Pioneer of Smart Agriculture

SUSTAINABILITY REPORT 2024

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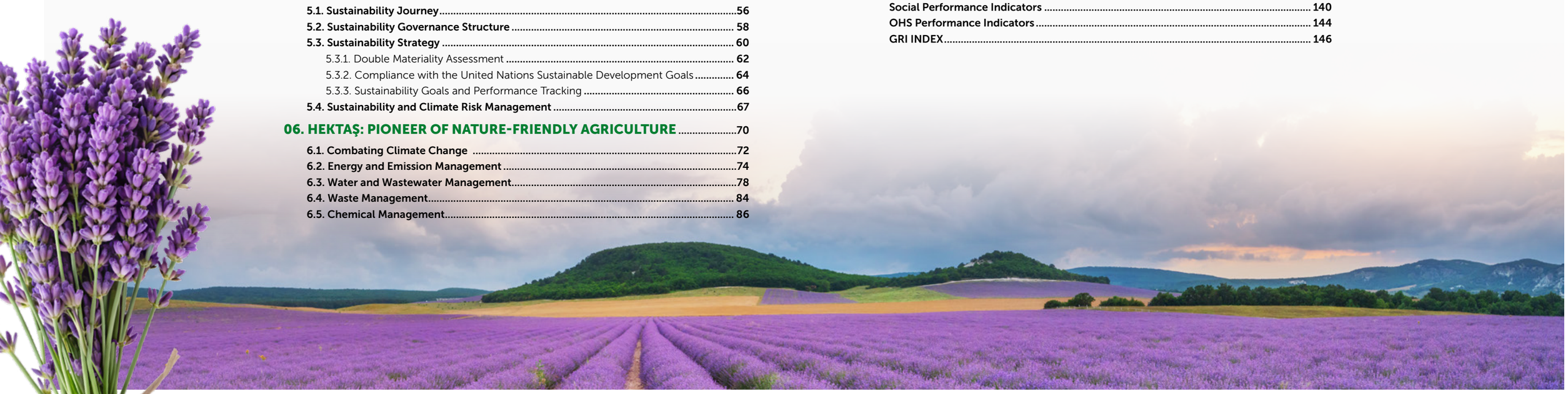

DEFINITIONS AND ABBREVIATIONS

Abbreviations	Definitions
EU	European Union
AHT	Ankara High Technology Center
BEKRA	Regulation on the Control of Major Industrial Accidents
PPS	Private Pension System
BISAB	Sub-Union of Plant Breeders
BIST	Borsa Istanbul
BIST 30	Borsa Istanbul 30 Index
BIST 50	Borsa Istanbul 50 Index
BIST 100	Borsa Istanbul 100 Index
BKTS	Plant Protection Products Stock Tracking System
UN	United Nations
BMR	Brown Midrib
CDP	Carbon Disclosure Project
COSO ERM	Committee of Sponsoring Organizations of the Treadway Commission - Enterprise Risk Management (Committee of Organizations Supporting the Treadway Commission - Corporate Risk Management)
CFC	Chlorofluorocarbons
CBA	Employee Engagement Survey
ESG	Environmental, Social and Governance
DAP	Diammonium phosphate
DLG	Deutsche Landwirtschafts-Gesellschaft (German Agricultural Association)
EDR	Endpoint Detection and Intervention
ETS	Emission Trading System
IMS	Integrated Management Systems
F.A.R.M.	Farming, Analysis, Research & More
GAP	Southeastern Anatolia Project
SPP	Solar Power Plant
GLOBALGAP	Global Good Agricultural Practices (Global Good Agricultural Practices)
GOSB	Gebze Organized Industrial Zone

Abbreviations	Definitions
GDPR	General Data Protection Regulation
GÜID	Association of Fertiliser Manufacturers, Importers and Exporters
HAZOP	Hazard and Operability Study (Hazard and Operability Methodology)
HCFC	Hydrochlorofluorocarbons
IBC	Intermediate Bulk Container
HR	Human Resources
IKMIB	Istanbul Chemical Substances and Products Exporters' Association
ILO	International Labour Organization
IMPPC	International Molecular Plant Protection Congress
OHS	Occupational Health and Safety
ISO	International Organization of Standardization (International Organization of Standardization)
PDP	Public Disclosure Platform
SME	Small and Medium-Sized Enterprises
KOSB	Mixed Organized Industrial Zone
PPE	Personal Protective Equipment
KVKK	Law on the Protection of Personal Data
CGIF	Corporate Governance Information Form
CGCR	Corporate Governance Compliance Report
LAB	Lactic Acid Bacteria
LCA	Life Cycle Assessment (Life Cycle Assessment)
FMC	Vocational Qualification Authority
NASA	National Aeronautics and Space Administration
NO_x	Nitrous oxide
ODS	Ozone Depleting Substances (Substances that Thin the Ozone Layer)
OIZ	Organized Industrial Zone
OSTIM	Middle East Industrial and Commercial Center
PM_{10}	Particulate Matter Smaller Than 10 Microns
RNA	Ribonucleic Acid

Abbreviations	Definitions
SAYEM	Industrial Innovation Network Mechanism
SIEM	Security Information and Incident Management
SDG	Sustainable Development Goals
SKDM	Carbon Border Adjustmen Mechanism
SOAR	Security Orchestration, Automation and Intervention
SO_x	Sulfur Oxide
CMB	Capital Markets Board
TAGEM	General Directorate of Agricultural Research and Policies
TODAB	Sub-Association of Seed Distributors

Abbreviations	Definitions
TSRS	Türkiye Sustainability Reporting Standards
TSUAB	Sub-Association of Seed Industrialists and Producers
TUBITAK SAYEM	Innovative and Interactive Research and Application Centers for Strategic Areas
UNDP	United Nations Development Programme
VOC	Volatile Organic Compounds
WRI	World Resources Institute
LCA	Life Cycle Assessment
ZIMID	Association of Manufacturers of Anti-Agricultural Drugs

01. ABOUT THE REPORT

“

When we consider that our country is an agricultural nation and its vast extent, it becomes clear that the land is the principal basis of our strength and wealth.

Mustafa Kemal ATATÜRK

Prepared in line with the GRI Standards, this report provides HEKTAŞ with an opportunity to share its environmental, social, and governance initiatives with its stakeholders. Developed within the framework of sustainability materialities, the report covers HEKTAŞ’s 2024 sustainability activities, targets, and progress made towards achieving these goals.

The report covers the 12-month period between January 1, 2024, and December 31, 2024. Within the reporting scope, environmental, social, and economic data are presented for HEKTAŞ’s Headquarters and Plant Protection Products Production Facility in Kocaeli, Organomineral Fertiliser Production Facility in Adana, HEKTAŞ F.A.R.M. in Bursa, High Technology Center in Ankara, 6 Regional Offices, Ferbis’s Plant Protection Products Production Facility in Niğde, and AREO’s Seed Technologies Center in Antalya. In relevant sections, available data from the previous three years are included to ensure measurability and comparability.

Subsidiaries and affiliates — Sunset Kimya Tarım Ürünleri ve Aletleri İmalat Pazarlama Sanayi ve Ticaret A.Ş., Agriventis Technologies Pty Ltd., HEKTAŞ Asia LLC, Takimsan Tarım Kimya Sanayi ve Ticaret A.Ş., and Çantaş Çankırı Tuz Ürünleri Üretim ve Dağıtım A.Ş. — are not included in data consolidation; however, disclosures related to them are provided under the corporate identity framework.

HEKTAŞ aims to continue publishing its sustainability efforts on a regular basis in the coming years. The Company values transparency in communicating activities that contribute to Turkey’s sustainable development journey. This report was prepared considering stakeholder feedback. It reflects HEKTAŞ’s sustainability practices, forward-looking goals, and participation in global initiatives. HEKTAŞ highly values all opinions and suggestions that may help improve sustainability performance. For questions, comments, or feedback about the report, contact sustainability@hektas.com.tr.

How to Read Our Report More Effectively

We designed our 2024 Sustainability Report to be suitable for the digital environment with a user-friendly and smart navigation system, in order to prevent paper waste.

- Includes an e-mail address to get more information or to contact us.
- Includes a link that directs you to the company’s website or another external source.
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02. MESSAGE FROM TOP MANAGEMENT

As HEKTAŞ, we are proud to be the most important supporter of the **Turkish agricultural sector with our 68-year-old history.**

Dear Business Partners,

Agriculture is the livelihood of more than 1.3 billion people worldwide, accounting for nearly 27% of the global workforce. At the same time, 70% of the world's freshwater resources are used in agriculture. Through the adoption of precision irrigation and water recovery methods, water use can be reduced by up to 40%. As food production faces pressure from global challenges such as population growth and climate change, sustainable agricultural practices become a vital solution. It is estimated that global food production could be increased by 58% through sustainable farming practices. And this offers a critical solution for feeding the rapidly growing global population. At the same time, it is anticipated that these practices, which preserve soil health and productivity, could reduce agriculture-related income loss worldwide by 20% by 2030.

Sustainable farming practices play a major role in ensuring food security while enabling more efficient use of resources. Sustainable practices in areas such as soil health, water management, and biodiversity reduce environmental impacts while also contributing directly to the economic and social development of communities. As HEKTAŞ, we are proud to be the most important supporter of the Turkish agricultural sector with our 68-year-old history. We are always developing environmentally friendly and efficiency-focused products tailored to the needs of our farmers, working with great determination to ensure sustainability in agriculture.

In this context, as HEKTAŞ, we can outline our sustainability commitments and the practices we have implemented in this direction as follows:

Renewable energy use and low-carbon production: At our organomineral fertiliser production facility, we are reducing carbon emissions and transitioning to renewable energy sources by using environmentally friendly production methods in agriculture.

Sustainable agriculture solutions: By using environmentally friendly plant protection and organomineral fertilisers, we reduce the negative effects of chemical fertilisers, protect water and soil resources, and increase agricultural productivity. We also contribute to sustainable agricultural production by developing drought-resistant seeds.

Digital agriculture and use of artificial intelligence: Our mobile application Smart Assistant and our agricultural application drone HEKTAŞ Turna, with its UAV-2 status, support our farmers in achieving more efficient and environmentally friendly production in their agricultural fields. With these applications, we ensure the rapid detection of plant diseases and the optimisation of water and fertiliser usage.

Efficient use of water resources: We support the effective use of water resources through projects such as the Traceable Safe Food Platform, and we implement water management effectively using artificial intelligence and sensors. In this way, we reduce water consumption. At our aquaponic production facility located at the HEKTAŞ F.A.R.M. site in Orhangazi, we will maximise the benefits of water by simultaneously growing vegetables and fish, thereby conserving our resources.

Waste Management and Recycling: We promote recycling in our production processes and aim to enhance environmental sustainability by reducing the amount of waste.

Employee safety and diversity: With our Occupational Health and Safety Management System, we protect our employees' safety to the highest degree, promote equal opportunities, and provide a more inclusive work environment with our diversity policies.

R&D and innovation investments: At our Agricultural Innovation Education and Experience Centre (HEKTAŞ F.A.R.M.), we develop new technologies and offer innovative solutions that enhance environmental sustainability. We are strengthening our R&D investments with projects such as drought-resistant seeds and environmentally friendly biological products.

Transparency and stakeholder engagement: We maintain transparent communication with our stakeholders on matters of sustainability and regularly share our performance through Sustainability Reporting. We maintain effective communication and collaboration processes with our stakeholders.

Sustainability committee and strategies: Through our Sustainability Committee, we implement sustainability policies and regularly monitor and improve them. We focus on optimisation of economic, social and environmental impact.

We will continue to develop our environmentally friendly production processes in line with our sustainability goals in the future. As HEKTAŞ, we will continue to contribute to the agricultural sector through innovation and digitalisation for a sustainable future. Our most important goal in this process is to ensure environmental, social and economic sustainability and to make this an integral part of our business model.

This year, as we take pride in publishing our first Sustainability Report, I pledge that we will continue to work with full dedication to build a more sustainable future. I would like to express my deepest gratitude to all our employees and stakeholders who contributed to this success.

Enis Emre TERZI
General Manager

03

HEKTAŞ: THE PIONEER OF SMART AGRICULTURE

03. HEKTAŞ: THE PIONEER OF SMART AGRICULTURE

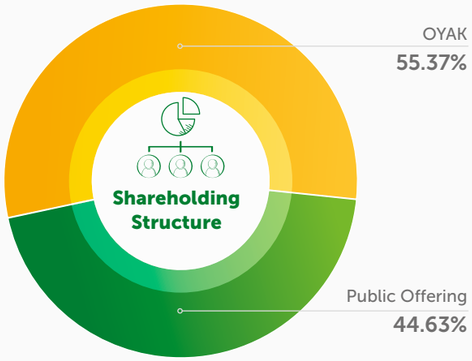
3.1. CORPORATE PROFILE

HEKTAŞ Ticaret T.A.Ş. (HEKTAŞ), a well-established agrochemical company developing products and solutions for the agricultural sector, was founded in Adana in 1956 with the knowledge and contributions of Turkish chemists, pharmacists and agricultural engineers.

HEKTAŞ Ticaret T.A.Ş. (HEKTAŞ), a well-established agrochemical company developing products and solutions for the agricultural sector, was founded in Adana in 1956 with the knowledge and contributions of Turkish chemists, pharmacists and agricultural engineers. With over half a century of expertise in crop protection, plant nutrition, and seed technologies, HEKTAŞ delivers environmentally friendly and productivity-oriented solutions that support sustainable agriculture. The Company consistently advances its initiatives to improve the efficiency and sustainability of agricultural production.

Strengthened through its partnership with OYAK in 1963, the Company became public in 1981 and has been listed on Borsa Istanbul since 1986. With companies operating in cement, concrete, paper, energy, finance, food, chemical agriculture, mining metallurgy, automotive, and logistics sectors, OYAK is the largest shareholder of HEKTAŞ, holding a 55.37% stake. As of 2024, HEKTAŞ is positioned among the top 30 most valuable companies on Istanbul Stock Exchange, demonstrating its corporate scale and market value. Strengthening its strong domestic market position with its international operations, HEKTAŞ today stands not only as a leading player in Türkiye but also as a significant actor in the global agricultural sector.

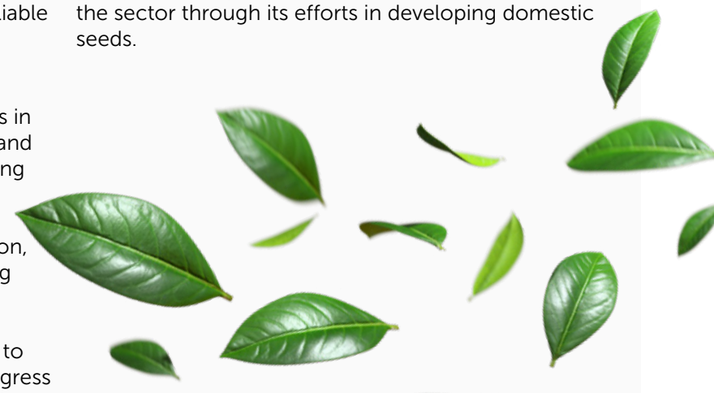
Partner	Share (%)- 2024
OYAK	55.37%
Publicly Traded Shares	44.63%



HEKTAŞ is increasing its R&D investments in line with its sustainable agriculture vision, developing production models that are both environmentally and economically efficient through modern breeding techniques and digital agriculture applications. Contributing to the progress of agriculture in Türkiye, this approach has elevated the Company's role beyond that of a producer, establishing it as a reliable partner in agricultural solutions.

Embracing sustainability principles as a core component of its corporate culture, HEKTAŞ acts in alignment with the OYAK Sustainability Strategy and Approach, with the goal of continuously improving its environmental, social, and governance (ESG) performance. The Company invests in energy efficiency, water management, emission reduction, and circular economy practices, while supporting the transition to sustainable agriculture through the development of environmentally conscious products. The Company's operations contribute to Türkiye's sustainable development goals and progress in alignment with strategies aimed at global food security, agricultural productivity, and the preservation of natural resources.

Driven by its vision of **pioneering Smart Agriculture**, the Company develops innovative, environmentally friendly, and sustainable solutions, delivering a broad portfolio of products designed in line with Türkiye's ecological characteristics and agricultural diversity. Extending its agricultural expertise to diverse product groups, HEKTAŞ also aims to create added value for the sector through its efforts in developing domestic seeds.

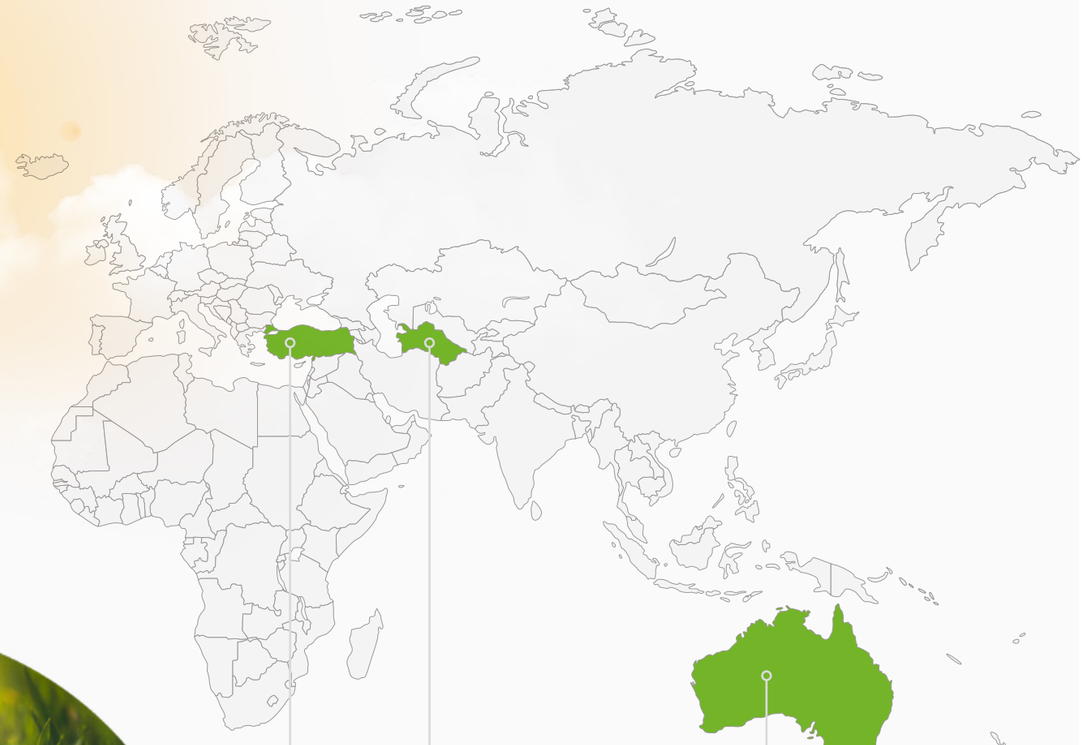


HEKTAŞ also aims to create added value for the industry through its efforts **to develop domestic seeds.**

3.1. CORPORATE PROFILE

The Company ensures nationwide reach through six regional offices and approximately 1,800 distribution points across Türkiye. Beyond its domestic operations, the Company exports to various markets abroad, particularly to the Middle East and the Turkic Republics. The Company's production infrastructure consists of modern facilities strategically located across Türkiye, including the Plant Protection Products Production Facility in Gebze (Kocaeli), Organomineral Fertiliser Production Plant in Sarıçam (Adana), Ferbis Plant Protection Products Production Facility in Bor (Niğde), the AREO Seed Breeding and Production Facility in Konyaaltı (Antalya), HEKTAŞ F.A.R.M. in Orhangazi (Bursa), and the High Technology Center in Sincan (Ankara). In addition, through its subsidiaries HEKTAŞ Asia LLC in Uzbekistan and Agriventis Technologies in Australia, the Company continues to expand its global presence each year.

Operations Map



Bursa (Orhangazi)
HEKTAŞ F.A.R.M.
Plant Area: 634,000 m²

Kocaeli (Gebze)
HEKTAŞ Headquarters and Plant Protection Products Production Facility
HEKTAŞ R&D Centre
Plant Area: 75,000 m²

Antalya (Konyaaltı)
AREO Seed Technologies Centre
Plant Area: 43,300 m²
Greenhouse Area: 29,000 m²

Ankara (Sincan)
Ankara High Technology Center
HEKTAŞ R&D Centre
Plant Area: 12,000 m²

Niğde (Bor)
Ferbis Plant Protection Products Production Facility
Plant Area: 24,000 m²

Adana (Sarıçam)
HEKTAŞ Organomineral Fertiliser Production Facility
Plant Area: 20,000 m²

Türkiye

Uzbekistan
HEKTAŞ ASIA LLC
Plant Protection
Capacity 30,000 tones/year
Organomineral Fertiliser
Capacity 150,000 tones/year

Australia
Agriventis Technologies Pty. Ltd
Seed Line Number 260+

3.2. VISION, MISSION AND VALUES

HEKTAŞ operates in line with the vision and values of its main shareholder OYAK, adopting this approach as a guiding principle in all its activities.

Vision

HEKTAŞ aims to be a preferred and dynamic company by actively engaging in all fields that create added value for the agricultural sector, in line with customer needs.

Mission

HEKTAŞ's mission is to provide the highest benefit to the agricultural sector through sustainable growth; to create added value for its partners, society, and producers.

Corporate Values

Customer Orientation: To prioritize achieving a high level of satisfaction by taking customer needs and expectations into account.

Superior Business Ethics: To uphold transparency, honesty, and high ethical standards in all commercial and social relationships.

Respect for the Environment and Society: To act in accordance with legal regulations while striving to reduce environmental impacts and enhance social benefit.

Resource Management and Efficiency: To promote the efficient use of natural resources such as water, soil, and energy, and to support sustainable growth.

Participatory Management Approach: To strengthen a safe and inclusive working environment where employees can share their ideas.

Teamwork: To embrace a team culture that emphasizes knowledge sharing, collaboration, and focus on common goals.

3.3. MILESTONES

2020
Acquisition of Sunset Kimya which led to a rapid increase in the number of international licenses

2021
Arma İlaç becomes part of HEKTAŞ

Initiation of factory investment in Balıkesir for domestic pet food production

Inclusion in the BIST 30 reserve list

2022
Acquisition of 51% of Agriventis Technologies

HEKTAŞ joins the BIST 30 Index

Establishment of HEKTAŞ Asia LLC in Tashkent, Uzbekistan

2023
Initiation of the public offering process of Ferbis

Withdrawal from the Animal Health segment

2024
Capital increase through rights issue, raising the capital to TRY 8,430,000,000

2019
Incorporation of AREO Seed and commencement of operations at the Seed R&D Center

HEKTAŞ joins the BIST 50 Index

2018
HEKTAŞ joins the BIST 100 Index

Entry into the pet nutrition and care industry

2017
Acquisition of Ferbis Tarım

Organomineral fertiliser production commenced in Adana

1956
Foundation of HEKTAŞ in Adana for the production and marketing of human pharmaceuticals, bringing together the knowledge and expertise of doctors, chemists, pharmacists, and agricultural engineers

1963
OYAK becomes a shareholder in HEKTAŞ

1981
Public offering of HEKTAŞ

1986
HEKTAŞ starts trading on İstanbul Stock Exchange

1991
HEKTAŞ transfers its operations to the high-capacity, modern facility in the Gebze Organized Industrial Zone

2005
Establishment of the Animal Health division

3.4. PRODUCTION PLANTS

With its innovative production approach, technological infrastructure, and quality-oriented process management, HEKTAŞ possesses a strong manufacturing structure that meets the needs of the agricultural sector. Through its modern facilities situated in various geographical regions, HEKTAŞ sustains a wide-ranging production capacity serving both domestic and export markets, and develops solutions that are environmentally friendly, productivity-focused, and aligned with sustainable agriculture. The Company's production infrastructure is continuously strengthened through R&D and digitalization investments, operating in compliance with national and international quality standards.

Through its modern facilities situated in various geographical regions, **HEKTAŞ sustains a wide-ranging production capacity serving both domestic and export markets,** and develops solutions that are environmentally friendly, productivity-focused, and aligned with sustainable agriculture.

Headquarters and Plant Protection Products Production Facility (Kocaeli)

HEKTAŞ has been conducting its operations since 1991 at a modern, high-capacity production facility in the Gebze Organized Industrial Zone, Kocaeli. Spanning approximately 75,000 m², including 32,723 m² of enclosed space, the facility manufactures crop protection, plant nutrition, technical materials, and biocidal products. By 2024, production volumes reached a total of 10,418 tons, consisting of 3,192 tons of technical materials and 7,226 tons of finished products.

In line with the Company's digitalization vision, the automation and modernisation process initiated in 2020 was completed in 2022, and the facility was restructured in accordance with Industry 4.0 standards. Production lines were equipped with robotic systems, enabling all processes to be monitored through a central software platform. High quality standards are ensured in products through quality monitoring and real-time analyses.

HEKTAŞ became one of the leading companies in the sector to implement the QR code application under the Plant Protection Products Stock Tracking System (PPST) of the Ministry of Agriculture and Forestry. This system ensures the traceability of products and combats unregistered production.

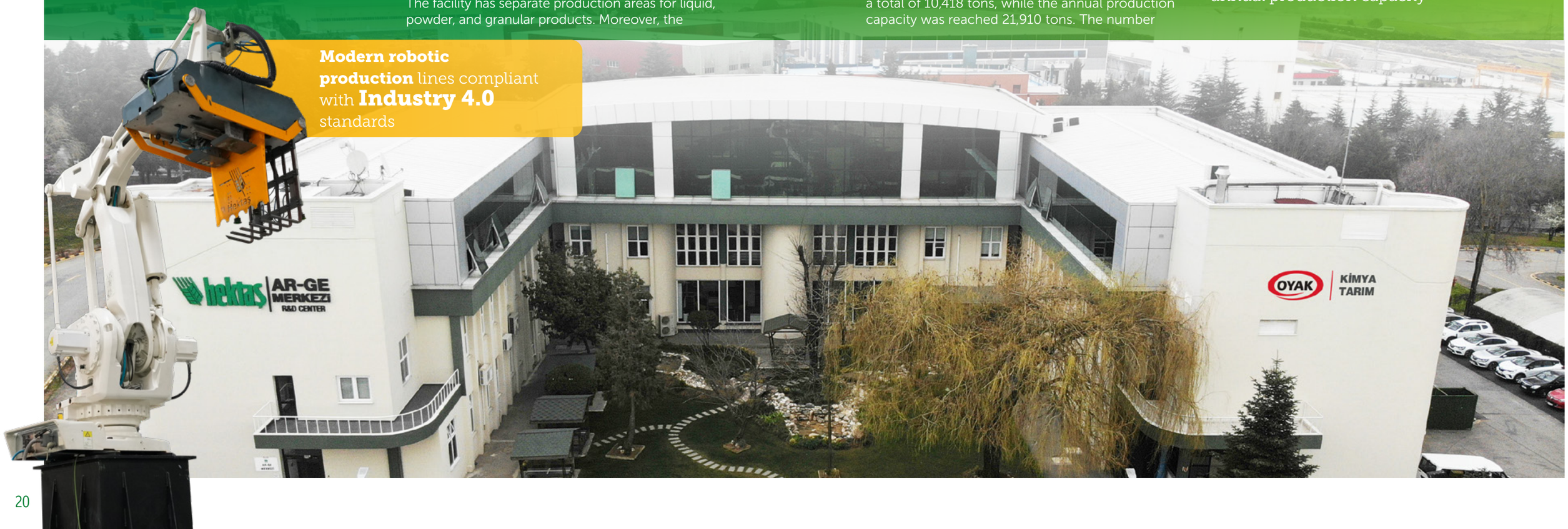
The facility has separate production areas for liquid, powder, and granular products. Moreover, the production areas are structured by product type, with herbicides, fungicides, and insecticides manufactured in separate, independent units. Occupational Health and Safety (OHS), the Regulation on the Control of Major Industrial Accidents (BEKRA), and Environmental Management System practices are implemented as priorities, with full compliance to environmental legislation ensured across all processes. The facility also holds ISO 9001, ISO 14001, ISO 45001, and ISO 27001 quality management system certifications. In addition, with the 'Certificate for Plant Protection Products Permitted in Organic Agriculture,' the Company also produces environmentally conscious products.

As of 2024, finished product production reached a total of 10,418 tons, while the annual production capacity was reached 21,910 tons. The number of licensed products has shown a steady increase over the years, reaching 233 as of 2024. With this production infrastructure, HEKTAŞ continues its operations by strengthening its competitiveness in both domestic and international markets.

As of 2024,

10,418 tons
finished product production

21,910 tons
annual production capacity



Modern robotic production lines compliant with **Industry 4.0** standards

3.4. PRODUCTION PLANTS

FERBIS Plant Protection Products Production Facility (Niğde)

The Ferbis Production Facility, incorporated into HEKTAŞ in 2017, is located in the Niğde Bor Organized Industrial Zone on an area of 24,000 m² and produces plant protection and plant nutrition products within its 17,394 m² enclosed space. With its newly completed production blocks and expanded warehouse areas, the facility has become one of the leading production centres in Türkiye's agrochemical sector.

The facility's logistics infrastructure has been strengthened; the finished goods warehouse capacity has been increased to 4,000 pallets, and the raw material storage area to 3,000 m². As part of investments to increase production capacity, advanced technology machines and automation systems have been commissioned.

The facility includes physical and chemical analysis labs to assure product quality by conducting pH, density, emission, and instrumental analyses. In addition, a zero-waste system has been established at the facility, for which a Zero Waste Certificate has been obtained, and all waste is managed in accordance with regulations and the zero-waste management system.

Ferbis aims to reduce Türkiye's external dependence by producing for both domestic and international markets. The 'Certificate for Plant Protection Products Usable in Organic Agriculture'demonstrates its environmentally conscious and ecological production approach.

OHS and environmental compliance are among the facility's priorities, and production activities are carried out in line with ISO 9001:2015, ISO 14001:2015, and ISO 45001:2018 certifications. At the facility, technical substances, liquid forms, herbicides, and powder formulations are produced. As of the end of 2024, total production had reached 3,646 tons, while the annual production capacity was set at 12,272 tons.

As of 2024,
3,646 tons
total production

12,272 tons
annual production capacity

Facilities with waste systems
compliant with
Zero Waste Certificate
regulations

3.4. PRODUCTION PLANTS

HEKTAŞ Organomineral Fertiliser Production Facility (Adana)

HEKTAŞ carries out organomineral fertiliser production at its facility in Sarıçam, Adana, which covers approximately 20,000 m² and was modernised and brought into operation in 2022. In the facility with a capacity of 99,000 tons, both subsoil and surface granular fertilisers are produced with the support of advanced technology laboratories.

By improving soil structure, organomineral fertiliser increases bacterial activity, boosts water and nutrient retention, and lowers the demand for chemical fertilisers while reducing nitrogen losses. In addition, it contributes to long-term soil fertility by reducing heavy metal accumulation in the soil. In 70% of agricultural lands in Türkiye, the organic matter content is at the level of 0.6%, which increases the need for the said fertiliser.

Through its efforts in this field, HEKTAŞ supports sustainable agriculture in alignment with the United Nations (UN) 2030 Sustainable Development Goals (SDGs) and reduces the need for imported chemical fertilisers by up to 50%. Continuing its quality-oriented production approach under the TRADITE PREMIUM brand, the Company achieved a production volume of 13,781 tons in 2024. Production at the facility is conducted in accordance with ISO 9001:2015, ISO 14001:2015, and ISO 45001:2018 standards.

As of 2024,

13,781 tons
production volume

99,000 tons
annual production capacity

%50 reduction rate in the annual need for imported fertiliser.

Continuing its quality-oriented production approach under the **TRADITE PREMIUM** brand

3.4. PRODUCTION PLANTS

HEKTAŞ F.A.R.M. (Farming, Analysis, Research & More) (Bursa)

To support sustainable agriculture and develop digital farming solutions, HEKTAŞ established HEKTAŞ F.A.R.M., Türkiye's first Agricultural Research and Modelling Center, on 634 decares of land in Orhangazi, Bursa. At this center, selected for its microclimate characteristics and strategic location, integrated crop production, seed breeding, soilless farming, and R&D activities are carried out with smart farming technologies.

Across 370 decares within the center, fruits, vegetables, and field crops are cultivated; achieving quality production in modern greenhouses using natural pollination and automated systems. Seed breeding is carried out by its subsidiary, AREO Tohum.

Furthermore, the center offers practical training to sector stakeholders with its 137-room guesthouse, congress and training halls, agricultural museum, and R&D laboratories. Over 10,000 visitors were hosted at the HEKTAŞ F.A.R.M site between 2021 and 2024.

HEKTAŞ F.A.R.M. contributes to Turkish agriculture's resilience against climate change through **waterless-efficient techniques, digital production and sustainable practices.**

Türkiye's first Agricultural Research and Modelling Center, on 634 decares of land

3.4. PRODUCTION PLANTS

Ankara High Technology Center (Ankara)

HEKTAŞ launched R&D activities in the final quarter of 2019 focused on producing biological inputs including protein-based plant nutrients, beneficial microbes, and organic acids. In this context, the 'High Technology Center' was established in Sincan, Ankara, with the aim of reducing external dependency in the fertiliser market, lowering imports, and introducing value-added products to the sector that support food safety and environmental health by minimising the use of chemical and animal fertilisers.

Established with the support of regional incentives, this facility is one of Türkiye's most advanced centers in the field of biological products, with a production capacity of 21 million liters. As of 2024, production at the center reached 240,000 liters. Through the R&D and P&D activities carried out at the facility, the aim is to introduce high value-added products to the market that will support domestic production.

In line with this strategy, 17 different products have been registered and introduced to manufacturers so far. As part of long-term planning, work continues on the development of new biological products.

Operating on a total area of 12,000 m², the High Technology Center reinforces HEKTAŞ's leadership in sustainable agriculture and biological input production.

As of 2024,
240,000 liters
production volume

21 million liters
production capacity

3.5. SUBSIDIARIES AND AFFILIATES

In line with its sustainable growth strategy, HEKTAŞ makes strategic investments through various subsidiaries and affiliates both in Türkiye and abroad, aiming to expand its fields of activity and reinforce its integrated agriculture approach. Through these structures, the Company provides specialised solutions in critical areas such as plant nutrition, crop protection, seed production, fertiliser manufacturing, and agricultural technologies, while also gaining access to new markets and enhancing its international competitiveness. With its affiliate structure, HEKTAŞ continuously strengthens not only its production capacity but also its effectiveness in R&D, exports, and sustainable agriculture.

Ferbis Tarım Ticaret ve Sanayi A.Ş.
Subsidiary – Shareholding: 100%

Acquired by HEKTAŞ in 2017 as part of its strategic growth objectives, Ferbis has specialised in the production of lower- and mid-segment crop protection products, rapidly expanded its licensed product portfolio, and strengthened its presence in both domestic and international markets. The production facility located in the Niğde-Bor Organized Industrial Zone stands out with advantages such as its location, investment incentives, and low earthquake risk, while providing logistical access particularly to the GAP (Southeastern Anatolia) and Çukurova regions.

Ferbis' portfolio covers herbicides, insecticides, fungicides, and plant growth regulators; product diversity is further expanded with the increase in licensed products and the addition of new mineral oil-based products. The number of licensed products, which was 30 in 2020, reached 123 as of 2024. As part of its international expansion, Ferbis exports particularly to the Turkic Republics, contributing to HEKTAŞ's global growth strategies.

With R&D investments and strengthened production infrastructure, Ferbis provides active technical support in the field, contributing to sustainable agriculture and continuing to create value for farmers under the motto 'The Innovative Face of Efficient Agriculture.

AREO Tohumculuk Ar-Ge Sanayi ve Dış Ticaret A.Ş. Subsidiary – Shareholding: 100%

Acquired by HEKTAŞ in 2019, AREO Seed is a strategic R&D investment focused on the development of domestic hybrid vegetable and industrial plant seeds. Operating on a total area of 43,300 m² at the Antalya Akdeniz University Technopark campus and the production site in Köşk, Aydın, AREO aims to reduce Türkiye's dependence on foreign seeds and enhance food security through modern breeding techniques.

With its "Local R&D, Local Seeds" approach, the Company introduced 28 registered varieties to the market during 2023–2024 and accelerated its R&D processes through innovative methods such as speed breeding, molecular markers, and tissue culture. With the aim of reducing external dependency, AREO has developed projects in the field of domestic hybrid vegetable and industrial plant seeds and expanded its exports to the Turkic Republics and Middle Eastern countries.

AREO stands out with its high female employment rate (60%), postgraduate-educated staff, collaborations with universities and research institutes, and advantages gained from technopark incentives; and aims to expand its contract-based cotton seed production area to 12,000 decares by 2025. With its export-oriented approach that supports local production and sustainable agriculture, AREO Seed plays a critical role in Türkiye's agricultural transformation.

Sunset Kimya Tarım Ürünleri ve Aletleri İmalat Pazarlama Sanayi ve Ticaret A.Ş.
Subsidiary – Shareholding: 100%

In addition to its domestic operations, HEKTAŞ has taken steps towards becoming a global agricultural company and, in line with its long-term growth objectives, acquired Sunset Kimya Tarım Ürünleri, one of the leading players in the crop protection market, in 2020. Sunset Kimya exports to seven countries besides Türkiye and these countries are Azerbaijan, Iraq, Kazakhstan, Cyprus, Kyrgyzstan, Uzbekistan, Tajikistan.

With 95 licensed crop protection products in its portfolio, Sunset Kimya Tarım Ürünleri provides significant agricultural solutions in the domestic market and also holds 310 licensed crop protection products abroad. The acquisition represents an important step for HEKTAŞ toward increasing its market share by entering new markets both domestically and internationally, particularly in the Middle East and the Caucasus.

HEKTAŞ, with its existing subsidiary structure, continuously strengthens not only its production capacity but also its effectiveness in the fields of **R&D, export, and sustainable agriculture.**

Agriventis Technologies Pty Ltd. (Australia)
Subsidiary – Shareholding: 51%

In line with its vision of sustainable and climate-friendly agriculture, HEKTAŞ acquired a 51% stake in the Australia-based seed company Agriventis Technologies, thereby securing a strategic position in the global market. Known for its drought-tolerant and low-water-use seed lines, Agriventis offers innovative solutions particularly in the forage crops segment under the brand 'Graze & Grain.'

The Company's product portfolio includes strategically important species such as sesame, adzuki bean, moth bean, Texas cowpea, Desi chickpea, and sorghum, which are planned to be introduced to the commercial market between 2025 and 2026. Backed by intellectual property investments and DNA certification processes, these varieties are being expanded across the Australian, American, and Asia-Pacific markets. In addition, research and development activities are supported through collaborations with various universities, primarily Central Queensland University.

Agriventis also continues its product development strategy in protein extraction and the healthy food segment, while increasing production volumes of species, such as sesame, for both domestic and export markets. HEKTAŞ's investment has been undertaken in line with its goal of developing agricultural solutions that are compatible with the global climate crisis and have a low environmental footprint.

3.5. SUBSIDIARIES AND AFFILIATES

HEKTAŞ offers specialized solutions in critical areas such as plant nutrition, crop protection, seed production, fertiliser manufacturing, and agricultural technologies, while also increasing its international competitiveness by accessing new markets.

HEKTAŞ Asia LLC (Özbekistan)
Subsidiary – Shareholding: 100%

In line with Uzbekistan's modernization-oriented reforms in the agricultural sector, HEKTAŞ established HEKTAŞ ASIA LLC, headquartered in Tashkent, in 2022 to transfer its expertise to the Central Asian market. This strategic investment is significant not only for Uzbekistan but also in terms of export opportunities covering the Turkic Republics in the region.

With the objective of enhancing agricultural productivity in the country, a plant protection production facility with an annual capacity of 30,000 tons is planned to be established in the country. The conscious and proper use of plant protection products stands out as a crucial necessity for productivity.

Accordingly, in August 2024, an agreement was signed with the OSTIM Global Türk Sanoat Klasteri Directorate to lease a 10-hectare area within the "Uzbek-Turkish Industrial Cluster". The agreement also includes an extension option at the end of the term. HEKTAŞ's investment aims to support the dissemination of sustainable farming practices and to foster regional agricultural development.

Takimsan Tarım Kimya Sanayi ve Ticaret A.Ş.
Subsidiary – Shareholding: 99,78%

HEKTAŞ owns a company named Takimsan Tarım Kimya San. ve Tic. A.Ş., from which it utilizes the licenses of crop protection products.

Çantaş Çankırı Tuz Ürünleri Üretim ve Dağıtım A.Ş.
Affiliate – Shareholding: 0,37%

Çantaş Çankırı Tuz Ürünleri Üretim ve Dağıtım A.Ş., established in Çankırı for the production and distribution of salt and formerly operating in the region, is currently an inactive affiliate. Considering that Çantaş's financial statements are assessed both on an individual and consolidated basis, and that its operating volume is limited with no material impact on the financial statements, this subsidiary is excluded from the scope of consolidation.

3.6. PRODUCTS AND SERVICES

Since its establishment, HEKTAŞ has maintained its market leadership in its business lines and continues to create added value through a quality-oriented production approach. Adopting a "from farm to fork approach", the Company is involved in every stage of production and provides a broad spectrum of services, including crop protection, plant nutrition, and seed operations. In addition to these operations, R&D operations in the relevant fields are carried out at the Ankara High Technology Center, HEKTAŞ Headquarters, and Orhangazi facilities.

Aiming to enhance farmers' productivity and promote sustainable agricultural practices by offering a broad range of products and services addressing all needs of the agricultural sector, the Company classifies its offerings under three main categories:

Plant Protection Products

- Fungicides
- Herbicides
- Acaricides
- Insecticides
- Fumigants and Nematicides
- Harvesting Aids and Plant Growth Regulators
- Winter Struggle Medicines And Summer Oils
- Spread-Adhesives
- Pheromones
- Biological Products

Plant Nutrition Products

- Organomineral Fertilisers
- Special Content Liquid and Powder Fertilisers
- Microgranule Fertilisers
- Smart Base Fertilisers
- Nitrogen-Containing Top Fertilisers
- Drip Irrigation
- Other

Seed

- Tomato Seed
- Pepper Seed
- Cucumber Seed
- Eggplant Seeds
- Cotton Seed
- Barley Seed
- Wheat Seed
- Bean Seed
- Pea Seed
- Corn Seed
- Sunflower Seeds

3.6.1. Plant Protection

HEKTAŞ has nearly 300 registered products in its portfolio, including insecticides, fungicides, herbicides, and plant growth regulators, enabling farmers across Türkiye to combat harmful organisms. The production of these products, which include both conventional chemicals and biotechnological solutions, is carried out at the HEKTAŞ Headquarters, the Ferbis facility located in Niğde, and in Uzbekistan.

3.6.2. Plant Nutrition

Providing specialised fertiliser formulations that enhance plant health and productivity, HEKTAŞ produces solid and liquid fertilisers as well as customised plant nutrition products. Through its production and processing facility located in Adana/Sarıçam, organomineral fertiliser production is carried out, and these products stand out with environmentally friendly solutions that improve water retention capacity and soil structure. Furthermore, the High Technology Center in Ankara produces new-generation liquid plant nutrition products.

3.6.3. Seed

Developing hybrid seeds for vegetables and field crops under the AREO Seed brand, HEKTAŞ plays a strategic role in the seed sector with high-yielding varieties that are locally produced, climate-adapted, and disease-resistant. Seed breeding and production are carried out at the AREO Seed facilities in Antalya. In 2021, a Seed Technologies Center was commissioned within the facility. Furthermore, as part of the R&D projects undertaken at the Orhangazi facility, vegetables and field crops are produced in a smart greenhouse setting. More than 25 varieties have been registered in the last four years.

At the HEKTAŞ Gebze R&D Center the registered seed portfolio has been expanded, and following the 14-chromosome Siyez wheat varieties Atasiyez and Mergüze, four new bread wheat varieties (Süngü, Gazi 38, Kahraman, and Ulubaş) developed by the R&D Centre have been registered and added to the national variety list. In addition, the standard registration process of the wheat varieties whose breeding studies have been completed is ongoing at official institutions.

3.7. ACHIEVEMENTS AND AWARDS

HEKTAŞ has achieved significant successes in many areas, including R&D investments, export performance, industry rankings, and corporate reputation. These achievements are indicative of the Company's approach focused on sustainable growth, innovation, and customer satisfaction. The awards and achievements obtained throughout the year have reinforced HEKTAŞ's strong position in the sector.

Subject	Description
R&D Expenditures	HEKTAŞ was placed at the top of the "Türkiye's 250 Companies with the Highest R&D Expenditures" list published by Turkishtime in 2024, ranking first in the Chemicals and Chemical Products sector as the company allocating the highest resources to R&D.
Export Achievement	Within the scope of the Export Stars Awards organized by the Istanbul Chemicals and Chemical Products Exporters' Association (İKMİB), HEKTAŞ has been awarded the "Star of Export" for the sixth consecutive time.
R&D Awards	HEKTAŞ received two Crystal Mortar Awards in the categories of "R&D National Patent Count" and "R&D Trademark Count" at the 12th International Pharmaceutical Chemistry Congress held by the Chemists' Association.
Corporate Image and Satisfaction	According to a study conducted by an independent and accredited research institution, HEKTAŞ has surpassed global brands with 100% brand recognition and a customer satisfaction rate of over 90%.
University-Industry Collaboration	HEKTAŞ Tohum (Seed) was granted the "University–Industry Collaboration Award" at the 8th Mediterranean Informatics Summit in recognition of its successful implementation of effective university–industry collaborations.

HEKTAŞ has achieved significant successes in many areas, **including R&D investments, export performance, industry rankings, and corporate reputation.**

Turkishtime AR-GE 250 2024

"Türkiye's 250 Companies with the Highest R&D Expenditures" list published by Turkishtime, ranking first in the Chemicals and Chemical Products sector as the **company allo-cating the highest resources to R&D**.

04

CORPORATE GOVERNANCE

04. CORPORATE GOVERNANCE

4.1. CORPORATE STRUCTURE

HEKTAŞ conducts its operations with the awareness that strong corporate governance lies at the core of **sustainable success and corporate value creation.**

As a publicly traded Company, it fulfils its responsibilities to stakeholders in accordance with corporate structure, transparency, accountability, and ethical principles. In line with this approach, the Company regards corporate governance principles not merely as a compliance requirement but also as an integral part of sustainable growth and stakeholder relationships built on trust.

The Company integrates the OECD Guidelines for Multinational Enterprises into all its operations. Within this framework, respect for human rights, protection of employee rights, environmental responsibility, anti-corruption, fair competition, compliance with tax obligations, and safeguarding of consumer rights are among the core principles. In line with the OECD Guidelines, HEKTAŞ adopts an ethical, transparent, and sustainable approach to conducting business across all its operations.

As one of the companies with the most extensive sales network in Türkiye, HEKTAŞ reinforces its industry leadership not only through commercial success but also through its strong sense of corporate responsibility. A high level of compliance is maintained with the Capital Markets Law and the regulations of the Capital Markets Board (CMB), while the principle of full adherence to legislation is adopted in decision-making processes.

Corporate governance mechanisms have been actively implemented since 27 February 2012, with the aim of promoting a governance culture across the Company. HEKTAŞ ensures full compliance with all mandatory principles set forth in the Communiqué on Corporate Governance. For voluntary principles, a continuous improvement approach is adopted, and the level of compliance is further increased each year. By the end of 2024, in instances where full compliance with the voluntary principles in effect has not yet been attained, no conflicts of interest have arisen among stakeholders.

The Corporate Governance Compliance Report (CGCR) and the Corporate Governance Information Form (CGIF) are disclosed to the public each year together with the annual reports, and developments regarding governance performance are regularly presented. Should there be any changes in these documents within the period, special circumstance disclosures are issued, and the related information is reflected in the interim reports as well. In the upcoming period, HEKTAŞ will continue its efforts to improve corporate governance practices, further enhance compliance with voluntary principles not yet fully implemented, and strengthen the effectiveness of its governance mechanisms.

4.1.1. Board of Directors

HEKTAŞ's Board of Directors fulfils its duties and authorities in compliance with the provisions of the Turkish Commercial Code and the Company's Articles of Association. Commitment to ethical principles and adherence to the prohibition of competition form the basis of the Board's governance approach. The Board plays an active role in making strategic decisions aimed at ensuring the Company's sustainable growth and enhancing stakeholder value. The Board of Directors of HEKTAŞ consists of 8 members in total, including 3 independent members.

OMSAN Lojistik A.Ş.
Representative: Turan EROL
Chairperson of the Board of Directors

Akdeniz Chemson Kimya San. ve Tic. A.Ş.
Representative: Hüseyin Fazıl ORAL
Vice Chairperson of the Board of Directors

OYTAŞ İç ve Dış Ticaret A.Ş.
Representative: Volkan ÜNLÜEL
Member of the Board of Directors

OYAK Denizcilik ve Liman İşletmeleri A.Ş.
Representative: Erhan AKGÜL
Member of the Board of Directors

OYAK Pazarlama Hizmet ve Turizm A.Ş.
Representative: Ferhat BAĞLARLIOĞLU
Member of the Board of Directors

Bülent Şamil YETİŞ
Independent Member of the Board of Directors

Murat Dertli ERKER
Independent Member of the Board of Directors

Kurtuluş Bedri AROĞLU
Independent Member of the Board of Directors

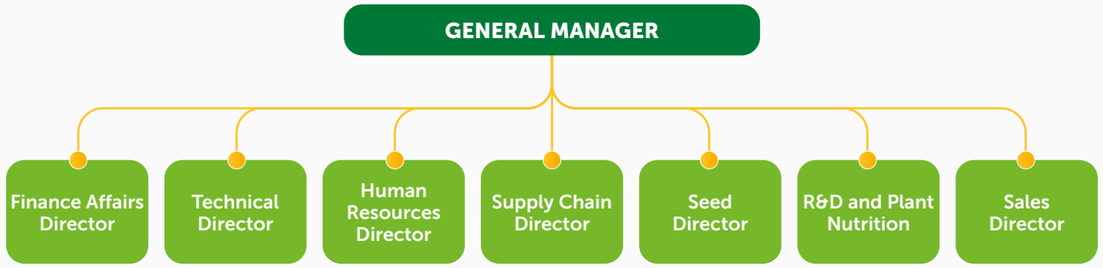
*The Board members of 2024 were changed in 2025 by a resolution of the General Assembly. The table shows the members of the Board of Directors for the year 2025.

HEKTAŞ establishes a well-balanced Board of Directors by appointing members with complementary professional backgrounds and proven expertise, that align with the Company's culture, scale, and areas of activity. The composition of the Board ensures adequate representation of financial literacy, capital markets experience, and sector-specific knowledge, thereby enabling the effective oversight of strategy, risk, and performance while safeguarding the interests of all stakeholders.

4.1. CORPORATE STRUCTURE

4.1.2. Management Team

HEKTAŞ Senior Management ensures that operational activities are carried out effectively, efficiently, and sustainably in line with the Company's vision and strategic objectives. Under the leadership of the General Manager, the directors assume managerial responsibilities in critical functions such as Finance, Technical Affairs, Human Resources, Seed Management, Supply Chain, R&D and Plant Nutrition and Sales, contributing to the enhancement of corporate performance. The Senior Management team, with its sectoral expertise and managerial experience, aims to strengthen the Company's competitiveness and fulfill stakeholder expectations.



HEKTAŞ Senior Management ensures that operational activities are carried out effectively, efficiently, and sustainably in line with **the Company's vision and strategic objectives.**

4.1.3. Committee Structure

Pursuant to Article 20 of the Company's Articles of Association; the duties, working principles, and relations with the Board of Directors of the committees that are required to be established under CMB (Capital Markets Board) regulations and Article 378 of the Turkish Commercial Code are determined in accordance with the relevant legislation. The committees directly affiliated with the Board of Directors are: Audit Committee, Corporate Governance Committee, and Early Detection of Risk Committee. All committees submit their meeting minutes and evaluations to the Board of Directors. Information regarding the Sustainability Committee is provided in the Sustainability Governance Structure section.

Committee	Position	Name-Surname	Qualification	Meeting Frequency
Audit Committee	Chairperson	Bülent Şamil YETİŞ	Independent Member	At least four times a year, once every three months.
	Member	Murat Dertli ERKER	Independent Member	
Corporate Governance Committee	Chairperson	Kurtuluş Bedri VAROĞLU	Independent Member	At least four times a year, once every three months.
	Member	Murat Dertli ERKER	Independent Member	
	Member	Tuba BEKTAŞ	Head of Investor Relations	
Early Detection of Risk Committee	Chairperson	Bülent Şamil YETİŞ	Independent Member	At least six times a year, once every two months.
	Member	Murat Dertli ERKER	Independent Member	

*The Committee members of 2024 were changed in 2025 by a resolution of the General Assembly. The table shows the Commitee members for the year 2025.

4.2. EFFECTIVE RISK MANAGEMENT

HEKTAŞ considers corporate risk management a strategic priority within the framework of its sustainable growth vision. An integrated and holistic corporate risk management approach has been adopted for the Company's long-term value creation and business continuity. In this context, in addition to financial and operational risks, sustainability- and climate change-related risks are systematically identified, prioritised, monitored, and managed.

The Early Detection of Risk Committee is at the core of the Company's risk management activities. The duties, powers, and responsibilities of the Committee are defined in a written Internal Directive, and the Committee meets regularly every two months, and its resolutions are presented to the Board of Directors in written reports. The Committee's primary responsibility is to identify in advance the risks that may threaten the existence and sustainability of HEKTAŞ and to develop the necessary measures.

HEKTAŞ addresses risks arising from its operations through a multidimensional framework, and works on a broad risk portfolio that primarily includes financial, strategic, operational, ESG, and climate-related risks.

- HEKTAŞ faces a range of financial risks such as capital risk, market risk, foreign exchange risk, interest rate risk, price risk, credit risk, and liquidity risk. To minimise these risks, derivative financial instruments are occasionally utilised, and cash flows, debt structure, and asset-liability maturity matching are meticulously tracked.
- Strategic and operational risks that may hinder the achievement of corporate targets are evaluated through process-based analyses, while developing strategic products as well as R&D and product innovation efforts contribute to minimising risks. In particular, the development of high value-added products that will reduce import dependency is aimed at mitigating supply chain-related risks.
- HEKTAŞ integrates ESG and climate risks into its corporate risk approach and plans the systematic identification, assessment, and monitoring of these risks through scenario analyses and new methodologies to be implemented under the Türkiye Sustainability Reporting Standards (TSRS). Studies for the identification of climate risks have been completed, the defined risks have been incorporated into the Corporate Risk Inventory, and action plans regarding these risks have been developed. Furthermore, environmental risks are thoroughly assessed within the scope of ISO 14001. The Sustainability Report, published in compliance with the TSRS, examines the relevant issues in detail.

HEKTAŞ manages all risks with a holistic approach for sustainable growth and takes precautions by identifying potential threats in advance.

Risk management activities are not limited to the Risk Committee; they are carried out with broad participation across all units of the Company, guided by a widespread sense of awareness and responsibility. In line with the defined risk appetite, risk parameters are taken into account in all decision-making processes, and control measures are integrated into these processes. Also, with the aim of establishing a more systematic structure for corporate risk management across the Company, institutionalisation efforts have been initiated by referencing international standards.

The Early Detection of Risk Committee and the Board of Directors develop forward-looking risk projections and conduct scenario analyses in line with macroeconomic developments, market conditions, and sectoral changes. As of the reporting period, no critical risk at a scale that would affect the Company's operations is foreseen.

4.3. BUSINESS ETHICS AND COMPLIANCE

As an integral part of its corporate sustainability approach, HEKTAŞ regards commitment to ethical principles as a core value and aims to build trust-driven, transparent, and responsible relationships with all stakeholders. In this regard, a comprehensive system has been established for the definition, implementation, monitoring, and improvement of ethical behaviour standards, with processes structured in line with corporate governance principles.

The code of ethics covers not only employees and managers but also suppliers, business partners, and the entire value chain. Fundamental values such as integrity, reliability, avoidance of conflicts of interest, fair competition, confidentiality, and social responsibility provide an ethical foundation across all business processes. Company policies are based on impartiality and the avoidance of personal interest, and all processes related to insider trading are monitored in strict conformity with CMB regulations. Regarding the acceptance of gifts and representation events, practices exceeding symbolic value have been explicitly restricted.

Principle	Description
Integrity	Honesty and transparency are fundamental in all relations.
Avoidance of Conflict of Interest	No personal or close-circle benefits should be derived during the performance of duties.
Gift Acceptance	No gifts or invitations that could give rise to a benefit are accepted, other than symbolic ones.
Insider Trading	Full compliance with CMB regulations is ensured when trading in Company shares.
Trading with Former Employees	No relationship is established except in cases that do not create an ethical conflict and that meet specified time conditions.
Political Activities	It is forbidden to carry out political activities using Company resources.

The Human Resources Department oversees ethical processes, and the Internal Audit Department ensures the independent oversight of these processes.
The Ethics Committee, established to ensure the integration of corporate ethical principles with corporate culture, consists of the General Manager, the Senior Executive of Technical Affairs, and the Senior Executive of Human Resources, while the reporting responsibility is undertaken by the Senior Executive of Internal Audit. The Ethics Committee evaluates violation reports submitted by employees under strict confidentiality and aims to prevent unethical conduct. The committee, possessing independent and objective decision-making authority, conducts all investigation processes independently of hierarchy, thereby supporting employee trust and ethical responsibility.

To ensure the secure and transparent reporting of ethical violations, multiple communication channels are actively employed. Employees and other stakeholders can submit reports through the Speakhub ethics reporting line, **the web-based platform** (www.remedetikhat.com.tr), **the corporate e-mail** (hektas@etikhat.com), and **the telephone line** (+90 212 403 34 53). In addition, to facilitate the reporting of ethical violations and to ensure that employees can provide feedback in confidence, employee participation is encouraged through suggestion boxes and other internal communication channels. Although no formal application has been made to the HEKTAŞ Ethics Committee so far, it has been publicly declared that any potential applications will be evaluated with transparency and that the necessary reporting will be carried out in full.

HEKTAŞ, adhering to the principle of transparency in stakeholder relations, ensures open and timely access to information, particularly throughout the General Assembly processes. Agenda items, annual reports, and audit documents are shared with shareholders prior to meetings, thereby reinforcing the principles of accountability and participation.

In the workplace, a culture based on inclusiveness, equality, and respect is embraced, fostering a positive environment where individuals with different beliefs, views, and perspectives can work together productively. Religious or political propaganda, discrimination, and behaviours that may lead to conflicts of interest are explicitly prohibited. Through this approach, HEKTAŞ aims not only to ensure legal compliance but also to make ethical values an integral part of its corporate culture.

HEKTAŞ embraces a workplace culture based on inclusiveness, equality, and respect, fostering a positive environment where individuals with different beliefs, views, and perspectives can work together productively.

4.4. INTERNAL CONTROL AND AUDIT

HEKTAŞ has set up a strong internal control and oversight system in accordance with corporate governance principles and regularly revises it to ensure consistency with sustainable corporate performance goals. The internal control system is structured to ensure that the Company's operations are carried out in compliance with legal and internal regulations, to protect assets, and to ensure the effectiveness of control mechanisms related to financial, operational, and ESG matters. The system is also supported by ethical rules and working principles.

The Internal Audit Department is authorised to conduct audits on digital devices and software provided to employees whenever deemed necessary. These audits are conducted on the basis of data security, confidentiality, and legal compliance. The Audit Committee oversees and evaluates the Company's accounting system, financial reporting, independent audit process, and the effectiveness of internal control systems, and reports its findings to the Board of Directors. In 2024, three reports were submitted to the Committee and subsequently evaluated by the independent audit firm.

HEKTAŞ adopts a system in all business processes based on the principles of accountability, transparency, and reliability. Within this framework, the Audit Committee oversees internal control processes related to accounting and financial reporting, evaluates audit and accounting-related complaints submitted to the Company, and develops solution-oriented approaches. The Committee regularly reports to the Board of Directors by auditing the accuracy of the financial statements, primarily overseeing the selection of the independent audit firm and the audit process, and it may also seek consultancy services when deemed necessary and invite senior executives to its meetings.

In line with the principle of transparency in stakeholder relations, prior to the General Assembly, key documents such as the annual report, financial statements, dividend distribution policy, independent audit reports, and the remuneration policy under the Human Resources Regulation are made publicly accessible through the Public Disclosure Platform (PDP) and the Company's website. Through these practices, the participation of all stakeholders in decision-making processes is supported in a timely, accurate, and well-informed manner, further reinforcing the Company's level of accountability.

HEKTAŞ adopts a system in all business processes based on the principles of accountability, transparency, and reliability.

4.5. ECONOMIC PERFORMANCE

In line with its sustainability-centred management approach, HEKTAŞ evaluates its economic performance not solely on financial profitability but also holistically in terms of social benefit and environmental impact. In this context, acting with a growth objective that takes environmental and social factors into consideration, the Company has positioned market diversification and exports in its strategic priority areas.

Despite global economic uncertainties and increasing sectoral costs, HEKTAŞ continues its sustainable growth through practices that enhance strategic flexibility. As of 2024, R&D-focused investments have been prioritised and production operations have continued without interruption through the efficient use of resources. In line with its long-term targets, the Company carries out strategic planning processes with determination and implements measures to enhance production efficiency in compliance with sustainable development principles.

HEKTAŞ is expanding its operations beyond the local market to regional and global scales and implementing investments that strengthen its export potential. In this context, a new company has been established in Tashkent, the capital of Uzbekistan, under the name "HEKTAŞ ASIA LLC," aiming to provide access not only to Uzbekistan but also to other Turkic Republics through this structure. This company, which will operate in the fields of crop protection and plant nutrition, stands out as a significant investment contributing to HEKTAŞ's export-oriented growth strategy.

Conducting its activities in line with the SDGs, HEKTAŞ utilises its resources responsibly and efficiently, makes investment decisions by taking environmental and social impacts into consideration, and aims to align all processes from production to governance with the principles of sustainability. Acting with the vision of creating sustainable value for its shareholders, HEKTAŞ shapes its dividend distribution policies in line with economic conditions. The principle of distributing the entire distributable profit for the period in cash has been adopted, and this approach is reviewed annually by the Board of Directors, taking into account the Company's investment and financing needs, financial leverage ratios, free cash flow, and market expectations. Furthermore, the economic performance of the crop protection, plant nutrition, and seed markets holds material significance for HEKTAŞ.

Plant Protection Market:

The use of agricultural pesticides in Turkey is increasing year on year and is expected **to grow at an annual rate of 1.2%.**

The plant protection market grew by 85% in terms of turnover in 2024, **reaching a value of 37 billion TL.**

Plant Nutrition Market:

The size of the organomineral fertiliser market reached 10.5 billion TL in 2024. Among the critical developments are; the widespread adoption of environmentally friendly fertilisers, the rise of digital agriculture, increasing energy costs, and the initiation of a transformation in the fertiliser sector driven by environmentally friendly agricultural policies in the European Union (EU) and other regions.

Countries are developing strategies to increase local production in order to reduce dependence on external sources for fertiliser supply.

Seed Market:

The global seed industry stands out as a rapidly growing sector in agriculture, with **a trade volume of approximately USD 73 billion. This figure is expected to reach USD 100 billion by 2030.**

As of the end of 2024, the company's sales volume for products in the **plant protection and plant nutrition sectors was 52,362,781 kg,** while the sales volume for products in the seed sector was: open field seeds **144,518 kg,** vegetable seeds **6,516,565 units,** and vegetable trial sales **446,638 kg.**

In the same year, HEKTAŞ's total revenue was 4.867 billion TL.

Economic decisions are made in strict alignment with national and international legislation, with an approach that safeguards stakeholder rights, ensuring a high level of accountability to shareholders.

Despite global economic uncertainties and increasing sectoral costs, **HEKTAŞ** continues its **sustainable growth through** practices that enhance strategic flexibility.

4.6. MANAGEMENT SYSTEMS AND CERTIFICATES

HEKTAŞ carries out its activities in compliance with national and international standards within the framework of the Integrated Management Systems (IMS) approach. This approach adopts an effective management model in key areas such as quality, environment, occupational health and safety, information security, and energy management, and ensures the integrated structuring of all policies, procedures, and instructions. HEKTAŞ's Integrated Management System Policy aims to enhance customer satisfaction, reduce environmental impacts, ensure safe working conditions, and prevent risk at source. Continuous improvement and legal compliance are among the fundamental principles in all processes, and in line with this approach, the systems are reviewed regularly. In this context, the fundamental policies and procedures in effect at HEKTAŞ have been structured to support the corporate system approach. Work has started on the drafting of the Responsible Procurement Policy, scheduled for publication in 2025.

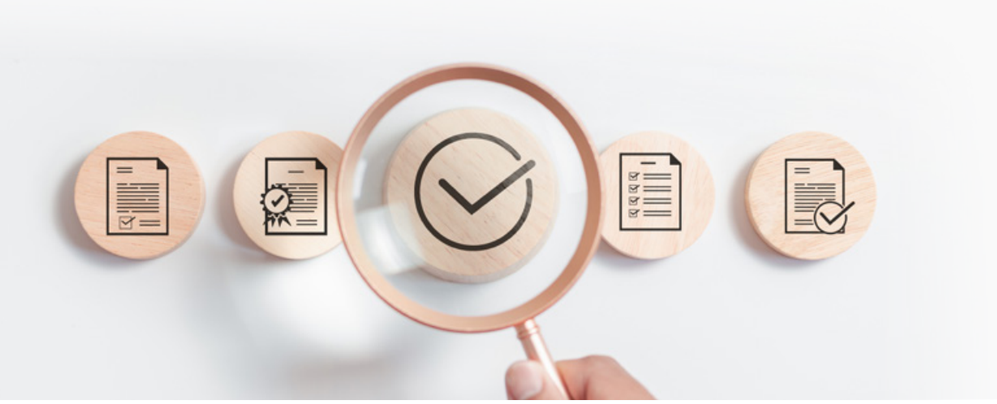
Policy / Procedure

- Integrated Management System Policy
- Sustainability Policy
- Information Security Policy
- Procurement Operations Implementation Procedure
- Human Resources Procedure
- Code of Ethics Procedure

HEKTAŞ holds numerous international certifications and accreditation processes to support sustainable agriculture and enhance the effectiveness of its corporate governance systems. These certifications cover areas such as product safety, information security, and environmental management, reflecting the Company's multi-dimensional understanding of responsibility. Efforts to improve energy efficiency have been initiated at the Gebze facility, and steps are being taken towards obtaining the ISO 50001 Energy Management System certification. The ISO 27001 Information Security Management System processes are carried out under the coordination of the Headquarters, with concurrent support from OYAK and periodic audits conducted during the year.

Facility	ISO 9001*	ISO 14001*	ISO 45001*	ISO 27001
Heasquarters and Plant Protection Products Production Facility (KOCAELİ)	✓	✓	✓	✓
FERBIS Plant Protection Products Production Facility (NİĞDE)	✓	✓	✓	
HEKTAŞ Organomineral Fertiliser Production Facility (ADANA)	✓	✓	✓	

*Each of the ISO 9001, ISO 14001, and ISO 45001 certifications at HEKTAŞ locations has 50% coverage under the Integrated Management Systems.



HEKTAŞ has also made significant progress in certification processes related to sustainable agricultural practices. The Company holds the "Certificate of Plant Protection Products for Use in Organic Agriculture" for 12 different products. At its subsidiary Ferbis, the Company has certified its human and environment-sensitive production processes with the "Certificate of Plant Products for Use in Organic Agriculture" obtained for 11 different products.

HEKTAŞ's Certificates of Plant Protection Products for Use in Organic Agriculture

Ferbis' Certificates of Plant Protection Products for Use in Organic Agriculture

AREO Seed has been accredited with several certificates and official documents under Good Agricultural Practices and GLOBALGAP, which represent another key area of activity in agriculture. These include the GLOBALGAP Certificate, Certificate of Good Agricultural Practices (for controlled and environmentally sensitive production systems), as well as the certificate of seed production, processing, and packaging certificate, the certificate of authorised seed company, and the certificate of research institution issued by the Ministry of Agriculture and Forestry. In addition, AREO Seed products have been registered by the Seed Registration and Certification Centre.

HEKTAŞ regards its certifications not merely as documents but as fundamental tools of sustainable management, and within this scope, aims to continuously improve the integrated systems approach.

05

SUSTAINABILITY APPROACH

05. SUSTAINABILITY APPROACH

5.1. SUSTAINABILITY JOURNEY

At HEKTAŞ, the sustainability approach is not limited to managing environmental impacts; it also encompasses shaping relationships across the entire value chain in line with long-term impacts and responsibilities.

For HEKTAŞ, which directly contributes to the soil, producers, and the natural balance through its position in the agricultural sector, protecting the future of agriculture is not only a natural outcome of its activities but also an integral part of its corporate mission. In this context, approaches focused on conserving natural resources, promoting environmentally friendly practices, and ensuring sustainable growth are adopted. HEKTAŞ's sustainability approach has been placed on an institutional basis through the commitments defined under the Sustainability Policy to be published in 2024. The Sustainability Policy established by HEKTAŞ will support the implementation of the commitments outlined below. The commitments are:

- Ensuring a safe and inclusive working environment based on human rights and employee well-being; and the continuous improvement of the occupational health and safety culture,
- Expanding sustainable production models through the use of digitalisation in agriculture and R&D-based innovative technologies,
- Reducing environmental impact to a minimum by efficient use of natural resources such as water, soil, and energy,
- Making an active contribution to combating climate change and protecting biodiversity.
- Developing sustainable agricultural solutions that will contribute to the food security goals of Türkiye and the geographies in which operations are carried out,
- Contributing to the circular economy through products with low environmental impact,
- Adopting a holistic approach to the corporate risk management process, thereby assessing the impacts of environmental, social, and governance risks on business processes and creating opportunities,
- Minimising direct or indirect waste generation arising from business processes, ensuring the effective segregation, recovery, and environmentally responsible disposal of waste, and continuously improving the related systems,
- Ensuring full compliance with legal regulations and national/international standards,
- Promoting responsible use of resources in the supply chain while adhering to sustainability principles,
- Maintaining a transparent, accountable, and participatory sustainability management approach that takes stakeholder expectations into account.

Sustainability is regarded by HEKTAŞ as a corporate mode of operation in which economic performance and ESG responsibilities are addressed as an integrated framework. Priority is given to providing a workplace that respects human rights, is inclusive and safe, and to promoting employee welfare together with a strong occupational health and safety culture. To improve efficiency and resource utilisation in agriculture, priority is given to digitalisation and research-driven technologies, and sustainable production models are encouraged.

Responsible management of resources including water, soil, and energy is adopted as a principle, and processes are continuously enhanced to minimise environmental impacts. Efforts are actively directed towards climate change adaptation, while agricultural solutions are developed to address food security targets. Products with low environmental impact that support the circular economy are being developed, and practices are implemented to reduce waste arising from operations, ensure its effective segregation and recovery, and disposal thereof through environmentally responsible methods.

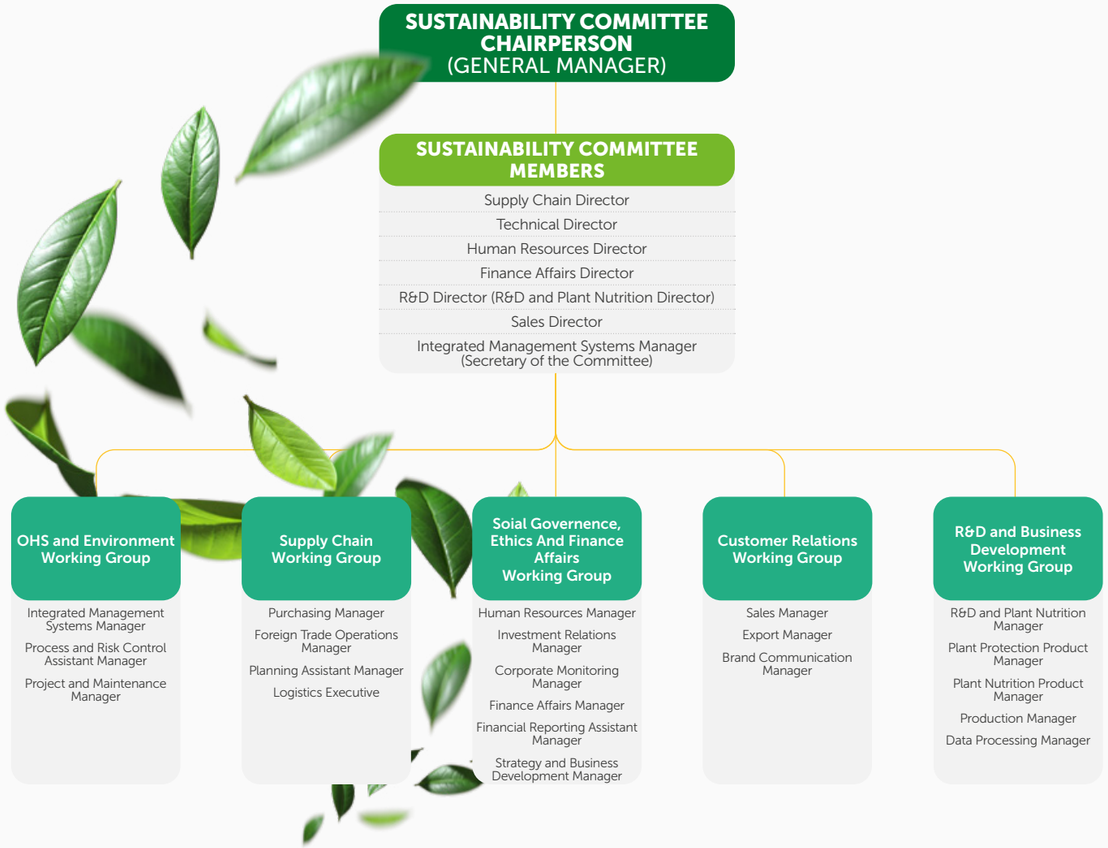
The sustainability approach is not limited to operational practices but is also integrated into the corporate risk management system. While ESG risks are managed from a strategic standpoint, the evaluations carried out are employed to create opportunities in sustainability. HEKTAŞ adopts a transparent, accountable, and participatory sustainability management approach that considers the expectations of all stakeholders, including its suppliers; while sustaining its determination to lead the transformation of the agricultural sector in line with the Sustainable Development Goals (SDGs).

Sustainability is regarded by HEKTAŞ as a corporate mode of operation in which economic performance and ESG responsibilities are addressed as an integrated framework.

5.2. SUSTAINABILITY GOVERNANCE STRUCTURE

At HEKTAŞ, the oversight of sustainability and climate-related risks and opportunities at the corporate level is carried out by the Sustainability Committee. The Committee, established to ensure the effective fulfilment of ESG responsibilities, contributes to the SDGs, and structures sustainability practices across the Company, consists of senior executives and performs its duties actively.

Sustainability Committee Structure



The Committee ensures that the processes for the development, implementation, and monitoring of the sustainability strategy progress in an integrated manner. In this context, guiding all relevant units within the framework of sustainability principles, coordinating sustainability reporting, collecting the required data, and monitoring and implementing legal and voluntary obligations are also among the core responsibilities of the Committee. The five working groups (OHS and Environment Working Group, Supply Chain Working Group, Social, Governance, Impact and Financing Working Group, Customer Relations Working Group, and R&D and Business Development Working Group) positioned under the Committee bring together different experts within HEKTAŞ, monitor priority issues in the field of sustainability, and support the Committee's activities through various initiatives. The responsibilities of the working groups are given in the table.

Working Group	Responsibilities
OHS and Environment Working Group	Ensuring the integration of occupational health, safety, and environmental management systems and compliance with sustainability objectives Collection and reporting of sustainability data Coordination of communication between the Committee's working groups and departments Oversight of legal compliance, risk management and environmental performance Ensuring energy efficiency and infrastructure sustainability
Supply Chain Working Group	Defining sustainable supplier criteria Implementation of international sustainable trade practices Integration of sustainability elements into production planning Development of low-carbon logistics models
Social Governance, Ethics and Financing Working Group	Ensuring diversity, equity, and employee satisfaction Reporting of Board of Directors and General Assembly meetings Development of sustainability-focused strategies Provision of sustainable financing and implementation of credit processes Ensuring data integration of the financial statements with the sustainability report Presentation of sustainability performance to investors
Customer Relations Working Group	Providing sustainable solutions in accordance with customer demands Managing sustainable product strategy in foreign markets Conducting sustainability communication and awareness campaigns
R&D and Business Development Working Group	Developing environmentally friendly products and technologies Mitigation of environmental impacts as part of product lifecycle management Conducting production planning with a focus on energy, water, and waste management Conducting sustainability monitoring and data analysis activities through digitalisation

Raising sustainability awareness among employees, identifying areas for improvement, and developing action plans for these areas are also part of the job description. The processes of identifying, analysing, monitoring, and intervening when necessary in sustainability- and climate-related risks and opportunities are also addressed from a corporate perspective. These activities support the definition of sustainability and climate targets consistent with the Company's general strategy and are further supported through the establishment of sub-working groups on relevant issues and the regular reporting of ongoing activities to the Board of Directors.

The processes of identifying and evaluating risks and opportunities are shared with the Early Detection of Risk Committee when deemed necessary. In this way, risks that may threaten the continuity of the Company are reviewed by considering their likelihood and impacts, making it possible to keep them under control.

It is essential to ensure that the Committee members have the competence, experience, and leadership qualities to evaluate strategies developed for sustainability-focused risks and opportunities. Regular training is provided to enhance the competencies of the members, and a continuous improvement approach is adopted. Processes concerning these duties and responsibilities are explicitly defined and reinforced through official appointments.

Committee meetings are planned to be held at least once every four months, and extraordinary meetings may also be convened when necessary. The dates and agendas of the meetings are determined in advance and notified to the members, and the resolutions adopted along with planned actions are documented and shared to the relevant departments. Comprehensive reporting and briefings are delivered to the Board of Directors at least annually, and sustainability-related developments are communicated to the public through regular engagement with stakeholders.

At the operational level, the Integrated Management Systems Department is responsible for sustainability management. Its scope of duties includes the implementation, development, and continuous improvement of all management systems in the fields of quality, environment, occupational health and safety, energy, information security, and sustainability. Compliance with ISO standards, certification processes, execution of audits, documentation management, and the follow-up of corrective and preventive actions are among the department's core responsibilities.

The Department also coordinates the establishment of sustainability policies and strategies, stakeholder engagement, performance measurement and reporting, carbon and water footprint calculations, and compliance processes with national and international standards. Furthermore, activities related to the safety management system for the prevention of major industrial accidents, risk and opportunity analyses of investment projects, as well as monitoring and reporting processes, also fall within the scope of the department's responsibilities.

5.3. SUSTAINABILITY STRATEGY

HEKTAŞ's sustainability strategy is structured around the pillars of environmental management, social responsibility, economic performance, and corporate governance. Within the scope of environmental management, emphasis is placed on climate change adaptation, the reduction of carbon emissions, the enhancement of resource efficiency, and the development of circular economy practices. In the area of social responsibility, employee health and safety, inclusiveness, and social contribution initiatives are prioritized. Under the dimensions of economic performance and governance, the adoption of ethical business practices, the establishment of effective risk management, and a focus on long-term value creation are fundamental principles. In alignment with the OYAK Sustainability Strategy and Approach, the sustainable products approach is adopted as an integral part of the strategy, aiming to develop innovative solutions that will shape the future of agriculture while provide customers with more environmentally and socially responsible options.

In shaping the strategy, the multidimensional impacts of climate change on environmental, economic, and social structures are taken into consideration. In this context, subsidiaries included in the consolidated financial statements and all value chain activities are analyzed; both existing and potential impacts on the business model, financial performance, cash flows, and operational processes are assessed. Areas where impacts are concentrated are identified, and measures to mitigate risks are determined through systematic planning.

As a result of double materiality analysis and stakeholder feedback, the strategic priorities have been redefined. Within these analyses, issues such as product quality and sustainability, customer orientation and satisfaction, innovation, data privacy and security, and responsible supply chain practices have played a decisive role in shaping the strategy. Based on these findings, risks and opportunities have been linked with strategic objectives; thereby enabling the creation of actions aimed at eliminating or mitigating risks, while transforming opportunities into new value areas.

Through the interaction between strategy and risk management, it has become possible to sustain the sustainability approach in a holistic, dynamic, and resilient structure. Risks and opportunities are monitored regularly, prioritized through risk matrices, and updated when necessary. All climate-related risks and opportunities are continuously reviewed and integrated into strategic decisions. HEKTAŞ's sustainability strategy thus presents a holistic roadmap that aligns with stakeholder expectations and aims to contribute to the agriculture of the future.

HEKTAŞ's sustainability strategy is structured around the pillars of environmental management, social responsibility, economic performance, and corporate governance.

5.3. SUSTAINABILITY STRATEGY

5.3.1. Double Materiality Assessment

As an important component of HEKTAŞ's sustainability strategy, a materiality analysis has been conducted, and within this scope, the double materiality assessment methodology has been applied to assess impacts in ESG areas on a systematic basis. With this methodology, both impact materiality which reflects the positive or negative consequences of HEKTAŞ's activities on the environment, society, and the economy and financial materiality which identifies the potential effects of environmental and social issues on the Company's financial performance, competitiveness, regulatory compliance processes, and long-term value creation capacity were considered in determining the priority topics. In this way, while HEKTAŞ's impacts on the external world were assessed, the potential financial implications of external developments on HEKTAŞ were also analyzed, and the issues of high importance in both dimensions were identified within a holistic framework.

In the course of the study, the requirements of widely accepted sustainability indices and the practices of competitors and peers were thoroughly reviewed, and accordingly, 14 key topics to be addressed within the scope of the analysis were defined. These identified topics were presented to internal and external stakeholders to determine their priority levels.

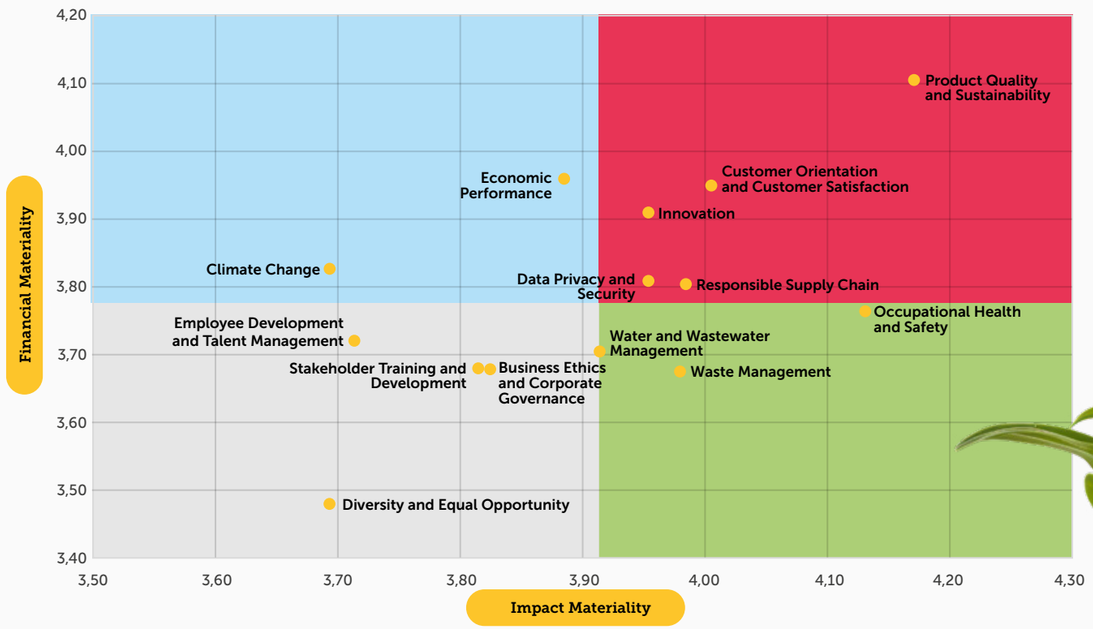
Through the analysis of stakeholder survey results, a double materiality matrix was developed, which systematically highlights the topics of highest significance in terms of both impact and financial relevance. The findings contribute to structuring HEKTAŞ's sustainability strategy in a more focused manner and in alignment with stakeholder expectations.

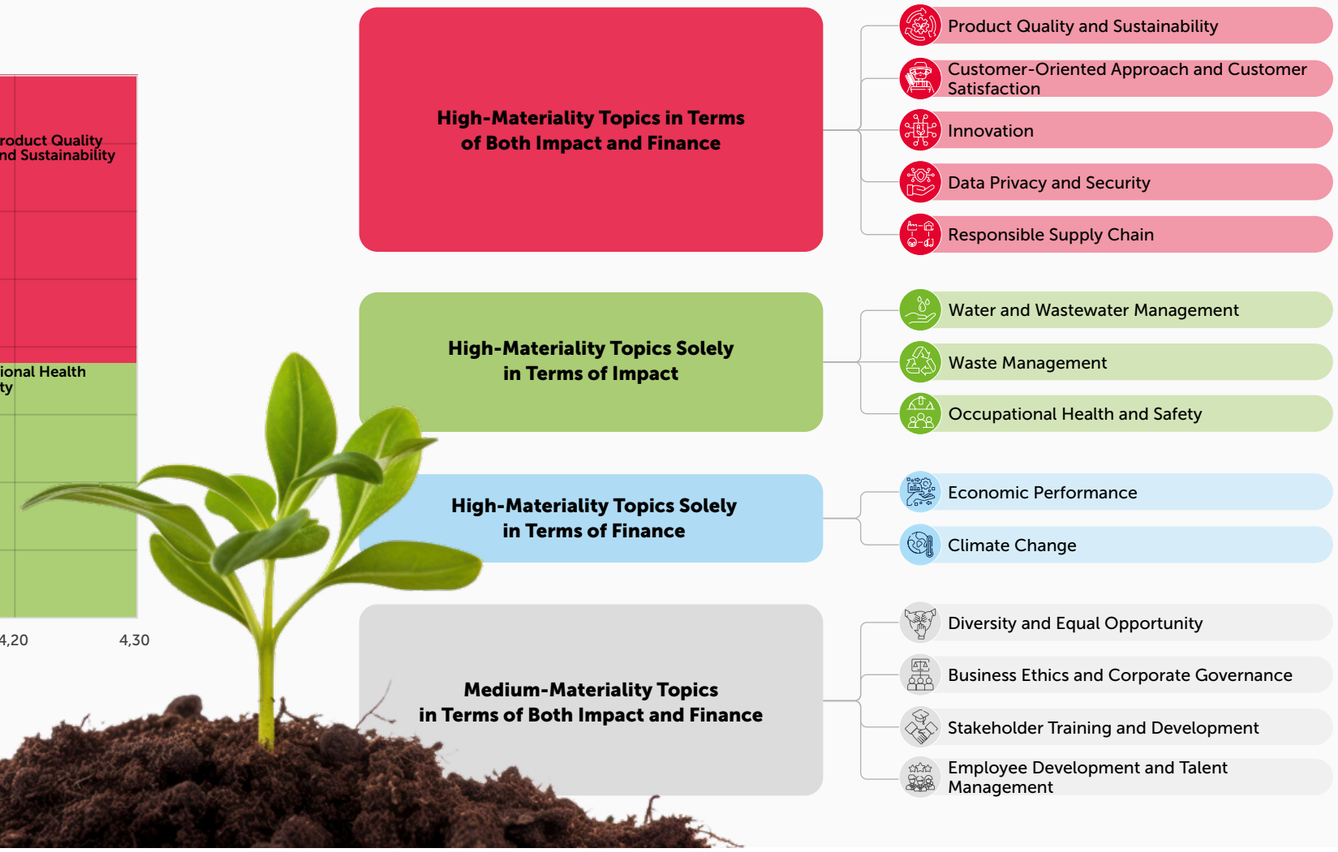
In the double materiality matrix, the X-axis represents impact materiality, while the Y-axis represents financial materiality. This structure enabled the assessment of the issues to be addressed in HEKTAŞ's sustainability strategy with a holistic approach, both in terms of their impact levels and potential financial outcomes.

In the formation of the matrix, the views of both internal and external stakeholders were included, ensuring that stakeholder expectations were systematically and transparently integrated into the analysis process. The findings contribute to understanding current conditions and serve as a guiding tool in shaping the sustainability strategy for the future. In this way, strategic decision-making processes have been grounded on a more solid basis and priorities for long-term value creation have been clearly defined.

As a result of the analyses, five key topics that received high scores in both the impact and financial materiality dimensions of stakeholder assessment were identified as high priorities and placed at the core of the strategy. Additionally, three topics classified as high priority solely in terms of impact, and two topics considered priority only in terms of financial materiality, have also been identified. In this way, the expectations of different stakeholder groups have been taken into account in a multidimensional manner. In addition, four topics with relatively moderate priority in both dimensions have been identified. Although these areas are of lower strategic importance, they continue to be monitored as part of the comprehensive sustainability approach. This comprehensive analysis has enabled HEKTAŞ to design its sustainability strategy within a data-driven and stakeholder-oriented framework.

Double Materiality Matrix





5.3. SUSTAINABILITY STRATEGY

5.3.2. Compliance with the United Nations Sustainable Development Goals

At HEKTAŞ, the commitment to contributing to the United Nations Sustainable Development Goals (SDGs) is positioned as a fundamental part of the Company's corporate values and business model. It is considered that addressing today's environmental and social challenges in alignment with material topics, the sustainability strategy, and strategic objectives plays a critical role in creating meaningful transformation.

Close collaboration is maintained with internal and external stakeholders to identify the most critical sustainability issues. Through this interaction, institution-specific material topics are identified, contributing to the definition of HEKTAŞ's strategic priorities. The topics identified through the prioritisation process are matched with the SDGs that are directly related to HEKTAŞ's core business areas and have high impact potential. In this way, short-, medium-, and long-term targets are shaped in line with these priorities, and projects and initiatives are developed based on the defined goals with the aim of contributing directly to the SDGs.

The SDGs prioritised by HEKTAŞ establish a strong connection with the Company's business strategies and provide guidance in enhancing its environmental, social, and economic impact.

Material Topics	Contributed SDGs
Product Quality and Sustainability	8, 9, 11, 12
Customer-Oriented Approach and Customer Satisfaction	9, 15
Innovation	8, 9
Data Privacy and Security	8, 9
Responsible Supply Chain	8, 12, 13, 16
Water and Wastewater Management	6, 13, 14
Waste Management	8, 9, 13, 15, 17
Occupational Health and Safety	3, 11, 12
Economic Performance	8, 9
Climate Change	7, 9, 11, 13, 14, 15
Diversity and Equal Opportunity	5, 8, 10
Business Ethics and Corporate Governance	8, 11, 16
Stakeholder Training and Development	4, 5, 8, 17
Employee Development and Talent Management	4, 5, 8, 10

As a result of the study carried out to align the material topics with the SDGs, it has been demonstrated that HEKTAŞ contributes directly to 15 of the 17 global goals. These goals include SDGs 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16 and 17. While the material topics do not have a direct contribution to SDG 1 and SDG 2, it is considered that they indirectly support these goals through products and services that enhance the sustainability of agricultural production. Practices that strengthen farmers' economic resilience and increase efficiency in food production are significant in terms of their effects on reducing poverty and combating hunger. These results demonstrate the wide scope of HEKTAŞ's ESG impact areas and its capacity for multidimensional contribution in its sustainable development journey, and reflect the strong alignment between HEKTAŞ's strategic goals and the global sustainability vision.

The SDGs prioritised by HEKTAŞ establish a strong connection with the Company's business strategies and provide guidance in enhancing its environmental, social, and economic impact.

5.3. SUSTAINABILITY STRATEGY

5.3.3. Sustainability Goals and Performance Tracking

Within the framework of sustainability- and climate-focused activities, HEKTAŞ plans to implement specific practices aimed at increasing efficiency in resource use, reducing greenhouse gas emissions, and improving the product lifecycle in line with sustainability criteria.

The Roadmap developed to reduce environmental impacts has been structured to include short-, medium-, and long-term goals. In this direction, initial steps have been taken, and various initiatives have been launched to ensure more efficient use of resources, reduce water consumption, and achieve emission reduction.

In addition, systematic strategies have been developed to monitor and manage the environmental impacts of products throughout their entire lifecycle, and approaches have been designed to support sustainable production and supply practices. These efforts support HEKTAŞ in fulfilling its environmental responsibilities more effectively and enhancing its resilience against climate-related risks. The short, medium and long-term sustainability and climate targets of HEKTAŞ are shown in the table.

Focus Area	0-1 Year (2025)	2-5 Years (2026-2030)	6+ Years (2030-)
Climate Change	Calculation of Scope 1 and 2 emissions	Identification of the necessary requirements for the projection of corporate carbon footprint verification studies in accordance with the ISO 14064 Carbon Footprint Standard.	Initiation of system development studies required for the calculation and monitoring of Scope 3 emissions.
Water and Wastewater Management	Calculation of water footprint in accordance with ISO 14046 Water Footprint Standard and 10% reduction in water consumption.	Inspection of the system infrastructure and identification of requirements to ensure the highest performance in monitoring the calculated water footprint.	Execution of the verification process in accordance with the ISO 14046 Water Footprint Standard.
Product Quality and Sustainability	Identification of the necessary data for calculations and planning of relevant data collection processes in accordance with ISO 14040/44 Life Cycle Assessment (LCA) standards.	Carrying out digital infrastructure preparations and initiating the process of procuring the necessary software to enable data collection in accordance with ISO 14040/44 LCA standards.	Grouping the product portfolio to be included in the LCA study, and making the necessary preparations for at least 1% of the portfolio
Product-Waste	Initiation of project preparations for organising training programmes to raise awareness among farmers on waste management.	Planning the implementation of a training programme for raising farmers' awareness of waste management.	Implementation of the training programme to raise farmers' awareness on waste management
Stakeholder-Supplier	Updating the Supplier Selection and Evaluation Procedure by adding criteria related to social and environmental risks	Ensuring that the changes and new requirements in the Supplier Selection and Evaluation Procedure are effectively conveyed to suppliers.	Implementing a Sustainability Awareness Programme for new key suppliers in addition to the existing supplier evaluation process
Resource-Energy Efficiency	Determining energy-intensive facilities by conducting regular energy audits	Replacement of energy-intensive equipment with equipment that ensures more efficient energy use	Assessing the applicability of renewable energy resources and determining their potential advantages
	Acquisition of the ISO 50001 Energy Management System Certification for plants and enterprises whose total energy consumption is above 1,000 TOE	Initiation of a project to include all relevant production facilities within the scope of the ISO 50001 Energy Management System Certificate.	

5.4. SUSTAINABILITY AND CLIMATE RISK MANAGEMENT

HEKTAŞ adopts a corporate risk management approach to manage sustainability and climate risks; the identification, analysis, management, and monitoring of risks and opportunities are conducted in a systematic and integrated manner. In this process, TSRS S2 Climate-related Disclosures, COSO ERM, and ISO 31000 standards are taken as the basis; the relevant risks are included in the Company's overall risk inventory and monitored periodically.

The Board of Directors and Senior Management are responsible for clarifying the policies, procedures, and control mechanisms related to sustainability and climate issues. The definitions are integrated into the Corporate Risk Management System, and the evaluations are structured in alignment with the internal control system.

In the risk identification process, HEKTAŞ's risk philosophy, strategic priorities, stakeholder expectations, and legal obligations are taken into account; factors such as operational disruptions, regulatory risks, potential cost impacts, and organisational vulnerabilities are analysed.

Each risk is evaluated and ranked based on its probability, potential impact, and the efficiency of current control mechanisms. "High" and "Very High" ranked risks are monitored closely by the relevant units Risks classified as "High" or "Very High" are closely monitored by the relevant units; their oversight is carried out by the Sustainability Committee, and the necessary action plans are submitted to Senior Management approval.

Within this framework, action plans designed based on risk appetite results and containing risk-reducing strategies are detailed with the responsible parties, target dates, and performance indicators. The feasibility and cost-effectiveness of the plans are reviewed and updated at regular intervals. In the risk improvement process, defined risk appetite and tolerance levels are taken into account; root cause analyses are conducted, existing controls are evaluated, and necessary risk responses are developed. Reports are submitted to the Early Detection of Risk Committee.

In audit processes, both the Corporate Governance Committee and the Audit Committee undertake a systematic audit and oversight role to enhance the effectiveness of risk management, internal control, and governance systems. At least once a year, the performance in achieving sustainability and climate targets is evaluated and improvement mechanisms are activated in line with internal audit findings and third-party verifications.

HEKTAŞ's sustainability approach encompasses risks defined across a wide range -from governance to environmental regulations, from social responsibility to competition and consumer protection- and the management strategies developed to address them. Risk categories, their potential impacts, and material topic alignment are presented in a table; this approach reflects the strategic perspective towards sustainability.

5.4. SUSTAINABILITY AND CLIMATE RISK MANAGEMENT

The committees established for effective risk management and the robust action plans are considered indicators of the commitment to continuous improvement and excellence. This section aims to communicate HEKTAŞ's sustainability practices, commitments, and activities to stakeholders in line with the principles of transparency and accountability, while also contributing to the dissemination of best practices in the sector. HEKTAŞ's risks and opportunities are presented in the following tables. While the inherent risk levels are assessed as very high, high, or moderate, the effectiveness of the existing control environment ensures that the residual risk levels are calculated as low. Moreover, HEKTAŞ possesses a wide range of opportunity areas, that are regularly evaluated, and systematic action plans are developed for each. Within this report, only those opportunities deemed to be of strategic importance and assessed as having a very high or high level of significance are presented.

Risks

Risk Description	Risk Category	Risk Type	Time Horizon	Impact Level	Material Topic Alignment
Extreme temperature fluctuations and other severe weather events may adversely affect working conditions, creating risks for employee health and safety. This situation may also impact employee productivity.	Operational	Physical-Chronic	Medium	Low	Climate Change Occupational Health and Safety
The increasing frequency and intensity of extreme weather events, including temperature fluctuations, river floods, and flash floods, have the potential to create significant physical risks. Such events may lead to the temporary suspension of production activities and cause damage to production facilities and storage areas (e.g., solvent tanks, warehouses, etc.).	Operational	Physical-Acute	Short-Medium	Low	Climate Change Waste Management Product Quality and Sustainability
The increase in extreme weather events associated with climate change has the potential to drive up freight and insurance costs. This situation may create additional financial burdens across a broad scope, including facilities, greenhouses, and supply chain insurance.	Financial	Transition-Policy and Regulation	Short	Low	Climate Change Responsible Supply Chain Economic Performance
The transition to technologies with lower emissions has the potential to generate additional investment and operating costs. In the short term, this may increase capital requirements and raise operating expenses, thereby adversely affecting the Company's profitability and competitiveness.	Financial	Transition-Technology	Short-Medium	Low	Innovation Economic Performance Climate Change
The consideration of companies' impacts on climate change and their climate-related mitigation activities by investors and lenders in decision-making processes poses a risk in terms of capital access and partnerships.	Reputation	Transition-Reputation	Short	Low	Economic Performance Climate Change Stakeholder Training and Development
The inability to meet reporting expectations in sharing climate change–related data with the public and the lack of consistency across reports pose a risk in terms of transparency and stakeholder trust.	Compliance	Transition-Policy and Regulation	Short-Medium	Low	Business Ethics and Corporate Governance Stakeholder Training and Development
Price uncertainty and accessibility challenges regarding future alternative raw materials (e.g., green chemistry products)	Financial	Transition-Market	Medium-Long	Low	Economic Performance Responsible Supply Chain Product Quality and Sustainability
Customer payment difficulties due to extreme weather events	Financial	Physical-Acute	Long	Low	Economic Performance Climate Change
The adverse impacts of water scarcity on agricultural productivity may limit farmers' payment capacity, leading to weakened collection of trade receivables and creating risks for the Company's financial stability.	Financial	Physical-Acute	Long	Low	Water and Wastewater Management Economic Performance

Opportunities

Opportunity Description	Opportunity Category	Opportunity Type	Impact Level	Material Topic Alignment
Developing plant nutrition products, seeds, and pesticide formulations resistant to stress conditions and extreme temperatures to enhance the resilience of agricultural production against changing climate conditions.	Operational	Transition-Technology	High	Product Quality and Sustainability Innovation Climate Change
Developing products such as organomineral fertilisers to enhance soil composition.	Operational	Transition-Technology	High	Product Quality and Sustainability Innovation
By applying crop protection products only to problematic areas via drones instead of large-scale applications with tractors, fuel consumption can be optimized, contamination of unaffected soil areas can be prevented, and spraying efficiency can be improved. In this context, the expansion of HEKTAŞ's Turna drone fleet is planned.	Financial	Transition-Technology	High	Innovation Economic Performance Climate Change
R&D efforts to diversify suppliers of auxiliary materials.	Operational	Transition-Market	High	Innovation Responsible Supply Chain
Applying technological innovations in production and packaging to improve resource efficiency and meet customer demands.	Operational	Transition-Technology	Very High	Customer-Oriented Approach and Customer Satisfaction Innovation
Product diversification enabled by temperate climate conditions.	Financial	Physical-Chronic	High	Product Quality and Sustainability
Enhancing arable farmland productivity through the support of young farmers and the evaluation of collaboration opportunities, particularly in technological smart farming practices, in order to prevent potential challenges related to the number of farmers in the future.	Operational	Transition-Market	High	Customer-Oriented Approach and Customer Satisfaction Stakeholder Training and Development

Detailed information on sustainability and climate risk management is available in the TSRS Report.

06

HEKTAŞ: PIONEER OF NATURE-FRIENDLY AGRICULTURE

06. HEKTAŞ: PIONEER OF NATURE-FRIENDLY AGRICULTURE

6.1. COMBATING CLIMATE CHANGE

HEKTAŞ recognises that climate change is a global crisis with not only environmental but also social and economic impacts.

For this reason, combating climate change is considered an integral part of the sustainable growth strategy; efforts are being carried out with a focus on developing low-carbon solutions across all areas of activity and making the value chain more resilient to climate risks.

Within the analyses conducted under the TSRS framework, HEKTAŞ's consolidated financial statements, its subsidiaries, and all value chain activities were evaluated, and climate-related risks and opportunities were examined in detail. Climate risks are continuously monitored and updated, and integrated into business processes.

In order to understand the current and potential impacts of climate change on the business model, operations, and financial performance, focus is placed on critical issues such as water stress and drought; regional analyses are conducted using WRI Aqueduct data together with national meteorological projections. The data obtained from TSRS reporting serve as key inputs for shaping the climate strategy.

Due to high energy consumption and carbon emissions associated with chemical inputs, the agrochemical sector is among the industries with the potential to be affected by climate change regulations. In this context, although HEKTAŞ is not directly included within the scope of the Carbon Border Adjustment Mechanism (CBAM) and the Emission Trading System (ETS), it closely monitors transition risks related to these mechanisms. Carbon management strategies are developed in line with these assessments, thereby contributing to the objectives of combating climate change.

Within the scope of the projects carried out in cooperation with the Ministry of Environment, Urbanization and Climate Change of the Republic of Türkiye and the United Nations Development Programme (UNDP), the Climate Change Mitigation Strategy and Action Plan covering the 2024–2030 period has been prepared in line with Türkiye's 2053 Net Zero Emission Target and national development plans. In response to 49 strategies and 260 actions identified for 7 main sectors and two cross-cutting themes, HEKTAŞ has developed two major projects that support climate change mitigation goals.

Under the TÜBİTAK SAYEM 1833 Green Transformation call, two separate project platforms were established, and it was deemed appropriate to receive World Bank-supported incentives. As of 1 June 2025, the support process has commenced. The total budget of the projects, for which application processes began in 2024, is TRY 60,440,473.

Within the scope of the environmental impact assessment carried out under ISO 14001 at HEKTAŞ, risk ratings of impacts are evaluated for chemical, domestic, and other wastes, noise pollution, water pollution, and emission measurements. Risk conditions regarding the use of resources such as electricity, natural gas, and water are also specified.

As part of its efforts to combat climate change, HEKTAŞ measures and manages its environmental impacts using scientific methods. In this context, the greenhouse gas inventory for 2024 has been prepared, and carbon footprint reporting has been completed. Scope 1 and Scope 2 emissions have been calculated, while groundwork studies for Scope 3 calculations have been carried out. Through this study, HEKTAŞ commits to regularly monitoring its carbon footprint and taking strategic steps towards emission reduction. Following the completion of two-year calculations and the identification of emission-intensive areas, strategies for reducing greenhouse gas emissions will be placed on a quantitative basis.

Energy efficiency practices, investments in the use of renewable energy sources, the adoption of low-carbon technologies, and the strengthening of environmental sustainability criteria in the supply chain are among the Company's priority goals for the upcoming period. Strategies for reducing greenhouse gas emissions are already being developed, and in light of the data obtained, projects will be elaborated to increase resource efficiency, minimise environmental risks, and enhance adaptation to the impacts of climate change. In this way, HEKTAŞ aims to contribute to a low-carbon and resource-efficient future in alignment with national and international sustainability goals.

No environmental penalties have been imposed on HEKTAŞ within the last five years, including the reporting period. In 2024, total expenditures related to environmental issues amounted to TRY 5,038,729.

In 2024, **total expenditures** related to environmental issues **amounted to TRY 5,038,729.**

6.2. ENERGY AND EMISSION MANAGEMENT

HEKTAŞ calculates and monitors greenhouse gas emissions arising from activities conducted at its Headquarters and production facilities. Steps aimed at reducing operational environmental impacts are defined within this scope, and it is planned that emission data will be updated annually and reported in compliance with international standards. Within the efforts to establish the Energy Management System Policy, full compliance with energy-related laws and regulations is targeted, along with the definition of objectives for the continuous improvement of energy performance. The main goals include increasing energy efficiency across all processes, ensuring the efficient use of natural resources, and expanding the share of renewable energy in total energy consumption. Energy-efficient products and suitable technologies are preferred. Employees, suppliers, and subcontractors are made aware of energy efficiency in order to foster a culture of sustainable energy management across the Company. In addition, efforts have been initiated for the establishment of the ISO 50001 Energy Management System, with regular energy audits, identification of energy-intensive areas, and evaluation of renewable energy opportunities planned to be implemented in 2025.

As part of its sustainability initiatives, HEKTAŞ obtained Türkiye's first green letter of credit for the imported product "YaraVera Amidas Bulk" from YARA Global, in cooperation with Garanti Bank. The letter of credit, amounting to USD 9.7 million, was evaluated and approved by Garanti BBVA in line with sustainability criteria. This milestone demonstrates HEKTAŞ's sustainability approach, which prioritises environmental responsibility, efficient resource use, and enhanced economic performance not only in import processes but also across its entire business model.

The low carbon emission profile of fertilisers provides significant advantages both environmentally and commercially.

- **Climate-Friendly Production:** Low carbon emissions mean reduced greenhouse gas emissions during the fertiliser production process, directly contributing to the fight against climate change.
- **Conservation of Soil and Water Resources:** Products with lower emissions put fewer burdens on the environment and support sustainable agricultural practices.
- **Carbon Footprint Reduction:** By choosing these products, farmers and agricultural companies can reduce their own carbon footprint.

In line with energy efficiency and sustainable production targets, work is ongoing on major energy projects to be implemented in 2025–2026. These projects will further strengthen concrete actions in renewable energy use and resource efficiency. As of 2024, the necessary preparatory processes have been initiated, and efforts are progressing rapidly to ensure the timely completion of the projects. The objective is to further enhance performance in the area of energy management.

Boiler Project

HEKTAŞ aims to achieve a significant increase in efficiency at its facilities through a new boiler project, which is scheduled to be commissioned in 2025 and have its efficiency report published in 2026. The main rationale of the project is that the existing boiler has reached the end of its service life. However, the planned renovation will not only ensure safe and sustainable production, but will also result in significant savings in natural gas consumption.

At present, the economizer system is used solely for the purpose of hot water production. In the new system, however, it will be put into operation for the preheating of boiler feed water. Thus, the temperature of the boiler feed water at the deaerator outlet will be increased. Considering the feed water amount, this transition is projected to result in an average reduction of 2–4% in annual natural gas consumption.

This comprehensive improvement not only optimises the facility's energy consumption but also contributes to the reduction of carbon emissions. Therefore, the new boiler project represents a strategic investment that supports both HEKTAŞ's operational efficiency and its environmental sustainability goals.

Compressor Waste Heat Recovery Project

HEKTAŞ is carrying out a project to recover compressor waste heat in order to increase energy efficiency and optimise resource utilisation. As a result of the Compressor Waste Heat Recovery Project, a portion of the facility's energy demand will be met through heat recovered from existing operations, thereby contributing to both a reduction in carbon emissions and a decrease in costs. Within this scope, the Atlas Copco GA 315 VSD model compressor currently in use has been designated as the implementation equipment for the project. According to technical calculations, provided that production volumes remain stable (in terms of compressor operating hours), the project is expected to deliver an average reduction of 1–2% in natural gas consumption.

Through the recovery of compressor waste heat, part of the facility's energy demand will be met with heat obtained from existing operations, leading to both cost reductions and a decrease in carbon emissions.

Optimisation of the Grinding Process

With the process revision implemented at SC-EW-OD production facilities, it is aimed to shorten product grinding times and reduce electricity consumption. This improvement is planned to enhance energy efficiency, increase production capacity, and lower operational costs.

Process Improvement by Transition to Liquid Auxiliary Materials

By switching from powdered pigment to liquid auxiliary materials, the aim is to reduce occupational health risks arising from dust formation, decrease the need for washing water by a factor of ten, and improve energy efficiency. In this way, it is planned to make savings in water and natural gas consumption, contributing to the reduction of the carbon footprint.

Elimination of General Air Leakages

It is planned to establish a regular monthly control mechanism to detect and eliminate air leakages. Through this improvement, it is planned to achieve savings in electricity consumption, reduce costs, and enhance efficiency by identifying and addressing leakages.

Conversion of Administrative Building Lighting to Motion-Sensor Type

By integrating all lighting and air-conditioning systems into automation, it is aimed to ensure simultaneous monitoring and control throughout the facility. In this way, it is expected to have energy savings in electricity consumption, thereby increasing energy efficiency.

6.2. ENERGY AND EMISSION MANAGEMENT

Efforts are underway to increase the use of accessible and clean energy in facilities, reduce greenhouse gas emissions, and meet energy consumption through renewable sources. These investments demonstrate HEKTAŞ's commitment to reducing its carbon footprint. In line with sectoral developments, solar power plant (SPP) projects are planned for consideration in the coming period. As part of energy management practices, economisers installed at boiler outlets provide thermal gain and improve energy efficiency.

Energy efficiency controls are performed through meters installed at process inlets and outlets, while electricity and heating consumption calculations are based on direct readings from these meters. Cooling and steam consumption is monitored using precision measuring devices. In the calculation of the energy intensity ratio, both internal operations and external activities of the organisation are taken into account, and energy consumption is tracked across the entire value chain, adopting a holistic approach to energy management.

The Company implements active measures to reduce SOx (sulphur oxides), NOx (nitrogen oxides), VOC (volatile organic compounds), and PM10 (particulate matter smaller than 10 microns) emissions in its production facilities. Scrubber systems and chimney filtration units are used to treat process gases before release into the atmosphere, significantly reducing their environmental impact by capturing or neutralising pollutant gases. Emissions from relevant chimneys are measured at regular intervals, and compliance with legal limits is documented and verified. In addition, all emission points and chimneys are structured to discharge vertically, in compliance with current physical and technical requirements. These measures are actively implemented at present.

HEKTAŞ does not use substances that cause ozone layer depletion (ODS) in its production activities. In the Company's processes or auxiliary facility systems, substances within the scope of ODS -such as chlorofluorocarbons (CFC), hydrochlorofluorocarbons (HCFC - e.g., R-22), halons, methyl bromide, carbon tetrachloride, and methyl chloroform- are not used, and equipment and technologies based on these substances are excluded from the system.

Accordingly, ozone-depleting substance emissions calculated on the basis of CFC-11 equivalent are evaluated as zero (0). Through monitoring and recording systems, this situation is regularly tracked and reported.

In order to minimize the environmental impacts of vehicles used for employee transportation, various practices have been implemented. All periodic maintenance and exhaust emission inspections of the vehicles are regularly performed by authorized services, ensuring that emissions remain below legal limits. In addition, several measures are taken to improve efficiency, such as adjusting shuttle routes to start from stops closest to employees' residences, thereby enabling shorter routes and fewer trips; using pooled vehicles instead of shuttle buses when only a small number of employees work overtime; and reorganizing weekend shuttle stops according to employee locations so that vehicles travel shorter distances and for less time. These practices help, fuel consumption and emissions are reduced, while environmental efficiency in transportation is enhanced.

6.3. WATER AND WASTEWATER MANAGEMENT

For HEKTAŞ's 12 different locations, water supply is ensured through methods such as municipal network, groundwater, tanker transport, and water supplied by irrigation unions. Water consumption records are monitored by meters. Monthly water consumption for each location is tracked through invoices, procurement records, and groundwater well meters. The water supplied is used as domestic water (kitchen, toilet, bathroom), for processes, within products, and for irrigation. Drinking water is purchased in bottles.

Wastewater generated after operations is discharged into the sewage systems of the respective local authorities. For operations located within Organised Industrial Zones (OIZs), wastewater is transferred to OIZ wastewater treatment plants, while for operations under municipal authority, wastewater is discharged to municipal treatment plants via the sewage network. At certain locations, wastewater samples are periodically taken by the authorised administration, wastewater analyses are conducted, and pollution levels are monitored. In line with its sustainability vision, HEKTAŞ conducts reporting based on its 2024 water footprint data. To establish a robust foundation for reporting in compliance with ISO 14046 requirements, the Company has initiated the collection and analysis of water use and management data. The facilities from which data will be collected within the scope of the Water Footprint Report are listed below:

- HEKTAŞ Headquarters and Plant Protection Products Production Facility
- Ferbis Plant Protection Products Production Facility
- HEKTAŞ Organomineral Fertiliser Production Facility
- HEKTAŞ F.A.R.M - Ferbis Headquarters
- Ankara High Technology (AHT) Centre
- AREO Seed Technologies Center

The objectives to be achieved within the scope of the Water Footprint Report are as follows:

- Calculation and verification of 2024 water consumption, water sources, and evaporation amounts,
- Establishment of a fully consistent, accurate, activity-aligned, and transparent verification process to achieve the targets,
- Creation of the infrastructure for potential CDP (Carbon Disclosure Project) declarations in future years,
- Provision of the necessary equipment to measure water consumption on a production basis.

A rainwater storage tank is available to ensure the controlled discharge of rainwater. Through this system, in the event of contamination of rainwater with chemical substances, the water can be directed to the industrial wastewater line with the help of a pump.

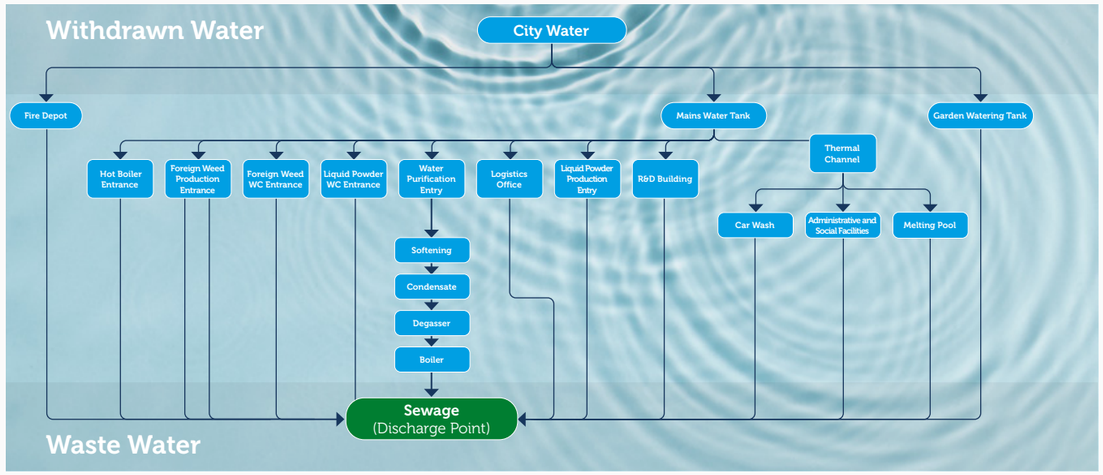
At HEKTAŞ's headquarters in Gebze, industrial wastewater is carefully monitored in two separate storage tanks before being transferred to the Gebze OIZ Wastewater Treatment Plant, ensuring compliance with the Gebze OIZ limit values established by the Ministry of Environment, Urbanisation, and Climate Change.

Wastewater generated during production activities from IBC (Intermediate Bulk Container) washing is not disposed of as waste but reused in product cleaning processes, following relevant analyses. This practice not only reduces water consumption but also supports resource efficiency through a circular usage approach. The recovery of IBC washing waters is successfully applied in HEKTAŞ facilities, with continuous improvement efforts aimed at further enhancement.

At HEKTAŞ, instead of purchasing new IBCs, existing IBCs are cleaned in washing machines with reduced water consumption and reused. This practice not only highlights HEKTAŞ's commitment to environmental management but also makes a significant contribution to the sustainable and efficient use of resources. It is expected that this new initiative, employing a fully automated, healthy, reliable, and traceable production system from sowing to harvest, will be 8-10 times more efficient compared to conventional methods.

Gebze Water Map

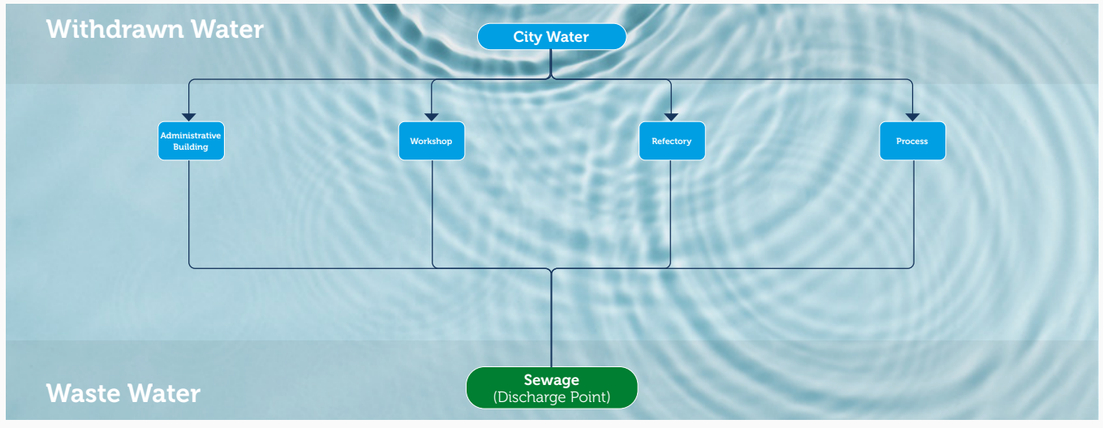
For domestic and industrial wastewater, discharge permits to the sewer system have been obtained, and the discharged wastewater is regularly analysed, reported, and records are retained for the period required by the legislation. To prevent water pollution, the discharge of wastewater containing hazardous substances into the OIZ sewer system is strictly prohibited.



Adana Water Map

At the Adana Organomineral Facility, no process-related wastewater is generated; only domestic wastewater occurs, which is discharged into the organised industrial zone sewage system and treated accordingly. Through the use of organomineral fertilisers, soil fertility is enhanced, water and nutrient retention capacity is improved, and environmental impacts are minimised by reducing the use of chemical fertilisers.

By producing organomineral fertilisers at its Organomineral Production Facility in Adana, the Company enhances soil fertility and reduces environmental impact. These products improve the soil's water and nutrient retention capacity, thereby contributing to the more effective and efficient use of water resources.



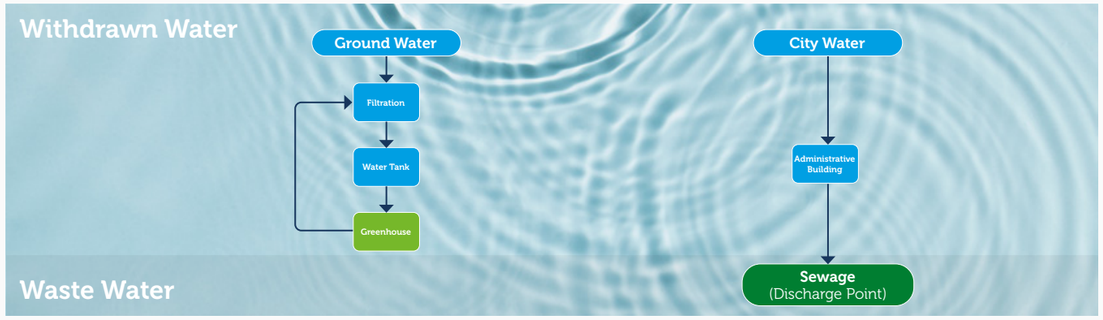
6.3. WATER AND WASTEWATER MANAGEMENT

Bursa Orhangazi Water Map

HEKTAŞ has established the Agricultural Innovation, Training and Experience Centre in Bursa, one of the world's leading facilities, with the aim of minimising challenges faced in agriculture and increasing efficiency while reducing costs through the integration of technology into farming. The HEKTAŞ Orhangazi Agricultural Innovation, Training and Experience Centre provides producers with innovative solutions in this highly competitive environment, enabling them to gain a competitive edge in the market, expand their market share, and contribute to export-oriented growth by enhancing productivity and reducing costs through smart agriculture practices.

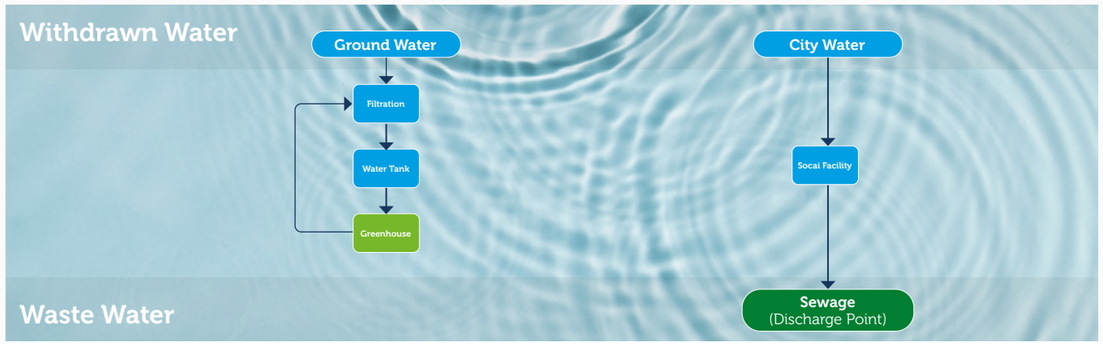
At the core of the activities carried out at the center are efforts to promote more efficient use of water—a critical input in agricultural production—expand the adoption of modern irrigation technologies, reduce water losses, and raise awareness among producers on water management. In this way, water resources are preserved while costs are reduced, thereby contributing to export-oriented growth.

At the Orhangazi HEKTAŞ F.A.R.M Facility, water is supplied from the İznik Lake Keramet Irrigation Union to sustain agricultural activities. The supplied water undergoes a physical pre-filtration process followed by an ultrafiltration system and is stored in 1,000 m^3 water tanks. The stored water is used in agricultural operations in greenhouses and open fields. The filtered water is subjected to a backwash process and directed to a 2,400m^3 open-field irrigation tank for water recovery. Domestic wastewater and rainwater are discharged into the designated lines defined by Bursa Metropolitan Municipality. This facility contributes to the advancement of sustainable agriculture by providing producers with innovative solutions through smart farming practices.



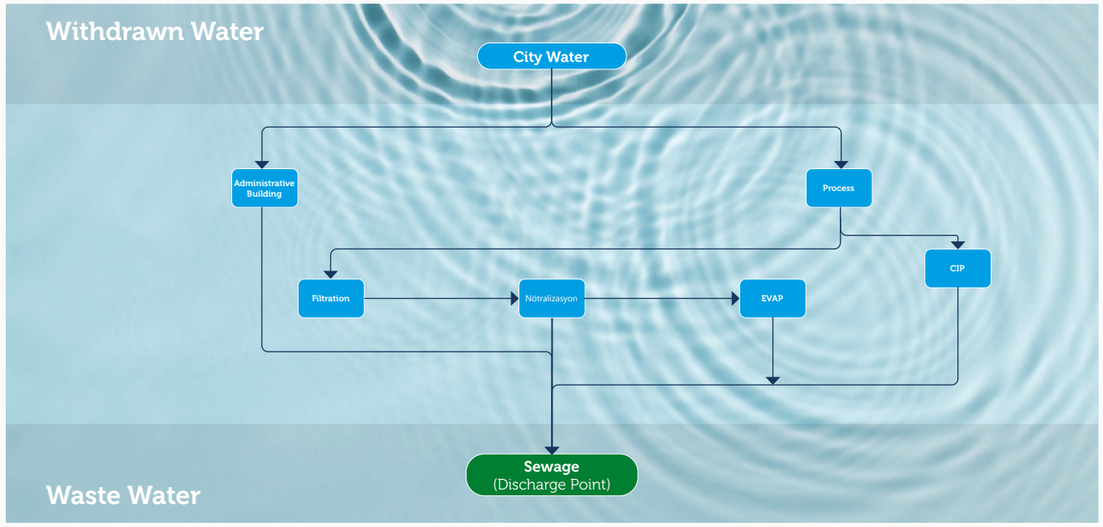
Antalya AREO Water The Map

At AREO Seeds, the development of high-yield, disease-resistant, and low-water-consumption seeds is supported, thereby strengthening the efficient use of water resources in agricultural production and reinforcing sustainability objectives.



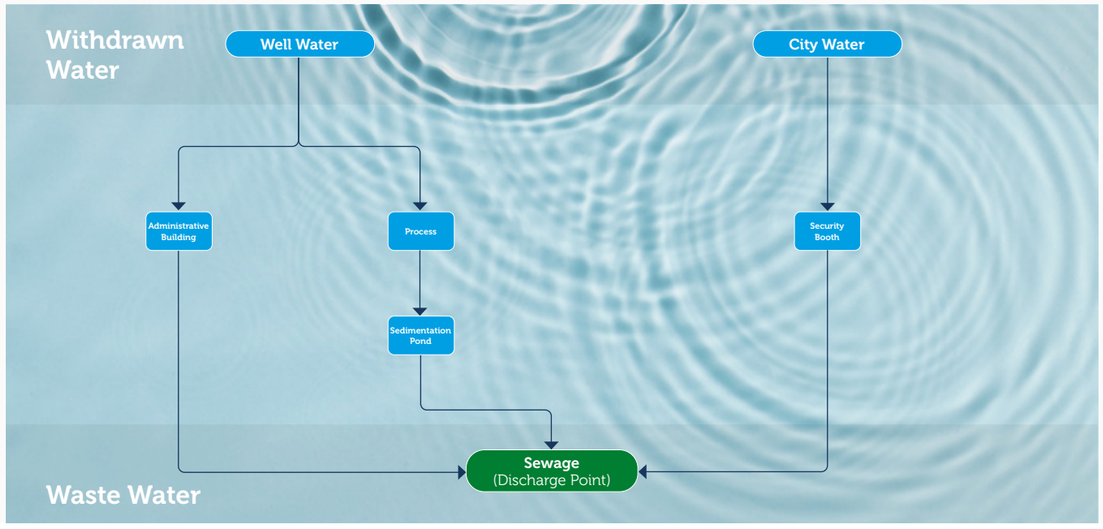
Ankara AHT Water Map

At HEKTAŞ Ankara AHT, the efficient use and sustainable management of water are among the top priorities. Water sources used within the facility are regularly monitored, consumption levels are recorded, and improvement initiatives are carried out to enhance water efficiency.



Niğde Ferbis Water Map

The Ferbis Facility of HEKTAŞ in Niğde attaches importance to the efficient use and conservation of water in line with its understanding of environmental responsibility. In this context, water consumption is regularly monitored to ensure the sustainable management of water resources, and improvement initiatives aimed at increasing water efficiency in processes are evaluated.



6.3. WATER AND WASTEWATER MANAGEMENT

The Company emphasises the crucial role of organic matter in enhancing soil fertility. While the amount of organic matter in the country's soils is approximately 0.6% in 70% of the land, at least 3% is required for optimal plant nutrition. Prolonged and excessive use of chemical fertilisers has decreased the organic matter content of soils and increased their pH levels. The proportion of soils with insufficient organic matter increased from 92% in 1990 to 99% in 2014. HEKTAŞ highlights the importance of using organomineral fertilisers to increase organic matter levels in the soil. These fertilisers enhance soil bacterial activity, oxygen levels, and water retention, help prevent nitrogen loss, and enable soils to warm up more quickly. This approach reduces plants' water requirements and promotes the more efficient use of water resources. The Company advocates that sustainable agriculture is founded on practices that maintain organic matter levels and support soil biodiversity, and ensuring the long-term retention of organic matter in the soil through the use of biochar is regarded as an essential component of this strategy.

While the amount of organic matter in the country's soils is approximately 0.6% in 70% of the land, **at least 3% is required** for optimal plant nutrition.

6.4. WASTE MANAGEMENT

HEKTAŞ carries out waste management activities with the objective of minimising environmental impacts and ensuring the efficient use of resources. Within the scope of the zero-waste principle, wastes generated across facilities and regional offices are classified as domestic waste, recyclable waste, and hazardous waste:

- **Domestic waste:** Non-hazardous wastes generated during employees' daily activities, such as office waste and food residues. These wastes are collected by the municipality or disposed of through a contracted integrated waste management company. Waste oils used in kitchens are also segregated.
- **Recyclable waste:** Materials such as paper, cardboard, plastic, glass, and metal that can be reprocessed and reintegrated into the production cycle. These wastes are sent to contracted licensed companies for recovery.
- **Hazardous waste:** Wastes containing substances such as chemicals, oil, solvents, paint, and packaging residues that may harm the environment and human health. These wastes are delivered to licensed companies and disposed of in compliance with legislation.

Excavation and demolition wastes generated from construction, maintenance, and renovation processes are collected by subcontractors in compliance with legislation and disposed of through authorised institutions.

Accumulators and vegetable waste oils are collected separately from other wastes, and recovery or disposal processes are carried out through licensed companies. The management of medical waste is conducted in accordance with the relevant legislation, with due consideration for human health and environmental safety.

Within the scope of electronic waste (e-waste) management, HEKTAŞ collects used batteries and directs them to recycling processes. By ensuring that waste batteries are properly segregated and sent for recycling, the Company strengthens its commitment to environmental responsibility and sustainability. Electrical and electronic wastes, as well as end-of-life tyres, are collected separately and delivered to authorised institutions.

Plant residues generated from agricultural activities are collected in an environmentally safe manner and delivered to the Municipality to ensure their proper disposal.

At HEKTAŞ Gebze Facility, Antalya AREO Facility, Adana Organomineral Facility, and the Ferbis Plant Protection Products Production Facility in Niğde, a zero-waste approach is adopted to reduce waste at the source and increase recovery rates. The ISO 14001 certificate contributes to HEKTAŞ's full compliance with environmental legislation in waste management, systematic process control, and continuous improvement. Within the scope of the certificate, waste segregation, safe storage, licensed disposal, and regular record-keeping are mandatory. In this way, environmental risks are reduced, and resources are used efficiently.

In 2024, the total amount of recovered waste at the facilities reached 852.92 tons, enabling a significant portion of waste to be channelled into recycling. These comprehensive practices and procedures contribute to minimising environmental impacts, ensuring efficient use of resources, and embedding a sustainable waste management approach across the Company.

HEKTAŞ does not limit its waste management activities to its own waste, but also develops processes and products that contribute to the circular economy.

HEKTAŞ does not limit its waste management activities to its own waste, but also **develops processes and products that contribute to the circular economy.**

Copper Sulfate (Blue Vitriol) Production Process

Copper sulphate (blue vitriol) is an important fungicide widely used in the agricultural sector to control fungal diseases. In this production facility, scrap copper metal obtained from cable and electronic waste is used as the main raw material. In this way, instead of producing copper from primary sources, waste materials are transformed into economic value, supporting the principles of the circular economy. During the process, scrap copper metal is reacted with sulphuric acid under controlled conditions to obtain a copper sulphate solution, which is then crystallised into the final product. Following a formulation revision, the reaction time—previously 9–10 hours—is planned to be reduced by an average of 2 hours, which is expected to decrease both natural gas and electricity consumption.

By means of the optimisation of operating parameters, no losses occur during the conversion from raw material to product. As a result, no waste is generated in the production process.

In this respect, the sustainability contributions of the process can be listed as follows:

- Resource Efficiency
- Waste Reduction
- Water and Chemical Management
- Circular Economy Contribution

Consequently, the copper sulphate production process not only creates economic value but also constitutes a strong model in terms of environmental sustainability, resource efficiency, and waste management. In this way, the facility both provides a reliable product to the agricultural sector and puts sustainable production principles into practice.

Animal-Sourced Amino Acid Production Process

Animal-sourced amino acids are generally obtained by processing waste with a high organic load, typically arising from the leather industry, under proper conditions. In this way, the environmental burden in waste management is reduced, while value is created in agricultural production, supporting the circular economy.

The products manufactured at the AHT facility, owing to their content of free amino acids, increase plants' resilience against stress conditions such as drought, salinity, and low temperatures, while also improving productivity and quality. This approach contributes to the conservation of soil and water resources by reducing the need for chemical inputs. These products, obtained through the recovery of valuable compounds from animal waste, reinforce sustainability both economically and ecologically.

6.5. CHEMICAL MANAGEMENT

HEKTAŞ prioritises environmental sustainability and occupational health and safety in the field of chemical management. Within the scope of the ISO 14001 Environmental Management System certificate, the goal is to minimise the potential impacts of chemicals on the environment and human health.

The HEKTAŞ GOIZ and Ferbis Plant Protection Products Production Facilities fall within the scope of BEKRA. BEKRA is a regulation enacted to prevent major industrial accidents that may occur in facilities where hazardous chemicals are produced, used, or stored, and to minimise the potential impacts of such accidents on human health and the environment. Within this framework, a comprehensive chemical inventory list has been prepared for the facilities. The inventory has been detailed to include raw materials, semi-finished goods, finished products, and chemical residues that may arise from processes.

Under BEKRA, the facilities are regularly inspected both by public authorities and by OYAK and are subject to the relevant control processes. In this way, compliance with legal regulations is ensured, risks are continuously monitored, and safety measures are effectively implemented.

All chemicals used within the facilities are stored under safe conditions in classified areas in accordance with the storage matrix. Through this practice, a sustainable chemical management approach is reflected, pursuing both the reduction of environmental risks and the protection of human health.

At the HEKTAŞ and Ferbis Plant Protection Products Production Facilities, solvents used in production processes are reused through recovery systems, thereby reducing both the amount of waste generated and the chemical load released into the environment. To minimize packaging waste, the use of recyclable materials is encouraged, and projects aimed at collecting packaging waste that is free from chemical contamination are supported.

At HEKTAŞ facilities, no direct or accidental spills of oil or hydrocarbons have occurred. All chemical spill incidents have been contained before reaching the environment, preventing any infiltration into soil or water resources.

Training programmes for employees enhance awareness of chemical safety, and investments are made in technological innovations to reduce environmental impacts. In addition, to mitigate chemical exposure, protective kits have been distributed to farmers working in the field within the scope of OHS and environmental measures, and farmers have been trained accordingly. These initiatives contribute to sustainable agriculture goals and to raising public awareness.

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07

HEKTAŞ: PIONEER OF HUMAN-CENTRED AGRICULTURE

07. HEKTAŞ: PIONEER OF HUMAN-CENTRED AGRICULTURE

7.1. HUMAN RESOURCES APPROACH

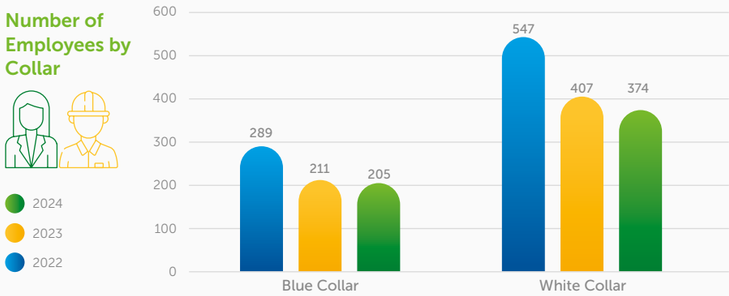
At HEKTAŞ, human resources management is regarded as one of the fundamental pillars of social sustainability, with all processes conducted in a transparent and systematic manner.

Human resources is positioned not only as an operational support function but also as a strategic function that directly contributes to corporate growth.

In the strategic structuring of human resources, accurately defining the recruitment of managerial staff and understanding their competencies are of great importance for the long-term success of the company. In this context, in the appointment of managers, not only their current responsibilities but also their previous professional experiences, competencies, and internal development journeys within the organisation are taken into consideration.

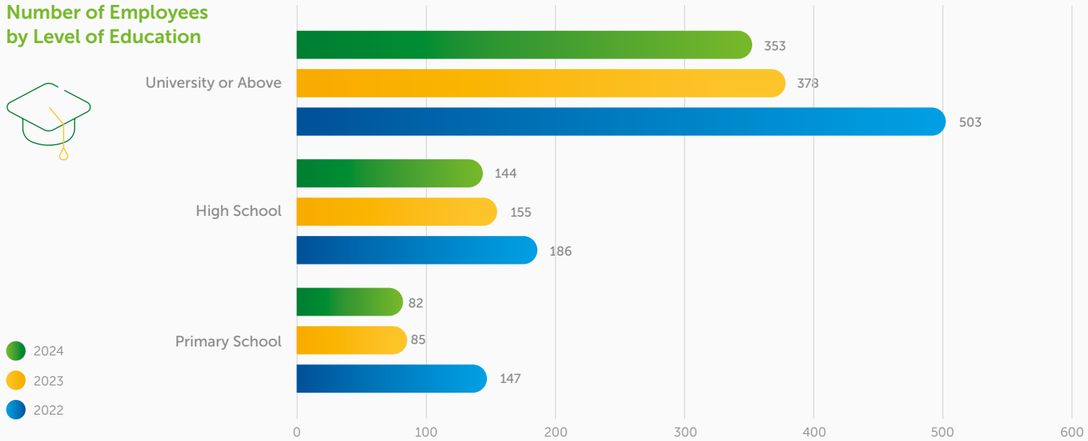
Within HEKTAŞ, the Human Resources function not only focuses on the processes of the Company's direct employees but also monitors those of subcontracted and outsourced personnel, thereby ensuring a holistic evaluation of internal workflows. In 2024, a total of 579 individuals were directly employed under indefinite-term contracts, while 184 employees were engaged through subcontractor firms.

Number of Employees by Collar



Within the diversified workforce structure, the education level of employees stands out as an important indicator of the corporate knowledge capacity. According to 2024 data, 61% of the workforce holds a university degree or higher, followed by high school graduates with 25% and primary school graduates with 14%.

Number of Employees by Level of Education



The Human Resources Policy sets out a comprehensive strategy not only for managing operational processes but also for ensuring employee satisfaction, organisational commitment, and sustainable growth. Promotion mechanisms are supported by internal resource development and career planning processes. All human resources practices are fully aligned with the Turkish Labour Law and the core conventions of the International Labour Organization (ILO), with the protection of employees fundamental human rights being the guiding principle. Equal opportunity, non-discrimination, a safe working environment, and ethical values form the cornerstones of HR policies. In this context, procedures such as the Human Resources Procedure, Personnel Regulation, Remuneration Guideline, and Dress Code Guideline provide written assurance for these processes.

Recruitment processes are conducted through internal appointments, external applications, personality inventories, general aptitude tests, and multi-stage interviews, with criminal record checks performed for sensitive positions. All processes are managed in full compliance with the Law on the Protection of Personal Data (KVKK) and under the principle of confidentiality. The recruitment of periodic and temporary staff is also carried out in accordance with legislation and updated in line with job descriptions and organisational analyses.

In employee turnover processes, information security and business continuity are prioritised; authorisations are revoked, system connections are terminated, and both voluntary and involuntary turnovers are tracked.

HEKTAŞ's Human Resources Policy aims not only to ensure compliance with laws but also to foster a fair, ethical, and employee-centred corporate culture. Zero tolerance for discrimination, performance-based evaluations, and a safe and respectful working environment are among the key principles defined within the Code of Ethics and Principles of Conduct. Employee participation in decision-making processes, transparent communication, and data security are integral parts of sustainable human resources management.

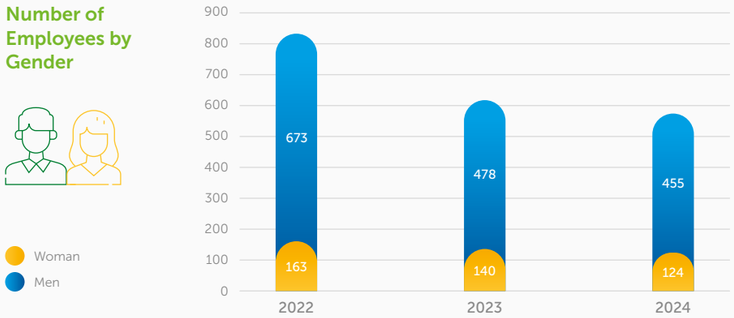
Through this holistic structure, HEKTAŞ strengthens employee engagement, enhances organisational capacity, and continues to foster long-term value creation in line with its social sustainability objectives.

7.2. DIVERSITY, INCLUSION AND EQUAL OPPORTUNITY

HEKTAŞ regards diversity as a fundamental component of corporate richness. The Company provides all employees with a fair, equal, and inclusive working environment and prioritises these values in line with its ethical principles and social sustainability vision, within the framework of respect for fundamental human rights. In all human resources processes such as recruitment, promotion, remuneration, and development opportunities, every employee is evaluated according to their knowledge, skills, and competencies, and is supported on the basis of equal opportunity.

As of 2024, out of 579 employees directly employed, 124 are women (21.4%) and 455 are men (78.6%). Among female employees, 81% are in white-collar positions and 19% are in blue-collar positions; while among male employees, 60% are in white-collar roles and 40% are in blue-collar roles. In the same year, among 184 subcontracted employees, 65 were women and 119 were men.

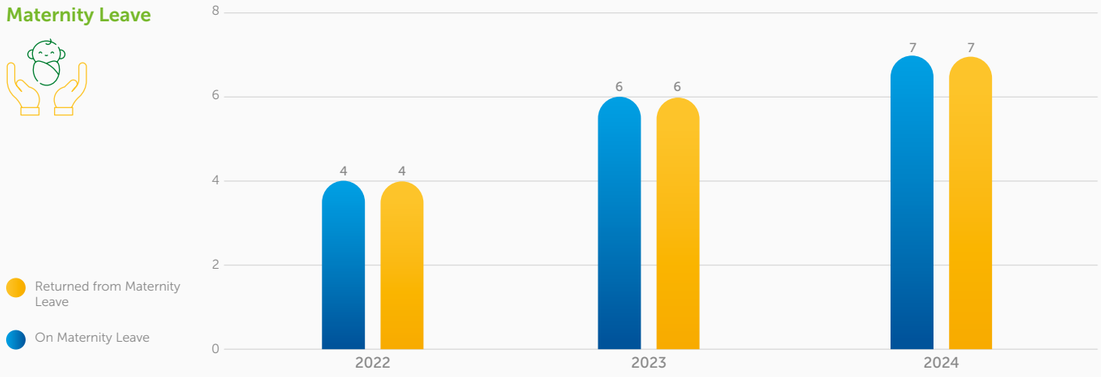
Number of Employees by Gender



For HEKTAŞ, which organises its processes with an awareness of the importance of women's employment and supports women's participation in working life, maternity and parental support policies are an integral part of its inclusive approach. In addition, female employees are entitled to breastfeeding leave in accordance with the provisions of the Labour Law; furthermore, a childbirth allowance is provided for each child born to the employee or her spouse.

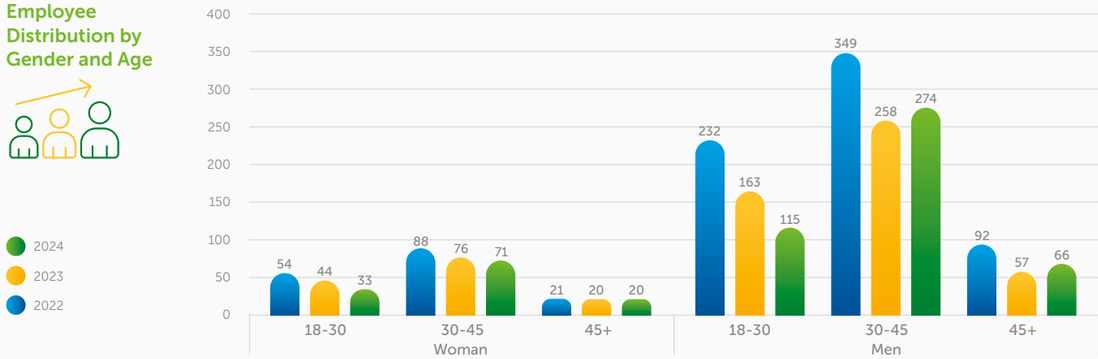
An annual educational allowance is granted to employees whose children are pursuing their education. In 2024, all 7 female employees who went on maternity leave returned to work. Among them, 5 continued to work at the company for at least 12 months after returning from maternity leave.

Maternity Leave



Within HEKTAŞ, which has a young and dynamic workforce distribution, in 2024, 27% of female employees were under the age of 30, 57% were between 30–45, and 16% were over 45. Among male employees, these ratios were 26%, 60%, and 14%, respectively. The representation rate of female employees stood at 11.1% in Senior Management, 21.9% at the managerial level, and 30.5% at the mid-level.

Employee Distribution by Gender and Age



The Company's anti-discrimination approach is safeguarded through the updated Code of Ethics and Principles of Conduct. No form of discrimination is tolerated on the basis of ethnicity, gender, age, religion, language, disability status, or socio-economic background; an equal rights-based working environment is ensured for all employees. Adopting the principle of equal pay for equal work, as set out in the HR Regulation, HEKTAŞ manages its processes through a performance-based remuneration and bonus system. As of 2024, employees with disabilities represented 1.6% of the total workforce.

Unethical practices such as forced and child labour are strictly prohibited; trade union rights and freedom of association are recognised, and an employment policy based on free choice is upheld. While freedom of expression and respect for personal beliefs are guaranteed, any form of religious or political propaganda is explicitly forbidden.

Incidents of harassment and mobbing are handled under a zero-tolerance policy enforced within the framework of the Code of Ethics and Principles of Conduct, ensuring that all related processes are effectively safeguarded and monitored.. Feedback channels are provided to foster a safe, inclusive, and participatory working environment.

Within the scope of the Work Permit Procedure, a safe and inclusive workplace is also ensured for subcontractors and outsourced employees, who are evaluated in line with company policies.

HEKTAŞ regards the creation of a corporate culture that promotes diversity, safeguards inclusiveness, and systematically implements equal opportunity at all levels as an integral part of sustainability.

Adopting the principle of equal pay for equal work, as set out in the HR Regulation, **HEKTAŞ** manages its processes through a performance-based remuneration and bonus system.

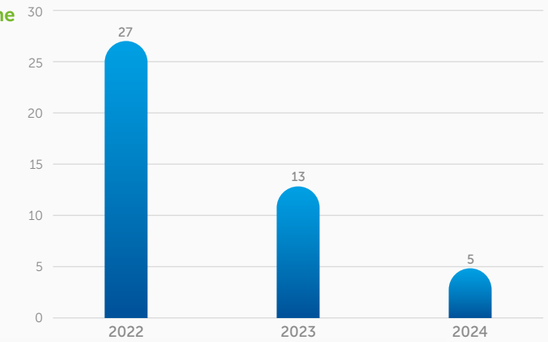
7.3. EMPLOYEE ENGAGEMENT AND SATISFACTION

HEKTAŞ considers employee satisfaction and engagement as one of the fundamental elements of its social sustainability approach, building its corporate culture on the principles of transparency, participation, development, and trust. This approach aims to ensure both individual well-being and the continuity of long-term organisational success.

All human resources processes implemented within HEKTAŞ have been systematised through internal regulations. The Suggestion, Reward and Disciplinary Procedure encourages high performance and motivation, embedding a culture of recognition within the organisation. Through the ODAK software, employees' suggestions and complaints regarding OHS and the environment are collected, fostering a sense of responsibility towards the company and aiming to increase employee engagement. In addition, periodic surveys are conducted to measure the quality of employee benefits and overall staff satisfaction.

The Incident Reporting Instruction provides an institutional framework for addressing employee issues, reinforcing the principles of accountability and transparency. At the same time, the Ethics Hotline (via the Ethics Line established through the website www.remedetikhat.com.tr, the e-mail address hektas@etikhat.com, and the phone number +90 (212) 403 34 53) enables employees to directly communicate their suggestions, requests, and complaints, all of which are independently directed to the relevant units for management. In 2022, a total of 27 notifications were received, 13 in 2023, and 5 in 2024, all of which were fully resolved.

Ethics Hot-line Reports



HEKTAŞ provides a comprehensive structure regarding work-life balance, compensation policy, and employee benefits in order to strengthen employee engagement. The remuneration system is updated based on market conditions and individual performance and is structured according to Job Family and Level criteria. Net salaries are paid on the basis of 12 monthly instalments, and all processes are carried out fairly and transparently regardless of gender.

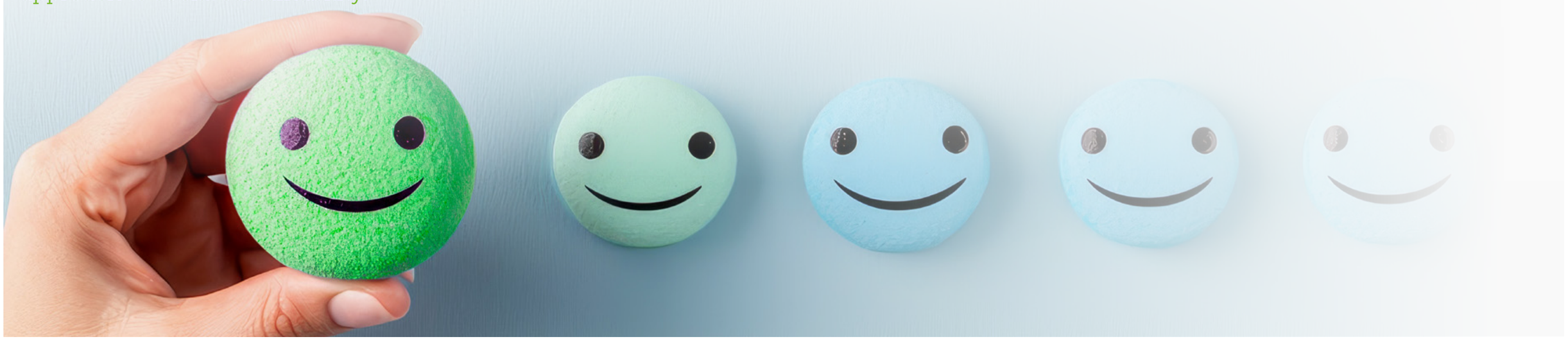
Objective criteria such as performance, competencies, and potential are decisive in remuneration, promotions, and role changes. These processes are supported through personality inventories, aptitude test-based interviews, and other structured assessments. The performance management process is carried out through the Performance Management System module, whereby employees communicate their targets to their managers at the beginning of the period, and at the end of the period they are evaluated by their managers. Final scores have a direct impact on salary increases and bonus payments. This creates a fair and data-driven management mechanism.

Social benefits offered to employees include an employer-contributed private pension system (PPS), performance bonuses, private health and life insurance, meal and transportation allowances, childcare support, education assistance, grocery vouchers, and per diem benefits. In addition, employees are offered dietitian support, while families with children receive educational support. Social events organised for special occasions, along with themed dining days, further complement this inclusive approach.

Employee satisfaction data are measured annually through the Employee Engagement Survey (EES), with results analysed under the categories of "Purpose," "Work," "People," and "Total Rewards." In the 2024 analysis, a particular need for improvement was identified in the area of internal communication; accordingly, practices such as "Strategy and Vision Meetings," "Just Us" sessions, special day celebrations, and "General Manager Breakfasts" have been implemented.

HEKTAŞ regards employee engagement as a strategic priority for the sustainability of its corporate culture. Through this holistic approach, working at HEKTAŞ goes beyond a form of employment, turning into a meaningful and value-creating journey for employees.

HEKTAŞ considers employee satisfaction and commitment as one of the fundamental elements of its approach to social sustainability.



7.4. EMPLOYEE DEVELOPMENT AND TALENT MANAGEMENT

HEKTAŞ considers employee development not only as an individual gain but also as one of the cornerstones of corporate sustainability, aiming to build an institutional structure based on knowledge and competencies. In this context, training and development strategies are implemented within the framework of defined procedures, guidelines, and annual plans.

Training needs are identified based on manager feedback, performance evaluation results, and organisational analyses, and are integrated into the annual budget under the Training Procedure. In addition to planned trainings, ad hoc training requests arising during the year are also evaluated through the Training Request Form. Employees can also enrol in e-learning content available on the Digital HR platform. As of 2024, the total training budget has been set at TRY 2,168,377. The number of participants in trainings is tracked by gender and position, and subcontractor employees are also included.

As of 2024, the total training budget has been set at **TRY 2,168,377.**

To support employee development, various training programmes are implemented through both online and face-to-face platforms. Tools such as "Rotamız Gelecek" (Our Route is the Future), "Geleceğe Yön Verenler" (Shaping the Future), "Synergistic HR," "Digital Transformation Academy," "Udemy," "E-Nocta," and "BUSU" are used to promote a culture of continuous learning.

For employees working in hazardous and highly hazardous job categories, those scoring below 70 points in assessment exams following professional and personal development trainings are offered the opportunity for retraining, thereby supporting the internalisation of knowledge. Following the trainings, satisfaction analyses are conducted through Participant Forms and Training Evaluation Forms; for internal trainings, these assessments are performed at least one month later, while for external trainings, the Training Effectiveness Analysis is used after implementation. In addition, knowledge reinforcement is ensured through periodic tests conducted on the "Çevirbil" application available in the Digital HR system.

Orientation programmes are implemented for newly hired employees. The programme encompasses a wide range of topics, including an introduction to HEKTAŞ & OYAK, corporate culture and organisational structure, human resources practices, personnel, leave, and social benefits, OHS and BEKRA-SEVESO awareness, ISO 9001/14001/45001/27001 management systems awareness, basic use of information technology systems, and site orientation. For blue-collar employees and interns, dedicated training modules are also provided, focusing on company work rules, OHS and warning signs, environmental and chemical risks, waste management, safe lifting practices, material safety data sheets, scope of duties, and management systems awareness. In addition to these programmes, job-specific trainings are organised to enhance the technical competencies of employees engaged in production processes. Theoretical and practical training sessions cover subjects such as premix plant operations, liquid and powder filling machines, insecticide–fungicide–herbicide production, copper sulfate operations, and the management of WG and Jetmill facilities. Furthermore, product integrity and process accident awareness trainings have further strengthened employees' technical expertise. Through this holistic approach, employees adapt more rapidly to their roles, while technical training provided in specialised areas strengthen employees' professional competencies.

The training schedule is planned with alternative timeframes to facilitate employee participation, ensuring equal access for all groups with a focus on accessibility. In addition, analyses of training durations support annual capacity planning, and distributions are tracked according to training types.

In 2024, enhancing the technical knowledge and competencies of employees at the Gebze campus was prioritized. A total of 7 job-specific trainings on production processes and 14 technical trainings across production units were delivered, strengthening employees' capabilities in operational know-how, process safety, and product quality. Furthermore, 12 trainings were conducted to raise OHS and environmental awareness, 13 trainings within the scope of BEKRA, and 2 trainings on complementary subjects. Altogether, 48 training programs were carried out in 2024, simultaneously advancing employees' technical expertise, occupational safety awareness, and environmental consciousness.

Talent management processes that support internal promotion mechanisms are carried out through digital platforms under the coordination of the OYAK Sustainability and Human Resources Group Presidency, together with the HEKTAŞ Human Resources Directorate and the Performance & Talent Management Team. The process actively involves the General Manager, senior management, department managers, and all relevant stakeholders. Within this scope, employee qualifications and competencies are assessed and recorded, development plans are created, and succession planning is conducted for strategic positions. This structure both ensures organisational sustainability and provides for long-term investment in employee development. In addition, internship programmes are conducted for high school and university students, and successful interns are included in employment planning.

Performance management processes follow a target-based system. In this jointly managed process between the Performance & Talent Management Team and managers, individual targets are entered into the system and subject to an approval process; year-end evaluations play a decisive role in salary increases, bonus calculations, and career planning. For employees in routine roles, competency-based performance evaluations are applied, and all results are considered in conjunction with managers' feedback and analyses by the Human Resources Department.

To ensure that human resources processes are managed transparently, integratively, and strategically, workflows have been defined in detail for talent management, recruitment and offboarding, performance evaluation, and training processes. In each process, decision-making is carried out in a multi-stakeholder structure involving the General Manager, the Human Resources Department, relevant managers, and OYAK, with accountability, traceability, and internal control mechanisms effectively implemented.

By aligning employee development with its strategic objectives, HEKTAŞ aims to unlock individual potential while ensuring sustainable success across the organisation.

7.5. OCCUPATIONAL HEALTH AND SAFETY

HEKTAŞ regards the health and safety of its employees not merely as a legal obligation but as one of the fundamental elements of corporate sustainability. The Occupational Health and Safety (OHS) policy, developed within this scope and incorporated into the Integrated Management System Policy, is built on a holistic approach that covers physical, psychological, and environmental safety. ISO 45001 certification has been obtained for HEKTAŞ's Ferbis Agriculture, Gebze Facility, Adana OMG, and regional directorates. In compliance with the requirements of Law No. 6331, OHS specialist consultancy services are provided through an external Joint Health and Safety Unit (OSGB), and all processes are coordinated with the Integrated Management Systems Department. At the Gebze site, the OHS Consultant is positioned directly under the General Manager in the organisational chart, establishing a strong and direct communication mechanism with Senior Management and accelerating decision-making processes.

The foundation of OHS processes is a risk-based approach. Risk analyses, carried out using the Hazard and Operability (HAZOP) methodology as well as the 5x5 Risk Matrix method, are conducted with the participation of cross-departmental teams, ensuring that hazard identifications, corrective actions, and preventive strategies are systematically determined. Through the digital reporting system managed via the ODAK software, employees are enabled to instantly report accidents, incidents, near-misses, and risk situations; thus, participation is encouraged, and rapid response is ensured.

In addition to mandatory annual OHS and BEKRA trainings for all employees, awareness trainings are organised throughout the year by the Integrated Management Systems Department. Vocational Qualification Authority (VQA) trainings and emergency team trainings, planned according to the nature of work, are supported through external resources. Through OHS trainings conducted at different locations, employees' awareness of risks, safe working methods, and preventive measures has been enhanced. First aid and fire-fighting trainings provided guidance on proper intervention methods in emergencies, while emergency exercises reinforced employees practical skills. In addition, competence trainings such as LOTO, 5S, and similar programs supported employees' knowledge and practical capabilities regarding occupational safety.

Representatives of the HEKTAŞ OHS Committee are selected in accordance with the principle of confidentiality. The Committee convenes on a monthly basis to review OHS targets, accident analyses, training needs, and corrective action proposals. Regular health screenings are carried out at recruitment, periodically, following accidents, and upon request, health information is digitally archived under confidentiality principles. Furthermore, in line with the obligations under the Prevention of the Risks of Major Industrial Accidents (BEKRA), the BEKRA Team has been established to ensure effective management of accident prevention, risk monitoring, and emergency preparedness processes.

HEKTAŞ has achieved continuous improvement in occupational health and safety (OHS) performance indicators over the past three years. The total number of accidents represents a 52% decrease in three years. This decline reflects the strengthening of both on-site safety practices and contractor supervision mechanisms. Similarly, the lost time injury rate decreased from 0.13% to 0.06%, indicating a significant reduction in the severity and duration of accidents. The accident frequency rate also declined from 23.92% to 15.73%. Throughout the three-year period, no occupational disease cases were recorded, demonstrating the effectiveness of regular health monitoring and risk-based preventive measures.

Personal protective equipment is provided to all employees, and its effective use is supported through regular trainings. Furthermore, all subcontractors and employees who will enter the site and work in hazardous job categories are required to obtain work permits, and relevant procedures are carefully applied to ensure workplace safety and employee health. HEKTAŞ aims to establish a safe and healthy working environment as a part of its corporate culture and, in this context, continuously updates all its practices in line with the principle of continuous improvement.

In line with its sustainable production approach and support for Good Agricultural Practices, 30,000 Safety Production Kits have been distributed to producers across Türkiye's seven regions to date, with a target of increasing this number to 40,000 in 2025. The kit initiative, designed to demonstrate to producers that they are part of a culture prioritising health and safety, includes personal protective equipment such as boots, goggles, coveralls, and masks. Through this initiative, HEKTAŞ makes a stronger contribution to the dissemination of occupational health and safety standards in agricultural production. The Company's OHS Policy, embedded within its Integrated Management Systems Policy, is supported by a sustainable and proactive system that safeguards employee well-being and business continuity.

In line with its sustainable production approach and support for **Good Agricultural Practices, 30,000 Safety Production Kits** have been distributed to producers across Türkiye's seven regions to date, with a **target of increasing this number to 40,000 in 2025.**

08

HEKTAŞ: THE PIONEER OF STAKEHOLDER-ORIENTED AGRICULTURE

08. HEKTAŞ: THE PIONEER OF STAKEHOLDER-ORIENTED AGRICULTURE

8.1. STAKEHOLDER COMMUNICATION

HEKTAŞ prioritises the views of its **stakeholders in shaping** its business practices and sustainability strategy.

The Company aims to establish strong, transparent, and mutually interactive relationships with all stakeholders, systematically collecting their expectations, suggestions, and concerns and ensuring that this feedback is reflected in strategic decision-making.

By the nature of its operations, HEKTAŞ maintains continuous and multidimensional interaction with different stakeholder groups. The Company attaches importance to creating shared value in all collaborations and acting with a sense of responsibility. In strategic planning and target-setting processes, stakeholder expectations and needs are taken into account, thereby enabling the Company to develop and expand its value chain. HEKTAŞ's stakeholder segment includes individuals and organisations that have an impact on, or are affected by, its operations. These stakeholders, categorised into internal and external groups, make a critical contribution to the achievement of HEKTAŞ's sustainable growth objectives.

Internal Stakeholders	
Board of Directors and Senior Management	It is the main management body that determines the strategic direction of the company and makes operational decisions.
Employees	It is the main internal stakeholder group that carries out the daily activities of the company and directly affects its overall performance.
External Stakeholders	
Customers	They are the end users who benefit directly from the company's products and services and whose satisfaction is a priority.
Suppliers	They are business partners involved in supply chain processes; effective on product quality, continuity and delivery performance.
Investors and Shareholders	They are financial stakeholders who contribute to the company's capital structure and support its long-term growth and value creation strategies.
Financial Institutions	They are institutions that offer sustainable financing solutions.
Universities and Research Institutions	They are strategic knowledge partners that contribute to R&D processes through scientific knowledge and technology transfer.
Society	It is a broad stakeholder group that includes the local and general public directly or indirectly affected by the company's activities.
Sectoral Associations and Professional Organizations	They are corporate representative structures that guide the development of the sector and contribute to regulatory, standard, and policy processes.
Public Institutions	They are public authorities with regulatory and supervisory powers that ensure the implementation of the legal framework.

HEKTAŞ periodically conducts surveys to ensure the active participation of stakeholders in sustainability processes and to better understand their expectations. The Stakeholder Communication Table has been prepared under the leadership of the Sustainability Committee, with the contributions of relevant departments and in line with stakeholder feedback. In the stakeholder engagement process, stakeholder groups directly interacting with the Company were first identified, and then the methods of communication with these groups were analyzed to assess how relationships could be made more effective and efficient.

Stakeholder Communication Table

EMPLOYEES	
Method of Communication	**Frequency of Communication**
Email, phone and face-to-face meetings	Daily
Meetings and trainings	Monthly
Digital communication tools	Daily
Digital training programs	Daily
Employee satisfaction surveys	Annual
Events organized specifically for employees	Annual
Committee meetings	Annual
Announcements and notifications	Daily
In-house publications	Monthly

CUSTOMERS	
Method of Communication	**Frequency of Communication**
Customer satisfaction surveys	Annual
Customer perception survey	1 in 2 Years
Email, phone and face-to-face meetings	Daily
Customer visits and meetings	Monthly
Exhibitions, conferences, fairs	Annual
Website	Daily
News	Monthly
Social media	Weekly
Request/ complaint sites	Daily

SUPPLIERS	
Method of Communication	**Frequency of Communication**
Email, phone and face-to-face meetings	Daily
Meetings	Weekly
Supplier audits	Annual
Supplier portals	Monthly

SENIOR MANAGEMENT AND THE BOARD OF DIRECTORS	
Method of Communication	**Frequency of Communication**
Workflow meetings	Weekly
Management meetings	Monthly
General assessment	Annual

NON-GOVERNMENTAL ORGANIZATIONS	
Method of Communication	**Frequency of Communication**
Project announcements	Monthly
Joint meetings	Annual

INVESTORS AND SHAREHOLDERS	
Method of Communication	**Frequency of Communication**
E-mail	Instant
During the General Assembly	At least 1 per year
Meeting with analysts	Online or face-to-face, if requested

FINANCIAL INSTITUTIONS	
Method of Communication	**Frequency of Communication**
Meetings and conferences	Online or face-to-face, if requested
Email, phone and face-to-face meetings	Daily
Audits	Annual

PUBLIC INSTITUTIONS	
Method of Communication	**Frequency of Communication**
Periodic reporting	Monthly and 3 Monthly

UNIVERSITIES AND RESEARCH INSTITUTIONS	
Method of Communication	**Frequency of Communication**
Training and R&D meetings	Monthly
Collaboration assessments	Annual

SOCIETY	
Method of Communication	**Frequency of Communication**
Social responsibility activities	Monthly
Activity report, sustainability report	Annual

SECTORAL ASSOCIATIONS AND PROFESSIONAL ORGANIZATIONS	
Method of Communication	**Frequency of Communication**
Sector reports	Monthly
General assemblies	Annual

Recognizing the role of effective stakeholder engagement in driving progress, HEKTAŞ places great importance on all opinions and suggestions that may contribute to the enhancement of its sustainability performance. In this context, any questions, comments, or feedback regarding the report can be directed to sustainability@hektas.com.tr.

8.2. STAKEHOLDER TRAINING AND DEVELOPMENT

With the understanding that sustainable growth is only possible through a learning organisation, HEKTAŞ considers the development of the knowledge, skills, and competencies of all its stakeholders -primarily its employees- as a strategic priority. Through its investments in training and development, the Company aims to create a sustainable learning and development ecosystem not only within the organisation but also across the sector.

In this context, HEKTAŞ carries out comprehensive training and promotional activities for a wide range of stakeholders, including customers, dealers, farmers, cooperatives, and agricultural institutions. These activities, conducted by the Plant Protection Department, the Plant Nutrition Products Department, and the Marketing and Development Department, are supported with practical trainings, field and greenhouse days, demonstrations, brochures, and catalogues. The primary aim is to ensure the correct use of products, improve agricultural productivity, and promote sustainable farming practices. Training needs are identified annually through regional directorates, and programmes are implemented upon the approval of the Head Office. The effectiveness of the trainings is monitored through participant feedback, performance evaluations, recording systems, and internal audit processes, while programmes are continuously updated based on customer feedback.

Throughout the year, HEKTAŞ sales teams make regular visits to farmers and dealers, while also participating in local events such as Cotton Field Day, as well as international organisations such as the Growtech Fair—one of the world's largest exhibitions in greenhouse cultivation and agricultural technologies, held annually in Antalya. Through these organisations, direct information transfer and technical support are provided to customers.

Within the scope of the "Agricultural Productivity Movement" project, launched in 2022 with the participation of approximately 50 agricultural engineers, technical support has been provided to farmers across Türkiye on sustainable agricultural practices. This initiative aims to create a nationwide data source and to develop the "Türkiye Crop Map." By the end of 2023, nearly 18,000 producers in 400 districts across 66 provinces had been visited, and close to 4.5 million decares of farmland had been registered. The Company's environmental management system trainings are documented, and annual training plans continue to raise employees' awareness of the environmental management system.

This interaction-focused approach reflects HEKTAŞ's adoption of a stakeholder development model that not only transfers knowledge but also creates shared value with business partners. One of the most concrete examples of this model is the HEKTAŞ F.A.R.M. facility established in Orhangazi, Bursa. Since 2021, this centre has been open not only to farmers but also to all stakeholders, where comprehensive training and promotional activities on innovative agricultural technologies, smart farming practices, and sustainable production methods have been carried out. Between 2022 and 2024, more than 10,000 visitors were hosted at the facility, with awareness raised through briefing sessions and practical programmes. Also, the centre focuses on new technologies, products, and production methods within the scope of R&D projects conducted in cooperation with universities. Through smart farming practices, the aim is to mitigate the adverse effects of climate change and protect the ecological chain.

The F.A.R.M. facility also serves as a venue for major national and international events. In cooperation with the Ministry of Agriculture and Forestry and Ankara University, the 2nd International Molecular Plant Protection Congress (IMPPC2023) was held between 15–18 May 2023. The congress brought together 600 participants, including 300 international attendees, and hosted 81 distinguished scientists from 20 countries across 5 continents. The opening lecture was delivered by Professor Craig Mello, a U.S. biologist and recipient of the 2006 Nobel Prize in Medicine for his pioneering work on RNA interference. Throughout the four-day programme, the latest scientific findings and innovative agricultural practices were shared in fields such as molecular entomology, plant pathology, and molecular weed science, with a total of 167 oral and 53 poster presentations. Additionally, 40 domestic and international industry stakeholders took part by setting up stands in the exhibition area, further strengthening collaboration between academia and industry.

The Global Farm Summit, held on 5-6th December 2024 at the Orhangazi F.A.R.M. facility, took place with the participation of Mr. İbrahim Yumaklı, the Minister of Agriculture and Forestry of the Republic of Türkiye. The summit shed light on the agricultural sector with over 50 participants and a total of 1,748 visitors from 6 countries and 62 provinces of Türkiye. Over the course of two days, sessions were held featuring leading experts, and opportunities for interaction with international companies and speakers were provided.

The Company's information-sharing activities are not limited to physical environments; digital communication channels are also used effectively. All social media platforms are actively utilised, with an average of 3-4 posts shared per week in line with monthly content planning. Through blog posts published on HEKTAŞ's website, stakeholders are informed about sustainable and organic farming practices, and awareness is raised on issues such as environment-friendly practices, the reduction of chemical fertilisers, and the promotion of organomineral product use. Moreover, digital communication activities carried out in 2024 achieved more than 14 million impressions, approximately 9 million of which were generated through digital advertising campaigns targeting specific interests, regions, and crops. Following a press conference held at the HEKTAŞ F.A.R.M. facility during the year, a press release titled "HEKTAŞ's goal is independence in seeds" reached more than 3 million people through printed media.

HEKTAŞ also takes part in various fairs and congresses to promote knowledge sharing in the agricultural sector and to support sectoral development. Among the prominent events attended in 2024 were Growtech 2024, held in Antalya, and the DLG Karaevli Agriculture and Technology Days Fair in Tekirdağ.

Through activities such as promoting the use of certified seeds and disseminating practices that provide resistance against diseases and improve yield, HEKTAŞ contributes to the transformation of Turkish agriculture while aiming to integrate knowledge, science, and technology into the entire value chain.

8.3. CUSTOMER SATISFACTION

With an approach centred on customer satisfaction, HEKTAŞ adopts a collaborative service model that aims to respond to the needs and expectations of its customers in the fastest and most accurate manner. The Company is committed to delivering all services on time and under the promised conditions, while maintaining a respectful, fair, equal, and courteous attitude towards its customers. Protecting all customer-related information within the framework of confidentiality principles is an essential part of this trust-driven approach.

To ensure customer satisfaction, HEKTAŞ focuses on the superior performance of its products in key areas such as disease resistance, high quality, productivity, and competitive pricing. By optimising developed varieties in line with these criteria, the Company meets the demands of both producers and end-users, while supporting sustainable agricultural practices. While remaining attentive to customer demands, the Company maintains continuous improvement efforts at every stage of its operations to enhance quality in products, services, technologies, and business processes.

Feedback Channels and Communication Tools	Customer Satisfaction and Perception Surveys
Customers can share their opinions, suggestions, and complaints regarding products and services through HEKTAŞ Farmer Advisory Line (0850 532 30 00), the corporate website, e-mail, social media, and the call centre. Requests received via social media are shared daily with the relevant departments, and resolution processes are monitored. In addition, real-time product updates and current information are made accessible through the corporate website.	Customer expectations are analysed through a survey conducted regularly every two years, and strategic actions are planned accordingly. The most recent survey was conducted in 2022, and the results have been used as guidance in product development and communication processes. According to the results of the "Corporate Perception and Customer Satisfaction" survey, conducted biennially in cooperation with an independent and accredited research institution, HEKTAŞ surpassed global brands and achieved 100% brand awareness within its target audience, while its satisfaction rate consistently remained above 90%.

HEKTAŞ Customer Club

The HEKTAŞ Customer Club is a social network specifically structured for its retail customers. Membership is free and automatic, and each customer can log in with a personalised code and password. Through www.HEKTASmusterikulubu.com, club members can:

- Track their points,
- Request gifts,
- Benefit from campaigns,
- Place direct orders via the B2B infrastructure.

The platform also shares up-to-date information and training content with users through sections such as "Wheel of Knowledge," "Training & Events," and "Information Sharing."

To manage customer satisfaction systematically, HEKTAŞ records and evaluates all feedback received in accordance with the Customer Complaints Monitoring Instruction. Technical matters such as product quality issues or reduced biological effectiveness are reviewed through detailed inspections, and, where necessary, samples are collected from the field for analysis. This process not only resolves complaints efficiently but also generates valuable data that supports the continuous improvement of product and service quality. Furthermore, e-mail notifications received from stakeholders are regularly logged, systematically monitored, and evaluated through the Investor Notifications Tracking List. This practice ensures effective feedback management in line with the principles of transparency and accountability. The customer satisfaction rate increased by 5% compared to 2023, reaching 79%.

In addition to complaints received through official channels, product quality-related complaints are also collected by sales teams in the field during visits to farmers and dealers. Within this scope, the Customer Complaints Monitoring Procedure is followed to assess whether there are any issues related to products. All complaints are recorded and reviewed; feedback is provided to the customer complaints evaluation team, and necessary actions are taken.

To manage customer satisfaction systematically, **HEKTAŞ** records and evaluates all feedback received in accordance with the **Customer Complaints Monitoring Instruction.**

8.4. RESPONSIBLE SUPPLY CHAIN MANAGEMENT

HEKTAŞ considers supply chain management not merely as an operational function but as a strategic area with the potential to create long-term value. Collaborations with local suppliers are supported, transparency and traceability are prioritised in processes, and selection-audit mechanisms are carried out with the utmost diligence. Supply chain processes are managed in an integrated manner under the Supply Chain Department within HEKTAŞ's organisational structure.

Supplier selection processes are managed in accordance with the Supplier Selection and Evaluation Procedure. Within this scope, suppliers are required to provide qualification certificates; management system certifications such as ISO 9001, ISO 14001, ISO 45001, and ISO 27001; compliance with environmental and occupational health standards; customs and supply chain security documents; training certificates; independent audit reports; and criminal record information. As of 2025, it is planned to establish a Responsible Procurement Policy, initiate supplier evaluations, and incorporate additional criteria related to ISO 50001 certification and sustainability practices into the supplier selection process. Under the draft Responsible Procurement Policy, suppliers are expected to respect human rights and act in compliance with the Universal Declaration of Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, as well as the international agreements of the countries in which they operate.

Supplier performance evaluations are reviewed every six months. During the review process, evaluations are conducted according to the scoring methodology used in the company's internal operations. Suppliers who score according to HEKTAŞ standards are granted "Approved Supplier Status," while business relationships with suppliers who fail to achieve the required minimum score are terminated.

HEKTAŞ implements a comprehensive audit system within its supply chain management, encompassing not only primary suppliers but also subcontractor service providers. The performance of subcontractor companies delivering services such as cleaning, catering, security, and staff transportation is regularly monitored through established procedures and standardised evaluation forms.

All subcontractor personnel working at HEKTAŞ facilities receive onboarding training. These trainings cover corporate regulations such as facility security, the obligation to carry identification card, controls on entry and exit of goods, and the Customs Compliance Procedure. Visitors are shown informational videos prior to entering the site.

HEKTAŞ considers reducing external dependency in the supply chain as a strategic objective and takes measures against regulation-related disruptions, particularly in regions with high import volumes. It has been observed that environmental regulations implemented in China, where a significant portion of raw material supply is sourced, can occasionally lead to interruptions in production processes. For this reason, the Company continues to seek alternative sources and applies strategies such as multi-supplier structures, stock optimisation, and scenario-based risk management to ensure supply security.

HEKTAŞ regards localisation in the supply chain as a strategic priority both for reducing environmental impacts and for strengthening economic resilience. The Company defines procurement of goods and services within the borders of the Republic of Türkiye as "local procurement." As of 2024, the total number of suppliers was 1,262; 91.8% of which were local companies.

Year	Number of Local Suppliers	Number of Foreign Suppliers	Total Number of Suppliers	Local Supplier Ratio (%)
2022	1,771	183	1,954	90.6%
2023	1,036	134	1,170	88.5%
2024	1,159	103	1,262	91.8%

In order to promote environmentally friendly products within the supply chain, HEKTAŞ increases the use of organic, biological, and protein-based inputs in line with its R&D activities and develops sustainable alternatives to chemical inputs. As of 2024, the High Technology Centre located in Ankara Sincan achieved a production volume of 240,000 litres and registered 17 new biological and organic products. The Centre stands out as a strategic investment that reduces import dependency, strengthens food security, and supports climate-friendly agricultural goals.

HEKTAŞ structures its sustainable supply chain management in alignment with the Sustainable Development Goals (SDGs), setting concrete targets and measurable indicators across various areas, from localisation to digitalisation, from ethical trade to innovative product development. The table outlines the key focus areas of HEKTAŞ's sustainable procurement approach, its targets in these areas, and the progress achieved by 2024.

Main Heading	Related SDG	Subheadings	Target	State of Progress (2024)
Responsible Procurement and Localization	8 Decent Work and Economic Growth; 12 Responsible Consumption and Production	Local Supplier Ratio	Keeping the local supplier ratio above 90%	In 2024, 91.8% of suppliers were domestic companies. The localization strategy continues.
Supplier Evaluation and Audit	12 Responsible Consumption and Production	Supplier Performance Processes	Evaluation of all suppliers according to specific criteria	Evaluation procedures are in effect. Compliance checks are being carried out, and the system is constantly being improved. It is planned to increase sustainability-focused criteria.
Value-Added Product Development	9 Industry, Innovation and Infrastructure	R&D - P&D Activities	Registration and introduction of 17 new strategic products with high supply risk into domestic production	The High Technology Center has produced 240,000 liters and registered 17 products.
Traceability and Digitalization in Agriculture	2 Zero Hunger; 13 Climate Action	Blockchain Applications	Developing digital solutions for food safety and transparency in the supply chain	Pilot studies have been initiated on blockchain-based applications. Traceability projects are ongoing.
Inclusiveness and Human Rights	5 Gender Equality; 10 Reduced Inequalities	Ethical Trading and Equality	Application of female employment and inclusivity criteria in supplier selection	Within the scope of the Sustainability Principles Compliance Report, various regulations regarding environmental and social policies have been incorporated. Practices related to human rights, working conditions, and inclusivity are being developed. Anti-discrimination principles and responsibilities towards the supply chain have been integrated into the policies.

8.5. CORPORATE SOCIAL RESPONSIBILITY

In addition to supporting the sustainability of agricultural production, HEKTAŞ also regards social responsibility as one of its corporate priorities. Since its establishment, the Company has been active in multidimensional areas such as social responsibility projects, disaster relief, women's employment, training young engineers, and enhancing digital competencies.

- **Disaster Relief and Solidarity:** Within the scope of the "Reuniting with the Soil - Yavrudoğan" social responsibility project, 27 producers affected by the fire in Yavrudoğan, Manavgat were provided with product support amounting to TRY 700,000. This support enabled the rehabilitation of 150 decares of farmland. The project was launched specifically to support farmers affected by the fire in Yavrudoğan, Antalya, and to revitalise agricultural production. Following the fire, approximately 5,000 litres of liquid fertiliser and 16,000 kilograms of drip and base fertilisers were provided to 27 farmers who continued production, rehabilitating 150 decares of soil. As a result of the project, pumpkin producers in the region increased the number of harvests within the same year from 2 to 3 compared to previous years, achieving up to a 45% yield increase. The project's success went beyond material support, leaving a lasting impact by raising farmers' awareness of innovative agricultural methods and directing them towards more sustainable production practices. Activities were shaped through regional needs analyses conducted by HEKTAŞ field support teams, and a fair, farmer-specific support model was implemented.
- **Women's Employment and Equality:** HEKTAŞ embraces the principle of gender equality in all human resources processes, particularly recruitment. Special importance is attached to women's employment, with the aim of increasing diversity.
- **Education and Digital Competence:** Throughout 2024, a total of 16,745 hours of training were delivered. These trainings included content focused on technical development, leadership, personal development, and digital transformation, helping employees adapt to the requirements of the era.
- **Youth Empowerment:** Within the scope of projects developed under AREO Seeds, R&D studies are conducted for young engineers, ensuring their active participation in domestic seed development projects. Patented scientific studies are also carried out in collaboration with universities and public institutions.
- **Cleanliness Awareness and Environmental Walk:** HEKTAŞ participated in the Cleaning Awareness and Environmental Walk organized by GOSB. Tree planting and cleaning activities were carried out in the forested area of GOSB.

Through all these efforts, HEKTAŞ continues to contribute not only to economic development but also to social solidarity, human capital development, and environmental sustainability. The table summarises HEKTAŞ's strategic social impact areas, its targets in these areas, and the progress achieved as of 2024.

Main Heading	Related SDG	Subheadings	Target	State of Progress (2024)
Social Contribution and Solidarity	1 NO POVERTY 2 ZERO HUNGER 12 RESPONSIBLE CONSUMPTION AND PRODUCTION	Post-Fire Support Projects	Facilitating the recovery of producers' production activities in disaster-affected regions	Within the scope of the "Reuniting with the Soil – Yavrudoğan" Project, 5,000 litres of liquid fertiliser and 16,000 kilograms of fertiliser were provided to 27 farmers, and 150 decares of land were rehabilitated. Product support amounting to approximately TRY 700,000 was provided.
Diversity and Inclusion	5 GENDER EQUALITY	Women's Employment Projects	Increasing the female employment rate and providing equal opportunities	Gender equality is prioritised in human resources policies. The total number of employees is 579. Equality of opportunity is taken as a basis in all applications, especially in the recruitment processes.
Training and Competence Development	4 QUALITY EDUCATION	Digital and Vocational Education Programs	Providing employees with digital transformation, technical development, and professional competence	A total of 16,745 hours of training were organized for employees throughout 2024. The training topics included content focused on technical knowledge, leadership, personal development, and digital transformation.
Investment in Youth	4 QUALITY EDUCATION 8 DECENT WORK AND ECONOMIC GROWTH	Agricultural Training and Mentoring Programs	Contributing to the professional development of young people in the field of agriculture	AREO Seed offers development opportunities to young engineers and female employees through its R&D projects and conducts local seed development studies in collaboration with universities.

8.6. MEMBERSHIPS AND COLLABORATIONS

HEKTAŞ attaches great importance to developing cooperation with its stakeholders at the national and international levels. In order to increase productivity in production, promote sustainable agricultural practices, and provide environmentally sensitive solutions, collaborations are carried out with numerous sectoral associations, universities, public institutions, and international organisations.

Through these collaborations, HEKTAŞ plays an active role in key areas such as the digitalisation of agriculture, food security, and the development of climate-resilient agricultural systems. Numerous projects carried out in cooperation with the Ministry of Agriculture and Forestry of the Republic of Türkiye, the Turkish Patent and Trademark Office, universities, and research centres reflect HEKTAŞ's knowledge-driven production approach and its strong public–university–industry collaboration model. At the same time, compliance with international standards such as Global GAP further strengthens HEKTAŞ's position as a reliable and globally competitive brand in the agricultural sector.

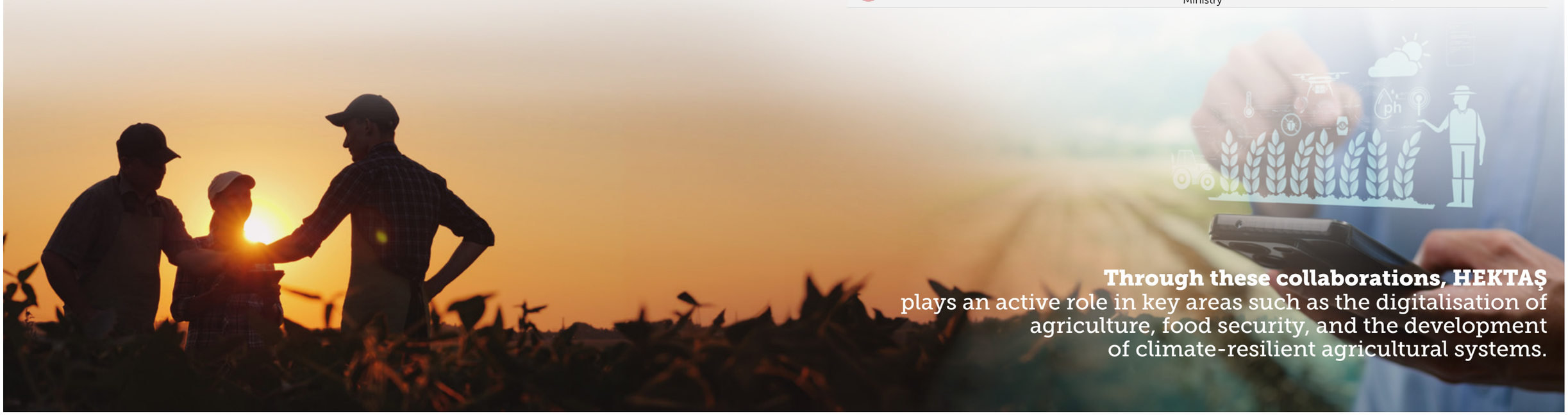
The main institutions of which HEKTAŞ is a member include:

BİSAB	Plant Breeders Sub-Union
TSÜAB	Seed Industrialists and Producers Sub-Union
TODAB	Seed Distributors Sub-Union
GÜİD	Fertiliser Manufacturers, Importers and Exporters Association
ZİMİD	Plant Protection Products Manufacturers Association

Other institutions and organisations with which HEKTAŞ has collaborated, implemented successful projects, and established partnerships are presented in the table together with some of its subsidiaries.

Memberships and Collaborations

Institution/Organization Name	Type	Description
Ministry of Agriculture and Forestry	Ministry	It has been the first implementer in the PPST system for plant protection products and seed certification.
Turkish Patent and Trademark Authority	Public Institution	Active collaboration has been carried out in patent applications and registration processes.
Akdeniz University	University	R&D and patent studies have been carried out in collaboration with Technopark.
CQUniversity (Australia)	University	R&D and genetic seed development collaboration has been carried out with Agriventis.
OSTIM Global Turkish Industrial Cluster	Industrial Zone Authority	A contract has been signed for the establishment of a facility on 10 hectares of land in Uzbekistan.
Niğde Bor Mixed OIZ and COIZ	Organized Industrial Zone	Incentives and investment support are provided to the region where the Ferbis production facility is located.
Global GAP	International Standard	AREO Seeds holds a sustainable agriculture practice certificate.
OYAK Group	Holding/ Partnership	Owning 55.37% of HEKTAŞ; it is a strategic investment partner.
Istanbul Stock Market (BIST)	Stock exchange	It has been trading as a publicly traded company since 1986.
PPPST (Plant Protection Products Stock Tracking System)	Digital Application / Ministry	HEKTAŞ is one of the first companies to integrate square code into this system.



09

HEKTAŞ: FUTURE-SHAPING PIONEER OF AGRICULTURE

09. HEKTAŞ: FUTURE-SHAPING PIONEER OF AGRICULTURE

9.1. R&D ECOSYSTEM AND SUSTAINABLE INNOVATION

With its strong R&D ecosystem and sustainable innovation approach, HEKTAŞ aims to adapt to the needs of the era, gain competitive advantage on a global scale, and reinforce its leadership in the sector.

With its strong R&D ecosystem and sustainable innovation approach, HEKTAŞ aims to adapt to the needs of the era, gain competitive advantage on a global scale, and reinforce its leadership in the sector. Through innovative projects and continuous improvement-oriented investments, the Company contributes to the agricultural sector by supporting both environmental and economic sustainability.

At HEKTAŞ, strong ecosystems in R&D are continuously developed to enhance innovation capacity. Within this scope, out of 37 projects carried over to 2024, 17 were completed and 25 new projects were initiated within the year, bringing the total number of projects entering 2025 to 45. As a result of the completed projects, new products were developed, product quality and standards were enhanced, and techniques that reduce costs and raise standards were implemented.

In 2024, HEKTAŞ maintained its sectoral leadership and continued to create commercial value through R&D projects in the fields of Plant Protection, Seeds, and Plant Nutrition. As a result of R&D studies completed in plant protection, licences were obtained for 11 new formulations, and 5 new products were launched during the year as direct outputs of these efforts. In the field of Plant Nutrition, 17 new products were successfully commercialised. Within the scope of strategically important seed breeding activities, a total of 28 seed varieties were registered between 2020 and 2024.

Newly developed liquid plant nutrition products were introduced to the market in 2024. These products are designed to ensure higher yields. The product group enhances plant resilience against stress factors, supports photosynthesis, and promotes healthy growth. In addition, by increasing the organic matter content in the soil, nutrients are better delivered to the plant, and soil structure and beneficial microorganism activity are improved.

In product formulations, priority is given to the use of bio-based and biodegradable raw materials wherever feasible. Furthermore, ongoing efforts focus on increasing the proportion of palm-based green solvents in solvent-based formulations.

In addition to solvent-based products, customers are also offered water-based and vegetable oil-based products that are more environmentally friendly and user-conscious. Furthermore, efforts are being undertaken to develop WG (water-dispersible granule) formulations, which minimize exposure risks for both people and the environment, as alternatives to WP (water-dispersible powder) formulations that may cause such exposure due to dusting.

Within the scope of shelf life extension efforts, the durability of products is being extended from 2 years to 3–4 years, thereby ensuring the efficient use of resources consumed during production. As a result, the volume of products requiring disposal is significantly reduced.

Investments in the R&D Centre laboratories within HEKTAŞ F.A.R.M., established in Orhangazi, will be increased in line with the Company's vision for a sustainable future. Through innovative approaches such as Biological Products, HEKTAŞ aims to adapt to the new era of agriculture and strengthen its competitive position. In this context, following the Gebze R&D Centre, which has been generating dynamic value across various business lines since 2017, the Orhangazi R&D Centre was officially certified by the Ministry of Industry and Technology in February 2024 as the Company's second R&D Centre.

According to the R&D 250 Report for the 2023 fiscal year, prepared annually by Turkishtime magazine with data from companies holding R&D centres approved by the Ministry of Industry and Technology of the Republic of Türkiye, HEKTAŞ ranked as follows:

- **44th among** all companies in terms of **total R&D** expenditure,
- **30th** based on the **number of projects** carried out in the R&D centre,
- **1st** in the **Chemicals and Products sector**,
- **3rd** in terms of the **number of trademarks** registered through the R&D centre.

9.1. R&D ECOSYSTEM AND SUSTAINABLE INNOVATION

Main Activities of the HEKTAŞ Gebze R&D Centre

- The centre, with its multidisciplinary structure and competent research team, has produced rapid and effective solutions. In addition, through participation in conferences and the presentation of papers, it has contributed to scientific studies and the literature.

At the HEKTAŞ Gebze R&D Centre:

- 12 of the 37 projects carried over from 2023 were completed by the end of 2024,
- 15 new projects were developed in 2024,
- A total of 40 R&D projects were carried over into 2025,
- As a result of R&D studies completed in 2024, licences were obtained for 11 new formulations,
- In the same year, 5 new products were launched as project outputs.

Main Activities of the HEKTAŞ Orhangazi R&D Centre:

- Through breeding projects carried out under the "HEKTAŞ Seeds" unit, local and resistant varieties are being developed in vegetables and industrial crops.
- In open-field conditions, studies are conducted on pome and stone fruits, nuts, field crops, vegetables, berries, and soilless farming applications.
- Year-round production is carried out in smart, closed soilless greenhouses, where efficiency-focused techniques are demonstrated to practitioners.

At the HEKTAŞ Orhangazi R&D Centre:

- The application submitted to the Ministry of Industry and Technology of the Republic of Türkiye was approved at the Ministry's commission meeting on 09.02.2024, and the HEKTAŞ Orhangazi Branch was officially certified as an R&D Centre.
- R&D studies continue on fruit trees, field crops, berry groups, vineyards, as well as summer and winter vegetables.
- 10 new projects were launched in 2024.
- A total of 5 R&D projects were carried over into 2025.

AREO Seed Technologies R&D Center Main Activities:

- AREO Seed Technologies has contributed to reducing Türkiye's dependence on seeds and increasing export volume through its R&D work in the field of seed breeding. AREO Seed Technologies and HEKTAŞ have strengthened their competitiveness with varieties aligned to market conditions and responsive to producers' needs.
- Within the scope of NASA's Mars mission, an "Accelerated Breeding" system was developed through R&D studies to address astronauts' food supply needs. This innovative system reduced the variety development period for crops such as wheat from six years to 600 days. The facility houses a Biotechnology Laboratory, Molecular Marker Analysis Laboratory, Plant Tissue Culture Laboratory, and Phytopathology Laboratory, where molecular marker analyses are being extensively applied.
- Field trials have been conducted using modern technologies: cotton in Aydın, Nazilli, and Şanlıurfa; Siyez wheat, barley, chickpeas, and peas in Ankara; maize in Sakarya; and sunflower in Edirne.
- In cotton, more than 2,000 genetic lines, 1,389 single-plant field observations, generation advancement processes, various micro-yield trials, field observations, comprehensive field evaluations, and yield performance studies have been carried out.
- The doubled haploid method has been applied in selected pepper, cucumber, and eggplant varieties.
- In the vegetable group, genetic material numbers have been increased, and hybrid trials have been conducted to develop varieties capable of meeting market demands such as disease resistance, different fruit types, and quality, particularly for the Middle East, South America, Mexico, Europe (Italy, Spain), and Morocco.
- Disease resistance analysis and breeding studies have been conducted for 11 different tomato varieties.
- Breeding, adaptation, regional disease resistance, and registration studies are ongoing for 16 pepper varieties.
- For cucumber, breeding, adaptation, regional disease resistance, and registration studies are ongoing for 5 varieties.
- Optimisation studies for wheat breeding using doubled haploid technology have been carried out at the facility.
- Within the Vegetable Breeding programme, preliminary yield trials with numerous plant seeds at various stages, comprehensive farmer demo trials (second screening), and extensive farmer demo trials prior to commercialisation (registration) have been initiated.

At the AREO Seed Technologies R&D Centre:

- Through R&D studies focused on seed breeding, AREO Seed contributes to reducing Türkiye's dependency on foreign seed sources and to increasing export volumes.
- Under the AREO Seed brand, and in collaboration with HEKTAŞ Seeds, new varieties that meet market demands and producers' needs are being developed, thereby strengthening competitiveness against international brands.

9.1. R&D ECOSYSTEM AND SUSTAINABLE INNOVATION

Main Activities of the Ankara High Technology (AHT) Centre:

- In the last quarter of 2019, HEKTAŞ established the "High Technology Centre" in Sincan, Ankara. The centre was founded to reduce dependence on imported fertilisers, decrease imports, support food and environmental health, and develop value-added products by reducing the use of conventional chemical products.
- The facility is well equipped and holds the highest capacity in Türkiye for agricultural microbiological products. In the short term, it plans to produce high value-added products, reduce imports, and manufacture products at risk within the supply chain. In the long term, the aim is to develop new products.
- Research is ongoing on organomineral fertilisers, referred to as next-generation fertilisers, with a focus on adding slow-release properties to formulations and enhancing mineral uptake levels in plants, thereby creating differentiated and value-added products.
- The Plant Nutrition product portfolio is expanding through product development in biostimulants and liquid foliar fertilisers, as well as microbial fertiliser identification studies.
- At the "High Technology Centre" in Sincan, Ankara, studies are being conducted on the production of organomineral liquid fertilisers and composite liquid fertilisers containing amino acids, bacteria, and enzymes.

With its strong R&D ecosystem and commitment to sustainable innovation, HEKTAŞ continues to expand its product portfolio, deliver innovative solutions, and reinforce its leadership in the sector.

Through the implementation of these projects, the Company not only supports its sustainable growth objectives but also gains a competitive advantage in both domestic and international markets.

9.2 DIGITALISATION AND SMART FARMING TECHNOLOGIES

As transformation in the agricultural sector accelerates with a focus on sustainability, productivity, and digitalisation, HEKTAŞ is steering this transition with innovative applications it has developed. Owing to smart farming technologies, automation systems, and R&D-driven projects, significant progress is being achieved both in production processes and in environmental responsibility. The adoption of Industry 4.0 standards in modern production facilities, along with digitalised business models and customer-focused approaches, contributes to building a holistic strategy that supports the future of agriculture. Through these investments, projects, and marketing activities, HEKTAŞ is not only strengthening its institutional capacity but also reinforcing the foundations that support sustainable growth.

In line with the principles of sustainability, efficiency, and resource optimisation in agriculture, HEKTAŞ has developed smart soilless greenhouse systems for the production of tomatoes, peppers, cucumbers, and seeds. Considering the shrinking availability of agricultural land and the pressures of climate change on food production, these innovative cultivation systems offer a strategic solution to strengthen food security.

In these systems, production processes are supported by smart farming technologies, automation systems, and data-driven decision-making mechanisms.

Industry 4.0-Compatible Production Infrastructure

Within the scope of HEKTAŞ's digital transformation roadmap, the Gebze production facility has been restructured in accordance with the principles of Industry 4.0.

As part of the modernisation process:

- All production steps were digitalised through investments initiated in 2020,
- The entire machinery and equipment fleet was renewed,
- Full automation was introduced in filling processes.

By 2022, with the systems commissioned:

- All stages from production to packaging became digitally traceable,
- Standardisation and traceability were ensured across production processes.

Through a state-of-the-art control room established within the facility:

- All operations are monitored in real time by engineering and R&D teams,
- Quality continuity is secured by means of rapid data analysis.

At the Gebze production facility, separate production lines have been established for product groups with different formulations:

- Liquid herbicide (project ongoing)
- Insecticide and fungicide formulations

All of these lines operate with robotic systems. By means of automation:

- Operational efficiency has been increased,
- The need for human intervention has been reduced,
- Production continuity and safety have been ensured.

Product Traceability

Within the framework of the Plant Protection Tracking System introduced by the Ministry of Agriculture and Forestry of the Republic of Türkiye, the QR code application was implemented for the first time in the sector by HEKTAŞ.

By this system:

- All movements of plant protection products from production to the end user are recorded,
- Counterfeit products are prevented,
- Product safety and legal traceability are enhanced.

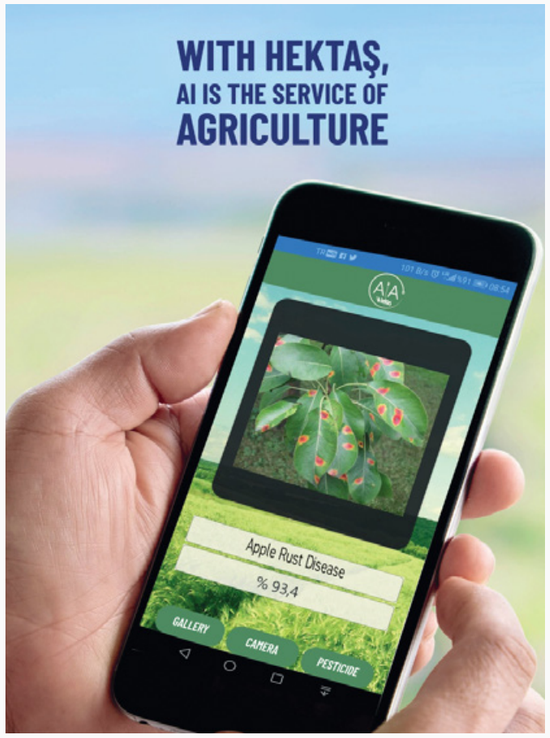
Transition from Agriculture 4.0 to Agriculture 5.0

With its digitalisation-based agricultural practices, HEKTAŞ is one of the pioneers of the Agriculture 4.0 transformation in Türkiye.

Within this transformation, the following technologies have been integrated into the production infrastructure:

- Sensor-based monitoring systems
- Imaging and optical recognition technologies
- Data analytics solutions
- Artificial intelligence-supported decision-making mechanisms

In addition, an agricultural spraying drone has been added to the drone fleet.



Through these solutions, an efficiency-oriented production approach is being implemented, and agricultural systems that adapt to climate change and have low environmental impact are being developed. HEKTAŞ is shaping its future strategy in line with the vision of Agriculture 5.0 and continues to guide the development of digital agriculture.

9.2. DIGITALISATION AND SMART FARMING TECHNOLOGIES

Furthermore, within the scope of digitalisation practices in operational processes, employee requests have begun to be tracked digitally by means of the SMAX (ITSM Tool) ticketing system and mobile application. These practices have contributed to optimising resource use and strengthening sustainable business practices.

Customer Club

HEKTAŞ prioritises customer satisfaction, one of the fundamental elements of long-term corporate success, through a customer-centric management approach. Comprehensive strategies are implemented with the aim of continuously improving service quality, enhancing customer loyalty, and strengthening commercial relationships.

In this context, the HEKTAŞ Customer Club, launched in 2018 as a first in the sector, has transformed the customer experience into a more interactive, sustainable, and data-driven structure. Through the Club, customer behaviours are analysed in detail, and these analyses form the basis for more targeted service development processes.

As of the end of 2024, within the scope of the Customer Club:

- A total of 516 members (459 retail, 57 sub-retail) are actively engaged.
- The total time spent by members on the platform has reached 66,461 minutes, with 4,917 interactions recorded in the communication module.
- Between 2018 and 2024, members were rewarded with a total of 4,331 gifts in return for product purchases.

Through the Customer Club, loyalty programmes and digital communication activities have been integrated, establishing a holistic structure that strengthens customer satisfaction.

Product Launches

In line with its goal of supporting sustainable agricultural production, HEKTAŞ developed a new product group in 2024 comprising liquid plant nutrition products. Formulated at the Ankara High Technology Centre, these products were introduced to the sector under the brands Hekamino, Tradite Liquid, Agrifor, and Natsu, with a total of 17 different products.

The launch of the new product group was held at the HEKTAŞ F.A.R.M. facility in Orhangazi, with the participation of major dealer representatives from across Türkiye.

In seed operations, a brand consolidation strategy was pursued. Activities carried out under the name AREO Seeds since 2019 were announced to be unified under the HEKTAŞ Seeds umbrella, in line with the global brand vision. This strategic transformation was also announced at a press conference held at the HEKTAŞ F.A.R.M. facility. These initiatives contribute as a tangible reflection of the Smart Agriculture vision by enabling the implementation of innovative agricultural technologies and science-based production models.

Digital Marketing

Throughout 2024, communication and marketing activities conducted through digital channels reached more than 14 million users in total.

Approximately 9 million of these interactions were achieved by means of digital advertising campaigns customised according to interest areas, geographic regions, and crop types.
This way:

- HEKTAŞ's digital visibility was enhanced,
- Brand awareness was strengthened,
- Engagement with target audiences was reinforced.

All marketing and customer relations activities are planned to support HEKTAŞ's sustainable growth vision and are shaped based on technology, data analytics, and customer insights.

9.3. DATA PRIVACY AND INFORMATION SECURITY

At HEKTAŞ, information security is regarded not only as the responsibility of the information technologies unit but as a shared responsibility of the entire organisation. Ensuring business continuity, safeguarding corporate reputation, and achieving full compliance with regulations place information security among the Company's critical priorities; in particular, the protection of production data, customer information, and intellectual property is of strategic importance.

In this context, HEKTAŞ's Information Security Policy has been structured in accordance with the ISO 27001 Information Security Management System standard. As a result of the efforts carried out within this framework, a high security maturity score was achieved in external audits. The policy incorporates proactive measures against cyberattacks, unauthorised access, data leaks, and insider threats, ensuring a comprehensive and preventive approach to information security management.

Measures implemented include Endpoint Detection and Response (EDR) solutions ensuring endpoint security, e-mail and web security applications, Security Information and Event Management (SIEM)-based monitoring systems, and a Security Orchestration, Automation, and Response (SOAR) infrastructure enabling automated intervention. In addition to this technological infrastructure, regular vulnerability scans and penetration tests are carried out to continuously assess and enhance the resilience of HEKTAŞ's IT systems.

In terms of data privacy, projects compliant with the Law on the Protection of Personal Data (KVKK) and the General Data Protection Regulation (GDPR) are implemented; employees receive information security training and participate in phishing simulations. To protect production networks, segmentation practices have been introduced, and the Zero Trust security model has been adopted to minimise the risk of unauthorised access.

In this context, HEKTAŞ's Information Security Policy has been structured in accordance with the ISO 27001 Information Security Management System standard.

APPENDIX

APPENDIX

ENVIRONMENTAL PERFORMANCE INDICATORS

Waste Data

WASTE MANAGEMENT*				
HEKTAŞ Headquarters and Plant Protection Products Production Facility – Kocaeli, Gebze				
Waste Values	Unit	2022	2023	2024
The Amount of Hazardous Waste	tons	558.09	512.24	305.61
The Amount of Non-Hazardous Waste	tons	564.99	509.65	279.90
Total	**tons**	**1,123.08**	**1,021.89**	**585.51**
Recovered Waste Values	**tons**	**702.58**	**755.17**	**499.11**

Ferbis Plant Protection Products Production Facility – Niğde, Bor				
Waste Values	Unit	2022	2023	2024
The Amount of Hazardous Waste	tons	136.55	75.13	75.96
The Amount of Non-Hazardous Waste	tons	91.33	169.01	143.12
Total	**tons**	**227.88**	**244.14**	**219.08**
Recovered Waste Values	**tons**	**218.85**	**15.98**	**193.10**

HEKTAŞ Organomineral Fertiliser Production Facility – Adana, Sarıçam				
Waste Values	Unit	2022	2023	2024
The Amount of Hazardous Waste	tons	0.00	80.00	4.06
The Amount of Non-Hazardous Waste	tons	172.06	354.84	137.46
Total	**tons**	**172.06**	**434.84**	**141.52**
Recovered Waste Values	**tons**	**172.06**	**434.84**	**141.52**

HEKTAŞ F.A.R.M. – Bursa, Orhangazi				
Waste Values	Unit	2022	2023	2024
The Amount of Hazardous Waste	tons	4.99	3.29	1.78
The Amount of Non-Hazardous Waste	tons	1.14	3.00	17.41
Total	tons	6.13	6.29	19.19
Recovered Waste Values	tons	6.13	6.28	19.19

HEKTAŞ High Technology Center – Ankara, Sincan				
Waste Values	Unit	2022	2023	2024
The Amount of Hazardous Waste**	tons	0.00	56.60	0.00
The Amount of Non-Hazardous Waste	tons	0.70	0.73	0.00
Total	**tons**	**0.70**	**57.33**	**0.00**
Recovered Waste Values	**tons**	**0.70**	**0.73**	**0.00**

TOTAL				
Waste Values	Unit	2022	2023	2024
The Amount of Hazardous Waste	tons	699.63	727.25	387.41
The Amount of Non-Hazardous Waste	tons	830.21	1,037.23	577.89
Total	**tons**	**1,529.84**	**1,764.49**	**965.30**
Recovered Waste Values	**tons**	**1,100.32**	**1,213.00**	**852.92**
Recovered Waste Rate	**%**	**72**	**69**	**88**

*Generated waste at the AREO's Seed Technologies Center in Antalya, Marmara Regional Office, Mediterranean Regional Office, Aegean Regional Office, Central Anatolia Regional Office, GAP Regional Office, and Çukurova Regional Officeis disposed of through municipal waste containers.
**For the Ankara AHT facility, no hazardous waste was generated in 2022 and 2024.

ENVIRONMENTAL PERFORMANCE INDICATORS

Water Consumption Data

WATER CONSUMPTION

HEKTAŞ Headquarters and Plant Protection Products Production Facility – Kocaeli, Gebze

Water Consumption	Unit	2022	2023	2024
Mains Water Consumption	m^3/year	31,275.00	42,147.00	26,064.00
Groundwater Consumption	m^3/year	-	-	-
Surface Water Consumption	m^3/year	-	-	-
Total Water Consumption	**m^3/year**	**31,275.00**	**42,147.00**	**26,064.00**

Ferbis Plant Protection Products Production Facility – Niğde, Bor

Water Consumption	Unit	2022	2023	2024
Mains Water Consumption	m^3/year	-	-	-
Groundwater Consumption	m^3/year	-	-	26,541.00
Surface Water Consumption	m^3/year	-	-	-
Total Water Consumption	**m^3/year**	**-**	**-**	**26,541.00**

HEKTAŞ Organomineral Fertiliser Production Facility – Adana, Sarıçam

Water Consumption	Unit	2022	2023	2024
Mains Water Consumption	m^3/year	3,047.00	5,975.00	9,586.00
Groundwater Consumption	m^3/year	-	-	-
Surface Water Consumption	m^3/year	-	-	-
Total Water Consumption	**m^3/year**	**3,047.00**	**5,975.00**	**9,586.00**

HEKTAŞ F.A.R.M. – Bursa, Orhangazi

Water Consumption	Unit	2022	2023	2024
Mains Water Consumption	m^3/year	4,678.00	9,220.00	7,912.00
Groundwater Consumption	m^3/year	-	-	-
Surface Water Consumption	m^3/year	57,167.00	130,159.00	255,474.00*
Total Water Consumption	**m^3/year**	**61,845.00**	**139,379.00**	**263,386.00**

*Represents the amount of water supplied by the Keramet Irrigation Union.

HEKTAŞ High Technology Center – Ankara, Sincan

Water Consumption	Unit	2022	2023	2024
Mains Water Consumption	m^3/year	100.00	5,371.00	5,235.00
Groundwater Consumption	m^3/year	-	-	-
Surface Water Consumption	m^3/year	-	-	-
Total Water Consumption	**m^3/year**	**100.00**	**5,371.00**	**5,235.00**

WATER CONSUMPTION

AREO Seed Technologies Center – Antalya, Konyaaltı

Water Consumption	Unit	2022	2023	2024
Mains Water Consumption	m^3/year	412.00	604.00	558.00
Groundwater Consumption	m^3/year	10,400.00	15,246.00	14,085.00
Surface Water Consumption	m^3/year	-	-	-
Total Water Consumption	**m^3/year**	**10,812.00**	**15,850.00**	**14,643.00**

Marmara Regional Office

Water Consumption	Unit	2022	2023	2024
Mains Water Consumption	m^3/year	150.00	133.00	148.00
Groundwater Consumption	m^3/year	-	-	-
Surface Water Consumption	m^3/year	-	-	-
Total Water Consumption	**m^3/year**	**150.00**	**133.00**	**148.00**

Mediterranean Regional Office

Water Consumption	Unit	2022	2023	2024
Mains Water Consumption	m^3/year	190.00	162.00	127.00
Groundwater Consumption	m^3/year	-	-	-
Surface Water Consumption	m^3/year	-	-	-
Total Water Consumption	**m^3/year**	**190.00**	**162.00**	**127.00**

Central Anatolia Regional Office

Water Consumption	Unit	2022	2023	2024
Mains Water Consumption	m^3/year	230.00	223.00	328.00
Groundwater Consumption	m^3/year	-	-	-
Surface Water Consumption	m^3/year	-	-	-
Total Water Consumption	**m^3/year**	**230.00**	**223.00**	**328.00**

ENVIRONMENTAL PERFORMANCE INDICATORS

Water Consumption Data

WATER CONSUMPTION				
GAP Regional Office				
Water Consumption	Unit	2022	2023	2024
Mains Water Consumption	m^3/year	38.00	28.00	39.00
Groundwater Consumption	m^3/year	-	-	-
Surface Water Consumption	m^3/year	-	-	-
Total Water Consumption	**m^3/year**	**38.00**	**28.00**	**39.00**
Çukurova Regional Office				
Water Consumption	Unit	2022	2023	2024
Mains Water Consumption	m^3/year	93.00	93.00	77.00
Groundwater Consumption	m^3/year	-	-	-
Surface Water Consumption	m^3/year	-	-	-
Total Water Consumption	**m^3/year**	**93.00**	**93.00**	**77.00**
Total*				
Water Consumption	**Unit**	**2022**	**2023**	**2024**
Mains Water Consumption	m^3/year	40,213.00	63,956.00	50,074.00
Groundwater Consumption	m^3/year	10,400.00	15,246.00	40,626.00
Surface Water Consumption	m^3/year	56,167.00	130,159.00	255,474.00
Total Water Consumption	**m^3/year**	**107,680.00**	**209,361.00**	**346,174.00**

*For the Agean Regional Office, water consumption was carried out using bottled water, and no data is available.

POLLUTANTS' POLLUTION LOAD*				
Company	Unit	2022	2023	2024
Gebze	tons	0.25	2.93	1.34

*Pollutants: COD (Chemical Oxygen Demand), TSS (Total Suspended Solids), Total Nitrogen, Phenol, Total Phosphorus, Total Zinc

Emission Data

EMISSION AMOUNT*					
Company	**Location**	**Unit**	**Scope 1**	**Scope 2**	**Total (Scope 1 & 2)**
HEKTAŞ Headquarters and Plant Protection Products Production Facility**	Kocaeli	ton CO_2e	1,783.45	1,793.09	3,576.54
Ferbis Plant Protection Products Production Facility	Niğde	ton CO_2e	721.85	779.70	1,501.55
HEKTAŞ Organomineral Fertiliser Production Facility	Adana	ton CO_2e	880.15	426.11	1,306.26
HEKTAŞ F.A.R.M.	Bursa	ton CO_2e	966.26	1,134.13	2,100.39
HEKTAŞ High Technology Center**	Ankara	ton CO_2e	75.77	135.45	211.22
AREO Seed Technologies Center	Antalya	ton CO_2e	70.50	111.21	181.71
Total*		**ton CO_2e**	**4,497.98**	**4,379.69**	**8,915.83**

*The total data differs from the TSRS report because the TSRS report additionally accounts for and includes the emission data of Agriventis.
**The names of the relevant companies were inadvertently misspelled in the TSRS report; the names written in this report are correct.

Air Pollutants

AIR POLLUTANTS*				
HEKTAŞ Headquarters and Plant Protection Products Production Facility – Kocaeli, Gebze	**Unit**	**2022**	**2023**	**2024**
SO_x	tons	0.00	0.00	0.00
NO_x		5.44	0.00	9.93
CO		0.00	0.00	0.23
VOC		0.00	0.00	4.05
PM_{10}		0.83	0.00	1.59
CFC-11		0.00	0.00	0.00
Ferbis Plant Protection Products Production Facility – Niğde, Bor	**Unit**	**2022**	**2023**	**2024**
SO_x	tons	0.00	20.69	0.00
NO_x		0.00	3.08	0.00
CO		0.00	81.99	0.00
VOC		0.00	0.15	0.00
PM_{10}		1.73	1.49	0.35
CFC-11		0.00	0.00	0.00

ENVIRONMENTAL PERFORMANCE INDICATORS

Air Pollutants

AIR POLLUTANTS*				
HEKTAŞ Organomineral Fertiliser Production Facility – Adana, Sarıçam	**Unit**	**2022**	**2023**	**2024**
SO_x	tons	0.00	0.38	0.00
NO_x		0.00	2.19	0.00
CO		0.00	28.16	0.00
VOC		0.00	0.00	0.00
PM_{10}		0.00	0.47	0.00
CFC-11		0.00	0.00	0.00
HEKTAŞ F.A.R.M. – Bursa, Orhangazi	**Unit**	**2022**	**2023**	**2024**
SO_x	tons	0.00	0.00	0.00
NO_x		0.00	0.00	6.85
CO		0.00	0.00	2.67
VOC		0.00	0.00	0.00
PM_{10}		0.00	0.00	0.00
CFC-11		0.00	0.00	0.00
HEKTAŞ High Technology Center – Ankara, Sincan	**Unit**	**2022**	**2023**	**2024**
SO_x	tons	0.00	0.00	0.02
NO_x		0.00	0.00	0.01
CO		0.00	0.00	0.01
VOC		0.00	0.00	0.00
PM_{11}		0.00	0.00	0.09
CFC-11		0.00	0.00	0.00
Total	**Unit**	**2022**	**2023**	**2024**
SO_x	tons	0.00	21.07	0.02
NO_x		5.44	5.27	16.79
CO		0.00	110.15	2.91
VOC		0.00	0.15	4.05
PM_{10}		2.56	1.96	2.02
CFC-11		0.00	0.00	0.00

*Under the Regulation on the Monitoring of Greenhouse Gas Emissions, all facilities have a rated thermal input below 20 MW and are therefore not subject to continuous measurement. In accordance with the Regulation on the Control of Industrial Air Pollution (SKHKKY), measurements of pollutant gases are conducted at all facilities once every two years. According to the measurement results, all facilities remain below the legal limit values and are in compliance with the provisions of the SKHKKY.

Energy Consumption Data

ENERGY				
HEKTAŞ Headquarters and Plant Protection Products Production Facility – Kocaeli, Gebze				
Energy Source	Unit	2022	2023	2024
Electricity	kWh/year	6,668,864.29	5,739,853.49	3,751,240.77
Natural Gas	m^3/year	1,190,280.00	916,562.00	768,967.00
Total Energy Consumption	**GJ**	**65,093.21**	**52,300.75**	**40,047.16**
Ferbis Plant Protection Products Production Facility – Niğde, Bor				
Energy Source	Unit	2022	2023	2024
Electricity	kWh/year	1,894,550.11	2,074,137.93	1,631,170.22
Natural Gas	m^3/year	394,865.00	330,269.00	349,709.00
Total Energy Consumption	**GJ**	**20,450.07**	**18,866.90**	**17,943.24**
HEKTAŞ Organomineral Fertiliser Production Facility – Adana, Sarıçam				
Energy Source	Unit	2022	2023	2024
Electricity	kWh/year	2,024,074.71	1,189,613.13	891,436.77
Natural Gas	m^3/year	865,655.00	528,194.00	391,325.00
Total Energy Consumption	**GJ**	**56,864.31**	**34,208.92**	**16,716.67**
HEKTAŞ F.A.R.M. – Bursa, Orhangazi				
Energy Source	Unit	2022	2023	2024
Electricity	kWh/year	807,054.64	2,334,282.92	2,372,661.00
Natural Gas	m^3/year	489,757.40	466,584.27	413,689.80
Total Energy Consumption	**GJ**	**19,810.52**	**24,508.67**	**22,821.05**
HEKTAŞ High Technology Center – Ankara, Sincan				
Energy Source	Unit	2022	2023	2024
Electricity	kWh/year	32,157.00	248,149.25	283,377.60
Natural Gas	m^3/year	761.00	89,571.00	33,268.00
Total Energy Consumption	**GJ**	**26.27**	**3,985.09**	**2,168.48**

ENVIRONMENTAL PERFORMANCE INDICATORS

Energy Consumption Data

ENERGY				
AREO Seed Technologies Center – Antalya, Konyaaltı				
Energy Source	Unit	2022	2023	2024
Electricity	kWh/year	221,939.60	187,716.00	232,651.20
Natural Gas	m^3/year	46,220.32	47,352.81	33,246.82
Total Energy Consumption	**GJ**	**2,394.39**	**2,310.27**	**1,985.14**
Marmara Regional Office				
Energy Source	Unit	2022	2023	2024
Electricity	kWh/year	15,395.00	17,778.00	18,229.00
Natural Gas	m^3/year	3,870.25	2,589.12	1,969.33
Total Energy Consumption	**GJ**	**189.01**	**153.37**	**133.60**
Mediterranean Regional Office				
Energy Source	Unit	2022	2023	2024
Electricity	kWh/year	16,673.14	17,091.56	15,775.90
Natural Gas	m^3/year	-	-	-
Total Energy Consumption	**GJ**	**60.02**	**61.53**	**56.79**
Aegean Regional Office				
Energy Source	Unit	2022	2023	2024
Electricity	kWh/year	76,111.69	86,798.79	112,515.48
Natural Gas	m^3/year	-	-	-
Total Energy Consumption	**GJ**	**274.00**	**312.48**	**405.06**
Central Anatolia Regional Office				
Energy Source	Unit	2022	2023	2024
Electricity	kWh/year	25,718.09	27,517.73	26,134.52
Natural Gas	m^3/year	11,539.00	7,735.00	7,497.00
Total Energy Consumption	**GJ**	**490.88**	**366.06**	**352.86**
The GAP Regional Office				
Energy Source	Unit	2022	2023	2024
Electricity	kWh/year	6,438.44	4,290.52	4,609.51
Natural Gas	m^3/year	1,987.00	1,564.23	440.93
Total Energy Consumption	**GJ**	**91.76**	**69.44**	**31.81**

ENERGY				
Çukurova Regional Office				
Energy Source	Unit	2022	2023	2024
Electricity	kWh/year	18,966.94	20,140.10	22,218.67
Natural Gas	m^3/year	1,443.00	788.83	1,225.29
Total Energy Consumption	**GJ**	**118.09**	**99.73**	**122.28**
Total				
Energy Source	Unit	2022	2023	2024
Electricity	kWh/year	11,807,943.65	11,947,369.42	9,362,020.64
Natural Gas	m^3/year	3,006,377.97	2,391,210.26	2,001,338.17
Total Energy Consumption	**GJ**	**165,862.53**	**137,243.21**	**102,784.14**

Environmental Expenditures

Environmental Expenditures				
Budget Allocated for Environmental Liabilities (Planned)	TL	218,260.00	645,800.00	1,322,820.00
Budget Allocated for Environmental Liabilities (Actual)	TL	239,666.00	925,660.00	1,466,301.00
Amount of Expenditures on Environmental Issues (Planned) (Environmental Dimensions, Impacts and Risks Prevention, Mitigation, Control; Disposal, Treatment, Sanitation, and Cleaning Expenditures)	TL	2,739,815.00	3,274,040.00	8,787,315.00
Amount of Expenditures on Environmental Issues (Actual) (Environmental Dimensions, Impacts and Risks Prevention, Mitigation, Control; Disposal, Treatment, Sanitation, and Cleaning Expenditures)	TL	7,949,925.00	8,615,386.00	3,572,428.00

SOCIAL PERFORMANCE INDICATORS

WORKFORCE NUMBERS			
Direct Employment	2022	2023	2024
Female	163	140	124
Male	673	478	455
Total	**836**	**618**	**579**

Blue Collar–White Collar			
Direct Employment	2022	2023	2024
Blue Collar	289	211	205
White Collar	547	407	374
Total	**836**	**618**	**579**

Number of Employees by Contract Type			
	2022	2023	2024
Indefinite-Term Employment Contract	821	618	579
Temporary Employment Contract	15	0	0
* There are no employees covered by a collective bargaining agreement. Employees are free to join a union.			
Total	**836**	**618**	**579**

Total Workforce by Age Group			
Female	2022	2023	2024
18-30	54	44	33
30-45	88	76	71
45+	21	20	20
Male	2022	2023	2024
18-30	232	163	115
30-45	349	258	274
45+	92	57	66
Total	**836**	**618**	**579**

The Total Number of Newly Hired Employees			
	2022	2023	2024
Female	64	26	17
Male	214	83	68
Total	**278**	**109**	**85**

WORKFORCE NUMBERS			
Total Number of Disabled Employees			
	2022	2023	2024
Female	2	0	0
Male	14	9	9
Total	**16**	**9**	**9**

Subcontractor/Third-Party Contractor Company Labor Force Numbers			
	2022	2023	2024
Female	46	68	65
Male	163	126	119
Total	**209**	**194**	**184**

Number of Employees by Level of Education			
	2022	2023	2024
Primary Education	147	85	82
High School	186	155	144
University and Above	503	378	353
Total	**836**	**618**	**579**

Distribution by Gender in Senior Management			
	2022	2023	2024
Female	2	1	1
Male	12	7	8
Total	**14**	**8**	**9**

Distribution by Gender at the Executive Level			
	2022	2023	2024
Female	6	9	9
Male	31	31	32
Total	**37**	**40**	**41**

Distribution by Gender at Mid-Level Management			
	2022	2023	2024
Female	24	26	25
Male	72	59	57
Total	**96**	**85**	**82**

SOCIAL PERFORMANCE INDICATORS

WORKFORCE NUMBERS			
Total Number of Employees Who Left the Company			
	2022	2023	2024
Female	18	43	32
Male	84	237	89
Total	102	280	121
Employee Circulation Rate			
	2022	2023	2024
Female	13.05%	26.60%	23.60%
Male	15.09%	41.81%	18.00%
Total	14.70%	38.70%	19.30%
Ratio of Employees Who Voluntarily Resigned (left the company of their own accord for various reasons) to Total Employees	6.98%	11.73%	9.41%
Ratio of Involuntary Employee Departures (retirement, death, incapacity, dismissal, termination of fixed-term contracts, employer-initiated termination) to Total Employees	3.37%	32.08%	11.32%
Maternity Leave			
	2022	2023	2024
The Number of Employees on Maternity Leave	4	6	7
The Number of Employees Returning from Maternity Leave	4	6	7
Employees Remaining in Employment for 12 Months Following Return from Maternity Leave	3	5	5

WORKFORCE NUMBERS			
Number of Participants in Employee Trainings			
Female	2022	2023	2024
Blue Collar	9	11	12
White Collar	149	155	121
Subcontractor / Third-Party Contractor	13	3	10
Male	2022	2023	2024
Blue Collar	170	217	151
White Collar	397	398	301
Subcontractor / Third-Party Contractor	10	4	4

Total Hours of Employee Trainings			
Female	2022	2023	2024
Blue Collar	88	127	834
White Collar	5,122	5,921	3,650
Subcontractor / Third-Party Contractor	164	48	136
Male	2022	2023	2024
Blue Collar	7,376	4,542	5,009
White Collar	12,173	10,552	10,906
Subcontractor / Third-Party Contractor	168	82	56

Average Time Per Employee in Employee Trainings			
	2022	2023	2024
Internal Stakeholders	29.62	34.21	35.23

Supplier Information			
	2022	2023	2024
Number of Local Suppliers	1,771	1,036	1,159
Number of Foreign Suppliers	183	134	103
Total Number of Suppliers	1,954	1,170	1,262
Local Supplier Ratio	90.60%	88.50%	91.80%

OHS PERFORMANCE INDICATORS

OHS PERFORMANCE INDICATORS*

HEKTAŞ Headquarters and Plant Protection Products Production Facility – Kocaeli, Gebze

OHS Key Performance Indicators	2022		2023		2024	
	Employees	Employees Including Subcontractors	Employees	Employees Including Subcontractors	Employees	Employees Including Subcontractors
Number of Accidents	27	0	11	2	6	1
Number of Lost Workdays	127	0	79	3	35	13
Accident Frequency Rate**	25.37	185.40	16.59	96.57	9.32	55.64
Accident Severity Rate***	0.12	0.87	0.12	0.61	0.05	0.38

Ferbis Plant Protection Products Production Facility – Niğde, Bor

OHS Key Performance Indicators	2022		2023		2024	
	Employees	Employees Including Subcontractors	Employees	Employees Including Subcontractors	Employees	Employees Including Subcontractors
Number of Accidents	12	0	5	1	9	1
Number of Lost Workdays	14	0	3	0	2	0
Accident Frequency Rate**	73.10	0	26.39	0	53.23	0
Accident Severity Rate***	0.09	0	0.02	0	0.01	0

HEKTAŞ Organomineral Fertiliser Production Facility – Adana, Sarıçam

OHS Key Performance Indicators	2022		2023		2024	
	Employees	Employees Including Subcontractors	Employees	Employees Including Subcontractors	Employees	Employees Including Subcontractors
Number of Accidents	6	0	1	2	2	0
Number of Lost Workdays	82	0	0	85	19	0
Accident Frequency Rate**	25.16	59.58	5.58	127.15	24.98	99.04
Accident Severity Rate***	0.34	0.81	0.00	3.60	0.24	0.94

HEKTAŞ F.A.R.M. – Bursa, Orhangazi

OHS Key Performance Indicators	2022		2023		2024	
	Employees	Employees Including Subcontractors	Employees	Employees Including Subcontractors	Employees	Employees Including Subcontractors
Number of Accidents	1	3	3	11	5	0
Number of Lost Workdays	4	35	10	53	24	0
Accident Frequency Rate**	27.94	46.95	12.13	102.27	24.61	42.20
Accident Severity Rate***	0.11	0.46	0.04	0.46	0.12	0.20

*The OHS Performance Indicators provided for each location have been calculated based on actual data and the total working hours. In the last three years, no accidents or lost days have occurred at the HEKTAŞ High Technology Center, Akdeniz Regional Office, AREO Seed Technologies Center, Çukurova Regional Office, Aegean Regional Office, GAP Regional Office, Central Anatolia Regional Office, and Marmara Regional Office. Therefore, the data for these locations is "0" and has not been included in the table.
**Accident Frequency Rate: (Number of Accidents / Total Effective Working Hours) * 1,000,000
*** Accident Severity Rate: (Number of Lost Workdays / Total Effective Working Hours) * 1,000

TOTAL

OHS Key Performance Indicators	2022		2023		2024	
	Employees	Employees Including Subcontractors	Employees	Employees Including Subcontractors	Employees	Employees Including Subcontractors
Total Effective Working Hours*	1,672,000.00	2,090,000.00	1.236.000,00	1.624.000,00	1.158.000,00	1.526.000,00
Number of Accidents	46.00	50.00	20.00	36.00	22.00	24.00
Number of Lost Workdays	227.00	262.00	92.00	233.00	80.00	93.00
Accident Frequency Rate**	27.51	23.92	16.18	22.17	19.00	15.73
Lost Day Rate	0.14	0.13	0.07	0.14	0.07	0.06
Number of Occupational Diseases	0	0	0	0	0	0
Total OHS Training (hours)	**10,584.00**	**1,312.00**	**20,992.00**	**877.50**	**34,331.00**	**541.80**

*Total Effective Working Hours: Total Number of Employees * 2,000
**Accident Frequency Rate: (Number of Accidents / Total Effective Working Hours) * 1,000,000

GRI INDEX

GRI Standard	Disclosure	Page numbers, descriptions and/or URL	Exclusions
GRI 1: Foundation 2021			
HEKTAŞ reported in accordance with GRI Standards for the period January-December 2024.			
GRI 2: General Disclosures 2021			
GRI 2: General Disclosures 2021	GRI 2: General Disclosures 2021	Corporate Profile, p.12-15	-
	2-2 Entities included in the organization's sustainability reporting	About the Report, p.6-7	-
	2-3 Reporting period, frequency and contact point	About the Report, p.6-7	-
	2-4 Restatements of information	The report is the first sustainability report published by HEKTAŞ.	-
	2-5 External assurance	No external assurance has been obtained for this report.	-
	2-6 Activities, value chain and other business relationships	Corporate Profile, p.12-15 Vision, Mission and Values, p.16-17 Products and Services, p.34-35 Memberships and Collaborations, p.112-113 Subsidiaries and Affiliates, p.30-33 Stakeholder Communication, p.102-103	-
	2-7 Employees	Human Resources Approach, p.90-91 Employee Engagement and Satisfaction, p.94-95 Employee Development and Talent Management, p.96-97 Social Performance Indicators, p.140-145	-
	2-8 Workers who are not employees	Occupational Health and Safety, p.98-99 Social Performance Indicators, p.140-145	-
	2-9 Governance structure and composition	Corporate Governance, p.40-53 Sustainability Governance Structure, p.58-59	-
	2-10 Nomination and selection of the highest governance body	Corporate Structure, p.40-43	-
	2-11 Chair of the highest governance body	Corporate Structure, p.40-43	-
	2-12 Role of the highest governance body in overseeing the management of impacts	Corporate Structure, p.40-43	-
	2-13 Delegation of responsibility for managing impacts	Corporate Governance, p.40-53	-
	2-14 Role of the highest governance body in sustainability reporting	Sustainability Governance Structure, p.58-59	-
	2-15 Conflicts of interest	Vision, Mission and Values, p.16-17 Business Ethics and Compliance, p.46-47	-
	2-16 Communication of critical concerns	Corporate Governance, p.40-53	-
	2-17 Collective knowledge of the highest governance body	Corporate Structure, p.40-43	-
	2-18 Evaluation of the performance of the highest governance body	Corporate Governance, p.40-53	-
	2-19 Remuneration policies	Internal Control and Audit, p.48-49 Human Resources Approach, p.90-91 Diversity, Inclusion and Equal Opportunity, p.92-93	-
	2-20 Process to determine remuneration	Diversity, Inclusion and Equal Opportunity, p.92-93	-

GRI Standard	Disclosure	Page numbers, descriptions and/or URL	Exclusions
GRI 2: General Disclosures 2021			
GRI 2: General Disclosures 2021	2-21 Annual total compensation ratio		In line with internal confidentiality policies and data protection practices, the ratio of the annual total compensation of the high-paid individual to that of employees is not disclosed publicly.
	2-22 Statement on sustainable development strategy	Message from Top Management, p.8-9 Sustainability Strategy, p.60-66 Sustainability Goals and Performance Tracking, p.60	-
	2-23 Policy commitments	Management Systems and Certificates, p.52-53	-
	2-24 Embedding policy commitments	Management Systems and Certificates, p.52-53	-
	2-25 Processes to remediate negative impacts	Effective Risk Management, p.44-45 Sustainability Strategy, p.60-66 Sustainability Goals and Performance Tracking, p.60 Sustainability and Climate Risk Management, p.67-69 Compliance with the United Nations Sustainable Development Goals, p.64-65	-
	2-26 Mechanisms for seeking advice and raising concerns	Business Ethics and Compliance, p.46-47 Human Resources Approach, p.90-91	-
	2-27 Compliance with laws and regulations	Business Ethics and Compliance, p.46-47 Internal Control and Audit, p.48-49	-
	2-28 Membership associations	Memberships and Collaborations, p.112-113	-
	2-29 Approach to stakeholder engagement	Memberships and Collaborations, p.112-113 Stakeholder Communication, p.102-103 Stakeholder Training and Development, p.104-105	-
	2-30 Collective bargaining agreements	Social Performance Indicators, p.140-145	-

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GRI Standard	Disclosure	Page numbers, descriptions and/or URL	Exclusions
GRI 3: Material Topics 2021			
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Double Materiality Assessment, p.62-63	-
	3-2 List of material topics	Double Materiality Assessment, p.62-63 Compliance with the United Nations Sustainable Development Goals, p.64-65	-
Product Quality and Sustainability			
GRI 3: Material Topics 2021	3-3 Management of material topics	R&D Ecosystem and Sustainable Innovation, p.116-121	-
GRI 301: Materials 2016	301-3 Reclaimed products and their packaging materials	Waste Managament, p.84-85 Chemical Management, p.86-87	-
Customer Orientation and Customer Satisfaction			
GRI 3: Material Topics 2021	3-3 Management of material topics	Customer Satisfaction, p.106-107 Data Privacy and Information Security, p.126-127	-
GRI 416: Customer Health and Safety 2016	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Products and Services, p.34-35 Chemical Management, p.86-87 Digitalisation and Smart Farming Technologies, p.122-125	-
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Customer Satisfaction, p.106-107 Data Privacy and Information Security, p.126-127 No complaints regarding breaches of customer privacy were received during the reporting period.	-
Innovation			
GRI 3: Material Topics 2021	3-3 Management of material topics	R&D Ecosystem and Sustainable Innovation, p.116-121 Digitalisation and Smart Farming Technologies, p.122-125	-
Data Privacy and Security			
GRI 3: Material Topics 2021	3-3 Management of material topics	Data Privacy and Information Security, p.126-127	-
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Customer Satisfaction, p.106-107 Data Privacy and Information Security, p.126-127 No complaints regarding breaches of customer privacy were received during the reporting period.	-
Responsible Supply Chain			
GRI 3: Material Topics 2021	3-3 Management of material topics	Responsible Supply Chain Management, p.108-109	-
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	Responsible Supply Chain Management, p.108-109	-

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Water and Wastewater Management			
GRI 3: Material Topics 2021	3-3 Management of material topics	Water and Wastewater Management, p.78-83	-
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	Water and Wastewater Management, p.78-83	-
	303-2 Management of water discharge-related impacts	Water and Wastewater Management, p.78-83	-
	303-3 Water withdrawal	Water and Wastewater Management, p.78-83 Environmental Performance Indicators, p.132-139	-
	303-4 Water discharge	Water and Wastewater Management, p.78-83	-
	303-5 Water consumption	Water and Wastewater Management, p.78-83 Environmental Performance Indicators, p.132-139	-
Waste Management			
GRI 3: Material Topics 2021	3-3 Management of material topics	Waste Managament, p.84-85	-
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Waste Managament, p.84-85	-
	306-2 Management of significant waste-related impacts	Waste Managament, p.84-85	-
	306-3 Waste generated	Waste Managament, p.84-85 Environmental Performance Indicators, p.132-139	-
	306-4 Waste diverted from disposal	Waste Managament, p.84-85	-
	306-5 Waste directed to disposal	Waste Managament, p.84-85 Environmental Performance Indicators, p.132-139	-
Occupational Health and Safety			
GRI 3: Material Topics 2021	3-3 Management of material topics	Occupational Health and Safety, p.98-99	-
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Occupational Health and Safety, p.98-99	-
	403-2 Hazard identification, risk assessment, and incident investigation	Occupational Health and Safety, p.98-99 OHS Performance Indicators, p.144-145	-
	403-3 Occupational health services	Occupational Health and Safety, p.98-99	-
	403-4 Worker participation, consultation, and communication on occupational health and safety	Occupational Health and Safety, p.98-99 Employee Engagement and Satisfaction, p.96-97	-
	403-5 Worker training on occupational health and safety	Occupational Health and Safety, p.98-99 Employee Development and Talent Management, p.96-97	-
	403-6 Promotion of worker health	Occupational Health and Safety, p.98-99 Employee Development and Talent Management, p.96-97	-
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Occupational Health and Safety, p.98-99 Responsible Supply Chain Management, p.108-109	-
	403-8 Workers covered by an occupational health and safety management system	Occupational Health and Safety, p.98-99	-
	403-9 Work-related injuries	Occupational Health and Safety, p.98-99 OHS Performance Indicators, p.144-145	-
	403-10 Work-related ill health	Occupational Health and Safety, p.98-99	-

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Economic Performance			
GRI 3: Material Topics 2021	3-3 Management of material topics	Economic Performance, p.50-51	-
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Economic Performance, p.50-51	-
	201-2 Financial implications and other risks and opportunities due to climate change	Sustainability and Climate Risk Management, p.67-69	-
	201-4 Financial assistance received from government	R&D Ecosystem and Sustainable Innovation, p.116-121	-
Climate Change			
GRI 3: Material Topics 2021	3-3 Management of material topics	Combating Climate Change, p.72-73 Energy and Emission Management, p.74-77	-
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Energy and Emission Management, p.74-77 Environmental Performance Indicators, p.132-139	-
	305-2 Energy indirect (Scope 2) GHG emissions	Energy and Emission Management, p.74-77 Environmental Performance Indicators, p.132-139	-
	305-5 Reduction of GHG emissions	Combating Climate Change, p. 72-73 Energy and Emission Management, p.74-77	-
Diversity and Equal Opportunity			
GRI 3: Material Topics 2021	3-3 Management of material topics	Human Resources Approach, p.90-91 Diversity, Inclusion and Equal Opportunity, p.92-93	-
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Diversity, Inclusion and Equal Opportunity, p.92-93 Social Performance Indicators, p.140-143	-
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Human Resources Approach, p.90-91 Diversity, Inclusion and Equal Opportunity, p.92-93 No incidents of discrimination occurred during the reporting period.	-
Business Ethics and Corporate Governance			
GRI 3: Material Topics 2021	3-3 Management of material topics	Corporate Governance, p.40-53 Business Ethics and Compliance, p.46-47 Internal Control and Audit, s.48-49	-
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	No legal actions have been filed regarding anti-competitive behavior or practices.	-

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Stakeholder Training and Development			
GRI 3: Material Topics 2021	3-3 Management of material topics	Stakeholder Communication, p.102-103 Stakeholder Training and Development, p.104-105 Corporate Social Responsibility, s.110-111	-
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Stakeholder Communication, p.102-103 Stakeholder Training and Development, p.104-105 Corporate Social Responsibility, p.110-111	-
Employee Development and Talent Management			
GRI 3: Material Topics 2021	3-3 Management of material topics	Employee Development and Talent Management, p.96-97	-
GRI 404: Training and Education 2016	404-2 Programs for upgrading employee skills and transition assistance programs	Employee Development and Talent Management, p.96-97	-

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