

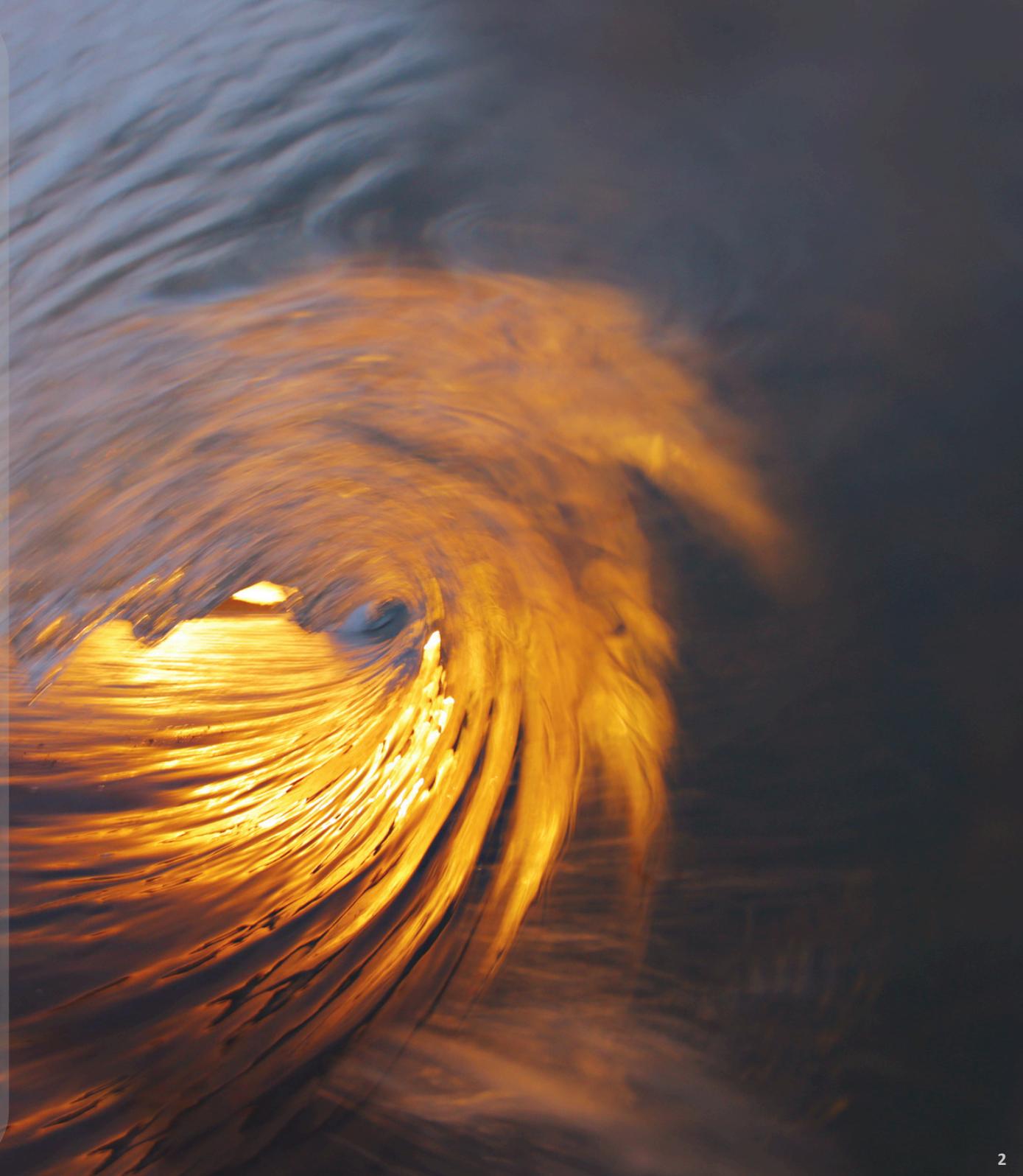


2024  
SUSTAINABILITY REPORT

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# ABOUT THE REPORT

At SEL Foreign Trade and Chemical Industry Inc., we regard the identification, prioritization, and transparent reporting of factors that significantly impact our stakeholders as fundamental to our corporate sustainability strategy. To align with the evolving global sustainability agenda, we intend to systematically perform our prioritization analysis biennially. This approach enables us to address current expectations while establishing a robust foundation for our future strategies.

We strive to transparently disclose significant issues, internalize each matter irrespective of its impact, and establish corresponding measurable performance indicators (KPIs). These indicators enable us to monitor our progress, bolster our strengths, and implement tangible measures to enhance our areas for development.

Our sustainability reporting journey commenced with the publication of our inaugural report in 2022 and has continued steadfastly since 2024. This year's third sustainability report encompasses the period from January 1 to December 31, 2024. In the forthcoming period, we intend to broaden our reporting scope and consistently communicate not only our current performance but also our medium- and long-term objectives to our stakeholders. Through this approach, we aspire to strengthen our commitments to transparency and accountability while collaboratively fostering a more robust sustainability ecosystem with our stakeholders.

We sincerely welcome any questions, comments, or suggestions you may have concerning our Sustainability Report or performance. Kindly direct your feedback to [info@selsil.com.tr](mailto:info@selsil.com.tr).





## About SEL

# About SEL

## MILESTONES



1991

The flood has occurred.



1997

Avcilar Factory has commenced the production of acrylic sealants.



2003

Investments were allocated to offset printing, injection molding machinery, and polyurethane foam repair equipment for the Avcilar Factory.



2004

The Hadımköy Factory was founded.



2007

The Silivri Factory was founded.



2013

ISO 9001, ISO 14001, OHSAS 18001 Integrated Management Systems



2018

ISO 27001 Information Security Management System

BSCI

ISO 9001 Quality Management Framework



2019

India Office has been established.



2020

Authorized Economic Operator (AEO) Certification



2021

The American Office has been established.



2022

The office in Italy has been established.



2023

The Swiss office has been inaugurated.



2024

Ireland Office has been established.

ISO 45001 Occupational Health and Safety Management

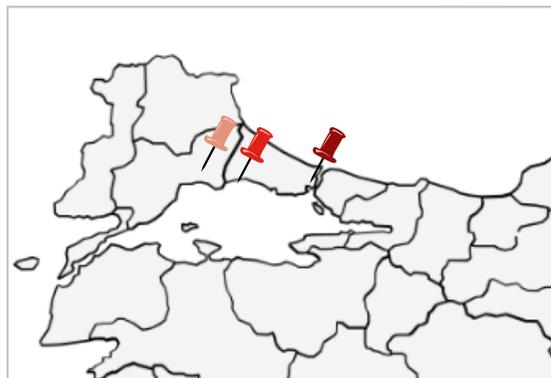
A factory has been established in the Türkgücü Organized Industrial Zone.

The solar power facility has been established.

We were awarded a bronze medal in the EcoVadis assessment.

A commitment badge was awarded following the EcoVadis survey.

## ADDRESSES



Head Office - Sarıyer/Istanbul



Silivri Manufacturing Facility - Silivri/Istanbul



Türkgücü Factory - Çorlu/Tekirdağ

### Global Addresses



Selsil Sealants India Pvt. Ltd. - Delhi, India



Selsil Italia S.R.L. - Como, Italy



Selsil AG, Zug, Switzerland



Selsil Ireland &amp; UK Ltd - Dublin, Ireland



Selsil USA Inc. - Richmond, USA



## MISSION

To deliver superior products and services. To facilitate the advancement of the Turkish industry through efficient operations and entrepreneurial initiatives. To support Turkey's sustainable economic growth objectives by consistently enhancing exports. To establish enduring relationships founded on respect, trust, and loyalty by adhering to the values of society, customers, suppliers, and employees.

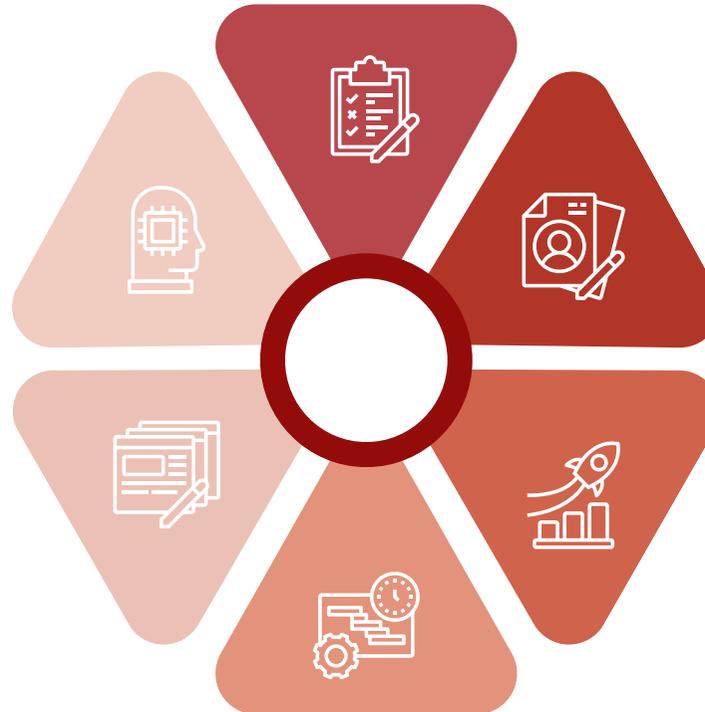


## VISION

To establish itself as the premier global brand by offering a superior quality product range and ensuring high levels of satisfaction among both customers and employees.

## OUR PRINCIPLES

- Not engaging in discrimination based on race, ethnicity, language, religion, beliefs, or gender.
- To uphold fundamental human rights, children's rights, and animal rights, and to refrain from engaging with entities recognized for violating these rights.
- Promoting community engagement through corporate citizenship awareness.



- To promote environmental sustainability across all operational domains and to enhance the awareness of environmental responsibility among its stakeholders.
- To utilize sustainable technologies and promote their advancement and widespread implementation.
- Maximizing value for employees, suppliers, customers, shareholders, and society.
- To function with the utmost safety standards.



Sealants, Silicones



Adhesives



Hybrids



Polyurethane Foams



Technical Sprays



Spray Paint



Selsil PAK Cleaning Solutions

## OUR PRODUCTS

- Sealants, Silicones
- Adhesives
- Hybrids
- Polyurethane Foams
- Technical Aerosols
- Spray Paint
- Selsil PAK Cleaning Solutions

### Sealants

Selsil sealants are utilized in various repair processes, including crack filling, sealing, and baseboard bonding. One of the most significant features that sets Selsil sealants apart from silicones is their paintability.

Selsil sealants are offered in various formulations tailored to the specific surface and intended application. Due to their resilience against weather conditions, Selsil sealants ensure effective and durable insulation.

### Polyurethane Sealants

Selsil PU Sealants are utilized in construction, automotive, and industrial sectors for the bonding and sealing of dynamic joints and components, owing to their exceptional mechanical and elastic characteristics.

Selsil PU Sealants provide a robust and enduring solution for filling and insulating dynamic joints on both interior and exterior surfaces. Once applied, Selsil PU Sealants can be painted without any deformation or cracking.

### Silicones

Selsil Silicones offer efficient sealing solutions, even in applications involving direct water contact, due to their exceptional UV and heat resistance, while simultaneously safeguarding against mold and mildew.

Selsil Silicones possess an extensive array of applications owing to their exceptionally durable composition. They provide a robust and enduring solution for filling and insulation in both interior and exterior contexts. Selsil Silicones remain resistant to color alterations and do not exhibit cracking following application to surfaces.

## Rapid Adhesives

Selsil Ninja Fast Adhesives offer exceptional adhesion capabilities and are appropriate for application on various surfaces.

Selsil Ninja Fast Adhesives provide both two-component and single-component adhesive solutions. These products are characterized by their rapid drying time and durability, making them ideal for application on a variety of surfaces, including metal, plastic, and wood.

## Epoxy Adhesives

Selsil Epoxy Adhesives offer rapid drying and superior adhesion on a variety of surfaces due to their robust bonding capabilities.

Selsil Epoxy Adhesives provide rapid drying and robust adhesion, along with resistance to moisture and various external elements. These two-component epoxies are offered in formulations appropriate for a wide range of surfaces. Numerous materials, including wood and metal, can be effortlessly bonded using Selsil Epoxy Adhesives.

## Adhesives - Do-It-Yourself Products

Selsil adhesives, known for their robust adhesion, are ideal for both decorative applications and various projects.

Selsil adhesives, packaged in tubes, allow for effortless application on various surfaces. They are suitable for crafts, modeling, and a wide range of general uses. These adhesives deliver durable and long-lasting results on materials including metal, rubber, plastic, wood, leather, paper, glass, and ceramics.

## Hybrids

Selsil Hybrids are eco-friendly products that are free from isocyanates and solvents, integrating numerous properties of silicone and polyurethane in insulation and bonding materials.

Selsil Hybrids are compatible with a variety of building materials for bonding and sealing applications. These hybrids offer bonding and sealing without volume loss and cure through exposure to atmospheric moisture. They exhibit resistance to UV rays, chemicals, and fluctuations in temperature.

## Polyurethane Foams

Selsil Polyurethane Foams are products designed for assembly and filling, offering effective heat and sound insulation. Selsil PU Foams are robust insulation and filling materials that cure effortlessly with ambient moisture. These foams can be readily employed in various insulation processes, as well as in assembly and joint filling applications.

The Selsil Polyurethane Foam series encompasses specialized formulation products, including adhesives, fire-resistant options, thermal acoustic materials, stone and brick gel adhesives, and controlled-expansion foams.

## Technical Sprays

Selsil Technical Sprays delivers professional solutions through an extensive array of products, ranging from Multi-Purpose Spray to Zinc Spray. With its diverse selection of lubricants, cleaners, rust removers, protectors, and maintenance products, Selsil Technical Sprays offers tailored solutions for various applications, encompassing both automotive and household needs.

## Spray Paint

Selsil Rainbow Spray Paint offers excellent coverage and is ideal for a variety of decorative applications in both interior and exterior environments. This paint allows for flawless application on all surfaces without the risk of cracking, available in over 50 color options.

## Selsil PAK Cleaning Solutions

Selsil PAK Cleaning Products, available in both spray and cream formulations, provide effective solutions for addressing stubborn dirt and stains. Selsil PAK Cleaners are suitable for a diverse array of surfaces, including sinks, tiles, ceramics, outdoor furniture, sports shoes, and more demanding surfaces such as ovens, stoves, and range hoods.



## MESSAGE FROM THE CEO

**Ilia Karavil, General  
Manager**



With more than 30 years of expertise, SEL adopts an innovative approach within the industry, positioning innovation at the core of our business practices. We align our economic growth and development objectives with our commitment to environmental and societal responsibility; we diligently strive to create a more sustainable world for future generations by meticulously safeguarding natural resources.

In our sustainability journey, we adhere to the principles of transparency, accountability, and continuous improvement. Through our sustainability reports, published regularly since 2022, we convey our environmental, social, and governance performance to all stakeholders; we explicitly share not only our current practices but also our future objectives, areas for enhancement, and strategic roadmap. In this manner, we illustrate the impact of our actions in a measurable, traceable, and reliable way.

Global economic, environmental, and social transformations necessitate that companies redefine their business practices. Confronting the climate crisis, optimizing the use of natural resources, safeguarding human rights, and promoting an inclusive workplace culture have evolved from mere options to essential responsibilities. At SEL, we recognize this obligation and integrate our commitment to sustainability into the core of all our business operations.

In 2024, substantial measures were implemented to enhance our sustainability performance. Water consumption decreased by 12%, and all hazardous and non-hazardous waste was redirected to recycling, resulting in a 100% recycling rate. Our investments in environmental management at the Silivri facility rose by 57%. These advancements serve as tangible evidence of our dedication to improving resource efficiency, fostering the circular economy, and minimizing environmental impact.

In our energy management strategy, minimizing our carbon footprint and addressing the climate crisis are among our primary objectives.

In this context, we have executed a solar energy investment with a total installed capacity of 3,355.46 kWp at our Silivri and Türkgücü facilities. Reducing fossil fuel consumption and transitioning to renewable energy allows us to adopt a resilient growth strategy that aligns with our sustainable development objectives while mitigating our environmental impact.

Significant advancements have been achieved regarding our social performance. As of 2024, our company employs 1,128 individuals, with female representation exceeding 50% at our Çorlu and Maslak locations. The employment of individuals with disabilities persists across all our facilities, and Human Rights, Ethics, and Sustainability Procedures are enforced to enhance inclusion.

All mechanisms essential for ensuring that our employees operate in a safe, equitable, and development-focused environment are continually being enhanced.

Our economic performance constitutes a robust foundation of our sustainability strategy. In 2024, our exports totaled USD 90.7 million, and in the first half of 2025, they amounted to USD 44.4 million, indicating the potential to surpass the 2024 figures by year-end. Our import-export balance affirms our competitiveness in international markets and our ability to achieve stable growth.

We organize our management systems in alignment with international standards and execute our practices in accordance with ISO 9001 (Quality), ISO 14001 (Environment), ISO 45001 (Occupational Health and Safety), and ISO 27001 (Information Security) standards. In the realm of social responsibility management, Amfori complies with BSCI standards.

In accordance with our future vision, aligning with international frameworks such as the European Union's Green Deal, Global Reporting Standards (ESRS, ISSB), and Science-Based Targets (SBTi) remains a primary focus. In this regard, we will steadfastly pursue projects designed to minimize our carbon footprint, enhance water efficiency, implement innovative waste management solutions, and reinforce sustainability criteria within our supply chain.

At SEL, we carry out our production activities guided by the principle of "adding value to individuals, the environment, and society." Our corporate sustainability strategy is founded on a comprehension that takes into account the needs of both the present and future generations.

With the confidence and backing of our stakeholders, we will persist in our endeavors diligently to create a more inclusive, innovative, and sustainable future aligned with our 2030 objectives.

## OUR MANAGEMENT STRATEGY

At SEL, we operate in a manner that responds to the swiftly evolving global economic landscape, prioritizing the efficient utilization of our natural, human, technological, and intellectual resources as a core principle. Our objective is to foster long-term, dependable, respectful, and responsible partnerships through effective communication with all stakeholders.

### Policies and Commitments

We maintain comprehensive written policies that govern all our locations and operations concerning product safety, customer satisfaction, environmental stewardship, ethics, and social responsibility. These policies undergo an annual review with a focus on continuous improvement and are updated as needed. Our operations adhere strictly to quality, environmental, and occupational health and safety standards, aligned with the ISO 9001, ISO 14001, and ISO 45001 management systems. We reference the Amfori BSCI standard to manage social responsibility within our affiliates and supply chain. Our policies clearly delineate the responsible parties involved.

### Roles and Responsibilities

Board of Directors and Executive Management	They are tasked with executing sustainability strategies and distributing resources.
Corporate Sustainability Council	It oversees the execution of policies pertaining to the environment, ethics, social compliance, and governance.
Quality, Research and Development, and Operations Divisions	It is tasked with enhancing product safety, ensuring regulatory compliance, fostering innovation, improving process efficiency, and advancing environmental performance.
Environmental and Occupational Health and Safety Departments	It guarantees adherence to legal obligations, oversight of energy and waste performance, and the organization and documentation of awareness training.
Supply Chain Division	It assesses the environmental, social, and ethical performance of suppliers while overseeing sustainable procurement processes.
Human Capital Management	They oversee employee welfare, promotion procedures, equitable compensation, and engagement initiatives.
Employee Representative Board	It enhances workplace communication by relaying employee suggestions and grievances to management.

### Our Committees

Four primary committees function to guarantee effective governance in the domains of corporate ethics, security, and human rights:

- **Occupational Health and Safety Committee:** To mitigate workplace accidents, perform risk assessments, deliver occupational health and safety training, and guarantee a secure working environment.
- **Labor and Human Rights Committee:** To safeguard workers' rights, prevent discrimination, and carry out inspections to combat forced labor and child labor.
- **Anti-Harassment Committee:** To avert instances of physical, psychological, and sexual harassment, to assess complaints with confidentiality, and to facilitate preventative training.
- **Corporate Sustainability Committee:** Formulating sustainability strategies, overseeing objectives and initiatives, assessing risks, and organizing pertinent training.
- **Anti-Corruption and Ethics Committee:** Mitigating bribery, conflicts of interest, and unethical conduct; assessing corruption risks and developing appropriate training programs.

These committees oversee their activities via regular meetings held throughout the year, reporting their findings and action plans to senior management. All complaints and suggestions are assessed confidentially, and decisions are communicated transparently to employees.

Category/Standard	Title	Activities
GRI 2-9	Management framework	Sustainability issues within the company are overseen by the Board of Directors and senior management.
GRI 2-12	The function of regulatory authorities in sustainability matters	Sustainability strategies are consistently presented to the Board of Directors, coordinated by the Corporate Sustainability Committee.
GRI 2-13	Oversight and ethical frameworks	Four primary committees focused on ethics, corruption, harassment, and human rights are currently engaged in their work.
GRI 2-16	Procedures for addressing ethical violations	Notifications received via the ethics hotline are assessed by the Anti-Corruption and Ethics Committee in a confidential manner.
GRI 403	Occupational Health and Safety Management System	The Occupational Safety and Health Committee performs regular field visits, risk assessments, and training initiatives.
BSCI Performance Domain 1	Management frameworks	Social compliance activities are governed by established written policies, and regular internal audits are performed.
BSCI Performance Domain 2	Employee engagement and communication	Employee feedback is consistently collected via the Employee Representatives Board and open-door policies.
BSCI Performance Domain 3	Ethical business conduct	The Anti-Corruption and Ethics Committee facilitates training sessions and performs risk analyses.
BSCI Performance Area Four	Human Rights	The Labour and Human Rights Committee diligently oversees issues related to child labor, discrimination, and forced labor.

## ECONOMIC PERFORMANCE

At SEL, our sustainability strategy is grounded not only in our environmental and social responsibilities but also in our robust economic performance. Our financial stability serves as a vital foundation for the well-being of our employees and our long-term sustainability initiatives.

In 2024, our company sustained its consistent growth, achieving robust turnover and distinguishing itself within its sector through exceptional export performance. As highlighted in the CEO's message, our exports represented a substantial segment of our total sales, enhancing our efficacy in international markets.

Our economic growth extends beyond mere financial indicators; it is also bolstered by our contributions to employment, the added value generated through our investments in research and development and innovation, and the resources dedicated to energy efficiency initiatives.

Thanks to this robust economic framework, we can generate resources for both our renewable energy investments (such as solar power initiatives) and our social responsibility projects, thereby confidently fulfilling our sustainability commitments.

Year	Revenue Net Sales
2022	1.915.351.138,39 TL
2023	3.129.008.007,49 TL
2024	4.966.421.732,65 TL

### Exporting to 115 Nations



Germany, United States, Argentina, Albania, Australia, Austria, Azerbaijan, Belarus, Bolivia, Bosnia and Herzegovina, Brazil, Bulgaria, Czechia, China, Denmark, Dominican Republic, Dubai, Ecuador, Ethiopia, Morocco, France, Gabon, Guatemala, Guyana, South Africa, South Korea, Georgia, Croatia, India, Netherlands, Honduras, England, Ireland, Spain, Israel, Sweden, Switzerland, Italy, Japan, Canada, Montenegro, Kazakhstan, Northern Cyprus, Colombia, Congo, Kosovo, Costa Rica, Lithuania, Lebanon, Hungary, North Macedonia, Malta, Mauritius, Mexico, Egypt, Moldova, Nicaragua, Uzbekistan, Pakistan, Panama, Poland, Portugal, Puerto Rico, Romania, Russia, Serbia, Singapore, Slovakia, Slovenia, Somalia, Saudi Arabia, Chile, Tanzania, Thailand, Taiwan, Tunisia, Turkmenistan, Ukraine, Oman, Uruguay, Jordan, Vietnam, Greece...



## AWARDS AND ACHIEVEMENTS

The accomplishments we have realized in our sustainability journey at SEL illustrate that the measures we have implemented are recognized on both national and international levels.



### Ecovadis 2024 – Commitment Badge

The Ecovadis Commitment Badge awarded to us in 2024 signifies our company's dedication to adhering to international standards in sustainability.



### Carbon Footprint Assessment

Our corporate carbon footprint report, developed in compliance with the ISO 14064-1 standard, has been validated for 2023 by an accredited independent entity. This validation affirms the transparency and reliability of our greenhouse gas inventory in alignment with international standards.



### Export Accomplishments

- Ranked 400th in the TIM 2024 Top 1000 Exporters list.
- IKMIB achieved a 5th place ranking in the Paint, Varnish, and Ink Export category in 2024.



### Chamber of Industry Accomplishments

By securing the 440th position in the Istanbul Chamber of Industry's list of the Top 500 Largest Industrial Enterprises, we are strengthening our production capacity and our standing within the sector.



Carbon Footprint



IKMIB



TIM

## GLOBAL RECOGNITION

### International Fair Participation

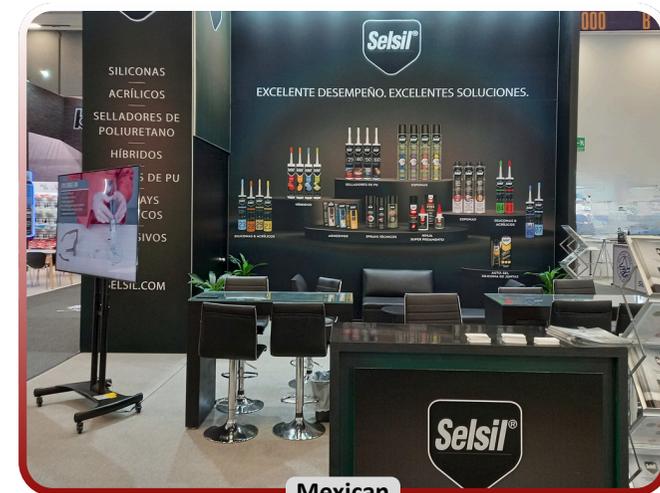
Throughout 2024, SEL actively participated in prominent national and international trade fairs within the sector, allowing for direct engagement with its stakeholders. These events, hosted in various locations including the USA, Germany, the UK, Mexico, and the United Arab Emirates, provided a platform to showcase our sustainable product portfolio to a broader audience, foster new collaborations, and closely observe innovative practices within the industry.



Saudi Arabia



Dubai



Mexican

Our engagement in trade fairs has not only bolstered our commercial endeavors but has also facilitated the promotion of our eco-friendly products and sustainable production methods on international stages. In this regard, the fairs we have participated in have enhanced our company's visibility in global markets, fortified our relationships with stakeholders, and directly advanced our sustainable growth strategy.

Fair Title	Country/City
World of Concrete 2024	ABD / Las Vegas
Riyad: The Grand Spectacle	Saudi Arabia
IBS Las Vegas 2024	ABD / Las Vegas
Uzbuild 2024	Uzbekistan / Tashkent
Hardware Fair Cologne 2024	Germany / Cologne
Mosbuild 2024	Russia / Moscow
Construction Fair – Turkey Build Istanbul	Istanbul, Turkey
Sydney Build 2024	Australia / Sydney
London UK Construction Week	England / London
National Hardware Expo	Mexican / Mexico
Automechanika Frankfurt	Germany / Frankfurt
Construct Iraq	Iraq / Erbil
Edifica 2024	Chile / Santiago
Excon 2024	Peru / Lima
Power & Building Veteco	Spain / Madrid
Dubai The Big 5 Global 2024	BAE / Dubai
Eurasia Outlook 2024	Istanbul, Turkey

## SOCIAL CONTRIBUTIONS AND CORPORATE SOCIAL RESPONSIBILITY

SEL expands its understanding of sustainability beyond merely environmental and economic dimensions, placing significant emphasis on generating social benefits.

### Contributions and Assistance

**Education**

Donations to universities and other educational institutions—such as contributions to the Istanbul Technical University Career and Internship Center, the Ege University Strategy Development Department, and various sector stakeholders—significantly advance our vision of "young people prepared for work and life" by fostering the professional development of youth. These contributions serve not only as financial support but also facilitate the enhancement of internship and career opportunities, the establishment of mentoring programs, and the dissemination of training models within a collaborative framework.

**Social Support and Solidarity**

Through social assistance programs aimed at disadvantaged segments of society, such as contributions to organizations like the Association for the Protection of the Poor, we not only offer economic support but also strive to foster a culture of social cohesion, inclusion, and solidarity. In this regard, our company adheres to the principle of "let's collaboratively address the challenges we observe in our surroundings."

**Industrial and Sectoral Collaboration**

We also play a vital role in the development and sustainability of the manufacturing and industrial sector. For instance, our contributions to sectoral institutions, such as the Istanbul Chamber of Industry, facilitate the exchange of technical knowledge, foster industry-university collaborations, and enhance vocational training opportunities. In this manner, we not only fortify our own company but also strengthen the broader industrial ecosystem in which we operate.

We are a member of the Çorlu Chamber of Commerce and Industry.

Through our efforts in these three areas, SEL is steadfastly advancing projects that engage various segments of society and generate sustainable value.

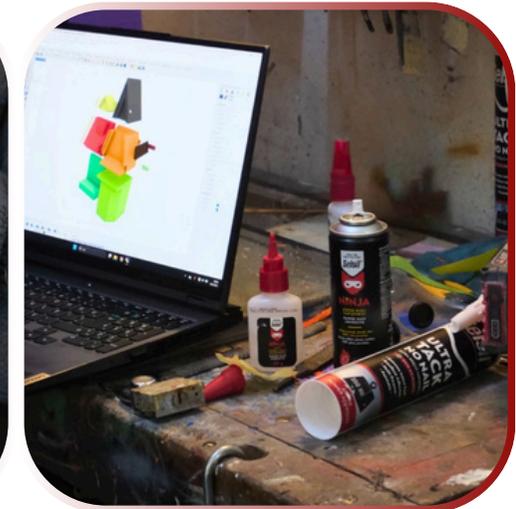


Istanbul Technical University

### Onaranlar Club and SEL

We are a key social stakeholder of the Onaranlar Club, which fosters innovative projects aimed at enhancing the dialogue between the environment and individuals.

At SEL, we endorse numerous initiatives led by the Repairers Club aimed at fostering a more sustainable future. Together, we investigate how our products can address various needs within the creative industry.



### Onaranlar Club

Since 2016, Onaranlar Club has been cultivating innovative projects in the public domain grounded in participatory, inclusive, and sustainable principles, while also equipping its expanding community with 21st-century skills through workshops and training programs.

If you wish to explore their engaging and inspiring world and partake in their workshops and gatherings, which we also endorse, you may visit [onaranlarkulubu.com](http://onaranlarkulubu.com) and their Instagram page.

## SPONSORSHIP AND FLOODING

Sel consistently fosters the energy and creativity of student clubs in schools annually by sponsoring technology-oriented initiatives, including engineering competitions, graduation projects, workshops, and case studies. This approach aims to assist students in applying their academic knowledge, cultivating innovative solutions, and evolving into the engineers of tomorrow.

In 2024, a notable advancement was made toward this objective with the assistance extended to Beylikdüzü OSB Vocational and Technical Anatolian High School, fostering the identification and cultivation of young individuals' talents.

### Female Student Mentorship Initiative

At SEL, fostering young people's education and workforce participation is a fundamental aspect of our sustainability vision. Specifically, promoting the professional development of female students ranks among our highest priorities, as it contributes to gender equality and enhances diversity within our sector.

In 2024, we offered internship opportunities to a total of eight university students in our factories. Six of these students were female, and we actively contributed to their career development to promote the presence of young women in the industrial sector. Each intern was paired with a mentor to aid their acclimatization to work processes and to ensure they acquired experience in a safe and supportive learning environment.

Our objective in the upcoming period is to enhance the enrollment of female students and foster the development of more young individuals. In this regard, efforts are being made to broaden internship opportunities for female students within our factories and to establish a more systematic mentoring program by 2025.

Through these initiatives, we seek to enhance the representation of young women in the industrial sector, facilitate their career advancement, and bolster the skilled workforce of the future.

## EDUCATION AND SCIENCE INITIATIVES

To foster the education and development of children who will shape the future of society, the "Children Meeting Science" event took place at a local primary school in 2024. As part of this initiative, interactive chemistry applications, including foam inflation experiments, were implemented to enhance children's interest in science and render the learning process enjoyable.

Throughout the event, students had the opportunity to engage with and investigate the relationship between science and everyday life, while also benefiting from activities that promoted teamwork and curiosity. This initiative, characterized by the active involvement of the children, enhanced their understanding of science and offered them an inspiring experience for their educational journeys.

At SEL, we prioritize sustainability not only in our production processes but also in our contributions to society. Through these social responsibility initiatives, we aim to inspire future generations and foster interest in science and education.



# OUR SUSTAINABILITY STRATEGY

## OUR SUSTAINABILITY OBJECTIVES

We have established our sustainability priorities in alignment with our corporate strategic plans and stakeholder expectations.

- 1 **Research Study:** At the outset of the prioritization study, we developed an extensive list of 45 topics by assessing global sustainability trends, best practices, our corporate strategies, competitor analysis, and industry demands.
- 2 **Assessment Study:** The Corporate Sustainability Committee reassessed these issues, taking into account their influence on our operations, the associated risks and opportunities, and developed a Sustainability Prioritization Questionnaire comprising 25 topics.
- 3 **Stakeholder Survey:** The Prioritization Survey has been distributed to our stakeholders and has received responses from 54 participants.
- 4 **Sustainability Workshop:** The Sustainability Working Group assessed the survey results and submitted them for management approval.
- 5 **Management Review:** Under the leadership of the SEL General Manager, the study results were examined and sanctioned. The evaluation categorized sustainability priorities influencing SEL's operations into three tiers: Primary, Secondary, and Tertiary Priorities, considering stakeholder expectations and their effects on business activities.

As a result of our prioritization process, which included research studies, stakeholder surveys, and workshops, we developed our prioritization matrix.



The significant topic titled "Pandemic," which was previously classified as a "Priority," has been eliminated from the prioritization matrix during the review process.

## Our Priority Issues and the Sustainable Development Goals to Which We Contribute



Primary Priority

- Occupational Health and Safety
- Operational Waste and the Zero Waste Strategy
- Employee Advancement
- Ethical Standards (Integrity, Justice, Equality) and Human Rights
- Transparency and Dependability
- Child Labor
- Employee Wellness
- Client Contentment
- Product Safety and Product Quality
- Information Security, Data Privacy, and Cyber Risk Management



Second Priority

- Financial and Operational Effectiveness
- Natural Resources (Energy Administration, Water Administration)
- Environmental Permit/License Adherence (Emissions)
- Employee Engagement and Satisfaction
- Innovative Methodology
- Climate Emergency and Mitigating Greenhouse Gas Emissions
- Investing in innovative climate-conscious and environmentally sustainable products and services.
- Preparedness for Natural Disasters
- Intelligent Products and Digital Technologies
- Product Solutions to Mitigate Plastic Pollution
- Supply Chain Management
- Research and Development Investment



Third Priority

- Raw Material Optimization and Chemical Oversight
- Environmental Impacts (Acoustic/Vibrational)



## OUR STRATEGY AND GOALS

SEL is dedicated to enhancing the value of our investments, generating foreign currency for our nation, and ensuring stakeholder satisfaction by exploring opportunities within the sector. Our objective is to consistently outpace our competitors through product differentiation and adherence to high-quality standards.

Ensuring a fair, healthy, and safe working environment for our employees, while enhancing our processes to prioritize their satisfaction, ranks among our strategic priorities.

Our primary strategy is to enhance our brand, boost our profitability and economic value in a sustainable growth context, and establish ourselves as one of the esteemed and recognized global brands through ongoing improvement.

## OUR TARGETS AND INDICATORS

Our organization is dedicated to realizing the objectives established within the context of its strategies and has set ambitious targets for 2027. These targets are primarily categorized into five key areas: Research and Development, Innovation and Digitalization, Sustainable Economic Performance, Environmental Stewardship and Occupational Health and Safety (OHS), and Workforce Well-being.

All these objectives are being formulated in alignment with our company's strategies centered on sustainable growth and social responsibility. We are consistently striving to attain our goals and are dedicated to advancing this vital mission in collaboration with all our stakeholders.

Aim	Explanation	The year 2024	The year 2027
<b>Environmental and Occupational Health and Safety Goals</b>			
LED transformation	Completion of LED conversion across all facilities.	100%	100%
Occupational incidents	Number of days without accidents	300 days	365 days
ISO certifications	Continuity of the Quality Management System, Environmental, and Occupational Health and Safety documentation.	100%	100%
Water usage	Decreasing per capita water usage	12%	20%
Waste repurposing	Achieving a 100% waste recycling rate.	100%	100%
Greenhouse gas emissions	Attaining Scope 2 emission reductions grounded in the 2023 baseline year through investments in solar power facilities.	12% reduction	42% (2030)
<b>Objectives in Professional Life</b>			
Employee engagement	Enhancing employee satisfaction survey outcomes.	45%	75%
Training module	Provision of training programs	75%	100%
Competency frameworks	Establishing competencies according to position.	50%	85%
Career development	Developing career pathways	23%	80%
Enhancing the proportion of female employees	Enhancing the participation of women in recruitment as a facet of gender equality.	73%	90%
To sustain or enhance the proportion of employees with disabilities.	Sustaining the proportion of employees with disabilities through an inclusive employment strategy.	100%	100%
Employee wellness seminars	Organizing seminars focused on healthy living, cancer awareness, chronic disease prevention, and mental health. Collaborating with the District Health Directorate and various health institutions.	Planned	2 projects/year



Aim	Explanation	The year 2024	The year 2027
Implementing social responsibility initiatives designed to enhance children's engagement with science and education.	Implementing a minimum of two education-oriented social responsibility initiatives annually.	1 project/year	2 projects/year
Internship program for female students	Enhancing the representation of female students among interns.	75%	85%
Community initiatives	A minimum of one social responsibility initiative annually.	Planned	1 project/year
Environmental awareness initiatives for children (e.g., zero waste education and waste bin contributions)	Implementing a minimum of two environmentally focused social responsibility initiatives annually.	Planned	2 projects/year
Delivering information security awareness training to employees.	Complete inclusion guaranteed	100%	100%
Conducting regular training sessions for all employees on ethical and social issues.	Inclusion of all employees with complete participation.	90%	100%
<b>Enhancing and diversifying information technology services to elevate their quality and breadth.</b>			
Conducting an exercise to evaluate business continuity.	Power outage, fire, and software malfunction drills.	Annually	Biannually
Product safety evaluation	Enhancing the audit score	80 Mrs.	90+ Mrs.



## RISK MITIGATION

Effective risk management is essential for the sustainability of our operations. In this context, risks and opportunities are identified in accordance with the pertinent requirements of management system standards, legal regulations, customer expectations, and the needs of both internal and external stakeholders. Furthermore, the establishment of implementation conditions and the ongoing enhancement of effectiveness are assured.

In all activities pertaining to occupational health and safety, environmental impact, quality, product safety, and information security, potential risks are consistently identified, analyzed, and managed. At SEL, we perform systematic risk assessment studies, emphasizing occupational health and safety, environmental sustainability, and ethical principles. The early identification of potential hazards, along with the development and execution of action plans to avert these hazards from escalating into risks, constitutes the foundation of all our processes.

### STAKEHOLDER ENGAGEMENT AND RISK MITIGATION

Stakeholder feedback serves as a crucial guide in our sustainability strategy. Insights garnered from employee satisfaction surveys have informed the evolution of our human resources policies. Enhancements to our product formulations and packaging designs have been implemented in response to customer complaints and recommendations.

Furthermore, mutual commitments concerning adherence to sustainability criteria were secured during meetings with our suppliers. These practices illustrate our responsiveness to stakeholder expectations and the incorporation of these expectations into our strategic framework.

Environmental, social, and legal risks are routinely analyzed, and their potential impact on company operations is evaluated. Occupational health and safety risk assessments, environmental impact evaluations, and ethical risk analyses are conducted annually; preventive and corrective measures are enacted for high-probability risks. In this regard, investments are directed towards occupational safety to avert potential workplace accidents in our production processes, while energy efficiency and waste management initiatives are executed to mitigate environmental risks. Additionally, changes in legal regulations are meticulously monitored, our product safety protocols are consistently updated, and a secure and sustainable working environment is guaranteed for all stakeholders.



### Occupational Health and Safety Hazards

The analyses conducted indicate that workplace accidents, fires, emergencies, and health hazards pose significant risks to employees. The primary preventive measures adopted to mitigate these risks encompass the development of emergency plans, regular testing through drills, periodic inspections of fire extinguishing systems, provision of personal protective equipment, and ongoing occupational health and safety training for employees.



### Environmental Hazards

Environmental pollution, waste management, and the risks associated with chemical storage in production processes are among our primary concerns. Consequently, these risks are effectively mitigated through source separation of waste, redirection to licensed disposal and recycling facilities, regular environmental monitoring, and the implementation of Zero Waste Management practices.



### Ethical Considerations

Our ethical risk management strategy is grounded in the principles of human rights, integrity, transparency, and accountability. Our organization evaluates not only the risks associated with bribery and corruption in its operations but also all ethical risks, including violations of employee rights, forced labor, wage disparity, discrimination, ethical breaches within the supply chain, and insufficient management commitment.

In this context:

- **The Code of Ethics and Social Policies is communicated to all employees and business partners and is regularly updated.**
- **Ethics training programs enhance awareness among employees.**
- **Reports may be submitted via the Ethics Whistleblowing Hotline confidentially and without fear of retaliation.**
- **Commitments to social compliance and ethical responsibility have been incorporated into supplier agreements.**
- **Risk assessment processes are evaluated annually in alignment with BSCI principles, and corrective action plans are formulated for each identified risk.**

Effectively managing ethical risks is regarded not merely as a means of fulfilling legal obligations, but also as a crucial component of SEL's strategy for sustainable growth and the cultivation of stakeholder trust.



### Information Security Threats

In the risk analysis performed in the realm of information security, all digital, written, and hardware assets across the accounting, human resources, quality, production, foreign trade, and information technology departments were assessed. The evaluation results indicated that the highest priority risks included unauthorized access, data loss, erroneous data entry, hardware failures, and information loss resulting from natural disasters.

To address these risks, the following measures are implemented within the framework of information security management:

- Critical data is routinely backed up and stored on secure servers.
- To prevent unauthorized access, access authorizations, password policies, and two-factor authentication measures are established.
- All employees undergo regular information security awareness training.
- The backup system and UPS infrastructure have been enhanced to safeguard against hardware failures.
- Data loss prevention (DLP) policies are enforced on email and digital communication platforms.
- Physical and digital backup protocols have been implemented to safeguard data from natural disasters, including fire, flood, and earthquake.
- Preventive measures in information technology infrastructure encompass firewalls, antivirus software, licensed applications, and routine penetration testing.

The outcomes of the risk analysis are evaluated at regular intervals, and corrective action plans are executed for identified "significant" and "unacceptable" risks. This process is conducted in alignment with the principles of the company's ISO 27001 Information Security Management System.

## CONTINUOUS IMPROVEMENT STRATEGY

Our risk assessment process extends beyond mere compliance with legal obligations; it is underpinned by a commitment to continuous improvement. We prioritize high-probability risks, monitor mitigation actions with designated responsibilities and deadlines, and evaluate progress through regular reporting. This approach safeguards our employees, protects the environment, and upholds our dedication to business ethics.

### Internal Audit

In our organization, internal auditing is performed not solely to verify compliance but also as a means to facilitate continuous improvement. Our internal audit activities are conducted at regular intervals to safeguard our management systems, ensure alignment with our strategic objectives, and proactively address risks.

**In 2024, we executed scheduled internal audits across all our departments. Consequently, these audits resulted in:**

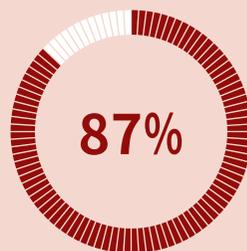
62

An improvement action has been initiated.

54

The operation has been successfully finalized.

Consequently, the discrepancies in our processes were promptly addressed, resulting in an enhancement of our operational efficiency and compliance level to 87.1%.



Our internal audits encompass a broad spectrum of domains, including quality, environmental stewardship, occupational health and safety, information security, product safety, and ethical practices. This methodology not only assesses the efficacy of our current systems but also cultivates a culture of sustainable development by enhancing employee awareness.

Our objective is to expedite the follow-up of findings by more effectively leveraging digital monitoring and reporting tools within internal audit processes in the upcoming period, aiming to achieve a 100% completion rate of actions and to expand coverage by increasing the number of internal audits conducted annually.

## TRAININGS

Our organization's ongoing development emphasizes the enhancement of our employees' skills and expertise. In this regard, our company consistently provides training programs to facilitate both the professional and personal growth of our staff. These programs address critical and strategic subjects, including environmental management, information security, quality control, and occupational health and safety.

Furthermore, upon hiring new employees, we provide tailored training programs to facilitate their swift and effective adaptation to our work environment. This approach streamlines the onboarding process and fosters their integration into our company culture.

Our employee training programs not only foster personal development but also play a vital role in advancing our company's objectives for sustainable growth and business excellence. These training initiatives are essential in equipping our employees to specialize and effectively engage with our company's sustainability mission.

**In 2024, a total of 6,210 hours of training were delivered.**

TRAINING	2024 PER CAPITA TRAINING HOURS
OHS	16 Hour
Environment	3 Hour
Information Security	2 Hour
Quality/BSCI	2 Hour

## OUR RELATIONSHIPS WITH STAKEHOLDERS

Engagement with Stakeholders				
The relevant parties	Expectations and Requirements	Monitoring		
		Method	Period	Accountable Department
Customers	Product excellence	Customer returns and complaints	Oh	Quality
	Cost-effective pricing	Price agreement and annual discount requests	Year	Marketing and Sales
	Timely delivery	Shipping efficiency	Oh	Marketing and Sales
	Prompt response	Complaint resolution procedure	Year	Quality
Shareholders	Strong financial performance	Provisional corporate tax declaration	3 Is	Accounting
	Adherence to legal obligations	Investment or penalty payments	3 Is	Accounting
	Expansion in business volume	Sales statistics	Oh	Marketing and Sales
	Business Continuity	Sales graphs	Oh	Marketing and Sales
Employees	Fair pricing	Performance assessment	Year	General Manager
	Appropriate working conditions	Grievances and occupational incidents	6 Is	I
	Timely payment	Payday	Oh	I
	Personal growth	Training duration per individual	6 Is	I
	Community facilities	Social services funding	6 Is	I
Suppliers	Standard Order	Acquisition quantity	Oh	Purchase
	Cost-Effective Pricing	Acquisition cost	6 Is	Purchase
	Expansion in business volume	Acquisition quantity	Year	Purchase
	Timely payment	Payment terms	6 Is	Accounting
Public entities and organizations	Adherence to legal regulations	Investment or penalty payments	3 Is	Accounting
	Prompt execution of legal responsibilities.	Investment or penalty payments	3 Is	Accounting

Engagement with Stakeholders				
The relevant parties	Expectations and Requirements	Monitoring		
		Method	Period	Accountable Department
Ministry of Environment, Urban Development, and Climate Change	Adherence to the stipulations outlined in legal and regulatory requirements (legal regulations issued under the Environmental Law No. 2872)	<a href="https://www.lebibyalikin.com.tr">https://www.lebibyalikin.com.tr</a>	Continually	CYS
		<a href="http://www.mevzuat.gov.tr">http://www.mevzuat.gov.tr</a>		
		<a href="http://www.resmigazete.gov.tr">http://www.resmigazete.gov.tr</a>		
		<a href="https://csb.gov.tr/">https://csb.gov.tr/</a>		
Ministry of Labor and Social Welfare	Adherence to the stipulations outlined in legal and regulatory requirements (legal regulations issued under Labor Law No. 6331)	<a href="https://www.lebibyalikin.com.tr">https://www.lebibyalikin.com.tr</a>	Continually	ISG
		<a href="http://www.mevzuat.gov.tr">http://www.mevzuat.gov.tr</a>		
		<a href="http://www.resmigazete.gov.tr">http://www.resmigazete.gov.tr</a>		
		<a href="https://csb.gov.tr/">https://csb.gov.tr/</a>		
Non-governmental organizations	Support for initiatives within civil society	Number of initiatives	Year	I
	Timely payment of dues	Membership fee remittances	Year	Accounting
Society	To prevent environmental pollution.	Environmental grievances and sanctions	Year	Quality
	Employment	Annual employment expansion	Year	I
Financial Entities	Strong financial performance	Provisional corporate tax declaration	3 Is	Accounting
	Timely payment	Interest on late payments	Year	Accounting
Education	Project support	Number of projects supported	Year	Our Ge
	Internship opportunity	Number of trainees	Year	I
	Employment	Annual employment expansion	Year	I

## R&D

SEL a producer of construction and automotive chemicals since 1991, views sustainability not merely as a means to reduce environmental impact but as a comprehensive strategy that includes innovation, regulatory compliance, resource efficiency, and product safety. In this context, our Research and Development (R&D) department engages in a variety of projects designed to minimize the environmental footprint of our products while consistently enhancing our sustainability performance.

### Key themes of our research and development initiatives concerning sustainability:

#### 1. Creating Products with Low VOC Levels

In our extensive array of products, which includes acrylic sealants, polyurethane sealants, hybrid-MS sealants, aerosols, PU foams, and DIY adhesives, we are implementing formulation enhancements to minimize volatile organic compound (VOC) levels.

- In accordance with A+ and EC1+ class indoor air quality testing protocols, next-generation low-emission products are being developed.
- We are committed to delivering solutions that adhere to green building certification systems, including LEED and BREEAM.

#### 2. Solvent-Free, More environmentally sustainable solvents and MEKO-Free Systems

To minimize environmental and toxicological impacts,

- Research on solvent-free formulations,
- Transitioning from our current applications to more environmentally sustainable solvents,
- Projects are in progress to shift towards MEKO (Methyl Ethyl Ketoxime)-free curing systems. Presently, our MEKO-free neutral silicone products are available in the market, and we intend to commence production of the next generation of MEKO-free silicones in 2026.

#### 3. Polyurethane Systems with Reduced Isocyanate Monomer Content

- In accordance with international regulations, particularly REACH, we strive to create safer and more environmentally sustainable solutions by aiming for a free isocyanate monomer content of less than 0.1% in our polyurethane-based products.
- Our research and development initiatives have yielded products slated for market introduction in 2025, alongside ongoing projects comprising 40-50%.

#### 4. Management of Raw Materials and Formulations Compliant with Regulations

- The processes of identifying, evaluating, and validating appropriate alternatives for restricted or limited-use raw materials are conducted with precision. Under the guidance of our Chemical Assessment Experts, we forecast and establish expiration dates, usage quantities, and all requisite actions for restricted products in the most efficient manner.
- In the developing world, to mitigate the effects of raw material shortages resulting from crises, pandemics, and significant events, we are broadening our roster of certified suppliers by collaborating with companies that source raw materials from sustainable and compliant origins.

#### 5. Products Featuring Improved UV and Temperature Resistance

To create more durable products for exterior facade applications in buildings and to withstand the demanding conditions of the automotive industry:

- The UV resistance of the products,

Performance enhancements are continuously being implemented to improve stability in response to temperature fluctuations. This prolongs the product's lifespan post-application, consequently minimizing resource and material usage.

#### 6. Recycled Packaging and Injection Molding Manufacturing

Thanks to our proprietary plastic injection molding infrastructure:

- Recyclable,
- We are undertaking research and development studies on packaging materials containing recycled content and are striving to minimize our carbon footprint associated with packaging.

Our objective is to intensify our emphasis on the utilization of recycled materials in alignment with packaging and packaging waste regulations by 2027, thereby enhancing our contributions to sustainability and recycling efforts.

#### 7. LCA and EPD Reporting Analyses

To scientifically assess the environmental impact of our products and comply with the new building regulations.

- Product-based Life Cycle Analysis (LCA) projects are currently underway, with 30% of our categorized products analyzed to date. Our objective is to complete the life cycle analysis for all CE-marked products within the categorized product range by January 2026.

- Our efforts and discussions concerning Environmental Product Declaration (EPD) documents are ongoing, with a target completion date set for the end of 2026. These initiatives promote transparent management of environmental performance and align with the preference for sustainable projects.

### 8. Enhancement of Process Efficiency and Reduction of Energy Consumption

- Optimization initiatives are being undertaken to enhance production processes, reducing both time and energy consumption.
- Production efficiency is enhanced through lean manufacturing and agile methodologies. This diminishes carbon emissions and promotes operational sustainability.

### 9. Oversight of Regulations and Technical Documentation

- Safety Data Sheets (SDS) and Technical Data Sheets (TDS) for all our products are meticulously prepared and regularly updated by our three Chemical Assessment Experts within the R&D unit, who thoroughly evaluate the processes in compliance with current regulations.
- Furthermore, global and local regulations (REACH, CLP, GHS, KKDİK, etc.) are monitored in real-time, and adjustments to formulation and labeling are made in accordance with these changes.

#### Our Vision for Future-Oriented Research and Development

Our R&D department remains committed to advancing projects that integrate product performance with sustainability principles. Our objective is:

- More eco-friendly,
- More reliable,
- Extended durability,
- Our objective is to effect change in our industry through innovation and sustainability by providing products that adhere completely to regulations.



In alignment with this understanding, our R&D activities are established not only as a center for new product development but also as a catalyst for sustainability across our entire value chain. Our annual formulation count rises by an average of 10% each year, driven by the efforts of our R&D unit, as we consistently engage in projects aimed at enhancing our existing products.

## INNOVATION AND DIGITAL TRANSFORMATION

At SEL, as part of our sustainability journey, we strive to enhance our performance not only in environmental and social domains but also in technology and digitalization. Innovative methodologies and digital solutions enhance the efficiency of our production processes while directly contributing to our environmental performance through more effective resource utilization.

Within this framework, our infrastructure development for the Manufacturing Execution System (MES) software is progressing in our production lines. Initial applications for the project were launched in 2024, and control mechanisms have been established to ensure traceability in production processes. The objective for the forthcoming period is to attain 100% implementation of MES across all production lines.

Furthermore, AI-driven design tools are enhancing our product development processes. In 2024, these systems were employed in approximately 3,000 projects, facilitating AI-assisted reviews of multilingual accuracy checks on product labels, shelf-life information, and the appropriateness of technical content. This strategy has allowed us to minimize errors, ensure linguistic consistency, and establish more robust product safety protocols.

Consequently, innovative solutions that mitigate environmental impact while enhancing quality and compliance are integrated not only into production processes but also into product development and design. This emphasis on innovation and digitalization is a crucial component of our sustainability strategy; moving forward, we intend to bolster both our competitiveness and our performance in environmental and social responsibility through increased investments.



# THE POWER OF OUR FUTURE: INDIVIDUALS



# THE POWER OF OUR FUTURE: INDIVIDUALS

SEL is dedicated to safeguarding the human rights of workers and ensuring they are treated with dignity and respect, in accordance with international standards. This commitment extends to all employees, including temporary, migrant, student, contract, direct-hire, and other workers.

## WORK STANDARDS

### UNRESTRICTED EMPLOYMENT CHOICE, COERCED LABOR

Bondage, including debt bondage, as well as intentional labor, involuntary or exploitative prison labor, slavery, or human trafficking, is strictly prohibited. This prohibition encompasses the transportation, housing, recruitment, transfer, or acquisition of individuals for labor or services through means of threat, coercion, kidnapping, or fraud. There shall be no unreasonable restrictions on the freedom of movement of workers within the premises, nor shall there be unreasonable limitations on entering or exiting facilities provided by the Company. During the recruitment process, workers shall receive a written employment contract that clearly delineates the terms of employment, and no substitutions or modifications shall be made to this contract. Modifications are permissible only if they offer terms equal to or more favorable than those outlined in this contract, while adhering to local laws. All work is voluntary, and workers retain the right to resign or terminate their employment at any time.

### YOUNG EMPLOYEES, INTERNS, AND JUVENILE LABOR

SEL categorically prohibits child labor. The term "child" designates any individual under the age of 15, or below the age at which compulsory education is completed, or below the minimum employment age established by the country. In alignment with this definition, child labor is strictly absent from all phases of our production. Identity and age verifications are meticulously conducted throughout our recruitment processes. Should any infractions related to child labor occur, including within the supply chain and among subcontractors, our business relationships with the implicated individuals or entities are promptly terminated.

We uphold a strict zero-tolerance policy regarding child labor; we do not engage in child labor within our operations and mandate the same standard throughout our supply chain. In the rare event of an exceptional case, our Support and Rehabilitation Procedure for Human Rights Victims is promptly initiated: cases are identified through field audits, employee reports, and stakeholder feedback; victims are approached through consensual, secure, and confidential channels; and we collaborate with civil society organizations and relevant public authorities.

Immediate physical, psychological, and legal support is provided; guidance and follow-up are coordinated with the school and family to ensure safe participation and continuity of education. Concurrently, a root cause analysis is performed at the supplier level, corrective and preventive action plans are executed, recruitment and intermediary processes are enhanced, and no sanctions or financial penalties are allowed against the victim or their family.

Each case is meticulously documented, consistently monitored, and concluded with independent verification; the findings are incorporated into our improvement programs and management reports. Confidentiality, data protection, and the paramount interests of the victim are the unwavering principles guiding all processes.

Young workers aged 15 to 18 are prohibited from engaging in employment that may jeopardize their health and safety, such as night shifts or overtime. Only legitimate and secure workplace learning programs are endorsed to facilitate the integration of individuals in this age group into the workforce. Within this framework, SEL enhances the professional development of young people through its internship program. Each intern is paired with a mentor, and their tasks and responsibilities are closely monitored, ensuring they acquire experience that aligns with their academic pursuits. This program enables young individuals to apply their theoretical knowledge in practice while preparing for the professional world in a safe, conscientious, and supportive environment.

Furthermore, we guarantee the proper maintenance of student records, the meticulous selection of our training partners, and the protection of the rights of all trainees in accordance with relevant legislation. In the absence of local laws, the wage rate offered to trainees and apprentices is established at a minimum equal to that of other entry-level employees engaged in equivalent or similar work.

**In 2024, two male and three female students completed internships at our Silivri factory, while three female students undertook internships at our Türkgücü factory.**

**The objective for 2025 is to enhance the number of interns, thereby fostering increased engagement of young individuals in the workforce.**

### WORKING HOURS

Working hours must not surpass the maximum duration established by local regulations. Overtime exceeding 270 hours annually is forbidden. Any work exceeding 45 hours per week is classified as overtime. Employees are entitled to a minimum of one day off following every six consecutive working days.

## FEES AND REMUNERATION

SEL fully complies with legal regulations and the principle of equitable remuneration in its wage and compensation practices for all employees. Our compensation policy guarantees that employees receive fair, transparent, and prompt remuneration for their work.

- **Legal Adherence and Transparency:**

Compensation, salaries, overtime remuneration, and all legally required social benefits provided to employees adhere fully to applicable national legislation. Employees are issued regular pay slips that clearly detail the work completed and the wages disbursed during each pay period.

- **Overtime Compensation:**

In compliance with local regulations, overtime compensation is calculated at a rate exceeding the standard hourly wage and is disbursed promptly. This guarantees that our employees receive complete remuneration for their efforts.

- **Interruption and Disciplinary Policy:**

Wage deductions are not imposed for disciplinary reasons. Deductions may only be implemented when legally mandated and in accordance with the stipulations outlined in employment contracts or collective bargaining agreements.

- **Equal Pay and Promotion Policy:**

SEL upholds the principle of "equal pay for equal work" and enforces a fair compensation policy devoid of discrimination based on gender, age, title, or similar criteria. Salary increases are uniformly applied to all employees across the organization, ensuring a transparent and predictable framework. Additionally, career development and promotion opportunities are extended to employees based on their merit and accomplishments.

- **Supplementary Rights and Remuneration:**

In addition to compensation, our employees benefit from loyalty bonuses, social benefits, and fringe benefits. These initiatives are designed to enhance both the financial and social well-being of our workforce.

SEL is dedicated to enhancing the economic security of its employees by implementing a fair and transparent compensation and promotion system, as well as fostering a work environment that adheres to both national and international labor standards.

## OUR EQUITABLE COMPENSATION STRATEGY

At SEL, we regard the fair, transparent, and competitive evaluation of our employees' labor as a fundamental human right. Our compensation policy is developed with consideration for the principles of equal pay for equal work, equal opportunity, and prevailing market conditions.

Through our annual Fair Compensation Survey, we collect employee feedback, which is subsequently assessed by senior management to pinpoint areas for enhancement in our compensation policies.

In light of the fair wage of 32,800 TL announced by İGİAD (Association of Economic Enterprise and Business Ethics) for 2025, and subsequent to a wage evaluation study conducted by SEL throughout the year, it was concluded that employees received a meal voucher, health insurance, shift premium, transportation, and meal allowance in addition to the minimum wage. This comprehensive benefits package was found to be approximately 14% above the fair wage established by İGİAD.

This study clearly illustrates our dedication to enhancing the quality of life for our employees. In the upcoming periods, our primary objectives include ensuring the sustainability of our equitable wage policy, improving employee satisfaction, and establishing a benchmark practice within the industry.

## COMPASSIONATE TREATMENT

There shall be no sexual harassment, sexual abuse, corporate punishment, mental or physical coercion, or cruel and inhumane treatment, including verbal abuse of employees; nor will there be any threat of such treatment. Disciplinary policies and procedures that uphold these standards are clearly articulated and communicated to employees.



## DISCRIMINATION

SEL maintains a workforce that is free from harassment and unlawful discrimination. Our organization does not engage in discrimination based on race, color, age, gender, sexual orientation, gender identity and expression, ethnicity or national origin, disability, pregnancy, religion, political affiliation, union membership, protected genetic information, or marital status. Additionally, employees or prospective candidates are not subjected to medical tests or physical examinations that could be utilized in a discriminatory manner.

Employees	2022	2023	2024
Total number of female staff members	179	169	251
Total number of male staff members	458	389	487
Number of employees aged under 30	182	120	217
Number of employees between the ages of 30 and 50	359	348	425
Number of employees aged over 50	96	90	96
Number of employees with disabilities	12	14	18

## ORGANIZATION

In compliance with local regulations, SEL acknowledges the right of all employees to form and join unions of their choosing, engage in collective bargaining, and participate in peaceful assembly, while also honoring the right of workers to refrain from such activities. Employees and/or their representatives may freely communicate and express their opinions and concerns to management regarding working conditions and management practices without the fear of discrimination, retaliation, threats, or intimidation.

**As of the conclusion of 2024, we have 18 employee representatives.**

**In 2024, each of our 18 employees with disabilities was paired with a companion to assist them during emergencies.**

**In 2024, a total of 96 notifications were submitted in response to feedback from monthly meetings conducted by employee representatives, with all of them receiving a response.**

## EMPLOYEE ENTITLEMENTS

At SEL, our employees represent our most significant asset. Their health, safety, happiness, and development are paramount in enhancing our company culture and ensuring the sustainability of our business operations. Our commitment to employee rights transcends mere compliance with legal obligations; it seeks to foster an inclusive and equitable work environment that adheres to international standards (GRI, ILO, UN Universal Declaration of Human Rights).

### Fundamental Rights

- Equality and the Prohibition of Discrimination:

At SEL, all employees are afforded equal opportunities in recruitment, promotion, compensation, and training processes. Discrimination based on gender, age, ethnicity, disability, religious belief, or any other characteristic is unequivocally unacceptable. Our corporate culture regards diversity and inclusion as valuable assets; we foster a fair working environment that enables our employees to thrive under equitable conditions.

- Human Rights and Labor Rights:

The rights of our employees to organize, join a union, and participate in collective bargaining are assured. Upholding these rights is a fundamental tenet of our employment relations. At Sel, we maintain a zero-tolerance policy towards forced labor and child labor, ensuring that all employees operate in a free and safe environment in alignment with national and international human rights standards.

- Occupational Health and Safety Management

The safety of our employees is a fundamental aspect of our business operations. Regular risk assessments are performed across all our facilities, safety equipment is thoroughly supplied, and our employees participate in extensive training programs. Through our proactive strategy, potential hazards are identified proactively, and appropriate measures are implemented, thereby ensuring a consistently safe working environment.

- Family-Friendly Policies:

Policies that support our employees' family lives are essential to our sustainable employment strategy. Maternity and paternity leave are administered in strict accordance with legal requirements, and necessary provisions are established to assist parents in balancing their professional and personal lives. Additionally, in our facilities where the workforce exceeds the legal threshold, breastfeeding rooms are available to facilitate mothers in maintaining both their professional and family responsibilities in a healthy manner.

- Career and Education:

The personal and professional growth of our employees is essential to our long-term success. Consequently, we conduct regular performance evaluations, and training and development programs facilitate employee career advancement. Providing opportunities for each employee to achieve their potential constitutes the foundation of SEL's human resources vision.

## Benefits

- **Private Health Insurance:**

To enhance the health and quality of life of our employees, all are provided with private health insurance. This ensures security in the event of potential health issues and safeguards the quality of life for our workforce.

- **Attendance Incentive:**

Our company has established a loyalty bonus system to promote long-term commitment among our employees. This system underscores the value of our employees' contributions to the organization and cultivates a sustainable business relationship founded on mutual trust.

- **Market Card and Social Assistance:**

To enhance daily life, we provide our employees with grocery voucher assistance. This initiative not only delivers financial advantages but also promotes the social welfare of our workforce.

- **Transportation and Dining Alternatives:**

- Complimentary shuttle and meal services are available for our employees at all facilities. These initiatives enable our employees to concentrate on their work while also enhancing their work-life balance.

- **Psychosocial Assistance:**

We prioritize the physical, psychological, and social well-being of our employees. To achieve this, we organize social events, motivational activities, and psychosocial support programs to ensure our employees feel appreciated and supported.

## Employee Wellness and Corporate Events

SEL values not only the professional development of its employees but also their social and cultural well-being. In accordance with this philosophy, a variety of social events, celebrations of special occasions, and employee motivation activities are organized throughout the year.

Particularly on March 8th, International Women's Day, the gifts presented to female employees serve as a significant gesture that underscores our company's dedication to gender equality and the value of women's contributions. Furthermore, through a range of cultural and social events, we strive to enrich the lives of our employees beyond the workplace, enhance their sense of belonging, and fortify our corporate culture.

These practices embody SEL's human-centered philosophy, ensuring that our employees feel appreciated not only in their professional endeavors but also in their social interactions.

## Our Dedication to the Future

SEL regards the enhancement of employee rights as an ongoing endeavor and is committed to advancing the well-being of our workforce through the implementation of innovative practices in the future. Our objective is to cultivate a robust corporate culture that fosters both individual and professional growth within a safe, equitable, inclusive, and supportive workplace.



## EMPLOYEE CONTENTMENT

The employee satisfaction survey conducted in 2024 identified key areas for enhancement in internal communication, development opportunities, and work-life balance, offering a crucial roadmap to enrich the employee experience.

To more effectively address the expectations and needs of our employees in the upcoming period, we intend to enhance training and development programs, fortify employee feedback mechanisms, assess flexible working options, and broaden practices centered on work-life balance. Our objective is to incrementally elevate employee satisfaction rates and achieve the highest levels in the short term.

### EMPLOYEE INVOLVEMENT

Our company asserts that employee engagement is a fundamental pillar of corporate sustainability. Our 2024 evaluations have identified areas requiring enhancement, including career development opportunities, internal communication processes, and reward systems, all designed to bolster employee engagement.

In this context, initiatives such as regular commitment surveys, career development programs, enhancing internal communication channels, and visibly recognizing achievements are being implemented. The objective is to progressively elevate our commitment scores over the next five years and to align our employees' commitment to the company with industry best practices by 2030.

### TURNOVER RATE OPTIMIZATION

In the 2024 evaluations, a comprehensive action plan was developed to enhance employee engagement, prompted by the employee turnover rate surpassing the targeted level. In this context;

- Enhancements in compensation and benefits,
- Training designed to enhance executive communication and leadership competencies,
- Structuring career development programs has been recognized as a key area for implementation.

Through these initiatives, we seek to enhance employee satisfaction and commitment in the forthcoming periods, thereby lowering employee turnover rates to sustainable levels. This endeavor is one of our top priorities and has been incorporated into our Human Resources strategic plan.

## GENDER EQUALITY

At SEL, a fundamental aspect of our sustainability strategy is the promotion of equal opportunity and inclusion. We are committed to enhancing women's participation in the workforce, fostering the professional development of young women, and upholding a zero-tolerance policy towards gender discrimination.

In 2024, initiatives were implemented to enhance the representation of female employees, with a particular emphasis on prioritizing female students in our university internship programs. The number of female employees surged by 149% compared to 2023. The percentage of female employees within the total workforce increased from 30% to 34%. In this context, a total of 8 intern students were engaged in 2024, comprising 6 females and 2 males. Female students interning at our factories received targeted support to bolster the presence of women in the industrial sector and to facilitate their future career development.

In the upcoming period, we will persist in our endeavors to elevate the percentage of female employees and to improve women's representation in management roles. This strategy will not only promote diversity within our workforce but will also foster the development of an egalitarian and inclusive corporate culture within our industry.

## STAKEHOLDER PERSPECTIVE AND GRIEVANCE MECHANISM

- At Sel Foreign Trade, the insights and perspectives of our stakeholders hold significant value. We are convinced that by integrating feedback from our colleagues, suppliers, and customers, we can enhance our operations and attain sustainable success.

An efficient complaints mechanism has been implemented to enable our stakeholders to securely submit their requests, suggestions, and grievances. Six suggestion and complaint boxes are strategically placed throughout our organization in easily accessible locations for our employees.

**In 2024, a total of 59 requests, suggestions, and complaints were received, all of which were communicated to senior management, and appropriate actions were implemented.**

### The Functioning of the Complaint Mechanism

- Employees may submit their suggestions and complaints through physical boxes or directly to employee representatives.
- The boxes are opened and assessed collaboratively each month by the Management Representative and the Employee Representatives.
- Evaluations are documented through the "Personnel Suggestion, Complaint, and Request Notification Form."
- Common topics are conveyed to all staff through announcements, while personal inquiries are addressed individually and confidentially.
- Complaints from external stakeholders, including customers, suppliers, and local residents, may be submitted via email to etikihbar@selsil.com.tr or by calling 0212 735 34 00 (Extension: 240).
- Each notification received is documented, assessed by the appropriate departments, and the resolution process is commenced.
- If the complaint pertains to an individual responsible for the complaints mechanism, that individual will not participate in the evaluation meeting; the process will be carried out independently.
- All applications are managed with confidentiality; retaliation or punitive measures are strictly forbidden.

### Complaint Assessment Procedure and Responsibilities

Subject of Grievance	Relevant Unit or Committee	Assessment Approach
Labor conditions, entitlements, additional hours, compensation, bias	Human Resources and Employee Representative Board	The matter is addressed during monthly meetings, and the resolution is communicated to senior management.
Occupational health, safety, and environmental standards	Occupational Safety, Health, and Environmental Unit	A corrective action plan is developed following the audit.
Customer grievances concerning the quality of products or services.	Quality Management and Production	Recording and analysis are conducted using form SS 2.0.3.
Supplier behavior or ethical infractions	Procurement and Quality Management	The appropriate supplier is contacted, and corrective measures are implemented.
Unethical conduct, corruption, maltreatment, violation of privacy.	Ethics Committee / Executive Management	The issue is assessed via the hotline, and disciplinary measures are implemented if warranted.
General recommendations, concepts for enhancement or organizational growth	Management Representative and Employee Representatives	An enhancement plan is developed for the recommendations considered suitable.

### BRIBERY AND CORRUPTION REPORTING SYSTEM

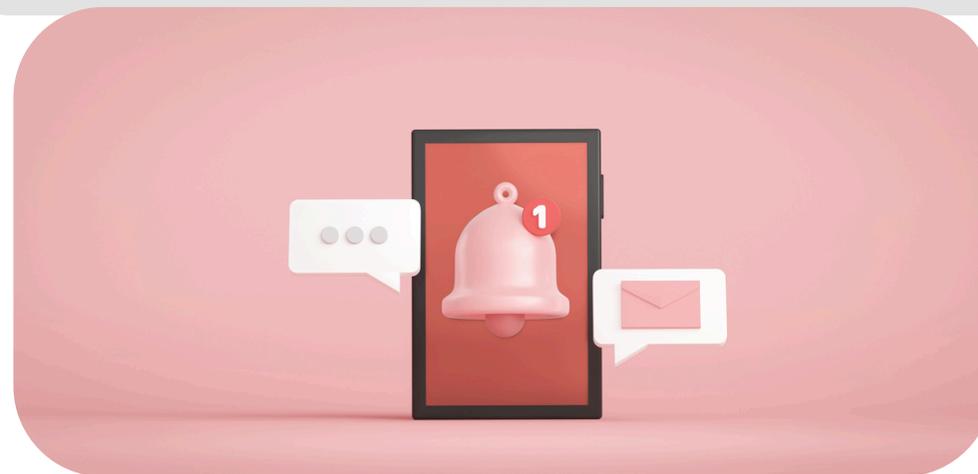
This organization was founded to uphold the principle of "People First" throughout all stages of production and management. It prohibits the employment of individuals under the age of 18 or child laborers, ensures that no workers are employed against their will or without consent, and mandates non-discrimination in hiring, promotion, and termination processes. The organization is committed to respecting the dignity and individuality of every employee, implementing disciplinary actions in accordance with the current collective bargaining agreement and legal regulations, and prohibiting bribery and corruption among all stakeholders. Furthermore, it adheres to national legal regulations, standards set forth by the International Labour Organization (ILO), the Universal Declaration of Human Rights, United Nations conventions, and the Social Responsibility Management System Standard, while striving to maintain and enhance compliance practices continuously.

Selsil employees, business partners, and stakeholders who directly or indirectly observe any illegal activity or unethical conduct may report it anonymously, without the need to disclose their identity or contact information, by sending an email to etikihbar@selsil.com.tr or by calling 0212 735 34 00 (Extension: 240).

etikihbar@selsil.com.tr

0212 735 34 00 (Ext: 240)

**Important Note:** It is essential that you provide evidence for your reports of ethical violations. Submitting proof when filing a report will facilitate our ability to achieve results.



### Employee Representative and Employee Committee

At SEL, 18 employee representatives are elected by the workforce through an independent and confidential ballot to guarantee employee involvement in management and the safeguarding of their rights. These representatives possess the authority to attend meetings with management and advocate on behalf of all employees. The Employee Committee, which consists of these representatives, convenes periodically to gather requests, complaints, and suggestions from employees, ensuring that they are accurately communicated to the management representative.

Their principal responsibilities encompass contributing to problem reporting and resolution processes, enhancing communication between employees and management, advocating for employees' rights, and overseeing the execution of decisions.

Responsibilities to employees encompass disseminating information regarding representative elections, fostering awareness of rights and obligations, assessing employee grievances and suggestions through regular meetings, offering counsel to employees prior to agreements with management, and promptly communicating decisions to all employees.

Their responsibilities to management encompass the objective communication of employees' perspectives and requests, involvement in decision-making and documentation processes, signing contracts and documents on behalf of the workforce, and honoring the decisions and agreements established by both parties.

This framework has established a transparent, participatory, and dependable communication channel between employees and management at SEL.

### Effective Communication

An employee notice board is a bulletin board situated in a location visible to all staff within the workplace, where announcements pertinent to employees and work-related matters are displayed. Information such as work and break schedules, days for medical appointments, emergency team contacts, and payroll details, among others, is posted on our employee notice board.

### OPEN DOOR POLICY

An open door policy pertains to meetings that facilitate direct, one-on-one interactions between employees and senior management. Our open door policy underscores that, consistent with our management philosophy, all employees are welcome to engage in dialogue, and this principle is essential for enhancing communication throughout the organization.





**THE ASSURANCE OF OUR FUTURE:  
SAFETY AND WELLNESS**

# THE ASSURANCE OF OUR FUTURE: SAFETY AND WELLNESS

SEL is dedicated to reducing work-related injuries and occupational diseases while fostering a safe and healthy work environment. This commitment enhances the quality of products and services, ensures consistency in production, and bolsters employee commitment and morale.

## Occupational Health and Safety

Occupational health and safety risk analysis—encompassing chemical, electrical, and other energy sources, as well as fire, vehicle, and fall hazards—is defined, assessed, and managed through suitable design, engineering, and administrative controls, preventive maintenance, and safe work procedures. Occupational health and safety training is conducted. When hazards cannot be sufficiently mitigated through these methods, workers are supplied with appropriate, well-maintained personal protective equipment and training materials concerning the associated risks. Reasonable measures are implemented in working conditions pertaining to the tasks of pregnant women and breastfeeding mothers.

## EMERGENCY PREPAREDNESS PLANS

Potential emergencies and incidents are identified and evaluated. Their impact is mitigated through the implementation of emergency plans and response procedures, which include the following:

- Emergency reporting.
- Employee notification and termination protocols,
- Employee training and simulations,
- Suitable fire detection and suppression apparatus,
- Clear and accessible exit
- Sufficient evacuation and rescue strategies.

These plans and procedures aim to minimize harm to life, the environment, and property. Our company employs comprehensive protocols and systems for the prevention, management, monitoring, and reporting of occupational injuries and illnesses. In this context, a reporting culture has been fostered that encourages employees to report incidents without reservation.

All cases of injury and illness are systematically classified, documented, and analyzed. When required, employees receive prompt medical assistance, the underlying causes of incidents are examined, and corrective measures are enacted to avert future occurrences.

Employees' exposure to chemical, biological, and physical substances is assessed according to a hierarchy of controls and reviewed at regular intervals. Potential hazards are either eliminated or mitigated through suitable design, engineering solutions, and administrative measures. To safeguard the health and safety of employees engaged in physically demanding roles, risks are systematically identified, ergonomic adjustments are implemented, and essential preventive actions are undertaken.

The machinery utilized in production processes undergoes regular assessments concerning safety risks; physical guards, locking mechanisms, and barriers are employed to safeguard employees. Maintenance and inspections of this equipment are conducted periodically to uphold a secure working environment. These practices aim to mitigate risks in occupational health and safety, ensuring a consistently safe working atmosphere for our employees.

Ensuring that our employees have access to healthy, safe, and humane working conditions is one of our core priorities. To achieve this, all employees are afforded easy and continuous access to clean restrooms, drinking water, and hygienically organized food preparation, storage, and dining areas. Emergency exits are routinely inspected within our facilities; hot water, adequate lighting, heating, and ventilation are provided in restroom and shower areas. Additionally, designated storage areas have been established for employees to securely store their personal and valuable belongings, with clearly defined and equitable access rights to these spaces. As part of our Occupational Health and Safety culture, information regarding all potential workplace hazards, including mechanical, electrical, chemical, and fire risks, is communicated in accessible language. All health and safety information is prominently displayed and readily available throughout the facility. Employees undergo comprehensive training prior to commencing work, with this information being updated periodically through regular training sessions. Employees are actively encouraged to voice their concerns regarding occupational health and safety, thereby fostering the sustainability of a safe working environment through a collaborative approach.

## CUSTOMER WELL-BEING AND SAFETY

SEL places a premium on human health and safety in the utilization of its products. Ensuring customer safety and reducing environmental impact are core principles guiding all product development and manufacturing processes. This commitment is upheld in accordance with both national legislation and international standards. In 2024, there were no instances of non-compliance with regulations pertaining to the health and safety implications of products and services, nor were there any violations of legislation and/or voluntary guidelines.



### Eco-Friendly and Safe Products

- We reduce the use of harmful substances in chemical formulations and favor environmentally and user-friendly alternative raw materials.
- In the realm of industrial and construction chemicals, we formulate additives that are devoid of harmful effects that may be inhaled in confined spaces.



### Chemical Management and Regulatory Adherence

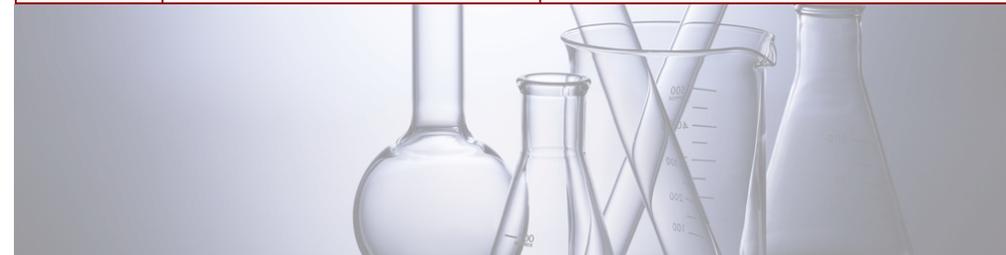
- Our products are in full compliance with KKDİK, REACH, and ADR regulations.
- The legal compliance of raw materials utilized in the supply chain is consistently monitored, and the requisite registration and notification procedures are executed.
- Safety Data Sheets (SDS) and Technical Data Sheets (TDS) are created for all products, and Regulatory Compliance Certificates are available upon request.

Product Category	Certifications and Documentation
Industrial Products (sealants, silicones, hybrid materials, adhesives, chemical anchors)	CE certificates, A+ and EC1+ test reports for reduced VOC emissions.
Polyurethane Foams	Spray foams possess CE certification, undergo fire resistance testing (EN 1366-4, DIN 4102), and have VOC (A+) reports.
Other Products (technical sprays, spray paints, Selsil Pak cleaning solutions)	Compliance audits and requisite documentation processes.

## Sustainability and Ongoing Enhancement

SEL consistently assesses the environmental and health implications of its products while undertaking initiatives for enhancement. Adherence to legal standards, certification procedures, and chemical management are essential components of our company's sustainability performance. Within this framework, ongoing projects are established to mitigate adverse effects and amplify beneficial outcomes.

GRAY Code	Title	SEL Application
GRI 416-1	Evaluation of the health and safety implications of products and services.	CE certification for industrial products and polyurethane foams, VOC (A+, EC1+) test reports, fire resistance assessments (EN 1366-4, DIN 4102)
GRI 416-2	Instances of non-compliance with health and safety regulations	The Regulatory Compliance Certificate is currently in preparation; no significant non-conformities have been reported to date.
GRI 307-1	Violation of environmental regulations	Complete adherence to KKDİK, REACH, and ADR regulations; internal audits and current documentation processes.
GRI 305-7	VOCs and other notable emissions	VOC emissions in hybrid, silicone, mastic, and PU foams are certified with A+ and EC1+ ratings.
GRI 308-1	Assessment of new suppliers according to environmental criteria.	Consistent oversight of supplier information and execution of legal compliance assessments.
GRI 301-2	Recycled input materials	Utilization of eco-friendly raw materials and minimization of hazardous substances.



## CUSTOMER COMPLAINT RESOLUTION AND SATISFACTION MONITORING

Customer satisfaction is a crucial component of SEL's sustainability strategy and quality management system. All feedback concerning product safety, performance, and service quality is systematically documented, analyzed, and integrated into enhancement processes.

Our customer complaint management procedures adhere to the principles of international customer satisfaction standards. Complaints are assessed promptly upon receipt; root cause analyses are conducted, and corrective and preventive measures are formulated, with the completion process being consistently monitored.

In 2024, a total of 290 customer complaints were recorded. Seventy-five percent of these complaints were addressed during the initial review period. Due to enhancements in processes, staff training, and improved customer communication channels established throughout the year, the recurrence rate of similar complaints diminished.

Our company prioritizes the continuous enhancement of customer satisfaction as its foremost objective, with the aim of elevating the complaint resolution rate to 85% during the initial assessment period by 2025.

Furthermore, the overall satisfaction level is assessed through customer satisfaction surveys conducted annually. According to the 2024 results, the overall customer satisfaction rate was found to be 89%. The feedback collected serves as direct input for enhancing product development, research and development, and quality management processes.

Throughout these processes, the objective is to consistently enhance customer satisfaction, with feedback being incorporated into the product development cycle.

### Corrective and Preventive Actions (CPA)

To enhance the efficacy of our quality management system, our company employs a Corrective Action (CAA) process throughout the year to address nonconformities identified in internal audits, customer feedback, and process analyses.

Of the CPAs initiated in 2024, 80% were successfully concluded, with 65% of these completed within the designated timeframe.

Activities that could not be completed on time were examined for their underlying causes and communicated to process owners; resources, responsibilities, and timelines were reassessed.

By fostering a culture of continuous improvement, the objective for 2025 is to elevate the on-time closure rate to exceed 95% and enhance the overall CPA closure rate to 98%.

Overall customer satisfaction rate based on the 2024 results. **% 89**

**% 75** of complaints were resolved within the initial review process.

- We strive to elevate the complaint resolution rate to 85% during the initial assessment period by 2025.
- Of the CPAs initiated in 2024, 80% were successfully concluded, with 65% of these completed within the designated timeframe.
- The objective for 2025 is to elevate the on-time closing rate of the CPA to exceed 95% and to enhance the overall CPA closing rate to 98%.

## INFORMATION SECURITY

SEL considers its information assets, including consumer information, to be essential for attaining its competitive advantage and strategic objectives. It has established a comprehensive Information Security Management System (ISMS) to guarantee the continuous, secure, and reliable operation of these assets.

Our Information Security Management System is designed to comply with the ISO 27001 standard. In this context;

- Safeguarding information assets and perpetually enhancing their efficacy,
- Defining authorized roles, maintaining current responsibilities, and ensuring business continuity.
- The continuous application of the principles of confidentiality, integrity, and accessibility,
- Regular evaluation and oversight of risks to information assets,
- Considering the potential effects of climate change on information security,
- Ensuring complete adherence to legal regulations,
- This is one of our fundamental commitments.

### Applications and Preventive Frameworks

Information security risks have been recognized, and specific measures have been enacted to enhance our information security culture:

- Data masking is employed in ERP software to safeguard sensitive information effectively.
- Robust encryption is implemented for both internet and intranet access, while device security is ensured through MAC filtering. Guest networks function independently from internal company networks, establishing an additional layer of security.
- Our factories routinely perform power outage and fire drills; software error drills are also executed to assess business continuity.
- Through accountability practices, tools for information access are documented, thereby minimizing the risk of unauthorized access.
- Our employees undergo regular information security training, fostering ongoing awareness.
- Information security breaches or suspected breaches are reported to the disciplinary board, where all cases are thoroughly investigated, and requisite improvements are implemented.

### Customer Privacy Safeguarding

In 2024, there were no confirmed complaints or incidents of data loss pertaining to breaches of customer privacy, data leaks, or information security. This outcome indicates that SEL's information security systems are functioning effectively and that customer information is safeguarded under stringent confidentiality standards.

All customer data is managed in accordance with the principles of confidentiality, integrity, and accessibility outlined in ISO 27001; access is limited to authorized personnel exclusively.

Through this comprehensive approach, SEL regards information security as an essential component of its operations, thereby robustly safeguarding its credibility and reputation.

### Electronic Document Management System

SEL employs a sustainable documentation system. An electronic document management system has been implemented to minimize paper waste and toner usage, thereby decreasing the overall waste produced.

SEL's quality management system encompasses procedures, instructions, supporting documents, validation, verification, test instructions, and certain records, which are shared electronically as uncontrolled copies on the network to mitigate paper waste, in accordance with the Document Management Procedure. The documents retained electronically are detailed in the List of Documents to be Kept Electronically.

### Personal Information

In alignment with our personal data protection and processing policy, we have developed and uphold a system for the processing, safeguarding, transfer, anonymization, or destruction of personal data.

**In 2024, there were no confirmed complaints or incidents regarding breaches of customer privacy, data leaks, or information security concerns.**



# THE CORNERSTONE OF OUR FUTURE: THE ENVIRONMENT

# THE CORNERSTONE OF OUR FUTURE: THE ENVIRONMENT

In our production operations, we strive to minimize adverse effects on society, the environment, and natural resources while safeguarding public health and safety. We conduct our activities in alignment with the ISO 14001 standard and pertinent legislation, pursuing our established objectives without compromising environmental integrity. We engage in efforts to prevent environmental pollution through the recovery, recycling, disposal, and reduction of waste, while also decreasing the consumption of natural resources.

Our company diligently adheres to all legal obligations to comprehensively meet its environmental responsibilities. In this regard, all requisite environmental permits, approvals, and registrations are secured, consistently updated, and reporting requirements are thoroughly satisfied, alongside operational processes.

Pollutant emissions and waste generation stemming from our operations are mitigated at the source whenever feasible; when necessary, they are minimized through the use of pollution control equipment. This strategy guarantees that our environmental impacts are managed and consistently enhanced.

The conservation of natural resources constitutes a fundamental aspect of our sustainability strategy. All our resources, including water, fossil fuels, minerals, and forest products, are utilized with efficiency as a priority throughout production, maintenance, and facility operations. We strive to minimize natural resource consumption through practices such as material substitution, reuse, conservation, and recycling; thereby, we reduce our environmental impact while enhancing our resource efficiency.

For comprehensive information and feedback, please reach out to us at [cevre@selsil.com.tr](mailto:cevre@selsil.com.tr).

[cevre@selsil.com.tr](mailto:cevre@selsil.com.tr)



## ENVIRONMENTAL POLICY

Sel, in its product and service endeavors, regards it as its obligation to meet its environmental responsibilities to society, its employees, and its local and regional communities for a sustainable environment. It is committed to protecting biodiversity and enhancing its processes in the fight against climate change while ensuring responsible use of natural resources. With a focus on customer satisfaction, Sel adheres to the requirements of the ISO 14001 Environmental Management System standard.

Sel aspires to achieve zero environmental accidents through its commitment to quality and environmentally conscious practices, guided by this awareness.

- **Legal Compliance and Ongoing Enhancement:**

- By adhering to all relevant environmental legislation, we are dedicated to the ongoing enhancement of our environmental performance through the allocation of resources, strategic planning, and implementation.

- **Sustainable Production and Consumption:**

- By assessing the environmental impact of our products and services across their entire life cycle, we strive to embrace the principles of sustainable production and consumption.
- To mitigate the effects of utilizing products with eco-friendly designs,

We strive to prioritize the management of end-of-life product waste through effective recycling strategies.

To implement initiatives that will aid in diminishing greenhouse gas emissions and facilitating a transition to a low-carbon economy,

- **Resource Efficiency:**

- By utilizing natural resources effectively, we strive to minimize consumption, avert waste production, and promote recycling.

We emphasize solutions that minimize water consumption and facilitate water recycling.

- **Sustainable Manufacturing:**

- By employing pollution-reducing technologies in our production processes, we strive to mitigate environmental impacts.

Our primary objective is to mitigate waste, wastewater, odor, and noise pollution produced during manufacturing.

- **Climate Change and Air Quality Degradation:**

- We strive to adopt cutting-edge technologies and energy-efficient practices to decrease greenhouse gas emissions and lessen our carbon footprint.
- To formulate strategic plans aimed at mitigating the impacts of climate change and adapting to these alterations,
- The objective is to diminish emissions of non-greenhouse gas air pollutants, including SOx, NOx, VOC, and PM, while minimizing the atmospheric impact of various activities.

### Environmental Awareness and Education:

- We conduct training sessions to enhance our employees' environmental awareness, promote understanding of environmental issues, and reduce energy and water consumption, waste production, and air and water emissions.

Taking proactive measures to safeguard natural habitats, support local ecosystems, and promote animal welfare,

Efficient management of hazardous materials,

- **Environmental Services and Advocacy:**

- To uphold national and international environmental regulations and to implement effective monitoring mechanisms,
- To promote environmentally sustainable technology, innovation initiatives, and the green economy,
- By enhancing recycling systems, we seek to reduce waste generation and promote sustainable consumption models.

- **Transparency and Accountability:**

- We consistently assess, report, and communicate our environmental performance to our stakeholders, while also conducting internal audits to guarantee its sustainability.
- Partnership:
  - Through collaboration with our suppliers, customers, and other stakeholders, we strive to enhance environmental awareness and advance sustainability within the industry.

We have recognized environmental sustainability as a strategic priority and are dedicated to reducing our environmental impact across all activities as an essential component of our business.

This policy exemplifies our company's sustainability principles and dedication to environmental stewardship. All stakeholders, including business partners and suppliers, are expected to operate within the parameters of this policy.

SEL is dedicated to supplying all essential resources to meet these commitments and to ensuring consistent monitoring and ongoing enhancement of environmental performance.

The organization is dedicated to promptly initiating effective and comprehensive intervention processes upon the identification of violations. It will continuously review and enhance remediation mechanisms to prevent the recurrence of such violations, and it is committed to ensuring the full implementation of these principles.

## MATERIAL AND RESOURCE EFFICIENCY

At SEL, the lean manufacturing methodology is central to our sustainable production philosophy. Our efforts in lean manufacturing emphasize waste prevention, process enhancement, and the optimal utilization of resources. In this framework, a systematic approach is employed to diminish raw material losses, enhance efficiency in production processes, and reduce waste.

**In 2024, lean manufacturing practices facilitated measurable savings in raw material consumption, reduced waste rates on production lines, and increased the utilization of recyclable materials. Additionally, the optimization of packaging materials and enhancements in logistics processes aimed at resource conservation became paramount.**

Anticipating the future:

- To standardize lean manufacturing methodologies across all our facilities,
- To achieve a 20% reduction in raw material losses by 2030.
- Advocating for the utilization of recyclable materials in packaging is one of our primary objectives.

Through lean manufacturing, we are not only minimizing our environmental impact but also securing a cost advantage and enhancing our competitiveness. Consequently, the improvements we realize in raw material and resource efficiency directly support our company's sustainable growth.



## WATER RESOURCE MANAGEMENT

We execute a water management program that documents, characterizes, and monitors water resources, usage, and discharge. We actively pursue opportunities for water conservation and the regulation of pollution sources. All wastewater is characterized, monitored, controlled, and treated as necessary prior to discharge or disposal. We consistently assess the performance of wastewater treatment and containment systems to ensure optimal functionality and adherence to legal standards.

**Thanks to our pre-treatment facility, which we continuously monitor using our analytical instruments, we process the wastewater from our Silivri Factory, discharging only purified water into the İSKİ (Istanbul Water and Sewerage Administration) canal. Additionally, we promote environmental sustainability through an annual cooling water exchange.**

### Water Footprint

Natural resources rank among our company's top priorities. Consequently, as part of our sustainability initiatives, a water footprint analysis was performed in accordance with the ISO 14046 standard to guarantee the efficient utilization of our water resources. The report, which directly assesses water consumption, calculated the Blue, Grey, and Green water footprint metrics for the Silivri and Çorlu Branches, Maslak Head Office, and Silivri Warehouse.

The water footprint report facilitates a comparison of water consumption across various locations and sources. After calculating the water footprint inventory in accordance with the ISO 14046 standard, an impact assessment study was performed.



## ENERGY MANAGEMENT

Our company prioritizes energy management within our sustainable production framework. We employ systematic practices to consistently monitor and report our energy consumption, striving to reduce it through efficiency-driven enhancements. Regular measurements and analyses are performed to ensure the effective management of energy resources utilized in our operations, with projects aimed at enhancing energy efficiency being systematically executed. In this regard, contemporary technologies are integrated into our production processes and administrative facilities to minimize energy consumption, while cost-saving strategies are implemented in maintenance and operational procedures.

To enhance the utilization of renewable energy sources, a substantial portion of our electricity requirements is fulfilled by clean energy generated from the Solar Power Plant (SPP) installed on the rooftops of our facilities. Presently, with solar panels boasting a total production capacity of 3,355.46 kWp, approximately 40% of our electricity needs are sourced from renewable energy. This approach significantly reduces our carbon emissions from fossil fuels and makes a tangible contribution to the fight against climate change.

In the forthcoming period, we intend to invest approximately 475 kWp in new capacity, supplementing our existing capacity. With the implementation of this investment over the next five years, our total installed capacity is anticipated to reach 3,830 kWp, thereby enhancing our annual electricity production and contributing to a further reduction of approximately 275 tons of CO<sub>2</sub> emissions.

Our investments in solar power plants will not only align our energy consumption but will also directly support our commitment to reducing total emissions by 42% by 2030. This strategy optimizes our operational costs and serves as a robust testament to our sustainability commitments.



**40%** of our  
electricity needs are  
met by solar power  
plants.

**With the planned investment in the new solar power plant for the forthcoming period, we aim to enhance this rate. Furthermore, by utilizing energy-efficient LED lighting and motion-sensor lamps along walkways, we are not only decreasing our energy consumption but also promoting a more efficient use of resources.**

## GREENHOUSE GAS INVENTORY

In alignment with our sustainability objectives, we are undertaking comprehensive studies and have developed our greenhouse gas inventory while calculating our corporate carbon footprint in accordance with the ISO 14064-1 standard. As per 2023 data, we have assessed not only our direct (Scope 1) and energy-indirect (Scope 2) emissions but also our indirect emissions (Scope 3). The calculation, which encompasses our Silivri and Çorlu branches, Maslak Head Office, and Silivri Warehouse, revealed a total of 149,798.03 tCO<sub>2</sub>e in greenhouse gas emissions. The inventory for 2024 is currently under preparation.

Our investments in renewable energy and energy efficiency initiatives have effectively showcased our potential for emission reductions while compiling our greenhouse gas inventory. According to data from 2023, our solar power plant investments generated 4,158,636 kWh of renewable energy, leading to a reduction of 1,825.64 tCO<sub>2</sub>e in greenhouse gas emissions. Planned investments in new solar power plants and energy efficiency projects for the upcoming period are anticipated to further enhance these reduction figures.

Following audits and evaluations conducted by an independent verification entity, our greenhouse gas inventory has been validated to meet the reasonable confidence level stipulated by the ISO 14064-3:2019 standard.



## DUST, ODOR, AND NOISE MANAGEMENT

Air emissions of volatile organic compounds, aerosols, corrosives, particulate matter, ozone-depleting substances, and combustion byproducts are classified as necessary prior to discharge, routinely monitored, controlled, and processed. The efficacy of air emission control systems is consistently evaluated.

In compliance with the provisions of the Regulation on the Control of Air Pollution from Industrial Sources, dust and noise parameters resulting from production at our facilities are routinely monitored. In this context, dust and VOC measurements were conducted in 2023 by organizations accredited by the Ministry of Environment, Urbanization, and Climate Change, and all our values were determined to be within legal limits. The subsequent periodic measurement is scheduled for 2025.

Wet filter systems are employed at sources with significant dust emissions, whereas activated carbon filter systems are utilized at locations with elevated VOC emissions. These measures ensure that emissions remain below regulatory thresholds, thereby mitigating environmental impact. Additionally, our odor management is enhanced by the porous structure of activated carbon filters.

Modern ventilation systems have been implemented in production areas to mitigate odor exposure. These systems capture odor emissions produced during manufacturing and channel them outside through ducts positioned at a minimum height of 1.5 meters on the building's roof. Prior to their release into the atmosphere, the emissions undergo treatment by passing through activated carbon filters, thereby minimizing environmental impact and fostering a healthier working environment for employees.

Our production activities are conducted in enclosed spaces, resulting in negligible environmental noise generation. The expansive layout and elevated ceilings of our production areas facilitate sound dissipation, thereby minimizing employee exposure to noise. We employ vibration-dampening absorbent materials to mitigate noise from machinery, and shock absorbers are installed in the Filling Department machines to further reduce sound levels. Additionally, gas filling operations, which may produce noise, are performed in a designated room separate from the production areas at our Türkgücü Factory. These measures contribute to a healthier and safer working environment for our employees while minimizing environmental impacts.

## HAZARDOUS MATERIALS

Our company is committed to full compliance with national legislation and international standards in the management of all hazardous materials utilized in its operations. Every stage, from procurement and storage to usage and disposal of hazardous chemicals, is meticulously planned and executed to safeguard employee health, the environment, and occupational safety. We endeavor to minimize the use of hazardous materials at our facilities at the source and, where feasible, substitute them with more environmentally friendly alternatives.

During storage and handling processes, labeling and marking are conducted in accordance with safety data sheets (SDS); appropriate protective equipment and engineering measures are implemented to mitigate leaks, spills, and accidents. Our personnel receive regular training on the safe use, transportation, and emergency procedures related to these materials. Hazardous materials that are classified as waste are collected and disposed of by authorized and licensed companies. These processes are consistently documented and reported. Furthermore, emergency drills are performed to avert potential risks, and the use of personal protective equipment to reduce exposure risk is mandatory. Through these practices, a transparent, documented, and sustainable system for managing hazardous materials is maintained, effectively controlling risks to both the environment and employee health.

## WASTE MANAGEMENT

Waste management is fundamental to our company's dedication to environmental responsibility and is systematically integrated into all our operations. Comprehensive protocols are established to minimize waste at the source, recover it, and dispose of it in compliance with regulations.

All waste produced from manufacturing, maintenance, and administrative activities is categorized by type; hazardous and non-hazardous waste is collected separately, temporarily stored under suitable conditions, and disposed of exclusively through licensed companies.

According to data from 2024;

- The Silivri Factory houses 2,499,531 kg of hazardous waste and 791,076 kg of non-hazardous waste.
- At the Türkgücü Factory, 306,060 kg of hazardous waste and 675,960 kg of non-hazardous waste were effectively managed.

In this context, our Silivri facility encompasses a total waste area of 165 m<sup>2</sup>, of which 30 m<sup>2</sup> is allocated for non-hazardous waste and 135 m<sup>2</sup> for hazardous waste storage, all within a meticulously organized framework. Our Çorlu facility features a total waste area of 90 m<sup>2</sup>, with 50 m<sup>2</sup> designated for hazardous waste and 40 m<sup>2</sup> for non-hazardous waste. In both locations, these areas are managed in compliance with all technical safety and environmental legislation requirements, supported by regular control and monitoring processes. This structure effectively minimizes environmental risks and ensures full compliance with all legal obligations pertaining to waste management.

**We have attained a 100% recycling rate at both of our facilities. This figure clearly illustrates the efficacy of our waste management system and our commitment to the circular economy.**

Separate collection systems are employed for the processing of recyclable materials; items such as paper, cardboard, plastic, glass, and metal are segregated at the source and reintegrated into the recycling chain. Minimizing organic waste and investigating opportunities for its repurposing remains a continual priority for us.

Our waste management performance is consistently monitored, with quantities recorded and reported. Employees are educated on proper waste management practices through regular training and are encouraged to engage actively in the process.

Through this approach, we seek to minimize our environmental impact while ensuring the efficient utilization of natural resources by endorsing the principles of the circular economy. Accordingly, a Zero Waste Management System has been implemented within our organization and certified by the Ministry of Environment, Urbanization, and Climate Change. To enhance the efficacy of our system, we provide regular training to all employees, continuously fostering awareness.

Whether printed or unprinted, chemically uncontaminated plastics produced from our manufacturing processes are re-granulated and repurposed in packaging production, thereby converting waste into raw materials and promoting resource efficiency.

Furthermore, obligations concerning the packaging of products introduced to the market are consistently met. In this context, Recycling Participation Fee (GEKAP) Declarations are submitted quarterly, and the requisite payments are made in accordance with legal requirements.

### Product Labels and Safety Data Sheet Information

Product labels feature H (hazard) and P (precaution) markings in compliance with international standards, informing users of the potential risks associated with the product and the requisite safety measures. Additionally, the P markings explicitly state that products should be directed to national disposal facilities post-use. These guidelines empower our customers to engage in both safe usage and environmentally responsible disposal practices. This system effectively minimizes the environmental impact of our products throughout their lifecycle, thereby supporting the principles of a circular economy.

All of these practices clearly demonstrate our corporate commitment to promoting sustainability in waste management, adhering to regulations, and minimizing environmental impacts.

#### Return:

End-of-life products and packaging are transported to licensed disposal and recycling firms through designated collection points. This process ensures the secure return of products and guarantees their environmentally responsible management.

#### Recycle:

Paper, plastic, metal, glass, wood, electronics, batteries, and organic waste are collected separately at the source. They are sorted using color-coded collection units and dispatched to licensed facilities. These practices are designed to reintegrate recyclable materials into the economy.

#### Destruction:

Non-recyclable waste is stored in secure temporary storage areas in compliance with regulations and is directed to authorized disposal facilities. The temporary storage duration for hazardous waste does not exceed six months, and all transfers are documented through the Ministry's MOTAT system.



## OUR CIRCULAR ECONOMY STRATEGY

At SEL, our sustainability vision encompasses not only waste management but also the circular utilization of resources. In accordance with the principles of a circular economy, we prioritize minimizing the environmental impact of our products, from design through to their end-of-life.

Plastic waste generated during our production processes is recycled into granules and repurposed for packaging production, thereby converting waste into raw materials and enhancing resource efficiency. We emphasize the use of recyclable materials in our packaging, and our consumers are informed about appropriate disposal methods through the H and P symbols on product labels.

**In 2024, we attained a 100% recycling rate across all our facilities. This achievement enhances our company's environmental performance as a concrete result of our circular economy strategy.**

Furthermore, the carbon footprint is diminished by optimizing packaging and enhancing transportation efficiency within logistics processes. Additionally, return, recycling, and disposal processes are managed transparently and in compliance with regulations through licensed companies.

This approach allows us to reduce the environmental impact of our products across their lifecycle, contribute to the conservation of natural resources, and embed the concept of a circular economy into the core of our business practices.



**In 2024, we attained a 100% recycling rate across all our facilities.**





## OUR GUIDE TO THE FUTURE: ETHICS

# OUR GUIDE TO THE FUTURE: ETHICS

At SEL, transparency, integrity, and a commitment to ethical principles are fundamental to our business operations. Accordingly, we consistently engage in initiatives to ensure that all employees are informed about ethical matters and that our corporate culture is founded on these values. New hires participate in an orientation program during the recruitment process, which encompasses information on ethical guidelines, social policies, anti-discrimination and harassment measures, as well as anti-corruption and bribery protocols, along with the provision of pertinent documents.

Each year, our employees engage in ethics training that encompasses topics such as codes of conduct, complaint mechanisms, ethical decision-making processes in the workplace, and the prevention of ethical violations. These training sessions not only reinforce the theoretical understanding of ethical principles but also illustrate their application in daily work life. To sustain ethical awareness within the organization, codes of conduct and social policy documents are routinely displayed on notice boards, and employee surveys assess perceptions of the ethical culture, with feedback from employees being carefully evaluated. Additionally, an ethics hotline has been established for employees and stakeholders to confidentially report unethical situations, ensuring that all reports are handled with discretion. Moreover, SEL's social policy and ethical commitments are publicly accessible through publication on the company website.

Internal audits and financial reporting conducted in 2024 revealed no instances of corruption, money laundering, or unethical practices. This outcome serves as a definitive testament to our company's dedication to ethical values and robust control mechanisms.

Our objective is to persist in performing annual internal ethics audits in the forthcoming period while upholding a record of zero non-conformities.

## SECURITY

SEL is dedicated to safeguarding the legitimate privacy expectations of all individuals with whom it engages in business, including customers, consumers, and employees. SEL adheres to privacy and information security laws and legal obligations when collecting, storing, processing, transmitting, and sharing personal information.

**Selsil stakeholders may report unethical behavior in the workplace anonymously by emailing [etikihbar@selsil.com.tr](mailto:etikihbar@selsil.com.tr), without the need to disclose their identity or contact details.**



## BUSINESS ETHICS

The highest standards of integrity are upheld in all business interactions. SEL enforces a zero-tolerance policy against all forms of bribery, corruption, extortion, and embezzlement. SEL's foremost obligation is to ensure that the advantages of our business relationships do not directly or indirectly conflict with any personal interests. When SEL stakeholders observe unethical conduct in the workplace, they may anonymously report their concerns by sending an email to [etikihbar@selsil.com.tr](mailto:etikihbar@selsil.com.tr) without the need to disclose their identity or contact details.

## UNJUST ADVANTAGE

No promises, offers, authorizations, or acceptances shall be made through any form of bribery or improper gain. This prohibition encompasses the promising, offering, authorizing, giving, or accepting of anything of value, either directly or indirectly through a third party, to secure or maintain business, to engage in business with any individual, or to acquire an unfair advantage. Monitoring and enforcement measures are established to ensure adherence to anti-corruption laws. All forms of extortion are strictly forbidden.

## DISCLOSURE OF INFORMATION

All business transactions are executed transparently and accurately documented in SEL's records. SEL provides information concerning workforce, health and safety, environmental practices, business activities, organizational structure, financial status, and performance in compliance with relevant regulations and industry standards. The falsification of records or misrepresentation of conditions or practices within the supply chain is deemed unacceptable.

## INTELLECTUAL PROPERTY

SEL upholds intellectual property rights; the transfer of technology and know-how is executed in a manner that protects these rights and ensures the confidentiality of customer and supplier information.

## FAIR TRADE, ADVERTISING, AND COMPETITION

SEL adheres to all relevant laws, regulations, and customer specifications concerning the prohibition or restriction of certain substances in products and manufacturing, including labeling for recycling and disposal.

## PROTECTION OF IDENTITY AND NON-RETALIATION

SEL upholds programs that guarantee privacy and protection, except where prohibited by law. SEL implements a collaborative process that allows employees to express their concerns without fear of retaliation.



# THE ROAD TO OUR FUTURE: SUPPLY CHAIN

# THE ROAD TO OUR FUTURE: SUPPLY CHAIN

At SEL, prioritizing a sustainable, ethical, and responsible business model within our supply chain is essential. We assess our suppliers based not only on quality and cost but also on their environmental, social, and ethical performance.

## Supplier Selection Criteria



When assessing our new suppliers, our primary criteria encompass production capabilities, management systems, occupational health and safety practices, adherence to environmental regulations, and ethical standards, including the prohibition of child labor, the fight against discrimination, and policies against bribery and corruption.

## Audits and Oversight



Our approved suppliers are subject to regular performance evaluations, and on-site audits are conducted as needed. This guarantees that our suppliers adhere to both quality and sustainability standards. In instances of non-conformity, improvement plans are established, and processes are managed with transparency.

In our supplier evaluations carried out in 2024, all new suppliers were chosen based on social and environmental criteria, and we secured commitments from them to adhere to these standards.

## SUSTAINABILITY-ORIENTED PROCUREMENT

We anticipate that our suppliers will adhere to environmental standards, including the reduction of carbon emissions, the promotion of water and energy efficiency, the utilization of recycled materials, and the preference for raw materials with low VOC emissions.

However, in the realm of social sustainability, safeguarding employee rights, ensuring a safe and healthy working environment, implementing zero-tolerance policies against discrimination and harassment, and upholding ethical business practices are essential prerequisites. Consequently, our suppliers are urged to adhere to the Amfori BSCI Code of Conduct and to honor these commitments in their partnerships with our company.

## Our Aspirations for the Future

- Our objective is to guarantee that 60% of our new suppliers successfully complete sustainability audits by 2027, and 80% by 2030.
- To mitigate the carbon footprint within the supply chain, we will implement collaborative initiatives, including logistics optimization and the production of energy-efficient raw materials.
- To ensure that all key suppliers are committed to adhering to our social policies and ethical guidelines.

## SUSTAINABLE SUPPLY CHAIN POLICY

**1. Purpose and Scope** This policy has been developed to guarantee that SEL embraces a sustainable, ethical, and responsible business model across its entire supply chain. The objective is to ensure that our suppliers adhere to environmental, social, and governance (ESG) criteria. This policy encompasses our direct suppliers, sub-suppliers, and business partners.

### 2. Environment

Complete adherence to environmental legislation (e.g., REACH),  
Consistent oversight of carbon emissions, energy usage, and water consumption,  
Reducing waste and enhancing recycling rates,  
Utilizing raw materials characterized by low VOC emissions and incorporating recycled components.

### 3. Corporate Social Responsibility and Human Rights

A strict prohibition against child labor, forced labor, and human trafficking.  
Equitable compensation and a secure workplace.  
A strict policy against discrimination and harassment.  
Working hours and rest entitlements must adhere to ILO standards.

### 4. Corporate Ethics and Compliance

Prohibition of corruption, bribery, conflicts of interest, and anti-competitive practices.  
Transparency and the dissemination of accurate information,  
Adherence to privacy and data protection requirements.

### 5. Supply Chain Administration

Subcontractors are required to adhere to the principles outlined in this policy.  
Regular evaluations of risk and enhancement strategies for high-risk suppliers,  
Engagement in BSCI audits and execution of actions.

### 6. Oversight, Evaluation, and Enhancement

Third-party evaluations within the framework of EcoVadis and/or BSCI assessments,  
Corrective action plans for discrepancies,  
Ongoing enhancement of environmental, social, and ethical performance.

### 7. Commencement and Obligation

Policy constitutes an essential component of agreements.  
Business relationships with non-compliant suppliers may be dissolved.

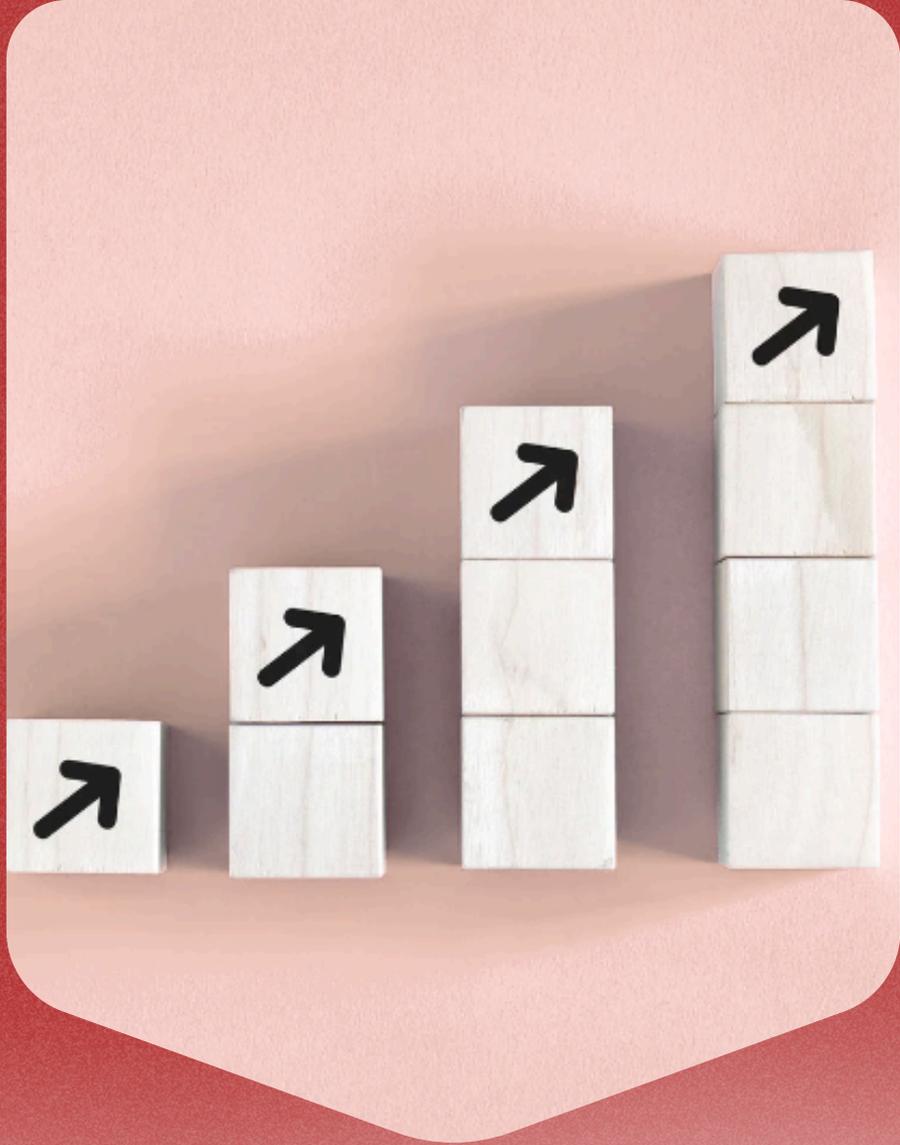


# LOOKING TOWARD THE FUTURE: A STRATEGIC ROADMAP

At SEL, our sustainability journey encompasses not only a focus on current performance but also a commitment to adhering to future reporting standards. In this regard, we have developed a strategic roadmap to align with the European Sustainability Reporting Standards (ESRS) and the frameworks established by the International Sustainability Standards Board (ISSB).

- 2025: A gap analysis will be performed to identify discrepancies between our current reporting and the requirements set forth by ESRS/ISSB.
- 2026: The transparency and comparability of our reports will be enhanced through the partial alignment of key indicators.
- 2027 and beyond: The objective is to guarantee that all our reporting adheres completely to international standards.

At SEL, we perceive our sustainability strategy not merely as a reporting mechanism, but as a fundamental aspect of our corporate culture. With each new period, we persist in our efforts to foster a stronger, more responsible, and more innovative future.



## APPENDICES

# APPENDICES:

## PERFORMANCE METRICS

ALL LOCATIONS

Social Performance Metrics	2022	2023	2024
<b>Demographic Composition of Employees</b>			
Total employee count	637	558	738
Total number of female staff members	179	169	251
Total number of male staff members	458	389	487
Number of female professionals in white-collar occupations	61	58	70
Number of male office workers	72	64	74
Number of female blue-collar employees	118	111	181
Number of male blue-collar employees	386	325	413
Number of employees with disabilities	12	14	18
<b>Employee Distribution by Age Group</b>			
Number of employees aged under 30	182	120	217
Number of employees between the ages of 30 and 50	359	348	425
Number of employees aged over 50	96	90	96
<b>Employees by Nationality</b>			
Turkish	637	558	738
Foreign	0	0	0

Social Performance Metrics	2022	2023	2024
<b>Employee Allocation by Contract Type</b>			
Indefinite	637	558	738
Temporary	0	0	0
<b>Demographic Composition of Senior Management</b>			
Total number of senior leaders	3	3	3
Total number of male senior executives	3	3	3
<b>Senior Executives Categorized by Age Groups</b>			
Number of managers aged under 30	0	0	0
Number of managers between the ages of 30 and 50	2	2	2
Number of managers aged 50 and above	1	1	1

 **ALL LOCATIONS**

Employee Advancement	2022	2023	2024
<b>Employee Development and Attendee Statistics</b>			
White-Collar and Blue-Collar	270	438	438
Woman	124	81	81
Male	146	357	357
<b>Employee Training - Total Training Hours per Individual</b>			
Occupational Safety and Health (OSH) (Professional and Manual Labor)	16 Hour	16 Hour	16 Hour
Environment (Professional - Labor)	3 Hour	3 Hour	3 Hour
Information Security (Professional and Labor)	2 Hour	2 Hour	2 Hour
Quality / BSCI	2 Hour	2 Hour	2 Hour
<b>Number of employees receiving regular performance review feedback.</b>			
Blue-collar female employee	139	149	295
White-collar female professional	69	54	75
Blue-collar male employee	433	428	682
White-collar male employee	71	60	78
Managers aged 50 and above	3	3	1
<b>Employee Attrition</b>			
female staff member	44	89	370
male staff member	132	289	760
<b>Employee Turnover by Age Group</b>			
Under 30	251	203	434
Ages 30 to 50	392	366	595
Individuals aged 50 and above	69	68	101

Occupational Health and Safety	2022	2023	2024
<b>Occupational Safety and Health Committee</b>			
Number of established occupational safety and health committees	1	2	2
The total membership of the established OHS committee.	11	18	21
Number of employee representatives on the designated occupational safety and health committee	4	7	7
Accident severity rate, Silivri Facility*	0,24	6,125	8,77
Accident severity rate, Çorlu Factory*	1,65	0,877	6,7

*Accident Severity Rate = (Total days lost due to accidents / Total hours worked) x 1000*

**ALL LOCATIONS**

Occupational Health and Safety	2022	2023	2024
Occupational disease incidence, Silivri Factory	0	0	0
Occupational disease incidence, Çorlu Factory	0	0	0
Workplace-related fatality count, Silivri Factory	0	0	0
Work-related fatalities, Çorlu Factory	0	0	0
Accident frequency rate, Silivri Facility	74,98	80,53	61,87
Accident frequency rate, Çorlu Facility	223,21	118,96	100,60
Occupational Health and Safety (OHS) management costs (TL), Silivri Factory	286.994 TL	658.470 TL	1.434.970 TL
Occupational Health and Safety (OHS) management costs (TL), Çorlu Factory			918.380 TL

Environment	2022	2023	2024
<b>Water Usage</b>			
Network water capacity (m <sup>3</sup> )	15.334 m <sup>3</sup>	23.652,50 m <sup>3</sup>	20.788,8 m <sup>3</sup>
<b>Hazardous Materials</b>			
Quantity of hazardous waste, Silivri Factory	1438,21 ton	1670,85 ton	2499,53 ton
Quantity of hazardous waste, Çorlu Factory	74,93 ton	146,33 ton	306,06 ton
Recycling at the Silivri Facility	1438,21 ton	1670,85 ton	2499,53 ton
Recycling, Çorlu Facility	74,93 ton	146,33 ton	306,06 ton

\*\*Accident Frequency Rate = (Number of Accidents / Total Hours Worked) x 1,000,000\*\*

Environment	2022	2023	2024
<b>Non-hazardous waste</b>			
Volume of non-hazardous waste, Silivri Factory	460,04 ton	595,15 ton	791,08 ton
Amount of non-hazardous waste, Türkgücü Manufacturing Facility	268,55 ton	443,97	675,96 ton
Recycling at the Silivri Facility	460,04 ton	595,15 ton	791,08 ton
Recycling, Türkgücü Manufacturing Facility	268,55 ton	443,97	675,96 ton

<b>Additional Environmental Indicators</b>			
Environmental management expenditures (TL) at the Silivri Factory	1.610.025 TL	2.098.138 TL	3.294.824 TL
Environmental management expenditures (TL), Türkgücü Facility	364.853 TL	661.989 TL	443.389 TL
GEKAP*** (Silivri & Türkgücü)	1.050.237,92 TL	4.857.100,28 TL	6.638.038 TL

Product Safety	Unit	2024
Number of product recalls	Number	0
Number of product recall exercises	Number	1
Customer grievances (pertaining to product safety)	Number	6
Product safety complaint rate assessed.	%	100
Number of significant product safety complaints	Number	0
Number of product safety training sessions	Number	Annually
Product safety training engagement rate	%	100
SDS preparation rate	%	100
Traceability implementation rate	%	100

\*\*Recycling Participation Charge

**ALL LOCATIONS**

Ethic	Unit	2024
Participation rate of all employees in ethical training.	%	100
Employees' levels of awareness concerning ethical issues.	Madam (1-5)	4
Total number of ethics grievances received	Number	0
Average response time for ethical complaints	Day	A maximum of 15 days
Proportion of suppliers undergoing ethical evaluation in relation to the total number of suppliers.	%	100
Number of suppliers failing to adhere to ethical standards	Number	0
The proportion of contracts with all suppliers that incorporate ethical clauses.	%	100
The rate of employees resigning from their positions due to ethical considerations.	%	0
The quantity of grievances pertaining to discrimination	Number	0
Rate of ethical assessment of environmental projects	%	100
The incidence of harassment cases	Number	0
Number of complaints received concerning harassment	Number	0

Ethic	Unit	2024
The quantity of cases pertaining to bribery	Number	0
Number of complaints concerning bribery	Number	0
Number of discrimination grievances	Number	0
The proportion of personnel within the organization who have undergone comprehensive discrimination awareness training.	%	100
The presence of collective bargaining	%	0
Proportion of unionized workers	%	0
Number of grievances regarding forced labor	Number	0
Number of corporate social responsibility initiatives	Number	6
Number of suppliers failing to adhere to social standards	Number	0
Data breach occurrences	Number	0
The success rate of employees who underwent data privacy training on the final examination.	%	92,53



# GRI INDEX

**Declaration of Use: Sel Foreign Trade and Chemical Industry Inc. has submitted its report in accordance with GRI Standards for the period spanning January 1, 2024, to December 31, 2024.**

**GRI 1 utilized: GRI 1 - Fundamentals 2021**

GRI STANDART	LOCATION	EXPLANATIONS
<b>GRI 2: General Information 2021</b>		
2-1 Corporate Details	About SEL, Message from the CEO, Economic Performance	
2-2 Units incorporated in the organization's sustainability reporting	Milestones	
2-3 Reporting Period, Frequency, and Contact Point	About SEL	
2-4 Re-declaration of Information		No re-declared information has been presented.
2-5 External Guarantees		The report has not undergone independent verification.
2-6 Activities, value chain, and additional business relationships	Our Offerings, Financial Performance	
2-7 Employees	Performance Metrics	
2-8 Non-productive workforce		There is no workforce that is not employed.
2-9 Governance Framework and Composition	Our Management Strategy, Our Committees	
2-10 Selection and election of the supreme governing body		The criteria employed for the nomination and election of members to the highest governing body are confidential.
2-11 Chairperson of the supreme governing body	CEO's Address, Our Committees	
2-12 The function of the supreme governance body in supervising the management of impacts.	Our Management Strategy, Message from the CEO	
2-13 Delegation of responsibility for managing impacts	Our Management Strategy	
2-14 The function of the supreme governance entity in sustainability reporting	Our Management Strategy	
2-15 Conflicts of Interest	Our Management Strategy	
2-16 Addressing critical concerns	Our Management Strategy	
2-17 The aggregate expertise of the supreme governing authority	Our Management Strategy, Message from the CEO	
2-18 Assessment of the highest governance body's performance.	Message from the CEO	
2-19 Pricing Strategies	Salaries and Compensation: Our Equitable Remuneration Strategy	Compensation policies for members of the highest governing bodies and senior executives are considered confidential information.
2-20 Compensation determination process	Salaries and Compensation: Our Equitable Remuneration Strategy	
Total annual wage rate: 2-21		Information is withheld for privacy reasons.
2-22 Statement on Sustainable Development Strategy	Message from the CEO	
2-23 Policy Obligations	Our Governance Framework, Our Principles, Employee Entitlements, The Potential of Our Future: People (To the fullest extent of Employee Entitlements)	
2-24 Internalization of Policy Commitments	The Power of Our Future: Individuals (To the fullest extent of labor rights)	
2-25 Procedures for rectifying adverse effects	Continuous Improvement Strategy, DOP, Stakeholder Input and Grievance Mechanism	
2-26 Mechanisms for soliciting guidance and articulating concerns	Stakeholder Feedback and Grievance Mechanism	
2-27 Adherence to laws and regulations		There were no instances of non-compliance with laws and regulations during the reporting period.
2-28 Membership Organizations		
2-29 Stakeholder Engagement Strategy	Our Stakeholder Engagement	
2-30 Collective Bargaining Agreements		A collective bargaining agreement does not exist.



GRI STANDART	LOCATION	EXPLANATIONS
<b>GRI 3: Principal Issues 2021</b>		
3-1 The process of recognizing critical issues	Our Approach to Sustainability	
3-2 Compilation of significant subjects	Our Approach to Sustainability	
<b>GRI 306: Waste 2020</b>		
3-3 Addressing Critical Issues	Waste Management	
306-1 Waste production and notable waste-related effects	Waste Management	
306-2 Management of substantial waste impacts	Product Life Cycle, Our Circular Economy Strategy, Waste Management	
306-3 Volume of waste produced	Waste Management, Performance Metrics	
306-4 Waste diverted from disposal	Waste Management, Performance Metrics	
306-5 Waste allocated for disposal	Waste Management, Performance Metrics	
<b>GRI 401: Employment Standards 2016</b>		
3-3 Addressing Critical Issues	The Strength of Our Future Lies in People	
401-1 Recruitment of new employees and employee attrition rate	Performance Metrics	
401-2 Fringe benefits are extended to full-time employees, excluding temporary or part-time employees.	Fringe Benefits	
401-3 Parental Consent	Performance Metrics	
<b>GRI 403: Occupational Health and Safety, 2018</b>		
3-3 Addressing Critical Issues	Occupational Health and Safety, Emergency Preparedness Plans	
403-1 Occupational Health and Safety Management System	Occupational Health and Safety, Emergency Preparedness Plans	
403-2 Hazard Identification, Risk Assessment, and Incident Investigation	Occupational Health and Safety, Emergency Preparedness Plans, Recommendations, Grievance and Feedback System, Corrective and Preventive Measures	
403-3 Occupational Health Services	Occupational Health and Safety, Emergency Preparedness Plans	
403-4 Employee involvement, consultation, and communication regarding occupational health and safety.	Occupational Health and Safety, Emergency Preparedness Plans, Employee Representative, and Employee Committee	
403-5 Occupational Health and Safety Training	Occupational Health and Safety	
403-6 Promoting Employee Well-Being	Employee Rights	
403-7 Prevention and mitigation of occupational health and safety impacts directly associated with employment relationships.	Risk Management, Occupational Health and Safety, Emergency Preparedness Plans	
403-8 Employees encompassed by the occupational health and safety management system.	Performance Metrics	
403-9 Occupational injuries	Performance Metrics, Workplace Health and Safety, Contingency Plans	
403-10 Occupational illnesses	Performance Metrics, Workplace Health and Safety, Contingency Plans	



GRI STANDART	LOCATION	EXPLANATIONS
<b>GRI 408: Child Labor 2016</b>		
3-3 Addressing Critical Issues	Young Workers, Interns, and Child Labor	
408-1 Operations and suppliers presenting a substantial risk of child labor.	Young Workers, Interns, and Child Labor	
<b>GRI 416: Health and Safety of Customers 2016</b>		
3-3 Addressing Critical Issues	Customer Health and Safety	
416-1 Evaluation of health and safety implications of product and service categories	Customer Health and Safety	
416-2 Instances of non-compliance concerning the health and safety impacts of products and services		No instances of non-compliance have been reported.
<b>GRI 418: Customer Privacy 2016</b>		
3-3 Addressing Critical Issues	Information Security	
418-1 Confirmed grievances concerning violations of customer privacy and the compromise of customer data.	Performance Metrics	

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### Sustainability Reporting & Report Designer

Sustainable Future Proje ve DanıŐmanlık Hizmetleri Limited Őirketi



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