmental impacts by integrating sustainable practices into our business processes.

As the Pimsa Family, we sincerely commit to our sustainability policies in order to reach higher standards and increase our quality in corporate, environmental, economic, and social terms, and we present this to the attention of all our stakeholders.

ESG Integration Approach

At Pimsa Otomotiv, environmental, social, and governance (ESG) factors are addressed through existing management systems, legal compliance processes, and operational practices. The ESG approach is considered a development area **aimed at being gradually integrated** into the company's strategic decision-making processes.

Strategic Approach

ESG topics are addressed in association with Pimsa Otomotiv's existing quality, environmental, occupational health and safety, information security, and risk management systems, providing a foundation for the creation of corporate sustainability goals in the medium and long term.

Continuous Improvement

Existing practices are evaluated through management reviews and internal audits; development areas aimed at strengthening the ESG management structure are identified.



Implementation

Practices related to environmental and social issues are carried out within the scope of production, maintenance, purchasing, human resources, and support processes; the integration of ESG topics into operational processes is addressed with a **phased approach**.

Measurement and Monitoring

Performance indicators within the scope of ESG are monitored within the framework of relevant management systems; the data obtained will provide input for the definition of ESG-specific targets and indicators in the coming periods.

Environmental (E)

- Climate strategy and emission reduction
- Increasing energy, resource, and water efficiency
- Waste management and legal environmental compliance
- Preparatory work for systematically addressing climate and environmental risks in the future

Social (S)

- Occupational health and safety practices
- Employee development, equality, and inclusion
- Respect for human rights and fair working conditions
- Community contribution and social responsibility activities

Governance (G)

- Corporate governance structure and responsibilities
- Regulatory compliance
- Ethics, compliance, and risk management systems
- Transparency and accountability
- Effective communication and engagement with stakeholders

UN Sustainable Development Goals Alignment

Pimsa Otomotiv aims to carry out its sustainability strategy and operational activities in alignment with the United Nations Sustainable Development Goals (SDGs). Considering the environmental, social, and economic impacts of its operations, the company has identified the priority SDGs where it can create direct and indirect impacts. Pimsa Otomotiv aims to manage its sustainability efforts within an SDG framework that is compatible with its strategic priorities, value chain structure, and stakeholder expectations.



SDG 7: Affordable and Clean Energy

Efforts are being carried out to increase energy efficiency, support the use of renewable energy, and promote clean energy solutions in operations.



SDG 8: Decent Work and Economic Growth

Fair working conditions, occupational health and safety practices, and human resources policies that support the professional development of employees are implemented. Supporting sustainable and qualified employment is among the priority issues.



SDG 9: Industry, Innovation, and Infrastructure

Sustainable industrial solutions are developed through research and development activities; the aim is to strengthen innovation, digitalization, and technological competencies.



SDG 12: Responsible Consumption and Production

Production processes are continuously improved in line with increasing resource efficiency, reducing waste generation, and supporting circular economy principles.



SDG 13: Climate Action

Studies are being conducted to reduce greenhouse gas emissions, manage climate risks, and develop adaptation strategies within the scope of combating climate change.



SDG 17: Partnerships for the Goals

Collaborations with suppliers, customers, public institutions, and other stakeholders are developed, aiming to achieve sustainability goals through a collective approach.

SDGs with Indirect Contribution

In addition to its direct impact areas, Pimsa Automotive contributes indirectly to the following goals:



SDG 4 – Quality Education:

Through training and competency development programs that support the technical and professional growth of employees.



SDG 5 – Gender Equality:

Through human resources policies and practices built on the principles of equality, non-discrimination, and inclusion.

Pimsa Automotive focuses on the Sustainable Development Goals where its operations create a direct impact, while addressing goals that receive indirect contributions within a supporting framework.



Alignment with Corporate Strategy

Sustainability is treated as one of the evolving components of Pimsa Automotive's corporate strategy. The company aims to establish a strong alignment between its business objectives and its environmental, social, and governance (ESG) priorities in the medium to long term, gradually developing its corporate capacity in this direction.



Pimsa Automotive's strategic priorities include digital transformation, customer focus, and sustainable growth; the sustainability approach is gradually being integrated into the corporate strategy within this framework.

Pimsa Automotive Sustainability Roadmap



Goals and Roadmap

Goals and Roadmap

Pimsa Automotive addresses its sustainability efforts from a short, medium, and long-term perspective; it aims to develop its activities gradually in line with a continuous improvement approach. In this context, the goals set are established by taking into account the company's current operational structure, management systems, and stakeholder expectations.

Short-Term Focus Areas

- Strengthening sustainability-related practices within the scope of existing management systems (ISO 9001, ISO 14001, ISO 45001, TISAX, IATF 16949)
- Developing data collection and monitoring infrastructure for priority sustainability issues
- Conducting training and awareness activities to increase employee awareness

Medium-Term Focus Areas

- Clarifying goals regarding priority sustainability issues and expanding monitoring mechanisms
- Increasing applications aimed at improving environmental and social performance in supply chain and operational processes
- More systematically integrating sustainability performance into management reporting

Long-Term Focus Areas

- Full integration of the sustainability approach into corporate strategy and decision-making processes
- Creating long-term corporate value through continuous improvement of ESG performance
- Strengthening cooperation with stakeholders and disseminating the sustainability culture at the corporate level

Key Performance Indicators (KPI) Approach

Key Performance Indicators Approach

At Pimsa Automotive, objectives are managed through performance indicators defined within existing management systems. These indicators contribute to monitoring company activities and supporting management decisions across environmental, social, and governance categories.

The year 2024 has been considered a preparation and structuring year for evaluating the current status of performance indicators regarding sustainability, as well as reviewing and developing the data infrastructure.

Current Approach

- Performance indicators defined in the areas of environment, occupational health and safety, quality, and information security are monitored regularly.
- These indicators are periodically evaluated by the relevant departments and senior management; results are considered in operational and managerial decision-making processes.
- In 2024, the focus has been on creating reportable data sets under the sustainability heading and ensuring the consistency of the data collected.

Development Area

- Gradual structuring of specific performance indicators for priority sustainability topics,
- Development of an ESG-focused performance monitoring approach and its integration with corporate goals,
- Planning to establish KPI sets for more systematic and holistic monitoring of sustainability performance in the medium term.



Stakeholder Identification

Pimsa Automotive's stakeholders encompass individuals and organizations that are directly or indirectly affected by, or can influence, the company's operations. In line with its sustainability approach, the company systematically identifies its stakeholders and aims to integrate their expectations and priorities into its decision-making processes.

As a result of a comprehensive stakeholder mapping study, the strategically important stakeholder groups for Pimsa Automotive have been determined as follows.

Employees

All employees working within the company and employee representatives (including subcontractors).

Community

Local communities, non-governmental organizations, academic institutions, and industry associations in the regions of operation.

Public Authorities

Regulatory bodies in the regions of operation, local governments, and relevant public institutions.



Customers

B2B customers operating in the automotive and agricultural-construction machinery sectors, as well as indirect users of the products.

Investors

Shareholders and financial stakeholders interested in the company's financial performance and long-term value creation capacity.

Suppliers

Suppliers and business partners providing raw materials, parts, and services.

Stakeholder Prioritization Methodology

Pimsa Otomotiv bases its stakeholder prioritization process on two primary criteria: (i) the influence of stakeholders on the company and (ii) the impact of company activities on stakeholders. This two-dimensional evaluation approach guides the determination of stakeholder engagement strategies and the effective use of resources. The stakeholder prioritization process is conducted as follows:

1

Mapping

All potential stakeholder groups have been identified through a comprehensive analysis; stakeholders have been classified as internal and external, and defined according to their roles and level of relationship with the company.

2

Evaluation

An impact and dependency analysis has been conducted for each stakeholder group. In this context, the influence of stakeholders on company activities and the impact of the company on stakeholders were qualitatively assessed, and their relative importance levels were evaluated.

3

Prioritization

In the stakeholder prioritization process, the impact of Pimsa Otomotiv's activities on stakeholders and the influence of stakeholders on the company's activities were taken into account.

The prioritization of stakeholders is based on the frequency of interaction with stakeholders throughout the year, the nature of business relationships, the level of operational dependency, and the effect of stakeholder expectations on company activities.

In line with this approach, the stakeholder list is reviewed annually; prioritization is managed dynamically within the framework of business processes and strategic needs.

4

Strategy Determination

Appropriate engagement methods, communication channels, and interaction frequencies have been defined for each stakeholder priority group. Company resources are planned to focus on priority stakeholder groups.

Continuous Review

The stakeholder prioritization methodology is reviewed at least once a year and updated in line with changes in stakeholder structure, expectations, and company activities. This approach ensures that Pimsa Otomotiv manages its stakeholder relations dynamically and effectively.

Stakeholder Groups Overview

Each stakeholder group has unique expectations, priorities, and communication needs. Pimsa Otomotiv takes these differences into account to develop transparent, regular, and structured engagement mechanisms with its stakeholders, aiming to integrate stakeholder feedback into decision-making processes.

Stakeholder Groups, Expectations, and Engagement Methods

Stakeholder Group	Key Expectations	Frequency and Channels of Engagement
Employees	Fair and equal remuneration, safe working environment, career and competency development, work-life balance	Operational meetings, periodic internal communication announcements, annual employee satisfaction surveys
Customers	High quality and reliable products, innovation, sustainable solutions, on-time delivery	Regular sales and project meetings, customer feedback, satisfaction surveys
Investors and Shareholders	Financial performance, effective risk management, ESG performance, transparency	Periodic financial reporting, general assembly meetings, investor information processes
Suppliers	Long-term cooperation, fair trade practices, timely payment, capacity and quality development	Regular assessment meetings, supplier audits, annual supplier meetings
Public Authorities	Compliance with regulations, fulfillment of tax obligations, employment and economic contribution	Official reporting, audits, sectoral meetings
Community and Local Stakeholders	Environmental protection, local employment, social contribution, transparent communication	Information meetings, social responsibility projects, local collaborations

Participation Channels

Pimsa Automotive utilizes participation channels structured according to the needs of different stakeholder groups in order to establish effective, continuous, and transparent communication. Feedback obtained through these channels is integrated into strategic decision-making processes and sustainability practices.



Regular Meetings and Workshops

Face-to-face interaction is ensured through management interviews, department-based employee meetings, and supplier meetings; the objective is to strengthen mutual understanding, clarify expectations, and enhance cooperation.



Surveys and Assessment Mechanisms

Systematic data is collected from different stakeholder groups through employee satisfaction surveys, customer feedback systems, and supplier evaluation processes.



Digital Platforms

Continuous and accessible communication with stakeholders is ensured through the corporate website, internal intranet applications, and defined digital communication channels. Information regarding company activities, policies, and practices is shared via these platforms, and the effective receipt of feedback from stakeholders is supported.

Communication and Participation Frequency

- **Continuous:** Employees and operational stakeholders
- **Periodic:** Customers, suppliers, and investors
- **Regular:** Community and civil stakeholders
- **Annual:** General Assembly, sustainability and activity reporting

Evaluation of Participation

Stakeholder engagement activities are evaluated periodically in line with the level of participation, the nature of the feedback, and the outcomes obtained, and areas for improvement are identified.

Feedback and Response Mechanisms

Pimsa Otomotiv implements structured feedback and response mechanisms to address feedback from stakeholders within a systematic, transparent, and traceable framework. These mechanisms aim to strengthen a culture of continuous improvement by supporting two-way communication. The Feedback Management Process is summarized as follows:

1

Receiving Feedback

Feedback from stakeholders is received through various channels, including e-mail, face-to-face communication, and anonymous reporting channels when necessary.

2

Registration and Classification

All feedback received is recorded in a centralized system and classified according to topic, priority level, and the relevant stakeholder group.

3

Assessment and Review

Feedback is evaluated by the relevant departments; where necessary, additional information is gathered, or detailed review processes are conducted.

4

Action Planning

Corrective and preventive actions are determined based on the assessment results; responsibilities are assigned, and implementation schedules are created.

5

Implementation and Monitoring

The determined actions are implemented; progress is regularly monitored, and documentation is maintained throughout the process.

6

Feedback and Closure

At the end of the process, the stakeholder who provided the feedback is informed; the relevant case is closed and included in reporting processes.

Continuous Improvement Approach

Outcomes derived from feedback and response mechanisms are periodically analyzed and integrated into management processes to improve operations and more effectively meet stakeholder expectations.

Materiality Assessment Methodology

At Pimsa Otomotiv, the materiality assessment was conducted using a quantitative and scoring-based approach in accordance with the GRI 3 – Material Topics standard. The process aims to measure the impacts of sustainability topics on company operations and stakeholders, and to objectively determine the material topics to be addressed within the scope of reporting.

The prioritization study was carried out in line with the company's strategic goals, value chain structure, and stakeholder expectations, following the steps below:



Establishing the Topic Pool

A topic pool consisting of sustainability issues was created by taking into account GRI standards, sectoral references, and company operations. The topics addressed at this stage were determined to cover the company's areas of activity in environmental, social, and governance dimensions.



Stakeholder Engagement and Quantitative Assessment

The established topic pool was shared with relevant stakeholder groups through surveys, and stakeholders were asked to score each topic according to specific criteria. Survey results obtained from all stakeholders were collected in a centralized pool and evaluated using quantitative analysis methods.



Scoring and Prioritization

Based on the scoring from survey results, the topics were automatically ranked; the top six topics with the highest scores were determined as material topics based on stakeholder feedback.

The seventh material topic, "Training," was determined through senior management assessment, taking into account the company's long-term strategic goals alongside the survey results.



Validation and Updating

The list of material topics was reviewed and finalized by management. The materiality assessment process is handled with a structure that can be updated periodically in line with any changes that may occur in company operations, stakeholder expectations, or the external environment.



Current Approach to Impacts, Risks, and Opportunities

At Pimsa Otomotiv, risk assessment and control activities are carried out systematically within the scope of IATF 16949:2016, ISO 9001:2015, ISO 14001:2015, ISO 45001:2018, and TISAX management systems, covering quality, environment, occupational health and safety, and information security dimensions. In this context, risks that may arise from operational activities are identified, evaluated, and monitored in accordance with the requirements of the relevant standards.

In the 2024 reporting period, a comprehensive sustainability risk analysis study specifically for the priority topics identified within the scope of sustainability was not conducted. Therefore, this section is prepared to reflect the general approach and current status regarding risk areas addressed within the company's existing management systems and impact, risk, and opportunity headings defined from a sustainability perspective.

Risks within the scope of current practices are addressed under the headings of;

- quality and operational continuity,
- environmental impacts and regulatory compliance,
- employee health and safety,
- information security and data protection

and sustainability priority topics are indirectly associated with these systems.

In upcoming reporting periods, it is aimed to integrate sustainability priority topics into corporate risk management processes in a more integrated manner, consistent with existing management systems, and to initiate sustainability-focused risk assessment studies.

Pimsa Otomotiv Priority Sustainability Issues

In line with the stakeholder surveys, internal assessments, and management interviews conducted at Pimsa Otomotiv during 2024, the sustainability issues with the highest impact on company operations have been identified. As part of this study, seven (7) priority sustainability issues have been defined, taking into account environmental, social, and economic impacts across the value chain; these issues constitute the primary focus areas of the sustainability report.

GRI 404 – Training and Education

For Pimsa Otomotiv, developing employee competencies and promoting a culture of continuous learning are among the priority issues. Knowledge is supported through technical, professional, and personal development training; in this way, sustainable performance is targeted in the areas of operational excellence, quality, and occupational safety.

GRI 401 – Employment

Fair, inclusive, and sustainable employment practices are fundamental elements of Pimsa Otomotiv's social responsibility approach. Equal opportunities, fair remuneration, fringe benefits, and employee engagement are addressed as priorities; employment policies are managed with an understanding of creating long-term corporate value.

GRI 403 – Occupational Health and Safety

Pimsa Otomotiv views protecting the health and safety of its employees as a fundamental responsibility. Preventing occupational accidents and illnesses, creating safe working environments, and strengthening the OHS culture are among the indispensable elements of the company's operational sustainability.

GRI 306 – Waste

The reduction and effective management of waste resulting from production activities is a priority issue in Pimsa Otomotiv's environmental sustainability approach. It aims to separate waste at the source, increase recovery rates, and apply circular economy principles.

GRI 204 – Procurement Practices

Responsible and sustainable supply chain management is among Pimsa Otomotiv's priority issues. Ethical principles, environmental, and social criteria are observed in relationships established with suppliers; procurement processes are conducted with a long-term business partnership and risk management approach.

GRI 301 – Materials

Material use and resource efficiency are key components of Pimsa Otomotiv's operational sustainability. The goal is to reduce environmental impacts by optimizing raw material usage and prioritizing recyclable and eco-friendly materials.

GRI 207 – Tax

Pimsa Otomotiv accepts fulfilling its tax obligations in all countries where it operates in accordance with legal regulations, transparently and responsibly, as an integral part of its corporate governance understanding. Tax practices are handled as a priority issue in terms of economic sustainability and stakeholder trust.

These seven priority issues represent the areas with the highest impact across the Pimsa Otomotiv value chain; management approaches, goals, and practices for each issue are explained in detail in the relevant sections of the report. Pimsa Otomotiv aims to create sustainable value and provide long-term benefits for its stakeholders in line with these priority issues.

Description of High-Priority Topics

Education and Training (GRI 404)

Why Priority: In the sectors where Pimsa Otomotiv operates, technical knowledge, expertise, and competencies form the foundation of operational success. Continuous employee development directly influences quality, productivity, and occupational safety performance.

Impact: Education and development practices play a determining role in employee engagement, operational excellence, and long-term corporate knowledge accumulation.

Management Approach: Training programs that support the technical, professional, and personal development of employees are implemented, and a learning culture is encouraged.

Employment (GRI 401)

Why Priority: Fair, inclusive, and sustainable employment practices are fundamental elements of Pimsa Otomotiv's social responsibility approach.

Impact: Employment practices have a direct influence on employee satisfaction, workforce continuity, and corporate reputation.

Management Approach: Employment processes are carried out in line with human resources policies that observe equal opportunity, fair compensation, and employee rights.

Occupational Health and Safety (GRI 403)

Why Priority: In Pimsa Otomotiv facilities, where production activities are intense, occupational health and safety are of critical importance for both employee well-being and operational continuity.

Impact: OHS performance is effective in preventing workplace accidents, employee motivation, and production continuity.

Management Approach: Systematic practices aimed at ensuring safe working environments, pre-identifying risks, and increasing employee awareness are implemented.

Waste Management (GRI 306)

Why Priority: Reducing the environmental impacts of waste originating from production processes and ensuring legal compliance are among Pimsa Otomotiv's environmental responsibilities.

Impact: Waste management practices have a direct effect on natural resource consumption, environmental impact, and costs.

Management Approach: It is aimed to separate waste at the source, increase recovery rates, and support circular economy principles.

Description of High-Priority Topics - Continued

Procurement Practices (GRI 204)

Why Priority: The Pimsa Otomotiv supply chain is critical to the continuity and sustainability of operational activities.

Impact: Responsible procurement practices are effective in reducing supply risks and managing environmental and social impacts.

Management Approach: Ethical, environmental, and social criteria are considered in supplier selection and evaluation processes; long-term business partnerships are encouraged.

Materials (GRI 301)

Why Priority: Raw material and material usage have a significant impact on Pimsa Otomotiv's environmental footprint and production efficiency.

Impact: Material efficiency directly affects resource consumption, waste generation, and cost management.

Management Approach: Efforts are underway to optimize material usage and prioritize the use of recyclable and eco-friendly materials.

Tax (GRI 207)

Why Priority: Tax practices are an important governance issue regarding Pimsa Otomotiv's economic sustainability and reliability in the eyes of the public.

Impact: Transparent and compliant tax practices directly affect stakeholder trust and corporate reputation.

Management Approach: Tax obligations are fulfilled in accordance with current legal regulations with a transparent and responsible approach.

Summary:

The seven priority sustainability topics, determined as a result of stakeholder surveys, internal assessments, and management interviews, aim for the effective management of environmental, social, and economic impacts throughout Pimsa Otomotiv's value chain. These topics form the foundation of the company's sustainability strategy and are detailed in the relevant sections of the report.

Integration into Strategy

The sustainability topics identified as a result of the Pimsa Otomotiv materiality assessment process will be gradually integrated into corporate strategy, risk management, and target-setting processes. Responsibilities have been defined for each priority topic. The year 2024 has been assessed as a preparatory and infrastructure-building period for sustainability management with the relevant units. In this context, priority topics have been linked to corporate planning processes, their connections with existing management systems have been evaluated, and work has been initiated to structure key indicators for performance tracking.



Strategic Planning

It is aimed to integrate priority sustainability topics into medium and long-term planning processes. In 2024, a framework was established to relate these topics to business objectives. Topics such as education and training, occupational health and safety, energy and resource efficiency, waste management, responsible procurement, material usage, and taxation are being addressed within the scope of strategic goals and action plans. Budget and resource allocation are being made in areas deemed necessary.



Management Systems

The management systems currently in place at Pimsa Otomotiv (quality, environment, occupational health and safety, information security, etc.) form the foundational structure for the operational management of sustainability topics. The more systematic integration of ESG topics into these systems has been identified as an area for development.



Performance Monitoring

Work has been initiated to define indicators for monitoring sustainability performance and to strengthen the data collection infrastructure. The structuring of an ESG-specific KPI structure is planned for the upcoming periods. Performance indicators (KPIs) determined within the scope of management systems are defined and regularly monitored. Monitoring activities are carried out on a monthly, quarterly, or annual basis; results are shared with relevant managers and senior management. In this way, progress is tracked and necessary actions are taken in a timely manner.



Continuous Improvement

Strengths and areas open for development are identified in line with performance results. Action plans for improvement needs are created and implemented. Successful applications are disseminated to other suitable processes and facilities, supporting a culture of continuous improvement.

Ethics and Integrity Framework

Ethical business conduct and integrity form the foundation of Pimsa Otomotiv's corporate culture and are considered a key element of its long-term competitive advantage. The company aims to build trust-based relationships with its stakeholders by upholding the principles of transparency, accountability, and fair competition in all its activities.

1

Code of Ethics

The code of ethics, which applies to all employees and business partners at Pimsa Otomotiv, covers;

- anti-corruption,
- prevention of conflicts of interest,
- fair competition,
- respect for human rights.

The code of ethics is implemented as a binding framework across all company operations.

2

Training Programs

To increase ethical awareness, ethical orientation training is provided to new employees, and refresher training is organized for existing employees at regular intervals. Through these training programs, it is aimed to make compliance with ethical principles a part of the corporate culture.

3

Reporting Mechanisms

Pimsa Otomotiv provides a multi-channel reporting mechanism to ensure that ethical violations can be reported safely and transparently. Reports can be made anonymously; confidentiality is prioritized in line with the non-retaliation policy. All reports are evaluated by authorized units in accordance with the principles of confidentiality and impartiality.

4

Implementation

The implementation of ethical principles and rules at Pimsa Otomotiv is carried out within the framework of T-GEN-344 Ethics Instruction and related procedures. Reports of ethical violations are received through defined reporting channels; reports are recorded, investigated, and concluded in accordance with the P6.2.2 Complaint Evaluation Procedure.

Reporting processes are monitored through the F6.2.0-67 Complaint Evaluation Form; when necessary, corrective and preventive actions are defined and implemented. The effectiveness of ethical processes is regularly reviewed and managed with a continuous improvement approach.

Pimsa Otomotiv treats the principles of ethics and integrity not only as a legal requirement but as a fundamental element of sustainable growth and corporate trust.

Risk Management Approach

At Pimsa Otomotiv, risk management is handled within the framework of existing management systems, covering financial, operational, quality, occupational health and safety, environmental, information security, and legal compliance risks. Risk assessment activities are carried out in line with the company's certified management systems, and efforts towards systematically addressing sustainability risks will be developed incrementally.

Risk Identification and Assessment

Risks are determined through process-based risk assessments conducted within the scope of;

- IATF 16949,
- ISO 9001,
- ISO 14001,
- ISO 45001 and
- TISAX

standards. These activities cover operational processes, environmental impacts, occupational health and safety, information security, and legal compliance.

Risk Response and Monitoring

Preventive and corrective actions for identified risks are defined within the scope of relevant management systems, responsibilities are assigned, and implementations are regularly monitored. Risk indicators are followed up through management review meetings and internal audits.

Sustainability and Climate-Related Risks

As of the 2024 reporting period, sustainability and climate change-related risks have not been addressed within the scope of a separate sustainability risk assessment study. However, environmental and operational risks are monitored through existing management systems; efforts to systematically evaluate sustainability risks are planned to be initiated in future periods.

Pimsa Otomotiv treats risk management not merely as a compliance-oriented tool, but as an evolving management area that supports sustainable growth.

Compliance with Legal Regulations

Pimsa Otomotiv adopts compliance with all applicable legal and regulatory requirements in all countries and sectors in which it operates as a fundamental operating principle. With a proactive compliance approach, legal changes are regularly monitored, and necessary updates are integrated into relevant processes in a timely manner.

Environmental Regulations

- Emission permits and compliance with legal limits
- Waste management and disposal licenses
- Water usage and discharge permits
- Environmental impact assessment obligations
- Chemical management (REACH, CLP, GHS, waste oils, etc. regulations)

Occupational Health and Safety

In order to protect the health and safety of employees, legal compliance is ensured at Pimsa Otomotiv in the following areas:

- Compliance with occupational health and safety legislation
- Machine and equipment safety standards
- Chemical safety, risk assessments, and records
- Emergency plans and drills
- Periodic workplace inspections and checks

Employment and Labor

Pimsa Otomotiv treats compliance with legal regulations regarding employee rights and working conditions as a fundamental responsibility:

- Employment contracts and working hours
- Compliance with minimum wage and fringe benefits
- Prevention of discrimination and equal opportunities
- Union rights and freedom of collective bargaining
- Prevention of child labor and forced labor

Product Safety and Quality

In line with product safety and customer satisfaction, the following legal and sector-specific requirements are implemented:

- Product safety standards and testing processes
- Quality management systems
- Product traceability requirements
- Market surveillance and recall procedures
- Warranty and product liability obligations

Compliance Management and Monitoring

Pimsa Otomotiv's compliance management is structured to ensure the centralized monitoring of legal requirements, the tracking of regulatory changes, and the notification of relevant departments. Compliance activities are supported through ISO studies, internal audits, periodic checks, and regular training, thereby strengthening the corporate compliance culture.

Internal Control and Complaint Mechanisms

Internal control activities and complaint/notification mechanisms at Pimsa Otomotiv are structured in accordance with the principles of corporate governance, transparency, and accountability. These structures aim to support the timely detection of potential risks and non-conformities and the implementation of appropriate actions.

Internal Control Approach

Internal control activities at Pimsa Otomotiv are conducted within the scope of operational processes, regulatory compliance, and management oversight. Internal control applications are supported through:

- Daily controls carried out by units responsible for operational processes,
- Monitoring and evaluation activities aimed at ensuring compliance with legislation,
- Review and audit activities requested by management when deemed necessary.

Through this structure, process effectiveness is monitored, and identified areas for improvement are addressed by the relevant units.

Evaluation of Notifications

Received complaints and notifications are recorded in accordance with the relevant procedures and are evaluated by authorized units based on the scope of the subject. Following the investigation process, necessary corrective and preventive actions are planned and implemented.

Complaint and Notification Channels

Accessible and secure notification channels are available for employees and other stakeholders at Pimsa Otomotiv. Notifications can be submitted through the following means:

- **E-mail:** Designated corporate e-mail addresses for ethical and complaint notifications
- **In-Person Notification:** Through Human Resources and relevant management units
- **Written Notification:** Through written applications when necessary

Confidentiality is fundamental in the notification processes, and care is taken to protect the whistleblowers.

Continuous Improvement

Outcomes obtained through complaint and notification mechanisms are regularly reviewed to improve processes and develop corporate practices. This approach supports Pimsa Otomotiv's ethical, transparent, and responsible management understanding.

Environmental Management Approach

Pimsa Otomotiv implements an integrated environmental management approach, aligned with the ISO 14001:2015 Environmental Management System, to continuously improve its environmental performance. Through this prevention-oriented approach, the aim is to effectively manage environmental impacts and minimize the use of natural resources.

Implementation

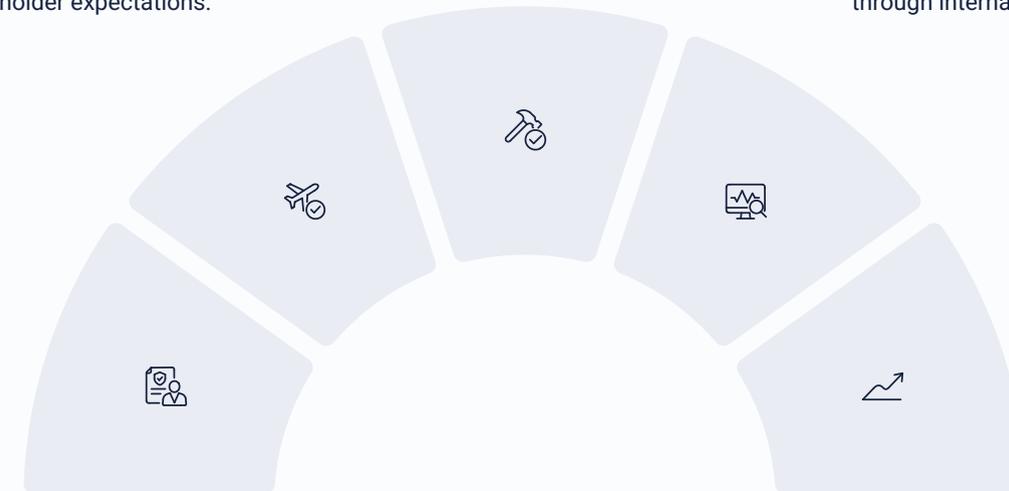
Necessary resources are allocated in line with the established environmental objectives; training for employees, procedures, and emergency preparedness plans are implemented. Environmental responsibilities are ensured to be carried out effectively in daily operations.

Control

Environmental performance indicators are monitored and measured regularly. Corrective and preventive actions are carried out for non-conformities; the effectiveness of the environmental management system is controlled through internal audits.

Review

The environmental management system is reviewed periodically by top management; performance results and improvement opportunities are evaluated. The effectiveness of the system is increased in line with the outcomes obtained.



Planning

Environmental aspects and impacts are determined regularly, taking into account the scope of our operations. Environmental objectives and implementation programs are established in line with legal requirements, environmental risks, and stakeholder expectations.

Environmental Policy

It is based on the principles of compliance with legal regulations, management of environmental risks, and continuous improvement. In line with top management commitment, environmental responsibilities are integrated into all operational processes.

Pimsa Otomotiv production activities are ISO 14001:2015 certified, and certificates are renewed through regular audits. Environmental performance indicators are reported to top management at specified periods.

Sustainability Contribution of the LEED Gold Certification

Pimsa Otomotiv has documented its approach to increasing environmental performance and resource efficiency with the **LEED Gold Certification**. The LEED Gold certified building infrastructure provides a structural framework that supports the core elements of environmental sustainability, particularly energy, water, waste management, and indoor environmental quality.

This certification is considered an **important supporting factor at the application and infrastructure level** in achieving Pimsa Otomotiv's sustainability goals.

Association with GRI Standards

- **GRI 302 – Energy:** Energy-efficient building design and practices aimed at low energy consumption
- **GRI 305 – Emissions:** Contribution to the reduction of indirect greenhouse gas emissions through energy efficiency
- **GRI 303 – Water and Effluents:** Reduction of water usage and efficient water management practices
- **GRI 306 – Waste:** Support for waste reduction, separation, and recycling infrastructure
- **GRI 403 – Occupational Health and Safety (indirect):** Building conditions that support indoor air quality, lighting, and employee comfort

The LEED Gold Certification serves as a supporting and verifying infrastructure proof for the GRI indicators that measure Pimsa Otomotiv's sustainability performance.



PIMSA AUTOMOTIVE AS

Kocaeli, Turkey

HAS FULFILLED THE REQUIREMENTS OF THE LEED GREEN BUILDING RATING SYSTEM CERTIFICATION ESTABLISHED BY THE U.S. GREEN BUILDING COUNCIL AND VERIFIED BY GREEN BUSINESS CERTIFICATION INC.

LEED v4.1
OPERATIONS AND MAINTENANCE

GOLD

May 2021

Mahesh Ramonjam

MAHESH RAMANUJAM, PRESIDENT & CEO, U.S. GREEN BUILDING COUNCIL,
PRESIDENT & CEO, GREEN BUSINESS CERTIFICATION INC.

GRI 200 Series

Economic Performance and Governance

Pimsa Otomotiv's economic sustainability approach, ethical management understanding, and corporate governance structure are covered in this section. Under these headings;

- **GRI 201 – Economic Performance**
- **GRI 202 – Market Presence**
- **GRI 204 – Procurement Practices**
- **GRI 205 – Anti-corruption**
- **GRI 206 – Anti-competitive Behavior**
- **GRI 207 – Tax**





GRI 201 – Economic Performance

At Pimsa Automotive, economic performance is managed through budget discipline, regular financial monitoring, and a risk-focused management approach. The company's financial goals are determined through annual budget studies prepared at the end of each year to cover the following period.

Annual Economic Targets and Performance Tracking

- The company's sales, cost, and profitability targets are defined on a **monthly and annual basis** within the scope of the annual budget process.
- Following the month-end closing, the period closing is completed within **5 business days**, and a monthly activity report is prepared.
- In the activity reports;
 - Overall profitability status
 - Sales performance
 - Costs by line
 - Actual cost variances are analyzed in detail.
- The prepared reports are shared with **senior management and the General Manager**, and actions are planned based on target–actual comparisons.

CAPEX Investments and Sustainability Approach

- CAPEX investments are planned within the scope of the **CAPEX budget**, which is created each year to cover the following period.
- In December, investment requests are collected from the relevant departments, and the process is coordinated by the Finance Department.
- Investment requests are evaluated based on the following criteria:
 - Cost
 - Expected profitability
 - Return on Investment (ROI)
 - **Sustainability criteria** (energy efficiency, reduction of resource usage, environmental impact)
- As a result of the evaluation, investment proposals are submitted for **General Manager approval**, and the approved investments are implemented in the relevant period.



GRI 201 – Economic Performance

Financial Risk Management and Long-Term Sustainability

- Financial risks are monitored through **weekly and monthly cash flow statements**.
- In line with currency, interest rate, and supply-related risks;
 - Supplier payments
 - Customer collectionsare managed in a planned manner.
- Long-term financial sustainability is secured by regularly monitoring:
 - Product costs
 - Profitability indicators
 - Raw material supply and price fluctuations
- Protecting competitive power is targeted by periodically analyzing alternative raw material and supplier options.

Contribution to the Local Economy and Supply Chain Structure

- **83%** of Pimsa Otomotiv's supply chain consists of local suppliers, and **16%** consists of global suppliers.
- Through this structure, local firms are supported, and contribution is made to regional economic development.

Financial Management, Audit, and Reporting Framework

- **TMS / TFRS** (Turkish Accounting Standards / Turkish Financial Reporting Standards) are applied in financial reporting processes.
- The budget process is carried out with the integrated contribution of the sales, production, logistics, and purchasing departments.
- Although there is no separate written policy for financial risk management, risks are managed through operational processes and cash flow planning.
- Pimsa Otomotiv and its subsidiaries (**HP Pelzer, Otimsa, Pimsa Yatırım**) are regularly subject to **internal and independent audits**.
- When necessary, regulatory audits are conducted by the **Ministry of Trade**.

GRI 201 – Economic Performance

Economic Contributions Provided to Employees

Within the scope of economic contributions provided to employees;

- Ramadan and Eid al-Adha payments
- New Year vouchers
- Shopping vouchers in March, June, and September are provided.

In addition, **cash assistance** is provided for special occasions such as births, deaths, and marriages.

Fringe benefit practices are structured to support employee welfare and corporate loyalty.



GRI 202 – Market Presence

Minimum Wage and Remuneration Approach



Remuneration Policy and Equality Principle

At Pimsa Otomotiv, remuneration practices are carried out in accordance with applicable national legislation and fair wage principles. There is **no wage determination policy differentiated by gender** within the organization. Entry-level wages for all employees are determined based on job descriptions, competencies, experience, and position requirements, and there is no discrimination based on gender.



Remuneration Practice Above Minimum Wage

Even for positions subject to minimum wage regulations, entry-level wages at Pimsa Otomotiv are set at **8% above the minimum wage**. This practice has been implemented to support employee well-being and to ensure fair income levels.



Non-Employee Workforce (Subcontractors and Service Providers)

For the non-employee workforce carrying out the organization's activities (such as cleaning services in limited areas), remuneration processes are monitored in accordance with legislation; within the scope of contracts made with relevant firms, it is ensured that payments are made above minimum wage practices.



Local Minimum Wage Practices

A **single and valid national minimum wage** is applied in the operational areas where Pimsa Otomotiv operates. There is no minimum wage application that varies on a local or regional basis. Therefore, the reference wage level for all employees is the national minimum wage, and there is no differentiation based on gender.

GRI 202 – Market Presence

Proportion of Senior Management Hired from the Local Community

Approach and Definitions

Pimsa Automotive adopts an approach based on competence, experience, and corporate needs in senior management recruitment.

In this context;

- **Senior management** covers general manager, director, and equivalent positions involved in the organization's strategic decision-making processes.
- **Local community** is defined as individuals living in the geographical region where Pimsa Automotive's facility is located.
- **Significant location of operation** is the current facility location where the company's main production and management activities are carried out. Within the scope of reporting, this area is Çayirova.

Assessment

Although hiring senior management from local communities is not a mandatory criterion for Pimsa Automotive, it is considered a practice that could be evaluated for other locations in the future, provided that appropriate competencies are available.

Employment Practices

- The organization has operations in different locations. Within the scope of this report, the headquarters in Çayirova is taken as a reference.
- In senior management appointments, merit and job requirements are taken as a basis, regardless of whether they are local or non-local.
- During the reporting period, the **rate of senior management hired from the local community was calculated as 100%**. This rate was calculated based on **full-time employee data** during the reporting period.

GRI 204 – Procurement Practices

For Pimsa Otomotiv, **local suppliers** are defined as suppliers registered and operating in the country where the activities are conducted.

Significant operational locations are the facilities where production activities are carried out. In this context, the ratio of expenditures on local suppliers has been calculated based on **purchasing invoices and accounting records** generated during the relevant reporting period.

Local Supply Performance

Year	Ratio of expenditures on local suppliers (%)	Ratio of expenditures on global suppliers (%)	Methodology
2023	%74.35	%25.64	The evaluation was conducted across all suppliers from whom purchasing activity was performed.
2024	%75.94	%24.05	The evaluation was conducted across all suppliers from whom purchasing activity was performed.

Comments and Assessment

The high ratio of expenditures on local suppliers in 2023 - 2024 supports Pimsa Otomotiv's:

- Approach to contributing to the local economy
- Goal of strengthening supply chain continuity
- Strategy of reducing environmental impacts arising from logistics

Monitoring local procurement ratios and increasing their comparability across years are among the priority development areas for future periods.

Our Focus Areas for the Coming Period

- **Annual monitoring and reporting** of the local procurement ratio
- More systematic integration of supplier sustainability criteria into procurement processes
- Diversification of the local supplier portfolio

GRI 205 – Anti-Corruption



Anti-Corruption Approach

At Pimsa Otomotiv, the anti-corruption approach is systematically executed through written ethical rules and defined control mechanisms. **Ethical Instruction No. T-GEN-344** is in effect within the company; principles regarding anti-corruption, prevention of conflicts of interest, and rules for giving and receiving gifts are clearly defined in this document.



Training and Adoption

To ensure that ethical rules are adopted by employees, training on ethical topics is provided during the orientation process, and an **Ethical Instruction Exam** is administered. The processes for planning, recording, and monitoring training are carried out within the scope of **P6.2.0 Human Resources Management and Training Procedure**.



Whistleblowing Mechanism

A defined **whistleblowing mechanism** exists within the company for reporting ethical violations and potential corruption cases. Two separate e-mail addresses are used for ethical and grievance reports; these channels are regularly communicated to employees via orientation and ethics training, as well as announcement boards. The process for evaluating reports and grievances is conducted in accordance with **P6.2.2 Grievance Evaluation Procedure**, and reports are recorded.



Reporting and Legal Framework

As of the reporting periods, **no confirmed cases of corruption** have been detected within Pimsa Otomotiv. The Turkish Penal Code and relevant legislation are taken as the basis for company practices; ethical violations are handled within this legal framework and internal company regulations.

GRI 206 – Anti-competitive Behavior (Anti-trust and Monopoly Practices)

Pimsa Otomotiv conducts all its activities within the framework of **fair competition, ethical business principles, and full compliance with applicable competition legislation**. The company's policies and business practices are based on avoiding anti-competitive, market-distorting, or monopolistic practices.

Competition law, ethical rules, and legal compliance requirements are an integral part of our governance structure and internal control systems.

Legal Actions and Lawsuits (Reporting Period)

During the reporting period;

- Anti-competitive behavior,
- Anti-trust practices,
- Monopoly formation or market-distorting activities

there are no lawsuits filed, ongoing, or concluded against Pimsa Otomotiv for these reasons.

Management of Legal Risks

- Risks evaluated under competition law are handled within the company's **ethics and compliance mechanisms**.
- All commercial activities, contracts, and business relationships are monitored for compliance with legal regulations.
- Potential risks are assessed at an early stage through the legal department and relevant functions, and preventive actions are taken.

Internal Control and Preventive Mechanisms

- Ethical Rules and Business Conduct Principles
- Legal compliance framework
- Internal audit and management review processes
- Non-compliance and violation reporting mechanisms

Thanks to these systems, practices contrary to competition law are prevented with a proactive approach.

General Assessment

Pimsa Otomotiv has a **low risk profile** regarding competitive behavior, and no negative incidents have occurred in this area during the reporting period. The company continues to carry out its operations in line with the principles of transparency and legal compliance.



GRI 207 – Tax Management and Compliance

Tax Management and Compliance Processes

At Pimsa Otomotiv, tax management and compliance processes are carried out under the coordination of the Finance Department, based on compliance with the applicable national legislation. Although there is no written tax strategy or separate tax procedure within the company, the management of tax risks is carried out within the scope of the full certification agreement signed with a Sworn-in Certified Public Accountant (CPA).

Reviews and Reporting

In this context, regular reviews are conducted by the CPA on a quarterly basis; at the end of the reporting period, a comprehensive full certification report is prepared to evaluate and verify the company's tax practices. Tax risks identified as a result of these reviews are managed in accordance with the legislation within the company's financial processes; necessary corrective and preventive actions are taken to ensure tax compliance.

Transparent Tax Reporting

The company's tax reporting is conducted through full certification reports submitted to the relevant tax office; through these reports, the company's financial transactions and tax practices are shared transparently with official authorities.



GRI 207 – Tax Risks and Control Mechanisms

Transfer pricing practices are conducted in accordance with the provisions of the **Corporate Tax Law**. Market-based profitability and cost structures are applied in intra-group purchases and sales of goods and services; transfer pricing studies are carried out at the end of each year and reported to the tax office as an annex to the relevant declaration.

There is no specific tax compliance training provided to employees within the company; tax processes are managed through professional financial staff and external audit mechanisms. Pimsa Otomotiv and its subsidiaries are regularly audited within the scope of internal and independent audit processes; legislative audits are performed by authorized public institutions when necessary.

The internal control mechanism regarding tax compliance is ensured through a multi-stage control structure based on monthly financial statements. Tax declarations and returns are subject to preliminary review by the Finance Team Leader, and then final control and approval processes are completed by the Finance Manager and submitted to the relevant public institutions within legal timeframes.

The management of government incentives and support is carried out under the responsibility of the Finance Department; tax advantages resulting from incentives are analyzed together with project costs and financial impacts and submitted for management approval. Tax advantages obtained through the use of incentives are calculated in conjunction with the Sworn-in Certified Public Accountant (YMM) and verified for compliance with legislation.

GRI 300 Series

Environmental Impacts and Environmental Management

Pimsa Automotive's environmental sustainability approach is shaped by the principles of efficient use of natural resources, reduction of environmental impacts, and full compliance with environmental regulations. This section covers the monitoring of our environmental performance, management of environmental risks, and our environmental responsibility practices.

Under these headings;

- **GRI 301 – Materials**
- **GRI 302 – Energy**
- **GRI 303 – Water and Effluents**
- **GRI 305 – Emissions**
- **GRI 306 – Waste**
- **GRI 308 – Supplier Environmental Assessment**
- **Compliance with Environmental Regulations**

are evaluated and reported in line with our environmental impacts, management approaches, and performance indicators.



GRI 301 - Materials / Material Management and Resource Use

Pimsa Automotive manages the raw materials and auxiliary materials used in its production activities in accordance with resource efficiency, traceability, and environmental impact criteria. Material usage is regularly monitored and reported on the basis of raw materials, process materials, semi-finished products, parts, and packaging materials.

Types of Materials Used



Raw Materials

- Polyol, isocyanate, and filler materials
- PP panels
- Plastic sub-components
- PE and PU foams
- Release agents and paint materials



Semi-finished Products and Parts

- Plastic and foam-based components



Packaging Materials

- Steel drums
- Pallets
- Nylon, PVC, and paper packaging

These materials are reported in their **original states** in accordance with production needs, without any additional data manipulation.

Material Consumption Quantities

Material quantities used based on 2023 data;

Total material consumption (kg) 41,822,560 kg	Total material consumption (units) 11,005,451 units	Usage by area 309,155 m ² (foam and coating materials)
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Material consumption is monitored through production and procurement records and invoice data.

Renewable and Non-renewable Materials

The 2023 material usage is analyzed by resource type:

Renewable materials <ul style="list-style-type: none">• Within total kg-based usage: 12%• Within total unit-based usage: 0.2%	Non-renewable materials <ul style="list-style-type: none">• Within total kg-based usage: 88%• Within total unit-based usage: 99.8%
---	--

This distribution shows that the materials used in production processes are largely industrial and synthetic in origin.



Recycled Input Materials

(Recycled Input Materials)

During the reporting period, there is **no use of recycled input materials** in the main production inputs of Pimsa Otomotiv.

This situation stems from the technical specifications of the materials used in accordance with product performance and quality requirements.

The use of recycled materials is in the evaluation phase within the scope of R&D and alternative material studies.

Recovered Products

Products and by-products directed to recovery at the end of their useful life are as follows:

- PP panels
- Scrap iron
- Scrap pallets
- Used sheet metal barrels
- Isolated packaging materials

Total recovered product rate: **2%**

Recovery data is tracked through **direct measurement** methods and **invoice records**.

Recovered Packaging Materials

Within the scope of packaging waste recovery:

- Scrap paper packaging
 - Waste PVC
 - Nylon and PE packaging waste
- are directed to recycling.

- **Recovered packaging rate: 12%**
(Calculated based only on kg-based data.)

Data Collection and Methodology

Material and recovery data are collected through:

- Purchasing and production records
- Invoices and shipping documents
- Recovery records obtained from licensed companies

Data are:

- Based on **direct measurement**
- No estimation-based calculations are performed
- Comparability between years is observed

GRI 301 | Raw Materials | Process Materials | Semi-manufactured Goods or Parts | Packaging Materials

Category	Explain (Sub-breakdown of the selected category)	Total Weight or Volume of Materials Used	Unit	Renewable Material Amount Used	Non-renewable Material Amount Used	Total Recycled Input Materials Used	Recycled Material Ratio (%)
Raw Material	Polyol, Iso, Filler	40.244,2	Ton	0,0	0,0	0,0	0,00%
Raw Material	PP Panel	388.341,00	Unit	0,00	0,00	0,0	0,00%
Raw Material	Release Agent and Paint	1.578,41	Ton	0,00	0,00	0,0	0,00%
Raw Material	Plastic Sub-parts	8.352.124,00	Unit	0,00	0,00	0,0	0,00%
Raw Material	PE Sponge	120.109,00	Unit	0,00	0,00	0,0	0,00%
Raw Material	PE Sponge	309.155,00	m2	0,00	0,00	0,0	0,00%
Raw Material	PU Sponge	2.144.877,00	Unit	0,00	0,00	0,0	0,00%

GRI 301- 3 | Reclaimed Products

Product Category	Quantity of Products Sold	Quantity of Reclaimed Products	Unit	Reclamation Rate (%)	Is the Data Directly Measured?	Report the Methods Used for Direct Measurement
PP Panel	41,822,560.00	108,244.00	Kg	0.26%	Yes	Invoice
200 LT BUNGUED STEEL DRUM (WHITE POLYOL)	11,005,451.00	3,252.00	Piece	0.03%	Yes	Invoice
200 LT BUNGUED STEEL DRUM (BLACK POLYOL)	11,005,451.00	1,064.00	Piece	0.01%	Yes	Invoice
SCRAP IRON	41,822,560.00	71,960.00	Kg	0.17%	Yes	Invoice
SCRAP PALLET	41,822,560.00	83,760.00	Kg	0.20%	Yes	Invoice
USED EMPTY DRUM (ISOCYANATE) RED	11,005,451.00	10,034.00	Piece	0.09%	Yes	Invoice
USED EMPTY DRUM SCREWLESS WITH HOOP	11,005,451.00	11,144.00	Piece	0.10%	Yes	Invoice
SOUND PALLET	11,005,451.00	984.00	Piece	0.01%	Yes	Invoice

GRI 301- 3 | Reclaimed Packaging Materials

Product Category	Quantity of Products Sold	Quantity of Reclaimed Packaging	Unit	Reclaimed Packaging Rate	Is Measured Data Estimated?	Is Measured Data Directly Measured ?	Report Methods Used for Direct Measurement
PACKAGING WASTE SCRAP PAPER	41.822.560,00	82080	kg	0,20%	No	Yes	Invoice
WASTE PVC	41.822.560,00	257488	kg	0,62%	No	Yes	Invoice
SCRAP NYLON-PACKAGING WASTE PE	41.822.560,00	25840	kg	0,06%	No	Yes	Invoice

GRI 302 - Energy Consumption and Efficiency

At Pimsa Otomotiv, energy management is handled systematically within the scope of the current **Energy Management Regulation**. Energy usage across all facilities is monitored and controlled in real-time through the **building automation management system**. Energy efficiency, operational continuity, and the reduction of environmental impacts are regularly analyzed and reported.

During the reporting period, the fuels consumed by Pimsa Otomotiv within the organization, obtained from non-renewable sources, are specified below:

- **Natural Gas**
 - 268,959 Sm³ (2023)
 - 288,753 Sm³ (2024)
- **Diesel (vehicle and equipment usage)**
 - Pimsa 1 Facility: 9,133 liters
 - Pimsa 2 Facility: 1,040 liters

These consumption figures cover only the facilities owned by Pimsa Otomotiv and under its operational control.

During the reporting period, there is fuel consumed directly from renewable energy sources within Pimsa Otomotiv.



GRI 302 - Energy Consumption and Efficiency

Breakdown of total energy consumption:

Electricity consumption during the reporting period was calculated as: 5,646,496.32 kWh (2024). Heating within the facility is provided by natural gas, and cooling systems operate on electricity. There is no steam consumption.

Pimsa Otomotiv did not sell any electricity, heating, cooling, or steam during the reporting period.

Pimsa Otomotiv's total energy consumption within the organization is calculated based on the **sum of purchased electrical energy and consumed natural gas**. As there is no energy produced and sold within the organization, there is no risk of double counting.

Energy consumption data has been obtained from **official energy bills** and facility-based metering systems. The GRI 302 standard was used as the basis for the calculations.

National energy statistics and widely accepted standard conversion factors were used for energy unit conversions.

For Pimsa Otomotiv, energy consumption outside the organization occurs indirectly within the scope of logistics activities, third-party transportation services, and supply chain activities. Since these consumptions are not directly controlled by Pimsa Otomotiv, they are not reported quantitatively. There is no external energy usage within an area controlled by Pimsa Otomotiv.

During the reporting period, Pimsa Otomotiv does not have energy consumption reduction data calculated in a directly measurable and verifiable manner. Therefore, the energy reduction amount has not been reported. It is aimed to establish the infrastructure for these efforts in future reporting periods.

GRI 303 - Water Usage and Management

At Pimsa Otomotiv, water management is carried out with a systematic approach that aims to control environmental impacts while ensuring the continuity of operations. Water usage, regulatory compliance, risk management, and monitoring-reporting processes are handled within an integrated framework.

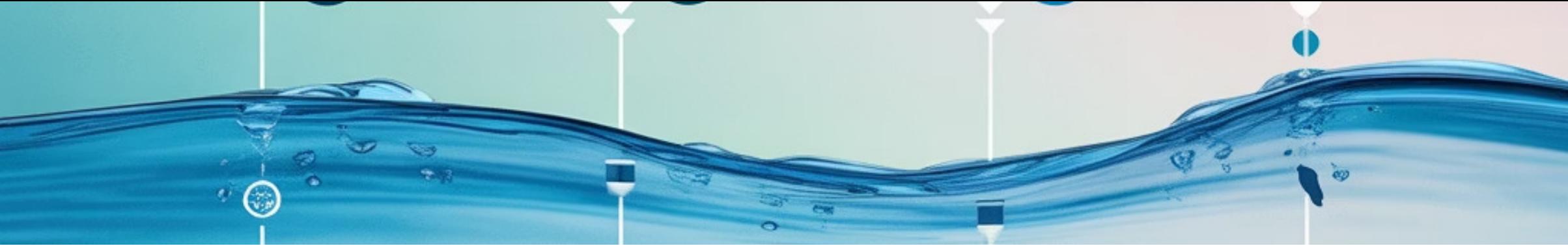
Water consumption throughout the facility is monitored regularly through **water meters** located at intake points. Meter readings are periodically recorded, and consumption trends are tracked and reported based on this data. This system ensures transparent monitoring of water usage and the early detection of possible deviations.

Pimsa Otomotiv's wastewater management is conducted via the **TOSB (TAYSAD Organized Industrial Zone) infrastructure**. Wastewater originating from the facility is discharged into the TOSB sewage line and treated at the **centralized wastewater treatment plant** belonging to TOSB. The necessary connection and discharge permits for wastewater discharge are issued by TOSB, and these permits are **periodically renewed every three years**. During the renewal processes, necessary checks and evaluations are carried out by the relevant institution.

Wastewater sampling and analysis activities are not conducted by Pimsa Otomotiv, but **by TOSB**. In this context, all sampling, analysis, and evaluation processes are carried out in accordance with TOSB's own **instructions and procedures**. Thus, wastewater quality is kept under control through a centralized and independent system.

Regulatory compliance regarding water and wastewater management is ensured through the **regulatory tracking list** created within Pimsa Otomotiv. Relevant legal regulations and updates are regularly monitored and evaluated through this list. Where necessary, processes are updated to ensure legal compliance.





GRI 303 - Water Usage and Management

Environmental risks associated with water and wastewater are addressed within the scope of the **P 6.4.4 OHS and Environmental Risk Management Procedure**. This procedure aims to determine, evaluate, and score environmental aspects as well as OHS hazards and risks under;

- ISO 14001 Environmental Management System
- ISO 45001 Occupational Health and Safety Management System

Within the scope of the procedure, monitoring and control activities aimed at reducing risks and evaluating opportunities are carried out systematically.

Water and wastewater management processes are also regularly evaluated within the scope of the company's **internal audit activities**.

Data regarding water consumption are regularly collected, recorded, and reported based on meter readings. This data is used both in internal monitoring processes and within the scope of sustainability reporting.

GRI 303 - Water Usage and Management

Wastewater quantities are determined based on the monthly water bills of the relevant facilities and are reported in accordance with mains water consumption, taking into account process and usage conditions.

Water Usage / Facility	Water Usage / (Mains) m ³	Calculation Methodology	Wastewater m ³	Calculation Methodology
Pimsa 1	6978	Invoice	6978	Invoice
Pimsa 2	315	Invoice	315	Invoice

Consumption data for carboy and bottled water used to meet employees' drinking water needs are tracked. However, this usage is not included in the main operational water consumption calculations under GRI 303 because it has a low share in total water consumption and limited environmental impact; it is presented separately for informational purposes. At Pimsa Otomotiv (for Pimsa 1), the total drinking water consumption in 2024 was **176.26 m³**. The data was calculated based on invoices and purchasing records.

In summary, Pimsa Otomotiv conducts water and wastewater management in line with regulatory compliance, risk-based approaches, and monitoring-reporting principles. Through the wastewater management model utilizing central infrastructure and regular tracking mechanisms, the company aims to keep environmental impacts under control.

GRI 305 - Emissions

General Approach to Emissions Management

At Pimsa Automotive, the management of greenhouse gas emissions is addressed within the scope of our environmental sustainability approach. Efforts to monitor and control emissions resulting from company activities are conducted in compliance with the **ISO 14001 Environmental Management System**.

In this context, **direct and indirect greenhouse gas emissions** originating from production activities, energy usage, auxiliary facilities, and logistics operations are monitored.

Since 2021, greenhouse gas emission calculations have been carried out based on the **ISO 14064 standard**. Emission data are analyzed comparatively on a yearly basis; the results obtained are shared with management, ensuring that emission-based trends are tracked regularly.





GRI 305 - Emissions

The calculations performed are documented within the scope of the "**Pimsa Automotive Emission Report**" and are published as an appendix to the sustainability report.

Including the year 2024, it is planned to subject the calculated greenhouse gas emissions to **third-party verification**. In this direction, efforts have been initiated for the **preparation and implementation of the technical and operational documentation** that will form the basis for the verification process.

Through this approach, it is aimed to increase the reliability of emission data, strengthen transparency, and improve the quality of reporting.

Quantitative targets for emission reduction have not yet been defined at Pimsa Automotive. Studies regarding the determination of emission reduction targets are planned to be addressed **within the scope of the Sustainability Committee's activities as of 2026**.

Pimsa Automotive considers emission management not only within the scope of regulatory compliance but also as **a development area that supports long-term environmental performance, operational efficiency, and sustainable growth**.

GRI 306 - Waste Management

Source Identification and Waste Segregation

Pimsa Automotive manages waste in accordance with circular economy principles, basing its approach on waste prevention, source segregation, recovery, and environmentally responsible disposal. All waste management activities are carried out in compliance with current environmental regulations and the requirements of the ISO 14001 Environmental Management System.

Waste management processes are defined under the **P6.4.2 Waste Management Procedure** and cover the identification, classification, separate collection, temporary storage, delivery to licensed companies, and disposal processes of solid waste resulting from facility operations.

All hazardous waste movements are:

- Recorded through the Ministry of Environment, Urbanization and Climate Change's **MoTAT system**,
- Subject to regular license checks,
- Systematically monitored for compliance with legal obligations.



Waste Source and Segregation

Waste generated at Pimsa Otomotiv facilities primarily originates from **production processes**. Waste is classified by type at the point of origin and segregated at the source in the **waste storage area** within the facility.

Waste is temporarily stored in separate areas, categorized as:

- **Hazardous waste**
- **Non-hazardous waste**
- **Recyclable waste**

Hazardous Waste Management

Hazardous waste is stored in specifically designated areas, separate from other waste, and is disposed of in accordance with regulations through **licensed third-party companies**.

All hazardous waste movements are:

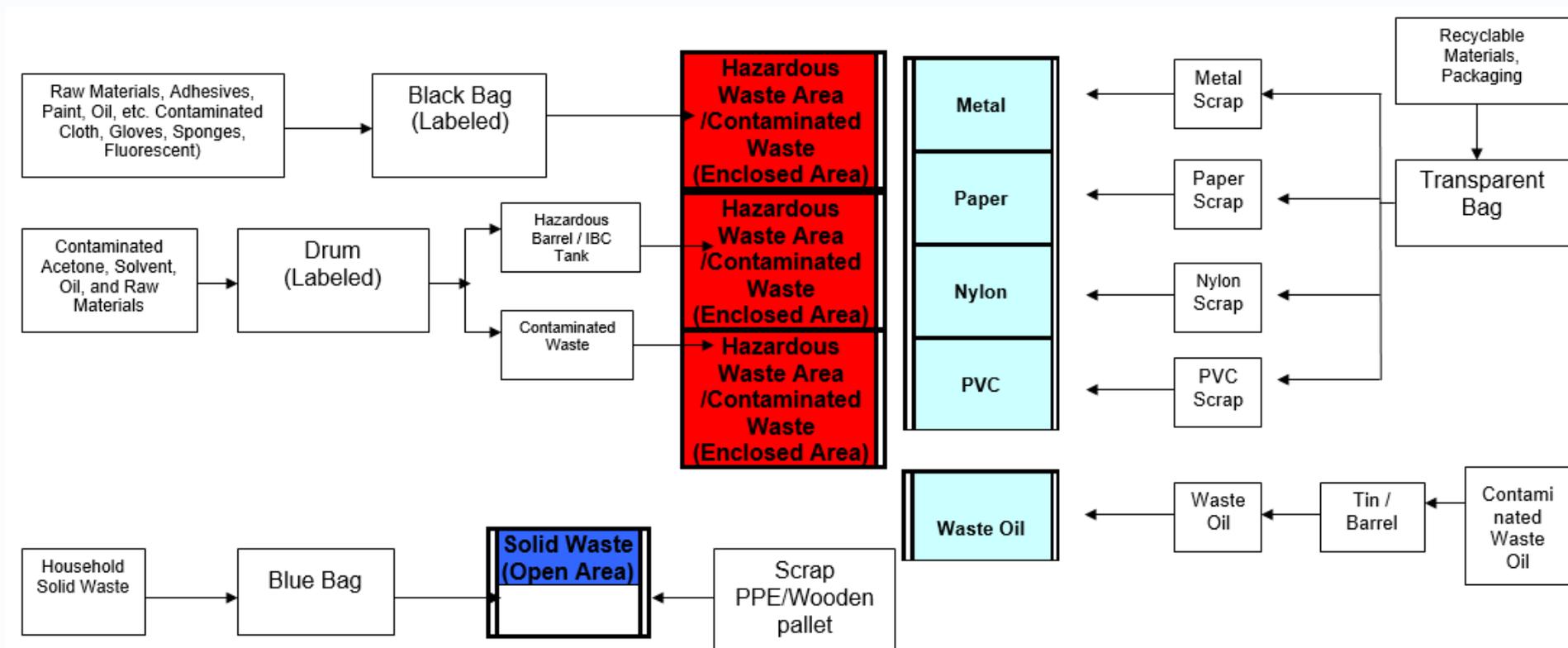
- Registered via the Ministry of Environment, Urbanization and Climate Change **MoTAT system**,
- Subject to regular license checks,
- Systematically monitored for compliance with legal obligations.



Waste Flow Management

At Pimsa Otomotiv, the waste management process is defined by the **F6.4.2-03 Waste Management Flowchart**. This chart covers the entire process from waste generation to temporary storage, and through to the recovery or disposal stage.

It is clearly defined that waste originates from in-house operational activities; waste resulting from upstream or downstream activities in the supply chain is excluded from this scope.



GRI 306 - Waste Management

1

Waste Reduction and Circularity

To reduce waste generation and increase resource efficiency, the following activities are systematically carried out within **Pimsa Otomotiv**:

- Regular analysis of waste amounts generated in production processes and implementation of improvement actions
- R&D studies aimed at the reuse and recycling of textile waste
- Reduction of flash waste through mold revisions
- Transition to more environmentally friendly blowing agents with pentane usage
- Regular inspection of mold, clamp, and press equipment settings and execution of maintenance activities
- Projects aimed at evaluating textile waste in alternative areas such as paint additives, parking areas, and asphalt applications

These efforts contribute to increasing operational efficiency in addition to reducing environmental impacts.

2

Recovery and Disposal

Waste management processes are defined and implemented within the scope of **P6.4.2 Waste Management Procedure**. All hazardous waste movements are recorded through the **MoTAT system**, and compliance with legal obligations is ensured.

Waste generated at Pimsa Otomotiv facilities is sent to **authorized and licensed companies** in accordance with relevant environmental legislation and the provisions of the **Waste Management Regulation** under the following waste treatment codes:

- **R12 (pre-treatment)**
- **R13 (storage)**

The transportation, temporary storage, and disposal processes of waste are monitored and recorded in accordance with legal requirements.

Third-Party Management and Auditing:

- Recovery and disposal are provided through licensed companies.
- Environmental licenses and MoTAT records of the companies are checked regularly.
- Data regarding waste (MoTAT and Pimsa internal records) are collected, classified, and reported annually.
- Processes are regularly monitored within the scope of risk assessment (**P6.4.4 OHS and Environmental Risk Management Procedure**) and internal audits.

This approach aims to ensure that waste is managed responsibly and that environmental compliance is maintained in a sustainable manner.



GRI 306 - Waste Management

Data Collection, Monitoring and Reporting

Data regarding waste is collected regularly through:

- MoTAT records
- Pimsa Otomotiv internal record systems

Waste output quantities are calculated in metric tons, classified by waste type, and reported annually.

Data collection and reporting processes are carried out in line with the targets and indicators determined within the scope of ISO 14001 and ISO 45001 systems; target-actual comparisons are performed.

Governance, Risk Management and Audit

Waste management processes are;

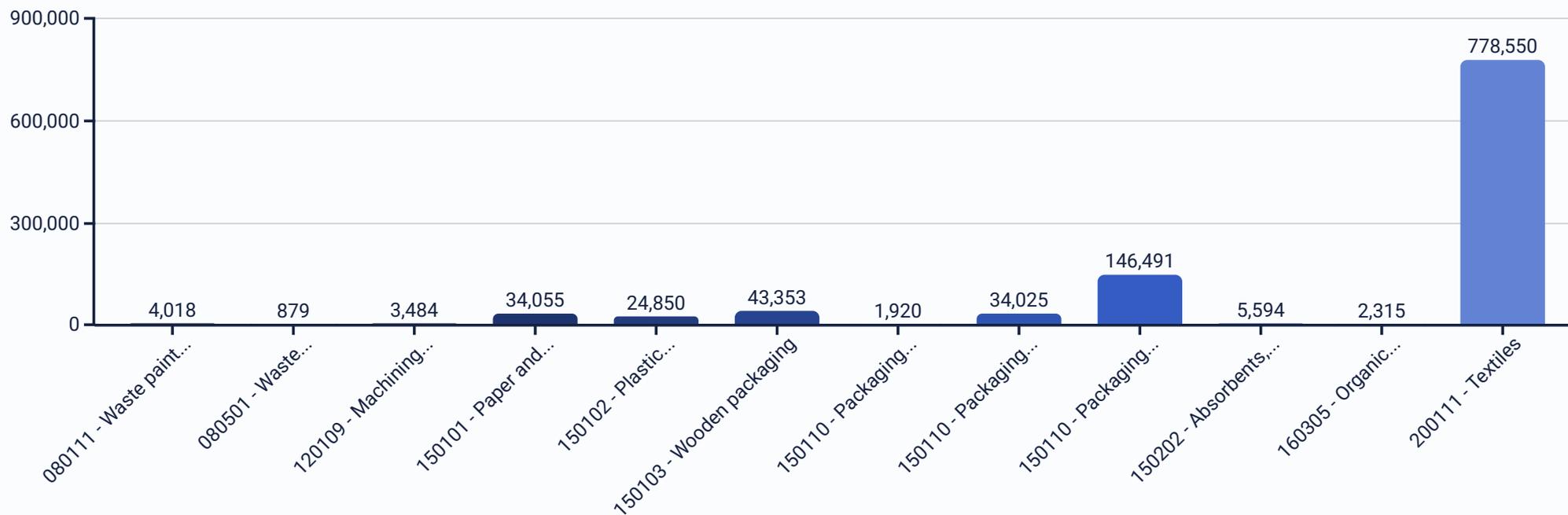
- Subjected to risk assessment within the scope of **P6.4.4 OHS and Environmental Risk Management Procedure**,
- Monitored for legal compliance through environmental legislation tracking lists,
- Regularly audited within the scope of internal audit processes.

The MoTAT record process is carried out under the responsibility of the **OHS Manager**.

GRI 306 - Waste Management

Pimsa Otomotiv addresses waste management in line with circular economy principles; it adopts approaches focused on waste prevention, source separation, recovery, and environmentally sensitive disposal. All waste management activities are carried out in compliance with applicable environmental legislation and the requirements of the ISO 14001 Environmental Management System.

Waste management processes are defined under the **P6.4.2 Waste Management Procedure**, which encompasses the identification, classification, separate collection, temporary storage, delivery to licensed firms, and disposal processes of solid waste originating from facility operations. According to our 2024 declaration, our waste in kg is as follows;



GRI 308 - Supplier Environmental Assessment Approach

Pimsa Otomotiv assesses its suppliers within the scope of environmental criteria in order to manage environmental risks in the supply chain and increase sustainability performance. This process is carried out with a systematic approach that includes monitoring and improvement stages, starting from supplier selection.

Assessment Scope and Methodology

Supplier environmental assessment processes are carried out within the scope of;

- **Supplier Sustainability Audit Procedure**
- **Field audits and document checks**

The assessment criteria include compliance with environmental legislation, waste management, environmental risks, and operational environmental impacts.

Suppliers Assessed from an Environmental Perspective

In the 2024 reporting period:

- **Number of suppliers assessed for environmental impacts: 79 suppliers**

These assessments were conducted within the scope of Pimsa Otomotiv's direct supply chain.

Actual and Potential Negative Environmental Impacts

- **Supplier identified as having significant actual negative environmental impacts: No data available.**
- **Supplier identified as having potential negative environmental impacts: No data available.**

According to the current assessment results, no significant environmental impacts were identified in the supply chain during the reporting period.

Improvement and Corrective Actions

- Percentage of suppliers agreed to make improvements regarding environmental impacts as a result of the assessment: **No data available.**
- **Suppliers terminated: None.**

This situation shows that the current supplier portfolio complies with environmental requirements.

Governance, Monitoring and Compliance

- Audit processes are carried out in **full compliance** with the procedures.
- **Environmental risk classification** for suppliers is not currently performed.
- Legislative compliance is monitored through an **environmental legislation tracking mechanism** established company-wide.

Continuous Improvement Approach

Pimsa Otomotiv aims to strengthen the supplier environmental assessment system in the future under the following headings;

- Expanding the scope
- Developing a risk classification methodology
- Performance-based monitoring



Compliance with Environmental Regulations

Pimsa Otomotiv carries out its operations in full compliance with current environmental regulations; it handles processes for regulatory monitoring, auditing, and non-conformity management within a systematic structure. Environmental compliance is considered an integral part of the company's environmental management approach and corporate governance understanding.

1	2	3
<p>Regulatory Monitoring and Compliance Mechanism</p> <p>Compliance with environmental regulations is monitored within Pimsa Otomotiv through the Environmental Legislation Tracking List. This list includes;</p> <ul style="list-style-type: none">• Relevant environmental regulations,• Status of enforcement of regulations,• Obligations concerning the company,• Responsible units <p>These are defined; regulatory changes are monitored regularly, and necessary actions are planned and tracked.</p>	<p>Internal Environmental Audits</p> <p>In order to evaluate the effectiveness of environmental compliance, internal environmental audits are conducted once a year by an environmental consultant at Pimsa Otomotiv. Within the scope of these audits, the status of compliance with legislation, the effectiveness of practices, and areas for improvement are evaluated.</p>	<p>Management of Non-Conformity and Corrective Actions</p> <p>The management of non-conformities identified within the scope of environmental legislation and management systems is carried out in accordance with P.8.5.2 Corrective Actions Procedure. In this context;</p> <ul style="list-style-type: none">• Non-conformities are recorded,• Root cause analyses are performed,• Corrective actions are planned and implemented,• The effectiveness of the actions taken is monitored. <p>This process is operated in an integrated manner with quality, environmental, and occupational health and safety management systems.</p>

2024 Environmental Targets (within the scope of ISO 14001)

Target Topic	Impact	2023 ACTUAL	2024 ACTUAL
Environmental Accident	Decreasing	0	0
Ratio of textile waste amount / Total Raw Material Consumed	Decreasing	24%	31%
Reduction of energy consumption (Electricity consumption) (Total Raw Material Consumption / Electricity consumption)	Increasing	1.83	1.88
Reduction of energy consumption (Natural gas consumption) (Natural gas consumption / Total Raw Material Consumption)	Increasing	0.86	1.15
Increasing the % of total recycled waste amount to production	Increasing	10%	13%
Increasing the Waste Recycling Rate (WRR) %	Increasing	29%	29%
Major/minor non-conformity in 14001 Management System audit	Decreasing	0	1

GRI 400 Series

Social Impacts and Human-Centric Approach

Pimsa Otomotiv's approach to social sustainability is built on the principles of labor rights, occupational health and safety, respect for human rights, and community contribution. This section addresses our social impacts on our employees, supply chain, and the community.

Under these headings;

- **GRI 401 – Employment**
- **GRI 403 – Occupational Health and Safety**
- **GRI 404 – Training and Education**
- **GRI 405 – Diversity and Equal Opportunity**
- **GRI 406 – Non-discrimination**
- **GRI 413 – Local Communities**
- **GRI 418 – Customer Privacy**

Pimsa Otomotiv's human-centric management approach is explained in line with how we address social risks and opportunities, and our goals for creating sustainable value.



GRI 401 – Employment

At Pimsa Otomotiv, employment practices are carried out in accordance with the applicable **Labor Law No. 4857**, relevant regulations, and internal human resources procedures. Recruitment, employee turnover, and parental leave processes are regularly monitored, reported on an annual basis, and improvement actions are planned.

Within the scope of our Recruitment Policy, open positions are primarily announced via **internal company notification** and remain posted for **2 days**. Following this period, depending on the nature of the position, the following channels are utilized: İŞKUR, Municipalities, Kariyer.net, and headhunter firms. The **principle of equal opportunity** is essential in all recruitment processes, and no distinctions are made based on gender, age, or similar factors.

Employee turnover data includes voluntary resignations, dismissals, retirements, and deaths during service. Employee turnover rates show fluctuations on a yearly basis. Continuity analyses are conducted with breakdowns by age and gender. The obtained results are used in the review of human resources policies.



GRI 401 – Employment

All fringe benefits and social rights offered to employees at Pimsa Otomotiv are provided **within the framework of legal regulations**. Maternity leave, parental leave, paid leave, and social security rights are implemented fully and completely.

Employee engagement is measured through **satisfaction surveys** conducted using external resources. Through these surveys, levels of engagement, satisfaction, and feedback are monitored. Results are analyzed to plan necessary improvement actions.

All human resources practices are in full compliance with **Labor Law No. 4857** and related legislation. **GDPR compliance** is ensured during recruitment processes. Regulatory compliance is regularly checked through customer audits, social compliance audits, and independent audits.

Through this approach, Pimsa Otomotiv supports fair and transparent employment practices, the protection of employee rights, the strengthening of employee engagement, and long-term human resource sustainability.



Personnel Assessments

Number of Personnel	2023	2024
Total Number of Personnel	463	448
Total Number of Male Personnel	369	363
Total Number of Female Personnel	94	85
Number of Female Personnel Over 50	8	7
Number of Female Personnel Aged 30-50	68	65
Number of Female Personnel Under 30	18	13
Number of Male Personnel Over 50	32	34
Number of Male Personnel Aged 30-50	251	246
Number of Male Personnel Under 30	86	83

Personnel Assessments

Newly Hired Personnel	2023	2024
Total Number of Newly Hired Personnel	333	84
Total Number of Newly Hired Female Personnel	45	5
Total Number of Newly Hired Male Personnel	288	79
Number of Newly Hired Female Personnel Over 50	0	0
Number of Newly Hired Female Personnel Between 30-50	33	2
Number of Newly Hired Female Personnel Under 30	12	3
Number of Newly Hired Male Personnel Over 50	6	5
Number of Newly Hired Male Personnel Between 30-50	171	45
Number of Newly Hired Male Personnel Under 30	111	29

Personnel Evaluations

New Hires	2023	2024
New Hire Rate		
New Female Hires Rate Over 50 Years Old	0.00	0.00
New Female Hires Rate Between 30-50 Years Old	0.10	0.02
New Female Hires Rate Under 30 Years Old	0.04	0.04
New Male Hires Rate Over 50 Years Old	0.02	0.06
New Male Hires Rate Between 30-50 Years Old	0.51	0.54
New Male Hires Rate Under 30 Years Old	0.33	0.35

Personnel Assessments

Employee Turnover	2023	2024
Employee Turnover Total Staff Number	341	187
Employee Turnover Total Staff Number Female	51	26
Employee Turnover Total Staff Number Male	290	161
Employee Turnover Female Staff Number Over 50 Years Old	1	3
Employee Turnover Female Staff Number Between 30-50 Years Old	40	17
Employee Turnover Female Staff Number Under 30 Years Old	10	6
Employee Turnover Male Staff Number Over 50 Years Old	11	9
Employee Turnover Male Staff Number Between 30-50 Years Old	161	112
Employee Turnover Male Staff Number Under 30 Years Old	118	40
Employee Turnover Female Staff Rate Over 50 Years Old	0,00	0,02
Employee Turnover Female Staff Rate Between 30-50 Years Old	0,12	0,09
Employee Turnover Female Staff Rate Under 30 Years Old	0,03	0,03
Employee Turnover Male Staff Rate Over 50 Years Old	0,03	0,05
Employee Turnover Male Staff Rate Between 30-50 Years Old	0,47	0,60
Employee Turnover Male Staff Rate Under 30 Years Old	0,35	0,21

Personnel Assessments

Parental Leave	2023	2024
Total Number of Employees Entitled to Parental Leave	21	12
Total Number of Female Employees Entitled to Parental Leave	2	3
Total Number of Male Employees Entitled to Parental Leave	19	9
Total Number of Employees Who Took Parental Leave	21	12
Total Number of Female Employees Who Took Parental Leave	2	3
Total Number of Male Employees Who Took Parental Leave	19	9
Total Number of Employees Who Returned to Work After Parental Leave	19	9
Total Number of Female Employees Who Returned to Work After Parental Leave	0	0
Total Number of Male Employees Who Returned to Work After Parental Leave	19	9

Personnel Assessments

Return to Work After Parental Leave	2023	2024
Total number of employees who returned to work after parental leave and were still employed 12 months after returning	21	9
Total number of female employees who returned to work after parental leave and were still employed 12 months after returning	2	0
Total number of male employees who returned to work after parental leave and were still employed 12 months after returning	19	9
Total number of employees scheduled to return to work after taking parental leave.	21	12
Total number of employees scheduled to return to work after taking parental leave (Female)	2	3
Total number of employees scheduled to return to work after taking parental leave (Male)	19	9
Return to work rates of employees who took parental leave by gender		
Return to work rates of employees who took parental leave	90,48%	75,00%
Return to work rates of employees who took parental leave by gender (Female)	0,00%	0,00%
Return to work rates of employees who took parental leave by gender (Male)	100,00%	100,00%

Personnel Evaluations

Retention rates of employees who took parental leave by gender	2024
Total number of employees who returned from parental leave in the prior reporting period(s)	21
Total number of employees who returned from parental leave in the prior reporting period(s) (Female)	2
Total number of employees who returned from parental leave in the prior reporting period(s) (Male)	19
Retention rates of employees who took parental leave by gender	
Retention rates of employees who took parental leave	42,86%
Retention rates of employees who took parental leave by gender (Female)	0,00%
Retention rates of employees who took parental leave by gender (Male)	47,37%



GRI 403 - Occupational Health and Safety

OHS Management System and Policy Framework

At Pimsa Automotive, occupational health and safety management is structured in accordance with the **ISO 45001 Occupational Health and Safety Management System** standard.

Within the scope of OHS management;

- All risks that may threaten the health and safety of employees are addressed systematically,
- Hazards are identified, risks are analyzed, and preventive/corrective actions are planned,
- Processes are documented and regularly updated.

Our Occupational Health and Safety Policy

As Pimsa Otomotiv A.Ş., we aim to offer and develop the experience we have gained in the automotive sector and our highest quality principle in the field of occupational health and safety. With this awareness and intention, we aim to continue our efforts as follows:

- By fulfilling legal and other requirements related to occupational health and safety, taking into account customer demands and other global values,
- To create safe and healthy working conditions to prevent work accidents, health impairments, and injuries,
- To eliminate hazards and reduce risks arising from the activities carried out in our company,
- To ensure the consultation and participation of all employees in all activities related to occupational health and safety,
- To observe the above-mentioned requirements as a principle as all management and employees, to reach our occupational health and safety targets in accordance with the purpose and context of our company, and to continuously improve our safety and health quality.



GRI 403 - Occupational Health and Safety



Risk Assessment and Management Processes

OHS and environmental risk management is carried out within the scope of the **P6.4.4 OHS and Environmental Risk Management Procedure**.

The primary objectives of this procedure are:

- To prevent potential non-conformities,
- To identify OHS hazards and environmental aspects,
- To score and prioritize risks,
- To define actions to mitigate risks and evaluate opportunities,
- To systematize monitoring and control activities.

Risk assessments are updated periodically and as needed.



Reporting and Tracking of Occupational Accidents

Occupational accidents and near-miss incidents are recorded through the **Occupational Accident Tracking List**.

Within the scope of this system:

- The type and cause of the incident are recorded,
- Root cause analysis is conducted,
- Corrective and preventive actions are planned,
- The effectiveness of the actions taken is monitored.

OHS procedures and instructions are **kept up-to-date** and implemented on the shop floor.

OHS Data - Work-Related Injuries

During the reporting period, no high-consequence work-related injuries or fatalities occurred.

Work-Related Injuries	2023	2024
Total Hours Worked (THW)	1303816	1180643
Number of recordable work-related injuries*	45	20
Rate of recordable work-related injuries* (THW)	0,003%	0,002%
Lost work days	368,00	92,00
Rate [Based on 200,000 Hour Assumption]	6,90	3,39
Rate [Based on 1,000,000 Hour Assumption]	34,51	16,94

During the reporting period, work-related injuries occurred due to exposure to chemical hazards, risks arising from cleaning and maintenance, punctures or stabs from hand tools, contact with hot and pointed/sharp surfaces, striking against fixed objects, slips and falls, being caught between two objects, foreign bodies entering the eye, and cuts caused by sharp tools. There were no transportation-related injuries during the reporting period.

OHS Data

There have been no work-related fatalities, high-consequence injuries, or recordable injuries for individuals who are controlled by the organization but are not in an employee status. Incidents involving subcontracted workers are reported to their respective employers.

Main Injury Types

The main injury types reported are as follows:

- Exposure to chemical hazards
- Slippery floors and falls
- Punctures/piercing by hand tools
- Contact with hot surfaces
- Contact with sharp/pointed surfaces
- Crushing between two objects
- Foreign object in eye
- Cuts from utility knives

These analyses provide input for identifying priority risk areas.

High-Risk Work-Related Hazards

The main hazards that pose a high risk of injury are:

- Chemicals
- Robotic production lines
- Forklift operations
- Press machines

Hazards are determined through **risk analyses** and **field inspections**.

No **high-consequence injuries** occurred due to these hazards during the reporting period.

Measures Taken According to the Hierarchy of Controls

To reduce risks, the following measures are implemented:

- Non-slip flooring applications
- Increasing PPE protection levels
- 5S studies
- Elimination of sharp and pointed surfaces
- Standard hand tool usage
- Improvement of safety shoes
- Automatic stopping systems on forklifts
- AI-supported safety cameras for robots
- Sistema piston locking systems on presses
- Revision of press PLC systems
- Securing ventilation platforms

Health Risks and Preventive Approach

Health risks are determined through the following methods:

- Risk analyses
- Field observations
- Environmental measurements
- Periodic inspections
- Employee notifications
- MSDS reviews
- Work accidents and near-miss incidents

Risk-reducing measures are implemented in accordance with the hierarchy of controls.

OHS Targets (ISO 45001)

The operational indicators derived from Pimsa Otomotiv's current management systems are presented in the table below. These indicators are monitored within the framework of existing management systems, independent of the sustainability KPI structure. The structuring of integrated sustainability performance indicators within the scope of ESG is being addressed as an area for development.

	2024 Target	2024 Actual
Occupational Accident	0	14
Number of accidents caused by falling	0	2
Number of accidents caused by box cutter usage	0	4
Number of accidents caused by press/mold limb entrapment	0	1
Number of accidents caused by chemical contact to eyes and skin	0	0
Fire and Flaring	0	0
45001 Management system certification continuity	Must Continue	Continues
Activities to increase OHS awareness	3	1
Legal penalty related to regulations (TL)	0	0
Reduction of hazardous situations	100	93

GRI 404 – Training and Education

At Pimsa Otomotiv, the development of employees' knowledge, skills, and competencies is considered one of the fundamental elements of our corporate sustainability approach. Training and development activities are carried out within a systematic structure to ensure employees perform their current duties effectively, reduce occupational health and safety risks, increase quality and efficiency levels, and strengthen long-term organizational capacity.

The training system is managed within the framework of a planned and documented structure. Training requests from departments are collected every year in December; an annual training budget is created in line with these requests. The prepared budget is submitted for management approval, and after approval, the annual training plan is created and implemented. Training processes are defined under the **P6.2.0 Human Resources Management Procedure**, and the relevant processes are included in the Human Resources Regulation. Approximately 20 documents covering different types of training, including on-the-job training, are defined within the scope of the mentioned procedure.



GRI 404 – Training and Education

The competency matrix application is used as the primary tool for identifying training needs. In this context, defined competencies for each position are compared with the current competency levels of employees; based on the assessment, the training needs appropriate for the employees' roles are determined and included in the annual training plan. This approach ensures that training activities are conducted in alignment with both individual development and organizational needs.

2024 Employee Breakdown

As of 2024, there are a total of **399 employees** at Pimsa Otomotiv. These employees consist of **81 women** and **318 men**; **67 white-collar** and **332 blue-collar** personnel.

Training Duration Details

During the reporting period, the total training duration provided to employees was **5,908 hours**. Of this total, **757.5 hours** were dedicated to female employees, and **5,150.5 hours** to male employees.

The total training duration provided to **white-collar** employees was **3,729.5 hours**, while the total training duration provided to **blue-collar** employees was recorded as **2,178.5 hours**.

Average Training Hours

The average training duration per employee is **14.81 hours**, with this figure being **55.66 hours** for white-collar employees and **6.56 hours** for blue-collar employees. This distribution demonstrates the emphasis placed on technical, managerial, and expertise-focused training for white-collar employees.

GRI 404 – Training and Education



2024 Training Topics

The main training programs conducted during 2024 were:

- Occupational Health and Safety (OHS, first aid, firefighting)
- Quality and process management (FMEA, APQP, PPAP, Kaizen, 5S)
- Technical training (forklift, manlift, process equipment)
- Digital and technical competencies (Excel training, automation systems)
- Leadership, communication, and personal development training
- Environment and sustainability training (CO₂ footprint awareness)



Development Goals and Strategies

Pimsa Otomotiv sets measurable goals to ensure the continuous development of its employees. In this context, it is aimed to achieve a 20% increase in the annual training hours per employee by 2025. The development of training content is aimed to be aligned with the competency matrix, performance appraisal results, and strategic goals.



Feedback and Satisfaction Monitoring

Employee feedback and satisfaction levels are monitored annually through the Work Life Survey. Survey results are used as input to evaluate the effectiveness of training and development activities and to identify areas for improvement. Survey participation rates were 85% in 2022, 99.44% in 2023, and 83.05% in 2024.



Future Plans

Studies for the development of career planning, talent management, and lifelong learning programs are planned to be established in 2025, and it is aimed to integrate these programs into the training system.

GRI 404 – Training and Education

	2023	2024
Total number of employees	463	399
Total number of female employees	94	81
Total number of male employees	369	318
Total number of white-collar employees	65	67
Total number of blue-collar employees	398	332
Total training hours provided to employees	42853,90	5908,00
Total training hours provided to female employees	10334,50	757,50
Total training hours provided to male employees	32519,40	5150,50
Total training hours provided to white-collar employees	1879,70	3729,50
Total training hours provided to blue-collar employees	40974,20	2178,50
Average training hours per employee	92,56	14,81
Average training hours per female employee	109,94	9,35
Average training hours per male employee	88,13	16,20
Average training hours per white-collar employee	28,92	55,66
Average training hours per blue-collar employee	102,95	6,56

GRI 404 – Training and Education

Percentage of employees receiving regular performance and career development reviews	2023	2024
Total number of employees subject to a regular performance and career development review	463	399
Number of Female Employees	94	81
Number of Male Employees	369	318
Number of White-Collar Employees	65	67
Number of Blue-Collar Employees	398	332
Female Employee %	20,30%	20,30%
Male Employee %	79,70%	79,70%
White-Collar Employee %	14,04%	16,79%
Blue-Collar Employee %	85,96%	83,21%

GRI 405 - Diversity and Equal Opportunity



Human Resources Management

Pimsa Otomotiv embraces diversity and inclusion as a core corporate value in its human resources management.

In recruitment, promotion, compensation, training, and development processes, individuals are evaluated regardless of gender, age, social status, or personal characteristics; decisions are based solely on competencies, experience, and job requirements.



Senior Management Structure

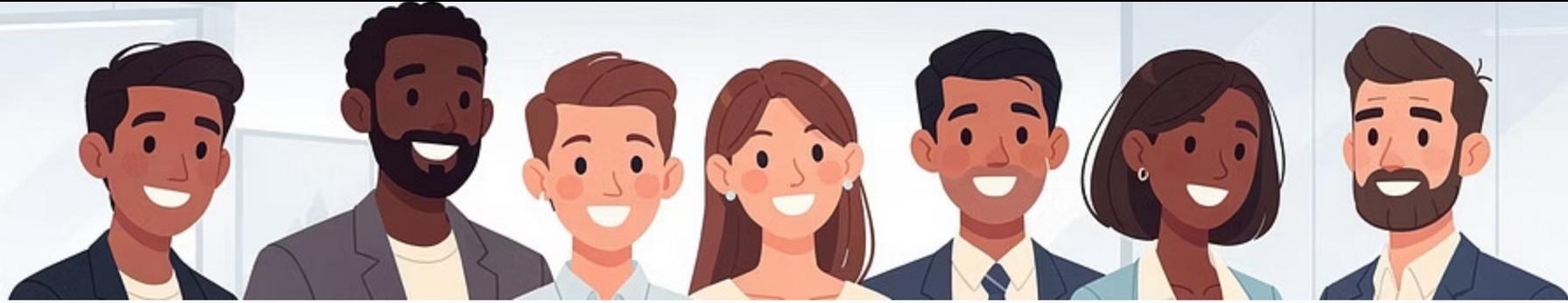
The senior management structure consists of managers, directors, executive board members, the general manager, and the chairman of the board. Senior management positions are structured based on industry experience, leadership competence, and corporate responsibility awareness. Decision-making processes within management bodies are conducted in line with the principles of equality and transparency.



Middle Management

Middle management consists of team leaders and managers. Employees in this tier undertake critical responsibilities such as operational management, team coordination, and performance tracking. The middle management structure is established based on experience and competence to support organizational continuity.





GRI 405 - Diversity and Equal Opportunity

At Pimsa Otomotiv, the compensation process is conducted within the framework of the **equal pay for equal work** principle.

In determining compensation;

- Scope of the role
- Level of responsibility of the position
- Required competencies
- Market conditions

are taken as a basis; gender or personal characteristics are not used as criteria for compensation.

Throughout the company, job descriptions and compensation policies are managed through a clear and defined structure. The compensation system is established by taking market data into account and is regularly reviewed. Employee benefits are provided in a fair and transparent manner, within the framework of legal requirements and corporate practices.

Pimsa Otomotiv's approach to diversity and equal opportunity is guaranteed under the **T-GEN-344 Ethics Instruction**.

Within the scope of this instruction;

- Religion, language, race, ethnic origin
- Gender
- Disability status
- Political opinion and trade union membership

it is essential that employees are treated equally without any discrimination.

Pimsa Otomotiv regularly reviews and improves its diversity and equal opportunity practices. Practices aimed at increasing inclusivity in management and human resources processes are monitored, and the strengthening of corporate culture is targeted.

GRI 405 - Diversity and Equal Opportunity

Senior Management: Manager, Director, Executive Board Member, General Manager, Chairman of the Board

Senior Management	2023	2024
Total Senior Management Count	14	15
Female Senior Management Count	2	1
Male Senior Management Count	12	14
Senior Management under 30	0	0
Senior Management between 30-50	9	8
Senior Management over 50	5	7
Female Senior Management Count	14.29%	6.67%
Male Senior Management Count	85.71%	93.33%
Senior Management under 30	0.00%	0.00%
Senior Management between 30-50	64.29%	53.33%
Senior Management over 50	35.71%	46.67%

GRI 405 - Diversity and Equal Opportunity

Middle Management: Team Leader, Manager

Middle Management	2023	2024
Total Middle Management Count	12	13
Number of Female Middle Managers	1	2
Number of Male Middle Managers	11	11
Number of Middle Managers under 30	0	0
Number of Middle Managers aged 30-50	12	12
Number of Middle Managers aged 50+	0	1
Number of Female Middle Managers	7.14%	13.33%
Number of Male Middle Managers	78.57%	73.33%
Number of Middle Managers under 30	0.00%	0.00%
Number of Middle Managers aged 30-50	85.71%	80.00%
Number of Middle Managers aged 50+	0.00%	6.67%



GRI 406 - Prevention of Discrimination and Corporate Approach

Pimsa Otomotiv adopts as a fundamental principle the provision of an equal, fair, and inclusive work environment for all its employees. No discrimination based on religion, language, race, ethnic origin, gender, disability, political opinion, or similar factors is tolerated throughout the company.

The approach to the prevention of discrimination is handled as a part of the corporate ethics philosophy; all human resources processes are conducted in line with the principles of equality, impartiality, and justice.

Complaints regarding discrimination are managed within the framework of defined communication channels and procedures. Employees can safely report situations involving ethical violations or suspicion of discrimination through the sikayet@pimsa.com.tr and etik@pimsa.com.tr addresses.

The process of evaluating and managing ethical notifications is conducted in accordance with the **T-GEN-344 Ethics Instruction**, and the principles of equality and evaluation criteria are clearly defined in Article 2.2 of the Ethics Procedure. All notifications are handled within the framework of confidentiality, impartiality, and justice principles.



GRI 407 - Freedom of Association and Collective Bargaining

Pimsa Otomotiv accepts respect for employees' freedom of association and collective bargaining rights as a fundamental human rights principle. The company ensures that no pressure or discrimination is applied regarding employees' preferences to participate in union activities, to organize, or to choose not to exercise these rights.

Compliance with collective bargaining rights is guaranteed within the scope of the company's ethical regulations and human resources practices; employees are supported in freely exercising their legal rights.

Although there is currently no active union in the company, the freedom of association and collective bargaining rights of employees are clearly defined and guaranteed under Article 2.8 of the Ethical Instruction. This regulation commits that respect will be shown for employees' rights to participate in union activities or to organize.

All practices regarding freedom of association are handled within the framework of privacy, voluntariness, and legal compliance; no restrictions or interference are permitted in this area.

GRI 408 - Child Labor

Zero Tolerance

Pimsa Otomotiv treats the prevention of child labor as a fundamental human rights responsibility and adopts a zero-tolerance approach in this regard. There are no child workers in the company's operations, and no cases of child labor were encountered during the reporting period.

Supplier Compliance

Although there is no separate prohibitive clause regarding child labor in supplier contracts, relevant ethical provisions are also reflected in the supply chain through the Code of Ethics signed by suppliers. In this context, suppliers are expected to refrain from child labor and forced labor practices; ethical compliance is treated as one of the fundamental elements of business relationships.



Safe Young Worker

Furthermore, there are no young workers employed in hazardous tasks within the organization. The company's operations and work processes are structured in accordance with applicable national legislation and ethical principles; no operational area or activity posing a risk in terms of child labor is identified.

Code of Ethics

Child labor and forced labor issues are clearly regulated under **Article 2.10 of the Code of Ethics numbered T-GEN-344**. With this regulation, Pimsa Otomotiv commits to strictly prohibiting child labor in its own activities and business relationships.



GRI 409 – Forced Labor

Pimsa Otomotiv adopts a **zero-tolerance** approach against forced labor and all forms of employment practices that are contrary to human dignity. Forced labor and child labor issues are clearly and bindingly regulated under **Article 2.10 of the Ethical Instruction numbered T-GEN-344**, which forms the company's ethical management framework.

In accordance with this regulation; the employment of employees without their consent, debt bondage, threats, coercion, or any practice restricting freedom of movement are strictly prohibited. Pimsa Otomotiv adheres to the principle of voluntary work in all its operations and business relationships, and considers the prevention of risks related to forced labor an integral part of its corporate ethical approach.

GRI 410 – Security Practices

Security services provided within Pimsa Otomotiv are supplied through an outsourced (subcontractor) company. Human rights training for security personnel is conducted under the responsibility of the outsourced service provider.

In this context, while Pimsa Otomotiv does not directly provide human rights training to security personnel, it is expected that service provider companies act in accordance with relevant legislation, ethical principles, and human rights. In the execution of security services, respect for the fundamental rights and freedoms of employees is essential.

Subcontractor	2023	2024
Number of security guards	12	16
Number of security guards who have received human rights training	5	5
Rate of security guards who have received human rights training	41,67%	31,25%



GRI 412 – Human Rights Assessment

Pimsa Otomotiv treats respect for human rights as an integral part of its corporate governance approach; it evaluates potential human rights risks through systematic, documented, and traceable processes. Human rights-related risks are addressed within the scope of all relevant operations, primarily human resources processes, and necessary actions are planned to prevent risks and mitigate their impacts.

Human Rights Risk Assessment Process

Within the organization, human rights risk assessment is conducted via the **F8.3.0-31 Risk Analysis Form**. Through this form, potential human rights risks associated with human resources processes are identified, evaluated according to probability and impact levels, and prioritized.

In line with the identified risks, preventive and corrective actions are established, and the effectiveness of these actions is monitored regularly.

Scope of Human Resources Risk Analysis

- Recruitment and placement processes
- Training and development activities
- Compensation and fringe benefits practices
- Non-discrimination and equality principles
- Employee relations and ethical violation risks

This approach aims to ensure the early detection and management of human rights risks.

Training Processes and Human Rights

At Pimsa Otomotiv, training processes are managed within a **planned and procedure-based** structure. An annual training plan and budget are created every December in accordance with requests received from departments, and planned trainings are implemented following management approval.

This structure supports the sustainable development of employees' awareness regarding human rights, ethical principles, and workplace practices.

Documentation of Training Processes

Training processes are defined under the **P6.2.0 Human Resources Management Procedure** and are included in the Human Resources Regulation. Under Article 4 of the procedure, approximately **20 related documents** covering different types of training, including on-the-job training, are defined.

This documentation structure ensures that training activities are carried out in a standard, traceable, and regulatory-compliant manner.

GRI 413 – Local Communities Approach

Pimsa Otomotiv addresses its interaction with local communities in the regions where it operates as part of its corporate responsibility approach; it supports studies focused on social contribution and social benefit. Activities aimed at local communities are carried out along the axes of volunteering, donations, and environmental awareness; these efforts are planned in line with corporate values.



Social Contribution Projects

Projects aimed at social contribution have been implemented within Pimsa Otomotiv. In this context, it is aimed to contribute to environmental sustainability with the **Pimsa Memorial Forest Project** created on behalf of the company. In addition to contributing to nature, this project aims to increase environmental awareness among employees and stakeholders.



Collaborations with NGOs

The organization cooperates with non-governmental organizations that provide social benefits. In this context, contact has been established with institutions such as **LÖSEV**; support has been provided for institutional representatives to carry out donation and sales activities within the company premises. Through these collaborations, it is aimed to develop employees' awareness of social responsibility and to support social solidarity.



Communication and Grievance Mechanism with Local Communities

Two separate e-mail addresses have been defined in order to receive notifications from stakeholders, including local communities and employees. These communication channels are announced to the relevant parties through:

- Orientation trainings
- Ethics trainings
- Announcement boards (for blue-collar employees)
- Corporate e-mail announcements (for white-collar employees)



Evaluation of Complaints and Notifications

The process of evaluating notifications and complaints is carried out in accordance with the **P6.2.2 Complaint Evaluation Procedure**. Incoming notifications are recorded using the **F6.2.0-67 Complaint Evaluation Form** and are evaluated systematically. Thanks to this structure, it is ensured that notifications are handled within the framework of confidentiality, impartiality, and traceability principles.



GRI 414 – Supplier Social Assessment

Corporate Sustainability

Pimsa Otomotiv addresses the management of social risks in the supply chain within the scope of its corporate sustainability approach.

Supplier Sustainability Audit Procedure

Processes for the social assessment of suppliers are defined within the framework of the **Supplier Sustainability Audit Procedure** and cover fundamental social criteria such as human rights, working conditions, prevention of discrimination, forced labor, and child labor.

2024 Status

During the reporting period (**2024**), no new suppliers were physically audited using social criteria. In the same period, there were no suppliers identified as having actual or potential significant negative social impacts in the supply chain for which improvements were requested or with whom relationships were terminated.

2025 Goal

It is targeted to **implement supplier assessment and audit practices based on social criteria in a planned and systematic manner as of 2025**, aiming to monitor and manage social risks across the supply chain more effectively.

GRI 415 – Public Policy

Pimsa Otomotiv adopts the principle of **neutrality and ethical compliance** regarding public policy and political activities. The company does not engage in any **lobbying activities**, direct participation in public policy-making processes, or membership in organizations within this scope.

Principles regarding political activities and donations are regulated under **Article 4.2 of the Code of Ethics Instruction No. T-GEN-344**. In line with this policy, it is **strictly prohibited** to make donations to any **political party, candidate, or political entity**, to conduct political activities, or to engage in **political propaganda** within the company environment on behalf of Pimsa Otomotiv or using company resources.

With this approach, the company commits to maintaining the independence of its corporate decision-making processes, standing at an equal distance from stakeholders, and operating in accordance with ethical management principles.





GRI 416 – Customer Health and Safety

Pimsa Otomotiv manages the impacts of its products and services on customer health and safety within the framework of relevant regulations, quality standards, and internal procedures. Elements that may pose a risk to customer health and safety during the design, production, usage, and shipment stages of products are monitored through defined control mechanisms and quality processes.

- During the reporting period, there were no non-conformities, violations, recalls, sanctions, or complaints identified regarding customer health and safety. In this context, full compliance with legal requirements and customer expectations regarding product safety has been ensured.

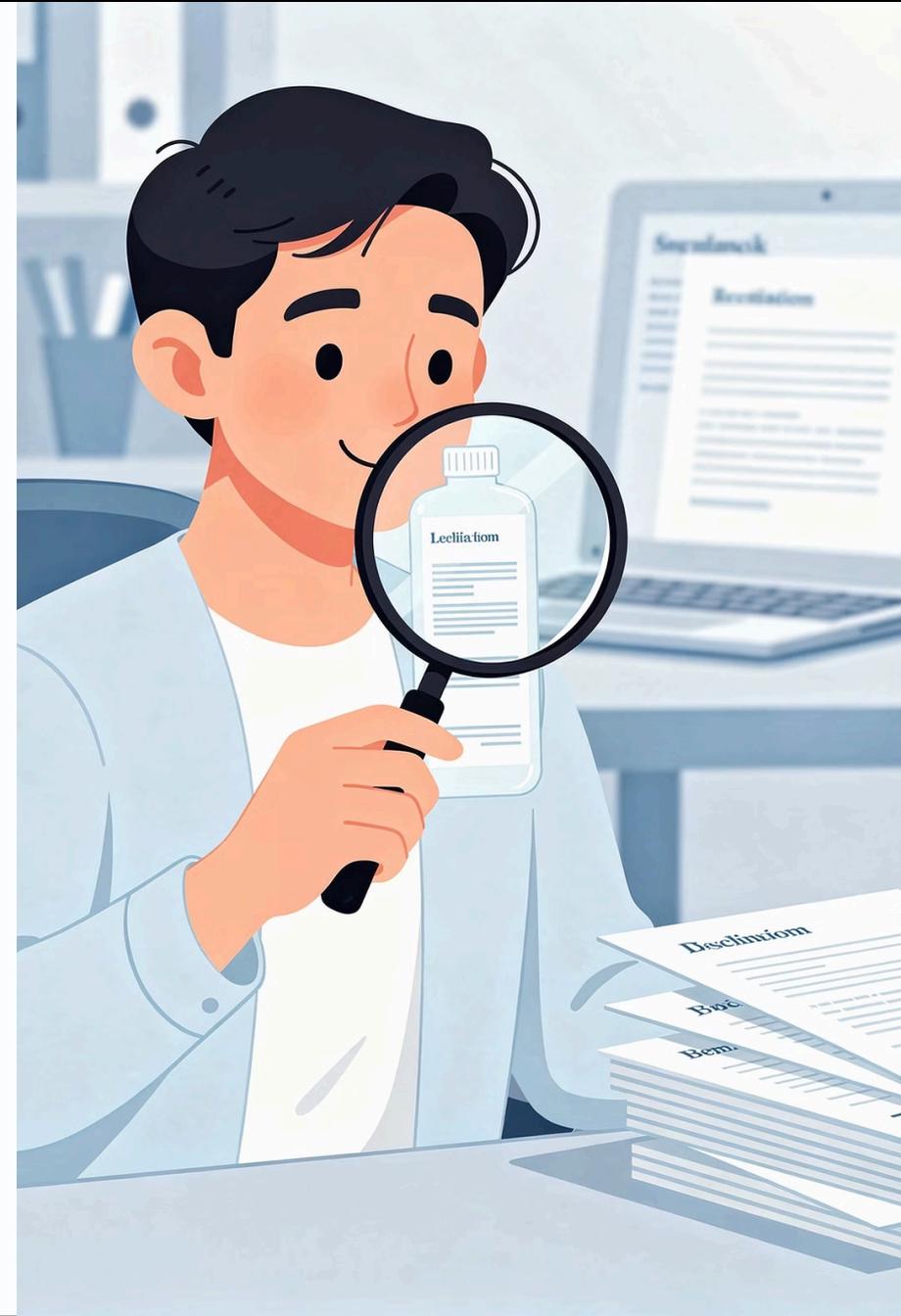
The company is committed to maintaining its existing systems to prevent risks related to customer health and safety, and to developing its monitoring and control activities in line with a continuous improvement approach.

GRI 417 – Marketing and Labeling

At Pimsa Otomotiv, product marketing, labeling, and customer information processes are managed in accordance with relevant legislation, customer requirements, and internal company procedures. Technical information, usage instructions, and legally mandatory contents on product labels are verified within the scope of defined control mechanisms.

The label verification process is **defined by procedure** within the company; the accuracy, currency, and regulatory compliance of label contents are checked and approved by the relevant departments. This process aims to minimize the risk of incorrect or misleading information.

During the reporting period, **no regulatory violations, misleading claims, sanctions, or customer complaints** regarding marketing communications or product labeling were identified. Pimsa Otomotiv adheres to the principles of transparency, accuracy, and legal compliance in its marketing and labeling activities.



GRI 418 – Customer Privacy and Data Protection

At Pimsa Otomotiv, the protection of personal data belonging to customers, employees, suppliers, and visitors is ensured in accordance with PDPL (KVKK), relevant legislation, and TISAX principles. Technical and administrative controls are implemented, prioritizing the confidentiality, integrity, and accessibility of personal data.



PDPL and Information Security Practices

- Personal data is processed and accessed within the scope of defined authorization levels.
- Information security processes are managed within the TISAX framework, and preventive measures are implemented against data loss and unauthorized access risks.

During the reporting period, **no verified cases** regarding the breach of customer privacy or loss of customer data were detected.



Complaint and Feedback Mechanisms

A multi-channel structure has been established for stakeholders (customers, employees, suppliers, visitors) to submit their suggestions and complaints:

- Notifications via defined e-mail addresses,
- Physical complaint boxes,
- Online suggestion and feedback system.



Complaint Process Workflow

All submitted complaints are;

1. **Received and recorded**
2. **Investigated by relevant departments,**
3. **Evaluated and concluded,**
4. **Communicated back to the complainant.**

When necessary, root cause analysis is conducted, and corrective actions are planned and monitored to prevent recurrence.



Responsibilities

- **Process Management and Reporting:** Human Resources Directorate
- **Monitoring and Audit:** Unit Managers and Human Resources Directorate

Duties and responsibilities regarding the receipt, evaluation, and conclusion of complaints are carried out within the scope of defined processes.



Reporting Period Findings

- There are **no verified complaints** regarding the breach of customer privacy.
- There are no complaints or sanctions communicated by regulatory bodies.
- There are no data breach cases carried over from previous periods.

Conclusion and Our Future Approach

This sustainability report has been prepared to present Pimsa Otomotiv's current practices in environmental, social, and governance areas within a holistic framework. The report transparently reflects the company's sustainability approach, which is shaped in line with existing management systems, corporate processes, and stakeholder expectations.

During the reporting period, sustainability-related issues were addressed within the scope of quality, environment, occupational health and safety, information security, and automotive-specific management systems. Stakeholder views were collected through quantitative methods, and survey results were analyzed in a central evaluation pool to determine priority issues. As a result of this process, priority sustainability topics were identified in line with stakeholder expectations and corporate impacts.

In the 2024 reporting period, a separate and integrated risk assessment and target-setting study specifically for sustainability was not conducted. However, within the scope of management systems in force within the company such as IATF 16949, ISO 9001, ISO 14001, ISO 45001, and TISAX; operational, environmental, occupational health and safety, and information security risks are regularly evaluated and monitored. These assessments indirectly cover many sustainability-related risks and are managed within the framework of existing management systems.

Although there are no directly defined quantitative targets in the field of sustainability, the company's environmental, occupational health and safety, human resources, and governance practices are carried out in line with existing policies, procedures, and operational goals. In the coming periods, it is planned to address the risks and opportunities associated with sustainability priorities in a more holistic manner; to define targets specific to these areas and to develop monitoring mechanisms.

Pimsa Otomotiv treats sustainability as a long-term transformation process and adheres to continuous improvement across the entire value chain in line with the principles of environmental responsibility, social contribution, and corporate governance. This report reflects the company's current status on its sustainability journey and serves as a reference for future risk, target, and performance management studies.





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This Sustainability Report has been prepared to provide our stakeholders with transparent information regarding our sustainability approach, environmental and social performance, and governance practices.

The data included in the report has been compiled in accordance with internal company records and declarations for the relevant reporting period, and is presented based on the principles of accuracy and integrity.

The targets, plans, and forward-looking assessments included in the report are based on current assumptions. Actual results may differ due to factors such as economic conditions, sectoral developments, supply chain dynamics, and regulatory changes.

This report is for informational purposes only and does not constitute any investment advice, financial guidance, or commercial offer.

Some images used in the report were produced using artificial intelligence-supported tools and are representational. The images may not reflect the exact real-life footage of company operations.

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