

Türk Prysmian Kablo

SUSTAINABILITY REPORT 2023



ABOUT THIS REPORT

Türk Prysmian Kablo has been publishing sustainability reports since 2021 in keeping with its commitment to transparent communication with stakeholders on sustainability issues as well as in all aspects of its operations. Moving forward, we will continue to issue sustainability reports on an annual basis.

Our 2023 report focuses on the manufacturing operations at our Mudanya plant, as well as our local and international sales from January 1 to December 31, 2023. We issued our report in accordance with the GRI Sustainability Reporting-2021 Standards. We also outlined in detail how all of our material topics align with Türk Prysmian Kablo's 2030 ambitions and the United Nations' 17 Sustainable Development Goals.

The theme of our 2023 Sustainability Report was inspired by the Olive Tree, a symbol of sustainability with a centuries-long lifespan. This symbol holds great significance for the people of Mudanya, who have supported us since 1964.

We aim to increase the level of awareness among our stakeholders on sustainability through this report, which was published thanks to the tireless work and extraordinary efforts of our sustainability ambassadors. The data provided in this 2023 Sustainability Report, which we share with our stakeholders in both Turkish and English, have not been externally verified, and your feedback or inquiries regarding this report are welcome at sustainability.tr@prysmian.com.

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LETTER FROM THE CEO

Rising energy prices and global monetary policy uncertainties contributed to higher inflation in 2023. Ongoing hostilities in Eastern Europe and the Middle East have also led to increased costs and rising inflation. Like all other industries, the cable industry was negatively impacted by these factors.

Despite these circumstances, we, at Türk Prysmian, were nevertheless able to retain our profitability thanks to strategies including having a proper pricing strategy and avoiding fluctuations through dynamic pricing. We embrace sustainability as a core value of our business rather than as a mandatory initiative. Within the framework of Prysmian's 2030 sustainability strategy, we have integrated our economic, social and environmental responsibilities into all aspects of our operations.

We continue to ensure that we achieve sustainable growth in the markets in which we operate in line with our long-term goals, focusing on our vision of becoming the sustainability leader in the MEART Region as well as in other markets.

At Prysmian, we have updated our visual identity, or logo, to better engage with stakeholders and to effectively communicate our work culture and sustainability vision. The symbol shape reveals a hidden 'p', in addition to recalling the circular economy concept, while the blue-to-green gradient color reflects the Group's commitment to the development of renewable energy. The iconic logo, interpreted with a contemporary and dynamic design, connects the concepts of tradition and evolution. The entire visual system and the new payoff "The Planet's Pathways" embody the role that Prysmian aims to play in shaping a better future.

We have aligned Prysmian's long and medium-term Climate Change and social ambitions with regional goals, and implemented effective sustainability projects in line with our 'Sign it.' Sustainability plan and 2030 ambitions. As we work towards the United Nations Sustainable Development Goals, we consider creating value for our stakeholders and contributing to the community.

As part of our efforts to comply with the Paris Agreement and the targets we set within the framework of the Science Based Targets Initiative (SBTi), we made decarbonization of manufacturing a priority with our climate target launched in 2021 and set a net zero target by 2035. We achieved a 33% reduction over 2019 levels in Scope 1 and 2 emissions. We also achieved a 10% reduction over 2019 levels in Scope 3 emissions, which we have been reporting since 2022. We will continue to build on our commitments to the sustainable development goals of the UN Global Compact initiative through our energy and awareness practices.



Erkan Aydoğdu
CEO, Prysmian MEART Region

The Sustainability Academy, which we launched in the MEART Region, aims to support the entire Prysmian family in their upskilling efforts towards this transformation. Sustainability also requires producing technologically innovative products. When we consider today's new energy economy, we can see that the move to renewable energy is critical. We work to ensure that grid infrastructure is dependable and has the necessary power for energy transmission and distribution, which is a critical component in the integration of renewable energies. With our solar and wind initiatives, we cut the cost of current power plants while also supporting the energy transition with innovative and sustainable products. We are working on innovative cable technologies that cover greater distances to contribute to the development of greener and smarter power lines. Our sustainable optical fiber cables, suitable for technologies such as broadband and 5G, reach more and more customers every year and contribute to our efforts to reduce our carbon footprint.

Diversity, inclusion, equality, social empowerment, employee loyalty and engagement, and employee upskilling were all priorities this year as well as part of Prysmian's Social Ambition. For instance, our efforts to increase the proportion of women employees within the context of our inclusive culture have had great results, and we have raised the proportion of women executives in our Group to 18.8% in 2023.

We are aware that responding to the needs and problems of the community is also part of our sustainability commitment. After the February 6, 2023 earthquakes that affected 11 provinces, we took a proactive role in search and rescue efforts and identifying the needs in the earthquake zone thanks to our team of volunteers. With the support of Prysmian and its employees, we have created the 150-container "Prysmian Village" in Tut, district of Adıyaman. We will remain determined to face such challenges in the future.

Türk Prysmian Kablo 2023 Sustainability Report, which highlight our sustainability actions and performance throughout the year, demonstrates the dedicated and successful efforts of our sustainability ambassadors. I would like to extend my sincere appreciation and gratitude to all of our staff members, the coordination team and all of our stakeholders for their efforts and contributions in the publication of this Report.

Sincerely,
Erkan Aydoğdu, CEO Prysmian MEART Region

LETTER FROM THE CEO

Türk Prysmian Kablo, through its vision of leading the industry and its investments in innovative technologies and digitalization, works for the development of cable connection and transmission technologies, which are critical for sustainable development. In collaboration with its employees and stakeholders, Türk Prysmian Kablo carries out its sustainability efforts, which it integrates into all of its operations with the mission of "Linking Türkiye to a Sustainable Future." We are making a positive impact on the nation's economy through our corporate culture, agile structure, and goal of being an investment company that generates great value for our shareholders while continuously meeting customer needs and expectations.

As we continue to create value for our country, we closely follow all global developments and export the know-how we develop through our research and development capabilities to the whole world. The year 2023 witnessed the profound effects of global dynamics such as the energy crisis and high inflation in Türkiye and around the world due to the ongoing wars in Eastern Europe and the Middle East. These developments once again emphasized the importance of the Environmental, Social and Corporate Governance (ESG) approach and demonstrated that it must be adopted to create sustainable value.

We have been on our sustainability journey since 2019 when we started it. We worked hard towards our "Sign it." sustainability initiative, which we created in 2020, as well as our 2030 goals. Türk Prysmian Kablo has also contributed to the sustainability strategy of the MEART Region, of which it is a part.

In 2023, we aligned our visual identity with our sustainability vision. In this context, we have updated our visual identity. The symbol shape reveals a hidden 'p', in addition to recalling the circular economy concept, while the blue-to-green gradient color reflects the Group's commitment to the development of renewable energy. The iconic logo, interpreted with a contemporary and dynamic design, connects the concepts of tradition and evolution. The entire visual system and the new payoff "The Planet's Pathways" embody the role that Prysmian aims to play in shaping a better future.

We promote the sustainable development goal by focusing on efficient transmission of power, accelerating the transition to green energy and facilitating data communication, which is also essential for transformation. Through our research and development efforts, we offer innovative products that contribute to the circular economy, while increasing our use of recycled materials by investing in digitalization and sustainable technologies.

We continue to take on Türkiye's mega renewable energy projects including Karapınar YEKA-1, Türkiye's largest solar power plant, the first and largest high voltage submarine cabling, most important wind farms, and the largest fiber optic cabling project.

In line with our sustainability goals, digitalization continued to be among the material topics on our agenda in 2023. With the responsibility of being the pioneer of the cable industry, we continue our investments in sustainability and digitalization.



Daniele Lorenzo Mazzarella
CEO, Türk Prysmian Kablo

We continue to create value in the cable industry by pioneering digitalization in our industry through our CableApp application, which provides both convenience and time savings in choosing the right cable, as well as the innovative products and service solutions developed within our Group.

With regards our social ambitions, we develop concrete and clear projects for cultural transformation in the field of occupational health and safety through our "Zero and Beyond" vision. We launched the "Behavior-Oriented Safety Management" program, which aims to reduce accidents and injuries to zero. This program aims to reduce occupational accidents and create a safe workplace environment by making occupational safety an integral part of our corporate culture. We continue to work towards this goal by organizing manager, supervisor and employee trainings.

At Prysmian, we seek to develop innovative approaches that encourage and motivate our people.

Through the shareholding-based remuneration and profit-sharing plan, we have made Türk Prysmian Kablo employees shareholders in Prysmian's revenues; in this way, we seek to increase employee loyalty and satisfaction. We enable our employees to better protect their private lives and work balance by implementing flexible working organization in Türkiye.

Thanks to the projects completed in the move toward responsible manufacturing in 2023, we have saved 2.144.079 kWh of energy, 152.463 m3 natural gas and 120.480 liters of fuel in total. We will continue to make a high contribution to Prysmian targets by integrating sustainability awareness into all lines of our business.

We are fully aware that sustainability is not only about the environment, but also about responding to the needs and problems of the community.

I would like to express my gratitude to all my colleagues who mobilized after the earthquake disasters, centered in Kahramanmaraş, from search and rescue operations to the process of healing the wounds of the earthquakes, and who contributed to the realization of the 150-container "Prysmian Village" in Tut, district of Adıyaman.

I'm proud to present our third Sustainability Report, which details our efforts and performance on sustainability in 2023. I would like to extend my sincere gratitude to all of our colleagues and stakeholders, who are the most significant architects of this journey, for their diligent work and contributions into the process of creating our report.

We will continue to advance our efforts under the approach "always for the better" to add value to Türkiye, our region, and the world.

Sincerely,
Daniele Lorenzo Mazzarella, CEO Türk Prysmian Kablo



50+ Countries



+15
Billior Euros in Sales



151
Years of Experience



30.000 Employees

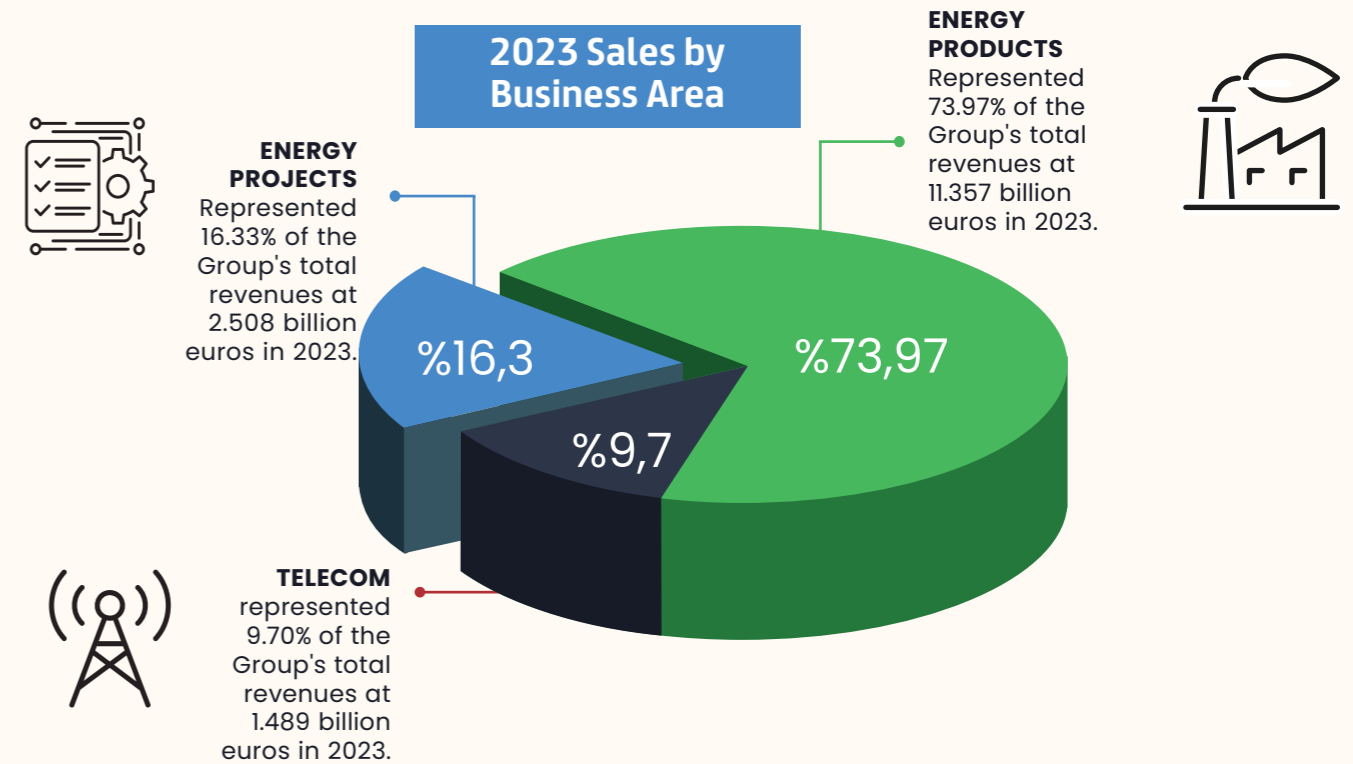
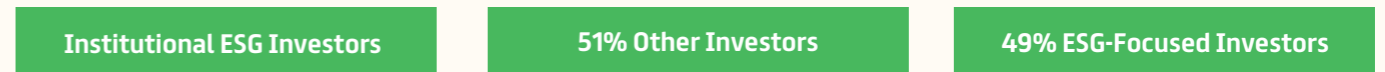
About Prysmian

Following the global merger with General Cable, Prysmian has become a global leader in the energy and telecommunications cable manufacturing industry with sales of approximately 15 billion Euros in 2023, 30,000 employees, 26 R&D Centers and 108 factories operating in more than 50 countries.

Offering high-tech products, Prysmian stands out with its technology and know-how as well as having a wide range of products and services. Within the scope of its product range, it offers solutions for the infrastructure and construction sectors with low and medium voltage cables, for energy transmission and distribution with underground and submarine cables and systems, for applications in various industrial sectors with special cables, for video, information and audio transmission with optical fibers and cables, and also for the telecommunications sector with copper telecom cables.

Prysmian's key competitive strengths include its innovative products and manufacturing processes, as well as its broad geographical reach. Its strong focus on customer satisfaction and customer service is an advantage. Prysmian S.p.A. is listed on the Milan Stock Exchange.

The share of ESG investors in Prysmian's shareholding structure that places environmental, social and governance issues at the core of their investment strategies is 49% (data as of December 31, 2023). As for the type of investors, the majority (approximately 80%) are core ESG investors, whose investment decisions are driven solely by ESG performance factors. These investors typically have a long-term investment horizon and attach great importance to maintaining an ongoing, constructive dialogue on sustainability issues.



- 2023 Sales by Business Area**
- Energy Projects 16.33%
 - Energy and Infrastructure 49.63%
 - Industrial and Network Components 21.87%
 - Energy and Other 2.47%
 - Telecom 9.7%

MISSION VISION VALUES

MISSION

We provide our customers with state-of-the-art high-end cable solutions and consistent excellence, resulting in sustainable growth and profits.



Our reputation for performance and innovation helps us deliver sustainable growth and profits.

However, we don't just want to be good at business; we also want to be good as a partner. That's why our values are so important to us. The things we do and the way we approach them are an opportunity to show pride in our work.

VISION

Energy and information contribute to social development. As a result, it is crucial that they are always accessible and offered in an effective, efficient, and sustainable manner.



No matter who the customer is... No matter where they are... No matter how harsh the environment in which they operate... Every day, we have the chance to bring our vision to life through our work. No matter how big or small, the things we do on a daily basis evolve over time and help us fulfill our mission.

VALUES

Drive. Trust. Simplicity.

Drive. Our goal is to lead the industry's development by combining our capacity to grow our employees and business in line with the precise goals we have set thanks to our ability to anticipate the needs of our customers

Trust. Given our commitment to diversity and inclusion, we want to foster an atmosphere of trust that thrives on collaboration and empowers our employees to make ethical and correct decisions.

Simplicity. Focusing on value-added operations and timely decision making, we are committed to being simple and understandable in all situations with the goal of maximizing our company's results.



ETHICAL VALUES AND INTEGRITY



As the business has grown and changed in this competitive environment in which we operate, so too have our Code of Ethics and Compliance Policies. By regulatory reviewing the relevant regulations in these areas, we organize our policies in line with the best and the most recent practices. Seeking feedback from our stakeholders, and considering their demands are key to our continuous development in this field.

Our Code of Ethics, which outlines our expectations for how our employees should conduct themselves at work when performing their day-to-day tasks, is a helpful tool in preventing irresponsible or illegal conduct. Our Group Compliance Policies (including our Anti-Bribery and Anti-Trust Policy) which we have designed to ensure that our employees, suppliers, business partners, sales representatives, subcontractors, and authorized dealers comply with Prysmian's code of conduct, support these Code of Ethics.

Throughout the whole value chain, Türk Prysmian Kablo continuously works to promote business integrity and transparency. The goal of upholding high ethical standards at every level of our business operations is reflected in the culture of transparency and integrity that serves as the "constitution" of our organization.

We have created an Ethical Reporting program named "Integrity First" as these programs are among the best at detecting fraud and misconduct. Our Integrity First program adheres to the most recent standards for ethics, compliance, and processes. Employee awareness of our anti-corruption rules has increased as a result of this program.

We have developed a confidential and secure channel (including phone lines and a web portal) for those looking to report professional misconduct. This channel is managed by an independent entity outside the company, and this entity provides services on the condition that the identities of reporting individuals are kept strictly confidential.

In addition to these channels, we also have an Ethical Reporting Committee. This Committee's responsibilities include providing an accurate assessment of the reports, carrying out investigations as needed, and implementing appropriate and consistent actions.

We communicate policy updates company-wide and make them available to all of our employees and affiliates

All of our employees participated in the ethics trainings we organized in 2023 to spread our passion for conducting our business in an ethical and transparent manner among our employees. You can learn more about our code of ethics and integrity policies in our website.

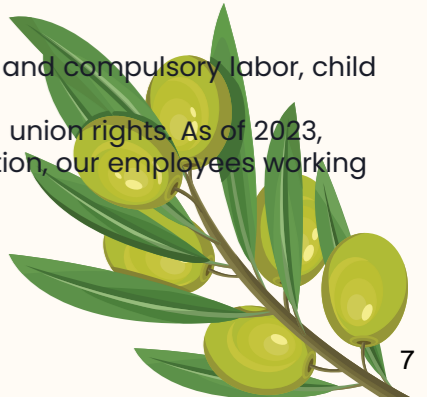
Our employees can reach us at the following addresses:

Website: www.prysmian.ethicspoint.com

E-mail: helpline@prysmian.com

We never allow situations that could be indicative of practices such as forced and compulsory labor, child labor and bribery in our operations.

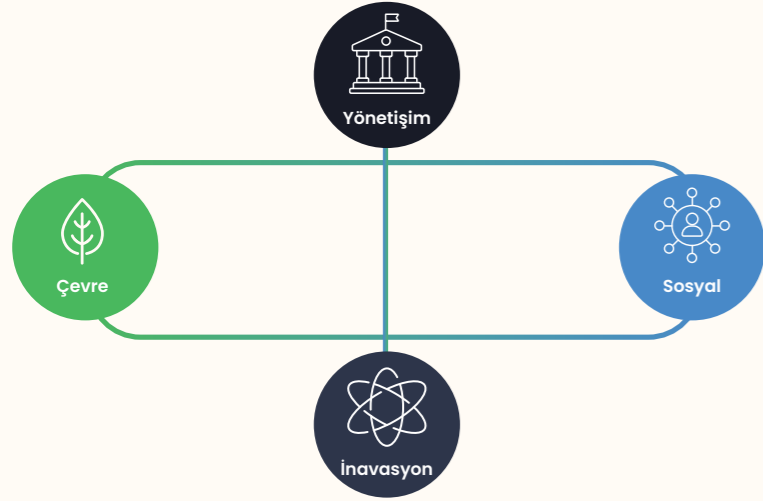
Our employees can freely exercise their collective bargaining, association and union rights. As of 2023, 100% of our employees work under a collective bargaining agreement. In addition, our employees working on-site are members of the United Metalworkers' Union.



Prysmian Sustainability Approach

Thanks to the remarkable projects it takes on all around the world, Prysmian leads its industry. In its 2023 sustainability report, Prysmian communicates to all of its stakeholders how it prioritizes its environmental and social sustainability strategy. Prysmian 2023 sustainability report is available at "<https://tr.prysmian.com/index.php/tr/surdurulebilirlik>".

Prysmian's sustainability strategy is based on 4 core principles: governance, environmental, digital and social sustainability, each contributing to the creation of added value for the benefit of the Group and all its stakeholders, enabling the implementation of long-term plans, including financial sustainability.



Governance: The centrality of sustainability in Prysmian's strategy is also evident from the definition of a specific type of governance, which is responsible for overseeing all Group initiatives in a structured and rigorous manner and ensuring their alignment with ESG targets.

Environment: Prysmian is committed to reducing the negative impact on the environment during its manufacturing and installation activities and acts directly on the design and configuration of its products and solutions, helping to facilitate decarbonization along its value chain.

Innovation: Innovation is an indispensable element in achieving the sustainability goals of Prysmian, which has always invested in research and development to offer low-impact, high-efficiency products. The commitment to innovative solutions continues; sustainability is one of the key drivers of Prysmian's research and development strategy, reflected in the new "design for sustainability" concept.

Social: Prysmian places people at the center of its activities. This commitment is reflected both in employee initiatives (e.g., promoting work-life balance, diversity, inclusion, training) and in supporting the social communities in which the company operates.

Prysmian's Commitment to Sustainable Development and the Achievement of the UN SDGs

In 2021, Prysmian joined the United Nations Global Compact, a global network of more than 17,000 companies from 160 countries inaugurated in 1999 with the goal of building a sustainable global economy. The Global Compact requires participating businesses and organizations, each in their own sphere of influence, to agree, support and apply a set of fundamental principles covering human rights, working standards, environmental protection and anti-corruption. In reporting on its commitment in this area, Prysmian refers to the 17 Sustainable Development Goals (SDGs) defined by the UN in its 2030 Agenda. The SDGs and their targets identify global priorities and define an integrated plan of action for people, the planet, prosperity and peace. To strengthen its commitment to sustainability, Prysmian adopted a Sustainability Policy, available on the company website at the link <https://www.prysmian.com/en/sustainability/strong-commitment>, that defines the company's commitment and priorities, governance, strategy and vision linked to Sustainability.

Prysmian contributes to the achievement of the SDGs through some specific activities consistent with its business, relating to the material topics identified every year during the creation of our materiality matrix.



Sustainable Innovation of Products, Applications and Processes

Develop innovative products and solutions that support continuous improvement of the sustainability of telecommunication and energy infrastructures.



Sustainable Innovation of Products, Applications and Processes

Boost the production and sale of high quality, reliable and "green" products and services.



Sustainable Innovation of Products, Applications and Processes

Facilitate access to clean energy, via continuous investment in research for the development of advanced solutions for the production and transportation of energy from renewable sources.



Implement Decarbonization on the Path to Net-Zero and Digitalization

Pursue the efficient and sustainable use of energy and natural resources by reducing consumption and greenhouse gas emissions, while minimising the generation of waste and promoting the recycling and reuse of materials.



Biodiversity and Impact on Nature

Carry out activities in a manner respectful of natural habitats, performing advanced feasibility analyses of new plants, monitoring protected areas in the territories where the Group is present and, when required, contributing to their protection.



Impact on communities

Enable the universal dissemination of energy and telecommunications via reliable, accessible infrastructure that makes entire communities more sustainable.



Impact on Communities

Promote the socio-economic development of the communities in which the Group operates, via the adoption of an appropriate Corporate Citizenship and Philanthropy policy.



Greater Diversity, Inclusion and Respect for Human Rights

Promote inclusive ethical conduct that respects the diversity of each person, protect the rights of workers, develop a healthy workplace environment, encourage the training and professional growth of all personnel.



Governance, Ethics and Integrity

Promote sustainable business practices between our suppliers and business partners.

Governance, Ethics and Integrity

Develop effective, transparent and responsible communications with stakeholders.



CLIMATE CHANGE AMBITION



In 2021, Prysmian formalized its Climate Change Goals and Social Development Goals, which will guide its actions in the medium to long term.

Climate Change Ambition

Prysmian's climate strategy adopts science-based targets aligned with the Paris Agreement climate objectives. In particular, the Science Based Targets initiative defines the requirements for an effective Net-Zero strategy:

- Reduction of Scope 1, 2 and 3 emissions to zero, or at least to a residual level consistent with achieving the global or sector targets set in line with the Paris Agreement;
 - Neutralization of any residual and greenhouse gas (GHG) emissions released into the atmosphere.
- In 2023 Prysmian obtained official validation by the Science-Based Targets initiative (SBTi) of its targets, thus defined as follows:

1. Net-Zero Target;

- Prysmian is committed to achieving net-zero GHG emissions throughout its value chain by 2050.

2. Short-term emission reduction targets;

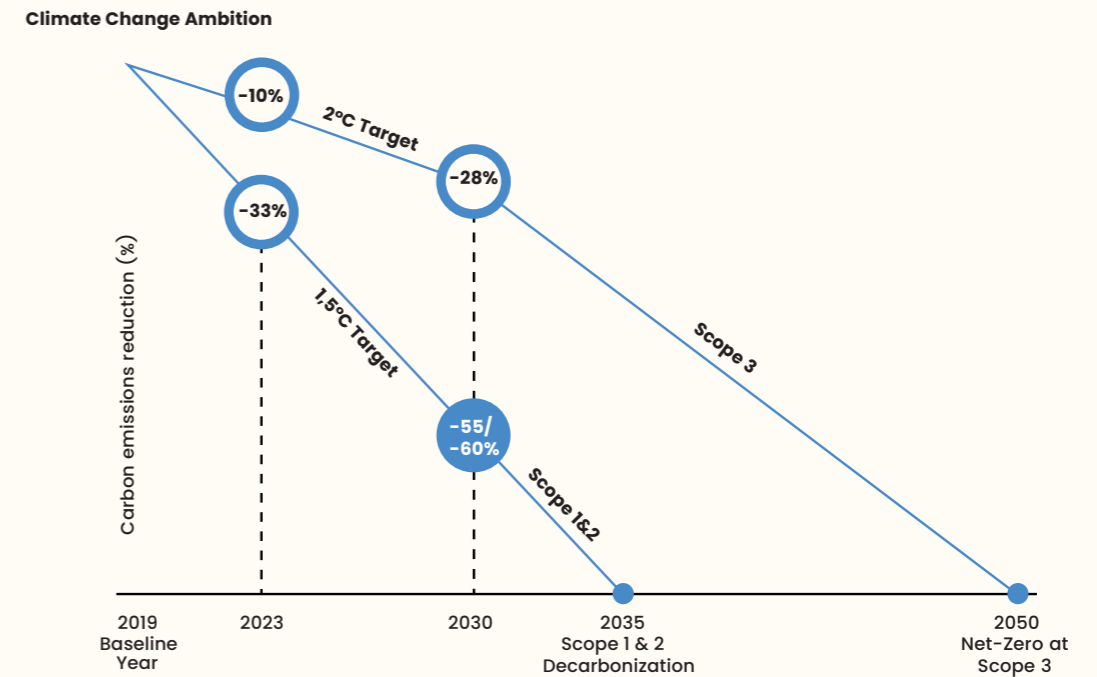
- Reducing Scope 1 and 2 GHG emissions by 47% by 2030, compared to the emissions recorded in the year 2019;
- Reducing Scope 3 emissions by 28% over the same time horizon..

3. Long-Term Net-Zero Target;

- Reducing Scope 1 and 2 GHG emissions by 47% by 2030, compared to the emissions recorded in the year 2019;
- Reducing Scope 3 emissions by 90% by 2050.

The efforts made by the company to reduce its emissions are already showing promising results. In 2023, Prysmian announced that it was ahead of its decarbonization targets, anticipating – on Capital Markets Day – as early as 2027 a -45% reduction in Scope 1 and 2 emissions, and a 23% reduction in Scope 3 emissions.

Based on this commitment and in line with the SBTi-approved net-zero trajectory, Prysmian decided in January 2024 to set a goal of achieving a percentage reduction in Scope 1 and 2 emissions of between 55% and 60% in 2030, as compared to 47% approved by SBTi. This target represents the Group's further commitment to the process of decarbonizing its operations by implementing internal solutions and processes that further limit its impact on the environment.



SOCIAL AMBITION

Prysmian's social ambition is to build a more equal, inclusive and innovative world, starting with, but not limited to, its employees. To be able to do this, the Group formalized its Social Ambition, which mainly focuses on the commitment to improve Diversity, Equality and Inclusion (DE&I), digital inclusion, the empowerment of communities, employee engagement and upskilling. These commitments have been translated into specific Group targets to be achieved by 2030, aligned with the UN Sustainable Development Goals made explicit earlier.

2030 SOCIAL TARGETS

HEALTH AND SAFETY	GENDER EQUALITY	RACE/ETHNICITY DIVERSITY	EMPOWER LOCAL COMMUNITIES	DIGITAL INCLUSION	UPSKILLING AND ENGAGEMENT
Injuries Index towards 0 (employees & contractors)	50/50 in recruiting of desk workers %30 women in senior leadership roles %25 women the total workforce 500 women in a fully dedicated STEM program Zero Pay Gap Desk Workers	Yöneticilerin %30' dan fazlasının, yeterli temsil edilmeyen ülkeler/etnik kökenler/soylardan seçilmesi Azınlık ve yoksul kesimden seçilen 500 öğrencinin yerel mentörlük programlarına dahil edilmesi	At least a project per year, with focus on developing countries and vulnerable communities Local projects with donation of optic and electric cables	Connecting 100% (over 30,000) of our employees through global platforms, achieving a proper level of adoption	40 yearly hours per capita of experienced learning for all employees 25% or employees involved in mobility/ growth experience every year 50% of employees as stable shareholders through share ownership plans (YES) Higher than 80% response rate to Engagement Surve Leadership Impact Index improved to 70-80%



Sustainability Academy

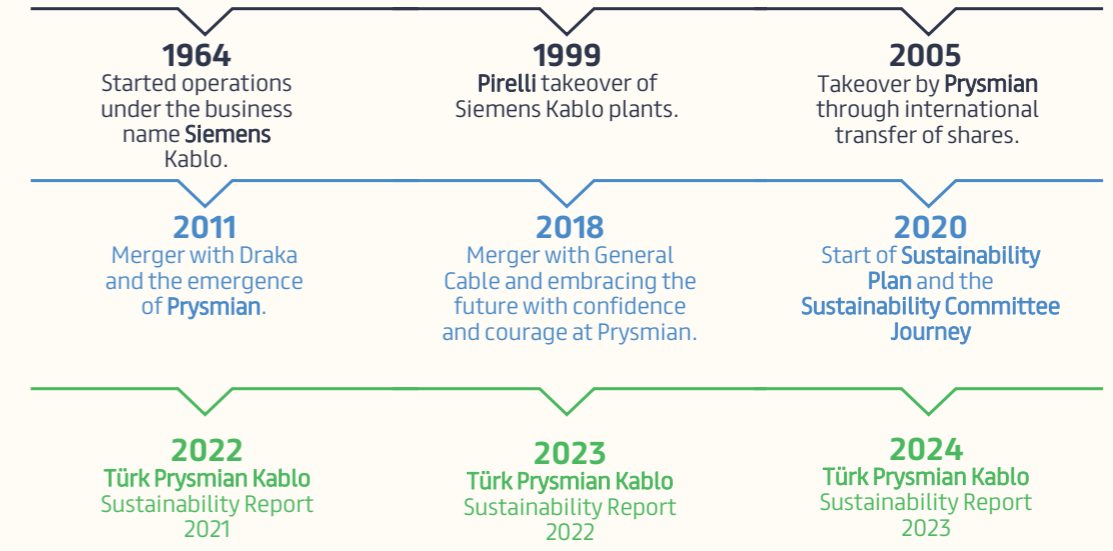
At the beginning of 2023, Prysmian launched the Global Sustainability Academy, which covers 30,000 employees in more than 50 countries, in order to increase competencies in the field of sustainability. The Academy's program is designed with the participation of internationally accredited business schools. The program consists of five modules based on target audience: Awareness, Knowledge, Impact, Leadership and ESG KPIs. The first training program of the academy, which includes approximately 30 participants from different countries each year, took place in 2023, and the second program was successfully completed at the beginning of 2024.

The Sustainability Academy is an important hub that meets the needs of Prysmian's 30,000 employees, provides training on sustainable development and enables future leaders to drive sustainable change. The fact that the Sustainability Academy was launched by Oman Cable, one of the stakeholders of the MEART region, reflects our region's approach to be a role model in sustainability..



About Prysmian

Türk Prysmian Kablo ve Sistemleri A.Ş. is the Turkish subsidiary of Prysmian, a leader in the energy and telecommunication cable sector worldwide. The company's headquarters has been located in Mudanya (Bursa) since 1964 and Türk Prysmian Kablo, operating on a total of 180,000 m² of outdoor space and 79,000 m² of indoor space, keeps moving forward with strong steps that set the industry standard.



Organizational Structure ▶ **16,25% BIST** ▶ **83,75% DRAKA HOLDING BV.**

Shareholding structure as at December 31, 2023



PRODUCTS AND SERVICES

The product range of our Group's Mudanya Plant, one of the 16 plants that can simultaneously produce energy, copper telecom and fiber optic cables, includes;

- all power cables up to 220 kV,
- copper conductor telecom cables up to 3.600 pairs,
- fiber-optic cables,
- railway-signaling cables,
- elevator cables,
- studio broadcast cables and
- specialized cables.



Today Mudanya factory can produce 22.000 different cables. Besides, Türk Prysmian performs "turnkey" projects for cables and systems, providing unique and superior services to all of its customers.

We have renewable energy products within our industrial cables product line. At Türk Prysmian Kablo, we have already provided 40 million meters of solar cables for significant projects, and the electricity generated by solar power plants can supply almost 12 million families for an entire month's worth of electricity. In other words, we have provided enough cables to round the globe once within the context of these projects.

Prysmian defines sustainable products and services as those that may reduce emissions during both the manufacturing and usage phases by providing products and solutions with a lower impact on the environment. P-Laser power transmission and distribution cables, for instance, stand out as an important step in lowering environmental impact. These cables are produced using fully recyclable materials and through a "zero gas" process. In this way, CO2 emissions are significantly reduced. Considering the raw materials, cable manufacturing and end-of-life stages, the CO2 content of these products is reduced by 30% compared to conventional cables.

Click here for detailed information about Prysmian's sustainable products.

POWER CABLES



Power Transmission

- High voltage underground and submarine cables

Power Distribution

- Medium & Low voltage cables

Cable Accessories

- Joints, terminations and connectivity components

Low voltage and building cables

- Fire-resistant
- Environment-friendly
- Low smoke and zero halogen (LS0H)
- Customized solutions for each application

Special Applications

- Railways
- Automotive
 - Ships
 - Nuclear
- Renewable energy
 - Cranes
 - Mining
- Runway lights etc.

TELECOM CABLES



Copper Telecom Solutions

- Cable and system solutions facilitating people's communication

Fiber-Optic Solutions

- FTTH projects and more in different parts of the world including Australia and Argentina

Multimedia Solutions

- Technological support solutions for specialized multimedia communication systems

2023 MANUFACTURING CAPACITY



52.000 tons
Power Cables

820.000 Lkm
Copper Telecom Cables

500.000 Fkm
Fiber Optic Cables



Türk Prysmian Cable Manufacturing Academy

Prysmian decided to build the Manufacturing Academy, which they were planning to set up, in Türkiye, thanks to our Mudanya plant's performance and the Manufacturing Academy began its journey in Mudanya in 2015.

The Manufacturing Academy undertakes an important mission with its training programs aimed at employees from many different locations of Prysmian. The training programs aim to train the future manufacturing managers and plant managers of Prysmian. Mudanya Manufacturing Academy plays an important role in reinforcing our leadership in the sector and contributing to global manufacturing processes.

Through the Manufacturing Academy in Mudanya, over 650 employees of Prysmian have completed 296 days of training, or up to 50,000 hours, since 2015.

We continue to increase the competencies of our staff and support innovative approaches with trainings designed to reflect the latest industry trends and needs.

"Manufacturing Principles", "Advanced Manufacturing" and "Excellence in Manufacturing" programs are the three main headings for the trainings provided by local and international experts from Prysmian and Türk Prysmian Kablo who have knowledge and experience in a variety of subjects. In 2023, we successfully held the first version of the "Excellence in Manufacturing" program, the newest training program of the Manufacturing Academy portfolio. 25 local and global Experts from Prysmian and 12 participants from CEE, LATAM, North America, OSEA and South Europe regions learned about Prysmian's future plans and strategies.

We also came together with external partners including Politecnico Di Milano, Egon Zehnder and Arçelik.



R&D CENTRE

The R&D Center in Mudanya, which has been in operation since 2016 and completed 10 projects as of the end of 2023, leads the Turkish cable manufacturing industry with its infrastructure investments in the industry and its operations.

With a total area of 5 thousand square meters in Mudanya plant and having 6 departments, the R&D Center includes a Material Technologies Laboratory, a Burn Test Laboratory, a Power Cable Testing Laboratory, a Telecom and Fiber Cables Testing Laboratory as well as a Design and Innovation Office and a Process Design and Prototype Development Office.

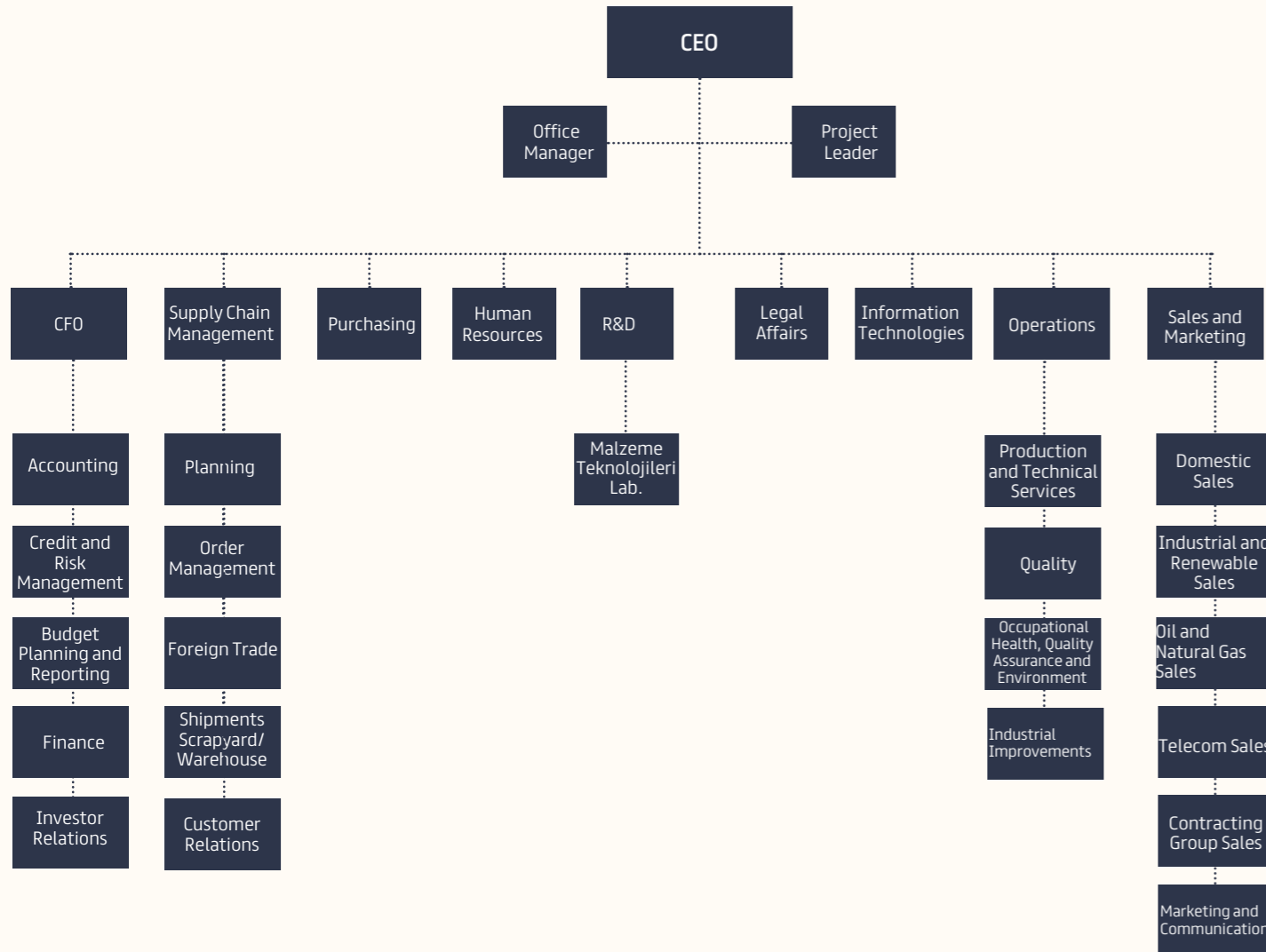
The R&D Center holds the TS EN ISO/IEC 17025 Standard "General Requirements for the Competence of Testing and Calibration Laboratories", and the Private Sector Burn Test Laboratory has been the first lab accredited by the Turkish Accreditation Agency (TURKAK) in Türkiye equipped with the infrastructure prescribed by "CRP-Construction Products Regulation."

The priority given by Türk Prysmian Kablo to the reliability of products and testing has resulted in the inclusion of 30 national and international tests in the scope of accreditation by Turkish Accreditation Agency (TURKAK).

Our mission at the R&D Center is to create innovative approaches that prioritize high performance, efficiency and safety. We use Prysmian approach to implement our plans. This allows us to select, define and manage raw materials, application techniques, production process line parameters, and other variable parameters dynamically.

ORGANIZATIONAL STRUCTURE

Türk Prysmian Kablo has been organized as in the following chart:



Our Board of Directors convenes four times every year, once at the end of each quarter; in the absence of meetings, if there is a decision that needs to be taken by the Board of Directors, the decision is managed by obtaining the signatures of the other members to the written decision text, which is accepted as a written proposal by a member of the Board of Directors.

SUSTAINABILITY ORGANIZATION

Our sustainability operations are being carried out by a committee under the sponsorship of Türk Prysmian Kablo's CEO since 2019. Launched in 2020, our 'Sign it.' sustainability initiative includes our 2030 Goals for critical sustainability impact areas of our company and our corresponding measurement and review system.

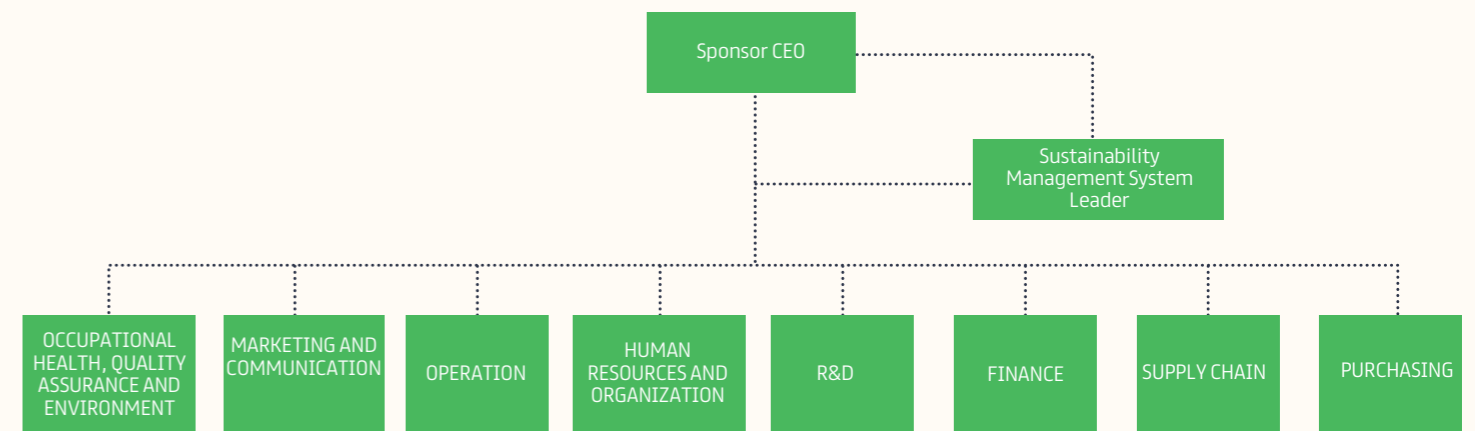
The system is sponsored by the CEO in the Sustainability Management Organization. In addition, the Chairman leads the sustainability planning and integration processes thanks to their industry and business experience.

The CEO and the directors of the company's key functions compose Türk Prysmian Kablo's Sustainability Coordination Committee, which meets monthly to review progress and announce relevant decisions. Progress and decisions are documented as part of the Sustainability Management System processes.

In addition to the Sustainability Committee, the Sustainability Ambassadors representing the different departments and functions of the organization consist of people who have contributed most to the progress of our sustainability journey for 3 years. Coordination Committee Leaders and Sustainability Ambassadors meetings are held regularly every month and feedback is provided to the CEO at regular intervals. Our 2021 sustainability report is a key indicator of our sustainability ambassadors' effective activities throughout the process.

Türk Prysmian Kablo's Sustainability Management System is also compatible with the MEART Sustainability strategy. The sustainability goals assigned to all management regions by Prysmian are owned by Türk Prysmian Kablo too. Sustainability Leaders and Ambassadors of Türk Prysmian Kablo are also active members of the MEART Sustainability Committee.

Türk Prysmian Kablo Sustainability Committee:

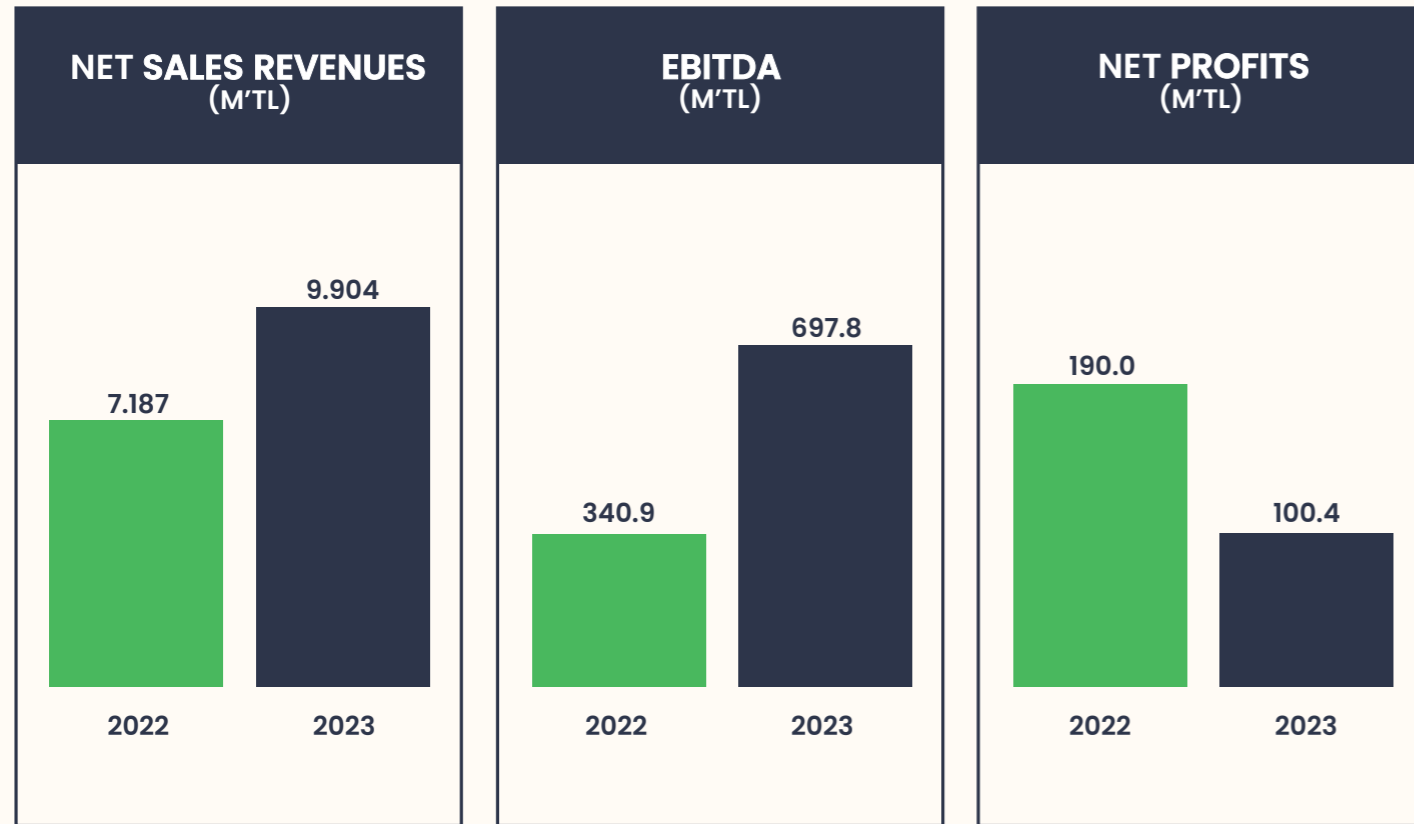


FINANCIAL LEADERSHIP

Even though there was a decline in export figures in February due to the earthquakes in early 2023, which were the disasters of the century, Türkiye, which started to heal the wounds of the earthquake, made breakthroughs in defense and automotive and became the country that positively differentiated from other countries. Türkiye's economy grew by 5.9 percent in the third quarter of the year, above expectations. Türkiye was the fastest growing economy among the G-20 and OECD countries. Türkiye's economy grew by 4 percent in the first quarter and 3.9 percent in the second quarter of the year, while annual inflation in consumer prices was 64.77 percent, according to TURKSTAT data.

We, at Türk Prysmian Kablo Sistemleri, continued to maintain our profitability in 2023 in the face of the ever-increasing exchange rate volatility in the Turkish economy and the accompanying economic fluctuations. Sales volume was significantly impacted by the depreciation of TL against foreign currencies (more than +30% against EUR). The lower average copper price compared to the previous year put pressure on sales prices and thus on total revenue, while the continuous increase in other raw material prices was reflected in the market and positively impacted sales volumes. Increasing urban transformation projects as a result of the earthquake catastrophe in our country - created dynamism in the domestic market; as Türk Prysmian, we provided services in this area.

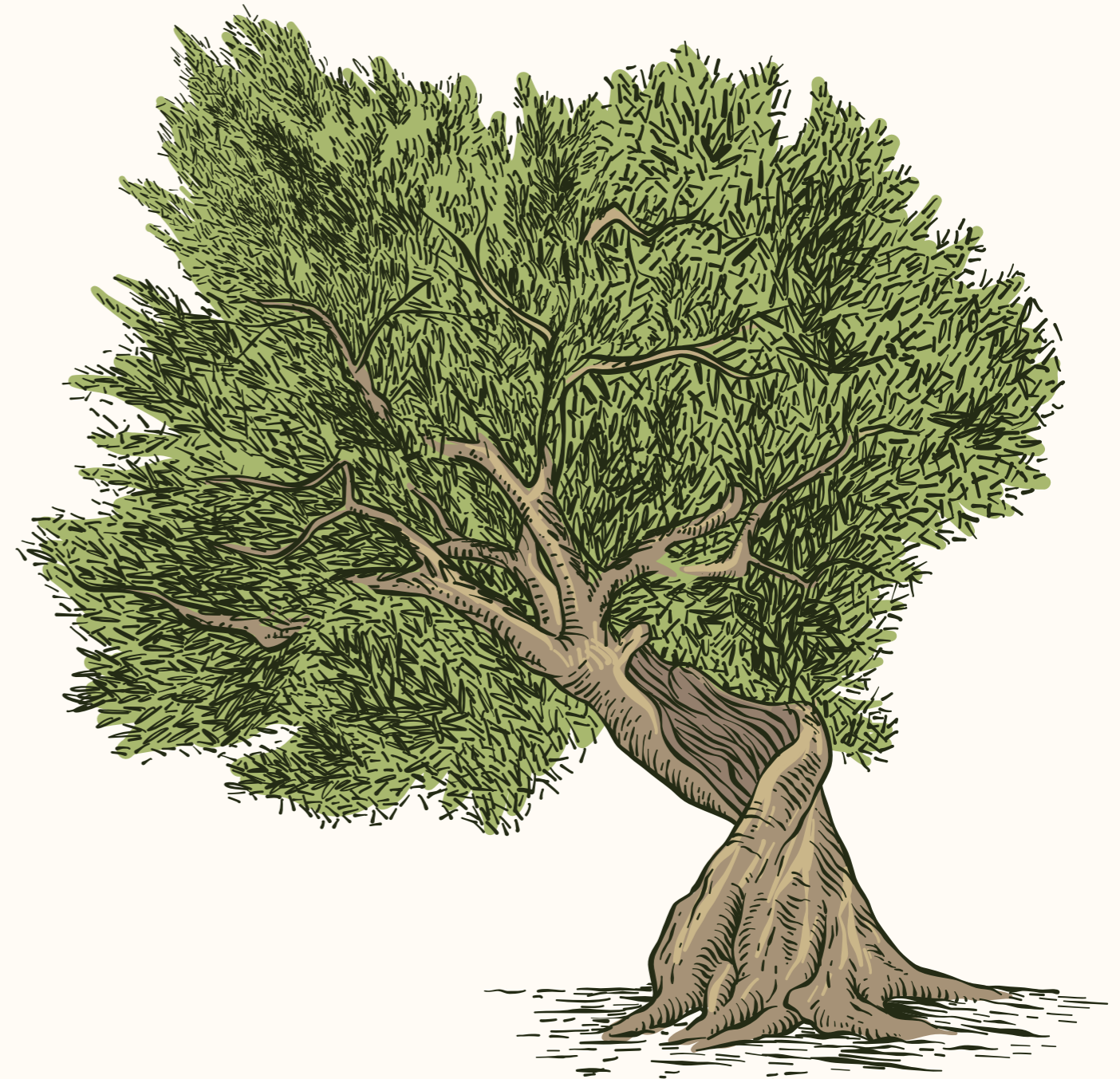
International Sustainability Standards Board IFRS S1 and IFRS S2 usher in a new era of sustainability-related disclosures in capital markets around the world. The standards will help increase trust and confidence in companies' sustainability disclosures to inform investment decisions. IFRS S1 is a standard designed to enable companies to communicate to investors the sustainability-related risks and opportunities they face over the short, medium and long term. IFRS S2 covers certain climate-related disclosures and is designed to be used in conjunction with IFRS S1. Both fully incorporate the recommendations of the Task Force on Climate-related Financial Disclosures. And for the first time, the Standards establish a common language for disclosing the impact of climate-related risks and opportunities on a company's prospects.



IFRS S1 standards are an important step towards reducing the fragmentation of sustainability reporting frameworks and establishing a universal reporting framework that is accepted worldwide.

Multinational companies, in particular, thanks to their financial strength and skilled manpower, may find ways to avoid reporting all sustainability-related risks and opportunities objectively and accurately in their reporting under IFRS S1. This may slow down the transfer of financial resources to sustainable projects around the world at the desired pace. In a period of heightened economic protectionism due to geopolitical concerns, it may not always be possible to effectively audit the information disclosed by companies.

Nevertheless, IFRS S1 standards are expected to facilitate a better understanding of companies' sustainability performance for investors. If countries use IFRS S1 standards to introduce a mandatory reporting framework for corporate sustainability reporting in their domestic laws, the pressure on companies to improve their sustainability performance will increase.



RISK MANAGEMENT

Prysmian has adopted the "Enterprise Risk Management (ERM)" model to improve its risk management capabilities. Furthermore, our Group conducted a careful risk analysis focusing on climate change and energy transition starting from 2021 in compliance with the TCFD-Task Force on Climate-related Financial Disclosures. Decarbonization policies have been developed in this context by developing short, medium, and long-term strategies. The quantification of the magnitude associated with each risk/opportunity is performed by the Risk Management function as part of the Group's Enterprise Risk Management activities. The updated 2023 risk and opportunity analysis can be found in the "Prysmian Sustainability Report 2023".

The Group's Chief Risk Officer (CRO), appointed to govern the ERM process, is responsible for overseeing the Organizational Risk Process and ensuring together with the management that the main risks and opportunities faced by Prysmian and its subsidiaries are identified, assessed, managed and monitored in a timely manner. In addition, an Internal Risk Management Committee comprising senior managers ensures, via the CRO, that the ERM process remains dynamic to reflect changes in the business, requirements and events affecting the Group over time. The CRO reports periodically, at least biannually, to senior management on these changes. Each year, the Group's main business/function managers participate in the process of identifying and evaluating the most significant risk factors and opportunities. Here, they review risks within the scope of ESG (Economic, Social, Corporate Governance) including sustainability and climate change.

We, at Türk Prysmian Kablo, manage operational and process risks resulting from all of these risk management processes. All regulations resulting from disruptions, risks and opportunities in internal processes as well as local and global developments are incorporated into operational and process risks. We control the risk management efforts at Management Review meetings and improve our processes under the leadership of senior management.

MANAGEMENT SYSTEMS

Türk Prysmian Kablo Management Systems

ISO 50001: 2011 Energy Management System	ISO 17025: 2013 Laboratory Accreditation Certificate	ISO 27001: 2013 Information Security Management System	ISO 10002: 2013 Customer Satisfaction Management System	ISO 9001: 2015 Quality Management System	ISO 14001: 2015 Environment Management System	ISO 45001: 2018 Occupational Health and Safety Management System
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1990

First ISO9001
Certified Cable
Manufacturing
Plant

1997

First ISO 14001
Certified Cable
Manufacturing
Plant

2018

ISO 50001
Energy Management
System Certificate

2019

First ISO 45001
Certified Cable
Manufacturing
Plant & ISO
10002
Certification

2020

First COVID-19 Safe
Production Certificate
in the Turkish cable
manufacturing
industry

MATERIALITY ANALYSIS AND STATEKHOLDER ENGAGEMENT

Building solid relations with our stakeholders is very important for us in this journey where we act with the mission of "Linking Türkiye to a Sustainable Future". In this context, we developed our materiality matrix, which we started in 2019, by ensuring the engagement of external stakeholders in 2022 and through the active participation of our dealers in the process in 2023.

We urged our dealers to implement sustainability initiatives throughout 2023 as part of the "Most Sustainable Dealer" contest we held among them. We have supported our dealers in this area through the awareness trainings we conducted all year long and the general memos delivered. We informed our dealers of the outcomes of the contest and the quantity of carbon removed as a result of the measures during our dealers meeting, which was held from November 10-12. We concluded our 2023 meeting as a "Zero Carbon Dealers Meeting" since the quantity of carbon removed exceeded the amount of carbon released during all of our meeting procedures.



We conducted a comprehensive survey to get feedback from stakeholders within the value chain to form the basis of our sustainability strategy. With this survey, we addressed the economic, environmental and social topics that will create the greatest impact and value for all our stakeholders. The stakeholder groups whose feedback were received include employees, customers, suppliers, business associations, subcontractors, business and governance stakeholders. We organized material topic surveys specifically for these stakeholder groups, including their expectations in the field of sustainability. Through these surveys, we managed to get feedback from approximately 400 key stakeholders.

Stakeholder Engagement is fundamental to corporate performance. because value can only be created at its maximum level when everyone in the organization is involved in creating a common goal. The key to success for us is to make stakeholder engagement an indispensable part of our corporate strategic planning and to maintain stakeholder communication in a continuous and transparent manner, rather than seeing it only as a risk management tool. We share the steps we have taken in this field with all our stakeholders through in the "Sustainability" tab we have added to our website.

In our stakeholder survey, we asked stakeholders to evaluate the main topics in the table below, which lists the outputs of our materiality matrix with our Sustainability Ambassadors, in terms of materiality, and their expectations from us:



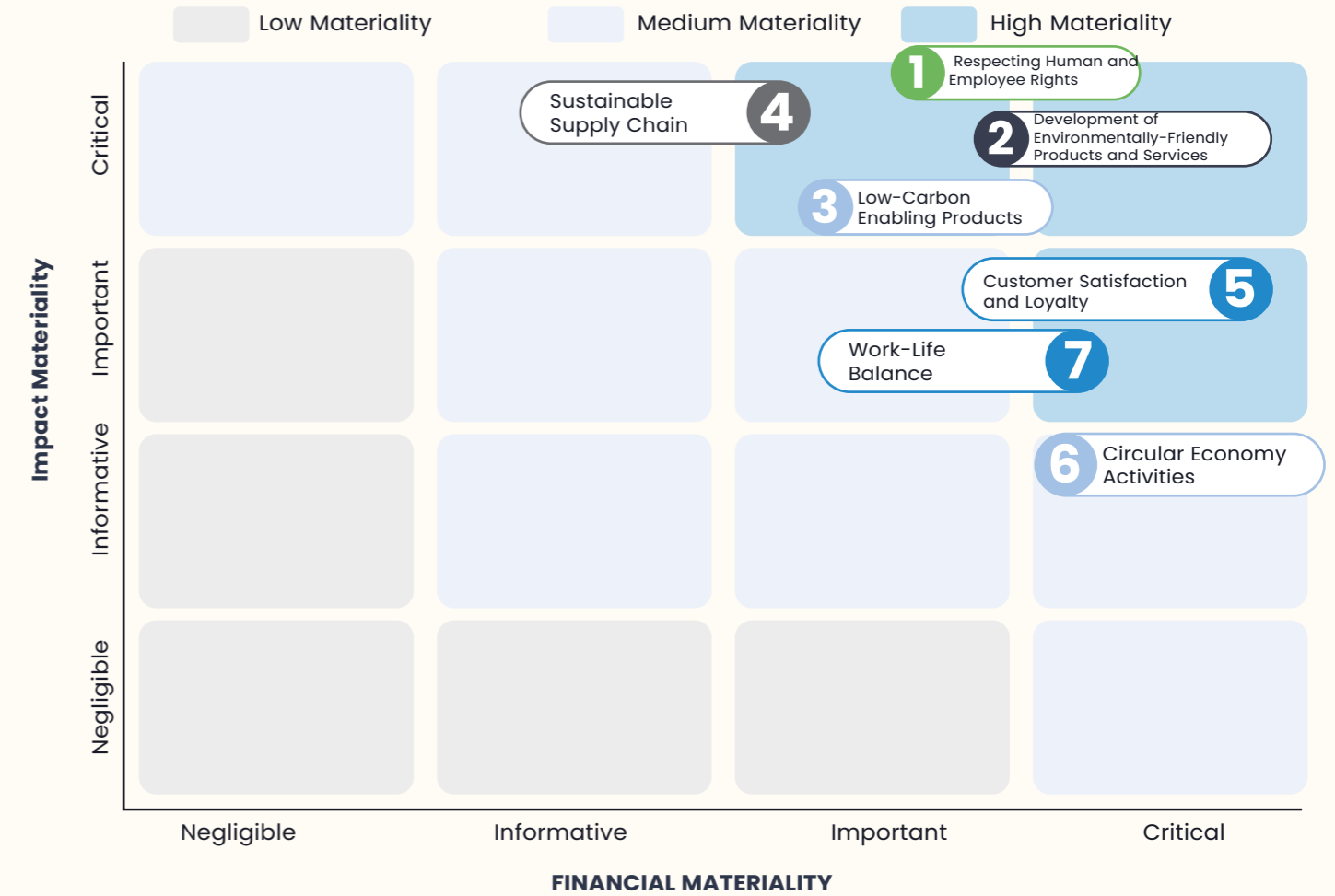
Strong Financial Performance, Positive Impacts on Local Employment, Product and Service Diversity, Brand Management, Good Management of Financial Risks and, Cash Flow, Market Presence and Number of Customers, Circular Economy Activities, Conservation of Biodiversity, Action Against Climate Change, Development of Environmentally-Friendly, Products and Services, People Wellbeing, Work-Life Balance, Employee Engagement and Upskilling, Diversity and Inclusion, Respecting Human and Employee Rights, Avoiding Anti-Competitive Behavior, Crisis and Risk Management, Sustainable Supply Chain, Occupational Health and Safety Practices, Compensation Transparency, Local Social Benefit, Customer Satisfaction and Loyalty, New Product and Innovation, Digital Services, Low-Carbon Enabling Products (EPD, Eco Label)

Following this process, we contacted each of our stakeholder groups and created our materiality matrix. While certain topics are more important to different stakeholder groups, their effects on us vary from a strategic standpoint.

According to the material topics matrix below, the most important topics that have the greatest impact on both our stakeholders and our company are:

1. Respecting Human and Employee Rights
2. Development of Environmentally-Friendly Products and Services
3. Low-Carbon Enabling Products (EPD, Eco Label)
4. Sustainable Supply Chain
5. Customer Satisfaction and Loyalty
6. Circular Economy Activities
7. Work-Life Balance

TÜRK PRYSMIAN KABLO MATERIALITY MATRIX



This report presents our activities and projects under these headings, which are important for both our stakeholders and our strategic goals.



SUSTAINABILITY APPROACH AND ROADMAP

SUSTAINABILITY VISION

At Türk Prysmian Kablo, our sustainability efforts are at the core of the steps we take to become a Group that has a positive impact on the development of society and the environment. We submit the following as our sustainability vision, keeping in mind the 60-year-old values and culture of Türk Prysmian Kablo, with all the work we do:

In accordance with our vision, which we define as "Linking Türkiye to a Sustainable Future," we want to assure innovative energy & telecommunication solutions through a responsible production by pursuing economic, environmental, and social sustainability for all stakeholders and the planet.

The most significant guiding principle we used when developing our corporate culture and incorporating it into our business strategy was sustainability.

At Türk Prysmian Kablo, we continue to operate under four primary pillars, with the principle of "integrating economic, environmental and social sustainability, and being a responsible business" into our sustainability vision in all our work.

SUSTAINABILITY ROADMAP

We created our corporate sustainability roadmap by utilizing ESG-based systematic methods, management systems and continuous improvement approaches within the scope of the "Sign it." plan we created in 2020. By integrating our business model into sustainability, we have adopted the sustainability approach in all our activities as an organization. We are proud to lead this journey in our sector since 2019 and we are taking firm steps towards our goals.

2019

Our sustainability journey started in 2019

2020

Sustainability Management System was created

Sustainability Vision was set

Long-Term Planning was made

Impact and Trend Analysis was carried out

The organization of Sustainability Ambassadors was defined

2021

"Sign it." Performance Indicators and 2030 Targets were set

ESG Targets were set

Short and Long-Term Projects were set

2022

Project and Performance Indicators were tracked

MEART Regional Trainings were started

First Sustainability Day was organized

First Local Sustainability Report was published

Materiality and Stakeholder analysis was made

2023

Sustainability Academy Trainings

Call for Ideas

2nd Local Sustainability Report.

Sustainability Day

Ambassador Talks

Supplier Audits

At Türk Prysmian Kablo, we carry out our operations under four main pillars;

• We Eliminate Our Carbon Footprint

We work towards our Net Zero goal through efficient production using fewer resources and transition to renewable energy.

• We Use Our Resources in a Circular Model

We protect and reuse our resources to prevent depletion of natural resources and damage to the natural environment

• We Enhance Our Business Model

We prioritize sustainability in all our operations, from production to sales, by working with our stakeholders in order to achieve sustainable growth.

• We Develop Our Employees and Community

Diversity and inclusivity are two of our company's core values as we pursue our mission of "People First". We strive to draw in a skilled and younger workforce and advance our abilities daily in order to better serve the community in which we live.

Leading sustainability in our sector is one of our main goals, and sustainable growth is the main focus of our company strategy.

Prysmian has defined its strategy to become a global cable solutions provider beyond being a cable manufacturer by leading the energy transformation and digital transformation. As Türk Prysmian, we contribute to this journey by integrating energy transformation and digital transformation practices into our business model.



Prysmian has taken 4 main trends as reference in its market analysis while determining its goal of leading sustainability. Within the framework of these analyzes, Prysmian has set its targets for 2030 and 2050 as follows;

- Growth of renewables (Energy transition):**
>70%
 by 2050
 By 2050, electricity generated from renewable sources will account for 70% of total electricity on a global scale, more than double today's 30%.
- Electrification:**
+30%
 electricity consumption by 2030
 Population growth and the resulting increase in telecommunications infrastructure are some of the drivers that will increase electricity consumption by 30% by 2030.
- Enhancement of energy networks**
3x
 annual investment in grids by 2050
 To support the energy transition, massive capital expenditure will be needed in strengthening the grid with the goal of making it capable of handling increased energy demand.
- Digital transformation:**
2.5x
 sites and towers connected with fiber by 2030
 Concurrent with the growth in energy demand, there will also be an exponential increase in data consumption. The development of new technologies is fostering innovative new solutions (2x IoT devices by 2030), which will require increasingly fast and accessible connectivity at a lower cost. To support this transition, investments in data centers valued at USD 330 billion are planned between 2022 and 2030.

SUSTAINABILITY TARGETS AND PERFORMANCE

We, at Türk Prysmian Kablo, took Prysmian's ESG targets into consideration while setting our sustainability goals and created our company scorecard in parallel with these goals and in a way to provide added value. We monitor the progress towards our sustainability goals at monthly meetings with our management committee. 2023 Türk Prysmian Kablo sustainability targets and the results achieved are as follows:

TURK PRYSMIAN SCORECARD							
SDGs	Category	Performance Indicators	2020	2021	2022	2023	Target 2023
11 Sustainable Cities and Communities, 7 Affordable and Clean Energy	Impacts on Community	Enable access to green electricity to households	0,4 million	0,53 million	0,76 million	0,73 million	1 million
		Enable fast digital access to households	0,68 million	0,03 million	0,39 million	0,58 million	0,42 million
13 Climate Action, 12 Responsible Consumption and Production	Climate	Percentage reduction of Scope 1&2 GHG emissions vs 2019 baseline	2,4%	5,58%	0,11%	-6,65%	1,66%
		Percentage reduction of Scope 3 GHG Emissions vs 2019 baseline	N/A	N/A	N/A	N/A	-
12 Responsible Consumption and Production	Green & Circular Economy	Share of recycled content on PE jackets and copper	0%	0%	0%	1,8%	1,7%
		Share of recycled content on PE jackets and copper	0%	0%	0%	12,0%	5,5%
8 Decent Work and Economic Growth, 5 Gender Equality	Diversity & Inclusion	Percentage of Desk Workers women hired	60%	65%	40%	39%	45%
		Percentage of Executive women	25%	20%	22%	22%	22%
11 Sustainable Cities and Communities	People Wellbeing	Occupational Health and Safety Assessment Plan	N/A	N/A	N/A	2,5%	2,75%
		Leadership Impact Index	-	-	47%	47%	55%
11 Sustainable Cities and Communities, 12 Responsible Consumption and Production	Solid Governance & Ownership	Completion rate for compliance e-trainings promoting ethical values and integrity	-	-	-	100%	100%
		Percentage of shareholders employees	-	-	51%	89%	40%
8 Decent Work and Economic Growth	MEART Specific Target	Employee Average Annual Training Hours (hours/employee)	4	6	13	32	20
12 Responsible Consumption and Production	TR Specific Target	Number of sustainability audits for supply chain risks	-	-	-	4	1

In addition to tracking the first 12 targets in parallel with the Group targets, Türk Prysmian Kablo also reflected the employee training hour target, which is one of the MEART regional targets, and the Supplier Sustainability Audits, which is a specific target of Türk Prysmian Kablo, in its scorecard, demonstrating the importance it attaches to employee upskilling and its sensitive approach to sustainability in supplier criteria.

WE ELIMINATE OUR CARBON FOOTPRINT



WE ELIMINATE OUR CARBON FOOTPRINT

“Carbon footprint” refers to the total amount of greenhouse gases released into the atmosphere as a result of the activities of an organization or individual. These gases arise from activities such as energy production and use, transportation and waste management.

We, at Türk Prysmian, are taking important steps and developing strategies to minimize this impact in line with our Group’s net zero target, which aims to reduce greenhouse gas emissions and offset the remaining emissions. As of 2023, we are implementing innovative solutions to achieve our own emission reduction targets by following global developments in the fight against climate change. In this context, we are moving towards a carbon-free future by increasing energy efficiency, expanding the use of green energy and adopting more environmentally friendly manufacturing methods.

By supporting our work with technological investments, we create a more efficient and sustainable business model.

DEVELOPMENT OF ENVIRONMENT-FRIENDLY PRODUCTS AND SERVICES

We, at Türk Prysmian Kablo, lead the industry with our efforts to reduce our carbon footprint in our manufacturing operations. In this context, we continue our efforts to use our resources more efficiently and direct our energy use to renewable resources in order to achieve Prysmian Group’s Net Zero Emission target in Scope 1 and Scope 2 in 2035.

Based on the United Nations Sustainable Development Goals, we focus our work on minimizing the environmental impacts caused by our products and services and contributing to the protection of the environment. Within the framework of ISO 14001 Environmental Management System, we quantify the environmental impacts of all the services received and operations carried out by our company and make improvements to eliminate or minimize these impacts.

In line with the Occupational Health and Safety Environmental Policy, at Türk Prysmian Kablo, we strive for continuous improvement and environmental performance maximization while abiding by all legal regulations and obligations. In keeping with these goals, we have saved 2.144.079 kWh of energy, 152.463 m³ natural gas and 120.480 liters of fuel in total through the projects we completed in 2023.



OUR PROJECTS FOR ENERGY SAVING IN THE MANUFACTURING LINE

The sector that plays the biggest role in the formation of carbon footprint in Türkiye is the energy sector (71%, 2021). At Türk Prysmian Kablo, we are steadily moving towards our Net Zero target through the projects we implement to increase energy efficiency. These projects include important steps towards making our energy use more efficient and reducing our environmental impact.

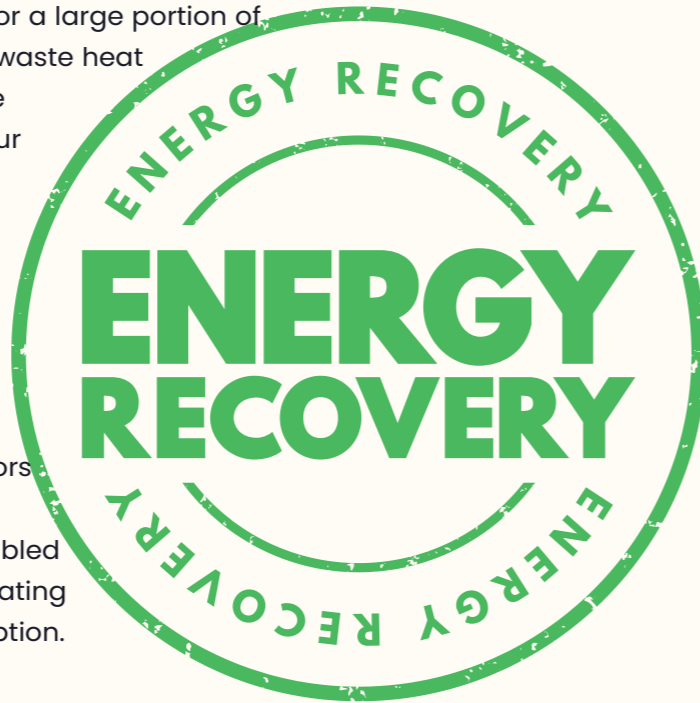
COMPRESSOR WASTE HEAT RECOVERY PROJECT

Compressors are important equipment that account for a large portion of energy consumption in industrial plants. However, the waste heat generated during operation is usually released into the atmosphere without being utilized. We implemented our Compressor Waste Heat project to increase energy efficiency by recovering waste heat from compressors in our factory.

The main purpose of the project is to increase energy efficiency by capturing and recovering the waste heat generated by the operation of the compressors. In this context, we developed the "Compressor Waste Heat Recovery System" and integrated it into the compressors of our factory.

The energy obtained through waste heat recovery enabled the heating of feed water in the boilers used for the heating needs of the facility and reduced natural gas consumption. We achieved savings.

During the implementation phase of the project, we first examined the working principles of compressors and waste heat sources in detail. Then, by selecting appropriate technologies, we designed a system that enables the recovery of waste heat and integrated the compressors into cooling systems. The success of the project is a concrete indicator of our technical know-how and innovative approaches. In line with the successful results of the project, we plan to expand the scope of the project in the coming period and implement similar practices at other energy consumption points. In this way, our efforts to increase the energy efficiency of our factory will continue.



HIGH-EFFICIENCY HOT WATER BOILER PROJECT

The hot water boiler of our plant is one of the equipment that accounts for a significant portion of energy consumption. However, the use of an old technology and inefficient boiler was causing both energy waste and high operating costs. For this reason, we completed the project to renew the existing boiler in 2023 in order to increase energy efficiency and reduce operating costs.

The main purpose of our project is to replace the existing hot water boiler with a new generation high-efficiency boiler with a capacity suitable for plant consumption needs. With the integration of the new boiler, the aim was to increase energy efficiency and save on operating costs.



STEAM BOILER AUTOMATIC SURFACE BLOWDOWN SYSTEM PROJECT

In order to increase the energy efficiency of the steam boiler, which is one of the important auxiliary plant equipment in our cable production process, we implemented the Automatic Surface Blowdown System Project. Through this project, we automated the conductivity measurement of the boiler water. Thanks to this system, boiler water conductivity measurement has been performed automatically at automated times without causing heat loss, and we prevented unnecessary disposal of high temperature water.



Photo courtesy of Prysmian.

ENHANCEMENT OF THE HEATING SYSTEMS OF GAS VENTING CHAMBERS

We implemented this project in order to make the heating systems of the Gas Venting Chambers used in our cable production process more efficient and reduce energy consumption. These chambers, which were heated by high-capacity hot water boilers before the project, are now heated by a steam boiler that is active throughout the year.

In this way, we aimed to prevent the unnecessary energy consumption of high-capacity boilers that have to operate to heat gas venting chambers, especially in the summer months when the work areas do not need heating.

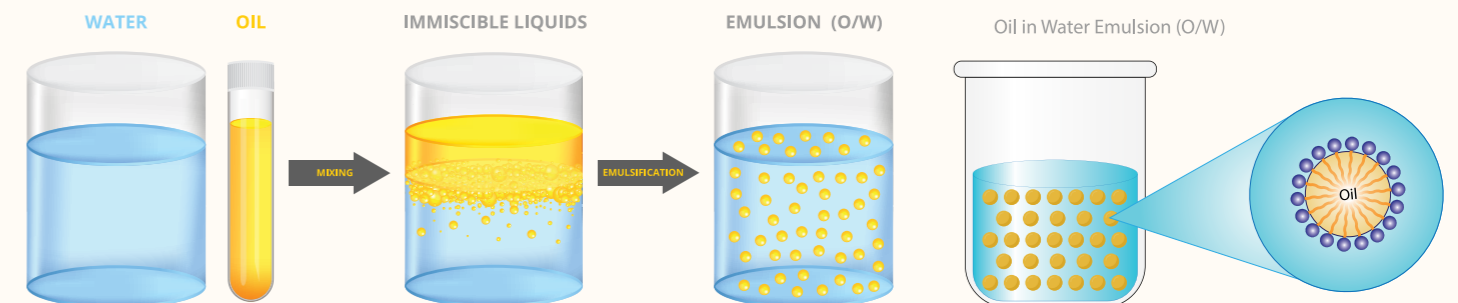


EMULSION CLEANING SYSTEM

The emulsion cleaning devices we use in wire manufacturing are specially designed to effectively clean and recycle cooling and lubrication fluids. These devices contribute to more efficient use of resources by filtering the dirty particles accumulated in the emulsion, making the liquids reusable and reducing the amount of waste of the fluids used at our plant.

By commissioning emulsion cleaning devices, we aimed to minimize our environmental impact as well as reduce operating costs. By reusing recycled fluids, we reduced the need to purchase new fluids and reduced costs associated with waste disposal.

These devices have also increased production efficiency, allowing our wire drawing machines to run more regularly and reliably. Thanks to the cleaned fluids, our manufacturing quality has improved and our operations have become more efficient.



ULTRASONIC FLOW METERS



DETECTION OF COMPRESSED AIR LEAKS WITH ULTRASONIC FLOW METERS

Leaks in compressed air systems can lead to wasted energy and increased operating costs. Therefore, it is important that leaks are detected and remedied quickly. Leak detection by conventional methods can be time-consuming and costly. However, ultrasonic meters are an effective technology used to facilitate this process.

Ultrasonic meters use high frequency sound waves to detect leaks in compressed air systems. These devices provide information to the user by detecting the sound waves emitted from the leakage areas. In this way, it is possible to quickly determine the location and size of leaks.

Ultrasonic meters for detecting and reporting compressed air leaks are an important tool to increase energy efficiency and reduce operating costs. These devices offer a faster and more effective solution for leak detection. In addition, by creating detailed reports on leak detection, it ensures that necessary measures are taken.

At T rk Prysmian Kablo, we photograph the leakage points we detect with our expert team and present a detailed report. In this report, we record the location, size and amount of leakage in sound units (dB). Thus, we can clearly determine the energy loss and cost caused by leaks.

SUSTAINABLE SUPPLY CHAIN

VEHICLE OPTIMIZATION

In 2017, as part of the route optimization and truck tonnage improvement project we launched, we aimed to increase the average amount of cargo per vehicle. Accordingly, we aimed to reduce our carbon emissions and lower costs by shipping more cargo with fewer vehicles.

In 2022, we increased our average tonnage per vehicle from 7.2 tons in 2017 to 12.1 tons, reaching the capacity to carry more cargo using fewer vehicles. In 2023, we increased the average tonnage per vehicle to 13 tons, achieving a tonnage improvement of 86% compared to 2017.

PACKAGING MATERIALS FROM RECYCLED MATERIALS

In the packaging of Original Product Manufacturer (OEM) orders, bubble wrap is used on konipak cable reels to prevent external damage and there is an average monthly need of 5,000 pieces and an annual need of 60,000 pieces. We started working with our supplier to utilize the waste nylon material in our factory in this area. In this way, we used up to 70% of our nylon waste as recyclable packaging.



VEHICLE TRACKING SYSTEM

Based on customer expectations, in 2023, we launched a joint project with our solution partner in order to track the vehicles that carry out the shipment through the system. As part of this project, through an interface, we send information about the vehicle, driver and shipped products via SMS to registered mobile phones after the system exit. When the vehicle approaches the destination, the information that the shipment will be delivered within the specified period is also sent via SMS again. Thanks to this system, our customers can now query vehicle information and arrival information via phone or e-mail.



WE USE OUR RESOURCES IN A CIRCULAR MODEL



CIRCULAR ECONOMY

Circular economy offers a production and consumption model based on reusing, repairing, renewing and recycling existing materials and products. This approach ensures efficient use of resources, minimizes waste and extends the life cycle of products. The limited resources available have made the transition from a linear to a circular economy a global necessity. Factors such as the complexity of global supply chains, rapidly increasing competition and rising production costs make it imperative for industries to adopt circularity for sustainable growth.

We, at Türk Prysmian, integrate circular economy principles from product design to production processes. This approach not only enables us to fulfill our environmental responsibility, but also helps us to minimize resource use and increase our operational efficiency. We reinforce our leadership in the industry with innovative production methods and responsible use of resources; we continue to develop environmentally friendly products and optimize waste management processes. By integrating the circular economy principle into our operations, we support low carbon transformation and contribute to a sustainable future by using our resources more efficiently.

LOW-CARBON ENABLING PRODUCTS

We, at Türk Prysmian Kablo, in parallel with Prysmian's goals, seek to implement circular economy practices to minimize environmental impacts in our operations, to use fewer new resources for our products and to keep these resources in the production cycle for as long as possible.

In our R&D activities, we prioritize the reduction of emissions related to existing products and the development of new products with low emissions. We can summarize some examples of these efforts as follows:

Zero Halogen Materials Containing Recyclable Materials

Cables are generally composed of metals as primary inputs and plastics as secondary inputs. Especially in the cable manufacturing industry, it is very difficult to access recyclable materials of these two types of materials in appropriate quality.

So, we aim to recycle the plastic wastes generated in our manufacturing processes as raw materials through various recycling methods and to reduce our need to purchase raw materials. We also reduce the amount of waste sent to landfills and/or incineration.



Environmentally Friendly Products

Within the scope of our sustainability efforts, we carry out R&D studies to develop products that can be described as environmentally friendly. These environmentally friendly products will be evaluated and certified with an evaluation system developed within the Prysmian Group. Through this system, we aim to minimize environmental impacts by developing analytical solutions.

When creating the assessment system, we considered environmental impacts in all their dimensions. In addition to carbon emissions and toxic impacts, we have adopted a multidimensional approach that includes elements such as recycling, energy efficiency and innovative thinking.

We conduct the assessment based on 6 different environmental criteria:

1. Carbon footprint
2. No environmentally harmful substances
3. Recyclability of the products
4. Percentage of recyclable material they contain
5. Other environmental contributions

Through this system, we develop materials with minimized environmental impact. We evaluate the carbon emissions of our products and develop projects to reduce them. We also keep track of substances of high international importance and take care not to use these substances in our material recipes. We prioritize innovative R&D projects on energy efficiency. We share these issues with all stakeholders in the sector through seminars, meetings and one-to-one meetings, and aim to keep the R&D dimension of environmental awareness up-to-date.

Drum Recovery

With this system, we develop materials with minimized environmental impact. We minimize the carbon emissions of our products. Each new reel use causes the destruction of trees in our forests. In order to achieve one of our sustainability goals, which is to increase the use of second-hand spools, we see it as essential to include our suppliers in this process.

We improved our second-hand reel utilization from 15.8% in 2022 to 18.9% in 2023 through our efforts.



WASTE MANAGEMENT

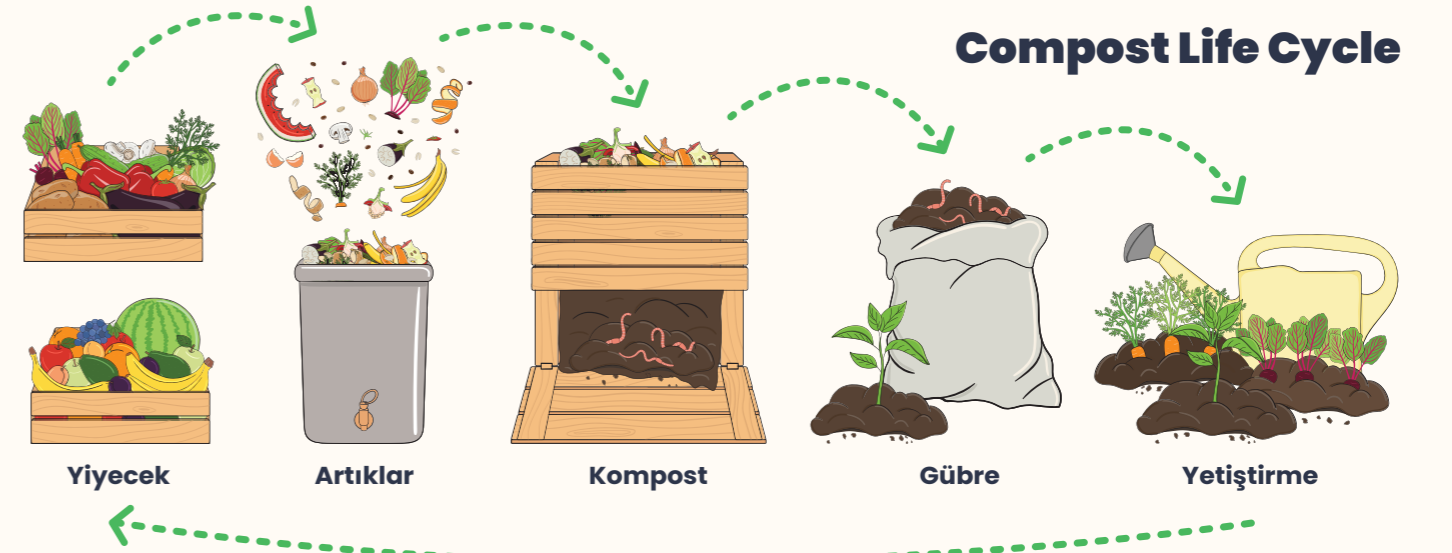
Within the scope of waste management, we define our goal as increasing the rate of waste that is recycled and disposing of the waste that we cannot recycle without harming the environment. In 2019, we received the Zero Waste Certificate as an indicator of this understanding. We ensure that all the waste we cause is managed in accordance with the regulations within the scope of Environmental Legislation.

In line with our "zero waste" target in waste management, we continue to increase our recycling rate with the projects we realize every year. As of 2023, 91.4% of the waste generated in our company was recycled.



COMPOSTING PROJECT

Compost is a useful fertilizer for the soil, which is obtained by keeping organic wastes at the appropriate humidity and temperature for a certain period of time. Within the scope of the Compost Project, which was commissioned late last year, we collected a total of 2,832 kg of organic waste separately in our dining hall throughout 2023 and used it in the compost device. At the end of this process, we obtained 533 kg of compost. We used the compost we obtained in the green areas of our company and provided to our colleagues upon their request.



Our composting project is one of the most important projects that demonstrate our understanding of environmental sustainability by increasing soil fertility, improving water retention capacity, supporting plant growth, reducing the use of chemical fertilizers and recycling waste.



WE ENHANCE OUR BUSINESS MODEL

WE ENHANCE OUR BUSINESS MODEL

We, at Türk Prysmian Kablo, have included innovation, digitalization and entrepreneurship culture among our strategic priorities with the aim of continuously improving our business processes and adapting to modern market conditions. In a rapidly changing business world, proactively meeting customer expectations and responding to the requirements of the market is extremely important to maintain our sectoral leadership advantage. To this end, we utilize technological solutions and data analytics to make our operational processes more flexible and efficient, and continuously improve our organizational structure with an entrepreneurial approach.

This transformation in our business model not only makes our current success sustainable, but also shapes our vision for the future by increasing the value we create. Our customer satisfaction, quality and innovation-oriented strategies allow us to adopt a holistic approach that also takes into account our environmental and social responsibilities as we move forward with our sustainable growth targets. In this context, we aim to be in a position to lead the sector both locally and globally and to further advance our business model in line with sustainability principles.

LEAN MANUFACTURING WITH SIX SIGMA TECHNIQUES

Six Sigma is a strategic system that includes defining, correctly analyzing, improving and controlling processes in order to ensure excellence in operations. The measurements made through this system allow determining the performance of processes and creating action plans accordingly. Customer satisfaction, cycle time and improvements in processes and reducing errors are the main focal points of Six Sigma. The studies carried out in these areas prevent losses and wastes and pave the way for long-term and strategic improvements.

At Prysmian, we aimed to develop and share projects that provide savings in production costs through process standardization and raw material recycling with Global Lean Six Sigma techniques. In 2023, 9,627 thousand Euros were saved thanks to 115 new Lean Six Sigma projects carried out with global and local managers. As Türk Prysmian, we will continue to contribute to these projects.

SUPPLIER AUDITS

We see sustainability as a journey that we must carry out together with our stakeholders. With this understanding, we continue our work to ensure that our suppliers accompany us in this process. In 2022, we have created a comprehensive list of questions to increase our suppliers' sustainability awareness levels and prepare them for the audit process.

As of 2023, we have successfully completed the sustainability audits of our suppliers operating in four different sectors. These audits did not only consist of reading and answering questions; we also provided an environment that allowed for mutual sharing of information, exchange of ideas and emergence of new projects at every stage of the audit process. While our suppliers gained different experiences from the Prysmian Sustainability Team, we also benefited from their experiences.

As a result of the audits, we were able to identify development points in many areas in our suppliers and to project on these points. The mutual impact created was extremely valuable in terms of our sustainability goals. For this reason, we care about continuing these studies without slowing down in the coming years and carrying out projects for sustainability with more of our stakeholders.

DIGITAL TRANSFORMATION

Digitalization is one of the important elements for businesses to develop in their sustainability journeys.

As Türk Prysmian Kablo, we are proud to take our company one step further and become the company of the future by adapting to the transformation journey with our digital projects.

The projects we are working on in 2023 for digital transformation are as follows:

Scale Project

It was started as a pilot project in 2021 by our Italy headquarters and local team. With the scaling project, raw material entry and exit transactions, scaling of the finished product with scales placed near the machines, automatic transfer of data to the digital system and reporting of deviations from the standard were ensured. If the deviation is out of tolerance, a warning is quickly sent to the people in charge. Thus, by aiming to analyze and prevent the use of excess materials in production, a significant contribution to sustainability has been made by reducing waste.

In 2022, the project was developed with new actions for factory truck entrances, exits and scrap tracking. A significant achievement was made in the digital measurement system, with a total of 76,834 measurements in 2022 and 84.891 measurements in 2023.

Digital Maintenance Planning

In 2019, we implemented a new strategy to fully automate our maintenance and repair module, which was first put into service in 2001, using the RFID technology. In 2023, we moved all maintenance plans from the Excel tracking system to digital platforms. Maintenance is now carried out via tablets instead of paper. Thanks to this digital transformation, we have contributed to the reduction of paper waste and made improvements in our processes with instant and graphical tracking of maintenance plans.



Drumbuster

The aim of our award-winning project, which we implemented with the Cost Buster competition in 2020, is to ensure that the most suitable reels are used for orders. In 2023, thanks to the Drumbuster project:

- the protection of 1.277 trees,
- the reduction of 27.047 kg in CO2 emissions, and
- the optimization of large drum usage rate from 16% to 9%.

New Warehouse Management Using RFID

We started using RFID tags in our raw material warehouses, as in our spare parts warehouse. Thanks to this application, we can automatically perform raw material goods inflow and outflow movements with a tablet or pocket PC. This development has enabled the rapid and effective management of raw material inventory.

In addition, automatic notifications have started to be sent to the relevant people about unnotified outflows. In this way, stock tracking is done more accurately and instantly, and rapid intervention is provided in case of any negative situation.



WE DEVELOP OUR
EMPLOYEES AND
COMMUNITY



WE DEVELOP OUR EMPLOYEES AND COMMUNITY

Our employees are the most valuable asset in our company's journey to achieve its future goals and create sustainable value. We know that each of our employees has a unique story and we recognize the value of every individual within the organization.

Prysmian values its valuable employees, which it places at the center of its Social Goal with the motto "People First", and contributes to their development. We believe that becoming a more inclusive, equal, and growing company with better performance is possible by empowering our employees and our environment.

Prysmian's goals, which it determined in 2015 in the field of Social Sustainability and committed to achieving by 2030, focus on increasing diversity and inclusiveness, digitalization, strengthening local communities, ensuring employee participation, providing employees with skills development opportunities, and occupational health and safety.

The year 2023, as a period marked by global socio-economic challenges and uncertainties, has increasingly made valuing our employees and pursuing sustainability goals our priority.

GENDER EQUALITY, DIVERSITY AND INCLUSION

We are actively evolving as an organization that values diversity, inclusion, equity and gender equality at all levels.

We believe that we can create more value by providing an inclusive work environment where all employees with gender, views, preferences, ages and cultural differences can be in harmony. We carry out projects to build a work environment where all employees can express themselves, feel respected and accepted as they are.

We believe that professions have no gender and we continue to increase the number of female employees in our STEM (Science, Technology, Engineering and Mathematics) positions at all levels in our field operations to raise awareness about the participation of women in business life.

While 22% of our total workforce consists of senior female managers, 39% of our employees hired in 2023 were female employees.

DIGITAL INCLUSION

While Prysmian promotes programs that we can provide 100% access to in order to expand the digital inclusion of all employees globally, its expansion to the Turkish organization has been ensured.

We have recorded a total of 1386.44 hours of training in our digital school and in the digital trainings organized in our region, and 775 training content that is constantly accessible to all our employees is presented on the employee portal. The annual completion rate of all our employees in the "Code of Ethics", "Compliance" and "Cyber Security" and "Fighting Cyber Attacks" trainings has been recorded at 100%.



LOCAL COMMUNITY INVOLVEMENT

We, Türk Prysmian Kablo, have been carrying out corporate social responsibility projects on many issues since the first day of our establishment. In order to create a positive impact for the social development of society, we carry out various projects for the development of the local community through sponsorships and donations every year.

OUR SUPPORTS FOR THE EARTHQUAKE ZONE

Following the Kahramanmaraş-centered earthquake, one of the major disasters that affected our country in 2023, we, at Türk Prysmian Kablo, carried out various activities to support the people in the region. In this context, we took concrete steps to eliminate the victimization by contributing to the aid activities organized to meet the urgent needs of the earthquake victims.

Engaging with the people in the region, we showed that we were with them in difficult times and reinforced the spirit of solidarity. These aids we provided once again demonstrated the importance of our society acting in unity and solidarity..

Emergency Disaster Response

From the first day of the disaster, our 18-person search and rescue team was on the ground, working tirelessly to help those affected by the disaster. Their efforts resulted in the successful rescue of two citizens, demonstrating their dedication and skill in the face of adversity.



Reconstruction and Restoration of Society

Our contributions were not limited to immediate response to the disaster. We understood that real recovery comes from rebuilding and restoring the affected communities. Our volunteers, in coordination with civil society organizations in various provinces, took on the task of collecting, preparing, packaging and loading relief supplies for the earthquake-affected areas.



Meeting Basic Needs

We also recognized the importance of meeting the basic needs of thousands of earthquake victims. Our team supported many initiatives, from hot meal distribution to food and clothing supplies.



Supporting Psychosocial Development

Our volunteers, who understand the psychological impact of such a disaster, especially on children, organized painting activities. These activities aimed to ensure that children's psychosocial development continues in a healthy way and to alleviate the distress caused by the earthquake.

Prysmian Container City

In addition to these efforts, Prysmian has demonstrated the value it places on people not only locally but also globally in difficult times by implementing a container city project in Tut, district of Adiyaman via its donations to provide temporary housing for people affected by the earthquake. Through these initiatives, Prysmian emphasizes its commitment to strengthening the local. It believes in standing by the community in times of need and working together for recovery and sustainable development.



Collaborations with Universities

As part of our collaborations with universities, we participated in pre-graduation interview simulations held annually at Uludağ University, supporting young talents to step into business life more prepared. These simulations provided students with the opportunity to gain experience in interview processes, allowing them to take an important step in their career journey.

In addition, with the career training and cable training we provided to Yıldız Technical University Electrical Engineering candidates, we provided students with sectoral knowledge and skills, while also helping them gain practical experience in the business world.



We Run for Children with Autism

In 2023, the Prysman running team contributed to an important social responsibility project by participating in an event organized for the benefit of children with autism. By taking our steps in the charity run organized for children with autism to have access to intensive, continuous and special education, we supported the access of more children with autism to education and the increase of autism awareness. Thus, while increasing social awareness, we are proud to contribute to the future of our children with autism.



We Support the Women of Our Future

While we healed the wounds together, as part of our commitment to gender equality and empowerment, we have also launched initiatives to support the women of our future. We believe that by investing in the potential of women, we not only promote social justice but also support sustainable development and economic growth. We, at Türk Prysman Kablo, have worked closely with local organizations and stakeholders to support the region in this process while focusing on providing women with opportunities for education, skill development and leadership roles. We participated in the gift and donation campaign under the slogan "Today's girls are the strong women of the future" and delivered our support boxes to the region through UCİM.



EMPLOYEE ENGAGEMENT AND UPSKILLING

At Türk Prysman, the leading company of the Turkish cable industry, we have been adopting an approach that prioritizes and invests in "People" since the first day of our establishment.

1. TRAINING AND UPSKILLING

At Prysman, we offer upskilling and training programs to support the continuous development of our employees. We enable our employees to discover their potential with trainings in various areas such as behavioral and leadership development.

Our training hours per person increased from 13 hours in 2022 to 32 hours in 2023. In 2023, 12,220 hours of our total 18,800 hours of training were devoted to occupational health, safety and environment.

We also aim to increase the knowledge and awareness of our employees on these issues through equality, diversity and inclusion trainings (DE&I) and the Sustainability Academy. These efforts aim to contribute not only to the sustainable future of our company, but also to the progress of society on this path.

Sustainability Talks – Ambassadors' Talks Event

In order to ensure the spread of sustainability activities throughout the company and to convey to all our employees that this initiative is a cultural transformation journey, we started our "Ambassadors' Talks" events in 2023. These events were planned to increase sustainability awareness in a way that would include all our employees. Our sustainability ambassadors explained the projects they implemented with their presentations on our focal points of Reducing Our Carbon Footprint, Circular Use of Our Resources, Developing Our Business Model and the Future of Our Employees, and shared the impact of these activities on our company's strategic roadmap, thus increasing sustainability awareness throughout the company. At the end of the event, we prepared a mini competition for the audience on the sustainability themes that were the subject of the day, thus increasing the level of awareness and creating a synergistic environment among employees.



Sustainability Day

Sustainability Day has been a special event organized to celebrate our report, a valuable outcome of our ambassadors' efforts throughout the year, and to determine our roadmap for the upcoming period. Our ambassadors, who actively take part in four different working groups, came together with our general manager, factory director and the entire sustainability committee on this special day to share their experiences on their sustainability journeys. This meeting provided an important opportunity to further our sustainability goals.



2. PERFORMANCE MANAGEMENT

At Prysmian, a market leader with international opportunities, challenging projects and an exciting work environment, we support individual success by integrating our company goals with the personal goals of our employees in line with the principle of "you can't improve what you don't measure". In this way, we aim to both achieve our company goals and achieve continuous improvement. We use the "Prysmian - People - Performance" (P3) system for all our employees, which is a fair, systematic and measurable approach to monitor and improve our performance.

3. RECOGNITION AND REWARDING

Incentive Program Based on Dividend System

Within the scope of the expectation of Compensation and Recognition, which is one of the areas expected to be improved in the survey results, we have published our new project, the Incentive program based on the Dividend Payout System. With this project, which aims to increase the motivation of employees in line with our sustainability goals and to support balance and justice within the company, we have created a plan in which a portion of the extra value created as a result of performance-based evaluation will be redistributed to employees as stocks.

Suggestions System

Our Suggestions System aims to reward employees for their achievement while contributing to our company goals. This system encourages employees to share their ideas and make suggestions to improve our business processes. At the same time, this approach supports the development of internal processes and contributes positively to our sustainability vision. With the improvements we made to our suggestion system and the updates we made to the reward system, our employees' contribution increased 3-fold over the previous year.



4. WORK-LIFE BALANCE

Flexible Working

We launched a new project regarding working conditions, which was identified as one of our areas of improvement in the Speak Up survey results, and published our Flexible Working model, which we pioneered in our MEART region, on May 1, 2023.

We aim to increase employee satisfaction through this model, which prioritizes work-life balance and provides a working environment where our employees can determine and manage the time they need to complete their work and achieve their targets.

Parental Leave and Baby Bonus Allowance

Prysmian is strongly committed to the principles of Diversity, Equality and Inclusion and aims to create equal conditions for all our employees to better manage their work-life balance. In line with this approach, in order to help our employees have a healthy and prosperous start with their newborns, we have updated the social benefits and leave days in line with our Group Family Policy as follows.

- A total of 16 weeks of paid leave, 8 weeks before and 8 weeks after birth, is currently provided to our expectant mothers in accordance with legal requirements.
- 10 working days paid leave for father-to-be employees after the baby is born *
- TL 31,000 / Gross «Baby Bonus» allowance **

* The 5-day paternity leave required by the CBA for Prysmian's blue-collar employees will be taken into account within the 10 working days of paid leave.

Additionally, our blue-collar workers will also benefit from the "Baby Bonus" allowance.



Our Sports Activities

We aimed to support the physical and mental health of our employees and encourage a sustainable lifestyle by reimplementing our Pilates and Yoga classes, which were limited after the pandemic, in our gym. This step helps our employees adopt healthy living habits while also contributing to our internal sustainability goals.

5. WORKING ENVIRONMENT

We moved our Istanbul office to a new location, considering the safety and comfort of our employees. It is extremely important for us that our employees feel at home and work in a peaceful environment as a team. Therefore, we carefully planned every detail of our office and aimed to create an environment that meets the needs and expectations of our employees. We plan to make continuous improvements in our new workplace to increase the efficiency of our employees and ensure their happiness.



6. COMMUNICATION

Just Us Coffee

To ensure a more effective communication in our company, we launched the "Just Us Coffee" event. This event aims to strengthen communication and encourage cooperation by bringing the CEO and employees together in a friendly environment. We observe that such events, which increase employee satisfaction, contribute positively to internal sustainability.

Table Tennis and Billiards Tournaments

Prysmian has been organizing table tennis and billiards tournaments for many years, which are important for improving employees' well-being, encouraging social interaction, and strengthening their communication. These events help employees reduce stress and keep their competitive spirit alive, while also strengthening the company culture. The tournaments organized in 2023 allowed our employees to increase their energy and have a good time.



OCCUPATIONAL HEALTH AND SAFETY

The main purpose of the Zero and Beyond initiative is to increase the participation and commitment of managers in the occupational safety system, to develop the functional leadership competencies of occupational safety leaders, to strengthen the group approach by reducing cultural differences, and to create an occupational safety culture where we will protect ourselves and each other.

As part of our responsibility to protect health and safety in the workplace for all our employees and contractors, we aim to approach 0 in the injury rate in our facilities and offices. In line with this goal, we aim to strengthen our safety culture with proactive measures and continuous training and information activities.

Behavior-Based Safety Management Project

Our goals include the participation of all employees in occupational health and safety processes by taking an active role in the occupational health and safety system; creating a positive safety culture by facilitating communication of hazards, accidents and near-misses, unsafe behaviors and improvement suggestions in the work environment; increasing the participation and commitment of managers in the occupational safety system; increasing the functional leadership competencies of occupational safety leaders; and developing a group approach by reducing cultural differences.

In this context, we implemented the Behavior-Based Safety Management approach, and we held our Kick-Off event, where we came together with all our employees from the top to the bottom, in order to achieve our zero-accident target. We all gave our word for safety. This approach reflects our determination and social responsibility to ensure safety in the workplace and achieve our zero-accident target.

In line with this target, we started training activities covering all employees from the top management to the bottom level of the company with the Behavior-Based Security Management-Communication project. In 2022, we recorded 1872 hours of this training program, and both desk and non-desk workers participated face-to-face. In 2023, we provided 5130 hours of training as a continuation of this transformation journey. In 2023, we made a total of 174 observations within the scope of Behavior-Based Security Management.

We conducted technical assessment meetings with leaders for the observed risky situations and behaviors and analyzed those risky situations and behaviors. Actions were decided and implemented based on analysis results. For example; we renewed the training of our 23-person firefighting team, 40-person first aid team and 32-person search and rescue team. We continue to share life-saving measures, restructure our occupational safety culture and keep this as our highest priority.

Working at Height Safety Project

The analyses of risky working at height locations in our plant were carried out by an independent consulting firm. As a result of this analysis, we added 11 more locations to the 69 risky working at height locations we had previously identified, increasing the number of risky working at height locations to 80. We planned training for the personnel who will work at these locations and trained 2 employees from the Occupational Safety Department as internal trainers for working at heights for the purpose of this training.

Utility Knife Project

Through the utility knife project that launched last year; we provided employees with safe utility knife usage training, defined machine-based utility knife usage areas and researched alternative safe cutters based on their usage.

With the introduction of alternative safe cutters, the target of zero utility knife-related work accidents was achieved in 2023. This success is one of the important steps taken towards developing the occupational safety culture.

Forklift Safety

In 2023, we conducted a comprehensive analysis to increase the competencies of forklift operators and reduce forklift traffic, and aimed to provide more effective management by reducing the number of operators who will use forklifts from 249 to 109.

In addition, with personnel card reader systems integrated into forklifts, we aimed to ensure that only defined operators operate the forklifts and create a safe forklift operation environment. Via these steps, we sought to achieve both improved operational efficiency and occupational safety.



COMPLIANCE WITH REGULATIONS AND STANDARDS

The process of compliance with Laws and Standards is carried out by the Legal and Quality Assurance Departments within Türk Prysmian Kablo. HSEQA (Occupational Health and Safety, Environment, Quality) Department realizes the acquisition of national/local laws and regulations related to Environment, Energy and Occupational Safety and the continuous follow-up of possible changes, by contacting the relevant official institutions; actively following the OHS Environment legal compliance tracking platform and following the Energy, Environment and Occupational Safety laws/regulations through the legal service

Norms and procedures related to Environment, Energy, Occupational Health and Safety published by Prysmian Group Headquarters are followed by HSEQA in the intranet environment. The new procedures or norms to be implemented regarding the cable industry are transferred to the HSEQA department by the Prysmian Group Headquarters.

All Integrated Management System Standards such as ISO 14001, ISO 45001, and ISO 50001 are followed by the HSEQA department from TSE. If the change is present and necessary, it is distributed to the relevant departments as a controlled document.

During the identification of environmental aspects and risks, the HSEQA Department determines which environmental aspects are subject to legal obligations and which ones require official documents, and records the name of the regulation/law/communiqué/ other requirement with the identified legal obligation in the List of Compliance Obligations. They then inform the directorate/departments directly related to the requirements and the Environment and Occupational Safety Board on these issues. Based on relevant legal and other requirements, the creation of new procedures, instructions or operational controls or the necessary changes to the existing documents are organized by the HSEQA Department and necessary actions are taken with all relevant departments. This article also applies in case of a change in legal or other requirements. Periodic measurements required by law and procedures regarding leave periods are carried out in accordance with the Monitoring and Measurement Procedure no S.QS.PRS.016.



APPENDICES



LIST OF ABBREVIATIONS

Kisaltma	Tanim
AB	European Union
CPR	Construction Products Regulation
CRO	Company Risk Officer
ÇYS	Environmental, Social and Corporate Governance
EPD	Environmental Product Declarations
ERM	Corporate Risk Management
ESG	Environmental, Social and Corporate Governance
FTTH	Fiber to the Home
GRI	Global Reporting Initiative
IPCC	Intergovernmental Panel on Climate Change
LSOH	Low Smoke Zero Halogen
NDC	Nationally Determined Contributions
P3	Prysmian People Performance
RFID	Radio Frequency Identification
SBTi	Science Based Targets Initiative
SKDM	Border Carbon Adjustment Mechanism
STEM	Science, Technology, Engineering and Mathematics
TCFD	Tas Force on Climate-Related Financial Disclosures
TÜRKAK	Turkish Accreditation Agency

STAKEHOLDER GROUPS

STAKEHOLDER GROUPS	COMMUNICATION METHOD											
	E-mail	Web Site	Int. Comm.	Office	Online Meeting	Fairs	Social Media	Portal	Webinar	Telephone	Letters	Worksite
Mudanya Management	l	l	l	l	l	l	l	l	l	l	l	l
Employees	l	l	l	l	l	l	l	l	l	l	l	l
Suppliers	l	l	l	l	l	l	l	l	l	l	l	l
Customers	l	l	l	l	l	l	l	l	l	l	l	l
Headquarters (HQ) Senior Management	l	l	l	l	l	l	l	l	l	l	l	l
Subcontractors	l	l	l	l	l	l	l	l	l	l	l	l
Intercompany (Group Plants)	l	l	l	l	l	l	l	l	l	l	l	l
Public	l	l	l	l	l	l	l	l	l	l	l	l
Municipalities	l	l	l	l	l	l	l	l	l	l	l	l
Financial Institutions	l	l	l	l	l	l	l	l	l	l	l	l
Ministries (Environment, Energy etc.)	l	l	l	l	l	l	l	l	l	l	l	l
CMB	l	l	l	l	l	l	l	l	l	l	l	l
Insurance Companies	l	l	l	l	l	l	l	l	l	l	l	l
Project Management Companies	l	l	l	l	l	l	l	l	l	l	l	l
Competitors	l	l	l	l	l	l	l	l	l	l	l	l
Labor Union	l	l	l	l	l	l	l	l	l	l	l	l
Sector Associations (Kabloder, ETMD etc.)	l	l	l	l	l	l	l	l	l	l	l	l
Turkish Standards Institute, Other National and International Certification Companies	l	l	l	l	l	l	l	l	l	l	l	l
Shareholders	l	l	l	l	l	l	l	l	l	l	l	l
Chamber of Engineers (Environment, Electricity, Machinery)	l	l	l	l	l	l	l	l	l	l	l	l
Delegated Markets	l	l	l	l	l	l	l	l	l	l	l	l
Local Community	l	l	l	l	l	l	l	l	l	l	l	l
Generation Z	l	l	l	l	l	l	l	l	l	l	l	l

PROJECTS

WE ELIMINATE OUR CARBON FOOTPRINT

- Compressor Waste Heat Project
- High Efficiency Superheated Water Boiler Project
- Steam Boiler Automatic Surface Blowdown System Project
- Development of Heating Systems for Gas Venting Chambers
- Emulsion Cleaning System
- Detection of Compressed Air Leaks with Ultrasonic Devices
- Vehicle Optimization
- Packaging Materials from Recycled Materials
- Vehicle Tracking System

WE USE OUR RESOURCES IN A CIRCULAR MODEL

- Zero Halogen Materials Containing Recyclable Materials
- Drum Recovery
- Composting Project

WE ENHANCE OUR BUSINESS MODEL

- Lean Manufacturing with Six Sigma Technologies
- Supplier Audits
- Scale Project
- Digital Maintenance Planning
- Drumbuster
- New Warehouse Management Using RFID

WE DEVELOP OUR EMPLOYEES AND COMMUNITY

- Digital Inclusion
- Emergency Disaster Response
- Prysmian Container City
- Collaborations with Universities
- Sustainability Talks – Ambassadors' Talks
- Just Us Coffee
- Behavior-Based Safety Management (BBSM) Project
- Working at Height Safety Project
- Utility Knife Project

PERFORMANCE INDICATORS

POWER CONSUMED		Unit	2019	2020	2021	2022	2023
Electricity	kWh		34.312.020	35.372.081	35.728.137	34.995.047	32.357.805
Natural Gas	m ³		1.204.378	1.180.034	1.357.134	1.103.630	1.117.859
Diesel	Litre		221.490	207.658	177.789	185.152	151.327

SERA GAS EMISSIONS		Unit	2019	2020	2021	2022	2023
Scope 1	Tons		3.030 Tons	3.000 Tons	3.426 Tons	2.738 Tons	2.680 Tons
Scope 2	Tons		15.610 Tons	16.090 Tons	16.256 Tons	15.922 Tons	14.720 Tons

Scope 1 as of September 2024	1.640 Tons
Scope 2 as of September 2024	9.780 Tons

Total Water/Water Drawn						
	Unit	2019	2020	2021	2022	2023
Underground Water	m ³	284.445,00	211.901,00	152.080,00	176.314,00	131.782,00
Third Party Water (Mains Water etc.)	m ³	0,00	0,00	0,00	0,00	0,00
Total Water Drawn	m ³	284.445,00	211.901,00	152.080,00	176.314,00	131.782,00

Total Water/Waste Water Discharge						
	Unit	2019	2020	2021	2022	2023
Sea Water	m ³	0,00	0,00	0,00	0,00	0,00
Third Party (Sewage System)	m ³	60.505,00	67.276,00	54.749,00	49.626,00	56.830,00
Total Water Discharged	m ³	60.505,00	67.276,00	54.749,00	49.626,00	56.830,00

Waste Data by Environment/Type						
	Unit	2019	2020	2021	2022	2023
Hazardous Waste	KG	25.559,00	101.920,00	102.655,50	142.081,50	74.590,00
Non-Hazardous Waste	KG	1.131.457,75	4.495.603,20	5.664.138,60	6.363.191,30	5.335.011,6

Waste Data by Environment/Disposal Method						
	Unit	2019	2020	2021	2022	2023
Recovery	KG	747.762,75	4.097.469,70	5.097.312,60	5.927.514,00	4.917.472,2
Landfill	KG	376.350	451.148	626.329	557.190	492.129,4
Incineration	KG	0,00	0,00	0,00	0,00	0,00
Other	KG	0,00	0,00	0,00	0,00	0,00

INJURY	GROUP	UNIT	2019	2020	2021	2022	2023
Kaza Sıklık Oranı	Şirket	Oran	1,75	2,38	1,45	2,83	2,65

LOST DAYS	GROUP	UNIT	2019	2020	2021	2022	2023
Devamsızlık Oranı	Şirket	Oran	22,31	43,65	37,22	40,27	53,07

Waste Data by Environment/Type	2019	2020	2021	2022	2023
Number of OHS Committees	12	12	12	12	12
Total Number of Members in OHS Committees	35	33	36	36	40
Number of Employee Representative in OHS Committees	1	1	1	1	1



PERFORMANCE INDICATORS

SOCIAL PERFORMANCE INDICATORS		2019	2020	2021	2022	2023
Desk Worker Female		50	46	47	51	47
Desk Worker Male		89	91	94	89	87
Non-Desk Worker Female		0	0	9	8	12
Non-Desk Worker Male		378	411	442	450	439

		2019	2020	2021	2022	2023
Foreign	Female	1	1	1	0	0
	Male	0	0	0	2	2
Disabled	Female	0	0	0	0	0
	Male	13	13	16	16	13

SOCIAL PERFORMANCE INDICATORS		2019	2020	2021	2022	2023
Senior Management	Female	2	2	2	4	5
	Percentage	16,7%	16,7%	16,7%	26,7%	33,3%
	Male	10	10	10	11	10
	Percentage	83,3%	83,3%	83,3%	73,3%	66,7%
Middle Management	Female	19	18	17	21	17
	Percentage	32,2%	32,0%	30,9%	32,8%	27,4%
	Male	40	40	38	43	45
	Percentage	67,8%	69,0%	69,1%	67,2%	72,6%
Other	Female	29	26	37	32	37
	Percentage	6,5%	5,4%	7,0%	6,2%	7,3%
	Male	417	452	488	486	471
	Percentage	93,5%	94,6%	93,0%	93,8%	92,7%

SOCIAL PERFORMANCE INDICATORS		2019	2020	2021	2022	2023
Newly hired - Total		35	46	74	43	66
Desk Workers		9	5	22	19	44
Non-Desk Workers		26	41	52	24	22
Quitting - Total		47	13	40	36	78
Desk Workers		9	5	22	21	49
Non-Desk Workers		38	8	18	15	29

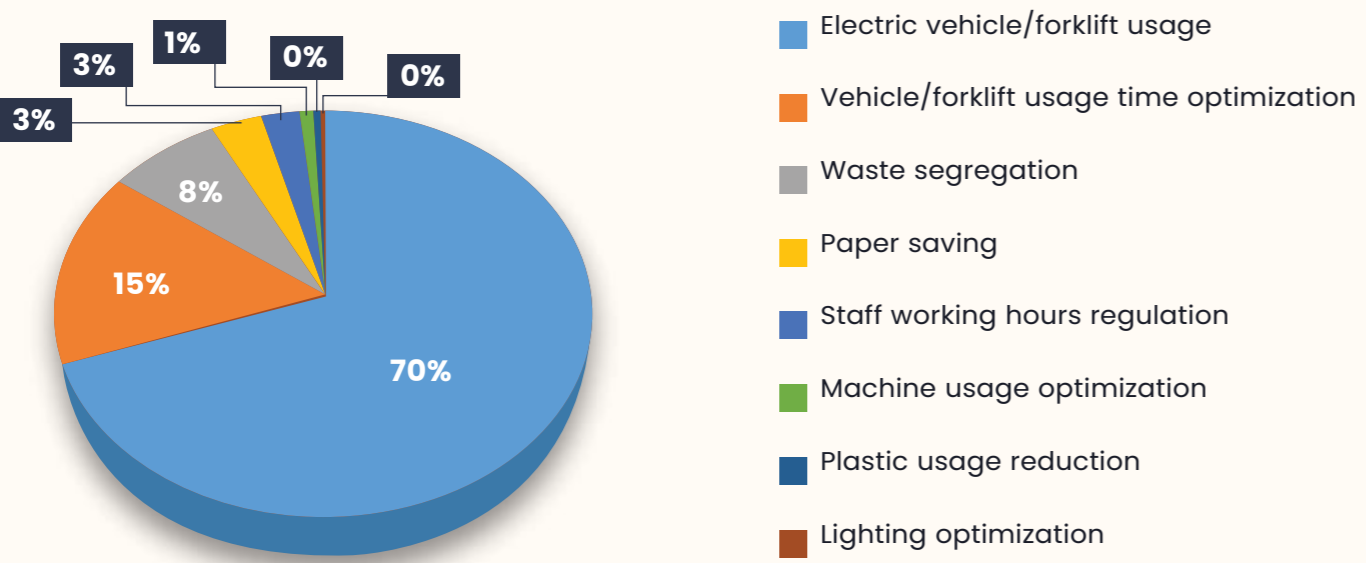
		2019	2020	2021	2022	2023			2019	2020	2021	2022	2023
Newly Hired - Female	Number	5	2	24	7	22	18-30 years old - Newly hired	Number	23	38	63	8	41
	Percentage	14%	4%	32%	16%	33%		Percentage	66%	83%	85%	19%	62%
Newly Hired - Male	Number	30	44	50	36	44	31-40 years old - Newly hired	Number	8	7	4	32	12
	Percentage	86%	96%	68%	84%	67%		Percentage	23%	15%	5%	74%	18%
Quitting - Female	Number	6	4	17	9	15	41-50 years old - Newly hired	Number	4	1	6	2	11
	Percentage	13%	31%	42%	25%	19%		Percentage	11%	2%	8%	5%	17%
Quitting - Male	Number	41	9	23	27	63	51-60 years old - Newly hired	Number	0	0	1	1	2
	Percentage	87%	69%	58%	75%	81%		Percentage	0%	0%	1%	2%	3%

		2019	2020	2021	2022	2023
18-30 years old - Quitting	Number	28	7	20	10	26
	Percentage	60%	54%	50%	28%	33%
31-40 years old - Quitting	Number	7	2	5	12	18
	Percentage	15%	15%	13%	33%	23%
41-50 years old - Quitting	Number	9	2	11	8	23
	Percentage	19%	15%	28%	22%	29%
51-60 years old - Quitting	Number	3	2	4	5	11
	Percentage	6%	15%	10%	14%	14%
Over 60 years old - Quitting	Number	0	0	0	1	0
	Percentage	0%	0%	0%	3%	0%



ZERO CARBON DEALERS MEETING PARAMETERS 1 EVALUATION AND CONCLUSION

AMOUNT OF CARBON REMOVED (kg)



Action	Amount of Carbon Removed (Kg)
Electric vehicle/forklift usage	34.365
Vehicle/forklift usage time optimization	7.608
Waste segregation	3.708
Paper saving	1.676
Staff working hours regulation	1.211
Machine usage optimization	500
Plastic usage reduction	164
Lighting optimization	171
Total	49.403

ZERO CARBON DEALERS MEETING PARAMETERS 2 THE AMOUNT OF CO2 EMITTED AT OUR EVENT



We emitted 19,187 kg of CO2 in total throughout the round-trip journey.

Action	Carbon Release (Kg)
Istanbul Group Flight	13.192
Istanbul Group Transfer	140
Ankara Group Flight	2.240
Ankara Group Transfer	35
Individual Flights	3.440
Individual Transfers	140
Total	19.187



GRI CONTENT INDEX

Statement of Use	Türk Prysmian Kablo ve Sistemleri A.Ş. sürdürülebilirlik raporlaması 1 Ocak 2023-31 Aralık 2023 dönemi için GRI Standartları Temel seçeneği gerekliliklerine uygun olarak hazırlanmıştır.
GRI 1 Used	GRI1: TEMEL İLKELER 2021

GRI STANDARD	INDICATOR	TITLE AND PAGE
GRI 2: Genel Açıklamalar 2021	GRI 2: General Disclosures 2021	
	1.Organization and Reporting Practices	
	2-1	"About Prysmian; 5 About Türk Prysmian Kablo; 11"
	2-2	About This Report; 1
	2-3	About This Report; 1
	2-4	"There is no restatement of the previous period report."
	2-5	No external audit was undertaken on the report.
	2.Employees and Operations	
	2-6	"About Prysmian; 5 About Türk Prysmian Kablo; 11-16"
	2-7	Appendices - Performance Indicators - Social; 43
	3.Governance	
	2-9	Organizational Structure; 17
	2-11	Organizational Structure; 17
	2-12	Sustainability Organization; 17
	2-13	"Sustainability Organization; 17 Risk Management; 19"
	2-14	Sustainability Organization; 17
	4.Strategies, Policies and Practices	
	2-22	Letter from the CEO; 3-4
	2-23	"Ethical Values and Integrity; 7 Climate Change Ambition; 9 Social Ambition; 10 Management Systems; 19 Compliance with Regulations and Standards; 40"
	2-24	"Ethical Values and Integrity; 7 Climate Change Ambition; 9 Social Ambition; 10 Compliance with Regulations and Standards; 40"
	2-25	"Ethical Values and Integrity; 7 Risk Management; 19 Materiality Matrix and Stakeholder Engagement; 20"
	2-26	"About the Report; 1 Contact; 46"
	2-27	Compliance with Regulations and Standards; 40
	5.Stakeholder Engagement	
	2-29	"Materiality Matrix and Stakeholder Engagement; 20 Stakeholder Groups; 42"
	2-30	Ethical Values and Integrity; 7

GRI CONTENT INDEX

GRI STANDARD	INDICATOR	TITLE AND PAGE
GRI 3: Material Topics 2021	GRI 3: Material Topics 2021	
	3-1	Materiality Matrix and Stakeholder Engagement; 20
	3-2	Materiality Matrix and Stakeholder Engagement; 20
GRI 3: Material Topics 2021	GRI 3: Material Topics 2021	
	3-3	Circular Economy; 31
"GRI 303: Water and Waste Water 2016"	303-3	Appendices - Performance Indicators - Energy; 43
	303-4	Appendices - Performance Indicators - Energy; 43
	303-5	Appendices - Performance Indicators - Energy; 43
GRI 306: Waste 2020	306-1	Waste Management; 32
	306-2	Waste Management; 32
	306-3	Appendices - Performance Indicators; 43
	306-4	"Waste Management; 32 Appendices - Performance Indicators; 43"
	306-5	Appendices - Performance Indicators; 43
	Development of Environmentally-Friendly Products and Services	
GRI 3: Material Topics 2021	3-3	
GRI 302: Energy 2016	302-1	Appendices - Performance Indicators - Energy; 43
	302-4	"Letter from the CEO; 4 Development of Environmentally-Friendly Products and Services; 25 Appendices - Performance Indicators - Energy; 43"
GRI 305: Emissions 2016	305-1	Appendices - Performance Indicators - Energy; 43
	305-2	Appendices - Performance Indicators - Energy; 43
	305-5	Sustainability Targets and Performance; 23
	Work-Life Balance	
GRI 3: Material Topics 2021	3-3	Work-Life Balance; 38
GRI 401: Recruitment 2016	401-1	Appendices - Performance Indicators - Social; 43
GRI 404: Employee Development 2016	401-3	Work-Life Balance; 38
	404-1	Sustainability Targets and Performance; 23
	404-2	"Employee Engagement and Upskilling; 37-39 Occupational Health and Safety; 38"
	404-3	Employee Engagement and Upskilling; 38
GRI 405: Inclusion and Equal Opportunity 2016	405-1	Gender Equality, Diversity and Inclusion; 36
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1	Ethical Values and Integrity; 7
	Respect for Human Rights and Workers' Rights	
GRI 3: Material Topics 2021	3-3	"Occupational Health and Safety; 38 Management Systems; 19"
GRI 403: Occupational Health and Safety 2018	403-1	Occupational Health and Safety; 38
	403-2	Occupational Health and Safety; 38
	403-4	Occupational Health and Safety; 38
	403-5	Occupational Health and Safety; 38
	403-6	Occupational Health and Safety; 38
	403-7	Occupational Health and Safety; 38
	403-8	Occupational Health and Safety; 38
	403-9	Appendices - Performance Indicators - Social; 43
	403-10	Appendices - Performance Indicators - Social; 43
		Sustainable Supply Chain
GRI 3: Material Topics 2021	3-3	Sustainable Supply Chain; 29
GRI 308: Tedarikçilerin Çevresel Değerlendirmesi 2016	308-2	"Supplier Audits; 34 Sustainability Targets and Performance; 23"
	Sustainable Supply Chain	
GRI 3: Material Topics 2021	3-3	"Management Systems; 19 Vehicle Tracking System; 29"
	Low-Carbon Enabling Products	
GRI 3: Material Topics 2021	3-3	Low-Carbon Enabling Products; 31



Waiver

This Sustainability Progress Report was drafted by Türk Prysmian Kablo taking into consideration the United Nations Sustainable Development Goals and internationally recognized sustainability standards criteria, and imposes no legal obligations on the company's stakeholders. This report aims to raise awareness on sustainability and present Türk Prysmian Kablo's position on it. The report's data was gathered from publicly accessible information sources and supplied by the related units of Türk Prysmian Kablo. No assurance is offered as to the correctness or accuracy of current information, other from the inherent uncertainty of forward-looking information. This document has been created solely for informational purposes and does not represent an offer, guarantee, or commitment. Readers are not advised to use the report as a basis for their investment decisions, nor is it intended to be used as a basis for any decisions they may make about the company. The board of directors, employees, consultants, or subsidiaries of Türk Prysmian Kablo are not in any way accountable for the information in this report or for any decisions that were made in reliance on it.

Please feel free to contact Türk Prysmian Kablo Sustainability Committee to give us your feedback, suggestions and questions.

CONTACT

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Sustainability Committee**

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