

CMB Sustainability Principles Compliance Report-Kordsa Teknik Tekstil A.Ş.

	<p><i>If the compliance status to the principles is decided as “Yes” or “Partial” there must be information about the report/link including the public information.</i></p> <p><i>Explanations about the compliance to the principles must be written in “Explanation” column.</i></p> <p><i>The extent to which the requested information is presented as consolidated or solo must be stated in the “Explanation” column.</i></p>	COMPLIANCE STATUS				EXPLANATION	RELATED LINKS
		YES	NO	PARTIAL	NOT RELEVANT		
						<p>We will provide the information regarding our 2022 performance indicators in our 2022 Sustainability Report, which we aim to publish in June 2023.</p> <p>All report links provided in this table belong to our most recent reports.</p>	
	A. General Principles						
	A1. Strategy, Policy and Targets						
A1.1	Material environmental, social and corporate governance (ESG) issues, risks and opportunities have been determined by the Company’s board of directors.	√				<p>Kordsa Annual Report 2021 / Sustainability Approach Section https://www.kordsa.com/en/images/pdf/Kordsa_Annual_Report_EN_2021.pdf</p> <p>Kordsa Sustainability Report 2021 / Sustainability Management Section / Strategy and Governance Section https://www.kordsa.com/en/images/pdf/Kordsa_Sustainability_Report_EN_2021.pdf</p> <p>Kordsa Website / Sustainability Management page https://www.kordsa.com/en/sustainability/detail/Sustainability-Management/95/73/0</p> <p>CDP 2021 Climate Change Report https://www.kordsa.com/tr/images/pdf/Kordsa%20CDP%202021%20Climate%20Change%20Raporu_report.pdf</p> <p>CDP 2021 Water Security Report https://www.kordsa.com/en/images/pdf/Kordsa_CDP_2021_Water_Security_Report.pdf</p>	

		YES	NO	PARTIAL	NOT RELEVANT	EXPLANATION	RELATED LINKS
A1.1	ESG Policies (i.e., Environmental Policy, Energy Policy, Human Rights and Labor Policy etc.) have been established and publicly disclosed by the Company's board of directors.	√				All of our ESG Policies are available on our website.	https://www.kordsa.com/en/investor-relations/kordsapdflist/policies/64/0/0
A1.2	Short and long-term targets which have been defined under the ESG policies are disclosed to the public.	√				Kordsa 2021 Sustainability Report / Sustainability Management Section / 2021 ESG Performance Table Kordsa Website / Targets and Commitments page	https://www.kordsa.com/en/images/pdf/Kordsa_Sustainability_Report_EN_2021.pdf https://www.kordsa.com/en/sustainability/detail/targets-and-commitments/96/74/0
A2. Application/Monitoring							
A2.1	The committees and/or departments responsible for the execution of ESG policies and top-level executives in the Company related to ESG issues and their duties have been identified and they are publicly disclosed.	√				Kordsa 2021 Annual Report / Sustainability Approach Section Kordsa 2021 Sustainability Report / Sustainability Management Section	https://www.kordsa.com/en/images/pdf/Kordsa_Annual_Report_EN_2021.pdf https://www.kordsa.com/en/images/pdf/Kordsa_Sustainability_Report_EN_2021.pdf
	The responsible committee / unit reported the activities carried out within the scope of the policies to the Board of Directors at least once a year.	√				Kordsa 2021 Annual Report / Sustainability Approach Section Kordsa 2021 Sustainability Report / Sustainability Management Section	https://www.kordsa.com/en/images/pdf/Kordsa_Annual_Report_EN_2021.pdf https://www.kordsa.com/en/images/pdf/Kordsa_Sustainability_Report_EN_2021.pdf
A2.2	In line with ESG targets, implementation and action plans were developed and disclosed to the public.	√				Kordsa 2021 Sustainability Report / All Sections Covering the Material Topics	https://www.kordsa.com/en/images/pdf/Kordsa_Sustainability_Report_EN_2021.pdf

		YES	NO	PARTIAL	NOT RELEVANT	EXPLANATION	RELATED LINKS
A2.3	ESG Key Performance Indicators (KPI) and the level of achievement of these indicators were disclosed to the public on a yearly basis.	✓				Kordsa 2021 Sustainability Report / Annexes / Performance Indicators Section Kordsa Website / Targets and Commitments page	https://www.kordsa.com/en/images/pdf/Kordsa_Sustainability_Report_EN_2021.pdf https://www.kordsa.com/en/sustainability/detail/targets-and-commitments/96/74/0
A2.4	Activities to improve the sustainability performance of business processes or products and services have been disclosed to the public.	✓				Kordsa 2021 Sustainability Report / All Sections Covering the Material Topics	https://www.kordsa.com/en/images/pdf/Kordsa_Sustainability_Report_EN_2021.pdf
A3. Reporting							
A3.1	In the Company's annual reports, information regarding sustainability performance, targets and actions should be disclosed in an understandable, accurate and sufficient manner.	✓				Kordsa 2021 Sustainability Report / All Sections Covering the Material Topics	https://www.kordsa.com/en/images/pdf/Kordsa_Sustainability_Report_EN_2021.pdf
A3.2	Information on which of the Company's activities are related to the United Nations (UN) 2030 Sustainable Development Goals (SDGs) has been disclosed to the public by the Company.	✓				Kordsa 2021 Sustainability Report Sustainability Management Section / Material Topics and UN 2030 Global Goals	https://www.kordsa.com/en/images/pdf/Kordsa_Sustainability_Report_EN_2021.pdf
A3.3	Lawsuits filed and/or concluded against ESG issues, which are important in terms of ESG policies and/or will significantly affect activities, have been disclosed to the public	✓				No cases occurred and/or concluded on environmental, social or governance topics, against Kordsa in 2021.	https://www.kordsa.com/en/sustainability/detail/compliance-management/92/68/0
A4. Verification							
A4.1	The Company's ESG Key Performance metrics have been verified by an independent third party and publicly disclosed.	✓				Kordsa 2021 Sustainability Report / Annexes / Kordsa 2021 External Assurance Report The same scope will be audited regarding 2022 data.	https://www.kordsa.com/en/images/pdf/Kordsa_Sustainability_Report_EN_2021.pdf

		YES	NO	PARTIAL	NOT RELEVANT	EXPLANATION	RELATED LINKS
	B. Environmental Principles						
B1	The Company has publicly disclosed its policies and practices, action plans, environmental management systems (known by the ISO 14001 standard) and programs in the field of environmental management.	√				Kordsa's seven facilities are ISO 14001 certified.	https://www.kordsa.com/en/sustainability/detail/environmental-performance/91/81/0
B2	The scope of the report, reporting period, reporting date, and the limitations regarding the reporting conditions were disclosed to the public regarding the environmental reports prepared regarding information on environmental management.	√				Kordsa 2021 Sustainability Report / About the Report Section	https://www.kordsa.com/en/images/pdf/Kordsa_Sustainability_Report_EN_2021.pdf
B3	Given in A2.1.						
B4	Environmental targets included in the reward criteria within the scope of performance incentive systems on the basis based on (such as members of the Board of Directors, managers, and employees) have been disclosed to the public.	√				Kordsa 2021 Sustainability Report Sustainability Management Section / 2021 ESG Performance Table Kordsa CDP Climate Change Report	https://www.kordsa.com/en/images/pdf/Kordsa_Sustainability_Report_EN_2021.pdf https://www.kordsa.com/tr/images/pdf/Kordsa%20CDP%202021%20Climate%20Change%20Raporu_report.pdf
B5	It has been disclosed to the public that the way of material environmental issues integration into business objectives and strategies.	√				Kordsa 2021 Sustainability Report / Strategy and Governance Section / Material Sustainability Topics Section / 2021 ESG Performance Table	https://www.kordsa.com/en/images/pdf/Kordsa_Sustainability_Report_EN_2021.pdf
B6	Given in A2.4.						
B7	It has been publicly disclosed how environmental issues are managed and integrated into business objectives and strategies throughout the Company's value chain; including the operational process, suppliers and customers.	√				Kordsa 2021 Sustainability Report Sustainability Impacts Along Our Value Chain Section / Sustainable Supply Chain Management Section	https://www.kordsa.com/en/images/pdf/Kordsa_Sustainability_Report_EN_2021.pdf
B8	Whether relevant organizations and non-governmental organizations on the environment are involved in the policy-making processes and the collaborations with these institutions and organizations were disclosed to the public.	√				Kordsa 2021 Sustainability Report / All Sections Covering the Material Topics	https://www.kordsa.com/en/images/pdf/Kordsa_Sustainability_Report_EN_2021.pdf

		YES	NO	PARTIAL	NOT RELEVANT	EXPLANATION	RELATED LINKS
B9	Environmental indicators (Greenhouse gas emissions (Scope-1 (Direct), Scope-2 (Energy indirect), Scope-3 (Other indirect), air quality, energy management, water and wastewater management, waste management, biodiversity impacts) information about the impacts of the Company has been disclosed to the public on a comparable basis periodically.	√				Kordsa 2021 Sustainability Report / Performance Indicators Section Kordsa Additional Environmental Data	https://www.kordsa.com/en/images/pdf/Kordsa_Sustainability_Report_EN_2021.pdf https://www.kordsa.com/en/images/pdf/14_Kordsa_Additional%20Environmental%20Data_2021.pdf
B10	Details of the standard, protocol, methodology, and base year used to collect and calculate data have been publicly disclosed.	√				Kordsa 2021 Sustainability Report / Annexes / Kordsa 2021 Reporting Guidance	https://www.kordsa.com/en/images/pdf/Kordsa_Sustainability_Report_EN_2021.pdf
B11	In comparison with previous years, the increase or decrease of environmental indicators for the reporting year has been disclosed to the public.	√				Kordsa 2021 Sustainability Report / Performance Indicators Section	https://www.kordsa.com/en/images/pdf/Kordsa_Sustainability_Report_EN_2021.pdf
B12	Short and long-term targets have been determined to reduce the Company's environmental impacts, and the progress of these targets and the targets determined in previous years has been disclosed to the public.	√				Kordsa 2021 Sustainability Report / 2021 ESG Performance Table Kordsa pledged to the Science Based Targets Initiative (SBTi) in 2021. Kordsa 2021 CDP Climate Change Report Kordsa 2021 CDP Water Security Report	https://www.kordsa.com/en/images/pdf/Kordsa_Sustainability_Report_EN_2021.pdf https://sciencebasedtargets.org/companies-taking-action https://www.kordsa.com/tr/images/pdf/Kordsa%20CDP%202021%20Climate%20Change%20Raporu_report.pdf https://www.kordsa.com/en/images/pdf/Kordsa_CDP_2021_Water_Security_Report.pdf
B13	A strategy to combat the climate crisis has been created and the planned actions have been publicly announced.	√				Kordsa 2021 CDP Climate Change Report	https://www.kordsa.com/tr/images/pdf/Kordsa%20CDP%202021%20Climate%20Change%20Raporu_report.pdf

		YES	NO	PARTIAL	NOT RELEVANT	EXPLANATION	RELATED LINKS
B14	Programs or procedures have been established and disclosed to the public in order to prevent or minimize the potential negative impact of products and/or services on the environment.	√				Kordsa 2021 Sustainability Report / R&D and Innovation Section / Environment and Climate Section / Raw and Other Materials Section Kordsa 2021 CDP Climate Change Report Kordsa 2021 CDP Water Security Report	https://www.kordsa.com/en/images/pdf/Kordsa_Sustainability_Report_EN_2021.pdf https://www.kordsa.com/tr/images/pdf/Kordsa%20CDP%202021%20Climate%20Change%20Raporu_report.pdf https://www.kordsa.com/en/images/pdf/Kordsa_CDP_2021_Water_Security_Report.pdf
	Actions have been taken to reduce greenhouse gas emissions of third parties (i.e., suppliers, subcontractors, dealers, etc.) and these actions have been disclosed to the public.	√				Kordsa 2021 CDP Climate Change Report	https://www.kordsa.com/tr/images/pdf/Kordsa%20CDP%202021%20Climate%20Change%20Raporu_report.pdf
B15	The environmental benefits and cost savings of initiatives and projects aimed at reducing environmental impacts have been disclosed to the public.	√				Kordsa 2021 Sustainability Report / Environment and Climate Section	https://www.kordsa.com/en/images/pdf/Kordsa_Sustainability_Report_EN_2021.pdf
B16	Energy consumption (natural gas, diesel, gasoline, LPG, coal, electricity, heating, cooling, etc.) data are publicly disclosed as Scope-1 and Scope-2.	√				Kordsa 2021 Sustainability Report / Performance Indicators Section	https://www.kordsa.com/en/images/pdf/Kordsa_Sustainability_Report_EN_2021.pdf
B17	Public disclosure was made about the electricity, heat, steam and cooling produced in the reporting year.	√				Kordsa 2021 Sustainability Report / Performance Indicators Section	https://www.kordsa.com/en/images/pdf/Kordsa_Sustainability_Report_EN_2021.pdf
B18	Actions on increasing the use of renewable energy and transition to zero or low carbon electricity have been made and publicly announced.	√				Kordsa Website / Targets and Commitments page Kordsa 2021 Sustainability Report / Energy Management Section	https://www.kordsa.com/en/sustainability/detail/targets-and-commitments/96/74/0 https://www.kordsa.com/en/images/pdf/Kordsa_Sustainability_Report_EN_2021.pdf
B19	Renewable energy production and consumption data is publicly disclosed.	√				Kordsa 2021 CDP Climate Change Report	https://www.kordsa.com/tr/images/pdf/Kordsa%20CDP%202021%20Climate%20Change%20Raporu_report.pdf

		YES	NO	PARTIAL	NOT RELEVANT	EXPLANATION	RELATED LINKS
B20	Energy efficiency projects have been carried out and the amount of energy consumption and emission reduction achieved through energy efficiency projects has been disclosed to the public.	√				Kordsa 2021 Sustainability Report / Environment and Climate / Energy Management and Emission Management Sections Kordsa 2021 CDP Climate Change Report	https://www.kordsa.com/en/images/pdf/Kordsa_Sustainability_Report_EN_2021.pdf https://www.kordsa.com/tr/images/pdf/Kordsa%20CDP%202021%20Climate%20Change%20Raporu_report.pdf
B21	Water consumption, and if any amounts of water drawn, recycled and discharged from underground or above ground, sources and procedures are publicly disclosed.	√				Kordsa 2021 Sustainability Report / Environment and Climate / Water Management Section Kordsa 2021 CDP Water Security Report	https://www.kordsa.com/en/images/pdf/Kordsa_Sustainability_Report_EN_2021.pdf https://www.kordsa.com/en/images/pdf/Kordsa_CDP_2021_Water_Security_Report.pdf
B22	It has been publicly disclosed whether the Company's operations or activities are included in any carbon pricing system (Emissions Trading System, Cap & Trade or Carbon Tax).	√				Kordsa's operations or activities are not included in any carbon pricing system (Emissions Trading System, Cap & Trade or Carbon Tax).	https://www.kordsa.com/tr/images/pdf/Kordsa%20CDP%202021%20Climate%20Change%20Raporu_report.pdf
B23	Information on carbon credits gained or purchased during the reporting period has been disclosed to the public.	√				No carbon credits are gained or purchased during the reporting period by Kordsa.	https://www.kordsa.com/tr/images/pdf/Kordsa%20CDP%202021%20Climate%20Change%20Raporu_report.pdf
B24	If carbon pricing is applied within the Company, the details are disclosed to the public.	√				Carbon pricing is applied neither among plants of Kordsa nor among industrial companies of Sabancı Holding.	https://www.kordsa.com/tr/images/pdf/Kordsa%20CDP%202021%20Climate%20Change%20Raporu_report.pdf
B25	The platforms where the Company discloses its environmental information are publicly disclosed.	√				BIST Sustainability Index CDP Climate Change Report CDP Water Security Report UN Global Compact Progress Report	https://www.kordsa.com/en/images/pdf/Kordsa_Sustainability_Report_EN_2021.pdf

		YES	NO	PARTIAL	NOT RELEVANT	EXPLANATION	RELATED LINKS
	C. Social Principles						
	C1. Human Rights and Employees Rights						
C1.1	The Corporate Human Rights and Employee Rights Policy has been established in a way to cover the Universal Declaration of Human Rights, ILO Conventions ratified by Turkey and other relevant legislation, those responsible for the execution of the policy have been determined and both the policy and responsible departments from the policies have been disclosed to the public.	√				Kordsa 2021 Sustainability Report / Human Rights Section Kordsa Website / Policies page Kordsa website / Human Rights Management page	https://www.kordsa.com/en/images/pdf/Kordsa_Sustainability_Report_EN_2021.pdf https://www.kordsa.com/en/images/pdf/KORDSA-Human-Rights-Policy.pdf https://www.kordsa.com/en/sustainability/detail/Human-Rights-Management/98/78/0
C1.2	Considering the effects of supply and value chain; fair workforce, improvement of labor standards, women's employment, and inclusion issues (gender, race, religion, language, marital status, ethnic identity, sexual orientation, gender identity, family responsibilities, union activities, political opinion, disability, social and cultural differences, etc., such as non-discrimination) are included in the Company's policy on employee rights.	√				Kordsa 2021 Sustainability Report / Human Rights Section Kordsa Website / Policies page Kordsa Website / Sustainable Employment Policy	https://www.kordsa.com/en/images/pdf/Kordsa_Sustainability_Report_EN_2021.pdf https://www.kordsa.com/en/images/pdf/KORDSA-Human-Rights-Policy.pdf https://www.kordsa.com/en/images/pdf/Kordsa-Sustainable-Employment-Policy.pdf
C1.3	Measures taken along the value chain regarding the observance of certain economic, environmental, social factors (low-income groups, women, etc.) or minority rights/equality of opportunity have been publicly disclosed.	√				Kordsa 2021 Sustainability Report / Employees and Community / Human Rights Section / Employment Section / Equal Opportunities and Diversity Section	https://www.kordsa.com/en/images/pdf/Kordsa_Sustainability_Report_EN_2021.pdf
C1.4	Developments regarding preventive and corrective practices against discrimination, inequality, human rights violations, forced and child labor have been disclosed publicly.	√				Kordsa 2021 Sustainability Report / Human Rights Section Kordsa Website / Human Rights Management page	https://www.kordsa.com/en/images/pdf/Kordsa_Sustainability_Report_EN_2021.pdf https://www.kordsa.com/en/sustainability/detail/Human-Rights-Management/98/78/72

		YES	NO	PARTIAL	NOT RELEVANT	EXPLANATION	RELATED LINKS
C1.5	Investments in employees (training and development policies), compensation, recognized fringe benefits, unionization right, work/life balance solutions and talent management are included in the employee rights policy.	√				Kordsa Website / Sustainable Employment Policy Kordsa 2021 Sustainability Report / Employment Section / Training and Development Section	https://www.kordsa.com/en/images/pdf/Kordsa-Sustainable-Employment-Policy.pdf https://www.kordsa.com/en/images/pdf/Kordsa_Sustainability_Report_EN_2021.pdf
	Disagreement resolution processes have been determined by establishing mechanisms for employee complaints and resolution of disputes.	√				Kordsa has Ethics Line for stakeholders who wants to share their notices. Kordsa Website / Sustainable Employment Policy	https://www.kordsa.com/en/sustainability/detail/kordsa-ethics-line/786/2457/0 https://www.kordsa.com/en/images/pdf/Kordsa-Sustainable-Employment-Policy.pdf
	Activities conducted within the reported period to ensure employee satisfaction were disclosed publicly.	√				Kordsa 2021 Sustainability Report / Employment Section	https://www.kordsa.com/en/images/pdf/Kordsa_Sustainability_Report_EN_2021.pdf
C1.6	Occupational health and safety policies have been established and disclosed publicly.	√				Kordsa Website / Policies page Kordsa Website / Occupational Health and Safety page Kordsa 2021 Sustainability Report / Occupational Health and Safety Section	https://www.kordsa.com/tr/images/pdf/kordsa_global_health_and_safety_policy.pdf https://www.kordsa.com/en/images/pdf/Kordsa_Sustainability_Report_EN_2021.pdf
	Measures taken to prevent occupational incidents and protect health and incident statistics have been disclosed publicly.	√				Kordsa 2021 Sustainability Report / Occupational Health and Safety Section / Social Performance Indicators Section	https://www.kordsa.com/en/images/pdf/Kordsa_Sustainability_Report_EN_2021.pdf

		YES	NO	PARTIAL	NOT RELEVANT	EXPLANATION	RELATED LINKS
C1.7	Personal data protection and data security policies have been established and disclosed publicly.	√				Kordsa Website / Personal Data Privacy Disclosure Kordsa Website / Privacy Statement	https://www.kordsa.com/en/industry/detail/Protection-Of-Personal-Data-Privacy-Disclosure/485/640/635 https://www.kordsa.com/en/images/pdf/kordsa_privacy_statement.pdf
C1.8	Ethics policy has been established and disclosed publicly.	√				Kordsa Website / Ethics Code / All languages	https://www.kordsa.com/en/investor-relations/kordsapdflist/code-of-ethics/63/0/0
C1.9							
C1.10	Informative meetings and training programs have been organized for employees on ESG policies and activities.	√				Kordsa 2021 Sustainability Report / Employees and Community Section	https://www.kordsa.com/en/images/pdf/Kordsa_Sustainability_Report_EN_2_021.pdf
C2. Stakeholders, International Standards and Initiatives							
C2.1	The customer satisfaction policy regarding the management and resolution of customer complaints has been prepared and disclosed publicly.	√				Kordsa Website / Quality Policy	https://www.kordsa.com/en/images/pdf/kalpol_ing.pdf
C2.2	Information about the communication with stakeholders (which stakeholder, subject and frequency) is publicly disclosed.	√				Kordsa 2021 Sustainability Report / Key Stakeholder Communication Platforms Section	https://www.kordsa.com/en/images/pdf/Kordsa_Sustainability_Report_EN_2_021.pdf
C2.3	International reporting standards adopted in reporting are explained.	√				Kordsa 2021 Sustainability Report / About the Report Section	https://www.kordsa.com/en/images/pdf/Kordsa_Sustainability_Report_EN_2_021.pdf
C2.4	Principles adopted in relation to sustainability, international organizations, committees and principles of which the Company is a signatory or member are disclosed publicly.	√				Kordsa 2021 Sustainability Report / About the Report Section / Memberships Section	https://www.kordsa.com/en/images/pdf/Kordsa_Sustainability_Report_EN_2_021.pdf
C2.5	Improvements were made and studies were carried out to be included in the sustainability indices of Borsa Istanbul and/or international indices providers.	√				Kordsa 2021 Sustainability Report / Sustainability Management Section	https://www.kordsa.com/en/images/pdf/Kordsa_Sustainability_Report_EN_2_021.pdf

		YES	NO	PARTIAL	NOT RELEVANT	EXPLANATION	RELATED LINKS
	D. Corporate Governance Principles						
D1	Stakeholders' opinions were consulted in determining the measures and strategies on sustainability.	√				Kordsa 2021 Sustainability Report / Communication with Our Stakeholders Section Kordsa Website/ Corporate Governance Compliance Report	https://www.kordsa.com/en/images/pdf/Kordsa_Sustainability_Report_EN_2021.pdf https://www.kordsa.com/en/investor-relations/reportlist/corporate-governance-compliance-report/705/0/0
D2	Social responsibility projects, awareness activities and trainings have been carried out to raise awareness about sustainability and its importance.	√				Kordsa 2021 Sustainability Report / Business Ethic Section / Employees and Community Section	https://www.kordsa.com/en/images/pdf/Kordsa_Sustainability_Report_EN_2021.pdf