EMELEC Sustainability Report 2023

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EMELEC®

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ABOUT THE REPORT

This sustainability report represents our commitment to transparency and accountability in sharing our economic, environmental, and social performance. Prepared with reference to the Global Reporting Initiative (GRI) Standards, this report outlines our initiatives, achievements, and future aspirations toward fostering sustainable growth while addressing the needs of our stakeholders.

This report represents the consolidated sustainability performance of **EMELEC Elektrik Mühendislik San.Tic. A.Ş. and EM Elektrik Malzemeleri Yüklenim San.Tic. A.Ş.**, two affiliated companies operating under the same facility. While data presented in this report has been gathered and consolidated across both entities, the report is collectively presented under the unified brand name **EMELEC**. This approach reflects the shared vision, strategies, and operational synergies of the two companies, ensuring a comprehensive and holistic representation of their sustainability efforts and commitments. By consolidating and presenting data as EMELEC, the report aims to provide clarity and continuity while addressing the shared goals and responsibilities of both entities.

The report covers the period of **January 1 to December 31, 2023**, and provides insights into the company's strategy, governance, and operational practices in critical areas such as sustainability, occupational health and safety, ethical business practices, and stakeholder engagement. Our disclosures are structured to meet the core requirements of the GRI Standards, ensuring a comprehensive account of our efforts to contribute positively to the environment, economy, and society.

Key metrics, initiatives, and challenges are presented throughout the report to highlight our alignment with international standards, including the United Nations Sustainable Development Goals (SDGs). Wherever applicable, the report includes qualitative and quantitative data, emphasizing both our achievements and the areas where improvement is required. This approach reflects our commitment to continuous improvement and transparent communication. The report has been developed through a thorough materiality assessment, involving stakeholder input from employees, customers, suppliers, and other relevant parties. This ensures that the content of the report addresses the most significant impacts and concerns of our stakeholders, fostering trust and engagement.

By sharing this report, we aim to strengthen our relationships with stakeholders and demonstrate our responsibility as a corporate citizen. It reflects our dedication to sustainable practices, ethical governance, and creating long-term value for all those connected to our business.

We welcome feedback and input on this report to further enhance our sustainability journey and ensure we remain aligned with the expectations of our stakeholders. For additional information or inquiries about the report, please contact our sustainability team through **sustainability@emelec.com.tr.** For more information on our sustainability practices and their implementation, please visit our website at **www.emelec.com.tr.**

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MESSAGE FROM THE MANAGEMENT

Dear Stakeholders,

It is with great pride that we share EMELEC's first sustainability report, marking a significant milestone in our journey to embed sustainability at the core of our business. As this is our inaugural report, it serves not only as a reflection of our achievements but also as a foundation for setting bold aspirations for the future.

The report highlights our alignment with the Global Reporting Initiative (GRI) Standards and the United Nations Sustainable Development Goals (SDGs), demonstrating our commitment to global sustainability principles. It provides a transparent account of our economic, environmental, and social performance for 2023, as well as our strategies to address challenges and capitalize on opportunities in the evolving global landscape.

Over the past year, we have prioritized energy efficiency, waste reduction, and circular economy principles, driving measurable progress in reducing our environmental footprint. By fostering an inclusive workplace, prioritizing employee well-being, and engaging with local communities, we have strengthened our role as a socially responsible organization.

Our governance practices are rooted in ethical business conduct, stakeholder engagement, and adherence to international standards, ensuring accountability and transparency. In addition, investments in research, development, and innovation have advanced our product offerings and positioned us to deliver sustainable value to our stakeholders.

Looking to the future, we remain steadfast in our commitment to reducing greenhouse gas emissions, improving energy efficiency, and integrating circular economy principles across our operations. These efforts align with global sustainability objectives and position us as a leader in sustainable practices. By increasing investments in sustainable R&D and leveraging digitalization and IoT technologies, we aim to create energy-efficient, recyclable products that meet the needs of our customers and contribute to environmental goals. Collaboration with stakeholders is central to our strategy, and through surveys, forums, and transparent reporting, we ensure their voices shape our sustainability initiatives, fostering trust and mutual growth. At the same time, we are strengthening our ability to adapt to evolving risks by investing in data security, conducting climate risk assessments, and providing targeted

employee training to enhance internal capacity for sustainability challenges. Sustainability is a collective responsibility, and we are integrating ESG goals into performance evaluations, empowering employees through training, and encouraging innovation at every level of the organization.

This report is a testament to our transparency, ambition, and dedication to sustainable growth. It reflects not just where we stand today, but the path we are charting for the future—a future where innovation, responsibility, and resilience are paramount.

On behalf of everyone at EMELEC, I extend my gratitude to our stakeholders for their trust, collaboration, and shared vision. Together, we can create meaningful, lasting change and contribute to a more sustainable world.

Sincerely,

Ece Erdeniz Feyzioğlu
General Manager
EMELEC
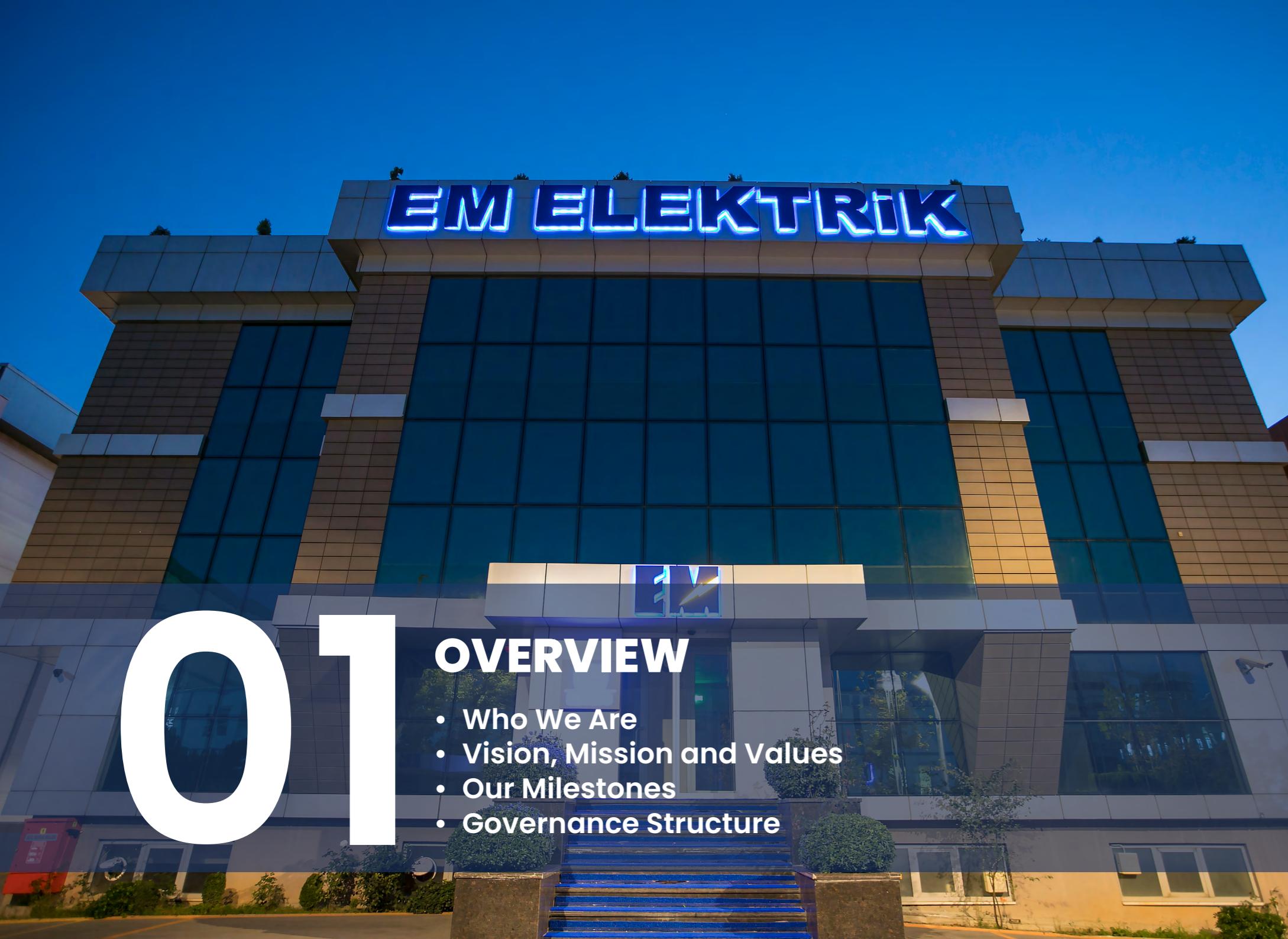
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OVERVIEW

- Who We Are
- Vision, Mission and Values
- Our Milestones
- Governance Structure

WHO WE ARE

We are EMELEC, an engineering and contracting company established in 1999, with a strong focus on the electric and electronics industry. Our operations are centered around two primary areas: the production of high voltage link boxes and the engineering of high voltage XLPE power cable systems. Our main line of production includes a diverse range of products, with link boxes being our flagship offering. We also manufacture cable cleats and specialized tools such as copper metal joint housings and coffin boxes for copper metal joints, which are essential for various field applications.

Our expertise extends to providing filling compounds for link boxes, high-frequency current transformers, partial discharge measurement systems, and middle voltage accessories. We pride ourselves on our technical capabilities, which allow us to determine the optimal mechanical and electrical design features for our link boxes and high voltage cable clamps. Our commitment to quality is reflected in our production processes, which are supported by our in-house machine shop equipped with advanced technologies such as laser cutting and CNC milling machines.

We operate from a strategically located facility in a highly developed industrial city within Istanbul, encompassing a total area of 6,000 square meters of closed space and 1,400 square meters of open area. This facility is designed to support our production capabilities and ensure that we can meet the demands of both national and international projects. Our experienced field management staff and technicians, who hold international certifications, are dedicated to delivering high-quality services, including AC site acceptance tests, partial discharge tests, and cable laying and installation services. Our product portfolio reflects a strategic focus on reliability and market demand, with **link boxes** accounting for a significant portion of our operations and contributing **approximately 90% of our revenue.** This flagship product highlights our core manufacturing expertise, as the majority of production steps are completed in-house, with supplementary processes outsourced as needed.

Other notable products include **cable cleats,** which are produced from aluminum castings and packaged in-house, and **filling compounds,** which involve in-house dosing and packaging operations following the sourcing of chemical raw materials. Products like **silicone lang** and **silicone cable terminations** showcase our advanced manufacturing capabilities, with injection molding conducted entirely on-site.

Additionally, we produce **sheath voltage limiters** and **copper metal joints**, utilizing a combination of in-house processes and outsourced finishing steps. This diverse product range demonstrates our commitment to addressing varied customer needs while maintaining stringent quality standards and operational efficiency.

By focusing on sustainable production methods and leveraging both internal and external resources, we aim to deliver high-quality products that align with the evolving expectations of our customers and stakeholders.

At EMELEC, we are committed to sustainability and responsible business practices. Our operations are guided by a strong understanding of the environmental and social impacts of our activities. We continuously seek to improve our processes and reduce our ecological footprint while maintaining the highest quality standards in our products and services.

Our facility is equipped with state-of-the-art technology, allowing us to fabricate a significant portion of our components in-house. This

VISION, MISSION AND VALUES

capability not only enhances our production efficiency but also enables us to maintain strict quality control throughout the manufacturing process. We believe that investing in advanced machinery and skilled personnel is essential for delivering products that meet the evolving needs of our clients.

As we continue to grow and expand our operations, we remain focused on fostering a culture of innovation and sustainability. We recognize the importance of adapting to changing market conditions and technological advancements, and we are committed to staying at the forefront of the electric and electronics industry. Our dedication to excellence and sustainability will guide us as we navigate the challenges and opportunities that lie ahead.

Our company, EMELEC, envisions a future where we are recognized as a reliable solution partner in the sales and distribution sector. We are committed to fostering innovation and creating new projects that not only enhance our operational capabilities but also generate employment opportunities. Our approach is rooted in the principles of "new generation management," which emphasizes adaptability and forward-thinking strategies to meet the evolving needs of our stakeholders.

Our mission is to maintain our status as a dependable business partner, characterized by the most extensive point network in the regions we serve. We strive to provide the highest quality after-sales service, ensuring that we are the preferred choice for leading manufacturers and sales points in their respective fields. This commitment to excellence drives us to continuously improve our services and strengthen our relationships with our partners.

At the core of our operations are our values, which reflect our dedication to quality, health, safety, and environmental stewardship. We prioritize customer satisfaction and aim to meet the expectations and requirements of our clients through transparent management practices. This commitment extends to our internal processes, where we actively apply Quality, Occupational Safety, and Environmental Management Systems to ensure continuous development and improvement.

We believe that quality should be a lifestyle within our organization, and we are unwavering in our commitment to uphold this principle. We work closely with our suppliers to ensure compliance with our environmental, occupational health, and safety standards, as well as relevant legislation. This collaborative approach not only enhances our operational integrity but also reinforces our commitment to sustainable practices.

Our dedication to environmental protection is evident in our efforts to use natural resources efficiently and prevent environmental pollution. We recognize the importance of aligning our operations with national legislation and international standards related to Quality, Occupational Safety, and Environmental Management Systems. This alignment is crucial for maintaining our reputation as a responsible corporate citizen.

We adopt a proactive stance in identifying risks and impacts associated with our activities in the realm of occupational health and safety. By implementing necessary measures to mitigate these risks, we aim to create a safe and healthy work environment for all our employees. This commitment to safety is integral to our corporate culture and operational philosophy.

To foster a culture of shared responsibility, we engage all members of our company in promoting quality, occupational safety, and environmental awareness. This collective effort ensures that our values are not only understood but also practiced at every level of our organization. We believe that the conscious application of our quality and complaint management system by each employee is vital for the continuous improvement of our policies and practices.

Each department within our organization is empowered to take ownership of their operations, ensuring that necessary actions are implemented effectively. This decentralized approach allows us to respond swiftly to challenges and opportunities, reinforcing our commitment to excellence and sustainability in all our endeavors.

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OUR MILESTONES

We take pride in our journey and the significant milestones we have achieved over the years, reflecting our commitment to innovation and sustainability in the electric and electronics industry. In 1999, we laid the foundations of EMELEC with a focus on Field Project Engineering, which set the stage for our future growth and development. This initial step into the industry has been pivotal in shaping our identity and guiding our strategic direction.

In 2005, we made our first significant move towards industrialization by establishing operations at the IMES Industrial Zone. This marked a crucial turning point for us, allowing us to enhance our production capabilities and expand our market reach. The following year, in 2006, we began producing link boxes with our own design, showcasing our commitment to innovation and quality in our product offerings.

Our growth continued with the release of our own branded link boxes in 2007, further solidifying our presence in the market. The subsequent years saw us moving to a new factory in Dudullu in 2008, which provided us with the necessary infrastructure to support our expanding operations. By 2009, we had implemented an ERP system, streamlining our processes and enhancing our operational efficiency.

In 2010, we were honored to be recognized as the Successful Exporter of the Year by the Istanbul Chamber of Commerce—a testament to our dedication to excellence and our ability to compete on a global scale. In the same year, we strategically expanded our operations by relocating to a brand-new factory. This facility features a significantly larger manufacturing plant, enabling us to enhance our production capabilities and better meet the growing demands of our customers.

The following year, we took a significant step in our research and development efforts by starting high voltage cable field tests, which laid the groundwork for future innovations.

Our R&D initiatives culminated in the official inauguration of our R&D/Design Center in Tuzla in 2018, a facility dedicated to fostering innovation and developing cutting-edge solutions. This was followed by the release of our new products, including the Link Box with Transparent Window in 2019, and the development of the New Generation Intelligent Link Box with Early Warning System for High Voltage Cable Systems, which further demonstrated our commitment to advancing technology in our field.

In 2020, we made an additional investment in middle voltage accessories production in Tuzla, reinforcing our commitment to sustainability and innovation. The release of the New Generation with Early Warning System "I-LINK BOX" in 2021 marked another significant milestone, showcasing our dedication to enhancing safety and reliability in our products. Each of these milestones reflects our ongoing commitment to sustainability and innovation, driving us to continuously improve and adapt to the evolving needs of our industry.

1999
The foundations of EMELEC were laid in 1999 with Field Project Engineering

2005
EMELEC's first step into industrialization began at IMES Industrial Zone

2006
Started to produce Link box with own design

2009
ERP system is UP and started to run

2008
Moved to new factory at Dudullu

2007
Own "EMELEC" Branded link boxes are released

2010
Awarded as Successful Exporter of The Year by Istanbul Chamber of Commerce

2011
New factory start up at Tuzla

2012
Started to implement High Voltage Cable Field Tests

2013
EMELEC brand registered all over the world by WIPO

2014
Entered to Renewable Energy Market with our Middle Voltage Products

2015
Our first Article about "Expanding the performance of on-site testing with frequency tuned resonant test systems" is released at 9th International Conference on Insulated Power Cables / CIGRE -JICABLE PARIS

2018
R&D/ Design Center official inauguration in Tuzla

2017
Our patents are registered

2016
EMELEC Link Boxes are approved by Saudi Electricty Company

2019
Our Second Article "Development of New Generation Intelligent Link Box with Early Warning System for High Voltage Cable Systems" is released.
Our new products are released Link Box with Transparent Window

2020
Middle Voltage Accesories production additional investment in Tuzla

2021
New Generation with Early Warning System "I-LINK BOX" is released

GOVERNANCE STRUCTURE

EMELEC's governance structure is carefully designed to ensure transparency, accountability, and effective decision-making across all levels of the organization. This framework not only aligns with the company's strategic objectives but also integrates key principles of sustainability and operational excellence. The structure facilitates collaboration between departments and ensures alignment with the company's mission to foster growth, innovation, and resilience.

At the helm of the governance framework is the General Manager, who leads the strategic direction and oversees the overall management of the organization and serves as the chair of the governance body. Reporting directly to the General Manager are several core departments, including Operations, Quality Management, Procurement and Administration, Design, Planning and ERP Systems, Sales and Marketing, IT, Financial Affairs, and R&D. Each department is led by an experienced manager who holds the responsibility for implementing the company's vision and operational strategies within their domain.

The governance system emphasizes the integration of sustainability into the company's operations. Each department contributes to sustainability initiatives, whether through the Quality Management team's focus on maintaining compliance with environmental standards or the R&D department's work on sustainable innovation. Collaboration between Planning, Sales, and Marketing with Operations and R&D ensures that sustainability objectives are embedded into product development, production processes, and customer engagement strategies.

Accountability is a cornerstone of EMELEC's governance approach. Decision-making responsibilities are clearly delineated across the organization, with managers empowered to act within their areas of expertise while remaining accountable to the overall company strategy. This ensures agility in operations while maintaining strategic coherence.

The organization also prioritizes workforce inclusion and development as an essential element of governance. The HR team ensures a commitment to diversity and professional growth, cultivating a supportive work environment where employees are engaged and aligned with the company's values. Regular training programs strengthen employee knowledge and enhance governance practices across all levels.

To ensure that critical concerns related to economic, environmental, and social topics are effectively communicated to the governance body, we are in the process of formalizing a structured mechanism for escalation and review. This mechanism will include regular reporting of significant issues through a dedicated reporting framework, ensuring that concerns are identified, assessed, and addressed promptly. As part of this initiative, we aim to establish a Critical Concerns Register by 2025, which will document the nature, frequency, and resolution of key concerns raised by stakeholders or internal processes. Additionally,

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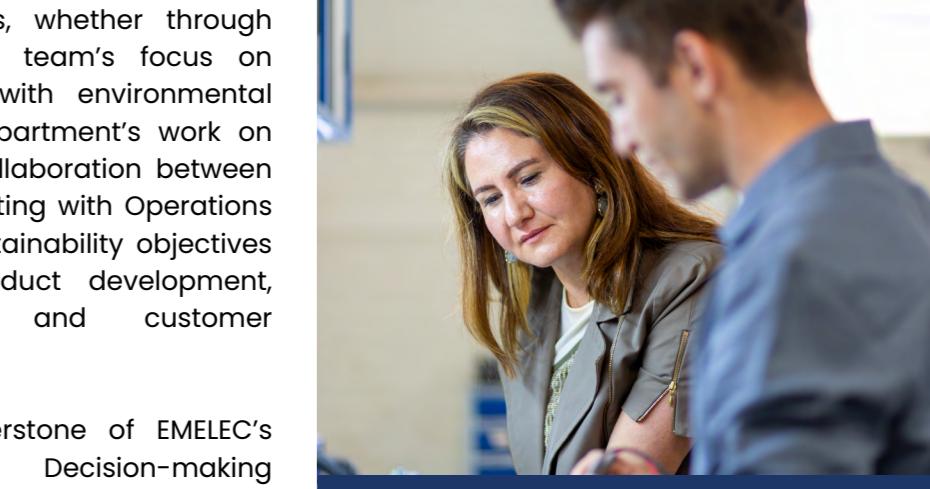
we plan to implement quarterly review sessions with the senior management team to discuss and resolve any critical matters raised during the reporting period. This approach will help us strengthen transparency, accountability, and responsiveness in our governance processes while ensuring alignment with international standards and best practices.

Compliance with regulatory requirements and the adoption of industry best practices are integral to the governance framework.

The company actively evaluates its policies and procedures to ensure they meet evolving standards, and the Quality Management team plays a central role in certification and continuous improvement efforts.

To build resilience and ensure sustained success, EMELEC is focused on enhancing its governance practices in the coming years. Plans include the establishment of a dedicated committee to oversee sustainability, conducting regular governance audits to identify areas for

improvement, and expanding training programs to reinforce governance principles throughout the organization.

This robust governance structure enables EMELEC to seamlessly integrate operational excellence, innovation, and sustainability, ensuring the company remains adaptable to changing industry dynamics while fostering long-term stakeholder trust and value creation.
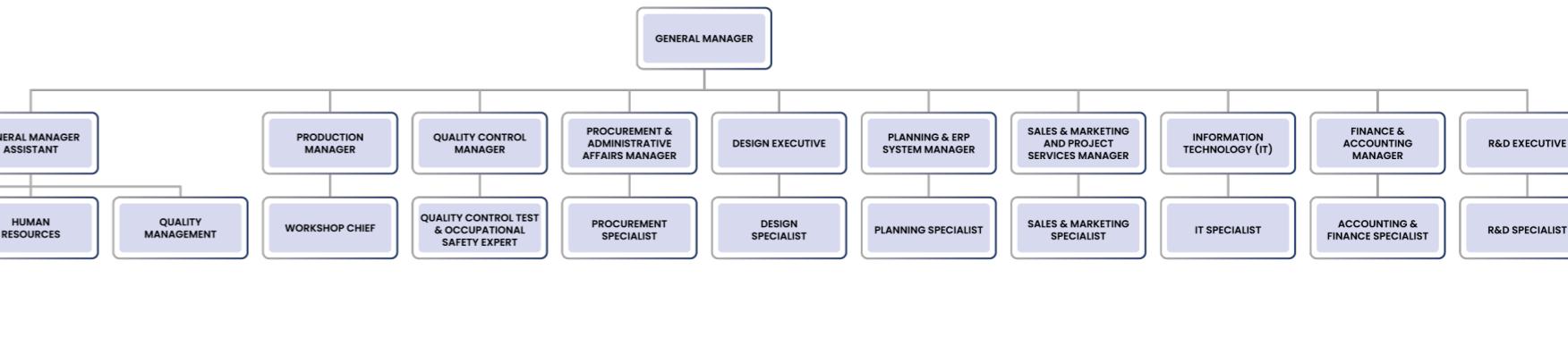
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OUR SUSTAINABILITY STRATEGY

- **Sustainability Governance**
- **Materiality Analysis and Material Topics**
- **Contribution to the Sustainable Development Goals**
- **Risks and Opportunities**

SUSTAINABILITY GOVERNANCE

At EMELEC, our governance structure reflects a strong commitment to sustainability, ensuring that economic, environmental, and social considerations are embedded within our strategic decision-making processes. Our governance framework is designed to prioritize accountability, transparency, and proactive management of sustainability-related topics across all levels of the organization.

The governance structure is spearheaded by the General Manager, who holds ultimate responsibility for sustainability initiatives. Reporting directly to the General Manager is the Sustainability Leader, who will be supported by a cross-functional Sustainability Committee by 2025. This committee will be responsible for overseeing sustainability strategies and initiatives, ensuring alignment with EMELEC's overall vision and mission. The Sustainability Committee comprises representatives from various departments, fostering a holistic approach to managing sustainability issues.

The planned committee operates through specialized sub-working groups that focus on key areas, such as R&D and Innovation, Software and Technology, Sustainable Service Development, Environment and Energy Management, and Social Benefit. These groups ensure targeted attention on critical topics, allowing EMELEC to implement tailored strategies that address material concerns. The Sustainability Leader coordinates efforts across these groups and works closely with the Risk Manager to assess and address risks and opportunities related to sustainability. The Sustainability Leader also ensures accurate monitoring and communication of sustainability metrics.

To strengthen our alignment with industry best practices and international standards, the highest governance body actively participates in defining EMELEC's sustainability purpose, values, and long-term strategy. Strategic direction is shaped through dedicated workshops and planning sessions led by the General Manager and committee members. This ensures that sustainability considerations are seamlessly integrated into all aspects of the organization. The Sustainability Committee conducts quarterly reviews of economic, environmental, and social topics to assess performance and align actions with organizational goals. These regular reviews enable the governance body to remain informed about progress and adapt strategies in response to evolving challenges and opportunities.

Recognizing the importance of collective knowledge, committee members undergo regular training sessions and knowledge-sharing programs. These initiatives enhance their understanding of emerging sustainability trends, regulations, and industry standards, equipping them with the expertise needed for effective oversight.

A structured framework is currently being developed to systematically identify and manage ESG impacts, prioritizing material issues and ensuring alignment with EMELEC's long-term sustainability goals. This framework will enhance our ability to proactively address challenges and seize opportunities, further embedding sustainability within our organizational culture. Stakeholder engagement is a cornerstone of our governance approach. The committee actively collaborates with solution partners and external stakeholders, fostering dialogue and ensuring that diverse perspectives inform our sustainability initiatives. This engagement not only strengthens our decision-making but also reinforces trust and transparency with our stakeholders.

As we continue to refine our sustainability governance framework, we remain committed to setting an example in the industry. By maintaining robust governance practices, we aim to drive meaningful progress and contribute to a more sustainable future for all.

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                    ┌──────────────────┐
                    │ General Manager  │
                    └──────────────────┘
                             │
  ┌──────────────────┐   ┌──────────────────┐
  │ Solution Partner │───│  Sustainability  │
  └──────────────────┘   │     Leader       │
                         └──────────────────┘
                             │
                    ┌──────────────────┐
                    │  Sustainability  │
                    │    Committee     │
                    └──────────────────┘
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| Environmental & Occupational Health And Safety Sub-Working Group | Human Resources & Education Sub-Working Group | R&D and Innovation, Software and Technology | Purchasing & Production Sub-Working Group | Sales & Marketing Sub-Working Group |

EMELEC'S SUSTAINABILITY POLICY
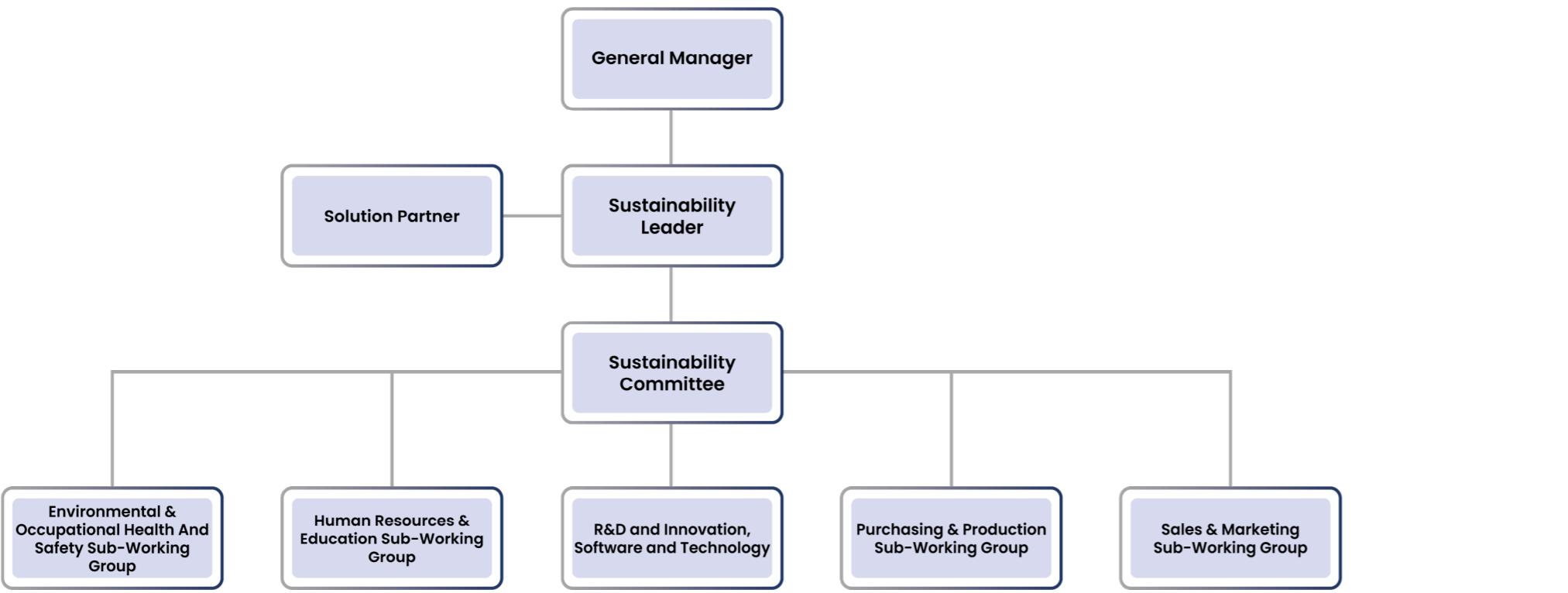
At EMELEC, sustainability is integral to our operations and long-term vision. We are committed to creating shared value for our stakeholders by embedding sustainable practices into every aspect of our business. This policy outlines our key principles and commitments to environmental stewardship, social responsibility, and ethical governance.

1. **Environmental Responsibility**
   - We strive to minimize our environmental impact by reducing emissions, optimizing resource efficiency, and promoting circular economy principles.
   - Our commitment to combat climate change is reflected in our efforts to adopt renewable energy solutions, enhance energy efficiency, and reduce waste throughout our operations.
   - We aim to engage our stakeholders in achieving these goals by promoting transparency and collaboration on environmental initiatives.

2. **Social Responsibility**
   - We prioritize the health, safety, and well-being of our employees, customers, and the communities we serve.

   - Diversity, equity, and inclusion are core to our values, and we aim to foster an inclusive workplace that celebrates diverse perspectives and backgrounds.
   - By investing in community development, education, and employee empowerment, we aim to contribute to the broader social good.

3. **Governance and Ethical Conduct**
   - We are committed to upholding the highest standards of integrity and accountability in all aspects of our operations.
   - Our governance framework includes robust mechanisms for stakeholder engagement, risk management, and ethical decision-making.
   - Transparency and trust form the foundation of our business practices, and we strive to communicate our progress openly and honestly.

4. **Commitment to Continuous Improvement**
   - We recognize that sustainability is a journey, and we are dedicated to continuous learning and improvement.
   - Through innovation, collaboration, and

adherence to international standards, we aim to remain a leader in sustainable business practices.
   - Regular reporting and benchmarking enable us to track our progress and refine our strategies to align with global best practices.

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MATERIALITY ANALYSIS AND MATERIAL TOPICS

To determine EMELEC's material topics, we adhered to the principles of stakeholder engagement and inclusiveness as outlined in the GRI Standards. Our approach included gathering the perspectives of strategic external stakeholders, employees, and Top Management. By incorporating these insights, we systematically evaluated expectations related to sustainability based on their degree of impact and significance. This comprehensive evaluation enabled the identification of EMELEC's material topics, aligning with both internal priorities and external stakeholder concerns.

The materiality analysis process was enriched by integrating sectoral dynamics, global sustainability trends, and EMELEC's business strategies. These considerations ensured that our focus areas reflect the realities of the business environment while maintaining a forward-looking perspective. As a result, the Materiality Matrix identifies the critical range topics EMELEC should prioritize to deliver long-term value for stakeholders and the broader community.

A pivotal element of this process was a digital survey conducted among both internal (employees) and external stakeholders.

This survey allowed participants to score 20 predefined material topics relevant to EMELEC's operations on a scale of 1 to 5. Topics deemed highly significant or impactful were rated as 5, while less critical topics received lower scores. This data-driven approach formed the foundation for the Materiality Matrix, which serves as a strategic guide for EMELEC's sustainability initiatives.

The focus areas and material topics identified through this analysis encompass a broad range of considerations, including EMELEC's corporate structure, commitment to quality, emphasis on R&D, and innovation-driven, technology-oriented product portfolio. Additionally, sectoral and geographical positioning, value creation for stakeholders, and a customer-centric approach informed the prioritization process. National and

international benchmarks were also used to validate the findings.

The final step of the materiality analysis involved consultations with EMELEC's Top Management, whose insights and strategic directives refined and endorsed the matrix. This ensured alignment with the company's overall vision and mission. The resulting Materiality Matrix is a visual representation of EMELEC's priority topics, categorized by their significance to internal and external stakeholders. High-impact topics identified for internal stakeholders include Economic Performance, Market Presence, and Governance Practices, reflecting EMELEC's focus on financial stability, stakeholder trust, and operational excellence. Meanwhile, topics such as Public Relations, Environmental Conservation, and Zero Waste Practices resonate strongly with external stakeholders, highlighting EMELEC's commitment to sustainable practices and community engagement.

This analysis not only defines our sustainability strategy but also serves as a foundation for ongoing dialogue with stakeholders. By addressing these material topics, EMELEC reaffirms its commitment to creating sustainable value while contributing to the

global sustainability agenda. The Materiality Matrix will guide our efforts as we continue to integrate sustainability into every aspect of our operations.

The matrix is divided into four distinct zones, each reflecting a different level of priority:

- **Critical Priority (Red Zone):** Topics positioned in the red zone are of the utmost importance. These topics represent material issues with a high degree of impact and importance for both internal and external stakeholders. They demand immediate and significant focus as they are pivotal to the company's sustainability strategy and long-term business success.
- **Significant Priority (Blue Zones):** Material topics within the blue zones hold substantial importance for stakeholders and the company. These are significant areas that require ongoing attention, management, and integration into business practices to ensure alignment with stakeholder expectations and strategic goals.
- **Moderate Priority (Green Zone):** Topics in the green zone represent areas of moderate impact and importance. While they are not as urgent as critical or significant topics, they

are still essential for maintaining operational sustainability and fostering stakeholder engagement. These areas will be addressed through long-term strategies and gradual improvements.

The classification of material topics into these zones ensures that EMELEC allocates resources and strategic focus proportionally to their importance. Critical topics receive the highest priority and resources, while moderate and significant topics are managed through medium- and long-term initiatives.

This prioritization system allows us to align our efforts effectively, addressing the most pressing issues while ensuring continuous improvement in other key areas. The Materiality Matrix not only reflects EMELEC's commitment to transparency but also serves as a dynamic tool for adapting to evolving sustainability challenges and opportunities.

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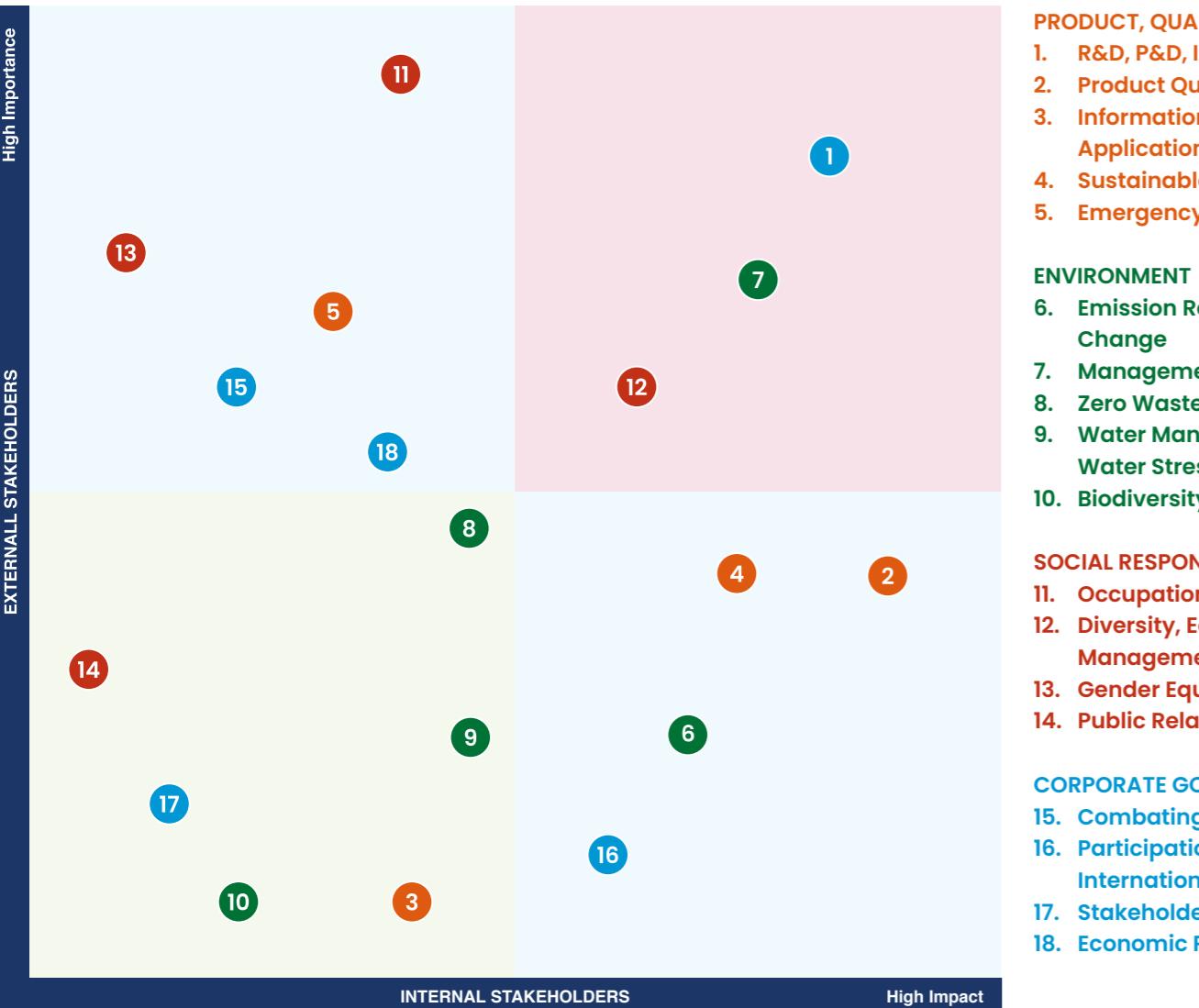
PRODUCT, QUALITY AND TECHNOLOGY
1. R&D, P&D, Innovation and Ecodesign
2. Product Quality and Customer Satisfaction
3. Information Security, Artificial Intelligence and Digitalization Applications
4. Sustainable Purchasing, Logistics and Supply Chain Practices
5. Emergency and Disaster Management, Resilience Practices

ENVIRONMENT
6. Emission Reduction, Energy Management and Combating Climate Change
7. Management of Raw Materials and Natural Resources
8. Zero Waste, Recycling and Circular Economy Practices
9. Water Management, Water Use Efficiency and Studies on Reducing Water Stress
10. Biodiversity, Ecosystem Conservation and Environmental Studie

SOCIAL RESPONSIBILITY
11. Occupational Health and Safety
12. Diversity, Equal Opportunity, Human Resources Practices and Talent Management
13. Gender Equality Practices
14. Public Relations, Social Policies, Civil Society and Local Practices

CORPORATE GOVERNANCE
15. Combating Anti-Competitive Behavior and Corruption
16. Participation in Sustainable Development Networks and International Compliances
17. Stakeholder Engagement and Governance Practices
18. Economic Performance, Global Markets and Market Presence

CONTRIBUTION TO THE SUSTAINABLE DEVELOPMENT GOALS

The period between 2020 and 2030, recognized as the **Decade of Action** by the **United Nations,** underscores the urgency for businesses to adopt transformative and practical measures to achieve the **Sustainable Development Goals (SDGs)**. This global framework challenges organizations to align their strategies with sustainability targets that address pressing environmental, social, and economic issues.

As part of our commitment to sustainability, EMELEC has taken significant steps to embed these principles into our corporate vision and operations. We are focused on aligning our sustainability practices with the global SDG agenda, contributing to a sustainable future for all stakeholders while supporting Turkey's 2053 net-zero emissions and Green Development objectives. Through structured analysis and alignment with the Materiality Matrix, we have identified the SDGs most relevant to our operations and the corresponding targets where we can have the greatest impact.

Our sustainability targets for the **2024–2030 period** have been developed to ensure systematic progress toward achieving measurable and impactful outcomes. These targets were defined with insights from sectoral studies, stakeholder engagement, and

materiality analysis. They reflect not only our ambition but also our accountability toward sustainability practices. Each priority topic identified in our Materiality Matrix is linked to specific SDGs, demonstrating our determination to drive meaningful contributions through our core business activities.

EMELEC's planned Sustainability Committee, supported by Top Management, oversees the implementation and monitoring of these targets. This governance structure ensures that progress toward sustainability goals remains

a strategic focus across the organization. The committee also evaluates the alignment of our activities with national and international policies, strengthening our contribution to global and regional sustainability priorities.

We are proud to align with a broad spectrum of **SDGs**, ranging from Affordable and Clean Energy (SDG 7) and Industry, Innovation, and Infrastructure (SDG 9) to Responsible Consumption and Production (SDG 12) and Climate Action (SDG 13). These focus areas reflect the interconnectedness of our operational goals and sustainability commitments, ensuring that our actions drive impact across multiple dimensions of the SDG framework.

By proactively setting ambitious targets for 2024–2030, EMELEC demonstrates its commitment to sustainable growth, resilience, and shared value creation. The progress toward these goals will be tracked, evaluated, and reported transparently through our annual sustainability reporting process. Through these efforts, we aim to contribute meaningfully to the realization of a sustainable future, reinforcing our role as a responsible corporate leader.

FUTURE VISION AND SUSTAINABILITY TARGETS

We recognize the importance of establishing a clear vision for our future, particularly in the realm of sustainability. Our commitment to sustainable practices is not merely a response to regulatory requirements but a fundamental aspect of our corporate identity. We aim to integrate sustainability into every facet of our operations, ensuring that our growth aligns with environmental stewardship and social responsibility.

As we look ahead, we have set ambitious sustainability targets that reflect our dedication to reducing our environmental footprint. We are focused on enhancing our operational efficiency, minimizing waste, and optimizing resource use. Our future vision encompasses a holistic approach to sustainability, where we not only meet the needs of our customers but also contribute positively to the communities in which we operate.

We are particularly committed to innovation in our product development processes. By investing in research and development, we aim to create solutions that are not only effective but also environmentally friendly. Our future products will be designed with sustainability in mind, ensuring

that they contribute to a circular economy and reduce reliance on non-renewable resources.

In our pursuit of sustainability, we are also prioritizing the reduction of greenhouse gas emissions across our operations. We are implementing energy-efficient technologies and practices that will significantly lower our carbon footprint. Our goal is to achieve measurable reductions in emissions, demonstrating our commitment to combating climate change and promoting a healthier planet.
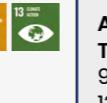
We understand that collaboration is key to achieving our sustainability targets. We are actively engaging with stakeholders, including suppliers, customers, and local communities, to foster partnerships that enhance our sustainability efforts. By working together, we can share best practices, drive innovation, and create a more sustainable future for all.

Our commitment to sustainability extends to our supply chain as well. We are focused on ensuring that our suppliers adhere to sustainable practices, which will help us create a more responsible and ethical supply chain. By setting clear expectations and providing support, we

aim to foster a culture of sustainability that permeates every level of our operations.

We are also dedicated to transparency in our sustainability journey. We will regularly report on our progress towards our sustainability targets, providing stakeholders with insights into our initiatives and achievements. This transparency will not only hold us accountable but also inspire others to join us in our efforts to create a more sustainable future.

In summary, our future vision is rooted in a commitment to sustainability that guides our strategic decisions and operational practices. We are determined to lead by example, setting high standards for ourselves and encouraging others in our industry to follow suit. Through our focused efforts, we aim to make a meaningful impact on the environment and society, ensuring a better world for future generations.

Category	Material Issue	Priority Level	2024–2030 Targets
Product, Quality and Technology Attributed SDGs : **Relevant EU Green Deal Topics :** • Renovated, Energy Efficient Buildings • Clean Energy Generation & Innovative Energy Technologies • Long-Lasting Circular Products • Globally Competitive and Durable Industry	R&D, P&D, Innovation and Ecodesign **Attributed SDG Targets:** 9.4, 9.5, 9.b 12.a 17.6, 17.7, 17.8	Critical Priority Issues	Increasing the proportion of investments directed towards sustainable-focused research and development and innovative solutions in the Electric Electronics Industry, incorporating measurable metrics tracked annually as part of the Design Center's reporting.
			Establishing structured processes to integrate sustainability principles into product design, ensuring compliance with international regulations and eco-innovation standards.
			Enhancing the percentage of products developed using sustainable and recyclable materials, with annual progress reviews to align with long-term goals.
			Promoting collaboration with external stakeholders and academia to foster innovation and accelerate the adoption of green technologies.
	Product Quality and Customer Satisfaction **Attributed SDG Targets:** 16.6, 17.16, 17.17	Significant Priority Issues	Increasing customer satisfaction scores and maintaining a high customer satisfaction rate, targeting at least 90% by 2030 through enhanced product quality and responsive support services.
			Ensuring 100% of products are manufactured in compliance with international product safety and quality management systems, reflecting current practices.
			Increasing the percentage of suppliers audited for product safety and quality annually, with the aim of covering all critical suppliers by 2030.
			Incorporating sustainability into the marketing strategy by sharing sustainability reports with customers, accompanied by defined targets and tracking mechanisms.
			Adding sustainability parameters to brand reputation research, integrating these findings into digital campaigns to enhance transparency and engagement.
	Information Security, Artificial Intelligence and Digitalization Practices **Attributed SDG Targets:** 9.1, 9.4, 9.5, 9.a, 9.b, 9.c	Moderate Priority Issues	Enabling seamless customer access and fulfillment through digitalized processes, including expanded QR code integration, secure document-sharing platforms, innovative remote monitoring solutions, and IoT-based production tracking.
			Creating and updating an information security policy to safeguard data privacy and security, publicly sharing the policy for transparency, and continuing to strengthen existing information security practices.
			Enhancing cybersecurity through regular employee training, improved backup procedures, and robust disaster recovery plans.
			Investing in advanced cybersecurity infrastructure by 2025, including new firewall systems and network segmentation for IoT applications to ensure secure digital operations.

ABOUT THIS REPORT   MESSAGE FROM THE MANAGEMENT   OVERVIEW   **OUR SUSTAINABILITY STRATEGY**   CORPORATE GOVERNANCE   PRODUCT, QUALITY AND TECHNOLOGY   ENVIRONMENT   SOCIAL RESPONSIBILITY   ANNEX

EMELEC Sustainability Report 2023

EMELEC Sustainability Report 2023

Category	Material Issue	Priority Level	2024-2030 Targets
Product, Quality and Technology Attributed SDGs : **Relevant EU Green Deal Topics :** • Renovated, Energy Efficient Buildings • Clean Energy Generation & Innovative Energy Technologies • Long-Lasting Circular Products • Globally Competitive and Durable Industry	Information Security, Artificial Intelligence and Digitalization Practices **Attributed SDG Targets :** 9.1, 9.4, 9.5, 9.a, 9.b, 9.c	Moderate Priority Issues	Strengthening digitalization in internal processes to streamline operations while maintaining data confidentiality and security through closed-loop ERP systems.
	Sustainable Procurement, Logistics and Supply Chain Practices **Attributed SDG Targets:** 8.1, 8.2, 8.a 9.1, 9.2 12.6, 12.8, 12.c	Significant Priority Issues	Increasing the number of collaborations focused on sustainability innovations throughout the electric and electronics supply chain, fostering partnerships that promote shared environmental goals
			Increasing on-site audits for environmental, social, and OHS standards, using evaluation forms to promote sustainability awareness, and prioritizing compliant suppliers.
			Requiring environmental certifications like ISO 14001 from key suppliers and encouraging the adoption of robust environmental management systems.
	Emergency and Disaster Management, Resilience Practices **Attributed SDG Targets:** 9.1, 9.2 13.1, 13.2, 13.3	Significant Priority Issues	Establish a structured system to investigate incidents, identify root causes, and implement corrective actions.
			Create mechanisms for employees to actively contribute to developing and evaluating emergency protocols.
			Extend emergency management practices to supply chain and external partners.
			Continuously update the emergency risk assessment and intervention plan through regular drills and training.
			Conduct annual training and drills to enhance preparedness and response capabilities.
			Strengthen coordination with local authorities and emergency services for effective crisis management.
			Include updates on these initiatives in future sustainability reports to track progress and accountability.

Category	Material Issue	Priority Level	2024-2030 Targets
Environment Attributed SDGs : **Relevant EU Green Deal Topics :** • Clean Air, Water, Soil and Protected Biodiversity • Renovated, Energy Efficient Buildings • Clean Energy Generation & Innovative Energy Technologies • Long-Lasting Circular Products	Emission Reduction, Energy Management and Combating Climate Change **Attributed SDG Targets:** 7.2, 7.3, 7.a, 7.b 12.6 13.1, 13.2, 13.3, 13.a	Significant Priority Issues	Achieve a minimum 10% reduction in Scope 1 and Scope 2 emissions by 2030 compared to the 2023 baseline of 110.2 tons (Scope 1) and 178.5 tons (Scope 2) of CO2-e. This will be achieved through process optimization, energy efficiency improvements, and the integration of clean energy technologies.
			Develop and implement a comprehensive Scope 3 emissions reduction strategy by 2025, focusing on value chain collaboration, sustainable sourcing, and low-carbon transportation solutions.
			Transition to low-carbon electricity sources by establishing partnerships with local renewable energy providers and investing in energy-efficient technologies within our facilities by 2030.
			Achieving a reduction in carbon emissions intensity relative to annual revenue by implementing energy-efficient technologies and promoting sustainable practices across production processes.
			Implement a systematic emissions data management approach by 2024 to ensure consistent year-over-year comparability and alignment with international frameworks, including the Greenhouse Gas Protocol.
			Expanding the integration of renewable energy sources in manufacturing processes to achieve a significant reduction in carbon emissions,
			Deepen collaboration with suppliers to promote sustainable sourcing and reduce emissions across the supply chain by 2025, focusing on logistics, well-to-tank fuel-related emissions, and business travel.
			Provide transparent updates on emissions reduction progress in future sustainability reports, ensuring accountability to stakeholders.
	Management of Raw Materials and Natural Resources **Attributed SDG Targets:** 7.2, 7.3 8.4 12.2, 12.5 13.2, 13.3	Critical Priority Issues	Increasing the use of sustainable raw materials by tracking supplier sustainability initiatives and promoting compliance with sustainability standards starting in 2025.
			Ensuring the use of certified chemicals by verifying supplier certifications (such as REACH) and encouraging compliance with international standards.
			Complying with national and international regulations regarding chemical use in production and products, with a focus on adherence to environmental standards.

Category	Material Issue	Priority Level	2024-2030 Targets
Environment Attributed SDGs : **Relevant EU Green Deal Topics :** • Clean Air, Water, Soil and Protected Biodiversity • Renovated, Energy Efficient Buildings • Clean Energy Generation & Innovative Energy Technologies • Long-Lasting Circular Products	Zero Waste, Recycling and Circular Economy Practices **Attributed SDG Targets:** 8.4 12.4, 12.5, 12.6	Moderate Priority Issues	Minimizing waste generated during manufacturing processes to promote circular economy principles within the Electric Electronics sector.
			Establishing comprehensive design and management plans to effectively address and minimize the environmental impact of electronic waste, including circuit boards, batteries, and packaging materials.
			Increasing the percentage of reusable and recyclable materials utilized in manufacturing processes.
			Minimizing electronic waste generation through enhanced product lifecycle management strategies.
			Reducing the volume of non-recyclable and non-biodegradable materials used in product packaging to promote a circular economy in the Electric Electronics Industry.
			Implementing advanced quality control measures to decrease the rate of returned packages.
			Increasing the proportion of products subjected to comprehensive life cycle assessments to evaluate their environmental impact throughout their entire lifespan.
			Implementing circular economy principles through innovative eco-design practices and comprehensive eco-labeling initiatives.
	Water Management Water Use Efficiency **Attributed SDG Targets:** 6.3, 6.4, 6.5	Moderate Priority Issues	Implementing strategies to minimize water usage on non-production activities, while protecting 100% water discharge to treatment facilities.
	Biodiversity, Ecosystem Conservation and Environmental Studies **Attributed SDG Targets:** 7.a, 7.b 9.1, 9.2 12.6, 12.a, 12.c 13.3, 13.b	Moderate Priority Issues	Expand environmental training programs by 2025 to include advanced biodiversity conservation and resource efficiency topics, ensuring measurable learning outcomes.
			Strengthen the Environmental Management System (EMS) by 2025 to address emerging challenges, optimize resource usage, and integrate circular economy principles.
			Increase investments in innovative environmental technologies supporting circular economy practices by 2027 to improve environmental performance and reduce operational impacts.
			Conduct biodiversity assessments by 2025 and ensure transparent reporting on initiatives, environmental investments, and progress in sustainability reports.

Category	Material Issue	Priority Level	2024-2030 Targets
Social Responsibility Attributed SDGs : **Relevant EU Green Deal Topics :** • Capacity Building for Future Work and Transition	Occupational Health and Safety **Attributed SDG Targets:** 3.9 4.7 8.8	Significant Priority Issues	Integrating the principles of Health, Safety, and Environment into employees' home environments to minimize workforce downtime and decrease the incidence of workplace injuries,
			Expand the scope of OHS training programs by 2025 to exceed regulatory requirements, integrating advanced topics such as home safety practices and stress management.
			Develop and implement an updated Occupational Health and Safety Policy by 2024, aligning with international standards and fostering a comprehensive safety culture.
			Introduce targeted workshops and events by 2025 to promote ergonomic workplace adjustments, fitness programs, and overall employee well-being, addressing both physical and mental health.
			Strengthen contractor and supplier OHS compliance through enhanced training, audits, and monitoring by 2026, ensuring alignment with EMELEC's safety standards across all operations.
			Maintain a zero Lost Time Injury (LTI) rate and further reduce non-lost-time incidents by continuously refining safety protocols and hazard mitigation strategies through 2030.
	Diversity, Equal Opportunity, Human Resources Practices and Talent Management **Attributed SDG Targets:** 4.3, 4.4, 4.5, 4.7 5.1 8.2, 8.6 10.3, 10.4 16.6, 16.7, 16.b	Critical Priority Issues	Increasing the total training hours dedicated to advancing employee knowledge on sustainable practices and corporate governance principles within the electric and electronics sector.
			Increasing workforce diversity by fostering inclusive hiring practices that emphasize a balanced representation of age and gender throughout all levels of the organization.
			Reducing employee turnover rate to a sustainable level that fosters a stable and skilled workforce within the organization.
			Facilitating career development initiatives and continuous education programs to foster employee skills and adaptability in the rapidly evolving Electric Electronics sector.
			Achieve full compliance with human rights standards across our supply chain by 2026.
			Completing the preparation and sharing the finalized Human Rights Policy and organizing awareness campaigns to ensure all stakeholders understand and adhere to our Human Rights Policy.

Category	Material Issue	Priority Level	2024-2030 Targets
Social Responsibility Attributed SDGs :	Gender Equality Practices **Attributed SDG Targets:** 5.1, 5.5, 5.c 10.2, 10.3, 10.4	Significant Priority Issues	Elevating the representation of women in management positions within the organization to foster diverse perspectives and drive innovative solutions.
Relevant EU Green Deal Topics : • Capacity Building for Future Work and Transition	Public Relations, Social Policies, Civil Society and Local Practices **Attributed SDG Targets:** 4.a, 4.b 16.8 17.9, 17.16, 17.17	Moderate Priority Issues	Expand the reach of inclusivity initiatives by engaging more stakeholders through comprehensive diversity workshops, targeted training sessions, and impactful awareness campaigns.
			Fostering a robust pipeline of local development initiatives that drive innovation and sustainability within the Electric and Electronics sector.
			Increasing the share of regional suppliers in the procurement processes to bolster local economic development and sustainability.
			Maximizing the budget designated for community engagement initiatives within the local supply chain.
			Increasing the use of locally sourced materials and alternative products to reduce dependency on imported inputs.
			Strengthening initiatives and resources dedicated to advancing the capabilities of local manufacturers in the electric and electronics sector.
			Expanding the portfolio to include a greater variety and proportion of products that carry recognized geographical indications.

Category	Material Issue	Priority Level	2024-2030 Targets
Corporate Governance Attributed SDGs :	Combating Anti-Competitive Behavior and Corruption **Attributed SDG Targets:** 16.5, 16.6	Significant Priority Issues	Develop and implement a whistleblower policy by 2025 to encourage employees and external stakeholders to report misconduct without fear of retaliation, and publish a formal policy document on business ethics to reinforce transparency and accountability.
			By 2025, integrate anti-corruption and business ethics training into employee onboarding and continuous learning systems, while tracking and reporting the percentage of employees and business partners participating in these programs to ensure widespread engagement.
Relevant EU Green Deal Topics : • Capacity Building for Future Work and Transition • Globally Competitive and Durable Industry			Conduct annual assessments, including audits and performance reviews, to evaluate adherence to ethical standards across the supply chain, and starting in 2024, incorporate specific metrics and benchmarks to measure the effectiveness of anti-corruption measures.
			By 2025, report on confirmed incidents of corruption, actions taken, and any legal actions related to anti-competitive behavior or anti-trust practices, while enhancing the accessibility of ethics-related resources and conducting organization-wide awareness campaigns.
	Participation in Sustainable Development Networks and International Compliances **Attributed SDG Targets:** 16.8 17.16, 17.17	Significant Priority Issues	Increase stakeholder dialogue mechanisms through stakeholder engagement surveys, integrating stakeholder issues and concerns into the business strategy.
			Establish ongoing monitoring and response mechanisms for stakeholder concerns, ensuring 100% resolution of complaints and feedback related to environmental, social, or technical issues.
			Provide transparent sustainability reporting by regularly publishing sustainability performance updates on the corporate website, including summaries of stakeholder feedback and resolution rates.
			Share employee and customer satisfaction survey results in sustainability reports to promote transparency and highlight efforts to improve organizational culture and customer experiences.
			Expand participation in sustainable development networks, such as the United Nations Global Compact (UNGC), to align with international standards and collaborate with like-minded organizations.

Category	Material Issue	Priority Level	2024-2030 Targets
Corporate Governance Attributed SDGs : **Relevant EU Green Deal Topics :** • Capacity Building for Future Work and Transition • Globally Competitive and Durable Industry	Stakeholder Engagement and Governance Practices **Attributed SDG Targets:** 16.8 17.16, 17.17	Moderate Priority Issues	Increasing the number of national and international projects that create shared value, focusing on sustainability and collaboration opportunities with diverse stakeholders.
			Expanding corporate memberships in national and international organizations to strengthen industry presence and governance practices.
			Publishing annual sustainability performance reports, starting with the 2023 report, to ensure consistent and transparent communication with stakeholders.
			Strengthening sectoral collaborations for sustainability innovations through participation in international and domestic fairs, seminars, and projects, with a focus on European Union partnerships and emerging sustainability initiatives.
	Economic Performance, Global Markets and Market Presence **Attributed SDG Targets:** 8.1, 8.2 10.2, 10.6 17.11, 17.13	Significant Priority Issues	Ensuring full alignment with the green transition process in the industry by setting measurable sustainability goals in annual reports and implementing actionable steps toward a circular economy.
			Increasing the market share within the European Union and building on the existing 62% share through strategic partnerships.
			Expanding international market presence by targeting new regions such as South America (Mexico, Brazil, Colombia), Saudi Arabia, and the Philippines, while increasing export rates and diversifying product offerings to enhance revenue and market penetration.

RISKS AND OPPORTUNITIES

Our company recognizes the importance of addressing risks and opportunities across all aspects of our operations and sustainability strategy. Identifying, analyzing, and managing these elements ensure resilience, adaptability, and sustained value creation for our stakeholders.

Category	Risks	Opportunities
Economic Performance, Global Markets, and Market Presence	Market fluctuations due to exchange rate volatility and global economic conditions. Shifting market demands towards sustainability. Geopolitical instability in export regions.	Alignment with the green transition for new market segments. Market expansion in South America and Asia. Product diversification to increase resilience.
Stakeholder Engagement and Governance Practices	Stakeholder mistrust due to insufficient transparency. Missed collaboration opportunities due to inconsistent engagement.	Publishing sustainability performance reports to build trust. Expanding partnerships through development networks and governance practices.
Information Security, AI, and Digitalization	Exposure to data breaches with increased digitalization. Falling behind in technological advancements in AI and IoT.	Enhancing efficiency and satisfaction with IoT and AI. Reinforcing stakeholder confidence through strengthened policies.
Combating Anti-Competitive Behavior and Corruption	Reputational risks due to unclear anti-corruption frameworks. Variations in ethical practices across regions and supply chains.	Establishing a whistleblower mechanism and anti-corruption training. Promoting a transparent business ethics culture.
R&D, P&D, Innovation, and Ecodesign	Challenges adapting to sustainability regulations. Risks of technological obsolescence without continuous innovation.	Investing in green technologies for competitiveness. Increasing revenue through sustainable product lines.
Emergency and Disaster Management	Operational disruptions due to unforeseen disasters. Potential harm to stakeholders from insufficient preparedness.	Strengthening disaster readiness through training and collaboration. Leveraging advanced monitoring for better emergency response.
Biodiversity, Raw Materials, and Circular Economy	Resource scarcity risks and supply chain costs. Regulatory penalties and reputational harm due to insufficient biodiversity focus.	Integrating circular economy principles like recycling and waste reduction. Sustainable sourcing partnerships for resilient supply chains.

COMMITMENT TO ETHICAL BUSINESS PRACTICES

We recognize that combating anti-competitive behavior and corruption is essential for maintaining the integrity of our operations and fostering a fair marketplace. These efforts directly contribute to broader sustainability goals by promoting transparency, accountability, and equitable practices, aligning with global standards such as the GRI framework to ensure responsible and ethical business conduct. Our commitment to ethical business practices is reflected in our comprehensive policies and training programs designed to prevent corruption and promote transparency. We have established a robust framework that includes clear guidelines for our employees, ensuring they understand the importance of ethical conduct in all business dealings.

To reinforce our commitment, we plan to implement a whistleblower policy by 2025. This policy will encourage employees and external stakeholders, such as suppliers and partners, to report any suspicious activities without fear of retaliation. It will be communicated through internal training sessions, organizational updates, and accessible documentation to ensure broad awareness. This initiative is intended to create an environment where ethical behavior is prioritized, and any potential

misconduct can be addressed promptly. By fostering a culture of accountability, we aim to combat corruption effectively and ensure that our business practices align with our values.

In addition to internal measures, we actively engage with our suppliers and partners to promote ethical standards throughout our supply chain. We conduct regular assessments, including periodic audits and performance reviews, to ensure that our partners adhere to the same principles of integrity and transparency that we uphold. These assessments are conducted annually and are benchmarked against industry standards to ensure accountability and measurable improvement. By collaborating with our stakeholders, we aim to create a collective commitment to combating anti-competitive behavior and corruption within the industry.

We also recognize the importance of compliance with local and international regulations regarding anti-corruption. Our legal team continuously monitors changes in legislation to ensure that our policies remain aligned with best practices and legal requirements. This proactive approach allows us to adapt swiftly to any regulatory changes and maintain our commitment to ethical business practices.

Training and awareness programs are integral to our strategy for combating corruption. By 2025, we plan to track and report the percentage of employees and business partners participating in these programs, ensuring comprehensive engagement with anti-corruption policies. We conduct regular workshops and seminars for our employees, focusing on the identification and prevention of corrupt practices. These initiatives not only enhance our employees' understanding of ethical conduct but also empower them to act responsibly in their roles. By 2025, we aim to expand these programs further, integrating business ethics training into our employee onboarding and continuous learning systems.

Our commitment to transparency extends to our reporting practices. We are dedicated to providing clear and accurate information regarding our operations and business practices. By openly sharing our policies and procedures, we aim to build trust with our stakeholders and demonstrate our commitment to ethical conduct. To further these efforts, we plan to publish a formal policy document on business ethics by 2025 and ensure it is widely shared across the organization.

We plan to evaluate the effectiveness of our anti-

03 CORPORATE GOVERNANCE

- **Commitment to Ethical Business Practices**
- **Leading Sustainability in Electric and Electronics Industry**
- **Engaging Stakeholders for Sustainable Governance**
- **Global Market Expansion and Economic Commitment**

corruption measures through regular audits and assessments, incorporating specific metrics and benchmarks to ensure robust and measurable progress starting in 2024. Feedback mechanisms are already partially in place through our **existing employee satisfaction surveys**, which include sections designed to gather insights on ethical practices and overall engagement. These surveys will be expanded and refined to further gauge employee awareness and perceptions regarding anti-corruption efforts, ensuring alignment with organizational goals.

Additionally, we intend to track and report on the percentage of operations assessed for corruption risks, as well as the number of governance body members, employees, and business partners who receive anti-corruption training, beginning with the 2025 reporting cycle. These measures reflect our commitment to fostering transparency, integrity, and ethical behavior across all levels of our organization.

Additionally, we plan to report on any confirmed incidents of corruption and actions taken, as well as any legal actions related to anti-competitive behavior or anti-trust practices, starting in 2025. These updates will ensure greater transparency

and accountability in our efforts to combat corruption and unethical behavior.

By enhancing communication efforts, we seek to foster a culture of transparency and integrity. Our targeted initiatives include increasing the accessibility of ethics-related resources and conducting organization-wide awareness campaigns. These steps aim to solidify our reputation as a company committed to the highest ethical standards.

Through these comprehensive measures, we strive to create a business environment that is free from corruption and anti-competitive behavior. Our commitment to ethical practices not only enhances our reputation but also contributes to the overall integrity of the industry in which we operate.

SUSTAINABILITY AND VALUE CHAIN IN ELECTRIC AND ELECTRONICS INDUSTRY

At EMELEC, we recognize the importance of actively engaging with stakeholders and aligning our business practices with international sustainability standards. Our commitment to sustainability drives our participation in development networks and adherence to best practices that promote transparency, inclusivity, and accountability.

One of our key objectives is to increase stakeholder dialogue mechanisms to ensure that their key issues and concerns are integrated into our business strategy. We plan to achieve this through stakeholder engagement surveys, designed to gather input from customers, employees, and other relevant groups. These surveys will enable us to better understand stakeholder priorities and address them effectively in our decision-making processes. For this purpose, we leverage structured surveys such as our customer satisfaction surveys and stakeholder engagement tools, which include tailored questionnaires and comprehensive stakeholder mapping. This ensures a broad representation of voices in our materiality analysis and strategic planning.

To follow and respond to stakeholder concerns, including those related to environmental and social issues, we have established robust feedback mechanisms. Currently, all customer complaints and feedback are tracked and responded to, ensuring 100% resolution, whether the outcome is positive or negative. Our support extends to addressing technical problems with products by providing technical assistance, spare parts, or product replacements. To date, we have not received negative feedback related to environmental or social issues from customers, local communities, or other external stakeholders. Moving forward, we aim to continue monitoring and responding to these matters proactively.

Transparency is a cornerstone of our approach to stakeholder engagement. We are committed to providing regular updates on our sustainability performance through our sustainability reports, which will be published on our corporate website. These reports will include summaries of stakeholder feedback, such as customer satisfaction rates, as well as the number of feedback cases addressed and

resolved. By sharing this information, we aim to foster trust and demonstrate our dedication to open communication.

As part of our transparency efforts, we also plan to share selected results of employee engagement, satisfaction, and customer satisfaction surveys in our sustainability reports. By making this data publicly available, we aim to highlight our commitment to improving organizational culture and enhancing customer experiences.

In addition to these internal efforts, we aim to expand our participation in sustainable development networks. Exploring memberships in initiatives such as the United Nations Global Compact (UNGC) will allow us to align our practices with international standards and collaborate with like-minded organizations. A comprehensive table detailing our current and planned memberships is included in this section to reflect our commitment to global sustainability initiatives.

Through these measures, EMELEC seeks to

strengthen its role as a responsible corporate citizen and enhance its contributions to sustainable development. By maintaining a proactive and transparent approach to stakeholder engagement and compliance with international standards, we aim to create long-term value for our stakeholders and the broader community.

Organization Name	Membership Description	Focus Area
Istanbul Minerals and Metals Exporters' Association (IMMIB)	Member to promote and facilitate export activities, particularly in mining and metals sectors.	Export and Trade Development
Istanbul Chamber of Commerce (ITO)	Corporate member contributing to local and international trade growth through collaboration.	Trade and Economic Collaboration
Istanbul Chamber of Industry (ISO)	Active member focusing on enhancing industrial innovation, sustainability, and operational excellence.	Industrial Development and Sustainability
KOSGEB (Small and Medium Enterprises Development Organization)	Partnering with KOSGEB for innovation support, grants, and SME development initiatives.	SME Support and Development
CIGRÉ Turkey (International Council on Large Electric Systems – Turkish Committee)	Member to engage in global discussions on power system development and technology sharing.	Energy and Power Systems Collaboration

ENGAGING STAKEHOLDERS FOR SUSTAINABLE GOVERNANCE

We recognize that effective stakeholder engagement is crucial for our sustainability efforts and overall governance practices. Our company actively seeks to understand the needs and expectations of our stakeholders, which include employees, customers, suppliers, and the communities in which we operate. We have established various channels for communication, allowing stakeholders to voice their concerns and provide feedback. This two-way communication fosters transparency and trust, enabling us to align our sustainability initiatives with stakeholder expectations.

In our governance framework, we prioritize accountability and ethical conduct. We have implemented a robust governance structure that includes a dedicated sustainability committee responsible for overseeing our sustainability strategy and performance. This committee is composed of members from various departments, ensuring that sustainability considerations are integrated into our decision-making processes. We believe that a diverse committee enhances our ability to address the multifaceted challenges of sustainability.

We conduct regular stakeholder engagement sessions to gather insights and assess the effectiveness of our sustainability initiatives. These sessions provide us with valuable feedback that informs our strategies and helps us identify areas for improvement. We also engage with stakeholders through surveys and focus groups, which allow us to gauge their perceptions and expectations regarding our sustainability practices. This ongoing dialogue is essential for building strong relationships and fostering collaboration.

Our commitment to sustainability is reflected in our governance practices, which emphasize compliance with relevant regulations and standards. We adhere to international best practices and guidelines, ensuring that our operations are conducted responsibly and ethically. Our governance framework includes regular audits and assessments to evaluate our performance against established sustainability goals. This systematic approach enables us to identify gaps and implement corrective actions as needed.

We also recognize the importance of engaging with our supply chain partners to promote sustainable practices throughout our value chain. We work closely with suppliers to ensure that they share our commitment to sustainability and adhere to our ethical standards. By fostering collaboration with our suppliers, we aim to enhance the sustainability of our products and minimize our environmental impact.

In addition to our internal governance practices, we actively participate in industry initiatives and collaborations aimed at promoting sustainability. We believe that collective action is essential for addressing the complex challenges of sustainability. By engaging with industry peers and stakeholders, we contribute to the development of best practices and innovative solutions that benefit the entire sector.

Our stakeholder engagement efforts are guided by our commitment to continuous improvement. We regularly review and update our engagement strategies to ensure they remain relevant and effective. By staying attuned to the evolving needs of our stakeholders, we can adapt our practices and enhance our sustainability performance over time.

Through our comprehensive stakeholder

GLOBAL MARKET EXPANSION AND ECONOMIC COMMITMENT

engagement and governance practices, we strive to create long-term value for our stakeholders while contributing to a more sustainable future. We are dedicated to fostering a culture of sustainability within our organization and beyond, ensuring that our actions align with our values and the expectations of those we serve.

The comprehensive principles outlined in our Code of Conduct, which support our efforts to enhance governance and stakeholder engagement practices, will be published next year.

Our commitment to achieving robust economic performance and expanding our global market presence is integral to our long-term business strategy. By focusing on sustainable growth, diversification of markets, and alignment with global trends, we aim to strengthen our position as a leader in the industry while supporting broader economic and environmental goals.

Market Share and Global Expansion

In **2023**, our **market share within the European Union** reached **62%,** reflecting consistent growth from **53%** in 2022 and **51%** in 2021. Strategic partnerships, such as our agreement with INNEXO in Switzerland, have strengthened our presence in the European market. In addition to maintaining and increasing our market share within the EU, we have made progress in diversifying our global footprint by targeting new markets, including **South America**, the **Gulf region**, and **Southeast Asia.** Notable collaborations include ongoing partnerships in **Brazil, Mexico,** and **the Philippines,** where we have actively engaged with international clients such as JD POWER. Currently, exports constitute approximately **94%** of our total revenue, underscoring the importance of our international operations. Our focus on innovation also plays a pivotal role in our

economic performance. In 2023, new customers accounted for **8%** of our total revenue, reflecting the success of our efforts to diversify and enhance our product offerings. We have made targeted investments in R&D, resulting in a **19% increase** in spending compared to 2022, further aligning with our strategy to create shared value through sustainable and innovative solutions.

Economic Performance Overview

Our financial performance over the past three years demonstrates a strong upward trajectory. While specific figures are disclosed in our annual financial reports, we highlight significant **year-over-year growth rates**. From 2022 to 2023, total revenue increased by approximately **71%,** following a robust growth rate of **91%** from 2021 to 2022. Domestic market revenues grew by an estimated **59%** in 2023, while export revenues saw an **11%** increase. These trends reflect our resilience and adaptability in a competitive global market.

To support innovation and market competitiveness, we have consistently invested in research and development (R&D). In 2023, our **R&D expenditures** increased by over 30% compared to 2022, reflecting our commitment

to fostering innovation and enhancing product quality. Furthermore, revenue generated from newly developed products rose significantly, contributing to our overall growth.

Alignment with the Green Transition

We recognize the importance of aligning with the green transition process in our industry. Through our sustainability reporting efforts and ongoing adherence to environmental standards, we are actively contributing to this transition. While we currently measure progress through qualitative assessments, we aim to establish quantitative targets in future reports to further demonstrate our commitment to sustainable economic practices.

Strategic Goals

- **Maintain and Increase EU Market Share:** Building on our current 62% market share, we aim to strengthen our presence in the European market through targeted partnerships and innovative product

solutions.
- **Diversify Export Markets:** Expand our reach to emerging regions, including South America, the Middle East, and Southeast Asia, while maintaining high export percentages.
- **Enhance Financial Performance:** Sustain strong annual growth rates through product innovation, market diversification, and operational efficiency.
- **Align with the Green Transition:** Integrate sustainability goals into our business strategy, ensuring compliance with evolving environmental standards and contributing to the global green economy.

Tax Transparency and Compliance

EMELEC adheres to all applicable tax regulations in the countries where we operate, ensuring that our contributions support public services and infrastructure development. We prioritize transparency in our tax practices and currently share these details in our annual financial reports. Recognizing the importance of broader transparency, we aim to include tax-related

disclosures in future sustainability reports to align with evolving stakeholder expectations and reporting practices.

Transparency and Reporting

We are committed to transparency in our financial and operational performance. Detailed financial data and performance metrics are shared in our annual activity reports, accessible to all stakeholders. This practice reflects our dedication to accountability and stakeholder engagement.

Through these initiatives, we strive to balance economic growth with sustainable practices, reinforcing our position as a responsible and forward-thinking global enterprise.

Key Metrics (2023)
- **Total Revenue Growth:** 71% increase compared to 2022
- **Export Revenue Contribution:** 94% of total revenue
- **Market Share within the EU:** 62%
- **New Customer Contribution to Revenue:** 8%
- **R&D Investments:** 19% increase compared to 2022

Year	Total Revenue Growth	Domestic Revenue Growth	Domestic Revenue Growth
2021–2022	+91%	+78%	+42%
2022–2023	+71%	+59%	+11%

04

PRODUCT, QUALITY AND TECHNOLOGY

- Driving Innovation Through Sustainable R&D at EMELEC
- Product Quality and Customer Satisfaction
- Commitment to Digital Transformation
- Sustainable Supply Chain Commitment and Progress
- Resilience Through Effective Emergency Management Practices
- Emission Reduction, Energy Management, and Combating Climate Change

DRIVING INNOVATION THROUGH SUSTAINABLE R&D AT EMELEC

We recognize the vital role of research and development (R&D), product development (P&D), innovation, and ecodesign in advancing our sustainability objectives and maintaining competitiveness in an evolving market. Our investments in these areas reflect our commitment to driving sustainable growth, enhancing profitability, and creating value for all stakeholders.

In 2023, our total R&D and design expenditures reached **14.4 million TL**, representing **7.7% of our total revenue** (187 million TL). This marked a steady increase from 2022, when the R&D expenditure was **8.4 million TL**, accounting for **7.7%** of the total revenue. Such consistent investments underscore our dedication to integrating sustainability and innovation into our operations.

A key focus of our R&D and innovation strategy is the development of sustainable products and services that align with global environmental standards. In 2023, the revenue generated from new products resulting from our design processes amounted to **23.37 million TL**, accounting for **12.5%** of the total revenue, a significant increase from 2022's contribution of **9.3%.** This growth reflects the market's increasing demand for innovative and sustainable solutions.

To further advance our sustainability goals, we prioritize ecodesign principles in our product development processes. These principles guide us in minimizing the environmental impact of our products throughout their lifecycle, from material selection to production, use, and disposal. By incorporating energy efficiency, recyclability, and reduced material usage into our designs, we contribute to the broader global efforts toward resource conservation and circularity.

Our R&D and innovation practices are underpinned by strong collaboration with academic institutions, industry experts, and technology partners. These partnerships enable us to remain at the forefront of technological advancements and integrate cutting-edge solutions into our processes and products.

Future Goals

To align with our vision of sustainability and innovation-driven growth, we have set the following strategic objectives for the coming years:

1. **Increasing the ratio of sustainable-focused R&D and innovation investments** to total investments by prioritizing projects that support resource efficiency, renewable energy, and circular economy principles.
2. **Expanding the revenue share of sustainable products and services,** aiming to achieve a substantial proportion of our total revenue from this category by 2025.
3. **Maximizing the impact of R&D, product development, and innovation investments** on profitability by focusing on high-margin products and reducing production costs through innovative processes.

From an operational perspective, we are working to assess and reduce the energy requirements of our products and services. While we currently lack precise metrics to demonstrate reductions

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in energy intensity, future R&D projects will include detailed energy impact assessments. These metrics will be reported annually, starting from the 2025 sustainability report.

Incorporating circular economy principles, we are enhancing recyclability and material recovery across our product lines. While formal tracking of reclaimed products is not currently in place, we are committed to establishing metrics for product recovery and recyclability by 2025. Our R&D strategy is further strengthened through collaborations with academic institutions and industry bodies. These partnerships support knowledge sharing and the development of innovative solutions that contribute to broader infrastructure advancements.

We are committed to tracking the effectiveness of these investments and transparently reporting on their progress in our sustainability reports. These efforts reflect our resolve to foster innovation and sustainable development in a manner that benefits both the environment and our stakeholders.

By continuing to invest in R&D, P&D, innovation, and ecodesign, we aim to strengthen our position as a leader in sustainable practices within our industry while contributing meaningfully to the global sustainability agenda.

Risk and Opportunity Analysis: R&D, P&D, Innovation, and Ecodesign

In today's rapidly changing global environment, research and development (R&D), product development (P&D), and innovation play pivotal roles in addressing emerging risks and seizing growth opportunities. Our company recognizes that a proactive approach to identifying and mitigating risks, while capitalizing on opportunities, is essential for ensuring long-term sustainability and resilience.

We are actively exploring opportunities to address climate-related risks and opportunities through our R&D initiatives. While specific metrics on the financial implications of climate-driven R&D efforts are not yet available, we are planning to integrate such analyses into our reporting framework by 2025. This approach will ensure that our innovations are resilient to evolving environmental challenges.

Risks

1. **Regulatory Pressures:** Stricter environmental and sustainability regulations, such as those outlined in the European Green Deal, pose a challenge to traditional product designs and manufacturing processes. Delayed adaptation to these requirements could result in non-compliance penalties, loss of market access, or reputational damage.
2. **Technological Obsolescence:** Rapid advancements in technology may render existing products or systems outdated, risking competitive positioning unless R&D efforts prioritize innovation and technological relevance.
3. **Supply Chain Vulnerabilities:** Dependency on non-sustainable raw materials exposes the company to risks such as resource scarcity, price volatility, and disruptions in the supply chain. Transitioning to sustainable materials requires rethinking current procurement and design strategies.
4. **Climate-Related Risks:** Rising temperatures and unpredictable climate patterns may impact production efficiency or increase operational costs, especially if product designs are not optimized for energy efficiency or resilience to environmental changes.
5. **Consumer Expectations:** Growing consumer demand for sustainable and socially responsible products means companies risk falling behind competitors if they fail to integrate ecodesign principles and circular economy concepts into their product portfolio.

Opportunities

1. **Alignment with Green Transition:** Aligning R&D efforts with the green transition agenda, including goals like reducing greenhouse gas emissions, enhances competitiveness while contributing to climate goals. Developing products that support customers' sustainability targets creates differentiation in the marketplace.
2. **Revenue from Sustainable Products:** Expanding the share of sustainable products in the portfolio presents an opportunity to tap into new markets, particularly in regions with high demand for eco-friendly solutions, such as the European Union and emerging markets.
3. **Technological Innovation:** Integrating Internet of Things (IoT) and artificial intelligence (AI) into products can lead to smarter, more efficient designs that align with global trends in automation and digitalization.
4. **Collaboration and Partnerships:** Collaborating with academic institutions, start-ups, and global sustainability organizations can accelerate the development of innovative, high-impact products, while also sharing R&D costs.
5. **Regulatory Incentives:** Governments increasingly offer grants, tax breaks, and subsidies for R&D initiatives that align with sustainability and climate goals, providing financial incentives for ecodesign and resource-efficient products.
6. **Circular Economy Potential:** By embedding circular economy principles into product development, such as recyclability, material recovery, and waste minimization, the company can achieve both cost savings and reputational benefits.

Strategic Alignment and Actions

To mitigate these risks and capitalize on the opportunities, the company is committed to integrating sustainability into all stages of its R&D processes. Specific actions include:
- Enhancing product resilience and efficiency through lifecycle analyses, aligned with climate risk adaptation strategies.
- Partnering with academic and research institutions to co-develop cutting-edge solutions.
- Focusing R&D investments on sustainable and energy-efficient designs to anticipate future regulatory changes and market demands.
- Monitoring and responding to consumer feedback to ensure the continued relevance and sustainability of our product offerings.
- Expanding our R&D project pipeline to focus on sustainable products, targeting an increased revenue share from these solutions by 2025.

By proactively addressing these risks and leveraging the opportunities, our company positions itself at the forefront of innovation and sustainability, ensuring continued success in a dynamic and competitive marketplace.

PRODUCT QUALITY AND CUSTOMER SATISFACTION

EMELEC places the highest priority on product quality and customer satisfaction, viewing them as critical components of our operational success and market leadership. Our dedication to delivering high-quality, reliable products is underpinned by adherence to international product safety and quality management standards.

In 2023, we achieved a customer satisfaction rate of 90%, demonstrating our commitment to meeting and exceeding customer expectations. This rate reflects ongoing efforts to incorporate customer feedback into our processes and maintain open communication channels to address concerns promptly and effectively. Customer satisfaction surveys and engagement initiatives are integral to our strategy for building trust and long-term relationships with our stakeholders.

All of EMELEC's products in 2023 were produced in compliance with international product safety and quality management systems, achieving a 100% compliance rate. This milestone underscores the robustness of our quality assurance processes, which include stringent testing and continuous improvement initiatives to ensure product safety and performance. Our adherence to these
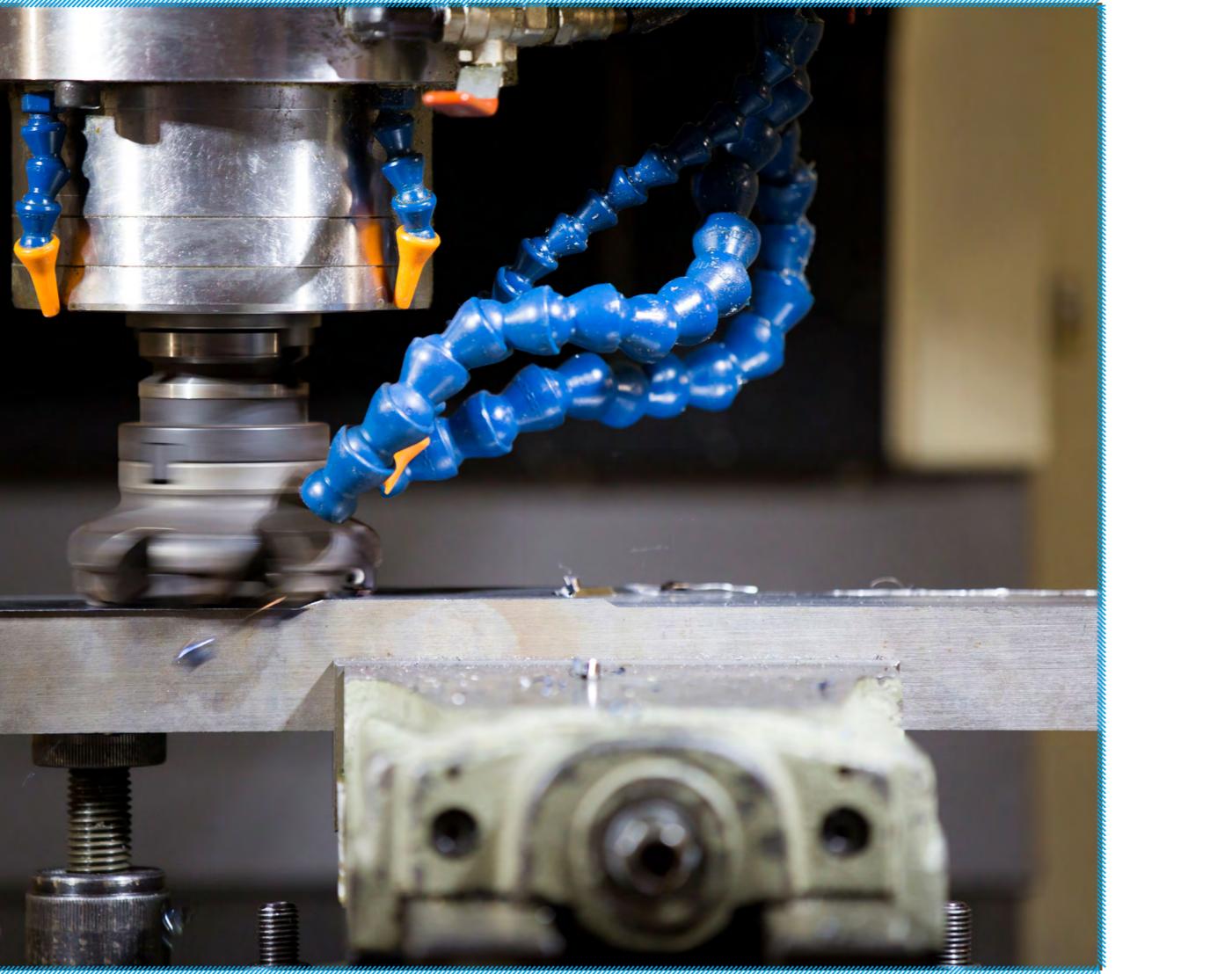
systems reflects our unwavering commitment to delivering products that meet the highest global standards.

Supplier performance is another essential aspect of maintaining product quality and safety. In 2023, 18% of our suppliers were assessed for product safety and quality. While this marks progress, we recognize the need to expand the scope of assessments to encompass a larger proportion of our supplier base. Strengthening supplier evaluations will enhance our ability to identify and mitigate risks within the supply chain, ensuring consistent quality across all operations.

EMELEC ensures that all products undergo rigorous testing and quality control processes to safeguard customer health and safety throughout their lifecycle. Our adherence to international standards guarantees that our products comply with the strictest safety requirements, contributing to the protection of end-users and other stakeholders. Additionally, we prioritize transparency in product labeling and communication, ensuring that customers have access to clear and accurate information about our offerings. This approach not only aligns

with global best practices but also strengthens trust and satisfaction among our clients.

Supplier assessments also remain a focus for ensuring quality and sustainability throughout our supply chain. In 2023, 18% of our critical suppliers were evaluated for their compliance with safety and quality standards. Recognizing the need for further progress, we are developing more comprehensive assessment criteria to include social and environmental factors in future evaluations, fostering a more sustainable and reliable supply chain.

Looking ahead, EMELEC is committed to further enhancing customer satisfaction and product quality. We aim to maintain a high customer satisfaction rate with a target of at least 90%, supported by personalized customer engagement programs and expanded after-sales services. Additionally, we are committed to maintaining 100% compliance with international product safety and quality management systems for all products, reflecting our dedication to the highest standards.

To strengthen our supply chain, we plan to increase the percentage of suppliers audited

for product safety and quality, aiming for 30% by 2026. Furthermore, sustainability will be incorporated into our marketing strategy, with initiatives such as sharing our sustainability report with customers and setting measurable goals for tracking progress. We also plan to integrate sustainability parameters into brand reputation research, ensuring that sustainability and our brand values are communicated effectively through digital platforms and aligned with stakeholder expectations.

By prioritizing quality and customer satisfaction, EMELEC reinforces its reputation as a trusted provider of high-voltage electrical solutions. Our efforts in this area contribute not only to our operational excellence but also to the sustainable growth of our business and the satisfaction of our stakeholders. Updates on our progress toward these objectives will be disclosed in future sustainability reports, ensuring transparency and accountability.

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COMMITMENT TO DIGITAL TRANSFORMATION

At EMELEC, we recognize the importance of information security, digitalization, and innovative technologies in ensuring operational efficiency and customer satisfaction. Our comprehensive approach to digital transformation and cybersecurity reflects our commitment to safeguarding data, enhancing customer experiences, and driving technological advancements.

In 2023, we undertook significant digitalization initiatives to simplify and streamline customer interactions. A notable development was the addition of our product catalog to our website, allowing customers to select products seamlessly via the digital platform. This improvement has not only enhanced accessibility but has also positively influenced customer satisfaction, as evidenced by increased user engagement on our website and positive feedback from stakeholders who find the platform easier to navigate and

more efficient for their needs. Furthermore, technical documents for our products are now accessible through QR codes embedded within the products themselves, offering customers quick and easy access to relevant information. Future plans include expanding QR code functionality to encompass all products and developing a closed-circuit SharePoint site for secure catalog and document sharing, particularly with international stakeholders.

Our focus on digital innovation extends to the development of new IoT-enabled products. For example, the i-Link Box, a cutting-edge product designed for remote monitoring and reporting, has completed its R&D phase and is now entering the marketing phase. Additionally, IoT applications are being integrated into our manufacturing processes to enable virtual tracking of work orders, enhancing operational transparency and efficiency. These advancements demonstrate our commitment to leveraging digital technologies for both customer-facing and internal processes.

Information security remains a cornerstone of our digitalization efforts. We maintain robust information security practices to safeguard data privacy and security. Our information security

policies include well-defined backup procedures, disaster recovery plans, and comprehensive network control measures, aligning closely with industry standards and best practices to ensure robust protection and operational credibility. These policies are complemented by regular employee training programs aimed at fostering a culture of cybersecurity awareness and ensuring adherence to best practices.

As part of our sustainability strategy, we are committed to further strengthening our information security framework by 2025. Planned investments include new firewall technologies, continued cybersecurity training programs, and the management of IoT systems through segregated networks to enhance security and resilience. In line with this commitment, a publicly available information security policy will be developed and published by 2025, reinforcing our dedication to transparency and accountability.

EMELEC's approach to customer digitalization processes is focused on enabling customers to access information efficiently without compromising their data privacy. While our ERP system is designed for internal processes and does not collect customer data, we are

continuously evaluating ways to enhance customer support and digital interactions without compromising data security. This includes the ongoing development of tools such as the i-Link Box, which will provide customers with secure and innovative digital solutions.

In 2023, no complaints were received regarding breaches of customer privacy or loss of customer data, highlighting the effectiveness of our information security measures. Our information security efforts are supported by sustainable security measures, including continuous network monitoring and the implementation of end-to-end control systems. These measures are overseen by our IT department, which ensures uninterrupted operation of backup systems, emergency plans, and cybersecurity protocols. These activities reflect our proactive approach to managing and mitigating digital risks.

Looking ahead, EMELEC remains committed to driving digital innovation and strengthening information security practices. By expanding digital access to technical resources, developing secure customer-facing tools, and advancing cybersecurity measures, we aim to enhance both operational efficiency and customer satisfaction. Updates on these initiatives will be

included in future reports as part of our ongoing commitment to digital transformation and resilience.

SUSTAINABLE SUPPLY CHAIN COMMITMENT AND PROGRESS

EMELEC's supply chain strategy emphasizes sustainability, efficiency, and resilience, recognizing that these elements are critical to achieving our environmental and operational goals. Our efforts are centered on fostering partnerships with responsible suppliers and integrating environmental, social, and governance (ESG) principles into our procurement and logistics processes.

In 2023, 18% of our main suppliers were subjected to environmental and social audits, which included performance monitoring and adherence to codes of conduct. These audits serve as a mechanism to evaluate supplier compliance with critical standards related to environmental management, occupational health and safety (OHS), and social responsibility. Moving forward, we plan to increase the frequency of these audits and enhance supplier evaluations using a standardized supplier audit form. This approach aims to raise awareness among our suppliers about the importance of ESG practices and prioritize partnerships with suppliers who implement these principles effectively.

Our commitment to responsible sourcing is reflected in our procurement practices. Our supply chain consists of 1,198 active suppliers,

with 5 of these being international suppliers. In 2023, our total expenditure for raw material procurement amounted to €2,600,000, with 221 tons of raw materials sourced during the year. To strengthen our sustainability initiatives, we are working to increase the percentage of procurement from responsible sources. As part of this effort, we will require suppliers, particularly those providing key raw materials, to possess environmental certifications such as ISO 14001. These measures will ensure that our supply chain aligns with global environmental standards and supports our broader sustainability goals.

In addition to our domestic supply chain, we engage with international suppliers, which accounted for €76,000 in raw material procurement and five active suppliers in 2023. This global dimension of our supply chain underscores the need for consistent adherence to sustainable practices across all regions. By implementing rigorous standards for international suppliers and collaborating with them to address ESG priorities, we aim to create a more sustainable and ethical supply chain.

Looking ahead, EMELEC is committed to further integrating sustainability into its supply chain practices. This includes intensifying audits to

cover a greater percentage of suppliers, raising supplier awareness about environmental and social responsibility, and fostering long-term relationships with partners who align with our values. Moreover, we aim to increase the share of responsible sourcing by requiring environmental documentation and certifications as a prerequisite for supplier agreements. By embedding these practices into our procurement processes, we are ensuring that our supply chain contributes to our overarching environmental and social objectives.

Through these initiatives, EMELEC reinforces its role as a leader in sustainable purchasing and supply chain management, driving positive change across the value chain while meeting the expectations of our stakeholders. Future reports will provide updates on our progress, ensuring transparency and accountability in our supply chain practices.

RAW MATERIAL PRODUCERS	SUPPLIERS	FACTORY / PRODUCTION	LOGISTICS / TRANSPORTATION	CUSTOMERS
• Stainless Steel • Copper • Epoxy • Silicon • Metallic hardware parts (bolts,nuts, etc.)	• Stainless Steel • Copper • Epoxy • Silicon • Metallic hardware parts (bolts,nuts, etc.)	• 4000m2 production plant • 80 workers • 7.000 Link box production • 50.000 Cleat production • 1.000 Copper Casing production • 10.000 filling compound production • Welding • Lathe Machine Operations • Assembling • Approved supplier of all Country Utilities around the world • Exporting over 50 countries • Distributors over 10 countries	• Shipment from Free-Zone • Sea, land and air freight arrangements • Extended range of different freight companies for every destination	• More than 100 International Customers • Around 10 Local Customers • Cable and Accessory Manufacturers • Contractors • Transmission System Operators (TSO) • Distribution System Operators (DSO)

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RESILIENCE THROUGH EFFECTIVE EMERGENCY MANAGEMENT PRACTICES

We recognize the importance of effective emergency and disaster management as a critical component of our operational resilience. Our company has implemented a comprehensive framework that addresses potential risks and enhances our ability to respond to unforeseen events. This framework is designed to ensure the safety of our employees, protect our assets, and maintain continuity in our operations.

In our approach to emergency management, we have established clear protocols and procedures that guide our response to various types of emergencies. These protocols are regularly reviewed and updated to reflect best practices and lessons learned from past incidents. Regular training sessions are conducted for our employees to ensure they are well-prepared to act swiftly and effectively in the event of an emergency. Annual drills, including fire and evacuation exercises, are an integral part of our preparedness strategy, providing opportunities to test and refine our response capabilities. All of our employees are covered under this comprehensive emergency management framework.

We have also invested in advanced technology and infrastructure to support our emergency management efforts. These include enhanced monitoring systems and updated emergency response plans to ensure readiness in the face of potential hazards. Compliance with ISO standards further reinforces the robustness of our systems, and periodic health and safety audits confirm their effectiveness.

Our commitment to resilience practices extends beyond immediate response measures. We actively engage in risk assessment and mitigation strategies to minimize the likelihood of emergencies occurring in the first place. For example, comprehensive risk assessments are conducted regularly, enabling us to identify vulnerabilities and address them proactively. A key focus is the development and maintenance of an emergency risk assessment and intervention plan, which is updated through regular training and drills.

Collaboration with local authorities and emergency services is another key aspect of our resilience strategy. We maintain open lines of communication with these entities to ensure a coordinated response during emergencies. This collaboration not only enhances our preparedness but also strengthens community ties and fosters a culture of safety. Through these partnerships, we aim to align our efforts with broader community safety initiatives.

We continuously evaluate the effectiveness of our emergency management practices through drills and simulations. In 2023, we provided a total of 64 hour of emergency and disaster training to employees across various levels of the organization. These exercises and trainings provide valuable insights into our response capabilities and highlight areas for improvement. To further strengthen our approach, we aim to implement a more structured incident investigation process that identifies root causes and integrates corrective actions into our protocols. This target reflects our commitment to continuously enhancing the robustness of our response strategies.

In addition to our internal efforts, we are committed to sharing our knowledge and experiences with industry peers. Collaboration and information sharing are essential for enhancing overall resilience within the electric and electronics industry. By participating in industry forums and initiatives, we contribute to the collective knowledge base and promote best practices in emergency management, ensuring a safer and more prepared industry.

Looking ahead, we plan to enhance worker participation in the development and evaluation of emergency management systems. By creating structured feedback mechanisms, employees will play a more active role in shaping our protocols and identifying areas for improvement. Additionally, we aim to extend our emergency management practices to our supply chain and external partners, ensuring alignment with our safety and resilience goals. These initiatives will be integrated into future reporting cycles, reflecting our ongoing dedication to comprehensive and inclusive emergency management practices.

Through these comprehensive emergency and disaster management practices, we aim to build a resilient organization that can withstand and recover from unexpected challenges. Our commitment to safety, preparedness, and continuous improvement reflects our dedication to protecting our employees, assets, and the communities in which we operate. By integrating these practices into our broader operational framework, we create a secure and adaptive organization prepared for the challenges of tomorrow.

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EMISSION REDUCTION, ENERGY MANAGEMENT, AND COMBATING CLIMATE CHANGE

As part of our commitment to sustainability and mitigating climate change, EMELEC has prioritized the reduction of greenhouse gas (GHG) emissions and the efficient management of energy across our operations. In 2023, we recorded detailed measurements of our emissions, which provide a baseline for ongoing and future sustainability initiatives.

In 2023, our direct greenhouse gas emissions (Scope 1) amounted to 110.2 tons of CO_2-equivalent (CO_2-e). These emissions primarily originate from on-site combustion processes and operational energy requirements. To address these emissions, we are actively exploring opportunities to optimize our production processes, improve energy efficiency, and integrate renewable energy sources where feasible. Initiatives aimed at reducing Scope 1 emissions are a cornerstone of our strategy to align with global climate action goals.

Our indirect energy-related greenhouse gas emissions (Scope 2), which derive from purchased electricity and energy consumption, totaled 178.5 tons of CO_2-e in 2023. While our facilities rely on energy-intensive processes for high-voltage component production, we have begun assessing options for transitioning to low-carbon electricity sources, including partnerships with local renewable energy providers and investments in energy-efficient technologies within our facilities.

Scope 3 emissions, which represent emissions from our value chain, were initially calculated at 61.1 tons of CO_2-e in 2023. These emissions primarily stem from well-to-tank (WTT) fuel-related emissions, transmission and distribution (T&D) loss, logistics, and business travel. This initial calculation provides a foundational understanding of our value chain emissions, serving as a baseline for future improvements. Addressing Scope 3 emissions requires collaboration across our supply chain, and we are actively engaging with suppliers to promote sustainable sourcing and evaluating transportation options with lower carbon footprints. While our current Scope 3 data reflects an introductory level of measurement, EMELEC is committed to expanding its scope and granularity in the coming years. This includes conducting detailed lifecycle assessments and strengthening engagement with stakeholders to capture a broader range of indirect emissions. These efforts will enhance our ability to identify reduction opportunities, set specific targets, and contribute more effectively to global climate goals.
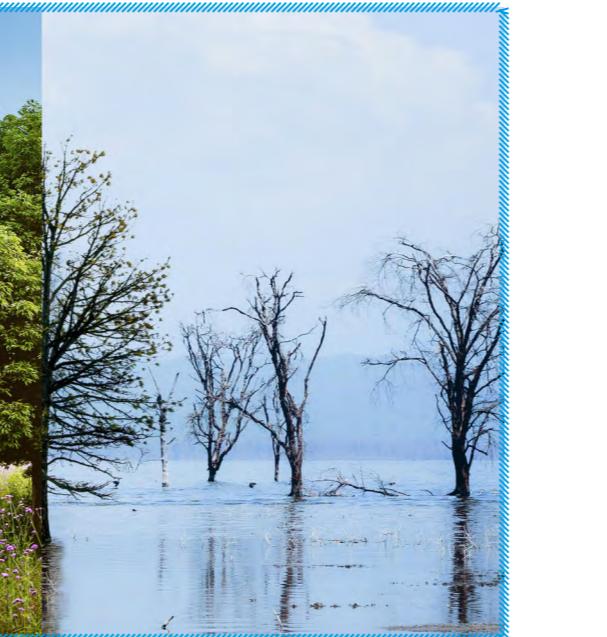
In 2023, EMELEC's total Scope 1 and Scope 2 emissions amounted to 288.7 tons of CO_2-e, with Scope 1 emissions contributing 110.2 tons of CO_2-e and Scope 2 emissions contributing 178.5 tons of CO_2-e. To assess the greenhouse gas (GHG) emissions intensity of our operations, we calculated emissions per unit produced. While a total production output of 28,766 units across all product lines in 2023, the link boxes which are our main product contributing approximately **90% of our revenue** have a production output of 5,133 units and the GHG intensity metric was determined to be 0.0562 tons of CO_2-e per link box unit produced (equivalent to 56.24 kg CO_2-e per link box unit). This metric provides a clear indicator of the environmental impact associated with our production activities, enabling us to monitor efficiency improvements and emissions reductions over time. By tracking GHG intensity alongside absolute emissions, EMELEC remains committed to aligning operational growth with sustainability goals, ensuring progress toward a low-carbon future.

While detailed data for the earlier period is not available, we recognize the importance of consistent and comprehensive reporting. Moving forward, EMELEC is committed to enhancing our data collection processes to ensure year-over-year comparability and tracking progress toward emissions reduction targets. A systematic approach to data management is being implemented, which includes regular emissions monitoring and alignment with internationally recognized frameworks such as the Greenhouse Gas Protocol.

Our objectives for the coming years include achieving a measurable reduction in Scope 1 and Scope 2 emissions through process optimization and the adoption of clean energy technologies. Additionally, we aim to deepen our understanding of Scope 3 emissions by collaborating with stakeholders across our value chain and conducting lifecycle assessments of our products.

To ensure that we meet these objectives, EMELEC has set the following targets: a minimum 10% reduction in Scope 1 and Scope 2 emissions by 2030 compared to the 2023 baseline, and a comprehensive Scope 3 emissions reduction strategy to be developed and implemented by 2025. These targets align with our overarching goal to contribute to global climate resilience and adhere to the principles of the Paris Agreement. By embedding emission reduction and energy management into our operational framework, we are positioning ourselves as a responsible industry leader. Our strategy reflects a long-term vision that integrates environmental stewardship with business growth and innovation. Further updates on our progress will be disclosed in future sustainability reports, ensuring transparency and accountability to our stakeholders.

SUSTAINABLE RESOURCE MANAGEMENT STRATEGIES

Sustainable resource management is a cornerstone of EMELEC's commitment to minimizing our environmental impact while ensuring efficient and responsible use of raw materials. Through a comprehensive strategy focused on responsible sourcing, waste reduction, and circular economy principles, we aim to enhance the sustainability of our operations and contribute to a resilient supply chain.

In 2023, EMELEC's approach to raw material management was underscored by strong partnerships with suppliers who align with our sustainability values. These partnerships prioritize sourcing materials that are responsibly extracted and produced, ensuring compliance with ethical and environmental standards. This effort strengthens the resilience of our supply chain and supports our broader sustainability goals. Starting in 2025, we plan to enhance these initiatives by tracking supplier sustainability programs and promoting compliance with recognized standards.

Our total expenditure for raw material procurement in 2023 amounted to €2,600,000. Key materials used in production include copper billets, copper busbars, and stainless steel sheets, which are critical to our product lines. Below is the detailed data for raw material consumption over 2022 and 2023:

Copper Billets

Year	90x65 (kg)	40x40 (kg)	30x50 (kg)	40x50 (kg)	50x50 (kg)	100x80 (kg)	50x60 (kg)
2022	9,065	2,614	7,902	5,502	1,263	851	159
2023	10,936	0	11,243	11,025	0	787	2,695

Stainless Steel Sheets

Year	2mm (kg)	3mm (kg)	Other (kg)
2022	89,644	64,450	3,638
2023	92,645	60,837	5,328

Copper Busbars

Year	40x10 (kg)	50x10 (kg)	50x6 (kg)	Other (kg)
2022	16,319	1,678	2,249	259
2023	20,273	951	1,572	205

Total Raw Material Usage by Category

Year	Copper Billets (kg)	Copper Busbars (kg)	Stainless Steel Sheets (kg)
2022	27,356	20,505	157,732
2023	36,686	23,001	158,810

05 ENVIRONMENT

- **Sustainable Resource Management Strategies**
- **Zero Waste, Recycling, and Circular Economy Practices**
- **Sustainable Water Management Commitment and Progress**
- **EMELEC's Commitment to Biodiversity and Ecosystem**
- **EMELEC's Commitment to Employee Safety**

Continuous monitoring and analysis of material consumption enable us to optimize resource allocation. For example, the increase in copper billet consumption reflects efforts to meet growing production demands for our most significant product lines, such as Link Boxes and Cable Cleats.

To further optimize resource use, EMELEC has implemented lean manufacturing principles aimed at minimizing excess material usage and production waste. In line with these efforts, we actively recycle and repurpose materials wherever possible, contributing to a closed-loop production system. These practices align with our long-term goal of reducing reliance on virgin materials and promoting a circular economy. A key focus for the future is ensuring the use of certified chemicals in our operations, verified through supplier certifications such as REACH, and reducing the consumption of expendable chemicals in production.

Our commitment to sustainability extends to compliance with both national and international regulations concerning chemical use in production. By adhering to these standards, we ensure that our products and processes meet environmental requirements, contributing to

safer and more sustainable manufacturing practices. Starting in 2025, we will further enhance compliance efforts by encouraging suppliers to align with global environmental and safety standards.

Employee engagement is integral to achieving our sustainability goals. At EMELEC, we provide targeted training programs to raise awareness among employees about the significance of sustainable raw material management. These programs empower team members to make informed decisions and actively contribute to reducing resource consumption and waste across all operations.

To enhance transparency, EMELEC is taking steps to quantify the total weight of recycled input materials and increase the percentage of reclaimed products and packaging materials. We are committed to monitoring the percentage of recycled content in raw materials in future reporting cycles. Additionally, product take-back and reclamation efforts, discussed in detail under the Zero Waste section, align with our commitment to circular economy principles. These efforts will be detailed in future reports as part of our strategy to improve waste management and resource efficiency.

Looking ahead, EMELEC remains committed to increasing the use of sustainable raw materials and improving resource efficiency across all operations. By fostering collaboration with suppliers, adhering to strict regulatory compliance, and engaging employees in sustainability initiatives, we are taking significant steps toward achieving our environmental goals. These efforts reflect our dedication to protecting natural resources and contributing to a sustainable future for the communities and industries we serve.

ZERO WASTE, RECYCLING, AND CIRCULAR ECONOMY PRACTICES
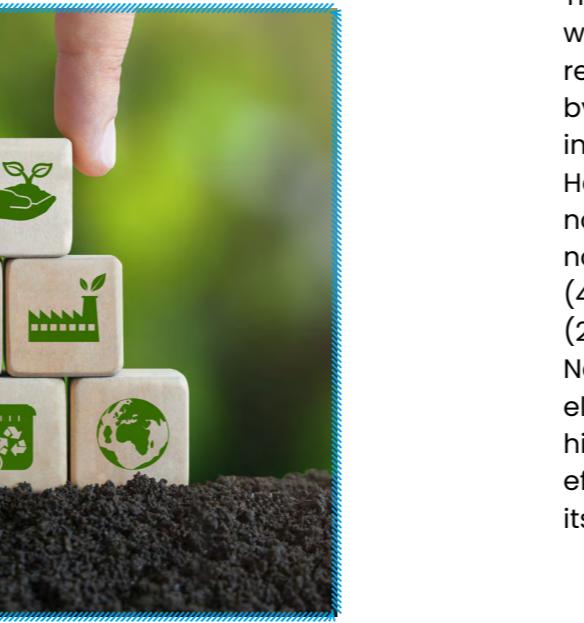
As part of our commitment to fostering a circular economy and minimizing waste, EMELEC has implemented a range of initiatives to enhance waste management and recycling practices. These efforts are driven by our overarching goal of achieving zero waste while aligning with global sustainability objectives.

In 2023, we achieved a significant milestone with a waste recycling and reuse rate of 78%. This figure reflects our dedication to diverting waste from landfills and ensuring materials are repurposed effectively. The total waste generated by our operations in 2023 was categorized into hazardous and non-hazardous waste. Hazardous waste accounted for 13 tons, while non-hazardous waste totaled 49 tons. Within non-hazardous waste, materials such as metal (46 tons), plastic (1 ton), and paper/cardboard (2 tons) were identified as key components. No waste was recorded under glass, wood, or electronic categories in 2023. These figures highlight the necessity of improving our material efficiency and minimizing waste generation at its source.

In 2023, EMELEC successfully prevented 46 tons of waste from being disposed of, primarily through recycling and recovery initiatives. This includes 1 ton of plastic and 2 tons of paper/cardboard. These measures reflect our proactive approach to integrating circular economy principles into our operations. However, there remains untapped potential for further waste prevention efforts, particularly in materials like glass and wood.

For waste sent to disposal, the quantities were minimized as part of our zero-waste commitment. No metal, glass, or wood waste was sent to landfills in 2023. However, 8 tons of municipal waste and 13 tons of hazardous waste were incinerated. Additionally, we recorded 49 tons of non-hazardous waste processed through recycling. These data points demonstrate our progress in minimizing waste disposal while ensuring that residual waste is managed responsibly.

Our hazardous waste management practices include incineration for disposal, which

accounted for 13 tons in 2023. For non-hazardous waste, 49 tons were recovered through recycling processes. While these efforts illustrate our commitment to responsible waste management, we aim to explore more sustainable methods for hazardous waste treatment in future reporting periods.

Looking ahead, our objectives include achieving a 85% recycling and reuse rate by 2030. We plan to focus on evaluating life cycle analysis (LCA) for specific product groups as part of our long-term strategy. This approach will guide sustainable product development and contribute to advancing circular economy practices.

By embedding zero waste principles into our business model, EMELEC is fostering a sustainable future while demonstrating leadership in waste management and circular economy innovation. Future sustainability reports will provide updates on our progress and reflect our ongoing commitment to transparency and accountability.

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SUSTAINABLE WATER MANAGEMENT COMMITMENT AND PROGRESS

EMELEC recognizes the importance of efficient water management and the role it plays in ensuring sustainable operations. Our efforts focus on minimizing water consumption, optimizing its use in our facilities, and contributing to the global goal of reducing water stress in industrial operations.

In 2023, our total water consumption was recorded at 1,586 m³, sourced entirely from municipal water supplies. This represents a critical resource for our operations, primarily catering to domestic and facility maintenance needs. Notably, no groundwater, surface water, seawater, or rainwater was utilized during this period, aligning our water usage practices with responsible consumption principles.

Our operations do not involve water-intensive production processes, and as such, water consumption is limited to non-production activities. All wastewater generated, totaling 1,586 m³ in 2023, was directly discharged to the industrial zone's centralized wastewater treatment plant. This ensures that all effluent is managed and treated in compliance with regulatory and environmental standards,

eliminating any direct discharge into natural water bodies such as seas, rivers, or lakes.

Recycled water was not utilized in our facilities in 2023. While this highlights an area for improvement, Tuzla, Istanbul is identified as a region with low water stress, and the absence of production-related water usage means that our current domestic water management strategies are deemed sufficient. This approach ensures that our water management practices are tailored to our operational needs and aligned with local resource availability.

Looking ahead, EMELEC is committed to enhancing its water management practices through the following initiatives:

- Researching the potential for reusing domestic wastewater as greywater for non-critical applications such as cleaning and landscaping.
- Conducting training programs for employees to foster water conservation and build habits for conscious consumption.
- Organizing awareness campaigns in offices and facilities to monitor and reduce water usage.

- Monitoring long-term climate risk analyses in the Tuzla region to remain prepared for potential water stress scenarios.

Our water usage per unit of production was calculated at 0.3 m³ in 2023. This efficiency metric underscores our efforts to minimize water dependency relative to our operational scale. Moving forward, EMELEC aims to integrate water-saving technologies and practices, ensuring sustainable use of resources across all activities. By embedding water management principles into our business model, EMELEC is fostering a sustainable future while demonstrating leadership in resource efficiency. Future sustainability reports will provide updates on these initiatives, ensuring transparency and accountability to our stakeholders.

EMELEC'S COMMITMENT TO BIODIVERSITY AND ECOSYSTEM

EMELEC is committed to safeguarding biodiversity and promoting ecosystem conservation as part of its broader environmental sustainability objectives. Our strategic approach integrates regulatory compliance, environmental stewardship, and investments in innovative solutions to reduce our environmental footprint. In 2023, no environmental penalties were imposed on EMELEC, reflecting our adherence to applicable environmental regulations and standards. This underscores our commitment to regulatory compliance and proactive environmental management across all operations. As part of our ongoing efforts, we aim to redefine regulatory measures within the electric and electronics industry to further promote environmental stewardship.

A key component of our environmental strategy is building awareness and capacity among our workforce. In 2023, we provided 35 hours of environmental training to employees across various levels of the organization. These sessions covered topics such as biodiversity conservation, waste management, and resource efficiency, aimed at equipping employees with the knowledge and skills to actively contribute to our environmental objectives. Moving forward, we plan to expand the scope of training programs to include advanced topics and measurable learning outcomes that align with our strategic

sustainability goals.

To optimize resource efficiency and minimize waste, EMELEC has an established Environmental Management System (EMS). Several key initiatives were implemented in 2023 as part of our EMS efforts. These include monthly inspections of activity and waste areas to ensure compliance and operational efficiency. The Environmental Impact Assessment (EIA) was updated in accordance with the revised capacity report, resulting in the issuance of a non-coverage statement. Waste declarations were submitted for hazardous and non-hazardous waste generated on-site, and a contract was established with a certified hazardous waste management firm. Furthermore, emissions measurements for the paint shop stack confirmed compliance with standards. Employees received training on waste management, including a post-training assessment to evaluate its effectiveness. Additional efforts included chemical spill drills and the preparation of updated process flow diagrams and summaries in accordance with Ministry of Environment, Urbanization, and Climate Change standards. These actions reinforce our commitment to maintaining high standards of environmental compliance and management.
In 2023, EMELEC invested €3,300 in environmental initiatives, including projects aimed at improving

environmental performance and reducing operational impacts. These investments are aligned with our commitment to expanding the adoption of innovative technologies and practices that enhance environmental performance across our supply chain. We recognize the critical role of such investments in driving sustainable growth and achieving our environmental goals.

Biodiversity conservation is another pillar of our sustainability strategy. Our facility is not located in an area of high biodiversity value, and no interactions with IUCN Red List or nationally protected species have been identified. Furthermore, no significant direct or indirect biodiversity impacts have been associated with EMELEC's operations, reflecting our responsible approach to site selection and operational practices. While no direct initiatives were reported in 2023, we are actively exploring opportunities to implement strategic initiatives that promote biodiversity conservation and restoration within our supply chain and manufacturing processes. Future plans include assessing potential biodiversity restoration projects, particularly in collaboration with stakeholders, to protect and restore natural habitats. These efforts are designed to protect local ecosystems and contribute to the global effort to address biodiversity loss.

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EMELEC'S COMMITMENT TO EMPLOYEE SAFETY

Looking ahead, EMELEC aims to build on these achievements by expanding employee training sessions to include advanced topics on biodiversity conservation and resource efficiency. Additionally, we plan to strengthen our EMS to address emerging environmental challenges and optimize resource usage. Investments in innovative environmental technologies that support circular economy principles will also be increased. Furthermore, we intend to partner with stakeholders across the supply chain to develop initiatives that conserve biodiversity and restore natural ecosystems, expanding employee training sessions to include advanced topics on biodiversity conservation and resource efficiency, strengthening our EMS to address emerging environmental challenges and optimize resource usage, increasing investments in innovative environmental technologies that support circular economy principles, and promoting strategic collaborations that prioritize environmental sustainability.

By embedding these practices into our business model, EMELEC demonstrates its dedication to environmental sustainability and leadership in the electric and electronics industry. Future sustainability reports will provide updates on our progress, ensuring transparency and accountability to all stakeholders.

At EMELEC, the health and safety of our employees are integral to our operational excellence and long-term sustainability. We are committed to fostering a workplace that prioritizes employee well-being, minimizes risks, and ensures compliance with national and international occupational health and safety (OHS) standards. In 2023, EMELEC recorded a total of 1,980 annual working hours across 9 daily working hours and 22 working days per month. Despite the high intensity of operations, no work accidents, occupational injuries, or fatal incidents were reported. One minor non-reported (no-lost-time) accident occurred, resulting in four lost workdays. These outcomes reflect the structured safety practices and continuous efforts to address risks effectively, ensuring a secure working environment for all employees.

EMELEC's ISO 45001 Occupational Health and Safety Management System has been implemented across all operations and is regularly audited, with no non-conformities identified to date. This system ensures the consistent application of OHS principles, covering all employees and contractors, and is central to our approach for minimizing workplace risks.

Hazard identification and risk assessment are carried out systematically through regular site inspections, employee feedback mechanisms, and the use of incident analysis tools. Any identified hazards are addressed immediately, and risks are mitigated through process adjustments and targeted interventions.

Occupational health services play a vital role in supporting the safety and well-being of our workforce. These services include periodic health checks, ergonomic assessments, and preventive health programs aimed at reducing workplace illnesses. Employees have access to qualified health professionals and on-site support to address health-related concerns promptly.

Worker participation and consultation are fundamental aspects of our OHS framework. Employees are actively involved in safety initiatives through representation on health and safety committees, which meet regularly to review workplace conditions, incidents, and improvement opportunities. Feedback from employees is encouraged and integrated into decision-making processes, fostering a collaborative safety culture.

In addition to maintaining high safety standards, EMELEC delivers structured OHS training programs. In 2023, employees participated in training sessions covering topics such as hazard awareness, emergency response, and proper use of personal protective equipment (PPE). These programs totaled 1032 hours of training, ensuring compliance with regulations and raising employee awareness of critical safety practices.

Metrics from 2023 provide further insight into EMELEC's OHS performance. With zero Lost Time Injuries (LTI) recorded, one minor non-lost-time incident, and a total of four lost workdays, the Accident Frequency Rate (AFR) and Accident Severity Rate (ASR) were both measured at zero. These outcomes demonstrate the success of our comprehensive safety protocols in mitigating risks.

Promoting worker health beyond occupational safety is another priority for EMELEC. Initiatives such as ergonomic workplace adjustments, stress management workshops, and fitness programs are planned to support employees' physical and mental well-being. These efforts align with our broader commitment to creating a healthy and resilient workforce.

We also prioritize managing OHS risks associated with business relationships, including contractors and suppliers. Contractors working on-site are required to comply with EMELEC's OHS standards, and their activities are monitored through regular inspections and audits. Training and guidance are provided to ensure alignment with our safety expectations, fostering a consistent safety culture across all operations.

Looking ahead, EMELEC remains committed to enhancing its OHS practices. Plans include increasing the scope of training hours to exceed regulatory requirements, integrating health and safety practices into employees' home environments, and fostering a comprehensive safety culture through targeted workshops and events. Additionally, the development of an updated Occupational Health and Safety Policy will serve as a guiding framework for achieving our long-term objectives and maintaining leadership in health and safety performance.

Through these efforts, EMELEC is dedicated to creating a safe, healthy, and engaging work environment that supports employee well-being and aligns with the company's broader sustainability goals. Future reports will provide updates on the implementation of these initiatives and continued progress in occupational health and safety.

COMMITMENT TO DIVERSITY AND EMPLOYEE ENGAGEMENT

EMELEC is dedicated to fostering a diverse, inclusive, and equitable workplace that supports employee growth and well-being. Our commitment to creating an environment of equal opportunity extends across all levels of the organization, ensuring that employees can thrive professionally and personally.

In 2023, EMELEC achieved notable progress in advancing diversity and inclusion. Female representation in STEM roles, such as engineering and IT, reached 6%, reflecting our ongoing efforts to encourage gender diversity in traditionally underrepresented fields. Additionally, the total workforce maintained an average of 80 employees throughout the year, with a balanced approach to employee retention and development.

Employee turnover rates in 2023 were closely monitored. The overall turnover rate increased slightly to 8.7% compared to 7.5% in 2022. Notably, employees aged 30–50 exhibited a turnover rate of 7.5%, while employees over 50 had a turnover rate of 20%. These figures underline the importance of targeted retention strategies. Our goal is to reduce turnover to sustainable levels by implementing career development initiatives and continuous education programs that foster a stable and skilled workforce.

Training and development remain central to our human resources strategy. In 2023, EMELEC employees completed a total of 1,050 hours of training, with an average of 14.94 hours per employee. Training programs included a mix of technical and sustainability-focused topics, such as CNC operator training, environmental awareness, and advanced network security. Employees aged 30–50 completed 66 hours of training, while first-level managers received 14 hours. These initiatives reflect our commitment to continuous education, enabling employees to develop the skills needed to adapt to the rapidly evolving electric and electronics sector.

In addition to regular training programs, employee benefits have been a key focus area. In 2023, 25% of EMELEC's total revenue was allocated to benefits and additional services for employees. These included comprehensive health insurance, meal and transportation allowances, and performance-based bonuses. Digitalization efforts in HR processes, such as the integration of leave management into the CANIAS system, further streamlined operations and improved employee experience.

Employee engagement remains a priority for EMELEC. The employee satisfaction survey, conducted digitally with 100% participation, revealed a satisfaction rate of 72% in 2023, an increase from 70% in 2022. Feedback collected from the survey was reviewed by senior management, and actionable steps were taken to address employee concerns and enhance workplace satisfaction. Furthermore, the organization introduced initiatives such as recognition programs and internal communications to reinforce a culture of collaboration and motivation.

Parental leave policies also reflect EMELEC's commitment to employee well-being. In 2023,

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SOCIAL RESPONSIBILITY

- **Commitment to Diversity and Employee Engagement**
- **Empowering Women at EMELEC**
- **Community Engagement and Sustainable Development Focus**

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three employees utilized parental leave, and all returned to work, maintaining a 100% return-to-work rate. Such policies ensure that employees are supported during critical life events, contributing to a positive and inclusive work environment.

Looking forward, EMELEC is committed to increasing workforce diversity by emphasizing balanced representation of age and gender throughout all organizational levels. Career development initiatives and continuous education programs will be expanded to enhance employee skills and adaptability. Additionally, we will strengthen efforts to reduce turnover rates, creating a more resilient and engaged workforce that aligns with our strategic goals.

Through these efforts, EMELEC aims to position itself as an employer of choice, championing diversity, inclusion, and talent development within the electric and electronics sector. Future reports will provide updates on our progress, ensuring transparency and accountability in our human resources practices.

Emelec is currently preparing its **Human Rights Policy**, reinforcing its commitment to ethical and responsible business practices. Guided by the United Nations Global Compact (UNGC) and the Universal Declaration of Human Rights (UDHR), this policy reflects our dedication to promoting dignity, fairness, and respect across all our operations and value chain activities.

The Human Rights Policy will establish clear principles and commitments, including non-discrimination, diversity, and equal opportunity; the prevention of child labor, forced labor, and modern slavery; and the enforcement of zero tolerance for harassment and violence. Additionally, it emphasizes creating a safe, inclusive workplace, supporting employee development, and ensuring occupational health and safety.

Aligned with Emelec's corporate values, the policy integrates sustainability principles by addressing environmental and social responsibilities, protecting data privacy, and embedding robust governance structures. Key implementation strategies will include supplier engagement, regular audits, grievance mechanisms, and employee training to foster awareness and compliance.

The finalized policy will be shared with stakeholders by the end of 2025, underlining Emelec's steadfast commitment to human rights and ethical governance in all its business operations.

Key Workforce Metrics	2022	2023
Number of Employees (Annual Average)	80	80
Turnover Rate	7.5%	8.7%
Average Employee Tenure	8 years	8 years

Employee Satisfaction Survey Conducted Digitally
The survey was completed with a 100% participation rate. Results were presented to senior management, and actions were taken based on feedback.

Satisfaction Rate
2022: 70%
2023: 72%

EMPLOYEE BENEFITS

Training, Meals, Transportation Services, Salary, Private Pension System (PPS), New Year Gifts, Gifts, Supplementary Health Insurance, Vehicle Allocation, Fuel Assistance, GSM Assistance, Food Assistance, Travel Assistance — 2023

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EMPOWERING WOMEN AT EMELEC

EMELEC recognizes the pivotal role gender equality plays in building a more innovative, inclusive, and sustainable organization. By fostering equitable opportunities for all employees, we aim to promote diverse perspectives and drive meaningful contributions across all levels of the company.

In 2023, women held 41% of managerial positions at EMELEC, maintaining the same level as in 2022. This significant representation underscores our ongoing commitment to creating pathways for women to assume leadership roles. While this achievement reflects our progress, we continue to set higher ambitions for fostering gender balance, particularly in senior management positions.

Our strategies to promote gender equality are embedded in recruitment, retention, and development practices. Inclusive hiring processes are designed to attract top female talent, particularly in traditionally underrepresented fields such as engineering and STEM. Once on board, female employees are supported through tailored career development programs and mentorship opportunities to prepare them for leadership positions.

To further enhance gender equity, we are implementing initiatives to identify and address systemic barriers to women's advancement within the organization. These efforts include regular reviews of our workplace policies to ensure alignment with international gender equality standards and the development of targeted training programs for leaders on fostering inclusive work environments.

An internal review of salary and remuneration practices indicates that there is no significant disparity between the salaries of women and men across all employee categories. EMELEC remains dedicated to maintaining this equity and will continue to monitor remuneration policies to ensure fairness and alignment with international standards.

We also recognize that elevating women in leadership roles drives innovation and organizational performance. Therefore, EMELEC is committed to increasing the representation of women in leadership positions to further diversify our decision-making processes and enhance team dynamics. Specific goals and timelines for increasing this representation are being developed to ensure accountability and progress tracking.

Looking ahead, EMELEC will continue to prioritize gender equality by embedding it into our corporate culture and performance metrics. We will provide updates on our progress in future sustainability reports, demonstrating our dedication to building an organization where all employees can thrive and contribute fully.

COMMUNITY ENGAGEMENT AND SUSTAINABLE DEVELOPMENT FOCUS

EMELEC is committed to fostering strong connections with the local communities in which we operate, supporting regional economic development, and promoting sustainable practices across our operations. Through our public relations initiatives, social policies, and active engagement with civil society, we aim to contribute to the well-being of the communities we serve.

In 2023, EMELEC achieved a local procurement ratio of 97%, demonstrating our dedication to sourcing materials and services from regional suppliers. This commitment not only strengthens local economies but also reduces the environmental impact associated with transportation and logistics. By prioritizing local suppliers, we contribute to job creation, enhance regional economic resilience, and promote equitable growth within the communities surrounding our operations.

Our procurement strategy reflects a broader commitment to sustainability and ethical business practices. All local suppliers are evaluated based on environmental and social criteria to ensure alignment with EMELEC's values and sustainability goals. This approach fosters partnerships with suppliers who share our vision for a more sustainable and responsible supply chain.

Beyond procurement, EMELEC actively engages with local stakeholders through various initiatives aimed at addressing community needs and supporting societal well-being. In collaboration with local organizations, we participate in projects that promote education, environmental conservation, and access to essential services. These efforts are designed to create long-lasting positive impacts and strengthen our relationships with community members.

EMELEC's operations have not resulted in any significant negative impacts on local communities. Our activities are designed and managed to ensure they align with the principles of sustainable development and community well-being. Through continuous monitoring and engagement, we remain vigilant in identifying and addressing potential concerns to prevent adverse effects.

As part of our social responsibility framework, EMELEC is developing policies to further integrate sustainability into our community engagement strategies. This includes conducting regular impact assessments to understand the needs of local communities and tailoring our initiatives accordingly. Additionally, we are working to enhance transparency and communication with stakeholders by sharing updates on our social and environmental contributions.

Looking ahead, EMELEC remains committed to maintaining a high local procurement ratio and expanding our contributions to community development. By aligning our practices with regional and global sustainability standards, we aim to position ourselves as a trusted partner in fostering economic growth, environmental stewardship, and social equity within the communities we serve. Updates on our progress will be included in future sustainability reports, ensuring accountability and continuous improvement.

ANNEX 1. PERFORMANCE INDICATORS

Product, Quality And Technology Indicators

Product Quality And Customer Satisfaction Indicators

	Unit	2022	2023
Customer Satisfaction Rate	%	87	90
Rate of Products Produced in Compliance with International Product Safety and Quality Management Systems	%	-	100
Percentage of Suppliers Assessed for Product Safety and Quality	%	-	18

Sustainable Purchasing, Logistics And Supply Chain Practices Indicators

	Unit	2023
The Percentage of Suppliers Subjected to Environmental and Social Audits/Performance Monitoring/Approval of Codes of Conduct	%	18
Number of Active Suppliers	#	1198
Number of Active Suppliers (International)	#	5
Total Expenditure for Raw Material Procurement	€	2600000
Total Expenditure for Raw Material Procurement (International)	€	76000
Total Quantity of Procured Raw Materials	ton	221

Environment Indicators

Zero Waste, Recycling And Circular Economy Practices Indicators

	Unit	2023
Amount of Waste Generated		
Hazardous waste	ton	13
Non-hazardous waste	ton	49
Metal	ton	46
Paper - Cardboard	ton	2
Plastic	ton	1
Glass	ton	0
Wood	ton	0
Electronic Waste	ton	0
Waste Battery	ton	0
Treated Sewage Sludge	ton	0
Municipal Waste Generated	ton	8
Amount of Waste Prevented from Disposal		
Metal	ton	46
Plastic	ton	1

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ANNEX

- **ANNEX 1. Performance Indicators**
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	Unit	2023
Paper - Cardboard	ton	2
Glass	ton	0
Wood	ton	0
Electronic Waste	ton	0
Waste Battery	ton	0
Municipal Waste Generated	ton	0
Treated Sewage Sludge	ton	0
Other	ton	0
Amount of Waste sent to Disposal		
Metal	ton	0
Plastic	ton	0
Paper - Cardboard	ton	0
Glass	ton	0
Wood	ton	0
Electronic Waste	ton	0
Waste Battery	ton	0
Municipal Waste Generated	ton	8
Treated Sewage Sludge	ton	0
Other	ton	0

	Unit	2023
Amount of Hazardous Waste by Recovery/Disposal Method		
Reuse	ton	13
Waste Incineration	ton	13
Landfill	ton	8
Amount of Non-Hazardous Waste by Recovery/Disposal Method		
Recycle	ton	49
The Rate of Waste Reused/Recycled	%	78

Emission Reduction, Energy Management And Combating Climate Change Indicators

	Unit	2023
Direct Greenhouse Gas Emissions (Scope 1)	ton CO_2-e	110.2
Indirect Energy-related Greenhouse Gas Emissions (Scope 2)	ton CO_2-e	178.5
Scope 3 Total Emissions	ton CO_2-e	61.1
Total Carbon Emissions (Scope 1+2) / Total Production Amount (ton Co_2e/ton)	ton CO_2-e	0.0562

Water Management, Water Use Efficiency And Studies On Reducing Water Stress Indicators

	Unit	2021	2022	2023
Municipal Water Consumption	m^3	1550	1298	1586
Groundwater Consumption	m^3	0	0	0
Fresh Surface Water Consumption	m^3	0	0	0
Sea Water Consumption	m^3	0	0	0
Other (Rain Water etc.) Water Consumption	m^3	0	0	0
Recycled Water Amount	m^3	0	0	0
The Amount of Post-Treatment Facility Discharge into the Receiving Environment	m^3	0	0	0
The Amount of Industrial Zone Wastewater treatment plant discharge	m^3	1550	1298	1586
The Amount of Discharge into Natural Resources such as the Sea, Lake, River, etc.	m^3	0	0	0
Water Usage Per Unit of Production	m^3	–	0.25	0.3

Biodiversity, Ecosystem Conservation And Environmental Studies Indicators

	Unit	2022	2023
Number of Environmental Penalties Imposed	#	10	0
The Total Hours of Environmental Training Provided to Employees	Hour	–	35
Environmental Investments and Expenditures	#	1600	3300

Social Responsibility Indicators

Occupational Health And Safety Indicators

	Unit	2023
Daily Working Hours	Hour	9
Number of Working Days Per Month	Day	20
Total Monthly Working Hours	Hour	165
Total Annual Working Hours	Hour	1980
Total Number of Work Accidents	#	0
Number of Occupational Injuries	#	0
Number of Fatal Accidents	#	0
Non-Reported (No-Lost-Time) Accidents	#	1
Lost Time Injuries (LTI)	#	0
Accident Frequency Rate (AFR)	#	0
Accident Severity Rate (ASR)	#	0
Total Number of Lost Workdays	#	0
Lost Workday Rate	%	0
Number of Occupational Disease Cases	#	0
Absenteeism Rate Due to Occupational Diseases	%	0

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Diversity, Equal Opportunity, Human Resources Practices And Talent Management Indicators

Total Number of Employees	
Female	14
Male	72

Number of White-Collar Employees	
Female	14
Male	26

Number of Blue-Collar Employees	
Female	0
Male	46

Number of Employees by Employment Type	
Full Time	82
Part Time	4

Number of White-Collar Employees by Employment Type	
Full Time	36
Part Time	4

Number of Blue-Collar Employees by Employment Type	
Full Time	46
Part Time	0
Percentage of Female Employees in STEM (IT, Engineering, etc.) Roles	6%

Number of Employees Under the Age of 30	
Female	1
Male	9

Number of Employees Between the Ages of 30-50	
Female	10
Male	56

Number of Employees Over the Age of 50	
Female	7
Male	37

Number of Employees with Managerial Positions	
Female	6
Male	11

Number of Managers Under 30 Years Old	
Female	0
Male	0

Number of Managers Between 30 and 50 Years Old	
Female	4
Male	9

Number of Managers Above 50 Years Old	
Female	2
Male	2

Number of First-Level Managers	
Female	2
Male	5

Number of Middle-Level Managers	
Female	1
Male	5

Number of Senior-Level Managers	
Female	3
Male	1

Number of Disabled Employees	
Male	2
Female	2

Number of Foreign Employees	
Male	0
Female	0

New Hires Under 30 Years Old	
Male	1
Female	2

New Hires Between 30-50 Years Old	
Female	2
Male	2

New Hires Age 50 and Above	
Female	0
Male	0

Number of Employees in R&D, Innovation, and Digitalization Departments	
Female	0
Male	3

Number of Employees with 0-5 Years of Tenure	
Female	7
Male	19

Number of Employees with 5-10 Years of Tenure	
Female	0
Male	20

Number of Employees with 10+ Years of Tenure	
Female	7
Male	32

Number of Employees under 30 Years Old Who Left the Company	
Female	0
Male	1

Number of Employees between 30 and 50 Years Old Who Left the Company	
Female	0
Male	5

Number of Employees above 50 Years Old Who Left the Company	
Female	0
Male	1

Total Number of Employees Who Left the Company	
Female	0
Male	7

Number of First-Level Managers Who Left the Company	
Female	0
Male	0

Number of Middle-Level Managers Who Left the Company	
Female	0
Male	0

Number of Employees Aged 30 and Below Who Voluntarily Left the Company	
Female	0
Male	0

Number of Employees Aged 30-50 Who Voluntarily Left the Company	
Female	0
Male	3

Voluntary Turnover of First-Level Managers (%)	
Female	0
Male	0

Voluntary Turnover of Middle-Level Managers (%)	
Female	0
Male	0

Voluntary Turnover of Senior-Level Managers (%)	
Female	0
Male	0

Number of Positions Filled with Internal Candidates	
Female	0
Male	1

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	Unit	2023
Total Number of Open Positions	#	0
Turnover Rate for Employees aged 30 and younger	%	7.6
Turnover Rate for Employees aged 30-50	%	7.5
Turnover Rate for Employees aged 50 and above	%	20
Female Employees Turnover Rate	%	0
Male Employees Turnover Rate	%	10.6
Turnover Rate for First-Level Managers	%	0
Turnover Rate for Middle-Level Managers	%	0
Turnover Rate for Top-Level Managers	%	0
Voluntary Turnover Rate for Employees Under 30 Years Old	%	1
Voluntary Turnover Rate for Employees Between 30-50 Years Old	%	3
Voluntary Turnover Rate for Employees Over 50 Years Old	%	1
Voluntary Turnover Rate for Female Employees	%	0
Voluntary Turnover Rate for Male Employees	%	7
Voluntary Turnover Rate for Entry-Level Managers	%	0
Voluntary Turnover Rate for Middle-Level Managers	%	0
Voluntary Turnover Rate for Top-Level Managers	%	0
Total Voluntary Turnover Rate	%	7
Number of Employees on Maternity/Paternity Leave		
Female	#	0
Male	#	3

	Unit	2023
Number of Employees Returning to Work after Maternity/Paternity Leave		
Female	#	0
Male	#	3
Number of Employees Returning to Work after Maternity/Paternity Leave and Continuing Employment for at least 12 Months		
Female	#	0
Male	#	3
Maternity/Paternity Leave Return Rate		
Female	%	100
Male	%	100
Total Training Hours		
Female	Hour	92
Male	Hour	485
Average Annual Training Hours per Employee		
Female	Hour	7
Male	Hour	7
Total Training Hours for Employees Under 30	Hour	10
Total Training Hours for Employees Aged 30-50	Hour	66
Total Training Hours for Employees Aged 50 and Above	Hour	10
Total Training Hours for First-Level Managers	Hour	14
Total Training Hours for Middle-Level Managers	Hour	142

	Unit	2023
Total Training Hours for Top-Level Managers	Hour	16
Average Yearly Training Hours Per Employee by Management Level		
First-Level Managers	Hour	2
Middle-Level Managers	Hour	53
Top-Level Managers	Hour	5
Personal Development Training Hours		
Female	Hour	0
Male	Hour	0
Sustainability, Environment, Climate, and Carbon Management Training Hours per Employee		
Female	Hour	2
Male	Hour	2
Performance Evaluation		
Total Number of Employees Subject to Regular Performance Evaluation	#	46

	Unit	2023
Number of Employees Participating in the Employee Satisfaction Survey by Gender		
Female	#	13
Male	#	61
Number of Employees Participating in the Employee Satisfaction Survey by Age		
Under 30 Years Old	#	10
Between 30-50 Years Old	#	64
Over 50 Years Old	#	6
Number of Employees Participating in the Employee Satisfaction Survey by Management Level		
First-Level Managers	#	7
Middle-Level Managers	#	6
Top-Level Managers	#	0
Employee Engagement (Overall Score)	%	71.7

Corporate Governance Indicators

Economic Performance, Global Markets And Market Presence Indicators

	Unit	2021	2022	2023
Market Share within the European Union	%	51	53	62
Export Rate	%	98	93	94

	Unit	2021-2022	2022-2023
Total Revenue Growth	%	+91	+71
Domestic Revenue Growth	%	+78	+59
Export Revenue Growth	%	+42	+11

Zero Waste, Recycling And Circular Economy Practices Indicators

	Unit	2021	2022	2023
Local Procurement Ratio to the Total Procurement	%	41	41	41

Public Relations, Social Policies, Civil Society And Local Practices Indicators

	Unit	2021	2022	2023
Local Procurement Ratio to the Total Procurement	%	–	–	97

ANNEX 2. GRI CONTENT INDEX

Statement of use	EMELEC Elektrik Mühendislik San.Tic. A.Ş has reported in accordance with the GRI Standards for the period 1 January to 31 December 2023.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	'Since a GRI Sector Standard specific to the Electronics Industry has not yet been developed, no GRI Sector Standard has been applied.

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
GENERAL DISCLOSURES						
GRI 2: General Disclosures 2021	**GRI 2: 1 The Organization and Its Reporting Practices**					
	2-1 Organizational details					
	Legal Name	EMELEC Elektrik Mühendislik San.Tic. A.Ş				
	Nature of ownership and legal structure	About This Report, pp.3 Who We Are, pp.7 Governance Structure, pp.13				
	Countries of Operations	Eski Ankara Asfaltı (İTOSB) Istanbul Tuzla Org. San. Bölgesi 4.Cad. No:25 34959 Tepeören-Tuzla Istanbul / Turkey Contact, pp.xx				
	Countries of Operations	About The Report, pp.3 Who We Are, pp.7				
	2-2 Entities included in the organization's sustainability reporting	About The Report, pp.3				
	2-3 Reporting period, frequency and contact point	About The Report, pp.3 Reporting will be done annually.				
	2-4 Restatements of information	This report is EMELEC's first sustainability report prepared in accordance with international standards.				
	2-5 External assurance	No external audit has been carried out for sustainability issues.				

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
GRI 2: General Disclosures 2021	**GRI 2: 2 Activities and Workers**					
	2-6 Activities, value chain and other business relationships	Message From the Management, pp.4 Who We Are, pp.7 Sustainability and Value Chain in Electric and Electronics Industry, pp.37 Sustainable Supply Chain Commitment and Progress, pp.50 There were no significant changes in the size, structure, ownership or supply chain of the organization during the reporting period.				
	2-7 Employees	Commitment to Diversity and Employee Engagement, pp.65 Empowering Women at EMELEC, pp.68				
	2-8 Workers who are not employees	Commitment to Diversity and Employee Engagement, pp.65				
	GRI 2: 3 Governance					
	2-9 Governance structure and composition	Governance Structure, pp.13 Sustainability Governance, pp.17				
	2-10 Nomination and selection of the highest governance body		2-10 a, 2-10 b	Confidentiality constraints	Due to the organization's confidentiality policies, EMELEC does not publicly disclose information regarding the selection and appointment of the highest governance body.	

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			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
GRI 2: General Disclosures 2021	2-11 Chair of the highest governance body	Who We Are, pp.7 Governance Structure, pp.13				
	2-12 Role of the highest governance body in overseeing the management of impacts	Governance Structure, pp.13 Sustainability Governance, pp.17				
	GRI 2: 2 Activities and Workers					
	2-13 Delegation of responsibility for managing impacts	Governance Structure, pp.13 Sustainability Governance, pp.17				
	2-14 Role of the highest governance body in sustainability reporting	Governance Structure, pp.13 Sustainability Governance, pp.17				
	2-15 Conflicts of interest	Governance Structure, pp.13 Commitment to Ethical Business Practices, pp.35				
	2-16 Communication of critical concerns	Governance Structure, pp.13 Commitment to Ethical Business Practices, pp.35				
	2-17 Collective knowledge of the highest governance body		2-17 a	Confidentiality constraints	Due to the organization's confidentiality policies, EMELEC does not publicly disclose this information.	
	2-18 Evaluation of the performance of the highest governance body		2-18 a, 2-18 b, 2-18 c	Confidentiality constraints	Due to the organization's confidentiality policies, EMELEC does not publicly disclose this information.	

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
GRI 2: General Disclosures 2021	2-19 Remuneration policies		2-19 a, 2-19 b	Confidentiality constraints	Due to the organization's confidentiality policies, EMELEC does not publicly disclose this information.	
	2-20 Process to determine remuneration	Commitment to Ethical Business Practices, pp.35				
	2-21 Annual total compensation ratio		2-21 a, 2-21 b, 2-21 c	Confidentiality constraints	Due to the organization's confidentiality policies, EMELEC does not publicly disclose this information.	
	GRI 2: 4 Strategy, Policies, and Practices					
	2-22 Statement on sustainable development strategy	Message From the Management, pp.4 Commitment to Ethical Business Practices, pp.35 Future Vision and Sustainability Targets, pp.24				
	2-23 Policy commitments	Commitment to Ethical Business Practices, pp.35				
	2-24 Embedding policy commitments	Commitment to Ethical Business Practices, pp.35				
	2-25 Processes to remediate negative impacts	Commitment to Ethical Business Practices, pp.35				
	2-26 Mechanisms for seeking advice and raising concerns	Commitment to Ethical Business Practices, pp.35				

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
GRI 2: General Disclosures 2021		Commitment to Ethical Business Practices, pp.35				
	2-27 Compliance with laws and regulations	During the reporting period, no incidents of non-compliance with national or international laws occurred, and no administrative or financial penalties were incurred related to non-compliance with laws and regulations.				
	2-28 Membership associations	Commitment to Ethical Business Practices, pp.35 Sustainability and Value Chain in Electric and Electronics Industry, pp.37				
GRI 2: 5 Stakeholder Engagement						
	2-29 Approach to stakeholder engagement	Commitment to Ethical Business Practices, pp.35 Engaging Stakeholders for Sustainable Governance, pp.39				
	2-30 Collective bargaining agreements	Commitment to Ethical Business Practices, pp.35 Commitment to Diversity and Employee Engagement, pp.65				
MATERIAL TOPICS						
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Materiality Analysis and Material Topics, pp.20 Future Vision and Sustainability Targets, pp.24				
	3-2 List of material topics	Materiality Analysis and Material Topics, pp.20 Future Vision and Sustainability Targets, pp.24				

GRI 200: ECONOMIC STANDARD SERIES

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
Economic Performance (Material Topic Name as Economic Performance, Global Markets and Market Presence)						
GRI 3: Material Topics 2021	3-3 Management of material topics	Materiality Analysis and Material Topics, pp.20 Future Vision and Sustainability Targets, pp.24 Sustainability Governance, pp.17				
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Message From the Management, pp.4 Global Market Expansion and Economic Commitment, pp.40 Sustainable Supply Chain Commitment and Progress, pp.50				
	201-2 Financial implications and other risks and opportunities due to climate change	Global Market Expansion and Economic Commitment, pp.40 Risks and Opportunities, pp.3				
	201-4 Financial assistance received from government	Global Market Expansion and Economic Commitment, pp.40				
Market Presence (Material Topic Name as Economic Performance, Global Markets and Market Presence)						
GRI 3: Material Topics 2021	3-3 Management of material topics	Materiality Analysis and Material Topics, pp.20 Future Vision and Sustainability Targets, pp.24 Sustainability Governance, pp.17				
	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	Governance Structure, pp.13 Commitment to Diversity and Employee Engagement, pp.65				
	202-2 Proportion of senior management hired from the local community	Governance Structure, pp.13				

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GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
Procurement Practices (Material Topics Name as Sustainable Procurement, Logistics, and Supply Chain Practices)						
GRI 3: Material Topics 2021	3-3 Management of material topics	Materiality Analysis and Material Topics, pp.20 Future Vision and Sustainability Targets, pp.24 Sustainability Governance, pp.17				
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	Sustainable Supply Chain Commitment and Progress, pp.50 Community Engagement and Sustainable Development Focus, pp.69				
Anti-Corruption (Material Topic Name as Combating Anti-Competitive Behavior and Corruption)						
GRI 3: Material Topics 2021	3-3 Management of material topics	Materiality Analysis and Material Topics, pp.20 Future Vision and Sustainability Targets, pp.24 Sustainability Governance, pp.17				
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	Commitment to Ethical Business Practices, pp.35				
	205-2 Communication and training about anti-corruption policies and procedures	Commitment to Ethical Business Practices, pp.35				
	205-3 Confirmed incidents of corruption and actions taken	There were no confirmed cases of corruption within the organization or among our business partners, and we have no ongoing lawsuits or legal penalties related to corruption.				
Anti-competitive behavior (Material Topic Name as Combating Anti-Competitive Behavior and Corruption)						
GRI 3: Material Topics 2021	3-3 Management of material topics	Materiality Analysis and Material Topics, pp.20 Future Vision and Sustainability Targets, pp.24 Sustainability Governance, pp.17				
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Commitment to Ethical Business Practices, pp.35 Performance Indicators, pp.71 There were no ongoing or completed legal proceedings during the reporting period regarding anti-competitive behavior and violations of anti-trust and monopoly legislation.				

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
Tax (Material Topic Name as Economic Performance, Global Markets and Market Presence)						
GRI 3: Material Topics 2021	3-3 Management of material topics	Materiality Analysis and Material Topics, pp.20 Future Vision and Sustainability Targets, pp.24 Sustainability Governance, pp.17				
GRI 207: Tax 2019	207-1 Approach to tax	Global Market Expansion and Economic Commitment, pp.40				
	207-2 Tax governance, control, and risk management	Global Market Expansion and Economic Commitment, pp.40				
	207-3 Stakeholder engagement and management of concerns related to tax	Global Market Expansion and Economic Commitment, pp.40				

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GRI 300: ENVIRONMENTAL STANDARD SERIES

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
Materials **(Material Topic Name as Management of Raw Materials and Natural Resources)**						
GRI 3: Material Topics 2021	3-3 Management of material topics	Materiality Analysis and Material Topics, pp.20 Future Vision and Sustainability Targets, pp.24 Sustainability Governance, pp.17				
GRI 301: Materials 2016	301-1 Materials used by weight or volume	Sustainable Resource Management Strategies, pp.57 Zero Waste, Recycling, and Circular Economy Practices, pp.59 Performance Indicators, pp.71				
	301-2 Recycled input materials used	Sustainable Resource Management Strategies, pp.57 Zero Waste, Recycling, and Circular Economy Practices, pp.59 Performance Indicators, pp.71				
	301-3 Reclaimed products and their packaging materials	Sustainable Resource Management Strategies, pp.57 Zero Waste, Recycling, and Circular Economy Practices, pp.59 Performance Indicators, pp.71				
Energy **(Material Topic Name as Emission Reduction, Energy Management, and Combating Climate Change)**						
GRI 3: Material Topics 2021	3-3 Management of material topics	Materiality Analysis and Material Topics, pp.20 Future Vision and Sustainability Targets, pp.24 Sustainability Governance, pp.17				
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Emission Reduction, Energy Management, and Combating Climate Change, pp.54 Performance Indicators, pp.71				
	302-2 Energy consumption outside of the organization	Emission Reduction, Energy Management, and Combating Climate Change, pp.54 Performance Indicators, pp.71				
	302-3 Energy intensity	Emission Reduction, Energy Management, and Combating Climate Change, pp.54 Performance Indicators, pp.71				

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
GRI 302: Energy 2016	302-4 Reduction of energy consumption	Emission Reduction, Energy Management, and Combating Climate Change, pp.54 Performance Indicators, pp.71				
	302-5 Reductions in energy requirements of products and services	Emission Reduction, Energy Management, and Combating Climate Change, pp.54 Performance Indicators, pp.71				
Water and effluents **(Material Topic Name as Water Management and Water Use Efficiency)**						
GRI 3: Material Topics 2021	3-3 Management of material topics	Materiality Analysis and Material Topics, pp.20 Future Vision and Sustainability Targets, pp.24 Sustainability Governance, pp.17				
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	Sustainable Water Management Commitment and Progress, pp.xx Performance Indicators, pp.71				
	303-2 Management of water discharge-related impacts	Sustainable Water Management Commitment and Progress, pp.xx Performance Indicators, pp.71				
	303-3 Water withdrawal	Sustainable Water Management Commitment and Progress, pp.xx Performance Indicators, pp.71				
	303-4 Water discharge	Sustainable Water Management Commitment and Progress, pp.xx Performance Indicators, pp.71				
	303-5 Water consumption	Sustainable Water Management Commitment and Progress, pp.xx Performance Indicators, pp.71				
Biodiversity **(Material Topic Name as Biodiversity, Ecosystem Conservation and Environmental Studies)**						
GRI 3: Material Topics 2021	3-3 Management of material topics	Materiality Analysis and Material Topics, pp.20 Future Vision and Sustainability Targets, pp.24 Sustainability Governance, pp.17				
GRI 304: Biodiversity 2016	304-2 Significant impacts of activities, products and services on biodiversity	EMELEC's Commitment to Biodiversity and Ecosystem, pp.61				

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
Emissions (Material Topic Name as Emission Reduction, Energy Management, and Combating Climate Change)						
GRI 3: Material Topics 2021	3-3 Management of material topics	Materiality Analysis and Material Topics, pp.20 Future Vision and Sustainability Targets, pp.24 Sustainability Governance, pp.17				
	305-1 Direct (Scope 1) GHG emissions	Emission Reduction, Energy Management, and Combating Climate Change, pp.54 Performance Indicators, pp.71				
	305-2 Energy indirect (Scope 2) GHG emissions	Emission Reduction, Energy Management, and Combating Climate Change, pp.54 Performance Indicators, pp.71				
GRI 305: Emissions 2016	305-3 Other indirect (Scope 3) GHG emissions	Emission Reduction, Energy Management, and Combating Climate Change, pp.54 Performance Indicators, pp.71				
	305-4 GHG emissions intensity	Emission Reduction, Energy Management, and Combating Climate Change, pp.54 Performance Indicators, pp.71				
	305-5 Reduction of GHG emissions	Emission Reduction, Energy Management, and Combating Climate Change, pp.54 Performance Indicators, pp.71				
Waste (Material Topic Name as Zero Waste, Recycling, and Circular Economy Practices)						
GRI 3: Material Topics 2021	3-3 Management of material topics	Materiality Analysis and Material Topics, pp.20 Future Vision and Sustainability Targets, pp.24 Sustainability Governance, pp.17				
	306-1 Waste generation and significant waste-related impacts	Zero Waste, Recycling, and Circular Economy Practices, pp.59 Performance Indicators, pp.71				
GRI 306: Waste 2020	306-2 Management of significant waste-related impacts	Zero Waste, Recycling, and Circular Economy Practices, pp.59 Performance Indicators, pp.71				
	306-3 Waste generated	Zero Waste, Recycling, and Circular Economy Practices, pp.59 Performance Indicators, pp.71				

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
GRI 306: Waste 2020	306-4 Waste diverted from disposal	Zero Waste, Recycling, and Circular Economy Practices, pp.59 Performance Indicators, pp.71				
	306-5 Waste directed to disposal	Zero Waste, Recycling, and Circular Economy Practices, pp.59 Performance Indicators, pp.71				
Supplier environmental assessment (Material Topic Name as Sustainable Procurement, Logistics, and Supply Chain Practices)						
GRI 3: Material Topics 2021	3-3 Management of material topics	Materiality Analysis and Material Topics, pp.20 Future Vision and Sustainability Targets, pp.24 Sustainability Governance, pp.17				
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	Sustainable Supply Chain Commitment and Progress, pp.50				
	308-2 Negative environmental impacts in the supply chain and actions taken	Sustainable Supply Chain Commitment and Progress, pp.50				

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GRI 400: SOCIAL STANDARD SERIES

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
Employment **(Material Topics Name as Diversity, Equal Opportunity, Human Resources Practices, and Talent Management; Gender Equality Practices)**						
GRI 3: Material Topics 2021	3-3 Management of material topics	Materiality Analysis and Material Topics, pp.20 Future Vision and Sustainability Targets, pp.24 Sustainability Governance, pp.17				
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Commitment to Diversity and Employee Engagement, pp.65				
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Commitment to Diversity and Employee Engagement, pp.65				
	401-3 Parental leave	Commitment to Diversity and Employee Engagement, pp.65				
Occupational health and safety **(Material Topic Name as Occupational Health and Safety)**						
GRI 3: Material Topics 2021	3-3 Management of material topics	Materiality Analysis and Material Topics, pp.20 Future Vision and Sustainability Targets, pp.24 Sustainability Governance, pp.17				
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	EMELEC's Commitment to Employee Safety, pp.62				
	403-2 Hazard identification, risk assessment, and incident investigation	EMELEC's Commitment to Employee Safety, pp.62				
	403-3 Occupational health services	EMELEC's Commitment to Employee Safety, pp.62				
	403-4 Worker participation, consultation, and communication on occupational health and safety	EMELEC's Commitment to Employee Safety, pp.62				

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
GRI 403: Occupational Health and Safety 2018	403-5 Worker training on occupational health and safety	EMELEC's Commitment to Employee Safety, pp.62				
	403-6 Promotion of worker health	EMELEC's Commitment to Employee Safety, pp.62				
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	EMELEC's Commitment to Employee Safety, pp.62				
	403-8 Workers covered by an occupational health and safety management system	EMELEC's Commitment to Employee Safety, pp.62 Performance Indicators, pp.71				
	403-9 Work-related injuries	EMELEC's Commitment to Employee Safety, pp.62 Performance Indicators, pp.71				
	403-10 Work-related ill health	EMELEC's Commitment to Employee Safety, pp.62 Performance Indicators, pp.71				
Training and Education **(Material Topic Name as Diversity, Equal Opportunity, Human Resources Practices, and Talent Management)**						
GRI 3: Material Topics 2021	3-3 Management of material topics	Materiality Analysis and Material Topics, pp.20 Future Vision and Sustainability Targets, pp.24 Sustainability Governance, pp.17				
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Commitment to Diversity and Employee Engagement, pp.65 Performance Indicators, pp.71				
	404-2 Programs for upgrading employee skills and transition assistance programs	Commitment to Diversity and Employee Engagement, pp.65 Performance Indicators, pp.71				
	404-3 Percentage of employees receiving regular performance and career development reviews	Commitment to Diversity and Employee Engagement, pp.65 Performance Indicators, pp.71				

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GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	REQUIREMENT(S) OMITTED	REASON	EXPLANATION	GRI SECTOR STANDARD REF. NO.
Diversity and equal opportunity (Material Topic Name as Diversity, Equal Opportunity, Human Resources Practices, and Talent Management; Gender Equality Practices)						
GRI 3: Material Topics 2021	3-3 Management of material topics	Materiality Analysis and Material Topics, pp.20 Future Vision and Sustainability Targets, pp.24 Sustainability Governance, pp.17				
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Commitment to Diversity and Employee Engagement, pp.65 Performance Indicators, pp.71				
	405-2 Ratio of basic salary and remuneration of women to men	Commitment to Diversity and Employee Engagement, pp.65 Commitment to Ethical Business Practices, pp.35				
Non-discrimination (Material Topic Name as Diversity, Equal Opportunity, Human Resources Practices, and Talent Management; Gender Equality Practices)						
GRI 3: Material Topics 2021	3-3 Management of material topics	Materiality Analysis and Material Topics, pp.20 Future Vision and Sustainability Targets, pp.24 Sustainability Governance, pp.17				
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Commitment to Diversity and Employee Engagement, pp.65 Performance Indicators, pp.71				
Freedom of association and collective bargaining (Material Topic Name as Diversity, Equal Opportunity, Human Resources Practices and Talent Management)						
GRI 3: Material Topics 2021	3-3 Management of material topics	Materiality Analysis and Material Topics, pp.20 Future Vision and Sustainability Targets, pp.24 Sustainability Governance, pp.17				
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Commitment to Ethical Business Practices, pp.35 Commitment to Diversity and Employee Engagement, pp.65 Performance Indicators, pp.71				
Child Labor (Material Topic Name as Diversity, Equal Opportunity, Human Resources Practices and Talent Management)						
GRI 3: Material Topics 2021	3-3 Management of material topics	Materiality Analysis and Material Topics, pp.20 Future Vision and Sustainability Targets, pp.24 Sustainability Governance, pp.17				
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	Commitment to Ethical Business Practices, pp.35 Commitment to Diversity and Employee Engagement, pp.65 Performance Indicators, pp.71				
Forced or compulsory labor (Material Topic Name as Diversity, Equal Opportunity, Human Resources Practices and Talent Management)						
GRI 3: Material Topics 2021	3-3 Management of material topics	Materiality Analysis and Material Topics, pp.20 Future Vision and Sustainability Targets, pp.24 Sustainability Governance, pp.17				
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Commitment to Ethical Business Practices, pp.35 Commitment to Diversity and Employee Engagement, pp.65 Performance Indicators, pp.71				
Security Practices (Material Topic Name as Diversity, Equal Opportunity, Human Resources Practices and Talent Management)						
GRI 3: Material Topics 2021	3-3 Management of material topics	Materiality Analysis and Material Topics, pp.20 Future Vision and Sustainability Targets, pp.24 Sustainability Governance, pp.17				
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	Commitment to Diversity and Employee Engagement, pp.65				
Rights of indigenous peoples (Material Topic Name as Diversity, Equal Opportunity, Human Resources Practices and Talent Management)						
GRI 3: Material Topics 2021	3-3 Management of material topics	Materiality Analysis and Material Topics, pp.20 Future Vision and Sustainability Targets, pp.24 Sustainability Governance, pp.17				
GRI 411: Rights of Indigenous Peoples 2016	411-1 Incidents of violations involving rights of indigenous peoples	No incidents of violation of the rights of indigenous peoples have occurred during the reporting period.				

ABOUT THIS REPORT   MESSAGE FROM THE MANAGEMENT   OVERVIEW   OUR SUSTAINABILITY STRATEGY   CORPORATE GOVERNANCE   PRODUCT, QUALITY AND TECHNOLOGY   ENVIRONMENT   SOCIAL RESPONSIBILITY   ANNEX

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GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
Local Communities (Material Topic Name as Public Relations, Social Policies, Civil Society and Local Practices)						
GRI 3: Material Topics 2021	3-3 Management of material topics	Materiality Analysis and Material Topics, pp.20 Future Vision and Sustainability Targets, pp.24 Sustainability Governance, pp.17				
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	It is not being implemented.				
	413-2 Operations with significant actual and potential negative impacts on local communities	It is not being implemented.				
Supplier Social Assessment (Material Topic Name as Sustainable Procurement, Logistics, and Supply Chain Practices)						
GRI 3: Material Topics 2021	3-3 Management of material topics	Materiality Analysis and Material Topics, pp.20 Future Vision and Sustainability Targets, pp.24 Sustainability Governance, pp.17				
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	Sustainable Supply Chain Commitment and Progress, pp.50				
	414-2 Negative social impacts in the supply chain and actions taken	Sustainable Supply Chain Commitment and Progress, pp.50				
Customer Privacy (Material Topic Name as Information Security, Artificial Intelligence, and Digitalization Practices)						
GRI 3: Material Topics 2021	3-3 Management of material topics	Materiality Analysis and Material Topics, pp.20 Future Vision and Sustainability Targets, pp.24 Sustainability Governance, pp.17				
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Product Quality and Customer Satisfaction, pp.46 Commitment to Digital Transformation, pp.48 There are no complaints regarding violations of customer privacy or loss of customer data during the reporting period.				

ADDITIONAL MATERIAL TOPICS						
GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
Product Quality and Customer Satisfaction						
GRI 3: Material Topics 2021	3-3 Management of material topics	Materiality Analysis and Material Topics, pp.20 Future Vision and Sustainability Targets, pp.24 Sustainability Governance, pp.17 Product Quality and Customer Satisfaction, pp.46				
R&D, P&D, Innovation and Ecodesign						
GRI 3: Material Topics 2021	3-3 Management of material topics	Materiality Analysis and Material Topics, pp.20 Future Vision and Sustainability Targets, pp.24 Sustainability Governance, pp.17 Driving Innovation Through Sustainable R&D at EMELEC, pp.xx				
Emergency and Disaster Management, Resilience Practices						
GRI 3: Material Topics 2021	3-3 Management of material topics	Materiality Analysis and Material Topics, pp.20 Future Vision and Sustainability Targets, pp.24 Sustainability Governance, pp.17 Resilience Through Effective Emergency Management Practices, pp.52				
Participation in Sustainable Development Networks and International Compliances						
GRI 3: Material Topics 2021	3-3 Management of material topics	Materiality Analysis and Material Topics, pp.20 Future Vision and Sustainability Targets, pp.24 Sustainability Governance, pp.17 Community Engagement and Sustainable Development Focus, pp.69				
Participation in Sustainable Development Networks and International Compliances						
GRI 3: Material Topics 2021	3-3 Management of material topics	Materiality Analysis and Material Topics, pp.20 Future Vision and Sustainability Targets, pp.24 Sustainability Governance, pp.17 Engaging Stakeholders for Sustainable Governance, pp.39				

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