



Reading and Tracking

“THE SOIL”



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"THE SOIL"



SUSTAINABILITY
REPORT | 2023



SUSTAINABILITY REPORT | 2023

Reading and Tracking

“THE SOIL”



THERE WILL BE MANY SEEDLINGS
TO SPROUT IN THESE LANDS

AND BECOME THE INSPIRATION
FOR THE FUTURE...

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ABOUT THE REPORT

Istanbul Fertilizer Industry Inc. (İGSAŞ), keeping in line with its vision of becoming a leading and global brand that has left its mark in every field of the agricultural and chemical sectors since its establishment, has decided to provide its stakeholders with information relating to the activities it has carried out in its sphere of influence to address the evolving preferences of its customers and investors. Based on the concept of “Planet Compatible, Ethical and Innovative Growth” and the value it places on development and the environment, İGSAŞ has designed its sustainable management model in 2023. By prioritising sustainability and conducting case studies throughout the year, it has identified the concerns that should be the main focus of its strategy.

Scope of the Report

This report marks the first Sustainability Report of İGSAŞ and demonstrates the environmental, social and management performance of İGSAŞ Kocaeli and İGSAŞ Kütahya facilities in Türkiye between January 1 and December 31, 2023.

Henceforth, İGSAŞ will continue to report on its sustainability performance under three headings annually in its Turkish and English Sustainability Report.

“Planet Compatible, Ethical and Innovative Growth”

Reporting Standards and Compliance with the International Framework

The preparation of this report complies with Global Reporting Initiative (GRI) requirements. Furthermore, the report functions as a transitional document or preparation for the Turkish Sustainability Reporting Standards (TSRS) standards, which draw from the company's Risk and Opportunity Analysis studies to establish a foundation for the requirements.

Feedback

İGSAŞ values stakeholder feedback. Should you have any questions, opinions or suggestions regarding this report, please contact İGSAŞ Sustainability Team at info@igsas.com.tr.



MESSAGES FROM SENIOR MANAGEMENT



İsmail Hakkı Yıldız
Yıldızlar Yatırım Holding Board Member

Esteemed Stakeholders

We, at İGSAŞ, have adopted the notion of contributing to the development of our country and building a sustainable future as one of our main goals since our establishment, extending beyond being a pioneer company in our sector. While building our corporate governance approach on the principles of “honesty, transparency and fairness”, we are committed to supporting economic growth with environmental, social and governance pillars.

We have built our sustainability strategy on the foundations of “managing renewable, reusable and recyclable resources” and “investing in digital transformation”. In this vein, we are transforming and developing our activities to create value for society and the environment. We continue to make a difference in our sector with our projects in chemistry, agriculture, defense and artificial intelligence technologies, by positioning innovation at the very core of the way we do business in our R&D centre.

As İGSAŞ, we have not only been a leading company in our sector since the day we were founded, but we have also played a leading role in

the advancement of our country and its efforts to build a sustainable future. In addition to our approach to corporate governance -based on the principles of “integrity, transparency, and fairness”- we also support economic, environmental, social, and governance development.

As part of our strategy, which we have defined as “management of renewable, reusable and recyclable resources and investment in digital transformation”, we are developing and transforming our activities for the benefit of society and the environment. In this context, our R&D centre and our projects in the fields of chemistry, agriculture, defense, and artificial intelligence technologies continue to have a major impact by putting innovation at the very core of the way we do business.

We are pleased to have achieved tangible results from the innovative steps we have taken in the field of digitalization. The “Inspiring Experience Special Award” we won with the mobile application we developed is an indication of our determination in this regard.



In the future, we will continue to respond more effectively to the needs of our employees and customers by integrating technological developments into our business processes. In line with the importance we attach to the development of our employees, we developed the knowledge and skills of 727 of our employees with a total of 24,293 hours of training in 2023. We continue to lead the way with our special training programmes aimed at increasing the participation of our female employees in the workforce.

We also contribute to a sustainable future through our corporate social responsibility projects. With the “Loyalty to the Relatives of Martyrs and Veterans” project, which we launched on the occasion of the Centenary of our Republic, we have provided free fertilizer to the hazelnut gardens of the relatives of martyrs in Samsun. By republishing Mirza Gökğöl's book “Türkiye'nin Buğdayları” (Turkish Wheats) in modern Turkish, we have also given the scientific and agricultural communities access to an

invaluable resource. We also shed light on the process of agricultural development with our documentary “100 Years of Agriculture”, which chronicles the history and growth of Turkish agriculture.

We, as İGSAŞ, have prepared a comprehensive strategic plan for 2024 and beyond to realize our environmental sustainability and social benefit goals. This strategy plan addresses an array of issues, from improving energy efficiency to water management, from digitalization to women's employment. In line with our future goals, we will continue to work relentlessly to build on our leadership in sustainability, innovation and social responsibility. We take pride in contributing to the future of our company and our country.

On behalf of the Board of Directors, I would like to extend my gratitude for the support and trust of our business partners, managers, and employees who have accompanied us on this journey of quality, modernity, and development.



MESSAGES FROM SENIOR MANAGEMENT



İlkey Ünal
General Manager

Esteemed Stakeholders

İGSAŞ, one of the affiliates of Yıldızlar Investment Holding Group, continues to add value to Türkiye's agricultural and industrial sectors with the knowledge acquired over more than half a century. As İGSAŞ, we are aware of our responsibility to the world we live in and to future generations. With this awareness and consciousness, we continue our work to best meet the needs of our customers and stakeholders by further expanding our work in the field of sustainability.

We are pleased to share with all our stakeholders and the public the results of these studies, the priority issues that will impact our business activities between January 1, 2023 and December 31, 2023, as well as our goals, strategies and progress on these issues, and our relative economic, social and environmental performance through our 2023 Sustainability Report.

We are committed to integrating sustainability and innovation into every stage of our business processes. In this context, we continue to make progress not only in our own sector, but also in strategic areas such as chemicals, agriculture and the defense industry, thanks to the projects carried out in our R&D centre. With two utility models and one patent application filed during the period, we continue to lead the way in innovation and scientific development.

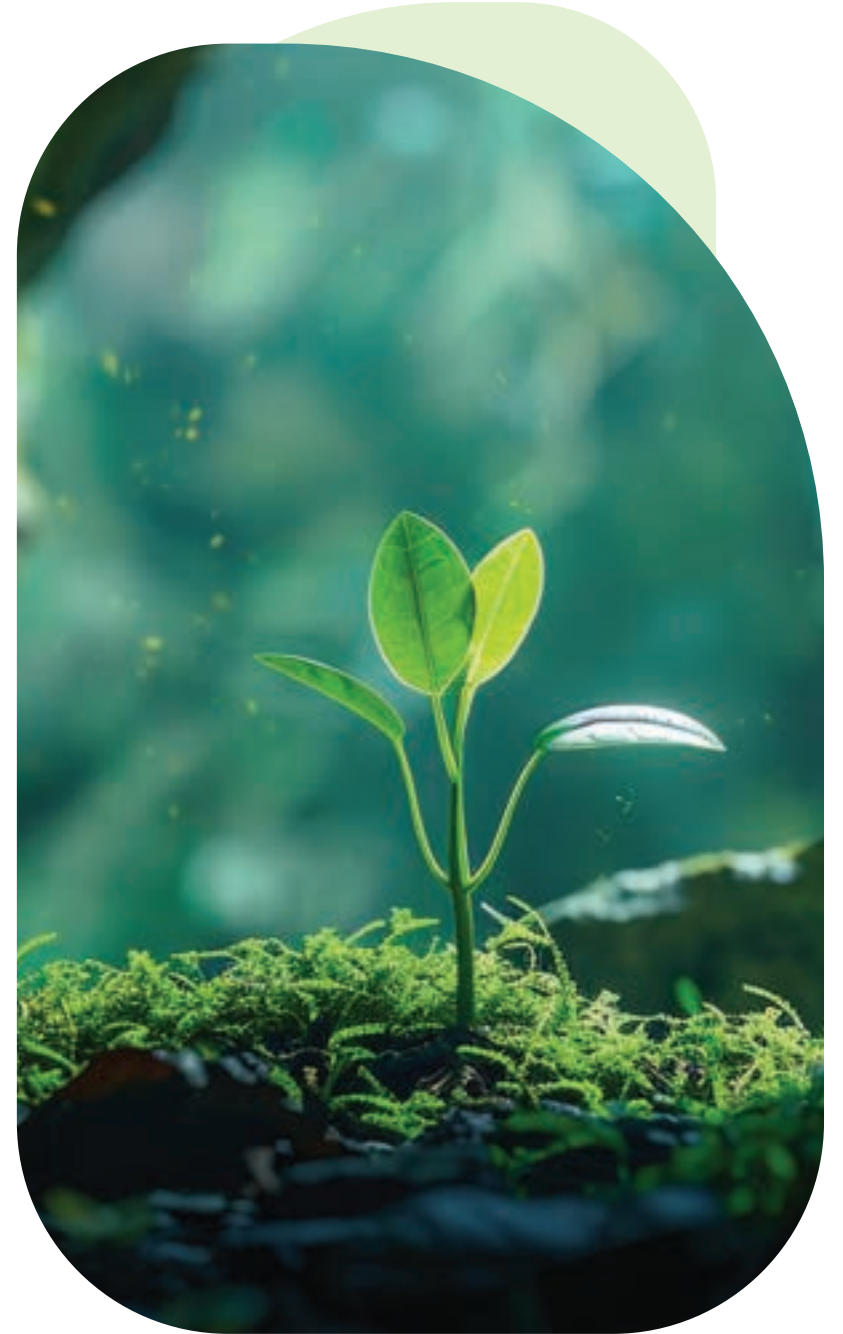
We are pleased to announce that the 11 articles we have published at national and international venues are milestones in achieving our goals of sustainable agriculture while encouraging the sharing of scientific knowledge. In this context, our projects are making a significant contribution not only to our business but also to the agricultural sector.

Through collaboration with universities, we further promote the exchange of knowledge and the emergence of new projects. The awards we won at the Project Market events we organized with Kocaeli University and Dumlupınar University demonstrate the power of our collaboration between academia and industry. We are proud to have once again demonstrated our success in introducing our scientific studies to industry by receiving the first prize from Dumlupınar University and the “Applicability of R&D Projects to Industry” award from Kocaeli University. Thanks to our achievements in this field, we continue our activities as one of the major companies that boost our company's competitiveness both in the domestic and international markets.

At İGSAŞ, we collaborate with all our stakeholders to achieve sustainable, innovative and impactful growth in the chemical industry. Through this approach, we play a leading role in

the industry by developing strategies based on scientific knowledge and ethical values. We therefore aim to create value for all our stakeholders while meeting global sustainability standards. We are pleased to share with you in this report our sustainability goals, which we have defined under the headings of Compatibility with the Planet, Strengthening Agriculture, Talent Development, R&D and Innovation.

I would firstly take this opportunity to express my sincere gratitude to all my colleagues who have contributed to our sustainability efforts, our business partners who support us and our Board of Directors who have made unwavering contributions. As İGSAŞ, we will continue to contribute to the sector with our innovative perspective and greener, more efficient and environmentally friendly projects for the future through the use of technology, while taking firm steps towards our sustainability goals.



İGSAŞ THE CHRONICLE *of Half Century*

İGSAŞ has made significant contributions to the fertility and abundance goals of farmers over the course of its more than 50 years in the agricultural industry. Throughout its long-standing history, İGSAŞ has facilitated agriculture's ability to foster the human-soil bond through the production of fertilizers.

İGSAŞ has become more than a mere brand; thanks to this experience, farmers now trust İGSAŞ and perceive it as a beacon of agricultural innovation and sustainability.





İGSAŞ: The Chronicle of Half Century

Integrating Quality and Trust

İGSAŞ offers these two values in harmony with its products, which are the cornerstones of quality and trust. While our dealers and farmers favour us based on their trust in the quality and prices of our products, the **İGSAŞ brand is a symbol of confidence that raises the notes of consumer satisfaction and brand value.** Every grain of fertilizer is a symphony of great satisfaction for our customers both in buying and selling.

İGSAŞ: The Mutual Epic of Soil and Humanity

İGSAŞ follows the footsteps of the soil and continues to contribute to the strengthening of agriculture as the major supporter and companion of farmers.

Agriculture is the milestone of the process of civilization that is intertwined with soil and labor. İGSAŞ contributes to this process every day by enhancing agricultural productivity with **its products and at the same time strengthening the awareness of sustainable agriculture.**

Agriculture is the milestone of the process of civilization that is intertwined with soil and labor.

Social Added Value and İGSAŞ

In addition to supporting the regional economy, İGSAŞ treats its employees as one big family and treasures them. Each member of the İGSAŞ family carries the company's values and achievements with great pride.

A Commitment to the Future

İGSAŞ reinforces its commitment to the future of agriculture and the soil with sustainable practices and innovative solutions. To promote the continuous development of the agricultural sector, İGSAŞ takes every step with meticulous care, based on its respect for nature.

İGSAŞ pledges to all its stakeholders that it will leave a more productive and environment-friendly world for future generations as it celebrates its 52-year legacy. Singing to the tune of agriculture and the land, for many half a century...





Highlights of the Developments of the İGSAŞ



Approximately
1.400
CUSTOMER



773
EMPLOYEES



769
DEALERS



Highlights of the Developments of the İGSAŞ



THE BUDGET
ALLOCATED TO R&D IS

9.8
MILLION



21
R&D
EMPLOYEES



2842
SUPPLIERS
of which
%95,7 suppliers,



ISO
10002
Customer Satisfaction
Management Standard



Highlights of the Developments of the İGSAŞ

R&D and Innovation Studies

Extending Opportunities: New R&D Centre and Laboratories

- ▶ İGSAŞ, which has implemented 19 landmark projects since its establishment, has focused on chemistry, agriculture, the defense industry, artificial intelligence technologies, compliance with international regulations, green transformation projects, and industrial machinery equipment, adding value to the sector through scientific research and practical applications.
- ▶ The two utility model registrations and one patent application filed by the R&D Centre in 2023 represented the concrete outcomes of the continuous innovation and development process.
- ▶ The research carried out at the İGSAŞ R&D Centre is crucial to the company's success in achieving its goals for sustainable agriculture. Eleven national and international publications have been published and four applications for patents and utility model registrations have been filed.
- ▶ The R&D Centre participated in the Project Market events held in Kocaeli and Dumlupınar Universities and won the first place award from Dumlupınar University and the "Industrial Applicability of R&D Projects" award from Kocaeli University.

The Istanbul Closed Vertical Agriculture Application Centre project has developed agricultural production capacity equivalent to 20 hectares of land in an area of 300 m²

for 70
different products and
delivered training to more
than 7,000 students.

The world's second 30-metre
deep vertical farming
application

The first project of the Ministry of Agriculture and Forestry and the private sector partnership





Highlights of the Developments of the İGSAŞ



- ▶ İGSAŞ was granted the **“Inspiring Experience Special Award”** for the mobile application it developed and has taken important steps in the field of digitalization.
- ▶ To empower its human resources and support career development, İGSAŞ provided a total of **24,293 hours of training** in 2023 and ensured that 727 employees benefited from these training sessions.

A total of

24,293 hours
of training for
727 employees

in 2023

- ▶ İGSAŞ has encouraged the professional development of its employees and young talents by establishing the Technical Academy.
- ▶ **İGSAŞ was awarded the forty-eighth place in terms of net sales in the ISO 2023 TOP 50,**
- ▶ the İKMİB Stars of Export Award in 2022,
- ▶ and got the **“Inspiring Experience Special Award”** for the İGSAŞ APP in the 2024 CX AWARDS Customer Experience Field.





İGSAŞ:
THE AGROINDUSTRIAL
Power of Türkiye



The Agroindustrial Power of Türkiye

Established in 1971 in the heart of the Marmara region, İGSAŞ has assumed a pivotal role in Türkiye's agricultural and industrial sectors. Since its establishment, it has been providing essential fertilizers to Turkish farmers and industrialists through production and import. During this process, İGSAŞ has consolidated its leadership in the sector and secured a respected place **among Türkiye's largest industrial organizations.**

İGSAŞ stands out for the quality of its products and its contribution to the Turkish economy. It is dedicated to strengthening the agricultural sector in all fields, from production to employment, from innovative investments to sustainable practices. **It strengthens the backbone of the agriculture industry with its wide distribution network and investments covering all corners of Türkiye.**

Upon joining Yıldızlar Yatırım Holding in 2004, İGSAŞ continued to improve innovation and diversity in the sector, with its product range

reaching every corner of Türkiye where agriculture is practised. By maintaining the innovative spirit of the market, it has become not only a urea producer in Türkiye, but also the only producer of prilled porous ammonium nitrate and concentrated nitric acid, and the first producer of potassium nitrate.

Underlying İGSAŞ's successful journey is its vision of “Being a leading and global brand that marks its signature in every field it touches in the agricultural and chemical sectors” and its mission of **“Being a company that adopts sustainable growth as a principle with its products and services that add value to life and respect nature and humanity.”**

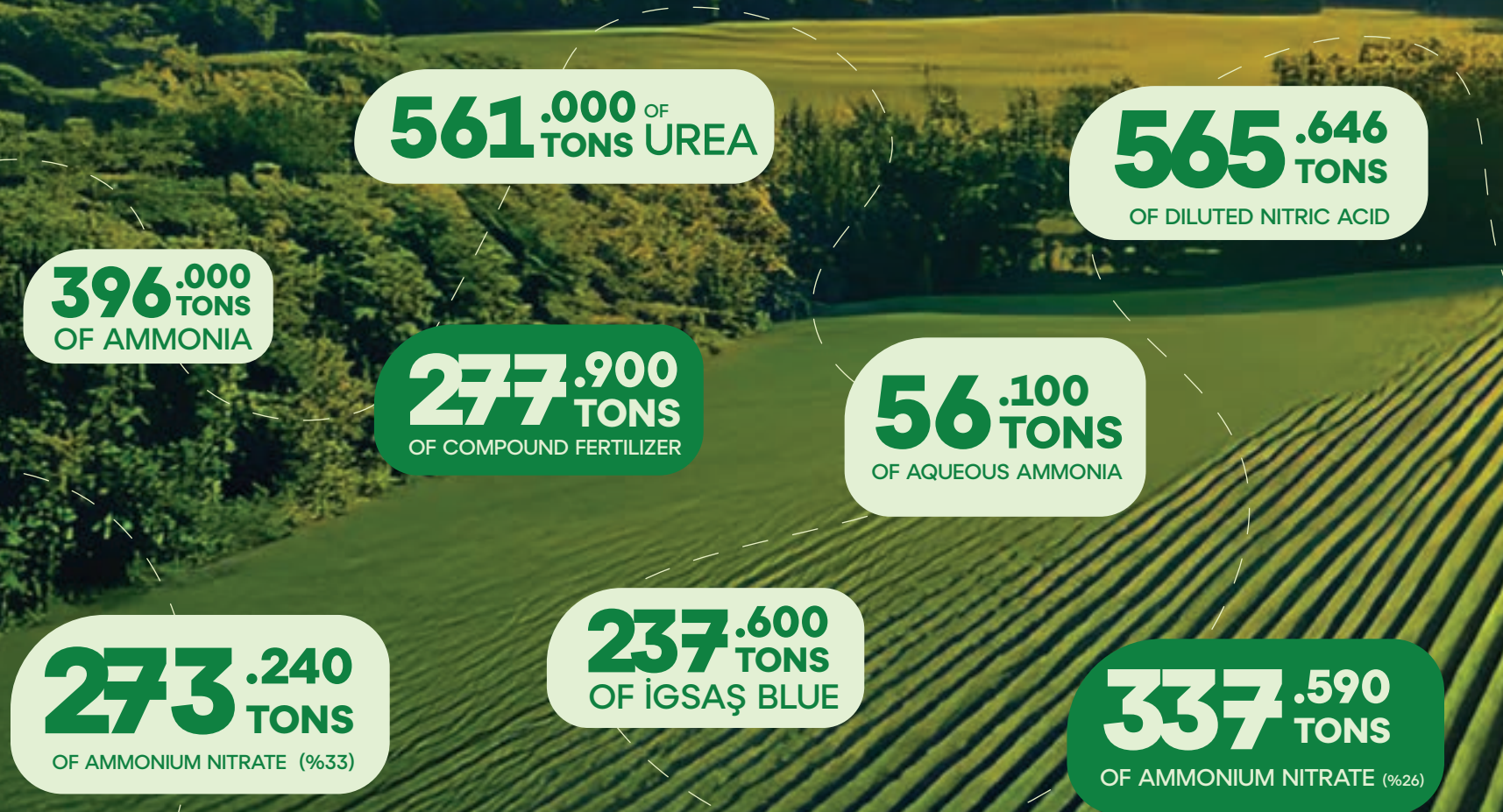
İGSAŞ's values such as reliability, leadership, people-oriented perspective, passion, and customer-centricity shape every step and strategy of the company and build not only its present-day but also its future.

Our Vision:

To be a leading global brand that influences and impacts the agricultural and chemical industries.



Economic Performance





Economic Performance

35.000 TONS
OF 90% AMMONIUM
NITRATE SOLUTION

250.800 TONS OF PRILLED POROUS
AMMONIUM NITRATE

35.000 TONS OF UREA AMMONIUM
NITRATE SOLUTION

20.000 TONS
OF AMMONIUM CHLORIDE

50.000 TONS
OF SPECIAL FERTILIZER
PRODUCTION

15.000 TONS
OF CONCENTRATED NITRIC ACID

50.000 TONS
OF POTASSIUM NITRATE



MILESTONES



Milestones

The journey of İGSAŞ is characterized by years of success and innovation. Here are the key milestones of this historically remarkable journey:

1971

Istanbul Fertilizer Industry Inc. (İGSAŞ) was established as a public institution in the Körfez district of Kocaeli. This was the year when the foundations of the company were laid and it gradually emerged in the industry.



2004

İGSAŞ was acquired by Yıldızlar Yatırım Holding as part of the privatization process. In the same year, İGSAŞ Port was inaugurated and the activities of the Kütahya Nitrogen Factory and the Samsun Warehouse were also restructured in connection with this major transformation.



2007

İGSAŞ has commissioned the 34.5% N Prilled Porous Ammonium Nitrate (PPAN) production unit, which represents a substantial increase in production capacity.



2008-2012

During this period, İGSAŞ carried out large-scale upgrading of its facilities and warehouses. İzmir Aliağa and Antalya warehouses were commissioned and a series of technological investments were undertaken at Kütahya facilities.

2015-2016

İGSAŞ launched the production of İGSAŞ Blue Brand at the Kocaeli and Samsun plants. During this period, investments in potassium nitrate and dilute nitric acid plants were undertaken.



2017-2018

The investment in the Antalya Special Fertilizer Plant has been completed and the R&D Centre in Kütahya Plant has been commissioned. Tekirdağ Plant launched its warehousing activities. Antalya Special Fertilizer Plant investment, Kütahya Facilities Potassium Nitrate and Ammonium Chloride Plant investment, 2nd Nitric Acid Plant investment has been completed.



2019-2020

The Nitric Acid Plant underwent a major upgrade. The steam boiler, circulation systems and cooling towers were replaced.



2021

İGSAŞ has obtained the Covid-19 Safe Production Certificate. It has started investing in the Organomineral and Compound Production Plant in Samsun. In addition, the SAP S/4HANA system has been updated.



2023

İGSAŞ has taken a new investment decision in Hatay. It has been granted project-based government support for the investment in the Second Urea & Ammonia Plant, which has become part of the company's future growth strategies.



The milestones mentioned above are an indication of İGSAŞ's continuous growth and development in the sector. Each step reinforces the company's commitment to Turkish agriculture and industry and underpins its goal of leaving a sustainable legacy for future generations.





Product Categories

İGSAŞ caters to the agricultural and industrial sectors with its versatile range of products. The company produces classical, special, organic, and organomineral fertilizers to increase the efficiency of agricultural production. İGSAŞ also provides chemical raw materials to a number of industries with its industrial group products.

The use of fertilizers is necessary for the healthy growth of plants and to improve quality and yield. While the macro-nutrient elements of plants are met by conventional fertilizers, as in the rest of the world, the micro-nutrient needs of plants are met by special fertilizers. About 90% of the soils in Türkiye are depleted in organic matter. Organic and organomineral fertilizers are produced to improve soil, ensure plant root development, prevent erosion, dissolve phosphorus accumulated in the soil, and increase water retention capacity. Industrial Group products include basic chemicals used in industrial processes and offer a wide range of applications.

İGSAŞ's diverse product range provides flexible and need-oriented solutions to the company's customers. These products are manufactured with high-quality raw materials and advanced technology and ensure high performance and reliability.

Besides agricultural fertilizers, İGSAŞ also produces chemical products for various industries. The products manufactured in İGSAŞ facilities are categorized under 2 groups.

Agricultural Products | İGSAŞ (igsas.com.tr/en)

Industrial Products | İGSAŞ (igsas.com.tr/en)





Agricultural Products

Conventional Fertilizers

Chemical fertilizers provide the essential nutrients needed for plant growth and productivity. Conventional fertilizers are products that are widely used in agriculture and are critical to meeting the nutritional needs of plants.

While nitrogen fertilizers promote rapid plant growth, phosphorus, and potassium fertilizers enhance root development, flowering, and fruit quality. Compound fertilizers provide balanced growth by meeting all the nutritional needs of plants.

The use of these fertilizers boosts soil fertility and supports healthy plant growth. İGSAŞ offers high quality and efficient solutions to the agricultural sector with diversified conventional fertilizer categories.

DAP

20,5%
Granular
AS

21% AS
46% Urea

20.20.0
Sulfur
Compounds

20.20.0
Sulfur and Zinc
Compounds

15.15.15
Sulfur
Compounds

15.15.15
Sulfur and Zinc
Compounds





Agricultural Products

Special Products

İGSAŞ responds to the needs of the agricultural sector by offering diversified specialty fertilizer series for plant nutrition and soil health. These fertilizers are specifically formulated with different nutrients and application techniques in mind. The categories and characteristics of İGSAŞ's specialty fertilizers are explained in detail below:



1. Pure Fertilizers

These are fertilizers that contain basic nutrients and are intended for direct plant nutrition. This category includes products that contain pure nitrogen, phosphorus or potassium.



2. Drip Irrigation Fertilizers

They are soluble fertilizers that can be mixed with water and applied through irrigation systems. They increase productivity by ensuring that plants absorb nutrients with the water.



3. Micro Elements

They are fertilizers formulated to meet the micronutrient needs of plants. They contain elements such as zinc, iron and manganese.



4. Liquid Fertilizers

They are fertilizers in liquid form and offer rapid absorption. They are easy to use with foliar or drip irrigation systems.



5. Acid Series

They are fertilizers used to regulate the pH of the soil and ensure better absorption of nutrients by plants.



6. Micro Granulated Fertilizer

Fertilisers in the form of small granules dissolve effectively due to the enhanced contact with the soil and are easily absorbed by the plants.



7. Organic Soil Conditioners

These are products formulated to enhance the physical, chemical and biological properties of the soil. These fertilizers, which have a high organic matter content, support soil health.



8. Slow Release Fertilizers

By releasing nutrients gradually, it ensures that plants benefit from them over an extended period of time. This reduces environmental impact and improves nutrient use efficiency.

This range of special fertilizers has been developed to provide agricultural products of superior quality and efficiency. Each category has been formulated to meet the specific needs of a particular crop or farming technique. With a wide range of products, İGSAŞ is committed to supporting farmers in a variety of agricultural circumstances and meeting the demands of modern agriculture.



Industrial Products

İGSAŞ not only supplies products for the agricultural sector but also produces chemical products for different industries such as defense, mining, and construction. This wide range of products demonstrates the capacity and technological capacity of İGSAŞ to address the requirements of different sectors.

İGSAŞ develops innovative solutions for industrial applications. The company works to minimize environmental impact by improving the performance of its products through continuous R&D activities. These studies consolidate İGSAŞ's position as a leading provider of industrial solutions.

İGSAŞ BLUE

İGSAŞ BLUE AUS 32 Urea Solution is formulated to reduce the environmental impact of modern diesel engine technologies. In Euro 4, Euro 5, and Euro 6 compliant diesel engines, it significantly reduces emissions by converting harmful nitrogen oxides (NOx) in exhaust gases into water vapor and harmless nitrogen. It also reduces diesel fuel consumption.

These features make İGSAŞ BLUE AUS 32 an environmentally friendly option.

- **32.5% Urea (46% Nitrogen):** It has an effective role in reducing nitrogen oxide emissions.
- **67.5% Demineralized water:** Ensures that urea in vehicle exhaust systems is properly processed and converted into harmless components.

Euro 4, Euro 5 and Euro 6 Diesel engines: These are diesel engines used mainly in heavy vehicles and industrial machinery. İGSAŞ BLUE AUS 32 is used in the exhaust systems of these engines to minimize their environmental impact.

İGSAŞ has a total annual production capacity of 237,600 İGSAŞ BLUE with no modifications to the current process. This production is accomplished using a 237,600 ton capacity tank.

İGSAŞ BLUE

Annual

237.600 TONS OF
PRODUCTION CAPACITY



Seğerli Çalışma Arkadaşlarımız,
Alman Otomotiv Sanayicileri Derneği VDA tarafından yapılan kalite denetiminde 16 puan alınarak, İGSAŞ BLUE ürününe testler dâhilinde tüm ölçülerde standartlara uygun ve güvenilir olduğu tasdiklenmiştir.

Ticariyle ürünlerin geliştirilmesi ve yüksek kalite standartlarına verilmesi önem arz eden olarak ortaya çıkan bu önemli adımda, emeği geçen tüm çalışma arkadaşlarımızda değerli katkılar için teşekkür ederiz.

Saygılarımla



Production and Logistics Infrastructure

İGSAŞ assumes a prominent role in Türkiye's agricultural and industrial sectors and contributes significantly to this role with its production facilities in four different locations in our country. These facilities, which operate in compliance with European Union standards, meet the highest production quality standards in the sector and are open to continuous modernization and technological innovation.

Production Capacity and Facilities

İGSAŞ owns production facilities in accordance with European Union Standards at four different locations in our country. These facilities meet the highest production quality standards in the sector and are constantly supported by modernization and technological innovation. In these facilities, the company produces a wide range of products such as organomineral and specialized fertilizers as well as various chemical fertilizers.



Kocaeli



Kütahya

4 Facilities, 5 Warehouses in Türkiye



Samsun



Antalya



Production Capacity and Facilities / Kocaeli Facility

İGSAŞ owns production facilities in accordance with European Union Standards at four different locations in our country. These facilities meet the highest production quality standards in the sector and are constantly supported by modernization and technological innovation. In these facilities, the company produces a wide range of products such as organomineral and specialized fertilizers as well as various chemical fertilizers.

Leading Production Capacity

İGSAŞ Kocaeli plant, the exclusive urea producer in Türkiye, carries out its production in accordance with national standards and European Union legislation, including the production of ammonia and compound fertilizers. This plant stands out among Türkiye's largest industrial facilities for its high production capacity and commitment to strict standards.

Quality and Reliability

İGSAŞ Kocaeli Plant, equipped with modern technologies and continuously developing infrastructure, continues to produce its products at the highest quality standards. This facility increases its competitiveness in both local and international markets, while consolidating its leading position in the sector. The amount of natural gas consumed in the AMMONIA, UREA and NPK facilities of İGSAŞ in Kocaeli is 500 million Sm³ annually. 1% of the total natural gas consumption of Türkiye is consumed by İGSAŞ.

396.000
TONS OF AMMONIA

237.600
TONS OF İGSAŞ BLUE

561.000
TONS OF UREA

277.900
TONS OF COMPOUND
FERTILIZER

56.100
TONS OF AQUEOUS
AMMONIA

**The sole
UREA producer
in Türkiye**





Production Capacity and Facilities / Kütahya Facility

İGSAŞ Kütahya Facility became operational in 1961 and further strengthened by joining Yıldızlar Yatırım Holding in 2004. This facility assumes a leading role in the production of chemical fertilizers in Türkiye and stands out as the only facility in our country that produces Prilled Porous Ammonium Nitrate, Concentrated Nitric Acid and UAN (Urea Ammonium Nitrate). The amount of natural gas consumed by İGSAŞ's AMMONIA, UREA and NPK facilities in Kocaeli is 500 million Sm³ per year. 1% of Türkiye's total natural gas consumption is consumed by İGSAŞ.

Authenticity and Quality in Production

The Kütahya facility is distinguished by its use of high technology and strict quality control processes in producing these three key chemicals. The products manufactured at the facility feature high standards of efficiency and performance and are in demand in both local and international markets. The facility's production capacity contributes significantly to the sustainable growth of Türkiye's agricultural and industrial sectors.



Türkiye's
**Chemical Fertilizer
Production Center**



Production Capacity and Facilities / Kütahya Facility

Strategic Investment and Production Leadership

The İGSAŞ Kütahya facility retains its pioneering position in the industry as Türkiye's first potassium nitrate producer. Thanks to İGSAŞ's strategic investments, potassium nitrate, which was formerly imported, is now produced in Türkiye, thus substantially contributing to the country's economy.

Contribution to the Economy and Foreign Trade Balance

The EUR 40 million investment, approved by the Ministry of Economy as a "Strategic Investment", will significantly support Türkiye's efforts to bridge its current account deficit. İGSAŞ's investment will not only contribute directly to the country's economy but will also alleviate external dependency by promoting local production.

İGSAŞ Kütahya facility is
**the only PPAN, DNA,
UAN and the first PN
producer in Türkiye.**

Annual Production Capacity

273.240
TONS

OF AMMONIUM
NITRATE (33%)

337.590
TONS

OF AMMONIUM
NITRATE (26%)

15.000
TONS

OF CONCENTRATED
NITRIC ACID

565.646
TONS

OF DILUTED
NITRIC ACID

250.800
TONS

OF PRILLED POROUS
AMMONIUM NITRATE

35.000
TONS

OF UREA AMMONIUM
NITRATE SOLUTION

20.000
TONS

OF AMMONIUM
CHLORIDE

35.000
TONS

OF 90% AMMONIUM
NITRATE SOLUTION

50.000
TONS

OF POTASSIUM
NITRATE



Production Capacity and Facilities / Special Fertilizer Production Facility in Antalya:

The İGSAŞ Antalya Special Fertilizer Facility, which became operational in 2017, is located in one of Türkiye's leading agricultural regions and is dedicated to the production and supply of all types of plant nutrition products needed for the cultivation of fruits, vegetables and open field crops. The facility produces water-soluble chemical, organic and organomineral fertilizers essential for farmers in both liquid and solid forms.

Extensive Production Capacity and Infrastructure

The Antalya facility, which covers a total area of 32,989 m², produces high quality fertilizer using modern production techniques and advanced technology.

The facility is designed to directly meet the needs of the region's agriculture and plays an important role in enhancing product diversity and boosting agricultural productivity.

Customized Solutions for Agriculture... **Specialized Fertilizer Facility**



Annual

50.000 TONS
OF PRODUCTION CAPACITY



Production Capacity and Facilities / Samsun Investment

Annual

PRODUCTION CAPACITY

277.900 TONS
of NP-NPK and
Organomineral
Compound Production

Samsun





Production Capacity and Facilities / YLDZ Laboratory Services

YLDZ Laboratory Services Trade Inc. was established in 2017 in Kocaeli under the auspices of Yıldızlar Yatırım Holding. It opened its branch in Antalya OIZ 1st Section on 10.10.2017 and continues to provide services to agricultural producers in soil, leaf, water, and fertilizer analysis.

Yıldızlar Yatırım Holding has been granted the right to be accredited for its compliance with the TS EN ISO / IEC 17025 General Conditions Standard for the Competence of Testing and Calibration Laboratories.

Provision of Services

Soil Analysis: By analyzing soil fertility and nutrients, it provides farmers with the most appropriate fertilization recommendations.

Leaf Analysis: It identifies nutrient deficiencies from plant leaf specimens and provides recommendations to optimize plant health.

Water Analysis: It provides the information required for effective and efficient use of water in arable land by analyzing the quality of irrigation water.

Fertilizer Analysis: Analyzing the content of the fertilizers used, it recommends the most appropriate fertilization program to farmers and boosts agricultural productivity.

Accreditation

YLDZ Laboratory Services Trade Inc. is accredited in compliance with the TS EN ISO / IEC 17025 Standard. The accreditation documents that the laboratory adheres to international standards in testing and calibration services and provides reliable results.





< ABOUT İGSAŞ



Distribution and Warehouse

İGSAŞ Port

İGSAŞ Port, strategically located in the Marmara region, plays a pivotal role in İGSAŞ's logistics operations. This port acts as an important bridge in global trade, facilitating the company's import of raw materials and the export of finished products.

İGSAŞ Port offers great benefits to the company in terms of optimizing logistics costs and expediting shipping processes, while also improving its competitiveness in the international arena.

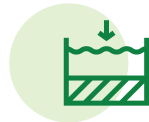
These warehouses and the port are two key assets that support the efficiency and operational success of İGSAŞ from production to the end user. Each facility is equipped with the most sophisticated logistics management systems and technologies to ensure continuous improvement in material flow and supply chain management throughout the company. This infrastructure enables İGSAŞ to adapt quickly and flexibly to the dynamics of the market and keep customer satisfaction at the highest level.



375+244 M
Pier Length



7 Vessel
Capacity



21 M
Depth



3 million tons
of Cargo Handling
Capacity



70.000 DWT
Berthing and
Mooring Facilities



7
Docks





ABOUT İGSAŞ



Warehouses

İGSAŞ, with its warehouses in five different locations in Türkiye, offers a large operational capacity in terms of logistics. İGSAŞ's warehouses, located at strategic points across Türkiye, allow it to effectively manage its logistics operations. These warehouses, located in İskenderun, İzmir (Aliğa), Tekirdağ, Antalya, and Samsun, provide flexibility and efficiency in the company's storage and distribution processes with their high capacities and large areas. İGSAŞ aims to provide fast and reliable service to its customers through these warehouses.

Tekirdağ

TOTAL AREA: **2.500 m²**
CAPACITY: **15.000 Tons**

Samsun

TOTAL AREA: **14.000 m²**
CAPACITY: **65.000 Tons**

İzmir, Aliğa

TOTAL AREA: **17.000 m²**
CAPACITY: **70.000 Tons**

Antalya

TOTAL AREA: **14.000 m²**
CAPACITY: **50.000 Tons**

İskenderun

TOTAL AREA: **25.000 m²**
CAPACITY: **120.000 Tons**



ABOUT İGSAŞ



Memberships and Contributions



KOCAELİ SANAYİ ODASI
KOCAELİ CHAMBER OF INDUSTRY



SAMSUN TİCARET ve SANAYİ ODASI
Samsun Chamber of Commerce and Industry



İKMİB *İstanbul Kimyevi Maddeler ve Mamulleri İhracatçıları Birliği*
Istanbul Chemicals and Chemical Products Exporters' Association



ATS ANTALYA TİCARET
VE SANAYİ ODASI



**İSTANBUL
TİCARET
ODASI** 1882



**KÜTAHYA TİCARET
VE SANAYİ ODASI**
KUTSO



**KÖRFEZ
TİCARET
ODASI**
Chamber of Commerce
1999



BAİB
BATI AKDENİZ
İHRACATÇILAR BİRLİĞİ



GÜİD *GÜBRE ÜRETİCİLERİ TİHARATÇILARI VE İHRACATÇILARI DERNEĞİ*



KalDer
TÜRKİYE KALİTE DERNEĞİ

KOCAELİ CHAMBER OF INDUSTRY

KORFEZ CHAMBER OF COMMERCE

ISTANBUL CHAMBER OF COMMERCE

ISTANBUL CHAMBER OF INDUSTRY

İKMİB İSTANBUL CHEMICAL AND PRODUCTS EXPORTERS' ASSOCIATION

ANTALYA CHAMBER OF COMMERCE AND INDUSTRY

KUTAHYA CHAMBER OF COMMERCE AND INDUSTRY

SAMSUN CHAMBER OF COMMERCE AND INDUSTRY

ISKENDERUN CHAMBER OF COMMERCE AND INDUSTRY

WESTERN MEDITERRANEAN EXPORTERS ASSOCIATION

ASSOCIATION OF FERTILIZER MANUFACTURERS, IMPORTERS AND EXPORTERS

TURKISH QUALITY ASSOCIATION





Reading and Tracking
"THE SOIL"



Sustainability
AT İGSAŞ

Planet Compatible, Ethical and Innovative Growth



Sustainability At İGSAŞ

İGSAŞ has designed its sustainability governance to comply with the metrics of stakeholder capitalism published by the World Economic Forum's International Business Council (WEF IBC) in 2020. These metrics were proposed to help the corporate community manage sustainability in a more effective fashion. In this context, the company has organized its sustainable management model under three main headings. This structure allows İGSAŞ to comprehensively evaluate its environmental, social, and governance performance and achieve continuous improvement.

Guided by the motto **"Planet-Compatible, Ethical and Innovative Growth"**, İGSAŞ collaborates with all its stakeholders to achieve sustainable, innovative, and impactful

growth in the chemical industry. This approach serves the company's goal of assuming a leading role in the industry by developing strategies based on scientific knowledge and ethical values. Thus, it aims to create value for all its stakeholders while meeting global sustainability standards.

İGSAŞ carries out its activities taking into account environmental protection, social development, economic development and responsible investment factors. It contributes to the achievement of both global and local goals with its pioneering science-based studies in the sector. It adopts an ethical management approach for the common development and progress of all its stakeholders, thus upholding its corporate values, basic vision and mission.

İGSAŞ grows in harmony
"WITH THE PLANET"

İGSAŞ succeeds in pace
"WITH ETHICAL CONDUCT AND
INNOVATIVE MANAGEMENT"



"WE BUILD THE FUTURE"
Together



SUSTAINABILITY AT İGSAŞ



Robust management, sustainable success...

İGSAŞ strives to achieve its corporate goals based on its vision and mission, focusing on common development and progress, while preserving its fundamental founding values, built on the equal and fair ground in material and spiritual terms. It has an ethical management approach that encourages the participation and contribution of all its stakeholders. This approach supports the company's sustainable and inclusive growth strategies and prioritizes **transparency and integrity** in all its operations.

İGSAŞ's growth priority is customer satisfaction. In this direction, it produces quality products for the sector. With technologies and innovations that protect the planet, its success in R&D and innovation is its cornerstone, and it adopts **an innovative approach to adapt to ever-changing needs**. In all these processes, it also considers effective risk management to be a strategic element.



İGSAŞ ensures resilience to climate change and compliance with global climate targets for sustainable growth.

İGSAŞ manufactures and supplies raw materials and finished products for various important industries, mainly sustainable agriculture, thanks to its profound expertise and extensive knowledge in the chemical sector. In doing so, it aims **to be resilient to climate change and adapt to global climate goals**. Its strategy aims to raise sustainability standards in the sector and support economic growth while minimizing environmental impact. This approach demonstrates İGSAŞ's determination to uphold its global responsibilities and its capacity to adopt sustainable practices as an industry leader.



The company contributes to social change by empowering its employees and society for the future.

İGSAŞ carries out all necessary facilitative activities in the regions and business segments in which it operates so that all direct and indirect stakeholders can benefit equally from development and have fair access to the values created. It aims to achieve sustainable and inclusive growth by supporting the development and progress of its stakeholders. This approach demonstrates that the company is socially responsible and committed **to contributing to regional development**. Through these efforts, İGSAŞ aims to increase not only its economic success but also its social and environmental impact in a constructive manner.



SUSTAINABILITY *Committee*



Sustainability Committee

The Sustainability Committee focuses on developing İGSAŞ's **corporate sustainability practices and ensuring that these practices are adopted and disseminated throughout the company**. In line with the sustainability goals set, the Committee integrates sustainability approaches into business processes by implementing them in all departments of the company. It also aims to increase the effectiveness of these processes by developing systems that facilitate the setting, measurement and monitoring of sustainability targets.

The Committee is engaged in effective internal and external sustainability communication, collaboration and information sharing with all stakeholders. These efforts are critical to consolidating the company's sustainability leadership and creating long-term value.

Sustainability Committee Duties and Responsibilities

The main task of the Sustainability Committee is to develop the company's sustainability strategy, short, medium and long-term goals, roadmaps and policies. It also pursues the goal of internalizing sustainability throughout the company and strengthening institutional capacity. The Committee, which engages with all stakeholders in a transparent manner by establishing effective sustainability communication, diligently prepares and monitors sustainability measurement and reporting processes.

The Committee proactively manages environmental, social and governance risks by continuously monitoring national and international sustainability developments. It also decides on the necessary national and international memberships and collaborations to support İGSAŞ in achieving its sustainability strategy and goals.

The Committee;

- Develops sustainability strategy, short, medium and long-term goals, roadmaps and policies. It ensures the internalization of sustainability and capacity development.
- Ensures that sustainability is communicated to all relevant stakeholders.
- Prepares and oversees the measurement and reporting of sustainability performance.
- Tracks national and international sustainability developments.
- Proactively manages environmental, social and corporate governance risks.
- Decides on national and international memberships and collaborations that will assist in achieving the institution's sustainability strategy and goals.

Chairperson of the Committee: İlkey Ünal – General Manager

Departments

HSE Directorate

Kocaeli Factory Technical Operations Directorate

Kocaeli Factory Production Directorate

Sales and Marketing Directorate

Purchasing Directorate

R&D and Technology Directorate

Human Resources Directorate

Corporate Communications Unit Management

YYH Energy Directorate

YYH Operational Excellence Directorate Logistics Directorate

Kütahya Factory Production Directorate

Director of Financial Affairs

Antalya Facility Directorate

YYH Group Information Technologies Director

Samsun Facility Directorate

YYH Management Systems and Business Processes Unit Manager



Prioritization Analysis

Recent developments, and in particular new regulations that have come into force at the European Union (EU) level, have imposed significant changes and obligations on companies. These changes further increase the importance of corporate sustainability reporting standards and Environmental, Social and Governance (ESG) metrics.

The Sustainability Workshop, held in 2023, provided an opportunity to assess global sustainability trends and sector dynamics. In this workshop, İGSAŞ focused on the feedback received from its internal stakeholders through online surveys and the content of surveys to be conducted with strategic external stakeholders. These steps are of critical importance in terms of clarifying the company's sustainability vision and goals. İGSAŞ also clearly defined its strategic priorities and roadmap until 2030 using the Double Materiality Analysis.

In this process, **surveys were conducted with the participating 161 internal stakeholders and 63 external stakeholders.** While İGSAŞ selected its employees from a diversified structure of departments, it received external stakeholder feedback from groups with which it has close relationships, such as customers, suppliers, regulators, and the media. This helped to shape its sustainability strategy more comprehensively by ensuring that various perspectives were taken into account. The company has continued its decision to consult stakeholders every two years and will do so again in 2025.

İGSAŞ has defined the strategic priorities based on the assessment made by the Sustainability Committee and the Management Board.

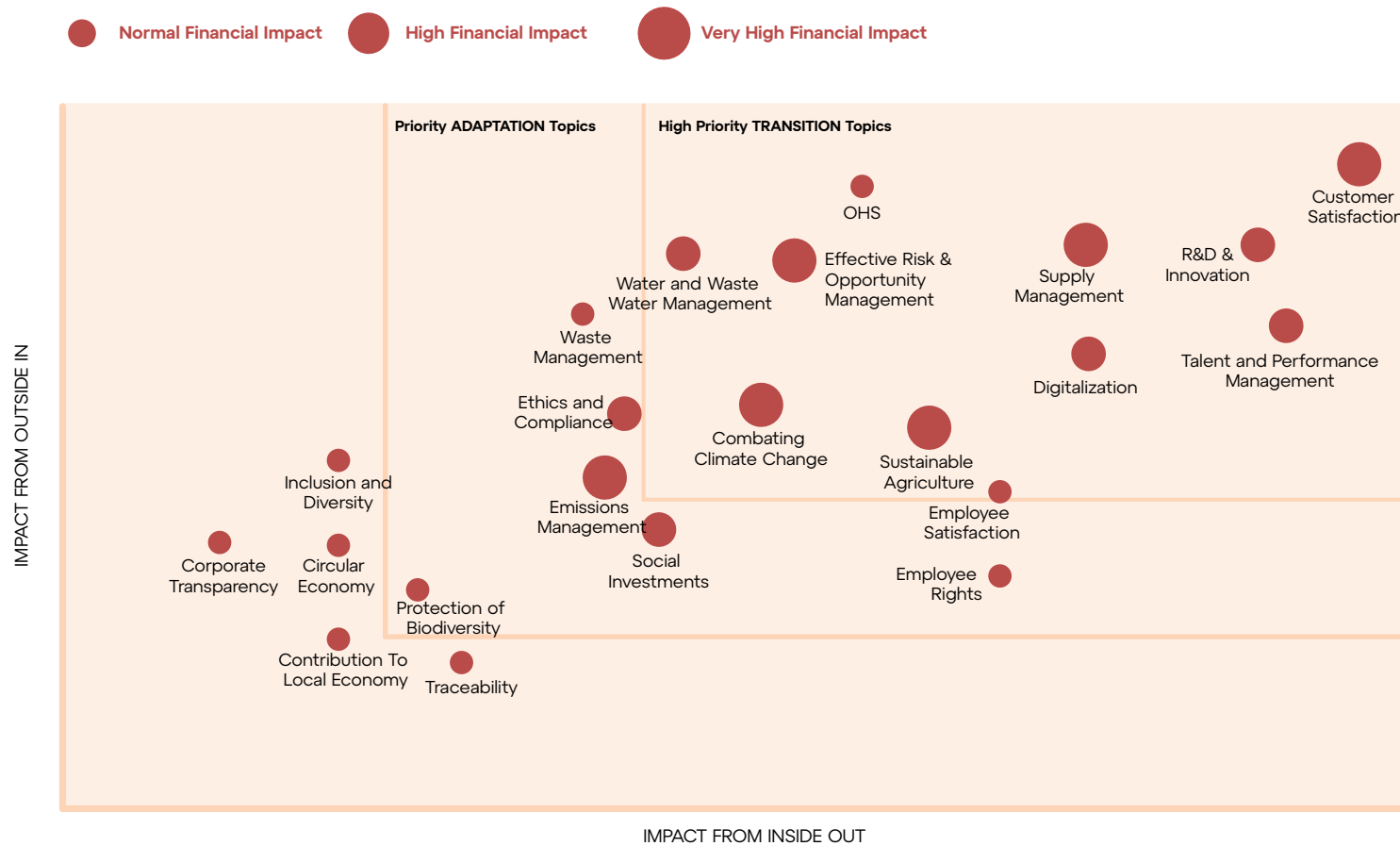
What Is Double Materiality?

Double Materiality Analysis is a study that aims to **assess the impact of both internal and external stakeholders on an organization's Environmental, Social and Governance (ESG) policy, strategy and performance in both directions.** This analysis also considers the impact of ESG factors on the financial future of the organization in a third dimension, providing a comprehensive risk and opportunity assessment.

This analysis guides managers in strategic decision-making and offers the opportunity to systematically assess the impact of ESG practices on the overall performance of the organization. It also helps the organization to better manage its social and environmental responsibilities by increasing transparency vis-à-vis external stakeholders. Double materiality analysis is **a fundamental tool in the development of both risk management and sustainable growth strategies.**



Prioritization Analysis



- Customer Satisfaction
 - Supply Management
 - Effective Risk Management
 - Combating Climate Change and
 - Sustainable Agriculture
- are the material issues with the highest financial impact;
- R&D & Innovation
 - Digitalization
 - Talent and Performance Management
 - Water and Waste Water Management
 - Employee Satisfaction
- have been identified as high priority transition issues for İGSAŞ.



SUSTAINABILITY *at İGSAŞ*



Sustainability Goals



İGSAŞ grows in harmony
"WITH THE PLANET"

Emissions Reduction

- (1) İGSAŞ has set a target to reduce emissions by 100% in the entire value chain by 2053.
- (2) İGSAŞ has set a target to completely convert 65% of its electricity consumption to renewable energy sources by 2035.

Water Conservation

The goal is to reduce the use of fresh water in all general factory processes through waste water recovery and the use of desalinated sea water.



İGSAŞ succeeds in pace
"WITH ETHICAL CONDUCT AND
INNOVATIVE MANAGEMENT"

R&D and Innovation

To ensure the continuity of innovative products for the development and efficiency of agriculture in Türkiye, İGSAŞ aims to incrementally increase the resources it allocates to R&D each year until 2040.

Global Compliance

- (1) İGSAŞ aims to determine, monitor and regularly report metrics in the entire value chain by 2027, in line with the green transformation calendars of the EU and Türkiye, and
- (2) to digitalize monitoring in the entire value chain by 2030.



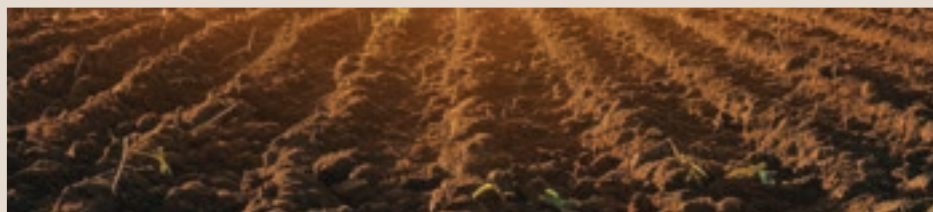
"WE BUILD THE FUTURE"
Together

Awareness Raising in Agriculture

İGSAŞ is committed to carrying out awareness-raising projects that will enhance and improve the knowledge and competence of farmers in Türkiye in order to ensure that farmers today earn more income in the marketplace and that agriculture becomes an attractive field for future generations.

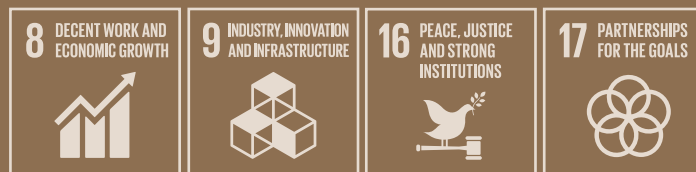
Talent Development

From the existing employees, İGSAŞ aims to carry out on-the-job and academic training support projects to improve the skills and competencies of young people who will be included in future employment and other relevant stakeholders in the sector.



İGSAŞ succeeds in pace
“WITH ETHICAL CONDUCT AND
INNOVATIVE MANAGEMENT”

Robust management, sustainable success...





< İGSAŞ SUCCEEDS IN PACE WITH ETHICAL CONDUCT AND INNOVATIVE MANAGEMENT >

İGSAŞ adopts an ethical management approach that is open to the participation and contribution of all stakeholders to achieve its corporate purpose based on its vision and mission, which focuses on common development and progress, while preserving its founding values that are built on an equal and fair ground in material and non-material terms. This inclusive management approach is harmoniously integrated into the company's overall management strategies and policies.

İGSAŞ is committed to managing all its activities in alignment with **the European Sustainability Reporting Standards (ESRS) and the Turkish Sustainability Reporting Standards (TSRS)**. This ensures that the company is in compliance with international and local regulations. İGSAŞ ensures the implementation of ethical principles in an inclusive manner across all stakeholders and business relations. This supports the integration of business ethics and transparency into the corporate culture.

İGSAŞ supports the efficient operation of all functions by creating an effective management structure. This structure promotes cooperation between departments and facilitates the integration of processes, thus ensuring organizational synergy and coordination.



The company has also developed a performance management system that encourages active participation and input from stakeholders. This system is designed to improve overall business performance by increasing employee motivation and productivity.

İGSAŞ continuously analyzes global, local and sectoral **Environmental, Social and Governance (ESG)** risks and opportunities. These analyses provide valuable information for the company's strategic decision-making processes and support proactive risk management.

The company sets its short, medium and long term goals and continuously monitors the achievement of these goals. This strategic planning enables İGSAŞ to achieve its goals and rapidly adapt to market changes.

And lastly, İGSAŞ receives feedback from its stakeholders via various communication channels, depending on the composition of its stakeholders. This feedback is integrated into business processes, fostering relations with stakeholders and enhancing the company's social acceptance. These efforts further the company's sustainable growth and reputation in the sector.



Investing in a Sustainable Future *with a Sound Management Structure*

İGSAŞ underpins its determination to build a sustainable future with a sound and robust management structure at every level of the company. The company's organizational chart demonstrates that sustainability goals are integrated into corporate policies and operations, starting from the General Manager to each manager and employee. This structure ensures that each department adopts and acts in alignment with sustainability principles.

Sustainability in the company is not limited to environmental factors, but also demonstrates an integrated approach to social responsibility and economic performance. Under the guidance of the General Manager, key departments such as Human Resources, Production, Technical Operations, Finance, R&D, Manufacturing, Sales, Health Safety Environment (HSE), Marketing and Customer Experience, Corporate

Communications, Planning & Logistics and Purchasing develop and implement strategic plans to achieve sustainable development goals.

This integrated approach contributes to raising sustainability standards across the company's operations, while actively involving employees in the process. The adoption of a sustainability culture from the management level to each new employee consolidates İGSAŞ's leadership and innovative structure in the sector. This structural integrity is critical to achieving the company's long-term sustainability goals. It also strengthens İGSAŞ in fulfilling its responsibilities to its stakeholders and customers.

İGSAŞ's investments and innovations in the sustainable development of each of its departments contribute to making İGSAŞ a preferred business partner not only for today, but also for future generations.





MANAGEMENT

Structure



Management Structure

İGSAŞ and its subsidiary Yıldızlar Yatırım Holding are managed based on the vision of global leadership and sustainable growth principles in the agricultural and chemical sectors. Its basic mission is to provide products and services that respect nature and people and add value to life. This vision and mission are supported by core values such as reliability, leadership, valuing people, passion and customer focus at all levels of the company.

İGSAŞ embraces ethical values not only as a corporate obligation but also as one of the cornerstones of its corporate culture. By following these values in every transaction and decision, it demonstrates a deep sense of responsibility and respect towards its stakeholders. This ethical commitment supports İGSAŞ's sustainability goals and ensures its long-term success.

The General Manager acts as the compass of the company and leads İGSAŞ to

success with the strategic directions and decisions. Led by the General Manager, the organization has a dynamic and effective structure with five Directorates and 22 Directorates under these Directorates. This structure ensures that responsibilities are distinctly defined within the company and operations run smoothly at all levels.

İGSAŞ is further assisted by various structures such as the Executive Board, Sustainability Committee, Yıldız Disaster Coordination Board (YAKİK), Crisis Management Team, Ethics Board, Karbon Team, Internal Audit Project Management Office, Carbon, Internal Audit PMO and Disciplinary Board. These boards collaborate to uphold ethical standards, manage crises, and shape sustainable development. Each of them serves the broader vision of the company and is at the crux of strategic decisions that enable İGSAŞ to be leading and pioneering in every field.

Our core mission

is to provide products and services that respect nature and people.





Ethics and Compliance

In the globalized world economy, business ethics have become an indispensable requirement for enterprises and organizations. Companies that adhere to ethical values and conduct of business have a positive impact on their long-term success, while contrary actions can have a negative impact on this success.

According to the World Economic Forum (WEF), ethical behaviour refers to a company's compliance with applicable laws and accepted ethical standards. It is the cornerstone of good governance and requires effective oversight of companies' decision-making processes.

The International Labour Organization (ILO) strives to develop and provide all workers with respect for human rights, decent living standards and humane working conditions, which are the basic elements of social justice. In this context, Yıldızlar Yatırım Holding's **“Code of Ethics and Working Principles”** sets the standards to be observed by all managers and employees of the Holding and its affiliated companies. These rules ensure that İGSAŞ managers and employees maintain high standards of behaviour and aim to make them aware that their behaviour has an institutional impact.



Ethic Rules | İGSAŞ (igsas.com.tr/en)





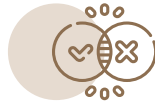
Principles of Ethics and Code of Conduct: Fundamental Commitments

İGSAŞ's "Code of Ethics and Working Principles defines behaviour based on integrity and guides all parties involved in business processes to act responsibly in legal, economic and ethical terms. These principles regulate the relations with customers, employees, business partners, suppliers and society and describe the basic requirements of Yıldızlar Yatırım Holding A.Ş. and Group Companies, suppliers, customers and business partners and third parties with these ethical principles.



Integrity and Transparency

All business processes, relationships and decision-making processes of İGSAŞ are considered as priority values. The company conducts all its activities in line with these principles.



Avoiding Conflicts of Interest

Employees are required to have a balanced commitment between their personal interests and the interests of the company. Necessary actions are proactively taken to prevent and manage conflicts of interest.



Confidentiality and Proprietary Protection

The company's confidential proprietary information and strategic information is protected by high security standards. Employees who have access to this information are obliged to use discretion in safeguarding it.



Legal Compliance

The company operates in complete compliance with national and international law. All transactions are conducted as prescribed by law and in accordance with ethical standards.



Customer Relations

İGSAŞ's customer-centric approach provides fast and effective solutions to customers' needs and expectations. Customer satisfaction stands at the core of the company's activities.



Responsibilities Towards Employees

Protecting employee rights and providing a fair and non-discriminatory working environment are key priorities for the company.



Ethics Committee and Governance Structure

An Ethics Committee is responsible for promoting ethical conduct and investigating allegations of misconduct within the company. This committee monitors and guides the implementation of ethical standards.



Training and Awareness Programs

İGSAŞ provides regular ethical training and awareness programs for all its employees. These programs ensure that ethical rules are fully understood and implemented.



Management Systems and Compliance with International Standards

The Management System Policy of İGSAŞ aims to ensure quality, safety, efficiency and compliance in all operations. Pursuant to this policy, İGSAŞ aims to ensure operational excellence by strictly adhering to certain standards. İGSAŞ's policy is based on the principles of continuous improvement, risk management and ethical behaviour. These principles guide every stage of the business processes and support the sustainable success of İGSAŞ. These policies and systems are the fundamental elements enabling İGSAŞ to stand out in international competition, inspire confidence in its stakeholders and consolidate its position in the market. Each certificate and policy raises İGSAŞ's quality and safety standards, consolidates its position as a globally recognized brand and places it at the forefront of industry leaders.

İGSAŞ is committed to meeting international ISO standards to ensure continuous improvement in quality and process management.

In 2023, İGSAŞ plans to obtain or re-accredit ISO 9001 Quality Management System (QMS), ISO 10002 Customer Satisfaction Management System (CMS), ISO 50001 Energy Management System (EnMS) and ISO 27001 Information Security Management System (ISMS) certifications. These certifications are usually applied to more than one site.

One of İGSAŞ's goals for 2024 is to take important steps in the fields of environmental sustainability and occupational health and safety. In this context, the company received ISO 14001 Environmental Management System (EMS) and ISO 45001 Occupational Health and Safety Management System (OHSMS) certificates before the date of publication of the Sustainability Report. The certification process will start with the Kocaeli facility and will be extended to the Kütahya and Antalya facilities in 2025 and 2026.

**Adhere to the
Management Systems
Policy for
Quality, Safety,
Efficiency and
Compliance in all
operations**



www.igsas.com.tr/en/quality-certificates





Quality and Environmental Management Systems

İGSAŞ's quality and environmental management systems are predicated on the clear definition of duties, authorities and responsibilities. This structure increases the effectiveness and suitability of the system and ensures the management and continuous improvement of all processes. The roles and responsibilities of employees at all levels are defined and this information is clearly communicated to all employees in accordance with the company's policies and objectives.

To ensure effective implementation of the quality and environmental management systems, the company assigns specific responsibilities from the Board of Directors to all organizational levels. These responsibilities include monitoring the daily operation of the systems, ensuring their compliance and making improvements where necessary. In addition, İGSAŞ provides its employees with the necessary training and resources to fulfil their assigned duties and responsibilities.

The training programs cover topics such as occupational safety, environmental protection, quality control and process management.

The scope of quality and environmental management systems includes all internal and external activities, processes and services of İGSAŞ. These systems manage quality and environmental impacts at all stages, from the supply of raw materials to the delivery of the finished product to the customer. In addition, these systems lay the foundation for ensuring the company's full compliance with laws and regulations, managing risks and evaluating opportunities for continuous improvement.

Senior management takes an active role in planning, implementing and ensuring the continuity of quality and environmental management systems. This leadership is evident at all stages, from setting policy and objectives to allocating resources and evaluating results. The Board of Directors is fully committed to ensuring that the systems meet legal and regulatory requirements and that processes are continually reviewed and improved. This process aims to enhance customer satisfaction and market competitiveness, while promoting operational excellence and sustainable environmental practices.



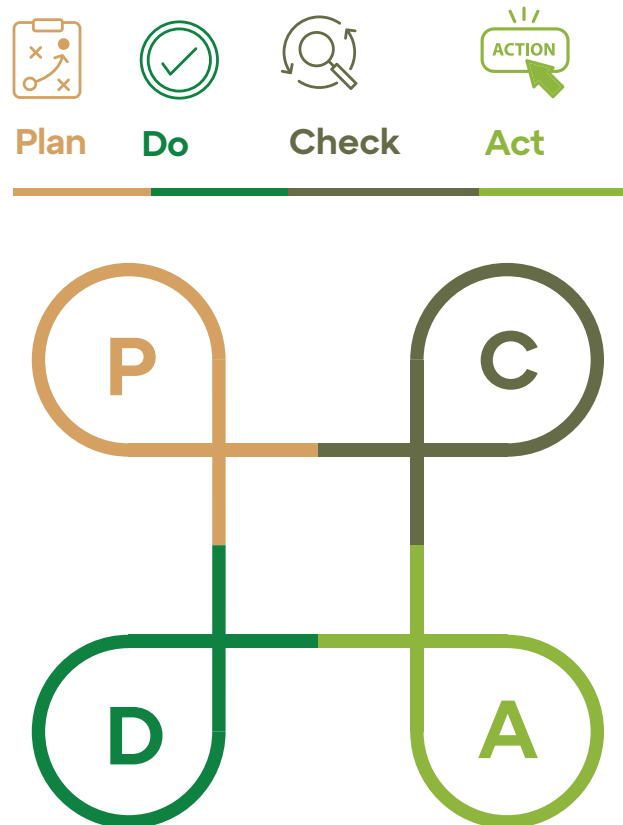


Process Approach and PDCA Approach

The process approach adopted by İGSAŞ in its quality and environmental management systems evaluates all of the company's operations and business processes as an integrated system. This approach focuses on how processes are managed, the interactions between processes and how they contribute to the overall business objectives.

Effective process management enables continuous improvement of quality and environmental performance.

By increasing the consistency and predictability of operations, the process approach improves the relationships between different business functions. This allows for more efficient control and process improvement while optimising the use of resources. Achieving strategic goals, such as improving customer satisfaction and reducing costs, is also largely dependent on this approach.



İGSAŞ has adopted the **PDCA (Plan, Do, Check, Act)** approach to continuously improve its processes. This four-phase cycle progresses from planning processes, to implementing them, to monitoring and measuring their performance, and finally to determining and implementing necessary corrective and preventive actions by identifying deviations and potential improvements.

The PDCA approach supports a culture of continuous improvement in quality and environmental management systems and acts as a fundamental tool to increase the effectiveness of the system. This methodology helps İGSAŞ to continuously improve its operational excellence while enhancing its commitment to environmental and quality standards.



Risk Management

Risk management is acknowledged as one of the most critical aspects of corporate governance. The effective management of risks and opportunities by companies has become a central part of corporate strategy.

Integrating risks and opportunities related to economic, environmental and social issues into corporate governance and related processes is critical to prioritizing these elements, addressing them over time and creating long-term value.

The World Economic Forum (WEF) highlights the extent to which risk and opportunity management oversees the effective identification and management of strategic risks and opportunities within governance structures. It is considered a fundamental component of corporate decision-making processes. The ISMS

Risk / Opportunity Assessment Analysis, specific to the İGSAŞ Kocaeli facility, was evaluated within the framework of the Information Security Management System and action plans were prepared for the risks identified in this process. This analysis is an important step in the company's foreign trade processes and purchasing management and is carefully considered as part of the company's risk management strategy.

İGSAŞ has adopted risk-based reasoning as a fundamental part of its quality and environmental management systems. This approach enables the company to proactively identify, assess and manage potential risks in its business processes. Risk management plays a critical role in maintaining the company's operational efficiency and environmental performance, as well as continuously improving quality standards.

An organized process of risk identification and evaluation in operational procedures and projects is the first step in the risk management process. Based on operational, financial, environmental, and technological aspects, İGSAŞ use a range of techniques and instruments to detect risks, both internal and external.

Identified risks are assessed and prioritized according to their probability and impact. This process is based on the potential impact of the risks on the organisation and the probability of their occurrence. The highest priority risks that require urgent action are identified and addressed as a matter of priority.

Effective strategies and measures are developed to reduce risks. These strategies include technical corrections, process improvements,

employee training and contingency plans. Regular risk monitoring and assessment processes are implemented to ensure that risks are continuously managed and that the measures taken are effective.

Open and constant communication regarding risks and the actions taken is maintained with any relevant stakeholders as part of the risk management process. Employee involvement in risk management procedures is prompted and their risk awareness is raised as a result.

The organisation as its entirety gains confidence from this open communication, which also makes risk management techniques more transparent and successful.



Foreign Trade Risk-Opportunity Assessment Analysis

İGSAŞ has conducted a comprehensive risk and opportunity assessment analysis to improve its foreign trade processes and minimize potential risks. This analysis includes strategic measures to proactively identify, assess and manage risks that may arise in operational processes, and also aims to identify possible opportunities and leverage them for the benefit of the company.

Many risks, including fire, flood, earthquake, unauthorized access, and data loss, were thoroughly outlined during the analysis. Each risk was evaluated for its existence, vulnerability, threat, and probable consequences. Its impacts on confidentiality, integrity, and accessibility were also examined. It was questioned if the current restrictions were effective, and potential flaws and areas for development were noted. For instance, the reliability of installed smoke detectors and fire extinguishing systems in preventing fires, as well as the

frequency of testing of these systems, were carefully scrutinized.

The risk score is calculated by multiplying the identified probability (on a scale of 1-5) by the total impact value. The acceptable level for each risk is generally expressed as 12, and action plans are developed for risks exceeding this level. Development opportunities are assessed for risks with low scores.

The company is committed to improving its capacity to evaluate strategic opportunities. Opportunities such as technological updates or new business processes can increase the company's competitiveness and strengthen its market position. This detailed analysis demonstrates İGSAŞ's competence in understanding and managing risks in foreign trade processes, as well as its ability to proactively evaluate potential opportunities.





SM Risk-Opportunity Assessment Analysis

The analysis includes a holistic review of natural catastrophes such as fire, flood, and earthquake, as well as operational risks such as unauthorized access and data loss. Existing measures for these risks were reviewed and each risk was assessed in detail. The risk rating was calculated by combining probability and impact, and an 'acceptable risk level' was established for each risk.

Opportunities that may be seized in foreign trade operations have been evaluated. These opportunities include optimization of business processes, cost savings and expansion of market access. These opportunities have the potential to boost İGSAŞ's competitive advantage.

The actions taken to address the risks were detailed and the impact of these actions on the risk scores was assessed. The effectiveness of the actions taken was demonstrated with new risk scores and a review process was outlined for each risk.

The company provides periodic training to raise employee awareness of risk management and opportunity assessment. This training is designed to ensure that risks and opportunities are accurately understood and effectively managed.





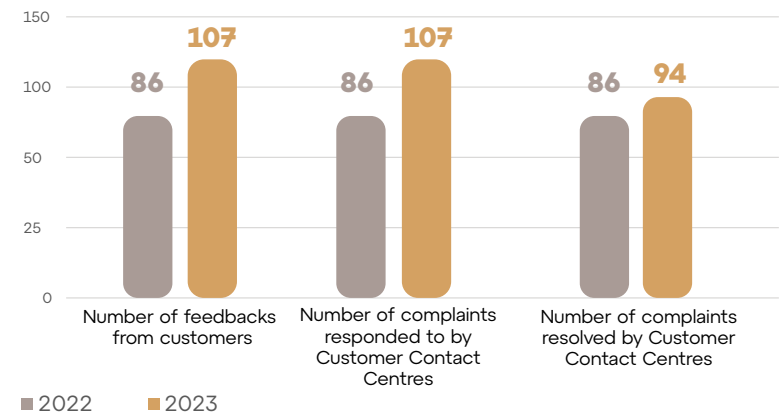
Customer Satisfaction Management System

İGSAŞ has adopted the ISO 10002 Standard to enhance customer satisfaction and effectively manage customer complaints. This standard comprehensively regulates all processes from receiving, processing, evaluating and resolving customer complaints. These applications are intended to systematically improve customer satisfaction and foster customer relations.

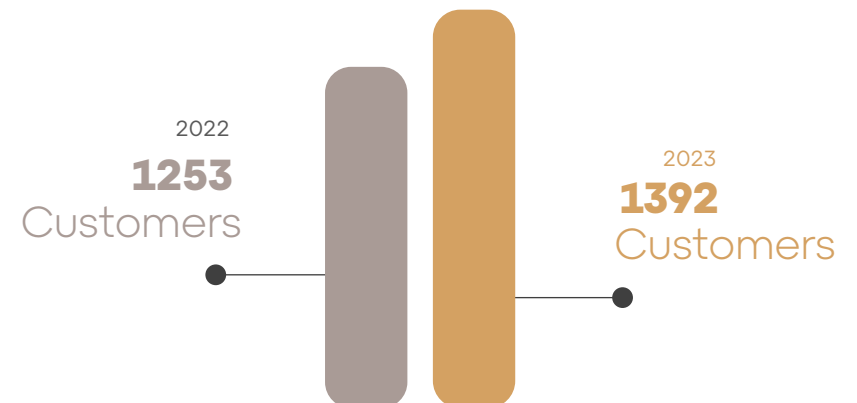
While the total number of customers was 1,253 in 2022, this figure increased by 11.1% to 1,392 in 2023. This growth demonstrates the improvement in customer satisfaction and the positive impact of the application of the ISO 10002 Standard. The feedback received during the management of customer complaints provides continuous improvement opportunities and directly contributes to the company's efforts to maximize the quality of its products and services.

The Customer Satisfaction Management System of İGSAŞ incorporates well-defined protocols for accepting, documenting, and handling complaints. Since the entire procedure is built on the principals of accessibility and transparency, customers may simply file complaints and get information at every turn. With the goal of consistently enhancing and enhancing customer satisfaction, this system oversees the assessment and resolution of customer complaints in compliance with the ISO 10002 Standard.

Complaints are processed with a customer-focused approach and every complaint is valued as an opportunity to improve customer satisfaction. This structure ensures that complaints are resolved in a timely and effective manner.



Customers





Dealer and Distributor Network

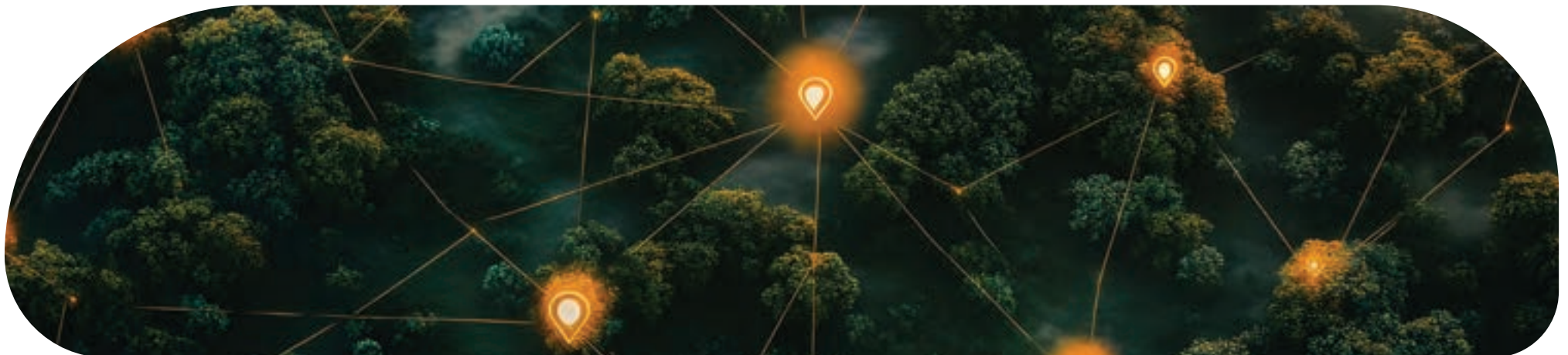
While the total number of İGSAŞ dealers and distributors was 766 in 2022, this number increased to 769 in 2023. This corresponds to a slight increase of 0.39%. This increase indicates the expansion of the company's dealer and distributor network and the sustainable growth of its market reach.

İGSAŞ strives to increase its market share and reach a wider customer base by continuously expanding its dealer and distributor network. This growth will be supported by the growing demand for the company's products and services and by maintaining high levels of customer satisfaction.

Number of dealers

2022
766
Deal

2023
769
Deal





SUSTAINABLE

Supply Chain Management



Sustainable Supply Chain Management

The design and management of the supply chain is a critical process for sustainability on a global scale. It is essential to ensure the uninterrupted continuity of companies' production and service processes. Most notably, it is essential to ensure sustainable consumption and production patterns in line with the responsible production and consumption targets set out in the Sustainable Development Goals. To achieve these goals, effective control of the supply chain is a prerequisite.

İGSAŞ's supplier selection and evaluation processes are diligently carried out in accordance with the company's sustainability policy. The defined procedures include supplier selection and evaluation criteria, candidate supplier selection processes, the establishment of an approved supplier list and performance evaluations. These processes provide a solid foundation for İGSAŞ's sustainable supply chain management and contribute to the achievement of the company's overall sustainability goals.

Supply chain management entails not only operational efficiency, but also environmental and social responsibility. When selecting suppliers, İGSAŞ has a preference for companies that minimize their environmental impact and support fair working conditions. Suppliers are required to provide environmental certificates (e.g. ISO 14001) and social compliance documents (e.g. SA8000), which play an important role in the approval process. It also improves sustainability performance in the supply chain by encouraging regular training and development programs for suppliers' employees.

İGSAŞ continuously evaluates its suppliers according to performance criteria. These evaluations are based on criteria such as quality, delivery time, environmental and social compliance.

İGSAŞ evaluates the suppliers' performance annually according to the established criteria and keeps the suppliers with high performance in the approved supplier list. Suppliers with inadequate performance are encouraged to initiate the necessary arrangements by working on improvement plans. This process plays a critical role in achieving İGSAŞ's continuous improvement and excellence goals.

When selecting suppliers, İGSAŞ gives priority to companies that minimize their **environmental impact and promote fair working conditions.**





İGSAŞ implements a comprehensive supplier selection and evaluation process to maintain sustainability and quality standards in the supply chain. The evaluation process of prospective suppliers is based on their ability to provide materials that directly affect product and service quality. This process includes steps such as reviewing candidates' product portfolios, on-site audits and verifying quality certifications. İGSAŞ also evaluates suppliers' environmental and social performance to ensure that they contribute to the goals of a sustainable supply chain.

Sustainable supplier relationships are an integral part of İGSAŞ's strategy to fulfill its environmental and social responsibilities.

When selecting suppliers, priority is given to companies that minimize their environmental impact and support fair working conditions. In this context, environmental certificates (e.g. ISO 14001) and social compliance documents (e.g. SA8000) are required from suppliers and play an important role in our

approval processes. In addition, regular training and development programs for suppliers' employees are encouraged to improve sustainability performance in the supply chain.

İGSAŞ adopts a systematic and effective approach to supply chain management and manages the supply of materials, services and raw materials required by the company. The supplier selection and evaluation process plays a critical role in maintaining the company's quality standards and increasing operational efficiency.

The main purpose of the supplier selection and evaluation process is to identify, approve and continuously evaluate the performance of suppliers that directly affect the quality of İGSAŞ's products and services. This process aims to ensure supplier compliance and continuity with company standards. This process is managed by İGSAŞ's Purchasing Department and extends to all supplies of products, services and raw materials that affect the quality of the company's products. Evaluation of potential

suppliers and performance evaluation of approved suppliers are important parts of the process. The supplier selection and evaluation process is coordinated by the Purchasing Department. In this process, personnel at all levels assume responsibilities defined as per their roles and mandates. This process is carried out by SM units in both domestic and international purchasing.

Sustainable supplier relationships are a key part of İGSAŞ's strategy to fulfil its environmental and social responsibilities.



İGSAŞ SUCCEEDS IN PACE WITH ETHICAL CONDUCT AND INNOVATIVE MANAGEMENT

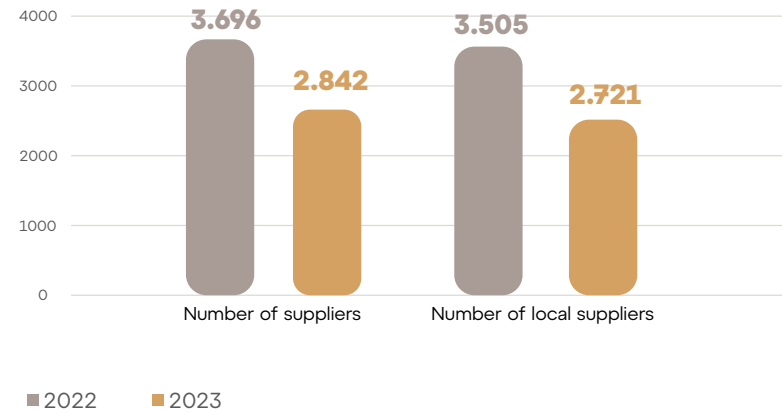


New suppliers are appraised based on product portfolios and initial interview results. Security checks are carried out on potential suppliers and more detailed interviews are scheduled with those deemed suitable. Candidate supplier performance is assessed against the specified criteria. Companies scoring 50 points and above are registered on the Candidate Supplier List. Suppliers may be added to the Approved Supplier List based on their performance after the trial studies.

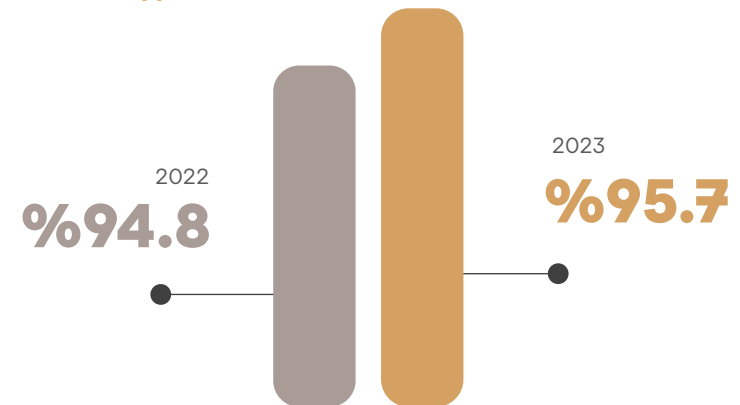
The performance of approved suppliers is evaluated on a yearly basis using the Supplier Performance Evaluation Form. Suppliers with 65 points and above remain on the list, while those with lower scores are evaluated together with senior management. This procedure ensures that İGSAŞ **maintains consistency and high standards in supply chain management, optimizes supplier relationships and supports customer satisfaction.**

Whereas the total number of suppliers was 3,696 in 2022, this figure fell to 2,842 in 2023. Similarly, the total number of local suppliers decreased from 3,505 in 2022 to 2,721 in 2023. This drop is an outcome of the identification of suppliers that have not been worked with for a long time in 2023 and the blocking process in the system. The strategic initiative was taken to increase the efficiency of the supply chain and to make the cooperation with current suppliers sustainable. With this arrangement, İGSAŞ managed its supplier relationships more effectively and focused more on operational excellence and sustainability goals. The percentage of local suppliers also increased from 94.8% to 95.7%.

Suppliers



Rate of local suppliers





Assessment Process for Service Providers

In an effort to improve operational effectiveness and customer satisfaction, İGSAŞ conducts exhaustive assessments of its service providers. This procedure is a crucial component of the business' supply chain management strategy since it aims to uphold and enhance quality and reliability standards. The evaluation process aims to objectively measure the performance of service providers against a set of criteria. These criteria include quality of service, timeliness, competence, reporting and feedback performance, ease of access, ability to provide emergency solutions and cost of service. Important factors such as compliance with security and privacy standards are also taken into account.

The selection and initial assessment of new suppliers is carried out in terms of overall competence and suitability. This stage is based on factors such as the supplier's past performance, references and reputation in the sector. Suppliers are assessed at regular intervals during the contract period or after completion of specific projects. These regular assessments encourage continuous improvement and ensure compliance with İGSAŞ standards.

Supplier performance is assessed using a scoring system for each criterion. The overall score reflects the supplier's overall performance and determines the direction of future business relationships. The overall score obtained as a result of the assessment plays a critical role in deciding whether to continue, develop or terminate the relationship with the supplier. The scoring results, as an important part of İGSAŞ's supply chain strategy, ensure continuous improvement of the supplier management policy.

The entire evaluation process is supported and managed by the senior management of İGSAŞ. The management ensures the transparency, impartiality and objectivity of the process and ensures its continuous improvement in line with the strategic supply management objectives. This process is an important tool for İGSAŞ to improve the quality and efficiency of its relationships with suppliers in the supply chain. The results of the supplier evaluation are integrated into the company's quality management system and customer satisfaction strategies.





Process for the Assessment of Material and Raw Material Suppliers

İGSAŞ is committed to continuously improving the quality and reliability of its supply chain by evaluating its material and raw material suppliers with an objective and systematic approach. This evaluation process is integrated with the company's overall quality management system and customer satisfaction strategies.

The assessment form uses a number of factors to measure and assess supplier performance. Price, product quality, meeting deadlines, quality documentation, technical and product analysis documents, and opinion are some of these criteria. When it comes to pricing, providers' offers are weighed against the state of the market, with the supplier that offers the lowest price earning the most points.

When products are evaluated for quality, their compliance with norms and requirements is checked; fully conforming products are awarded the highest marks. Suppliers who deliver by the deadline are awarded full points; compliance with the deadline is assessed by determining if the delivery was made on time. While quality documentation is assessed on the basis of the documentation available to the supplier, the presence of product analysis and technical documentation proves the transparency and technical competence of the supplier. Opinion evaluates the cooperation and after-sales support during the working process with the supplier and reflects the quality of the overall business relations.

The evaluation process begins with the receipt of quotations from suppliers for the required materials or raw materials. The evaluation form is completed by the relevant units and the performance of the suppliers is evaluated according to the defined criteria. The data collected is analyzed and general performance profiles of the suppliers are created. Based on the results of the evaluation, decisions are made to continue, develop or terminate the commercial relation with the supplier. This evaluation process is critical to ensuring the quality of materials and raw materials in İGSAŞ's supply chain, optimizing costs and reducing operational risks.

İGSAŞ aims to continuously improve the quality and reliability of its supply chain by evaluating its material and **raw material suppliers with an objective and systematic approach.**





STAKEHOLDER MANAGEMENT

on the Path to Sustainability



The Role of Stakeholder Management on the Path to Sustainability

İGSAŞ's sustainability progress is directly proportional to the correct and effective management of stakeholder relations. At the beginning of this process, it is of utmost importance to define stakeholders, determine their priorities and analyze how the current situation is compatible with these priorities. İGSAŞ attributes its sustainable success to the quality of its stakeholder relations.

İGSAŞ's corporate website has a customer-oriented structure to interact with its stakeholders. Corporate information, management approach and policies are openly presented to all stakeholders. This transparency is not only an obligation for İGSAŞ, but also an opportunity for communication and interaction. Customer satisfaction, one of the most critical elements of stakeholder relations, stands out as one of the priority issues for both internal and external stakeholders in the prioritization studies conducted in the sector.

In this context, İGSAŞ has acquired the ISO 10002 “Customer Satisfaction Management” Certificate to systematically manage and continuously improve customer satisfaction. This certificate represents a quantifiable indicator that customer satisfaction is a priority in the company's policies and daily operations. Customer-centric approaches and processes foster İGSAŞ's relations with its stakeholders and contribute to sustainable success.

İGSAŞ has been granted the **ISO 10002 “Customer Satisfaction Management”** certificate to systematically manage and continuously improve customer satisfaction.





Stakeholder Map

İGSAŞ employs various methods by using different channels to communicate directly or indirectly with all its stakeholders.

According to the audits and observations of the representatives who continue to work in the company,

1. **Employees,**
2. **Customers,**
3. **Suppliers,**
4. **Non-governmental organizations,**
5. **Chambers, universities,**
6. **Academic institutions,**
7. **Society and media,**
8. **Public institutions**

have been determined as the priority stakeholder groups of İGSAŞ.

İGSAŞ regularly evaluates the feedback from all its stakeholders and prepares its strategic plans by incorporating this feedback into its decision-making processes.

Stakeholder Group	Communication Channel	Communication Frequency
Employees	Employee Satisfaction, Engagement and Sustainability Surveys	Continuous
	SMS, Letters and E-mails	Continuous
	Notice Boards, Screens and Posters	Continuous
	Announcements and Circulars	Periodic
	YYH Yıldızda Yaşam Bulletin	Continuous
	Planned Special Day Celebrations	Continuous
	Meeting, Training and Seminars	Continuous
	Events, Organizations	Continuous
	Yıldızlarda Biz İtranet	Continuous
	İGSAŞ Webpage	Continuous
	Performance Management System (PMS)	Periodic
	İGSAŞ Social Media	Continuous
	CSR Activities	Periodic
	Face to Face Meetings	Continuous
	Evaluation Meetings	Periodic
Customers	Communication Campaigns	Periodic
	İGSAŞ Webpage	Continuous
	İGSAŞ Social Media	Continuous
	YYH Yıldızda Yaşam Bulletin	Periodic
	Satisfaction and Sustainability Surveys	Periodic
	Customer Visits	Periodic
	SMS, Letters and E-mails	Periodic
	Meetings, Seminars and Fairs	Periodic
	İGSAŞ APP Mobile Application	Continuous
	İGSAŞ Call Center	Continuous
	Brochures, Posters and Catalogues	Continuous
	İGSAŞ Toprak Portal	Continuous
	Promotional Products	Continuous



İGSAŞ SUCCEEDS IN PACE WITH ETHICAL CONDUCT AND INNOVATIVE MANAGEMENT



Stakeholder Group	Communication Channel	Communication Frequency	Stakeholder Group	Communication Channel	Communication Frequency
Suppliers	Supplier Portal	Continuous	Society and Media	Press Releases, Press Meetings, Interviews and TV Programs	Periodic
	SMS, Letters and E-mails	Periodic		Summit and Panel Participation	Periodic
	Supplier Visits	Periodic		Surveys	Periodic
	Meetings, Seminars and Fairs	Periodic		İGSAŞ Webpage	Continuous
	Satisfaction and Sustainability Surveys	Periodic		İGSAŞ Social Media	Continuous
	Supplier Evaluation	Periodic		YYH Yıldızda Yaşam Bulletin	Continuous
	İGSAŞ Webpage	Continuous		Declarations of Special Circumstances When Necessary	Periodic
	İGSAŞ Social Media	Continuous		Corporate Social Responsibility Projects	Periodic
	YYH Yıldızda Yaşam Bulletin	Periodic		Sponsorship and Donations	Periodic
	İGSAŞ Call Center	Continuous		Environmental Impact Assessment Report Preprocess	Periodic
NGOs, Chambers	Member Meetings	Periodic	İGSAŞ Call Center		Continuous
	Conference, Seminar and Fair Participation	Periodic	Public authorities, financial institutions and banks	İGSAŞ Webpage	Continuous
	Surveys	Periodic		İGSAŞ Social Media	Continuous
	Different Levels of Membership	Periodic		Official Visits	Periodic
	Corporate Social Responsibility Projects	Periodic		Audit and Reports	Periodic
Universities, Academic Institutions	Conference, Seminar, Fair and Career Talks Participation	Periodic			
	University - Industry Cooperation	Periodic			
	Internship Programs	Periodic			
	R&D Projects	Periodic			
	Training Collaborations	Periodic			
	İGSAŞ Webpage	Continuous			
	İGSAŞ Social Media	Continuous			
	Articles and Publications	Periodic			
	Scholarships, Internships and Cooperative Education Programs	Periodic			
	R&D Technologies and Collective Research	Periodic			
	Academic Congress	Periodic			

İGSAŞ regularly evaluates feedback from all its stakeholders and incorporates these views into its decision making processes to develop its strategic plans.



R & D

Sustainability with Innovative Solutions



Sustainability with Innovative Solutions: The Role of İGSAŞ R&D Center

Since its establishment in 2018, İGSAŞ R&D Center has been developing innovative solutions for industry and agriculture within Yıldızlar Yatırım Holding. The fundamental strategy of the centre is to lead Turkish agriculture, industry and defense by developing new products on a sectoral basis, training qualified human resources and continuously investing in science and technology. In line with these goals, the centre conducts high quality research and contributes to industrial innovation.

The employee statistics recorded in the Research and Development, Innovation and Digitalization departments in 2022 and 2023 are indicative of İGSAŞ's strategic human resources planning and capacity expansion efforts in these critical areas. While 17 employees, all male, worked in these departments in 2022, the total number of employees reached 21 as of 2023, and the number of female employees reached 2 as part of this rise. This demonstrates the company's commitment to gender diversity and the progress it has achieved.

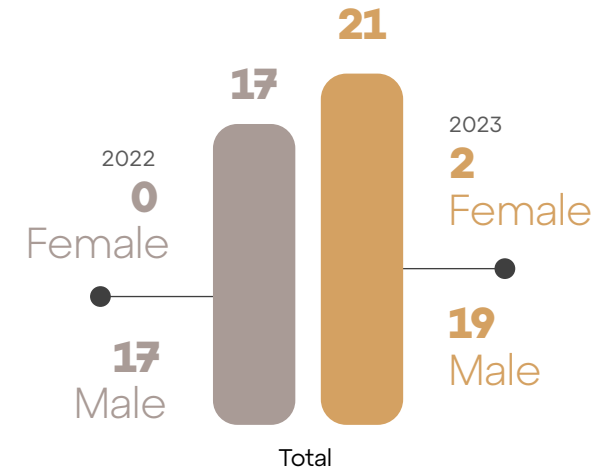
While the increase in the number of male employees from 17 to 19 indicates an increase in the overall capacity of the department and growth in the scope

of projects undertaken, the increase in the number of female employees is seen as a corporate policy aimed at more effective representation of women in the technology and innovation sector. These developments demonstrate İGSAŞ's continued investment in R&D and technological innovation, as well as its commitment to promoting workforce diversity and equal representation.

The budget allocated by İGSAŞ for R&D and innovation activities was approximately TL 4,935,714.44 million in 2022, and this amount increased to approximately TL 9,776,540.68 million in 2023. This significant increase reflects the company's commitment to R&D and innovation areas and its strategy to seriously increase its investments in these sectors.

The budget expansion in question is considered to be a strategic investment that will strengthen İGSAŞ's ability to develop innovative solutions, thereby boosting its competitive advantage. These investments are expected to play a critical role in the company's long-term sustainable growth objectives and in consolidating its technological leader position.

Number of employees in R&D, Innovation, Digitalization departments





R&D and Innovation Journey of İGSAŞ

İGSAŞ R&D Centre has developed new products with the support of university and industry cooperation and these products have reached the commercialization stage. In addition, a project carried out with the support of **TÜBİTAK 1501** has been successfully completed.

The Centre is in constant search of innovation by directing employees to Masters and Ph.D. programmes in order to increase academic and technical competencies. The R&D Centre actively participates in national and international congresses and symposia, transforms the information obtained into academic publications and increases İGSAŞ's scientific contributions to the sector. In order to protect intellectual property rights, İGSAŞ applies for patents and utility models for innovations and continues its work on EU projects.

Since its establishment, İGSAŞ R&D Centre has implemented 19 prestigious projects focusing on chemistry, agriculture, defense industry, artificial intelligence technologies, compliance with international regulations, green transformation

projects and industrial machinery equipment, adding value to the sector with scientific research and practical applications. Cooperation with institutions such as Dumlupınar, Eskişehir Osmangazi, Sakarya, Ankara, Kocaeli and Çanakkale 18 March Universities ensures the continuous development of R&D engineers and the increase of the centre's innovation capacity.

İGSAŞ R&D Centre has consolidated its presence in the global science and technology community with three international publications in 2021 and 2022 and the filing of its first patent application. Two utility models and a patent application filed in 2023 demonstrate the material outcomes of the continuous innovation and development process.

İGSAŞ R&D Centre, which influences the market dynamics with the innovative products it develops, has yielded satisfactory outcomes from industrial trials and makes significant contributions to the sector with its new products ready to be launched on the market.

İGSAŞ R&D Centre has implemented 19 major projects since its creation.



Budget allocated to R&D and Innovation (₺)

2022

4.935.714,44

2023

9.776.540,68



Extending Opportunities: New R&D Centre and Laboratories

In order to increase the capacity of İGSAŞ's R&D centre, a new R&D centre and modern laboratories will be built and commissioned in 2023. This expansion will increase the diversity and depth of İGSAŞ's R&D activities and its capacity to produce innovative solutions. The new facilities will further strengthen the company's leading position in the industry with expanded research areas and advanced testing capabilities.

Under the ministry's supervision, İGSAŞ maintains an R&D Centre at the Kütahya Facility where it conducts cutting-edge research using funds from both domestic and foreign projects as well as its own resources.

According to İGSAŞ's sustainability vision, research and development (R&D) studies are conducted on low-carbon or carbon-neutral fertilizer production technologies, green transformation projects, greenhouse gas emission reduction process optimization, using local agricultural waste, fertilizer technologies that preserve soil health, and genetic modification techniques that will allow plants to respond to

fertilizer use efficiently. In its factories and industrial facilities, the company aims to optimise water efficiency and increase energy efficiency, among other significant objectives.

İGSAŞ transforms scientific research into industrial applications by conducting joint studies with universities and research institutes. In this process, sustainable agricultural practices are developed by organizing field trials with farmers and farmer meetings where the results of these trials are shared.

The studies carried out at the R&D Centre are of great importance in achieving sustainable agriculture goals. To this end, applications for 4 patents/utility model registrations have been filed and 11 national/international articles have been published.

The company participated in project market events held in Kocaeli and Dumlupınar Universities and won the first place award from Dumlupınar University and the "Industrial Applicability of R&D Projects" award from Kocaeli University.

4 patent / utility model applications and 11 national / international articles





Vertical Farming: The Intersection of Sustainability and Innovation

The FAO considers increasing urbanization to be a “mega trend” that has a profound impact on how and what people eat. İGSAŞ has partnered with a vertical indoor farming project that transforms closed and vacant spaces in cities into productive vegetable gardens. This form of farming, which takes place in metropolitan areas without the need for sunlight, pesticides or soil, presents both significant opportunities and challenges.

Since its establishment, İGSAŞ has been committed to contributing to the more efficient and sustainable development of Turkish agriculture and continues its work under the motto “**Reading and Tracking the Soil.**”

İGSAŞ, aiming to support rational and technological agriculture by following the footsteps of the soil, offers vertical agriculture as an integrative method alongside traditional agricultural methods. Vertical agriculture contributes significantly to sustainable food production by stabilizing the price fluctuations of some products grown in traditional agriculture.





The Istanbul Indoor Vertical Agriculture Application Centre

The “**Istanbul Indoor Vertical Agriculture Application Centre**” project has been implemented in cooperation with the Ministry of Agriculture and Forestry and İGSAŞ. Located on the 8th floor of the parking lot of a cultural centre in Istanbul's Kağıthane district, 30 metres underground, the facility, which is the second deepest agricultural production site in the world, was opened and activities began in December 2022.

The project is the second deepest agricultural production site in the world. The facility, built on an area of 700 m², has three production units of 275 m² and a germination unit (25 m²). This facility has an annual **food production capacity equivalent to 20 acres of land on an area of 300 m².**

The primary purpose of the project is to create an information and R&D centre for vertical farming, rather than commercial activities, to prevent the loss of time and money through trial and error, and to guide other investors. **In this context, İGSAŞ has developed recipes for 70 different products and trained more than 7,000 students in one and a half years.** It has also hosted and provided information to many **domestic and foreign investors.**



99.6% less water consumption compared to conventional farming (for example: 250 litres of water are used to grow 1 head of lettuce in the field, this figure drops to 20 litres in automated greenhouses, the same product can be grown with 1 litre of water using the closed vertical farming method).



Using on-site production reduces product losses due to transportation. The **carbon footprint** is **thereby minimized.**



The capacity to produce **regardless of climate or location,**



Integrated production process from seed to harvest,



Thanks to **automated control,** all production parameters (light, temperature, humidity, plant nutrients, etc.) are precisely regulated to maximize efficiency.



Zero pesticide use,



Interruption-free production for 12 months/365 days,



40 to 100 times higher yield per unit area compared to conventional farming,



High and rich nutritional content,



Reduced labour requirements,



Modifiable product pattern,



Incorporation of vacant and under-used areas in production.



DIGITALIZATION



Digitalization

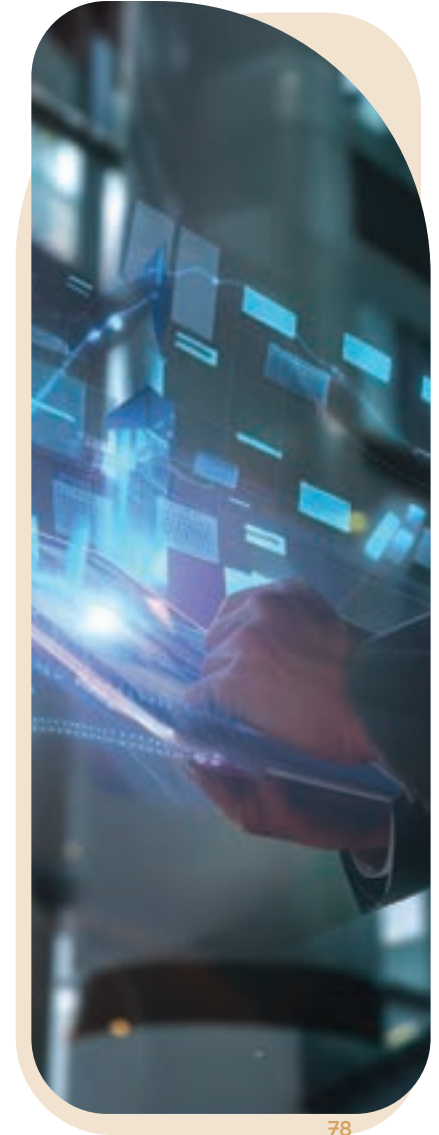
İGSAŞ is committed to creating change through its digital projects. Aware of the importance of digital for sustainability, it is conducting all its business processes in an end-to-end digital environment in an effort to lead the Turkish agricultural sector to a more modern level. In this context, the digital transformation studies that İGSAŞ has carried out with great motivation allow it to provide 24/7 support to both traders and farmers. The mobile application developed by İGSAŞ won the **“Inspiring Experience Special Award”**, and this success is an indication of the steps taken by the company on the road to digitalization.

The digitalization processes at İGSAŞ are carried out through various projects such as Team Procure, Masraff, E-Finance and Paperless Office. These projects are designed to enhance the company's digital memory, improve workflow processes and, in particular, centralize the purchasing organizations of İGSAŞ's factories. Operational efficiency will be improved, business processes will proceed more rapidly and error-free, and the Paperless Office application will contribute to environmental sustainability goals.

Digitalization and developing technologies offer opportunities to automate hazardous or error-prone tasks and increase the efficiency of operations. The Quality Document Management System (QDMS), used throughout the company, is a digital platform designed to support document management and quality control processes. QDMS increases the efficiency of operations and reduces errors by automating hazardous or error-prone tasks.

In addition, the Systems Applications and Products (SAP) software system that İGSAŞ has been using since 2009 aims to integrate business processes by connecting different departments at the company. The system links various departments such as Sales, Marketing, Finance, Project and Control, Technical Operations, Production, Purchasing, Corporate Communications, Logistics & Planning and Human Resources on a single platform, facilitating communication and facilitating more efficient work. The system assists companies in effectively managing their business functions and supporting decision-making processes. İGSAŞ effectively manages ISG (Occupational Health and Safety) processes by monitoring them via QDMS. Every operation that takes place in the field, from hammering a nail to more complex operations, is subject to work permits and these permits are monitored via SAP and handheld terminals. The SAP PM (Plant Maintenance) system used in the company's maintenance processes has been actively used since 2015 and increases the efficiency and safety of maintenance management processes. The S/4HANA immigration and transition phase was completed in 2022.

In the process of digitalization, İGSAŞ is operating guided by a vision that embraces not only technology, but also people and history. In its sustainability reports, it emphasizes crisis management and relations with society, and it also takes steps towards digitalization and modernization with this insight. Knowing that technology shapes not only the present but also the future, it heads toward the future in full awareness of this reality.





Digitalization Strategies and Goals

İGSAŞ will apply selection criteria to all suppliers from 2024 and will migrate to the e-procurement platform from December 2023. There may be limitations in working with companies that are not digitally mature. For this reason, the e-procurement application is intended to eliminate the deficiencies in digitalization and to accelerate the supplier registration and control process.

In our digital transformation, we act with a vision that embraces not only technology, **but also people and history.**





Digitalization 2024 / 2025 Projects



Online Data Collection, Data Monitoring and Storage

- Real-time collection, monitoring and secure storage of data generated in facilities.
- To increase efficiency and support rapid decision-making processes.



Optimization/Simulation Program

- Using simulation programs to optimize production processes and resource usage.
- Saving resources and reducing costs.



MRP (Material Requirements Planning)

- The use of material requirements planning (MRP) to make production and supply processes more efficient.
- Optimizing inventory management and reducing costs.



Sales Force / CRM Project

- Digitizing and improving customer relations management processes.
- Improving customer satisfaction and sales efficiency.



Data Analysis and Reporting

- Analyzing the collected data and reporting it through user-friendly dashboards.
- Optimizing business processes and facilitating performance monitoring.



E-Purchasing

- Conducting purchasing processes via digital platforms.
- To ensure speed and efficiency in procurement processes.



iK-S4Hana

- Digitalizing human resources processes by integrating them with the SAP S4Hana system.
- Optimizing HR processes and improving efficiency.



E-Commerce Sales Channel

- Making sales through e-commerce platforms and increasing revenues.
- Expand market share by exploring new distribution channels.



Digitalization of Payment and Approval Systems

- Conducting payment and approval processes via digital platforms.
- To ensure speed and efficiency in business processes.



Supplier Portal

- Creation of a portal for enhanced communication and collaboration with suppliers.
- Strengthening the supply chain and boosting efficiency.



Complaint Management Process

- Effectively manage and resolve customer and employee complaints.
- Improvement of customer satisfaction and employee



İGSAŞ B2B Portal - Toprak

- Creating a digital portal for B2B customers.
- Optimizing customer relations and business processes.



Gamification and Loyalty Project

- Using gamification techniques to enhance customer and employee engagement.
- Building and enhancing commitment and motivation.



İGSAŞ Mobile Application

- Providing mobile solutions for employees and customers.
- Improving accessibility and facilitating business processes.

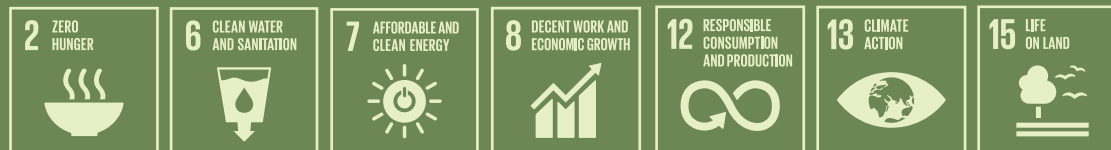


Reading and Tracking
"THE SOIL"



İGSAŞ grows in harmony
“WITH THE PLANET”

For sustainable growth, we ensure resilience to climate change
and compliance with global climate goals





İGSAŞ Grows in Harmony with the Planet

İGSAŞ produces and supplies raw materials and finished products for various industries, especially sustainable agriculture, thanks to its profound expertise and extensive know-how in the chemical sector. It has **integrated these processes with efforts to adapt to global climate goals such as climate change and resilience.**

İGSAŞ is committed to achieving the global targets set to combat climate change and aims to ensure that the company's operations adapt to these changes and become resilient. In this context, it develops policies that support the sustainable and climate-friendly development of the chemical sector.

This approach aims to both reduce environmental impacts and ensure the sustainable development of the sector. İGSAŞ also attaches great importance to the protection and management of water resources, and as water is considered a critical resource in the company's operations, the sustainable use and protection of water is one of the main objectives of this policy. These policies play an important role in achieving the company's environmental sustainability goals.



By taking measures to protect natural resources, İGSAŞ aims to mitigate direct and indirect emissions to soil, water and air.





< İGSAŞ GROWS “IN HARMONY WITH THE PLANET”



İGSAŞ has devised strategies to guarantee that agricultural performance aligns with sustainability objectives in a constant and ongoing manner. This approach supports both environmental sustainability and agricultural production by reducing the environmental impact of agricultural goods while increasing output. This strategy aims to minimize environmental impacts and lower carbon footprint, supporting ecological balance and environmental sustainability.

İGSAŞ adopts a proactive approach to climate change by following the scenarios of the **Intergovernmental Panel on Climate Change (IPCC)** and aims to make and implement strategic plans in line with these scenarios. To this end, it endeavours to respond to the potential impacts of climate change and to fulfil its environmental responsibilities. These strategies allow İGSAŞ to both meet global sustainability standards and strengthen its capacity to manage its environmental impacts as a sector leader.

By conducting comprehensive scientific and technological research to prepare all industries for the future, İGSAŞ is committed to ensuring that products and processes are innovative and sustainable. These studies focus on industrial innovation as well as reducing environmental impact and maximizing efficiency.

İGSAŞ prioritizes the **protection and promotion of local biodiversity**. This goal includes protecting biodiversity in its products and other organisms, and is crucial to maintaining the health of ecosystems and increasing biodiversity. Through its approach, İGSAŞ not only supports environmental sustainability, but also aims to have a positive impact on society by reducing the company's environmental footprint.

These strategies of İGSAŞ contribute to increasing environmental awareness and responsibility, promoting sustainable development in the sector.





İGSAŞ AND ENVIRONMENT

*Products and services
that add value to life...*



İGSAŞ GROWS “IN HARMONY WITH THE PLANET”

İGSAŞ and Environment

İGSAŞ, being aware of the significant environmental risks worldwide, has adopted the principles of sustainable growth and environmental awareness. As the company has a direct interaction with the consumption of natural resources, it has adopted the mission of respecting nature and people while providing its products and services. This mission is emphasized with the statement "We are a company that has adopted sustainable growth as a principle, offering products and services that add value to life while respecting nature and people." This approach reinforces the company's environmental and social commitments.

Adopting a proactive approach to global risks such as climate change, extreme weather conditions and biodiversity loss, İGSAŞ is taking pioneering steps to fulfill its environmental responsibilities. In this context, the Environmental Management Unit has been established. This unit is authorized by the Ministry in accordance with the Environmental Control Regulation and Environmental Law No. 2872 and regularly carries out monitoring and control as stipulated by environmental legislation.

İGSAŞ, which has been granted for ISO 9001, ISO 14001 and ISO 50001 certificates, works in accordance with international standards in the field of environmental and quality management. These certificates provide positive environmental contributions in combating climate change and resource efficiency. İGSAŞ's Environmental Management Unit has duties such as monitoring environmental impacts, following up on regulations and evaluating performance. To make sure that every employee is aware of their obligations regarding the environment, İGSAŞ organizes training sessions on environmental awareness throughout the year. The company's environmental policies are implemented more effectively as a consequence of these trainings.

In İGSAŞ environmental management, the following issues are key priorities:



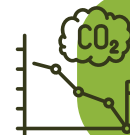
To manage the impact on the environment through the efficient use of natural resources, most notably water, and improved recycling.



Managing environmental impacts with a proactive approach and protecting the environment.



Procurement and all activities from the design stage to improve energy efficiency and performance.



To take strategic steps in line with Türkiye's 2053 Net Zero Emission and green development goals.



The reduction of emissions from activities in the context of the combat against climate change and the encouragement of the use of, and investment in, renewable and clean energy sources.



To prepare all stakeholders of the agricultural sector for combating climate change and sustainable agriculture.



ENERGY AND EMISSIONS

Management



Energy and Emissions Management

Energy Management

İGSAŞ is committed to developing energy management strategies as per the ISO 50001 Energy Management System standard in order to achieve energy efficiency, sustainable use and reduced environmental impact. The system is based on the company's principles of **continuous improvement, cost optimization and operational efficiency**. Management takes an active role in the development of energy policy and places energy management at the centre of the company's strategy. This commitment ensures that energy efficiency awareness is spread across all business units.

The energy management system structured within the framework of **ISO 50001** functions as a strategic tool to optimize energy use and reduce costs. The energy policy is regularly reviewed and updated in line with technological developments in the sector.

The energy policy, established under the guidance of senior management and with the participation of all employees, steers the company towards achieving its energy efficiency and sustainability goals. **Reducing energy consumption, switching to renewable resources and managing energy consumption effectively** are the cornerstones of this policy.



Our energy policy is predicated on reducing energy use, switching to renewable resources and managing energy consumption in an efficient manner.





< İGSAŞ GROWS “IN HARMONY WITH THE PLANET”



Energy Management

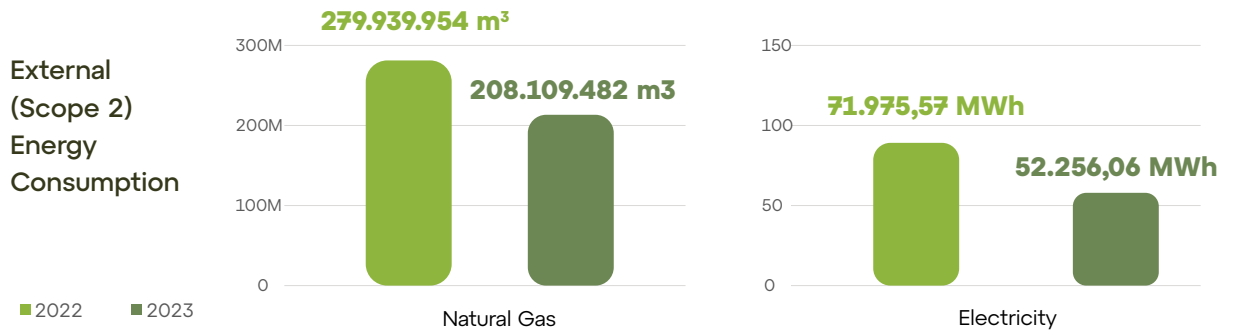
While energy production from waste heat was 40.264,36 MWh in 2022, it decreased to 27.033,39 MWh in 2023. The decommissioning of our waste heat plant, due to the shutdown of the production facility, led to a reduction in the energy produced from waste heat.

The reductions recorded in internal and external energy consumption in 2023 reflect İGSAŞ's determination to increase energy efficiency and achieve sustainability goals and targets.

Internal (Scope 1) Energy Consumption



External (Scope 2) Energy Consumption



Renewable Energy Sources

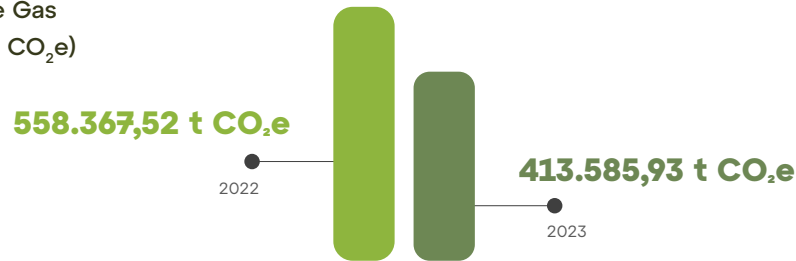




Monitoring and Management of Emissions

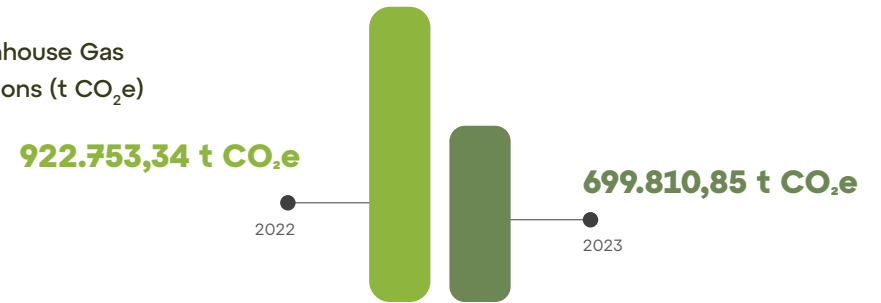
Scope 1 and Scope 2 emissions are generally calculated regularly at İGSAŞ facilities, while Scope 3 emission calculation studies, which were initiated as of 2023, allow for a broader perspective on relationships with the supply chain, customers and business partners. Calculating Scope 3 emissions supports the company in comprehensively evaluating its sustainability performance and maintaining transparent relationships with stakeholders.

Greenhouse Gas
Emissions (t CO₂e)



Scope 1 (Kocaeli)

Greenhouse Gas
Emissions (t CO₂e)



Scope 1 (Kütahya)





Decarbonization Strategies

İGSAŞ is taking strategic steps to achieve Türkiye's net zero emissions target by 2053 and is playing a leading role in this process. Sustainability and environmental responsibility are at the core of İGSAŞ's activities.

Strategies Followed by İGSAŞ to Achieve Carbon Neutrality Goal

Transition to Renewable Energy: We have set ourselves the goal of sourcing 35% of our electricity consumption from renewable energy sources within 3 years, and 65% by the year 2035. The change is an attempt to substantially curb carbon emissions related to the company's operations. These measures position İGSAŞ as one of Türkiye's leading companies in building a sustainable future. The company is also committed to being transparent at every stage of this process and sharing information with all its stakeholders.

Management and Monitoring of Air Emissions

İGSAŞ meticulously carries out the measurement and monitoring of emissions in order to meet the requirements of the regulations regarding air emissions. This process ensures that the company regularly monitors the air emissions resulting from its production activities and fully complies with the relevant regulations. Measuring and monitoring emissions supports the company's efforts to protect air quality and allows it to effectively manage its environmental impacts.

These practices not only fulfil İGSAŞ's responsibility to the environment, but also demonstrate the company's commitment to conducting sustainable operations. Beyond compliance with environmental regulations, İGSAŞ aims to make continuous improvements to proactively reduce and control its potential impacts on air quality.



Net Zero Emission
by **2053**



İGSAŞ GROWS “IN HARMONY WITH THE PLANET”



İGSAŞ continuously evaluates its environmental performance by regularly monitoring and reporting air emissions. Emission measurements taken every two years demonstrate the facility's commitment to protecting air quality. In particular, the continuous monitoring of NOx emissions with the Continuous Emission Measurement Systems and the measurement of particulate matter, heavy metals and halogen compounds at specified intervals demonstrate the facility's proactive approach to environmental impact management.

Air emissions measured in 2023 are expressed below in terms of mass flow.

Particulate Matter (Dust)

2,5694
kg/saat

No measurements were made in 2022, emissions are measured every 2 years. Data is extracted from the 2023 emissions measurement report.

NOx

292,65
mg/Nm³

It is the 2023 average data from the Ministry of the Environment's Continuous Monitoring Centre System of our smokestack with Continuous Emission Measurement Systems installed.

Heavy Metal

0,00052
kg/saat

No measurement was made in 2022, emission measurements are made every 2 years. Data is extracted from the 2023 emission measurement report. (It is the sum of Pb-Cd-Tl values.)

Halogen (HCl, HF)

0,0012
kg/saat

No measurement was made in 2022, emission measurements are made every 2 years. Data is extracted from the 2023 emission measurement report. (HF value has been recorded.)





ENERGY EFFICIENCY

and Emission Reduction Studies



İGSAŞ GROWS “IN HARMONY WITH THE PLANET”

Energy Efficiency and Emission Reduction Studies

Solar Power Plant (SPP) Installation for İGSAŞ Kütahya Facility

İGSAŞ aims to save 44,000 MWh of energy annually and achieve financial savings of around TL 125 million with the Solar Power Plant (SPP) project planned for its Kütahya facility. With this project, it aims to make a significant contribution to the 2053 Net Zero targets and reduce production-related emissions to zero. The project is currently in the official application phase and, if successfully implemented, will significantly reduce environmental impact by increasing energy efficiency.

Green Ammonia Pilot Plant Installation

The establishment of the Green Ammonia pilot plant aims to provide technical developments in the fertilizer sector and to advance innovation in this field to the next level through R&D studies.

This project is an important step towards sustainable fertilizer production and will pave the way for future innovative applications.

N₂O Reduction Project

The N₂O Reduction Project will deliver approximately TL 70 million of efficiency and reduce approximately 1,000,000 tons of CO₂ emissions per year on a national basis. The main objectives of the project are to protect the earth and contribute to a sustainable future. This project will play an important role in achieving environmental sustainability goals by providing large scale energy savings and emissions reductions.

With Solar Power
Plant (SPP) Installation
for İGSAŞ Kütahya
Facility

10.000 kW

Plant installation

Annual

52.725.000 ₺

financial savings

With N₂O
Reduction
Project

Yıllık

CO₂ emissions decreased by

1.000.000 TONS

70 Million ₺

Efficiency



WASTE MANAGEMENT



Waste Management

İGSAŞ is diligent in its waste management activities at its facilities in accordance with the waste management plans approved by the Ministry. Waste volumes, recycling rates and the use of non-hazardous waste are regularly monitored and reported.

İGSAŞ takes important steps in waste management and regularly monitors waste volumes. The management of hazardous and non-hazardous waste, recycling rates and reuse rates are of great importance in terms of minimizing environmental impact.

The progress made in the management of hazardous waste in 2023 is an important step towards achieving environmental sustainability goals. The decline in recycling rates for non-hazardous waste will be carefully monitored and the necessary measures taken.





< İGSAŞ GROWS “IN HARMONY WITH THE PLANET”



Kütahya

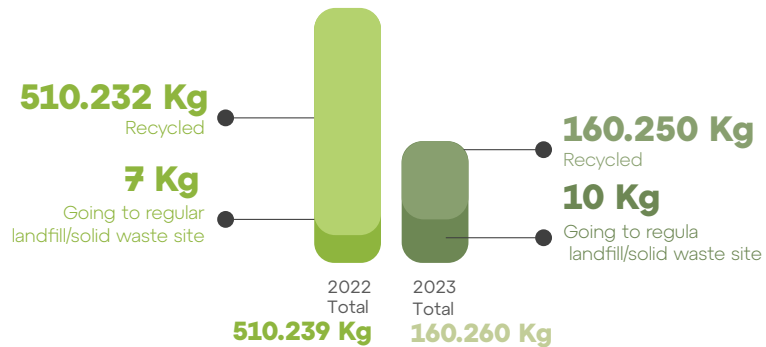
Hazardous Waste Quantity

Substantial changes are observed in the amount of hazardous waste between 2022 and 2023. The amount of hazardous waste disposed of in landfill/solid waste increased from 7 kg in 2022 to 10 kg in 2023. The amount of hazardous waste recycled decreased from 510,232 kg in 2022 to 160,250 kg in 2023. Although these changes reflect different approaches or process changes in waste management strategies, this decline suggests that hazardous waste is being managed more effectively and recycling rates are increasing.

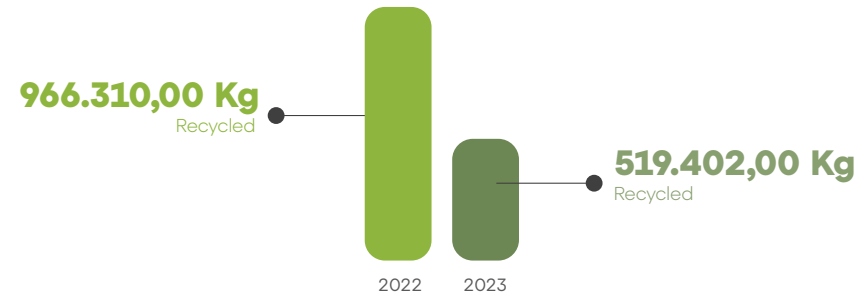
Non-Hazardous Waste Quantity

The amount of recycled non-hazardous waste decreased from 966,310 kg in 2022 to 519,402 kg in 2023. This decrease indicates a decrease in recycling rates.

HAZARDOUS WASTE QUANTITY (KG)



NON-HAZARDOUS WASTE QUANTITY (KG)





İGSAŞ GROWS “IN HARMONY WITH THE PLANET”

Kocaeli

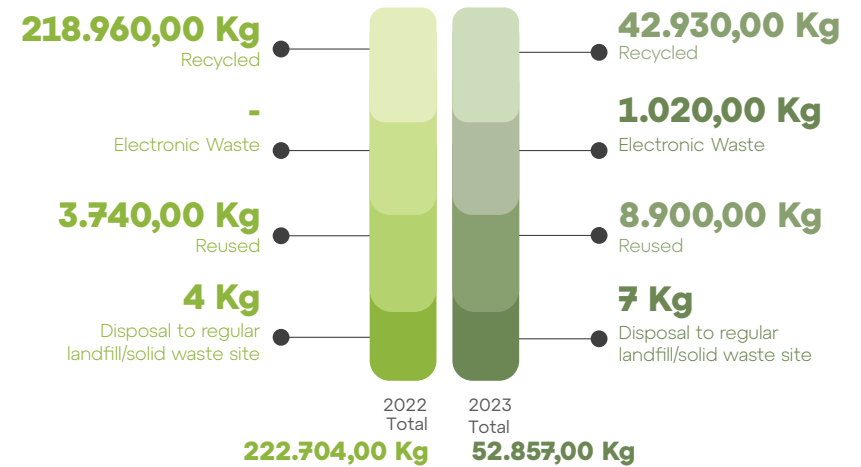
Tehlikeli Atık Miktarı

There are substantial changes in the amount of hazardous waste between 2022 and 2023. The amount of hazardous waste sent to regular landfill/solid waste increased from 4 tons in 2022 to 7 tons in 2023. The amount of hazardous waste reused increased from 3,740 tons in 2022 to 8,900 tons in 2023, which is a significant increase. 1,020 tons of electronic waste was added in 2023. The amount of recycled hazardous waste decreased from 218,960 tons in 2022 to 42,930 tons in 2023. These changes may reflect different approaches to waste management strategies or changes in processes. The total amount of hazardous waste decreased from 222,704 tons in 2022 to 52,857 tons in 2023. This decrease indicates that hazardous waste is being managed more effectively and that recycling or reuse rates are increasing.

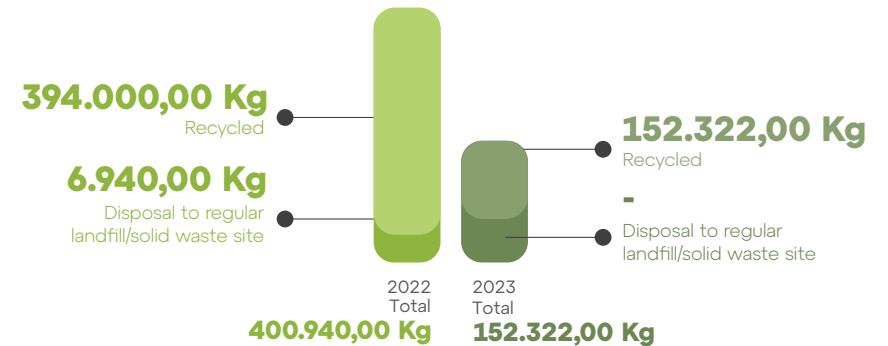
Non-Hazardous Waste Quantity

The amount of non-hazardous waste sent to regular landfill/solid waste in 2022 was recorded as 6,940 tons and this data was not reported in 2023. The amount of non-hazardous waste recycled decreased from 394,000 tons in 2022 to 152,322 tons in 2023. The total amount of non-hazardous waste decreased from 400,940 tons in 2022 to 152,322 tons in 2023. This decrease was due to long-term production shutdowns in 2023. During this period, no waste was released from the factory, only non-hazardous waste from routine maintenance activities was sent for recycling. It is possible that the amount of non-hazardous waste will increase in the coming years as the plant is overhauled, and it is planned to carefully assess this situation in the environmental management processes.

HAZARDOUS WASTE QUANTITY (TON)



NON-HAZARDOUS WASTE QUANTITY (TON)





WATER CONSUMPTION

and Waste Water Management



Water Consumption and Waste Water Management

İGSAŞ's Kocaeli facility closely monitors its water consumption and waste water discharge performance. This process reflects the company's commitment to responsible use of water resources and sustainable water management.

Water consumption at the Kocaeli facility is regularly monitored and recorded using advanced metering systems. In addition, continuous online monitoring of wastewater discharge performance is critical to minimizing potential impacts on water quality and ensuring environmental compliance.

These practices demonstrate İGSAŞ's commitment to the protection and effective management of water resources as part of its efforts to reduce its impact on the environment.

Optimizing water consumption and effectively managing wastewater are important elements of the company's environmental sustainability strategy. This approach enables the company to both comply with environmental regulations and contribute to the protection of natural resources.

Domestic Waste Water Management and Treatment Process Analysis

Domestic waste water is collected from three main sources: the administration building, the commercial building and the cafeteria. A total of 400 m³ of waste water per day is discharged from these sources into the biological treatment plant.

At the treatment plant, the waste water is treated through a series of biological processes. The daily discharge capacity of the plant is 95 m³, demonstrating that the facility has a high purification capacity.

The treated waste water is discharged into the Marmara Sea in compliance with environmental regulations. To monitor water quality, samples are taken from the facility's discharge point every two months and analyzed by an accredited laboratory. These analyses are important to evaluate the performance of the treatment plant and ensure compliance with environmental standards.

The sludge resulting from the treatment process is classified as non-hazardous waste and is safely disposed of by a licensed company. Regular inspection and reporting of processes at the treatment plant ensures environmental monitoring and management of the facility.





Industrial Waste Water Management and Water Treatment Processes

Industrial waste water generated at the facility, particularly water contaminated with oil, is isolated using a separator unit. This process ensures that greasy components are effectively separated from the water, and the purified water is then discharged into the sea as per environmental standards. This process is of critical importance to prevent water pollution and harm to the marine ecosystem.

The demineralized water required for the facility's operational processes is obtained by treating water supplied from the mains in the water treatment unit. This process reduces the mineral content of the water and makes it suitable for industrial use, preventing corrosion and sedimentation that might occur during the process.

Separator Unit:

The unit discharges 48 m³ of wastewater per day. Samples taken from this unit every four months are analyzed to control the quality of the waste water and the effectiveness of the treatment process.

Demineralization Unit:

The unit produces demineralized water at a daily capacity of 370 m³. Samples taken from this unit are regularly monitored and analyzed to ensure compliance with environmental regulations.

Urea Production Unit:

The unit discharges 860 m³ of wastewater per day. The unit's discharge is regularly monitored and analyzed to ensure compliance with environmental regulations.

These processes are deemed to be part of sustainable water management practices at the facility. Regular sampling and analysis ensures that the facility's water use and waste water treatment methods comply with environmental regulations. In addition, optimizing water purification and waste water treatment processes is a means of conserving water resources and reducing environmental impact.

Separator Unit:

Wastewater
discharge

48 m³
per day

Demineralization Unit:

Demineralized water
generation

370 m³
per day

Urea Production Unit:

Wastewater
discharge

860 m³
per day



İGSAŞ GROWS “IN HARMONY WITH THE PLANET”

Kocaeli Water Consumption Information

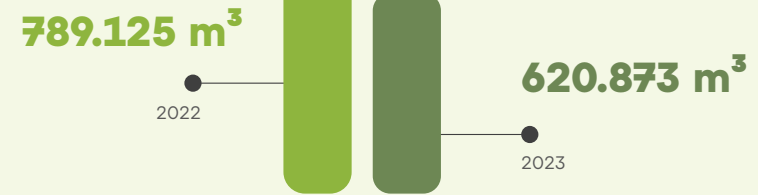
The water consumption data between 2022 and 2023 reveals that İGSAŞ has undertaken significant actions in water management. While the consumption of mains water was 789,125 m³ in 2022, it decreased to 620,873 m³ in 2023. This decrease was due to long-term production shutdowns in 2023. Surface water, especially from the Sea of Marmara, was used for cooling purposes only in both years and was not included in the processes. Surface water, especially from the Marmara Sea, remained constant in both years and was used only for cooling purposes and not in the process. Total water consumption decreased from 789,125 m³ in 2022 to 620,873 m³ in 2023. The main cause of this difference is the long-term interruption of production in 2023.

In terms of water use intensity, the intensity decreased from 1,081 m³/ton in 2022 to 0.909 m³/ton in 2023. The decline indicates that water is being used more efficiently in production processes and that water consumption is being optimized.

İGSAŞ's regular monitoring and reporting of this data supports its water management commitments and sustainability strategies. These practices reflect the company's determination to reduce its environmental impact and protect water resources.

Toplam Su Tüketimi

Mains water



Surface waters

(Wetlands, rivers, lakes, seas and similar sources)



*Water collected from the Marmara Sea is not used in the process, but only for cooling purposes.

Water Use Intensity

(Total Water Use / Total Production)



It was calculated by dividing the total annual production of ammonia, urea and compound, fertilizers by the amount of water used from the mains.



BIODIVERSITY

and Ecosystem Management



< İGSAŞ GROWS “IN HARMONY WITH THE PLANET” >

Biodiversity and Ecosystem Management

İGSAŞ attaches special importance to biodiversity and ecosystem assessment issues. The company conducts biodiversity assessments in its **Environmental Impact Assessment (EIA)** processes to carefully analyze the environmental impacts of its investments. These assessments enable İGSAŞ to determine the potential impacts of its projects on natural habitats and ecosystems and to take the necessary precautions.

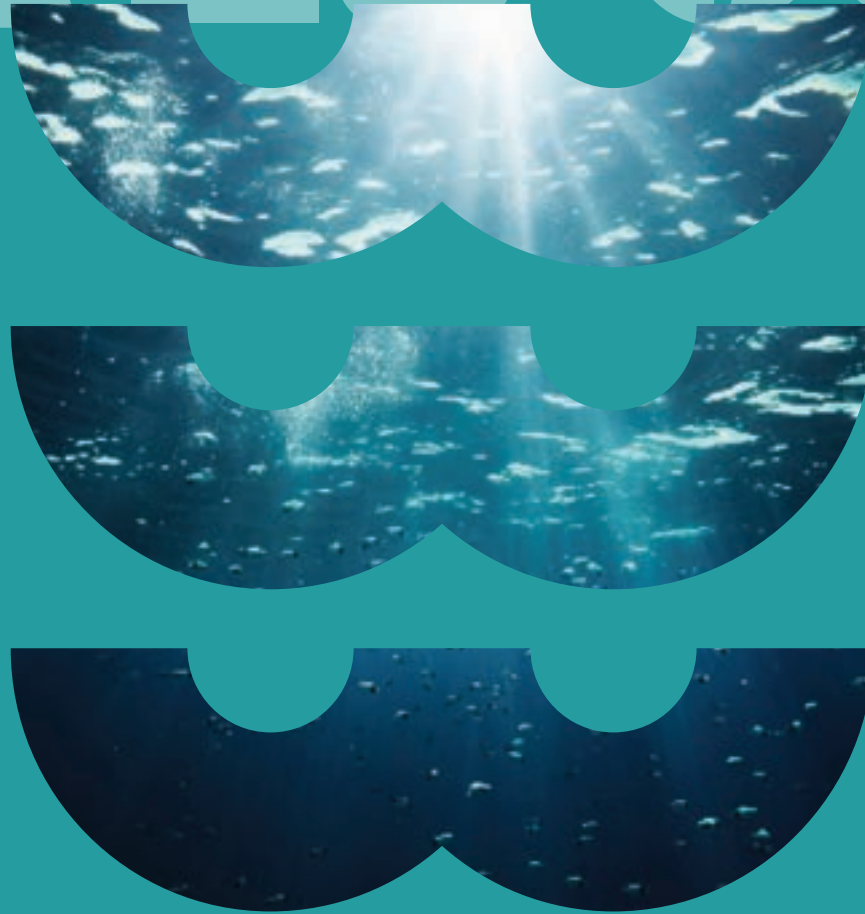
In addition, İGSAŞ takes biodiversity impacts into account in its corporate carbon footprint and **Life Cycle Assessment (LCA)** calculations. These calculations comprehensively assess the overall environmental impact of company activities and help develop sustainable management strategies.

Management of Chemicals

Hazardous chemicals are stored in accordance with safety and environmental standards. Chemicals are stored in raw material storage tanks and plastic drums. These drums are arranged so that both sides and tops are covered to prevent exposure to rainwater. In addition, different types of chemicals are stored separately to minimize the risk of cross-contamination. This storage method ensures the safe and efficient use of chemicals.

The necessary declarations have been made for the hazardous chemicals produced and used in the facility. These declarations include hazardous chemicals between 1-1000 tons and over 1000 tons. The declaration of these chemicals is made through the **Chemical Inventory Notification System** and this process is important in terms of transparency and regular auditing of chemical management in the facility.





Reading and Tracking
"THE SOIL"



“ WE BUILD THE FUTURE ” *Together*

We contribute to social change by preparing
our employees and society for the future





Together, We Build The Future

İGSAŞ has adopted the effective and efficient use of human capital as a strategic priority in order to ensure the continuity of the company by adapting to changing conditions and increasing its profitability and competitiveness.

İGSAŞ carries out facilitating activities in the regions and business areas where it operates so that all direct and indirect stakeholders can benefit fairly from development and actively supports the development of its stakeholders. In particular, the company focuses its main activities on contributing to agricultural development, thus helping to promote sustainable agricultural practices both locally and on a large scale.

İGSAŞ guarantees **an ethical business structure by adhering to universal human rights and principles in all its processes.** The company shapes its work to include all elements of diversity, especially gender, thus supporting equal opportunities and diversity policies. By defining the social citizenship sphere of the institution, İGSAŞ leads social responsibility projects and aims to increase the welfare of various segments of society through these projects. This approach expands the company's social impact field and contributes to the goals of sustainable development.

İGSAŞ aims to establish reliable, ethical and continuous relationships with all stakeholders by ensuring the continuity of future employment. The objective of İGSAŞ is to increase the positive local and global awareness of the social structure along with the protection and development of the environmental elements in the regions where it operates. In this context, pioneering the advancement of the economic system supports the overall strategic goals of İGSAŞ. İGSAŞ has extended its occupational health and safety practices to internal and external stakeholders and has organized different programs to develop the talent areas of the institution's employees. It also aims to increase economic and social resilience through stakeholder support programs.

İGSAŞ has increased its R&D and P&D activities to ensure the future of the company and has increased its contribution to innovation by following global changes with innovation suggestion systems. The company's social responsibility projects have been put into practice by implementing concrete projects that support social development. These various initiatives reinforce İGSAŞ's commitment to sustainability and social impact and strengthen its ties with society.



Embracing the "We Are A Team" culture;

Our priority is to create a working environment that inspires and motivates our employees, to ensure the continuity of employee satisfaction, which is the most valuable asset for the continued success of our company, to be the most preferred company in the industry and to maintain this position by developing the knowledge, skills and abilities of our highly qualified employees who are customer focused, socially responsible, concerned with ethical values, always striving to win, to reveal their potential and to ensure that they consistently deliver superior performance.

As part of our customer-focused approach, we place the right people in the right jobs, select high potentials from within the company, ensure their development in different business areas through rotation practices, evaluate their performance through the performance management system, plan their careers through appointments and maintain our long-term relationship with our employees.





HUMAN RESOURCES

Management



Human Resources Management

İGSAŞ Human Resources Policy provides a comprehensive framework for the development and well-being of its employees through Mission, Vision, Strategy, Code of Conduct and Working Principles. These basic tools define the company's methodology and responsibilities for basic human resources functions such as performance management, talent management, recruitment, termination, career planning, training, compensation, leaves and occupational health and safety. These policies and principles underpin the company's HR strategies and ensure that all employees are empowered according to their skills and aspirations.

The Human Resources Department of İGSAŞ undertakes critical tasks such as designing and implementing systems and processes that promote a high-performance culture and support continuous development. This department builds an inclusive environment that enables employees to make the most of their talents and ensures their professional development.

The work carried out by Human Resources aims to achieve effective human resource management and organizational success in line with the company's

overall strategy and goals. These processes contribute to maintaining İGSAŞ's competitiveness and market leadership in the sector while increasing employee satisfaction and retention.

İGSAŞ is committed to upholding fundamental human rights at work, promoting decent work opportunities, providing social protection and fostering dialogue at work as stipulated in the International Labour Standards of the International Labour Organization (ILO). These commitments testify to the company's commitment to social responsibility in human resources management and the importance it attaches to employees' rights.

Issues such as recruitment, dismissal, career planning, training, remuneration, leave and occupational health and safety are made explicit in the Code of Conduct and Working Principles. These methods and responsibilities reveal that İGSAŞ has a systematic and transparent approach to human resources management. The company follows the procedures established in the career planning and development processes, conducts fair and open compensation policies and performance evaluations, and meticulously implements occupational health and safety measures.



The processes of career planning and development at İGSAŞ are carried out in a fair and transparent manner.





Recruitment and Orientation Processes

İGSAŞ implements a comprehensive procedure to manage effective recruitment and termination processes. The process incorporates all steps from candidate selection, recruitment, orientation processes and termination, and ensures that the respective steps are carried out in a transparent, impartial and efficient manner.

Recruitment Process

November and December of each year are dedicated to workforce planning, which sets the stage for the recruitment process. Employees trained within the company are first assessed for open positions. Should external recruitment be required, candidates are sourced through occupational safety experts, career websites and other professional networks. Candidates are selected on the basis of technical and behavioural competencies and the process is diligently managed by the Human Resources Department.

The Process of Leaving Work

The dismissal process includes steps such as termination of the employee's contract, severance payments and exit interviews. These processes are coordinated by the Human Resources department and are carried out respecting labour law and company policy. Employee feedback is obtained through exit interviews and this information is used to improve future recruitment and termination processes.



Transparent, fair and efficient process management....

Notice Periods

Notice periods, which are governed pursuant to the Turkish Labour Law, are determined according to the employee's tenure of service:

- **Less Than 6 Months:** Should an employment contract be terminated, a notice period of at least two weeks must be observed.
- **From 6 Months To 1.5 Years:** The minimum notice period is 4 weeks.
- **From 1.5 Years To 3 Years:** The notice period must be at least 6 weeks.
- **More Than 3 Years:** Notice of termination must be given at least 8 weeks in advance.

The diligent management of these processes is instrumental in enhancing employee satisfaction and İGSAŞ's employer brand. In addition, transparency and effectiveness in the company's human resources management boosts employee commitment to the company and overall job satisfaction.



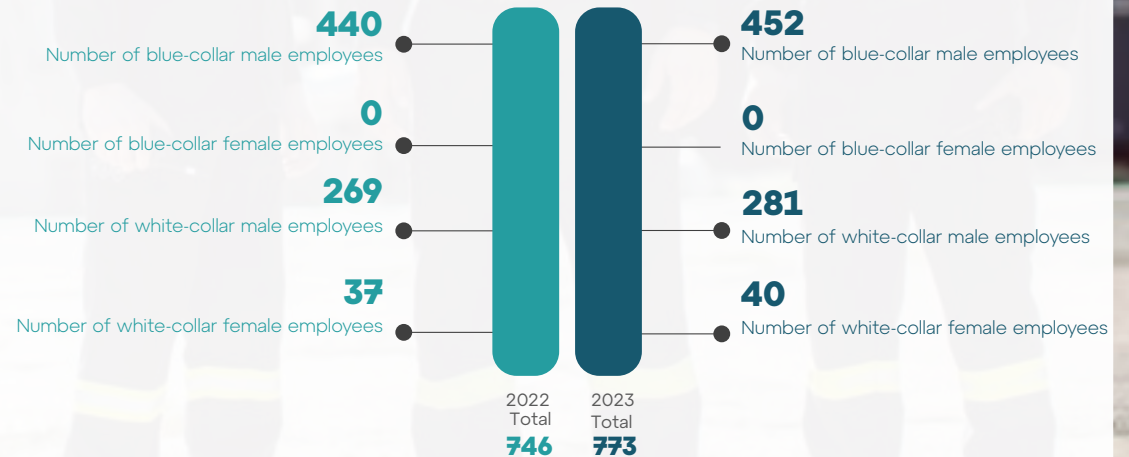
Employment and Employee Demographics

The rise in the number of employees during İGSAŞ's transition period from 2022 to 2023 reflects the company's overall growth strategy and the expansion of its operational capacity. During this period, the total number of employees increased by 3.62% from 746 to 773.

In particular, the 8.11% increase in the number of female employees demonstrates the favorable outcome of İGSAŞ's policy to promote the employment of women and reveals its efforts to increase the participation of women in the workforce.

The number of white-collar employees climbed from 306 in 2022 to 321 in 2023, representing an increase of 4.9%. The number of male blue-collar employees in this segment increased by 2.73%, from 440 to 452.

EMPLOYEES





Employees	2022			2023		
	Female	Male	Total	Female	Male	Total
Under 30 years old	6	134	140	8	158	166
Between 30 and 50 years old (including 30 and 50)	30	482	512	31	491	522
Over 50 years old	1	93	94	1	84	85
Total	37	709	746	40	733	773

Distribution by Age Groups

The rise in the number of employees of İGSAŞ in the transition period from 2022 to 2023 reflects the general growth trends of the company and the need to expand its employment capacity. Examining these employment trends in detail by age group, the company's strategic human resources planning and demographic diversity for different age groups can be clearly perceived.

The number of employees under 30, which was 140 in 2022, rose to 160 in 2023. With this increase, the number of young female employees moved from 6 to 7, demonstrating an increase in the proportion of young female employees. The number of employees aged between 30 and 50, the company's largest employee group, has risen from 512 to 522. The rise demonstrates the company's commitment to the employment of middle-aged professionals. The significant increase in the number of female and male employees reflects the success of the strategic recruitment and retention policy for this age group.

The data indicates İGSAŞ's comprehensive approach to managing HR strategies and demographic diversity based on age groups.

The company aims to better assess the needs and expectations of its employees in different age groups and to provide them with appropriate working conditions and career opportunities. In addition, the increase in the number of young female employees and the increase in the number of middle-aged employees, in contrast to the decrease in the number of young employees, indicate that the company has developed special strategies for different age groups and that these strategies are being successfully implemented.



< TOGETHER, WE BUILD THE FUTURE



Recruitment and Termination Statistics

The 87 new hires in 2023 demonstrate the company's efforts to adapt to expanding business lines and increasing workload capacity. The new hires are aimed at closing strategic talent gaps, particularly in key areas such as Technology, Operations and Marketing. The high number of new hires also supports the company's goal of creating a skilled and diversified workforce in line with its overall growth strategy. The causes of the 58 departures in 2023 include resignation, retirement and other personal reasons.

	2022			2023		
Number of employees by age	Female	Male	Total	Female	Male	Total
Under 30 years old	3	38	41	3	35	38
Between 30 and 50 years old (including 30 and 50)	11	33	44	5	38	43
Over 50 years old	0	2	2	0	2	2
Total	14	73	87	8	75	83





Seniority

In this category, where the number of employees with 0-5 years of experience was 321 in 2022, this number decreased to 249 in 2023. The increase in the number of female employees is a positive development. The number of employees with 5-10 years of experience increased from 159 in 2022 to 264 in 2023. This major increase reflects the career development opportunities offered by the company to current employees and the tendency of employees to stay longer with the company. The number of employees with 10 or more years of service decreased from 366 in 2022 to 260 in 2023. This decrease is due to the retirement of long-term employees (with the new "Victims of Delayed Pension Age Law").

Employment of Individuals With Disabilities

IGSAŞ's efforts to support social diversity and provide an inclusive work environment for all employees are highlighted by the importance it places on the employment of individuals with disabilities. This approach not only reflects the company's perception of social responsibility, but also strengthens the company's overall innovation and employee satisfaction by promoting diversity and inclusiveness in the workplace.

2022

2023

Number of employees by seniority

	Female	Male	Total	Female	Male	Total
Number of employees employed for 0-5 years	25	296	321	29	220	249
Number of employees employed for 5-10 years	6	153	159	7	257	264
Number of employees employed for 10 years and above	6	260	266	4	256	260
Total	37	709	746	40	773	773

2022

2023

Number of disabled employees

	Female	Male	Total	Female	Male	Total
Number of employees with disabilities by gender	0	17	17	0	19	19



Maternity/Parental Leave

The increase in the use of leave by male employees reflects the company's efforts to promote gender equality and policies that encourage male employees to be more involved in family life. It is indicative of the new modern corporate culture, shifting away from traditional parental roles.

High Return-to-Work Rates

The high rate of return to work after leave indicates that employees appreciate the company's parental leave policies and trust the company. Furthermore, it confirms that the support and flexibility offered by the company to its employees retains them in the workplace.

	2022			2023		
Maternity/Parental Leave	Female	Male	Total	Female	Male	Total
Number of employees on maternity/parental leave	2	48	50	1	38	39
Number of employees returning to work after leave	2	48	50	1	38	39



INCLUSION

and Diversity



Inclusion and Diversity

In order to succeed in today's rapidly changing world, İGSAŞ embraces the concept of inclusiveness and diversity and takes steps to ensure equality in all aspects. The commitments included in the company's Code of Conduct and Working Principles play an important role in protecting the rights of employees and countering discrimination. With these commitments, İGSAŞ clearly demonstrates that it values all its employees and appreciates their contributions.

For the selection of employees, İGSAŞ bases the minimum qualifications of candidates on their education, interests, skills and work experience. These objective criteria promote a fair recruitment process and ensure equal opportunities for all candidates.

İGSAŞ protects the rights of its employees as stipulated by national and international standards, ensures that they feel safe and provides a fair working environment.

In terms of the company's management team and gender diversity, there are 27 male and 3

female managers in the senior management team. This situation shows that gender diversity in management needs to be improved. İGSAŞ has set targets for gender diversity in management positions and at the level of the Board of Directors. With these targets, it aims to increase the representation of women in particular and to achieve this representation within the specified timeframe. There are 8 women working at unit manager level, which underlines the importance the company attaches to diversity.

İGSAŞ's ongoing efforts to increase the number of women in its management team both strengthens the balance within the company and ensures the integration of different perspectives in its business processes. In this context, it has implemented specific programs and mentoring initiatives aimed at maximizing the leadership potential of female employees. These programs support the career development of female employees by encouraging them to run for managerial positions.





DIVERSITY AND EQUAL OPPORTUNITIES



Senior Management	2022			2023		
	Female	Male	Total	Female	Male	Total
30-50 years old	2	17	19	3	22	25
Over 50 years old	0	5	5	0	4	4
Total	2	22	24	3	26	29

İGSAŞ has restructured its recruitment and promotion processes to promote gender equality. The company promotes opportunities for female candidates to advance in their careers by implementing a **bias-free and transparent evaluation** process. In addition, gender diversity and inclusion training organized for all employees aims to raise awareness among team members and eliminate gender based prejudices.

Finally, by developing collaborations with other companies and non-governmental organizations, they have the opportunity to learn best practices on gender diversity and integrate these practices into company policies. These practices contribute to İGSAŞ's sustainable and effective operational performance, while helping to reinforce its leadership position in the sector. The company's inclusive and diverse business culture also has the potential to increase overall corporate performance and employee satisfaction.

Number of women and men on the Board of Directors

2022			2023		
Female	Male	Total	Female	Male	Total
0	3	3	0	3	3



We integrate an *inclusive and diverse* approach with our fair and transparent management processes.



EMPLOYEE SATISFACTION *and Engagement*



Employee Satisfaction and Engagement

İGSAŞ regularly conducts surveys to enhance employee satisfaction and commitment and takes actions based on the results of these surveys. **The Employee Satisfaction Survey**, which has been conducted since 2021, is used as an important tool to determine the opinions and thoughts of employees. This feedback reflects the company's efforts to continuously improve working conditions.

Management thoroughly analyzes the survey results and draws up a roadmap to take action in line with employees' requirements and needs. This process demonstrates the importance attached to employee engagement and satisfaction, and helps to build trust, motivation and engagement among employees.

Based on the employee engagement surveys conducted each year, İGSAŞ identifies six key issues that can be improved through the establishment of **İGSAŞ action teams** and works on these issues. This demonstrates the company's commitment to increasing employee satisfaction, supporting business performance, productivity and long-term

success. In addition, the fringe benefits offered by İGSAŞ to its employees are also among the important elements aimed at increasing employee satisfaction. Various benefits provided to employees, such as fuel allowance and maternity allowance, contribute to improving the quality of life of employees and fostering their commitment to the company.

As İGSAŞ implements strategies to continuously improve employee satisfaction and engagement, an independent study conducted by Ipsos in 2023 played an important role in evaluating the effectiveness of these efforts. The results of the study revealed that employees are generally satisfied with their jobs. **The participation rate in the survey was considerably high (85%), with 631 out of a total of 739 employees completing the survey.** This high level of participation indicates the interest that employees have in the company's processes and the importance they attach to such evaluations. **In addition, the Loyalty Index score was 72, indicating that employee retention is high and that the company is successful in motivating its employees.**

In order to enhance employee satisfaction and retention, İGSAŞ continues to foster communication channels, improve working conditions and allocate more resources to support employees' personal and professional development. Such initiatives aim to increase both personal and professional satisfaction by making employees feel more valued and supported at work.

Participation Rate in
Employee Satisfaction
Survey

%85



Talent and Career Management

İGSAŞ is taking important steps to increase its competitiveness with its sectoral know-how and expertise. Tackling the shortage of skilled labour and becoming a pioneer in the sector is one of its strategic objectives, and progress in this direction is crucial. İGSAŞ is following certain strategies to overcome the difficulties in accessing qualified labour due to the locations where it operates. The current qualified workforce is the first of these strategies. To this end, it supports the career development of its employees and provides them with new opportunities.

İGSAŞ offers various training programs and promotion and advancement opportunities for its employees to develop their skills. These opportunities make employees feel valued and contribute to their long-term commitment to the company. As part of its talent management strategies, the company supports employees' career planning and helps them to develop as professionals.

İGSAŞ provides all the necessary tools and support for employees to realize their potential at the highest level. Thus, it is committed to empowerment in terms of retaining qualified employees and attracting new talent. We believe that talent and career management strategies have a major stake in the company's sustainable growth and success.



We are firmly convinced that talent and career management strategies play an important role on the path to sustainable growth and success.





PERFORMANCE

Management System



Performance Management System

İGSAŞ has developed an effective performance management system to maximize the contribution of its employees to the achievement of its corporate objectives. This system aims to evaluate the performance of employees in Yıldızlar Yatırım Holding and its affiliated companies in an objective and systematic manner. Supported by smart objectives, this structure aims to determine in detail the employees' contributions to the company's goals and the process of achieving the goals.

Stages of the Performance Management Process

At the beginning of the year, İGSAŞ determines its corporate goals in cooperation with the General Manager and the Board of Directors. These goals are then transformed into departmental and individual goals. The compliance of the goals with the smart criteria is also monitored by Human Resources.

İGSAŞ reviews the targets it has set in the middle of the year and revises them as and when necessary. This process provides an opportunity for the company to address the difficulties faced by employees in achieving the targets and to provide the necessary support.

At the end of the year, the performance of employees is evaluated based on their goals and competencies. This evaluation is made by taking into account the company's financial performance and individual contributions. Performance evaluation results are evaluated to determine the training and development needs of employees and to use them in the Talent Management Process.

Strategic Priorities

Employee Participation and Senior Management Support: İGSAŞ carries out the entire process with the active participation of the employees and the support of the senior management, thus evaluating each employee's performance in a transparent and equitable manner.

İGSAŞ has designed its Performance Management System to support the continuous development of its employees. This includes investments in the development of professional competencies and career goals.

The company regularly reviews its performance management practices and seeks innovative solutions to improve processes and policies.

This strategic approach of İGSAŞ contributes significantly to corporate success, while also being effective in increasing employee satisfaction and loyalty. With this system, the company not only maintains its current successes, but also creates a solid foundation for future growth and development.



TRAINING AND DEVELOPMENT



Training and Development

İGSAŞ and Yıldızlar Yatırım Holding have implemented an extensive training and development policy in 2023. The training provided is aimed at increasing the competencies of employees in various areas such as occupational safety, technical competencies and management skills, and these trainings cover a wide range of topics such as on-the-job orientation, OHS, environment and health, ISO awareness, leadership and vocational technical training. This strategy ensures that the company's employees are continuously learning and developing, while also supporting the goal of strengthening sustainable business practices and corporate responsibility awareness.

İGSAŞ provided a total of 24,293 hours of training in 2023 and 727 employees benefited from these trainings. This underlines the company's investment in human resources and its commitment to supporting the professional development of its employees.

İGSAŞ provided 2,378 hours of training to female employees and 21,915 hours of training to male employees. Female employees received an average of 61 hours of training per year, while male employees received an average of 31.9 hours of training. This situation demonstrates the importance attached to the professional development of female employees and is a proactive step towards gender equality.

İGSAŞ has organized special trainings on ethical principles, combating bribery and corruption, and environmental issues. These trainings support the company's policies and compliance programs in these areas and ensure that employees are aware of these issues.



2023

727
employees

24.293 hours
of training

Average annual education period



61 hours



31,9 hours





Training Statistics



Eğitim alan çalışanlar	2022			2023		
	Female	Male	Total	Female	Male	Total
Total number of personnel trained (excluding OHS training)	34	486	520	39	688	727
Number of white-collar employees who received training (excluding OHS training)	34	111	145	39	274	313
Number of blue-collar workers who received training (excluding OHS training)	0	375	375	0	414	414
Total training hours	856	6.543	7.399	2.378	21.915	24.293



Other Trainings	2023
Number of employees who received training on ethical principles	727
Training on ethical principles (hours)	24.293
Number of employees who received training on combating bribery and corruption	78
Training given on combating bribery and corruption (hours)	160
Number of employees receiving training on environmental issues	791
Training provided on environmental issues (hours)	1.063



Occupational Health and Safety Training

İGSAŞ implements a comprehensive training and awareness procedure to protect the health and safety of its employees and to minimize occupational accidents and diseases. The aim of this procedure is to inform employees in detail about their legal rights and responsibilities, occupational risks and precautions to be taken.

Providing a healthy and safe working environment is one of the company's priorities. Training is provided when employees start work, change their workplace or position, use new equipment or introduce new technology. This training is constantly updated and repeated at regular intervals in response to emerging risks.

Management of Training and Responsibilities

While the training is managed by the Personnel and Social Affairs Directorate, Occupational Safety Specialists and Workplace Physicians play an important role in the effective implementation of the training. These professionals are invaluable in raising health and safety standards in the workplace and ensuring that employees comply with them.

Training Categories

New Training:

Organized for employees when they start work or to help them adapt to changing working conditions.

1

2

Additional Training:

Provided to employees to update their security credentials or complete any missing information.

Advanced Training:

Organized to improve the occupational safety and professional knowledge of employees.

3

İGSAŞ Technical Academy

Valuable, talented, experienced and qualified human resources are essential in the agricultural sector, as in any other sector. İGSAŞ Technical Academy will pioneer the transfer of knowledge and experience to the next generation in a reliable manner. The academy will connect technicians and engineers with experts in their respective fields. These studies, which will also bolster institutional memory, are vital for critical production facilities where knowledge accumulation is paramount yet under-recognized in our country.

İGSAŞ Technical Academy aims to provide employees with easy access to information with a measurable education system model by adopting standard education and working methodologies. The Academy is a training and continuous development center established to enable employees to acquire know-how and skills and to transfer existing knowledge and experience to future generations.

Attaching great importance to occupational health and safety, İTA plans to help prevent work accidents and occupational diseases by offering training programs to raise awareness in this field and to provide the necessary know-how and skills.

Sustainability and environmental awareness are also important issues that the Academy focuses on. Training on topics such as **environmentally friendly production techniques, energy efficiency and waste management** enables participants to develop approaches that minimize environmental impact. These trainings indicate that İGSAŞ is continuing its work with the aim of developing cooperation between schools and industry, while instilling in its employees the value it places on the environment, nature and soil.

By adopting standard training and working methods, the İGSAŞ Technical Academy aims to ensure that employees have easy access to information with a **quantifiable training system model.**





Social Activities

Social activities and corporate responsibility projects are of utmost importance in terms of fostering corporate culture and boosting employee motivation. İGSAŞ's focus on such activities not only strengthens the internal structure, but also serves as an important contribution to society and enhances the company's reputation.

The Significance of Social Activities

Family days, picnics and other social events organized throughout the year forge strong bonds between employees. Such occasions create an environment that fosters team spirit and enables employees to communicate more effectively with each other.

Motivational social activities boost employees' job satisfaction and well-being, which has a direct impact on workplace productivity. These activities, providing an opportunity for employees to relax and rejuvenate, increase employee engagement and motivation.

Corporate Social Responsibility Projects

The company's relationships with society are strengthened by occasions like Breast Cancer Awareness Month and other social responsibility initiatives. These initiatives enhance the company's reputation by demonstrating that it is not just focused on its financial objectives but also mindful of social concerns.

Such campaigns help employees become more socially conscious and inspire them to make a difference in the community. Employees' participation in such activities also contributes to their personal development and makes them more responsible individuals.





OCCUPATIONAL HEALTH *and Safety*



Occupational Health and Safety

İGSAŞ takes the necessary precautions to protect the health, safety and well-being of its employees and regards acting in line with international standards as a fundamental priority. Recognizing Occupational Health and Safety (OHS) management as an integral part of business processes, it aims to raise these standards in cooperation with all stakeholders.

The company has substantiated its commitment to OHS management with the ISO 45001 “Occupational Health and Safety Management System” Policy. This policy underlines principles such as professional and personal development training, safe working conditions, and prevention of occupational accidents and diseases. Furthermore, the company is committed to the continuous improvement of its OHS management system and its evaluation on the basis of performance indicators.

İGSAŞ conducts Occupational Health and Safety management through two different unit managers in a structure separated by location. Environmental

management is coordinated by a single manager for all facilities. The Health, Safety, and Environment (HSE) team is formed by an experienced and dedicated team of around 30 people.

Digitalization is a key part of the OHS process. Unless the data is available, proper production cannot be accomplished and managed. In this respect, İGSAŞ attaches great importance to digitalization. İGSAŞ aims to improve operational efficiency and manage OHS processes more effectively by implementing digitalization strategies.

The Kütahya and Kocaeli facilities are considered high-risk facilities under BEKRA (Prevention of the Risks of Major Industrial Accidents) regulation therefore detailed safety reports are prepared on a regular basis. While OHS processes are effectively monitored through the QDMS system, a precise and strict work permit process is applied to each job performed in the field. This process is meticulously managed using SAP and handheld terminals.





OHS Statistics

İGSAŞ closely monitors the accident severity rate and classifies it as a priority among the company's targets. A work accident in 2022 caused the accident severity rate to increase to 0.40 in 2023. In this context, efforts will continue to increase the number of first aid providers. Further work will be done to implement the ISO 45001 Occupational Health and Safety Management System.

İGSAŞ accurately records and reports even the most minor injuries in all its facilities. A total of 16 accidents occurred in 2023, and each one is thoroughly investigated and preventive measures are developed. In Kütahya facility, İGSAŞ has increased the number and scope of mandatory OHS training programs for all employees. These training sessions focus on occupational safety procedures, emergency response and the use of personal protective equipment.

To ensure that OHS standards are continuously reviewed and implemented, İGSAŞ has increased the frequency of safety audits. Through these audits, potential risks can be identified and preparedness measures can be taken. To encourage employees to report hazards and to process this information promptly, İGSAŞ has introduced an advanced hazard reporting system. In the wake of the nitrogen leak in 2022, the company developed special procedures to prevent the occurrence of repetitive incidents and enforced safety checks on the associated equipment.

OHS Statistics for Kocaeli

While 4 near misses were reported in Kocaeli in 2022, the figure rose to 6 in 2023. İGSAŞ aims to increase the number of near misses by raising OHS awareness. The number of accidents resulting in lost working days decreased from 24 to 21 last year. No fatal accidents were reported. Although the number of lost day accidents has decreased, the number of lost days has increased. Therefore, despite a reduction in the frequency rate, the severity rate has increased.

OHS Statistics for Kütahya

The number of accidents resulting in lost days at the İGSAŞ Kütahya facility fell from 15 to 11 last year. The number of lost days also decreased from 392 to 124.

OHS Statistics for Kocaeli

	2022	2023
Number of near misses	4	6
Number of lost time accidents	24	21
Number of fatal accidents	0	0
Lost day	180	216
Accident frequency rate	46,38	32,16
Accident severity rate	198,79	242,91

OHS Statistics for Kütahya

	2022	2023
Number of near misses	5	0
Number of lost time accidents	15	11
Number of fatal accidents	0	0
Lost day	392	124
Accident frequency rate	0,048	0,028
Accident severity rate	0,40	0,61



Training and Procedures

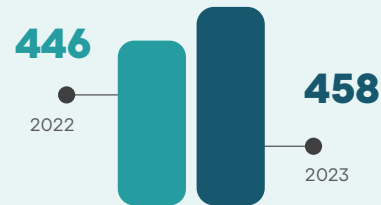
By distributing booklets on OHS rules to newly recruited employees, İGSAŞ aims to create safety awareness from the outset. It implements the work permit system for contractors and provides the necessary training with special procedures. It handles OHS practices for visitors on a group basis, provides theoretical training at the fire school and offers simulations. It also conducts regular fire and toxic spill drills each year.

Continuous work is being carried out to upgrade the physical conditions of the facilities. Although İGSAŞ has attained a satisfactory level in the use of **Personal Protective Equipment (PPE)**, it has been noticed that contractors have not reached the same level in this respect, so improvements are planned in cooperation with contractors to raise OHS standards.

OHS Training Statistics for Kocaeli

In 2022, a total of 446 employees received OHS training lasting 7,136 hours. In 2023, the number of employees receiving training increased by 2.69% to 458 and the duration of the training was extended at the same rate to 7,328 hours.

Number of employees trained on OHS



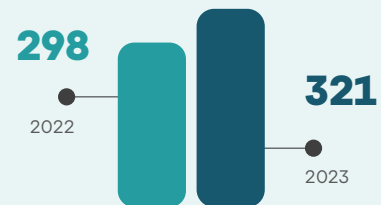
Total hours dedicated to OHS training



OHS Training Statistics for Kütahya

In 2022, a total of 298 employees received OHS training lasting 4,768 hours. In 2023, the number of employees who received training increased by 7.72% to 321 and the duration of the training was extended at the same rate to 5,136 hours. These statistics clearly demonstrate İGSAŞ's resolute commitment to raising OHS awareness and continuously improving the safety of the working environment.

Number of employees trained on OHS



Total hours dedicated to OHS training





YILDIZLI FİKİRLER

Platform



Yıldızlı Fikirler Platform

A platform called the Yıldızlı Fikirler Project invites İGSAŞ employees to share their innovative and creative ideas that would contribute to the development of the company. This project provides a platform for the company to evaluate opportunities for improvement and implement solutions to address these opportunities.

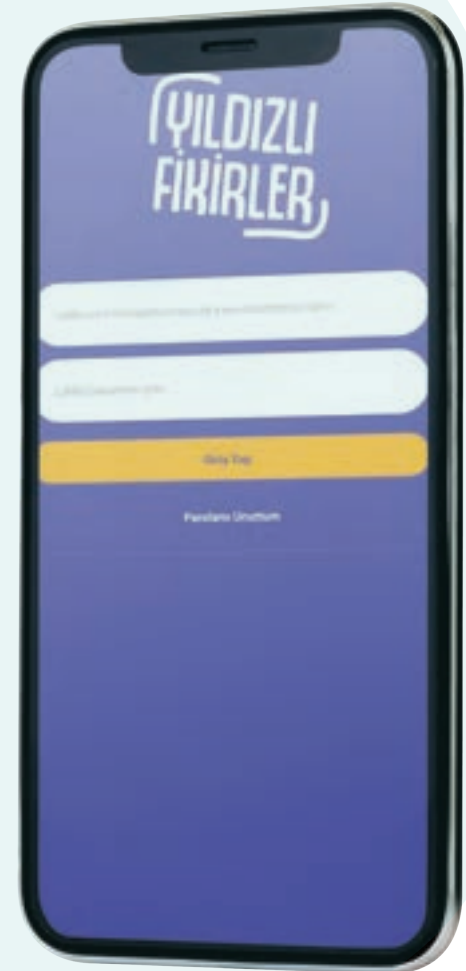
Yıldızlı Fikirler is an initiative designed to encourage employees to share their ideas about business processes, productivity, use of technology and general operations, and to translate these ideas into projects that add value to the company. Employees have the opportunity to actively participate in the development of the company by submitting their suggestions through this portal.

Main Objectives

- Identify and evaluate opportunities for improvement in all functions of the business.
- Encourage employees to come up with suggestions that will help them improve their productivity.
- Contribute to the sustainable development of the company by sharing the development opportunities observed by employees.
- Evaluate innovative application concepts that will propel the business forward.
- Ensure that employees are engaged by taking an active role in projects.

Employees are encouraged to share their innovative ideas through the Yıldızlı Fikirler portal. Proposals are evaluated by the relevant departments and those that are deemed suitable are translated into projects. Employee input plays an important role in achieving the company's strategic goals. The Yıldızlı Fikirler Project is designed to promote employee participation and enhance the company's competitiveness by supporting İGSAŞ's culture of innovation.

YILDIZLI
FİKİRLER





SUSTAINABLE

Agriculture Practices



Sustainable Agriculture Practices

Soil, water, and climate are the fundamental elements of agriculture. Considering the situation in Türkiye, it is evident that agriculture is confronted with several major problems. We can list them as follows:

Soil Fertility: About 88% of Türkiye's cropland has an organic matter content of less than 2%, indicating low productivity. 4.2 million hectares of land have lost part or all of their fertility and productivity due to varying degrees of salinization.

Desertification and Erosion: 22.5% of Türkiye is at high and 50.9% at moderate risk of desertification. A significant amount of agricultural land is lost each year.

Water Use: 75% of the Earth's water is used for agricultural irrigation. In Türkiye, groundwater is rapidly depleting due to unconscious water use and wild irrigation. This situation is triggering land collapses (sinkholes) in regions such as Konya. Although the Konya Plain is the wheat hub of Türkiye, it is highly vulnerable to this threat.

Admittedly, it would be misleading to assert that farming in Türkiye is carried out in a correct, conscious and technological manner. However, it is noticeable that the steps taken in recent years to develop smart agricultural applications have yielded positive results. Many European countries, together with countries such as the US and China, are well ahead in terms of digitalization in agriculture. Everyone strives to feed their own people first. Indeed, we as Türkiye seem to be lagging behind at the moment, but we can become a self-sufficient country again in due course.

The fact that the average age of a farmer is over 65 years old represents one of the major disadvantages of the Turkish agricultural sector. The younger generation does not continue farming once they have finished their education. This is a worldwide problem, but many EU countries have developed “young farmer” projects. Consequently, they have started to reduce the average age of farmers.





Sustainable Agriculture Practices

Factors such as high average age, living in rural areas far from big cities and the abandonment of conventional methods in favour of technology all contribute to the challenges of farming. Education, patience and encouragement are required to overcome these difficulties.

As part of its social responsibility project “From Field to Fork”, İGSAŞ has been carrying out different activities for a long time. Trainings are the cornerstone of these activities. İGSAŞ organizes “Farmer Meetings” in many regions of the country.

İGSAŞ connects academics and agricultural experts with farmers in these events, which have been held in 23 cities so far. In these meetings, farmers are briefed on the latest applications, their questions are listened to and ideas are exchanged.

Developing case studies is equally important. In this context, we conducted a study called “The Story of Sugar” with Kütahya Şeker Company. Sugar beet is grown intensively in the Kütahya region. It is possible to reduce costs and increase efficiency through proper irrigation and fertilization.

Our team planted and tended sugar beet in a farmer's field. At harvest time, all the villagers, our team and the Kütahya Şeker teams met to make a comparison. We got over 30% more product from the field we had planted, using less water, energy and fertilizer. Inspired by this real-life example, farmers in the region started cultivating using the recipes we had developed.





TOGETHER, WE BUILD THE FUTURE



One other service that İGSAŞ provides to farmers through the “I Am Grateful for My Soil” project is laboratory analysis.

İGSAŞ R&D Centre, which has been operating as the sole R&D centre of Yıldızlar Yatırım Holding since December 2018, operates under Law No. 5746 on Support for Research, Development, and Design Activities. In this laboratory, water and soil analyses are carried out for farmers free of charge.

The R&D Centre first examines the soil and reports its content. It then determines what minerals and additives the product to be grown in that soil needs. This method increases efficiency and reduces costs. To date, the centre has carried out soil analyses on 50,000 hectares of land.

The R&D team has developed a drone and a robot called "Cemre" and "Toygar", which are examples of smart agricultural technologies used in agriculture. İGSAŞ is getting ready to offer these two devices to farmers.

İGSAŞ operates in different fields and at different places. For example, the company recently went as a team to the Terme district of Samsun and provided fertilizer to the farmer families of martyrs and veterans living in the region. The company also cooperates with several universities.

We believe that university-industry cooperation is very important for the agricultural sector and that the interaction between these two communities will continue to grow.



Through *Farmer Meetings*, we connected scientists and agricultural experts with our farmers in **23 cities**.



To date, we have analysed **50,000 hectares** of land through our *“I Am Grateful for My Soil”* project.



VALUE CREATION FOR SOCIETY

Sustainable Development Projects





Value Creation For Society: Sustainable Development Projects

The well-being and sustainable development of society are the core values of İGSAŞ. İGSAŞ contributes to the development of local communities through various social responsibility projects. **The İstanbul Indoor Vertical Farming Application Centre** aims to develop urban farming techniques and promote sustainable food production as one of these initiatives. This centre will make a significant contribution to the sustainable development of İstanbul and increase the city's capacity to provide fresh food to the local population.

İGSAŞ assumes an active role in the field of health by collecting donations that can potentially save many lives through **blood and stem cell donation campaigns**. In addition to contributing to public health, these donations also strengthen solidarity between employees and members of the local community.

By conducting soil analyses, İGSAŞ organises training sessions on proper fertilisation and irrigation techniques, and provides information and support to farmers on sustainable agricultural practices through initiatives such as **"I Am Grateful for My Soil Farmer**

Meetings" and "İGSAŞ Field Days". Focused on boosting productivity and raising awareness of agricultural practices, these interactive meetings also encourage farmers to exchange knowledge and experiences.

By supporting educational institutions, İGSAŞ contributes to raising the awareness of the general public. Providing quality education to children in the region through educational institutions such as **İGSAŞ Secondary School and Kütahya Kindergarten** raises the general welfare level of society.

İGSAŞ's cultural projects include the **restoration of mosques in Kocaeli and Kütahya**. These projects support the regional cultural fabric and assume an important status in the social and religious life of society.

İGSAŞ's efforts are a manifestation of its social duty and commitment to promoting a sustainable future for society. These initiatives demonstrate İGSAŞ's commitment to advancing sustainability goals and society in various aspects.





HASAT FEST - Harvest Fest

HASAT FEST - Harvest Fest is organized with the assistance of the Ministry of Agriculture to raise public awareness about agriculture and to reinforce Türkiye's agricultural potential. The festival aims to provide awareness and training activities for farmers, academics, agricultural technology companies and industry stakeholders by emphasizing the importance of sustainable agriculture.

Harvest Fest, which will take place in 2025, will present the harvest of products from Türkiye's rich agricultural regions in a festive atmosphere. The first events will begin with **the wheat harvest in Konya, the corn harvest in Mardin, and the sunflower harvest in Tekirdağ**. The festival program will be expanded to include other important agricultural products such as sugar beet, hazelnut, and tea. Harvest Fest aims to support farmers, showcase the diversity and quality of agricultural products, and increase the visibility of the agricultural sector in national and international markets by promoting local production. This festival will serve as a platform to contribute to the growth of Turkish agriculture and promote the overall development of the sector.

The “History of Sugar in the Traces of the Soil” Project

The “History of Sugar in the Traces of the Soil” Project run in partnership with İGSAŞ and Kütahya Şeker, aims to demonstrate the cost-reducing and yield-enhancing effects of scientific agricultural methods.

The project emphasizes the positive effects of correct fertilization techniques on sugar beet productivity and provides support to sugar beet growers in the region. These studies contribute to the regional agricultural economy by encouraging the adoption of sustainable agricultural practices.

Farmer Meetings: Meeting with Farmers in 15 Cities

İGSAŞ organizes field days to introduce advanced agricultural techniques to farmers and raise awareness. These events include training focused on proper fertilization and irrigation techniques to assist farmers in improving productivity and sustainable agricultural practices.





“I Am Grateful For My Soil” Farmer Meetings

İGSAŞ is implementing the “I Am Grateful for My Soil” project to increase soil fertility and support sustainable agricultural practices. İGSAŞ has designed this project especially for leading farmers and aims to raise awareness about the importance of soil analysis and to encourage productivity growth through correct soil management techniques.

Soil analysis is a key factor that has a direct impact on the productivity of agricultural land. A correct soil analysis is essential to determine the current condition of the soil and the nutrients required. Farmers can then make more informed decisions about fertilizing and regulating the soil.

Farmers are provided with detailed information on how to take soil samples and how to preserve them. This guide has been prepared to ensure standardization of the sampling process.

The soil samples collected are analyzed for 15 different parameters in laboratories contracted by İGSAŞ. These analyses determine the physical and chemical properties of the soil.

Based on the results of the analysis, “Plant Nutrition Programs” are developed specifically for each agricultural parcel. These programs ensure that the soil is well balanced in terms of nutrients and that the plants have ideal nutritional conditions.

As part of the “I Am Grateful For My Soil” Project, soil analysis was completed on approximately 50,000 hectares of arable land. These analyses enabled farmers to better cultivate their land and increase the efficiency of agricultural production.

By protecting and improving soil health, this İGSAŞ project is making a significant contribution to the adoption of sustainable agricultural practices. Agricultural productivity and environmental sustainability have been considerably increased thanks to the information and support provided to farmers. This project emphasizes the importance of soil analysis to farmers and provides them with the information they need to practise conscious farming. To date, the project has carried out soil analysis on 50,000 acres of agricultural land and guided **farmers on proper fertilization and irrigation techniques.**

As part of the “I Am Grateful For My Soil” Project, soil analysis was carried out on some **50,000 hectares** of arable land, and farmers were trained on proper **fertilization and irrigation techniques.**



Contribution to Education: Kütahya Kindergarten and İGSAŞ Secondary School

These educational institutions contribute to raising the level of education in society by providing quality opportunities for education to the children of the region. The contributions of İGSAŞ to education are demonstrated by these outstanding examples.

Social Responsibility: Restoration of İGSAŞ Mosque and Kütahya Nitrogen Factory Mosque

İGSAŞ's restoration projects are a reflection of the company's respect for cultural heritage and its sense of social responsibility. Restored mosques occupy an important place in the social and religious life of local people, fostering unity and solidarity among community members.

Blood and Stem Cell Donation

Blood and stem cell donation campaigns organized among company employees and local community members have the potential to save many lives and make significant contributions to public health.

Earthquake Relief - Aid Kits

İGSAŞ provided support by sending relief packages to the earthquake-affected regions. These kits contain basic necessities and are intended for immediate post-disaster relief.

Earthquake Relief - Container City Housing

A total of 213 containers were set up by İGSAŞ Yaşam Kent in the İskenderun district of Hatay. This housing was built to meet the need for temporary shelter in the wake of the earthquake.

Dental Unit 2nd Donation

İGSAŞ has donated dental units to support health services. This donation aims to improve the quality of health services.

Donation of a Continuous Blood Glucose Monitoring System for Type 1 Diabetes

Continuous glucose monitoring devices were donated to individuals diagnosed with type 1 diabetes. These devices aim to improve quality of life by facilitating diabetes management.



Special Projects for the Centenary of the Republic in 2023

Terme “Loyalty to Martyrs’ Relatives and Veterans” Project

Having adopted the mission of socially beneficial activities since the day it was founded, İGSAŞ provided free fertilizer support for the hazelnut gardens of martyrs' relatives and veterans in Samsun within the scope of the “Loyalty to Relatives of Martyrs and Veterans” Project, which was implemented on the occasion of the Centenary of the Republic.

The aim of the Loyalty to the Relatives of Martyrs and Veterans Project is to instill a sense of gratitude and loyalty to the relatives of martyrs and veterans, to keep the precious memories of the martyrs alive and to protect their legacy.

İGSAŞ hopes that this project will spread the loyalty towards the relatives of martyrs and veterans and set an example. In addition, it will continue to be with the martyrs' relatives and veterans in the framework of this project.



Republishing of Mirza Gökgöl's book titled “Türkiye'nin Buğdayları” (Turkish Wheats)

İGSAŞ's vision of modernizing agriculture was formed in the early years of the Republic. Investments in modern agriculture, seed improvement, mechanization and scientific studies laid the economic foundations of the young Republic. The contributions of academics and scientists are of great importance in this process. One such figure is Mirza Gökgöl.

Mirza Gökgöl wrote a reference book called “Türkiye'nin Buğdayları” in the 1930s. As well as providing a detailed scientific account of the wheat grown in Türkiye, the book also goes back a century and discusses the daily lives of farmers and the hardships they experienced. The last edition of this book was published in 1937 and has not been reprinted since, making it very unlikely to be found on the market.

İGSAŞ presented Mirza Gökgöl's book “Türkiyenin Buğdayları” (Turkish Wheats) to the agricultural and academic communities in modern Turkish on the occasion of the Centenary of the Republic.



Documentary on 100 Years of Agriculture

A documentary film titled “100 Years of Agriculture” has been produced to narrate the history and development of agriculture in Türkiye. This documentary depicts the journey of the agricultural sector from the past to the present.

100th Year Urea Packaging Design

Fertilizer packages have been designed especially for the Centenary of the Republic. The purpose of these custom-made packages is to mark İGSAŞ's celebration of the 100th anniversary of the Republic and to commemorate this special year.

Sponsorship for Belediye Kütahyaspor

İGSAŞ has become the on-field and behind-the-scenes sponsor of Belediye Kütahyaspor for the 2023-2024 season in an effort to contribute to the development of sport in the region.