

KORDSA TEKNİK TEKSTİL A.Ş.

GLOBAL ENVIRONMENTAL POLICY

Last update: November 2022

About Kordsa

In our high-tech plants we manufacture cord fabric and single-end cord products that provide flexibility and durability to vehicle tires in the tire reinforcement industry.

In composite technologies, we produce innovative by-products and practices for aviation and automotive industries.

In construction industry, we stand out with our innovative macro and micro synthetic fiber reinforcements that provide ease of use, fast applicability, less labor work, energy efficiency, high concrete density, long-lasting durability, and low carbon emission in concrete reinforcement applications for both infrastructure and superstructure projects.

Risk Management

Kordsa employees are trained about their environmental roles and responsibilities at all our operational sites.

In all of our processes, we carry out environmental impact assessments and risk analyses periodically. We evaluate the environmental dimensions associated with our activities and products through lifecycle approach and eliminate the risks. Kordsa is aware that climate change is at the top of the global risks and commits to take action for mitigation with its targets of GHG emission reductions. Also, our risk management approach includes to prevent environment accidents.

Management Systems

ISO 14001 Environmental Management System Certificated Sites of Kordsa are: Turkey, Indonesia, Thailand, Brazil , USA-Chattanooga, USA-Laurel Hill. Kordsa Turkey also has ISO 50001-2011 Energy Management System Certificate. Kordsa commits to work for continuous improvement of its management systems.

Measuring and Monitoring Mechanisms

The mechanisms to measure and monitor performance are ISO 14001 internal and external audits, TPM SHE Pillar Committee, Energy Monitoring System and Kordsa internal audits.

Material Environmental Topics *(raised by all key stakeholders)*

Kordsa engages with internal and external stakeholders to be able to address their environmental concerns. Consequently, the following environmental topics are determined to focus on.

- Energy Management

- GHG Emissions Management
- Waste Management
- Water and Effluents Management
- Materials Management

Other Topics (*raised by some stakeholders*)

- Biodiversity Conservation
- Local Pollution Prevention
- Environmental Impacts from Use and End of Life of Products

Targets

Kordsa aims to improve its environmental performance by setting short- and long-term targets for each material environmental topic determined.

- **Target to Reduce Emissions**

Kordsa commits to reduce absolute Scope 1 and Scope 2 GHG emissions 46.2% by 2030 from a 2019 base year.

- **Target to Reduce Waste**

Kordsa commits to reduce amount of total waste per sales tonnage by %50 until 2030 end. Base year is 2018.

- **Target to Reduce Water Consumption**

Kordsa commits to reduce amount of water withdrawal per sales tonnage by %50 until 2030 end. Base year is 2019.

- **Target to Increase Reuse of Materials**

Kordsa promotes sustainable consumption of all raw materials and intends to reuse some of the materials such as steel shells, tubes, carton separators and wooden pallet in all its sites. We utilize these materials until they reach the end of their life cycle in the facility, and then sell as scrap to be used in various other sectors, thereby contributing to the circular economy. The average reuse rate across all our plants is 12% and we commit to increase this rate gradually.

- **Commitments on Other Topics**

- ***Local Pollution Prevention***

Kordsa aims to eliminate pollution at its source and commits to take the necessary precautions prevent environmental accidents. (See: Target to reduce waste)

- ***Biodiversity Conservation***

Kordsa commits to protect biological diversity around its factories and promotes sustainable use of biological resources. (Target: Zero cases of biodiversity loss communicated through grievance mechanisms and regulatory requirements.)

- ***Environmental Impacts from Use and End of Life of Products***

Kordsa's product labels include instructions to use its intermediary products to eliminate any environmental risks. As inputs of end products, end of life of Kordsa's products are handled by our customers that manufacture the end products. (Kordsa commits to cooperate with its customers on R&D work to increase the recyclability of the end products.)

Regulatory Compliance and Prevention of Environmental Accidents

Kordsa commits to act beyond regulatory requirements and takes precautionary actions through its risk assessments, management systems, employee trainings and digital and manual monitoring mechanisms to eliminate any types of environmental accidents.

Kordsa's continuous target is zero environmental incidents and zero incompliance with environmental laws at all its plants around the world.

POLICY SCOPE

The environmental policy covers all global operations of Kordsa including all affiliates and all manufacturing and nonmanufacturing locations.

These operations include the following:

Tire Reinforcement Sites:

Turkey, Indonesia, Brazil, Thailand, USA-Chattanooga, USA-Laurel Hill

Composite Sites:

Turkey, USA-Santa Ana, USA-Anaheim, USA-San Marcos, USA-Quakertown, Italy

Construction Reinforcement Sites: Turkey

Headquarters: Turkey

The policy is reviewed and approved by

İbrahim Özgür Yıldırım

CEO