



# SUSTAINABILITY REPORT



**KSE**

**2024**

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01

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## ABOUT THE REPORT

KSE



## ABOUT THE REPORT



KSE Mining Construction Industry and Trade Inc. (KSE Mining), established in 2018, operates in the mining and construction sectors. The company is engaged in open-pit and underground mining, as well as various infrastructure projects, including dam construction and earthworks.

This third Sustainability Report (the Report), published this year, aims to transparently and comprehensively communicate KSE's economic, environmental, and social performance to its stakeholders. Unless otherwise stated, the Report covers the data of KSE Mining Construction Industry and Trade Inc. ("KSE Mining"), KSE Agricultural Products Livestock Food Industry and Trade Inc. ("KSE Agriculture"), and KSE Machinery Manufacturing Industry and Trade Inc. ("KSE Machinery"). Operating under the KSE, these companies are coordinated through a common governance and management framework.

This report is prepared in accordance with Global Reporting Initiative (GRI) Standards 2021. It presents KSE's sustainability approach, strategic priorities, targets, and performance indicators, while also highlighting the company's contributions to the United Nations Sustainable Development Goals (SDGs).

The KSE 2024 Sustainability Report is published in both Turkish and English and covers the reporting period from 1 January 2024 to 31 December 2024.

We welcome any feedback, suggestions, or inquiries regarding the Report. Please feel free to contact us at [eys@ksemadencilik.com.tr](mailto:eys@ksemadencilik.com.tr).





02

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## A MESSAGE FROM THE **GENERAL MANAGER**

KSE



# A MESSAGE FROM THE GENERAL MANAGER

**Dear Stakeholders,**

As KSE Mining, we view sustainability as an integral part of our business model and aim to manage economic growth in harmony with environmental responsibility and social benefit. For us, sustainability is the most valuable legacy we can leave to future generations.

In 2024, we took many important steps in line with our sustainability vision. We advanced with determination toward the balanced and efficient use of natural resources, minimizing environmental impacts, and strengthening the environmental awareness of our employees. While continuing our investments to increase the use of renewable energy, we also enhanced our waste management and recycling processes. Through the transformation of our heating systems, we aimed to use energy resources more efficiently and reduce our carbon footprint.



We carefully maintained our compliance with environmental legislation in accordance with local regulations and the requirements of the European Bank for Reconstruction and Development (EBRD). Obtaining necessary permits and licenses, carrying out periodic measurements, and regularly assessing environmental risks formed the foundation of these efforts. At the same time, we strengthened our environmental management system by providing training and awareness programs for our employees and stakeholders, reinforcing them through practical drills.

In 2024, we also prioritized rehabilitation projects to restore nature following our mining activities, and developed new initiatives to protect and use water resources efficiently. We continued our investments in modern, technological equipment to reduce natural resource and energy consumption. In the field of occupational health and safety, we pursued our "zero harm" objective by aligning our management system with national and international standards.

At the Lapseki Facility, the transition to an electric heating system was completed. We implemented plans for clean energy investments to reduce our carbon footprint, updated emergency action plans, and provided disaster preparedness training for our employees. In addition, we accelerated our transition to electric vehicles and equipment with the goal of building a more environmentally friendly fleet.

All these efforts reflect our commitment not only to the future of our company but also to the well-being of the communities and the environment where we operate. By supporting local employment and procurement, we continue to contribute to regional development while addressing stakeholder feedback with effective solutions.

As KSE, we are proud to share our third sustainability report with you. Since the publication of our reports, we have been resolutely advancing towards development, learning, and continuous improvement. As KSE Mining, we believe that every step we take towards a sustainable future makes a difference. Aware of our responsibility to the future, we continue to view sustainability as an integral part of our business. In the coming period, we will continue to work resolutely to protect natural resources, reduce our carbon footprint, ensure the safety of our employees, and ensure the well-being of local communities. I would like to thank all our stakeholders who have supported us at every stage of this journey and provided valuable contributions.

Best regards,

**Ömer Mazak**  
**KSE Mining General Manager**





03

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## ABOUT KSE

KSE



## ABOUT KSE



KSE Mining Construction Industry and Trade Inc. (KSE Mining), established in 2018, operates in the mining and construction sectors. With its qualified workforce and modern equipment infrastructure, the company offers comprehensive solutions in both open-pit and underground mining, as well as in large-scale construction projects such as infrastructure works, and dams.

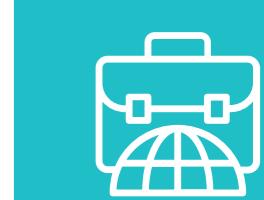
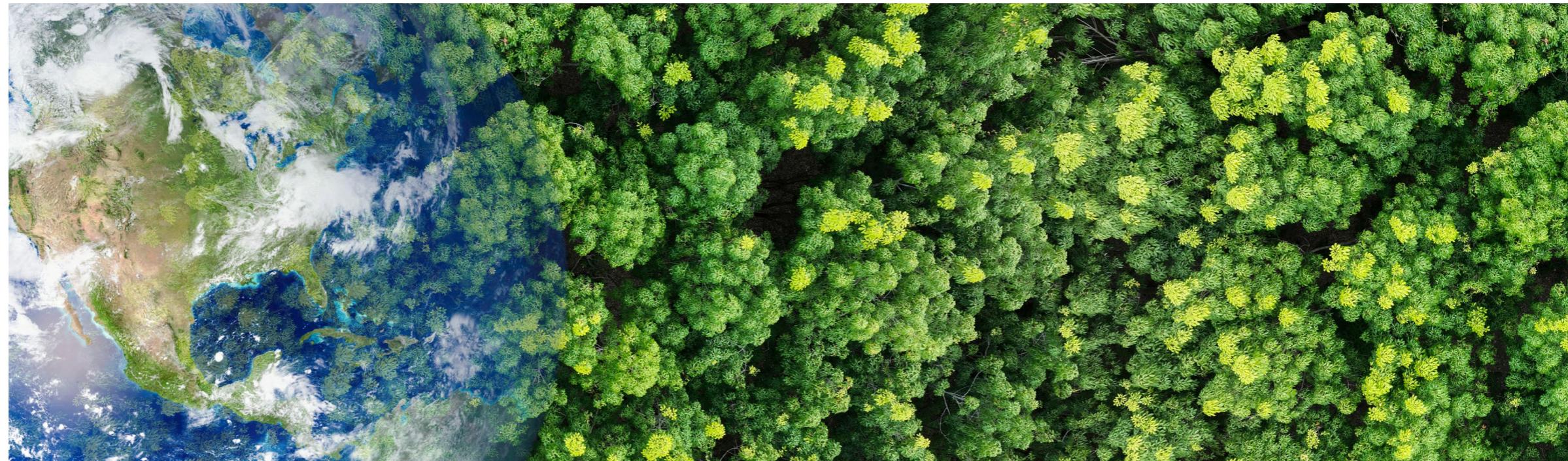
Specializing in gold mining, the company combines technical expertise with strong partnerships and a modern machinery fleet, creating a distinct position in the industry. In underground mining, it prioritizes the "safety first" principle during the extraction of economically valuable ore, ensuring compliance with occupational health and safety regulations and promoting sustainable operations.

KSE Mining operates with an innovative mining approach that prioritizes occupational health and safety and aligns with environmental and quality management systems. The company's core principles are teamwork, result orientation, continuous improvement, and responsible mining.

- **Teamwork** enhances communication among employees and enables more effective problem-solving by bringing together experts from various disciplines.
- **Result orientation** involves adopting strategies that ensure efficient achievement of targets.
- **Continuous improvement** is promoted through regular training and process optimization to develop employee competencies.
- **Responsible mining** reflects a commitment to people and the planet, with all operations conducted in accordance with relevant legislation and standards.

Founded in 2021 under the KSE, KSE Agricultural Products Livestock Food Industry and Trade Inc. (KSE Agriculture) carries out agricultural activities on a total of 60 hectares of land in the Eskişehir and Konya provinces. The company continues its research and development efforts for its planned activities.

KSE Machinery Manufacturing Industry and Trade Inc. (KSE Machinery) was established in 2022 on a 57,000 m<sup>2</sup> site in Temelli, Ankara. Initially, the company plans to produce copper wire, while its market research activities are still ongoing.





## Fields of Activity and Projects

KSE Mining maintains close collaboration with its stakeholders throughout its projects, beginning from the early stages of project development. The company undertakes the full management of operational processes such as ore production, earthworks, mine waste casting, ore stockpiling, and crushing-screening.

- **Lapseki Facility (Çanakkale):** In cooperation with TÜMAD Mining Industry and Trade Inc. (TÜMAD), KSE Mining has been carrying out both underground and open-pit gold mining operations since 2019. The company provides services including drilling, blasting, ground support, haulage, dumping, and tailings management.
- **İvrindi Facility (Balıkesir):** In cooperation with TÜMAD, open-pit operations that started in 2019 continued into 2024. Activities include drilling, blasting, loading, haulage, dumping, and soil improvement.
- **Çerkeşli Facility (Kocaeli):** As part of a collaboration with OYAK initiated in 2021, open-pit aggregate mining is conducted. Activities include stone crushing, screening, and transportation.
- **Darıca Aslan Cement Facility (Kocaeli):** As part of the operations initiated in 2023 in collaboration with OYAK, KSE Mining carries out quarry operations, crusher feeding, and raw material feeding for the cement plant.
- **Söğüt Facility (Bilecik):** In cooperation with Fertilizer Factories Turkish Joint Stock Company (GÜBRETAŞ), gold mining-related activities such as tailings dam construction and site water management began in 2023. Infrastructure works such as dam excavation and filling, membrane installation, drainage, and the construction of pools and channels were completed in the first quarter of 2024.
- **HOD Mining Project (Artvin):** As part of the collaboration with ARTMİN Mining, site preparation activities have commenced. Within this scope, activities such as road opening, area stabilization, drainage channel construction, substation excavation, and slope shaping were carried out and finalized by June 2024.

## Supply Chain

GRI 2-1, 2-6

Ensuring the continuity of projects is a top priority for KSE Mining. In this context, required machinery and equipment are identified and procured in a timely manner to prevent any disruption in operations. Equipment needs for mining and construction projects are planned in advance. Site personnel are responsible for identifying required consumables and communicating them to the warehouse supervisor. Items available in stock are delivered directly, while out-of-stock materials trigger a procurement request initiated by the warehouse supervisor.

The procurement process proceeds with the knowledge and approval of the Site Manager. Once approved by the relevant authorities, the request is forwarded to the procurement department, which collects quotations from potential suppliers. The most appropriate offer is selected based on factors such as quality, cost, and delivery time. If the product is sourced locally, it is shipped directly to the site; otherwise, it is first sent to the central warehouse and then distributed to the project location as needed.

KSE Mining expects its stakeholders not only to deliver products and services but also to fully comply with environmental and social standards, applicable legal requirements, and contractual obligations specific to each project.

KSE recognizes that selecting the right suppliers is a critical factor in ensuring sustainable customer satisfaction. In addition to core criteria such as quality, cost, technology, and service capability, the company also evaluates suppliers based on their social, ethical, and environmental performance. The company is committed to meeting its obligations to suppliers in a timely and responsible manner, upholding a business approach grounded in transparency, fairness, and ethical conduct.



04

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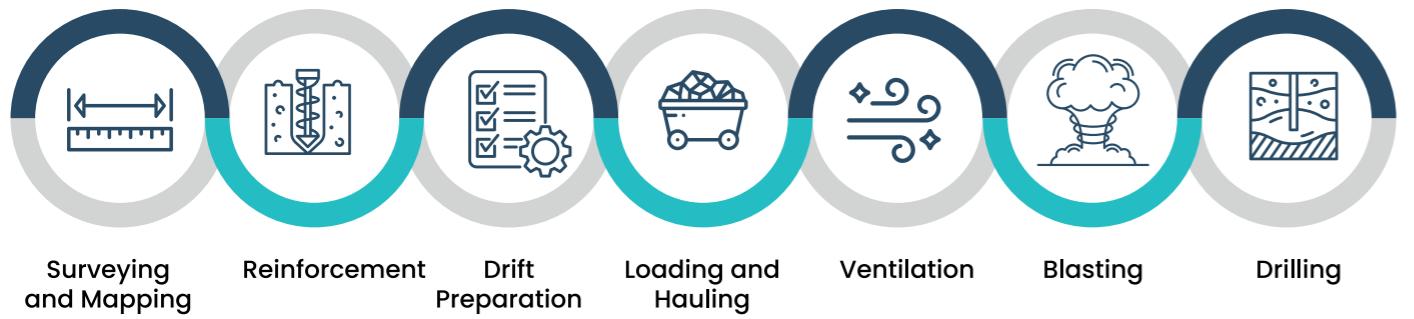
## KSE MINING PROCESSES

KSE





### KSE UNDERGROUND MINING PROCESS



### KSE OPEN PIT MINING PROCESS





05

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## GOVERNANCE AT KSE

KSE



## GOVERNANCE AT KSE



# Growing with Responsibility, Developing with Confidence.

The management approach of KSE is built upon the principles of teamwork, result orientation, continuous improvement, and responsible mining



The company conducts its activities with a responsible mining mindset that values employees, embraces ongoing development, and complies with both national and international standards.

These principles also guide KSE's sustainability approach

## Corporate Governance

The highest decision-making body of KSE Mining is the KSE Board of Directors, which consists of two members: the Chairman of the Board and the Deputy Chairman of the Board. The Chairman is elected by the members of the Board.

The Board of Directors makes decisions related to the company's operations on matters that do not require a resolution by the General Assembly, implements General Assembly decisions, and develops proposals for amendments to the articles of association. It is also responsible for convening ordinary and extraordinary General Assembly meetings, setting the agenda, and preparing the balance sheet, profit and loss statements, and the annual activity reports. Decisions regarding profit distribution, and other financial matters are also taken by the Board.

The Board of Directors is responsible for decisions regarding the acquisition, sale, construction, or abandonment of real estate properties; the preparation of the annual business plan, budget, and staffing; and the approval of office and representative branch openings. It also grants signing authority to designated individuals within the company, and makes decisions on strategic matters such as mergers, acquisitions, or liquidation, as well as the establishment of subsidiaries and share transactions.

Decisions related to property rights, such as the transfer, donation, lease, or mortgage of real estate, also fall under the authority of the Board. The Board is further responsible for authorizing sureties, guarantees, or securities on behalf of the company to third parties; pledging or restricting securities; appointing senior management; and determining employment contracts and remuneration.



GRI 2-9, 2-10, 2-11, 2-12, 2-13, 2-14, 2-17, 2-18



## Senior Management

KSE Mining Senior Management consists of the General Manager, Operations Manager, Occupational Health and Safety, Environment and Quality Manager, Administrative Affairs Manager, Accounting Manager, Finance Manager, Human Resources and Training Manager, and Legal Counsel. All company policies, strategies, and commitments are published and implemented with the approval of the General Manager, who leads all these processes.

To identify and manage the organization's impacts on the economy, environment, and people, data collected through due diligence, client meetings, and communications, and the "Satisfaction and Complaint Management Procedure" is reviewed during the Management Review Meeting. During this annual meeting, sustainability goals and related decisions are also discussed. If necessary, the General Manager may call for an extraordinary meeting.

Managers are subject to an annual performance evaluation by the Board of Directors. The Executive Management analyzes the results of these evaluations and takes the necessary actions to address any identified issues. If deemed necessary, the Board may initiate an additional evaluation process.

Within the KSE Mining Board of Directors, two separate committees are active: the Internal Audit Committee and the Early Detection of Risk Committee.



## Internal Audit Committee

The KSE Internal Audit Committee, operating within KSE Mining, functions under the authority of the KSE Board of Directors and was established by a board resolution. The number of committee members, their selection, and term lengths are determined by the Board of Directors. Auditors may be appointed from among the members of the Board or from employees within the company.

Provisions regarding committee meetings and decision-making processes are carried out in accordance with KSE's internal regulations. The Committee meets at least once every two months and reports to the Board of Directors. The Committee oversees the operation and effectiveness of the company's internal control systems and evaluates whether duties, authorities, and responsibilities are being carried out effectively. In addition, it monitors whether activities are conducted in compliance with legislation, internal regulations, and company policies. The accuracy, reliability, and timely flow of information in accounting and financial reporting processes also fall within the scope of the Committee's audit responsibilities.

Among the Committee's responsibilities are ensuring the protection of company assets, evaluating internal audit plans, and monitoring the corrective actions taken by senior management and relevant departments in response to findings in internal audit reports. Additionally, the Committee reviews the adequacy of the systems and methods used for identifying, measuring, monitoring, and controlling risks.

## Early Detection of Risk Committee

Risk management at KSE Mining encompasses the identification, assessment, and management of factors that may impact the company's sustainability and long-term success. This approach not only involves taking preventive measures against potential threats but also includes identifying and evaluating opportunities that could enhance profitability and operational efficiency.

The responsibilities of the Early Detection of Risk Committee are carried out by the Internal Audit Committee. The Committee defines KSE's risk management policies and implementation principles, monitors their effectiveness, and oversees compliance processes. It plays an active role in the development, selection, implementation, and preliminary approval of risk assessment models. These models are regularly reviewed, scenario analyses are conducted, and revisions are made when necessary.

To ensure that risk monitoring processes function properly, the Committee may request data, opinions, and reports from relevant departments. Through bi-monthly reports, it informs the Board of Directors about the current situation, highlights potential threats, and offers recommendations for mitigation. When needed, the Committee may consult external experts. In such cases, the internal auditor evaluates whether the external opinion aligns with the audit objectives and makes a final judgment accordingly.



# 06

## WORK ETHICS





## Code of Conducts

KSE Mining's understanding of work ethics is built on the principles of honesty, transparency, reliability, impartiality, integrity, and professionalism. In order to integrate these principles into all business processes and stakeholder relations, the "KSE Code of Conducts" has been developed. These rules apply not only to employees but also to suppliers, subcontractors, business partners, consultants, and all other stakeholders with whom the company maintains business relations. The Code of Conducts aims to shape the corporate culture around ethical values while also serving as a guide in situations involving ethical dilemmas.

The "KSE Code of Conducts" is structured around four main pillars:

- **Business Conduct:** Includes principles related to preventing conflicts of interest, combating bribery and corruption, gift and hospitality policies, promoting fair competition, information security, refraining from political activities, and a strict stance against the use of addictive substances.
- **Responsible Quality Management:** Outlines responsibilities regarding occupational health and safety, high-quality and safe production, environmental impact management, and the improvement of sustainability performance.
- **Employee and Human Rights:** Covers ethical obligations in areas such as fair recruitment, equal opportunity, providing a safe work environment, engagement with communities, and respectful communication with stakeholders.
- **Resolution of Ethical Non-Compliance:** Defines reporting mechanisms for unethical behavior and the processes by which these reports are evaluated.

## KSE Ethics Committee

To ensure the integration and preservation of ethical behavior within the company, the KSE Ethics Committee has been established. The Committee is chaired by the General Manager and consists of two additional members and one employee representative. All reports regarding violations of ethical principles can be submitted via a designated email address.

The KSE Ethics Committee investigates all reported violations with strict confidentiality. Findings are evaluated objectively, and external expert opinions may be consulted when necessary to ensure the independence and accuracy of the process. Final decisions regarding confirmed violations are implemented accordingly. The Committee is also responsible for ensuring the Code's relevance, monitoring its applicability, and proposing updates when needed. It operates independently of the organizational hierarchy and maintains autonomy in its decision-making processes.

## Management of Critical Concerns

At KSE Mining, critical concerns are systematically addressed during weekly coordination meetings, and all discussions are formally documented. Follow-up on these concerns is ensured through progress evaluations in subsequent meetings. Each concern raised is assessed within the framework of the "Satisfaction and Complaint Procedure".

Requests for ethical guidance or concerns related to ethical, social, or safety matters are also managed in line with the same procedure. Employees, particularly regarding occupational health and safety issues, can provide feedback through digital software tools. These platforms are also used to report detected non-conformities, which are then processed under the "Non-Conformity and Corrective Action Procedure".

# 07

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## WAGE POLICY



## WAGE POLICY



KSE Mining structures its wage policy by taking into account employees' duties and responsibilities, levels of authority, years of experience, educational background, and individual performance, as well as the wage levels applied by other companies operating in the same sector. This approach aims to establish a fair and balanced wage structure.

Each year in January, job analysis studies are conducted to review and update employees' job descriptions, areas of authority and responsibility, and positions within the organization. The organizational charts created based on these studies serve as a key reference in the compensation processes, ensuring a transparent and position-appropriate wage management system.

Compensation practices are carried out within the framework of the "Wage Management Procedure," and all related decisions are made by the KSE Board of Directors, in accordance with legal requirements and corporate policies. Annual salary increases are also implemented in January, based on the results of employees' performance evaluations. In the case of promotions, the new wage is determined according to the Wage Management System and is put into effect with the approval of the General Manager and the Board of Directors.

For employees subject to a Collective Bargaining Agreement, wage adjustments are made in line with the relevant provisions of the agreement.





08

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## SUSTAINABILITY AT KSE

KSE





GRI 2-22, 2-23, 2-24

## SUSTAINABILITY AT KSE



KSE Mining manages its operations by considering the economic, environmental, and social impacts at every stage of its activities, adopting a holistic approach that integrates these three fundamental dimensions. The company views sustainability not merely as a goal but as an integral part of its business practices and shapes its policies and practices accordingly.

As a company operating in the mining sector, KSE places high importance on the responsible use of natural resources, minimizing environmental impacts, and protecting local ecosystems. The company considers sustainability both a requirement for long-term success and a reflection of its social responsibility. Within this framework, reducing energy consumption, water use, and carbon emissions are among its top priorities, and it adopts environmentally conscious production and operational models. KSE conducts its activities in full compliance with national and international environmental and social standards and proactively takes preventive measures to eliminate or mitigate potential environmental impacts. Preventing pollution, reducing human-induced risks, and fostering a culture of continuous improvement form the foundation of the company's environmental policy. KSE is committed to safeguarding the health and safety of all its employees at the highest standards. The company raises awareness through regular training, identifies potential hazards through risk analysis, and implements measures to eliminate these hazards.

The selection of appropriate equipment, periodic inspections, and processes focused on continuous improvement constitute the core elements of KSE's occupational health and safety policy. The selection of appropriate equipment, periodic inspections, and processes focused on continuous improvement are among KSE's key priorities for ensuring a safe and healthy working environment.

Adopting a human-centered approach, KSE is committed to fostering an inclusive work environment. The company does not tolerate any form of discrimination based on language, religion, race, gender, age, ethnic origin, or other factors and considers cultural diversity a valuable asset. KSE opposes child labor and forced labor and follows human resources policies that prioritize employee satisfaction, aiming to create a respectful and inclusive workplace.

In support of local development, KSE encourages local employment and the use of local suppliers. The company values open communication with all stakeholders, regularly informing employees and business partners about ongoing activities and incorporating their opinions and feedback into decision-making processes.

By embracing sustainability as a core corporate value, KSE aims to build a more responsible, mindful, and inclusive mining sector together with all its stakeholders. This commitment reflects not only a response to today's needs but also a vision to enhance the quality of life for future generations. KSE's determination in this regard is one of the strongest pillars shaping its sustainable future.



09

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## SUSTAINABLE DEVELOPMENT GOALS

KSE



# SUSTAINABLE DEVELOPMENT GOALS



The Sustainable Development Goals (SDGs), adopted by the United Nations in 2015 and aimed to be achieved by 2030, are a global action plan encompassing economic, environmental, and social dimensions to build a sustainable future worldwide. This roadmap consists of 17 goals that address a broad range of development priorities, from ending poverty and combating climate change to promoting gender equality and fostering peaceful and inclusive societies.

The SDGs are implemented through a multi-stakeholder approach that involves not only governments but also the private sector, civil society organizations, and individuals. This inclusive cooperation aims to unite all of humanity under a shared vision for a fairer, more livable, and resilient world.

KSE supports the local implementation of these global goals and strives to align its operations with the Sustainable Development Goals. In this context, KSE aims to contribute to the following Sustainable Development Goals: "Healthy and Quality Life", "Quality Education", "Gender Equality", "Clean Water and Sanitation", "Accessible and Clean Energy", "Decent Work and Economic Growth", "Industry, Innovation and Infrastructure", "Reducing Inequalities", "Responsible Consumption and Production", "Climate Action", "Peace, Justice and Strong Institutions" and "Partnerships for the Goals".

By continuously reviewing its practices in line with these targets, KSE contributes to the broader dissemination of sustainable development at both local and sectoral levels.



## 3 - GOOD HEALTH AND WELL-BEING



## 4 - QUALITY EDUCATION



## 5 - GENDER EQUALITY



## 6 - CLEAN WATER AND SANITATION



## 7 - AFFORDABLE AND CLEAN ENERGY



## 8 - DECENT WORK AND ECONOMIC GROWTH



## 9 - INDUSTRY, INNOVATION AND INFRASTRUCTURE



## 10 - REDUCED INEQUALITIES



## 12 - RESPONSIBLE CONSUMPTION AND PRODUCTION



## 13 - CLIMATE ACTION



## 16 - PEACE, JUSTICE AND STRONG INSTITUTIONS



## 17 - PARTNERSHIPS FOR THE GOALS

Sustainable Development Goals	Sub-Targets	Explanation
 <b>3-GOOD HEALTH AND WELL-BEING</b>	<b>3.8</b> Establish universal health coverage, including financial risk protection, access to quality essential health-care services, and access to safe, effective, quality, and affordable essential medicines and vaccines for all. <b>3.9</b> By 2030, substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water, and soil pollution and contamination.	We facilitate employees' access to health services. Through our occupational health and safety management system, we strive to ensure the best possible health conditions for our employees.
 <b>4 - QUALITY EDUCATION</b>	<b>4.7</b> By 2030, ensure that all learners acquire the knowledge and skills needed to promote sustainable development, including sustainable lifestyles, human rights, gender equality, promotion of a culture of peace and non-violence, global citizenship, and appreciation of cultural diversity.	We support employees' learning and skill development. We aim to increase the training hours of our employees.
 <b>5 - GENDER EQUALITY</b>	<b>5.1</b> End all forms of discrimination against all women and girls everywhere. <b>5.2</b> Eliminate all forms of violence against all women and girls in the public and private spheres, including trafficking and sexual and other types of exploitation. <b>5.5</b> Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic, and public life.	We support women's active participation in business life and stand against all forms of gender-based discrimination. We aim to enhance women's professional competencies in the sector and support equal pay for women and men.
 <b>6 - CLEAN WATER AND SANITATION</b>	<b>6.3</b> By 2030, improve water quality by reducing pollution, eliminating dumping and minimizing release of hazardous chemicals and materials, halving the proportion of untreated wastewater and substantially increasing recycling and safe reuse globally. <b>6.4</b> By 2030, substantially increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity.	We follow a water management policy aimed at reducing the environmental impact of our operations, promoting water recycling, reuse, and efficiency.

 <b>7-AFFORDABLE AND CLEAN ENERGY</b>	<b>7.2</b> By 2030, increase substantially the share of renewable energy in the global energy mix. <b>7.3</b> By 2030, double the global rate of improvement in energy efficiency.	We work to reduce greenhouse gas emission intensity and improve energy efficiency.
 <b>8-DECENT WORK AND ECONOMIC GROWTH</b>	<b>8.2</b> Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high-value added and labor-intensive sectors. <b>8.5</b> By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value. <b>8.7</b> Take immediate and effective measures to eradicate forced labor, end modern slavery and human trafficking, and secure the prohibition and elimination of the worst forms of child labor, including recruitment and use of child soldiers, and by 2025 end child labor in all its forms.	We strive to provide our employees with a decent and safe working environment at all times. We support equal pay for all women and men, and uphold the principle of zero tolerance for child or forced labor, expecting the same from our business partners.
 <b>9-INDUSTRY, INNOVATION AND INFRASTRUCTURE</b>	<b>9.2</b> Promote inclusive and sustainable industrialization and, by 2030, significantly raise industry's share of employment and gross domestic product, in line with national circumstances, and double its share in least developed countries. <b>9.5</b> Enhance scientific research, upgrade the technological capabilities of industrial sectors in all countries, in particular developing countries, including by encouraging innovation and substantially increasing the number of research and development workers per million people and public and private R&D spending by 2030.	We embrace an open management approach that supports innovation for sustainable industry. We promote open innovation

 <b>10-REDUCED INEQUALITIES</b>	<p><b>10.2</b> By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status.</p> <p><b>10.3</b> Ensure equal opportunity and reduce inequalities of outcome, including by eliminating discriminatory laws, policies and practices and promoting appropriate legislation, policies and action in this regard.</p> <p><b>10.4</b> Adopt policies, especially fiscal, wage and social protection policies, and progressively achieve greater equality.</p>	<p>We pursue a policy that opposes all forms of discrimination based on language, religion, race, sect, age, gender, or ethnic origin, and supports diversity and equal opportunity.</p> <p>We aim to ensure that employees are included in working life with fair and equitable compensation in line with our wage policy.</p>
 <b>12-RESPONSIBLE CONSUMPTION AND PRODUCTION</b>	<p><b>12.2</b> By 2030, achieve the sustainable management and efficient use of natural resources.</p> <p><b>12.4</b> By 2020, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimize their adverse impacts on human health and the environment.</p> <p><b>12.5</b> By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse.</p> <p><b>12.6</b> Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycles.</p> <p><b>12.8</b> By 2030, ensure that people everywhere have the relevant information and awareness for sustainable development and lifestyles in harmony with nature.</p>	<p>We support sustainable production. We work to minimize the impact of waste generated by our operations on human health and the environment, and to use natural resources efficiently. We also aim to raise employees' awareness and knowledge of sustainable development.</p>

 <b>13-CLIMATE ACTION</b>	<p><b>13.1</b> Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries.</p> <p><b>13.3</b> Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning.</p>	<p>We work to minimize the environmental impact of our operations. We follow an energy policy aimed at reducing emissions, mitigating risks, and improving energy efficiency.</p>
 <b>16-PEACE, JUSTICE AND STRONG INSTITUTIONS</b>	<p><b>16.5</b> Substantially reduce corruption and bribery in all their forms.</p>	<p>We oppose all forms of bribery and corruption, adhering to laws, regulations, and principles. We uphold a business ethics policy that prohibits maintaining business relationships with third parties (such as partners or suppliers) who request or offer bribes or engage in corrupt practices.</p>
 <b>17-PARTNERSHIPS FOR THE GOALS</b>	<p><b>17.16</b> Enhance the Global Partnership for Sustainable Development, complemented by multi-stakeholder partnerships that mobilize and share knowledge, expertise, technology and financial resources, to support the achievement of the Sustainable Development Goals in all countries, particularly developing ones.</p>	<p>We continue our activities in line with the principles of the United Nations Global Compact</p>





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KSE  
SUSTAINABILITY  
PRIORITIES

KSE



# KSE

## SUSTAINABILITY PRIORITIES



KSE has defined its sustainability priorities by taking into account the views and expectations of its stakeholders. The company's sustainability approach, policies, and strategies are based on careful analysis of the current situation and close monitoring of sectoral developments. In this process, particularly environmental and social issues were examined, along with the United Nations Sustainable Development Goals (SDGs) and various international sources, while evaluations were also made in line with the Global Reporting Initiative (GRI) Standards.

"KSE Sustainability Priorities Determination Questionnaire" was prepared to assess stakeholder expectations. The topics included in the questionnaire were shared via email with both internal and external stakeholders, who were asked to rate them in the context of KSE's activities.

Sustainability topics were also evaluated and prioritized by KSE itself. During this process, the company's activities were analyzed in terms of their economic, environmental, and social impacts, taking into account both actual and potential effects.

The questionnaire findings and the key topics for KSE were presented through a materiality matrix. While preparing the matrix, the level of importance of each topic was considered both from the perspective of stakeholders and KSE.



- 1. Climate Change
- 2. Reducing Carbon Emission
- 3. Water Management
- 4. Waste Management
- 5. Biodiversity
- 6. Occupational Health and Safety
- 7. Work Ethics
- 8. Customer Satisfaction
- 9. Energy Efficiency
- 10. Employee Development and Satisfaction
- 11. Supply Chain Management
- 12. Preparedness for Disasters and Emergencies
- 13. Gender and Equal Opportunity
- 14. R&D, Innovation and Digitalization
- 15. Education and Training
- 16. Circular Economy
- 17. Risk Management
- 18. Contribution to Local Economy
- 19. Corporate Governance

Waste Management, Water Management, Energy Efficiency, Occupational Health and Safety, Employee Development and Satisfaction were identified as high-priority issues, while Reducing Carbon Emission, Climate Change, Customer Satisfaction, Gender and Equal Opportunity, Education and Training were identified as priority issues.

### High Priority Topics

- 4. Waste Management
- 3. Water Management
- 9. Energy Efficiency
- 6. Occupational Health and Safety
- 10. Employee Development and Satisfaction

### Priority Topics

- 2. Reducing Carbon Emission
- 1. Climate Change
- 8. Customer Satisfaction
- 13. Gender and Equal Opportunity
- 15. Education and Training

11

## KSE SUSTAINABILITY STRATEGY

KSE



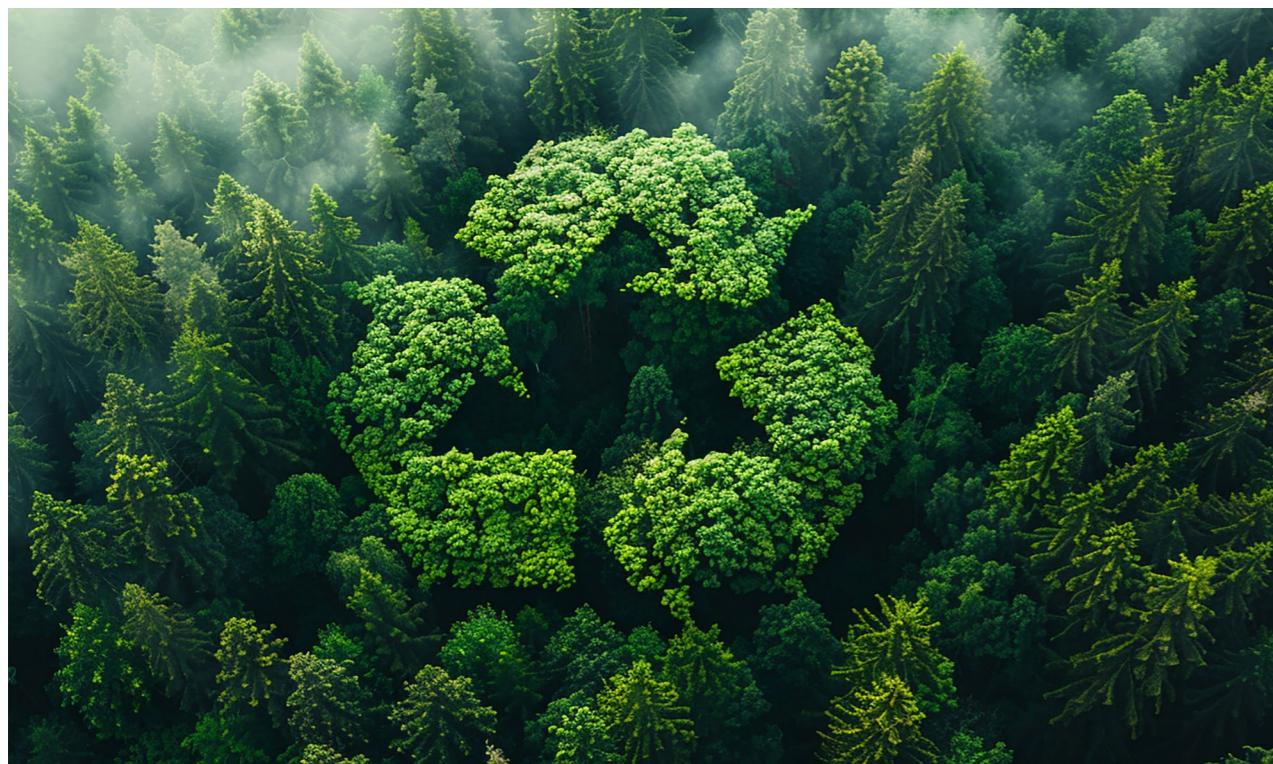
# KSE

## SUSTAINABILITY STRATEGY



KSE's corporate sustainability strategy aims to shape long-term success not only through financial results but also through environmental responsibility, social contribution, and a strong governance approach. The strategy focuses on creating value in all areas where KSE operates, taking stakeholder expectations into account and complying with national and international standards.

KSE views corporate sustainability as an integral part of its business model and integrates sustainability goals into its strategic planning processes. The strategy is regularly reviewed in line with changing conditions, sector dynamics, and stakeholder expectations, and is continuously developed to become one of the fundamental elements of corporate culture. KSE's sustainability goals and statements in this regard are presented below.



Sustainable Development Goals	Sustainability Goals	2023 Achieved Goals / Explanations	2024 Achieved Goals / Explanations
SKA 8,9,12	Carry out activities within the framework of sustainability principles	Our company continuously strives to operate in line with sustainability principles and minimize environmental impacts.	Our company continues its activities by utilizing natural resources efficiently and in balance, with an environmentally friendly and responsible approach, in line with sustainability principles and current
	Maintain economic growth	We continue our environmental and social projects to ensure a balance between economic growth and sustainability.	We aim to support environmentally friendly projects, reduce costs through efficiency, and contribute to local communities through social responsibility efforts in the regions where we operate.
SKA 6,7,12,13	Ensure efficient use of natural resources	We are working to ensure efficient use of natural resources by focusing on renewable energy sources and developing waste management strategies.	We aim to increase the use of renewable and clean energy, reduce the environmental impacts of our operations, and take steps to make waste recycling processes more efficient.
	Minimize the negative environmental impacts of waste generated from activities	We continue to implement waste segregation and zero-waste projects to reduce the negative impacts of waste on the environment. We also raise awareness among employees about environmental issues and the negative effects of waste.	It is planned to replace coal heating with electric heating systems to meet employees' heating needs. This change aims to use energy sources more efficiently and reduce the carbon footprint.
	Comply with environmental laws and regulations, and adapt to legislative changes	All legal environmental processes are closely monitored and implemented across our operations in collaboration with our environmental engineering team.	Our company meticulously manages environmental compliance processes in line with local regulations, parent company requirements, and ERBD obligations. In this context, necessary permits and licenses are obtained with the support of the Environmental Department and local consultants, and periodic measurements and analyses are carried out regularly.

SKA 6,7,12,13	Continuously improve and enhance environmental goals and objectives	We continue our efforts to achieve environmental goals and objectives through performance measurement, continuous monitoring, and environmental	We continue our efforts to minimize environmental impacts and develop an effective environmental management system. In this context, we organize training to increase employees' environmental awareness, strengthen the performance management system, and implement regular reporting processes. Additionally, practical drills are conducted to reinforce environmental awareness.	SKA 6,7,12,13	Ensure the conservation of energy, water, and natural resources by promoting efficiency improvements and the use of new technologies.	Electricity consumption at the headquarters was reduced compared to the previous year. The adjustment of the air conditioning system prevented excessive energy use. At the Lapseki facility, the implementation of a green energy source is planned to reduce coal consumption.	Our company aims to reduce resource and energy consumption through the use of new and efficient technologies and equipment in both facilities and headquarters, ensuring the continuity of a sustainable cycle.
	Raise awareness among employees and suppliers to comply with the KSE Environmental Policy, conduct regular audits, and provide the necessary training.	Our environmental policy is communicated to employees upon recruitment and displayed in accessible areas at field sites. Our suppliers and employees are monitored periodically (daily, weekly, monthly).	Our company continues training and awareness activities to increase compliance of employees and stakeholders with our environmental policies. In addition, audit processes aimed at reducing environmental impacts are strengthened and regularly implemented.		Ensure that materials used and services received in the supply chain comply with the KSE Environmental Policy.	Our environmental department employees carry out the necessary inspections to ensure that all services received are in compliance with the policy.	All project equipment and operations are carried out in compliance with the KSE Environmental Policy.
	Implement and maintain an environmental management system that identifies, assesses, and effectively controls environmental factors and risks.	A comprehensive environmental assessment is conducted to determine the environmental impacts of the company's activities, including waste generation, energy consumption, water use, air emissions, and other potential	Our company continuously improves its environmental management system to better manage environmental risks and impacts. Through audits and environmental monitoring activities, the environmental effects of operations are regularly evaluated. Based on these evaluations, necessary improvement steps are taken to enhance sustainable performance.		Demonstrate the obligation to communicate environmental performance transparently to the public.	We publicly present our environmental performance on the KSE website, which includes information about sustainability. The company's environmental policy is also published on this site	To make access easier for the public and stakeholders, we continue to publish past sustainability reports, our environmental policy, and objectives on our website.
	Carry out land reclamation activities during and after mining operations to restore areas to nature.	We work together with our parent company to protect water resources and prevent pollution in our operations.	Our company carries out reclamation and restoration activities in coordination with the parent company to rehabilitate lands after mining operations. In addition, projects are developed to protect, use efficiently, and prevent pollution of water resources.		Generate electricity from renewable energy sources by using solar panels.	It is planned to install solar panels for the heating system at the Lapseki facility in 2024.	In 2024, the heating system at the Lapseki facility was converted from coal to an electric heating system.
	Reduce the carbon footprint in existing buildings and facilities and increase energy efficiency through environmentally friendly renewable energy investments.	Note: This item was identified as a new target in 2023.	In 2025, the Lapseki facility aims to reduce the carbon footprint in existing buildings and facilities and increase energy efficiency through clean energy investments.				
	Increase resilience and adaptation to climate-related hazards and natural disasters.	Emergency plans have been prepared to identify climate-related hazards and natural disaster risks and ensure preparedness. Employees have been trained on how to be prepared for natural disasters. Regular training is provided on measures to be taken during disasters, safe evacuation procedures, and emergency communication methods.	The emergency action plan has been updated to enhance preparedness for climate change and natural disasters, and risk management principles have been improved. Employees are trained on disaster preparedness and safe evacuation to ensure faster response through more effective communication and coordination after disasters.				

SKA 6,7,12,13	Replacing trucks and construction machines with electric alternatives	Several hybrid electric vehicles have been introduced, and the trial process is ongoing.	Our company continues its plans and projects to transition to electric vehicles and equipment. Additionally, renewal of all passenger and light vehicles, as well as certain machinery, is being planned.
SKA 3,4,8	Continuing to maintain occupational health and safety within the framework of international standards	We continue our work in compliance with international standards (ISO 45001 Occupational Health and Safety Management System).	Our company continues to improve its OHS Management System with best practices at both local and international standards under the zero harm principle.
	Preventing the effects of hazardous waste on employee health	We collaborate with licensed environmental companies for the disposal of hazardous waste.	Hazardous waste is collected in the hazardous waste storage area in accordance with regulations and safely transported to contracted licensed companies at regular intervals. The amount of waste sent is also regularly reported to official authorities as required by law.

SKA 3,4,8	Ensuring that all employees have access to appropriate technical and vocational training	To improve working conditions, work areas, and self-development, employees are provided with adequate technical and vocational training. In 2023, many employees received training opportunities such as waste handling, first aid, logistics certification, EKAT, EKIPNET, fire extinguishing authorization, field supervision, and supervisory training.	According to employees' job descriptions and occupational groups, we ensure that required professional and other trainings—such as MYK certification, SRC, psychotechnical, first aid, and underground evacuation training—are provided in line with legal regulations and company policy.
	Supporting local communities to contribute to the social welfare of the society we live in	Note: This item was identified as a new target in 2023.	In line with our company policies and EBRD requirements, we support local employment and local procurement. We also evaluate community complaints and feedback to provide appropriate solutions.





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EMPLOYEES  
AT KSE

KSE



# EMPLOYEES AT KSE

KSE adopts a human resources policy that prioritizes employee satisfaction, opposes all forms of discrimination, and respects cultural diversity. The company considers its employees to be the most valuable element in its sustainability journey and accepts human values as the fundamental priority of its corporate culture. It designs all its policies in line with this understanding, conscious of its responsibility to create an employee-focused, fair, and continuously improving work environment.

## Opportunity and Gender Equality

KSE opposes all forms of discrimination based on language, religion, race, sect, age, gender, and ethnic origin, and pursues an approach that supports diversity and equal opportunity. Although mining is one of KSE's main areas of activity and is a sector where mostly men work, the company considers raising awareness that women can also play an active role in this field and preventing gender inequality to be among its top priorities.

- At the beginning of **2022**, KSE employed 29 women and 899 men. By the end of the year, the number of women had increased to 33, while the number of men had decreased to 854.
- In **2023**, the number of women increased from 33 to 39, and the number of men from 839 to 1,059.
- At the beginning of **2024**, the number of women working at KSE was 39, but by the end of the year, the number of women had decreased to 33. At the beginning of 2024, the number of men working at KSE had increased to 931.
- In **2022**, women employees at KSE constituted 3.4% of all employees, 3.7% in 2023, and 3.5% in 2024. KSE continues to support the employment of women in male-dominated sectors such as mining, within the framework of the principle of gender equality and equal opportunities.



GRI 3-3, 401-1, 401-2, 404-1, 404-3, 405-1

## Employee Satisfaction

Employee satisfaction is a critical factor that directly affects a company's success and long-term sustainability. A high level of satisfaction strengthens employees' commitment to their jobs, increases their motivation, and contributes to a positive atmosphere in the workplace. In this regard, effective communication, a fair remuneration system, career development opportunities, and practices that support work-life balance come to the fore. Satisfied employees generally perform better, while absenteeism rates are lower. Furthermore, investing in employee satisfaction helps retain qualified personnel within the company.

KSE views employee satisfaction as a fundamental element of its corporate culture and offers its employees various benefits accordingly. These benefits include private health insurance, supplementary health insurance, fuel assistance, education support, family assistance, and religious holiday assistance.

Through the benefits it offers, KSE aims to increase the well-being of its employees and make employee satisfaction permanent within the scope of its sustainability priorities.





## Employee Development and Training

One of KSE's four core principles, the concept of continuous improvement, aims to ensure a strong presence in the future by adapting to changing global conditions. The path to securing a permanent place in the industry lies in closely following change and developing by adapting to it. In this regard, the individual development of employees is seen as the most important element of sustainable progress. Regular training increases the competence of the workforce, boosting productivity and motivation, and supporting employees in performing their jobs more effectively and advancing in their careers. An effective training strategy contributes to the achievement of both individual and organizational goals and lays the foundation for long-term success.

KSE is aware that its employees working in a safe and healthy environment supports their active participation in development processes. Therefore, it considers it its responsibility to provide conditions that increase employee satisfaction. At the same time, it encourages its employees to participate in various training programs in order to adapt to changing conditions and generate innovative solutions.

In **2022**, female employees received a total of 751 hours of training, while male employees received 37,449 hours. During this period, the average training time per employee was 25.90 hours for female employees and 41.66 hours for male employees.

In **2023**, female employees received a total of 1,078 hours of training, while male employees received 39,367 hours. The average training time per employee was 24.50 hours for women and 32.24 hours for men.

In **2024**, female employees received a total of 1,078 hours of training, while male employees received 41,524 hours. The average training duration per employee was 29.94 hours for female employees and 41.48 hours for male employees.

## Performance Evaluation

Performance evaluations are one of the key management tools companies use to improve business processes and increase employee productivity. This process involves systematically measuring and assessing employee job performance. Evaluations highlight employees' strengths and areas for improvement while enabling an objective analysis of their level of achievement against goals. It also supports career development by providing employees with feedback and the opportunity to create personal development plans.

In **2022**, a total of 125 employees participated in performance evaluations, including 17 women and 108 men. 58.6% of female employees and 12% of male employees were included in the evaluation.

In **2023**, the number of employees participating in the performance evaluation increased to 190. Of this number, 31 were female employees and 159 were male employees. 93.9% of female employees and 19% of male employees participated in the performance evaluation.

In **2024**, a total of 142 employees participated in the performance evaluation, including 12 female employees and 130 male employees. 33.3% of female employees participated in the performance evaluation, while 13% of male employees participated.

GRI 3-3, 401-1, 401-2, 404-1, 404-3, 405-1



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CUSTOMER  
SATISFACTION

KSE



# CUSTOMER SATISFACTION



Customer satisfaction is one of the cornerstones of sustainable growth and is critical to ensuring customer loyalty and establishing long-term business relationships. Simply offering quality products and services is not enough; an effective, fast, and solution-oriented customer service approach is also essential. Continuously improving customer experiences, taking feedback into account, and offering personalized solutions tailored to their needs form the basis of customer satisfaction.

KSE is aware that customer satisfaction is an integral part of corporate success. In this regard, it implements the "Satisfaction and Complaint Management Procedure" to systematically track and evaluate customer feedback. The procedure aims to accurately understand customer expectations and needs, effectively address complaints, and continuously improve service quality.

A "Customer Satisfaction Survey" is conducted regularly each year to measure customer satisfaction levels. These surveys are distributed via email, fax, or customer visits; the data obtained is analyzed by the Occupational Health, Safety, Environment, and Quality Department and presented at the Management Review Meeting. Based on the survey results, corrective actions are initiated in areas deemed necessary, thereby developing solutions that better meet customer expectations.

Customers can also submit complaints, requests, and suggestions regarding KSE's activities verbally or in writing. When these notifications are received, the relevant person fills out a "Request/Suggestion/Complaint Form," which is then forwarded to the Energy Management System Officer and the relevant unit managers. All notifications are carefully evaluated. The results are used as an important data source for both process improvement efforts and monitoring system performance and are evaluated at the Management Review Meeting.

KSE aims to develop strong business partnerships, improve service quality, and ensure sustainable success by prioritizing customer satisfaction.





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## OCCUPATIONAL HEALTH AND SAFETY

KSE





## OCCUPATIONAL HEALTH AND SAFETY

KSE considers Occupational Health and Safety (OHS) as one of its top priorities and adopts a systematic approach in this area. To ensure a safe working environment, procedures, instructions, and documents are organized under an integrated management system, within which safe work processes are clearly defined.

### Occupational Health and Safety Management System

At KSE, the Occupational Health and Safety Management System is implemented not only in compliance with legal requirements but also by taking into account the OHS policies, audit criteria, and expectations of stakeholders. The system has been designed to align with ISO 45001, ISO 14001, and ISO 9001 standards and covers all operational sites, work areas, employee profiles, and activities within KSE's operations.

Whenever necessary, or in cases of regulatory changes, all components of the system are reviewed and updated, with the latest version taken as the basis for implementation. Therefore, all documents within the system are considered living documents, forming an integral part of KSE's continuous improvement process.



### Software Support System

Within KSE, the Occupational Health and Safety Management System is supported by specialized software to ensure its effective implementation and monitoring. Through this system, the roles and responsibilities of facility and department managers, as well as their reporting lines, are clearly defined. The software enables the electronic assessment and tracking of hazards, risks, and non-conformities, facilitating fast and systematic communication of potential risks related to operations, work areas, or personnel to the relevant departments through its user-friendly interface.

Identified non-conformities are first reported to the relevant department manager (non-conformity officer). The manager prepares a corrective action plan and assigns specific tasks to designated personnel (action officer) responsible for implementation. Once the corrective measures are completed within the specified timeframe, the action officer submits a notification through the software. This notification is reviewed and approved by the department manager, the person who reported the non-conformity, or the system administrator. If the corrective actions are deemed insufficient, the plan is revised, and the process is reinitiated.

For non-routine activities that are not included in the existing risk assessments, a Job Safety Analysis (JSA) is conducted. In this context, the responsible manager identifies all steps of the activity before it begins, determines potential risks for each step, and establishes measures to reduce these risks to acceptable levels. The need for work permits and authorizations is also assessed, and if necessary, these processes are initiated based on the JSA outcomes. This proactive approach ensures that potential hazards and risks are identified in advance, preventive measures are communicated to all employees involved, and the process is documented to maintain a safe working environment.

At KSE, the effectiveness of all processes carried out under the Occupational Health and Safety Management System is evaluated through regular monitoring, supervision, and audits. Any deficiencies identified in the processes are reported to the respective facility and senior management. Furthermore, performance evaluations are conducted to verify whether operations are being executed as planned, and critical issues along with their root causes are analyzed and shared across the organization to support continuous improvement.



## Hazard and Suggestion Card

A Hazard and Suggestion Card System has been implemented at KSE to enable employees to report identified risks and share improvement suggestions related to their work processes. Employees are informed through training on how to fill out these cards, their contributions to the management system, and legal requirements. Submitted cards are collected in designated areas, reviewed at regular intervals, and recorded in the software support system. In addition, hazards and suggestions reported through the cards are discussed during weekly meetings, where managers provide feedback on the reported issues, outline planned actions, and communicate updates to employees. All related activities and outcomes are systematically documented.

Employees can also report hazardous situations or unsafe behaviors directly to the Occupational Health, Safety, Environment, and Quality Department or to their immediate supervisors. When necessary, activities may be partially or completely suspended or restricted as an immediate precaution based on the assessment of the reported hazard. Furthermore, employees are encouraged to actively participate in improvement processes by submitting their suggestions, and every contribution is acknowledged with appreciation and constructive feedback.

## Incident Investigation

In KSE's facilities, incidents are categorized into five levels, ranging from level 1 to level 5, based on their severity and impact. Level 1 incidents are reported through the software system, after which the responsible individuals are assigned to carry out the necessary corrective actions. These reports are reviewed by the Health, Safety, and Environment Chief (HSE Chief), who either approves them or requests revisions when necessary.

For level 2 and higher incidents, the Accident Investigation and Root Cause Analysis processes are initiated. Once an incident is reported, its category is determined by the HSE Chief, who also establishes an investigation team. The Chief appoints a team leader, and the leader assigns team members through the software to initiate the investigation. During the investigation, all relevant evidence is collected, critical factors are identified, and possible indirect causes for each factor are analyzed. Throughout this process, 5WIH (What, Where, When, Why, Who, How) and Comprehensive Accident and Incident Investigation methods are utilized to ensure a thorough and systematic analysis.

After the investigation is completed, the necessary actions are determined based on the identified root causes, and responsible individuals are assigned to implement these actions. The completed investigation form is reviewed by the HSE Chief as part of the 1st Stage Evaluation, during which revisions may be made if required. Following approval, the HSE Chief finalizes the investigation report and, in the 2nd Stage, shares it with the management team and all users along with an alarm report. In the 3rd Stage, the incident alarm report is communicated to employees by department managers during shift-start meetings or other staff briefings to ensure proper awareness and learning.

The conducted investigations and comprehensive root cause analyses aim to identify the true causes of incidents and prevent their recurrence. Any non-conformities identified during the process are assigned to responsible parties through the software system, and non-conformity records are reopened for corrective action. Through this approach, a systematic improvement mechanism is established to enhance workplace safety and prevent future accidents.

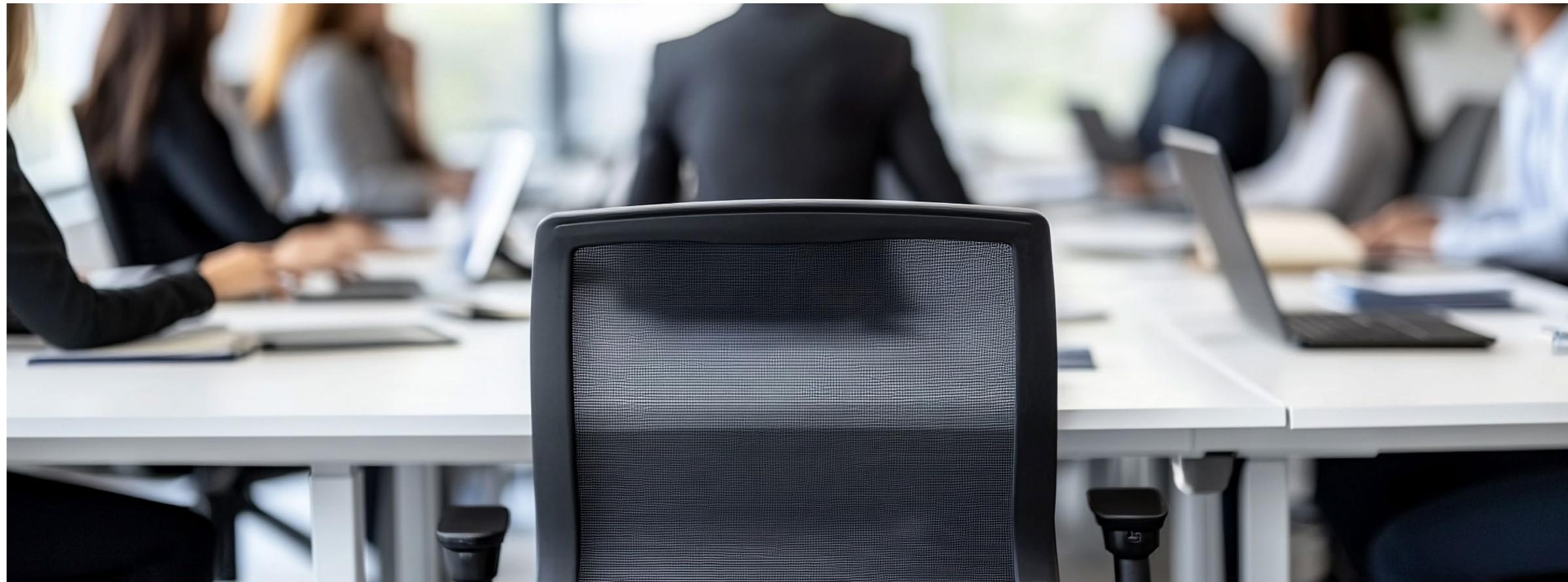
## Occupational Health Services

Occupational health services are carried out in accordance with the "Workplace Health Unit General Operational Procedure." Within this scope, records related to employees' health status are regularly maintained through relevant forms. In cases where employees experience non-work-related health issues, the process is monitored by the workplace health unit, and necessary guidance is provided.

The health unit employs occupational physicians and health personnel, and all processes are managed through an integrated system connected to occupational safety software. When necessary, employees are referred to appropriate healthcare institutions with ambulance support, upon the approval of the workplace physician. In addition, regular analyses of drinking and utility water are conducted to protect employee health, and preventive actions are taken in line with the results obtained.

## Employee Engagement

Information activities are organized, and active participation is encouraged to enhance employee contribution in the development, implementation, and monitoring processes of the Occupational Health and Safety Management System. In this context, employee representatives regularly attend monthly board meetings, while participation in weekly accident assessment meetings is mandatory. All decisions made in these meetings are determined based on unanimity or majority vote, and all processes are carried out under the supervision of the management.





## Trainings

KSE aims to raise its employees' awareness of safe working practices and to foster a conscious occupational safety culture through occupational health and safety training programs.

- **Basic Occupational Health and Safety Training:** Conducted annually by safety engineers, workplace physicians, and health personnel, this training aims to enhance employees' fundamental OHS knowledge and awareness levels.
- **Employment Training:** Newly recruited employees receive comprehensive information on all safety procedures, policies, general rules, and methods implemented within the workplace.
- **Return to Work Training:** Employees who have experienced a work accident or occupational disease are provided with additional training before resuming work, focusing on the causes of incidents, preventive measures, and safe working methods.
- **Risk Assessment Team Training:** Team members are trained on risk analysis methods, identification, and rating of hazards and risks, ensuring effective risk assessment practices.
- **OHS Board Training:** Information is provided on the duties, authorities, and responsibilities of OHS Boards established under legal regulations, as well as on conducting meetings, implementing decisions, and ensuring supervision.
- **Employee Representative Training:** These programs equip employee representatives with the knowledge and skills necessary to effectively fulfill their duties and responsibilities.
- **Emergency Response Teams Training:** Personnel assigned to emergency duties are trained on intervention methods, safety procedures, and their roles within operational processes.

GRI 3-3, 403-1, 403-2, 403-3, 403-4, 403-5, 403-6, 403-7, 403-8

- **Open Pit General Safety Training:** Ensures that all personnel working in open-pit operations are aware of safe methods and rules.
- **Training on Control of Dangerous Energies:** Provides training on lockout and tagout procedures to ensure the safe control of hazardous energy in lines and equipment used during maintenance, repair, and cleaning activities.
- **Job Safety Analysis (JSA) Training:** Organized to identify work steps, potential risks, and necessary precautions in the planning and execution of non-routine activities.
- **Workshop General Safety Training:** Ensures that workshop personnel are informed about and adopt general safety rules.
- **Safety Training in Working at Height:** Provides knowledge and skills regarding risks and safe working methods for employees performing tasks at height
- **Safety Training in Lifting Works:** Ensures that employees involved in lifting operations learn and apply safe working methods.
- **Defensive Driving Trainings:** Provides vehicle operators, especially those working under challenging field condition, with safe driving techniques and defensive driving principles.
- **Hazardous Substance Awareness Training:** Raises awareness on safe practices during the transportation, storage, and use of hazardous materials.
- **Leadership Training:** Aims to improve the leadership skills of technical personnel in OHS management and promote an effective management approach.
- **Forklift Safety Training**
- **Safety Training in Maintenance Tools**
- **Hand Tools Safety Training**
- **Bending Lifting Transportation Safety Training**
- **Safety Training in Electrical Works**
- **Safety Training in Lifting Equipment for Maintenance**
- **Safety in Working with Compressed Air**
- **Hot Works and Explosion Protection Training**
- **Safety Training in Tire Maintenance**
- **Behaviour-Based Safety Training**
- **Accident-Incident Research – Root Cause Analysis Techniques**
- **Risk Assessment Methodologies**
- **Hazard Identification and Awareness (Line of Fire)**
- **Occupational Safety Software User Training**

All these trainings are recorded in the system together with their content, modules, scope, target groups, and responsible departments, and are implemented regularly in line with the annual training plan.



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## WASTE MANAGEMENT

KSE



## WASTE MANAGEMENT



At all KSE facilities and the head office, waste generated from operations is managed in accordance with relevant regulations and the ISO 14001:2015 Environmental Management System standard. The fundamental approach to waste management is defined within the framework of the waste hierarchy. Accordingly, the primary goal is to prevent waste generation at its source; if prevention is not possible, the focus shifts to minimizing waste. When complete prevention or reduction cannot be achieved, methods such as reuse, recycling, and energy recovery are applied to minimize environmental impacts.

Waste that cannot be prevented, reduced, reused, recycled, or recovered for energy is disposed of appropriately. All waste is classified by type, temporarily stored in suitable areas, and its quantities are recorded regularly. Subsequently, the waste is sent to licensed disposal companies for final disposal in compliance with legal requirements.

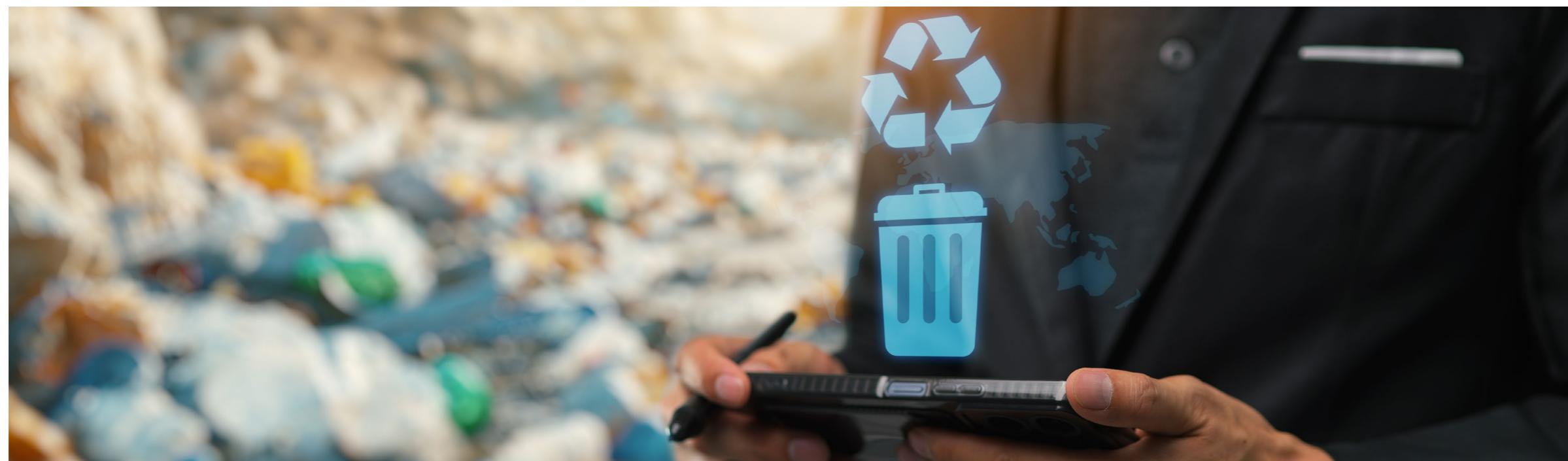
Although the types and quantities of waste differ across facilities, the fundamental waste management approach remains the same.

At the Lapseki Facility, both hazardous and non-hazardous waste are generated due to machinery and equipment maintenance, office activities, and personnel needs. Periodic environmental training sessions are conducted by the on-site environmental unit, supplemented by additional training provided by the contracted environmental consulting firm. All waste generated at the site is delivered to licensed companies and monitored regularly through daily, weekly, monthly, and annual inspections.

At the Çerkeşli Facility, domestic waste is collected by the municipality using waste containers. Conveyor belt waste generated at the facility is sent to the Darıca Facility.

At the İvrindi Facility, domestic-type waste such as paper-cardboard, plastic, and glass packaging waste is generated from personnel activities. During maintenance and repair work at the workshop, hazardous waste such as contaminated packaging, oil filters, oily water, hydraulic oil, diesel, engine oil, and grease is produced. Scrap metal is generated during production, medical waste arises from infirmary activities, and vegetable waste oil is produced from cafeteria food preparation. All waste is collected in designated storage areas and sent to licensed companies for proper disposal.

Through these practices, KSE systematically manages its waste processes, ensures regulatory compliance, and aims to minimize its environmental impact.





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## WATER MANAGEMENT

KSE





GRI 3-3, 301-1, 302-2

## WATER MANAGEMENT



Water management plays a critical role in the preservation of natural resources and the achievement of sustainable development goals. Population growth, the impacts of climate change, and the increasing demand for water have made this issue a priority not only on a national level but also globally. Effective water management aims to ensure the efficient use of existing resources, prevent pollution, protect ecosystems, and plan water use in a way that secures sustainability for future generations. In this context, water management policies encompass strategic planning to guarantee both equitable resource distribution and the long-term availability of water resources.

Sustainable water management generates not only environmental benefits but also direct social and economic impacts. Properly managed water resources support economic growth, enhance food security, protect human health, and improve overall quality of life. Therefore, innovation, collaboration, and long-term strategies are key elements in ensuring safe and accessible water for future generations.

Within this framework, KSE places responsible and efficient water use at the core of its operations and aims to minimize water consumption across all activities. The company takes all necessary measures to protect water resources affected by its operations and manages these processes in full compliance with applicable regulations.

At KSE, water management is carried out in line with sustainability principles across both production operations and personnel-related needs.

At the Lapseki Facility, water is supplied through TÜMAD and is used for both production activities and employee needs. All wastewater generated within the facility is treated in licensed treatment plants and discharged into surface waters. The treatment plants are monitored daily by company personnel, and discharge limits are analyzed every four months by accredited laboratories. Since there is no municipal sewer connection at the site, treated wastewater is discharged into the Kestaneli, Çördek, and Çörlek Creek in accordance with the Water Pollution Control Regulation. To reduce water consumption in production, R&D projects are carried out, and equipment modernization efforts are implemented. Additionally, regular awareness trainings are provided to minimize water consumption originating from personnel use.

At the İvrindi Facility, water needs are met from a natural spring located in the Madra Suluk Plateau area. This water is primarily used for purposes such as washing vehicles and machinery, and for general use within the facility. Drinking water is supplied through contracts with local water providers. Wastewater generated during consumption is treated in the facility's biological and physical treatment systems and discharged into surface waters. The discharge process is conducted in compliance with legal limit values for all environmental parameters that could potentially cause negative impacts.

At the Çerkeşli Facility, water is sourced from a local spring and used for vehicle and machinery washing, road and pit area dust suppression, and other site-related needs. Drinking water is provided through agreements with local suppliers. The used water is discharged into surface waters, while domestic wastewater is collected and transported for disposal through a sewage truck service provided by the municipality.



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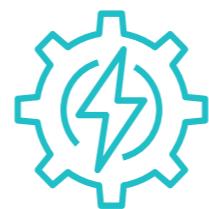
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ENERGY  
MANAGEMENT  
AND CLIMATE  
CHANGE

KSE



## ENERGY MANAGEMENT AND CLIMATE CHANGE



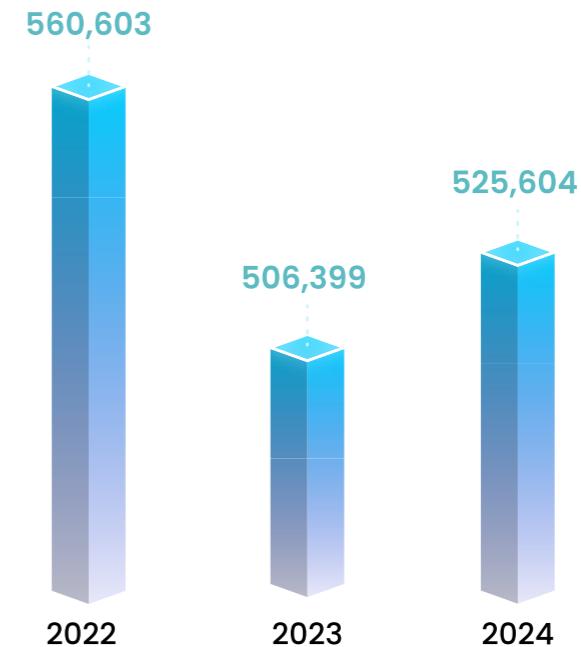
Energy management is one of the most critical components that enables companies to enhance operational efficiency while minimizing their environmental impact. The growing global demand for energy, the extensive use of fossil fuels, and the resulting greenhouse gas emissions have made climate change one of the most pressing environmental challenges of our time. In this context, the efficient, renewable, and sustainable use of energy resources is not only an economic necessity but also a societal and environmental responsibility.

Climate change is a global crisis that directly affects ecosystems, natural resources, and human life. Rising temperatures, extreme weather events, and the depletion of water resources pose significant risks for all stakeholders, including the business sector. Therefore, it is essential for companies to develop strategies to reduce their carbon footprint, invest in low-carbon technologies, and implement energy efficiency practices that contribute to a more sustainable future.

KSE positions energy management and climate change mitigation among the core priorities of its sustainability strategy. In this regard, the company undertakes initiatives to reduce fossil fuel consumption, enhance energy efficiency, and integrate renewable energy solutions into its operations. At the same time, KSE prioritizes the adoption of low-emission and environmentally friendly technologies, the development of climate-resilient business models, and the active engagement of stakeholders in these processes.

In 2024, KSE implemented practices focused on increasing energy efficiency and minimizing the impacts of climate change in its operations. Within the framework of an environmentally conscious approach, the efficient use of natural resources, support for renewable energy investments, and the improvement of waste recycling processes were among the company's main priorities.





In the 2024 reporting period, energy consumption increased by 3.79% compared to 2023, while it decreased by 6.24% compared to 2022.

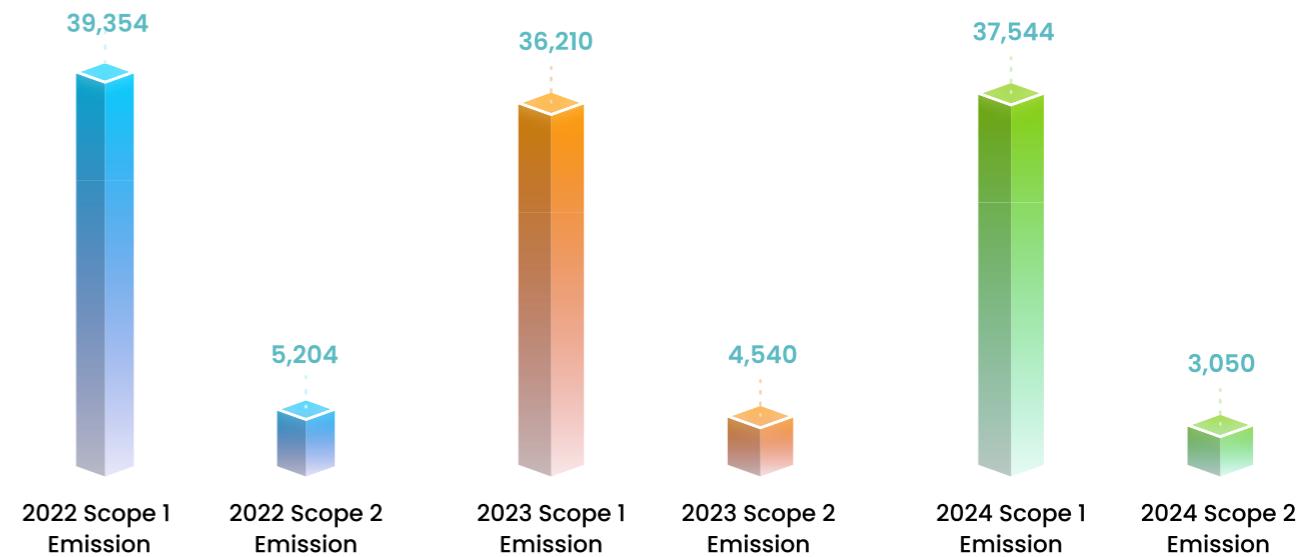
The use of coal for heating was discontinued, and a transition to electric heating systems was planned. This change aims to ensure more efficient use of energy resources and reduce carbon emissions. At the Lapseki Facility, it is planned to increase clean energy investments and improve energy efficiency in existing buildings and facilities by 2025.

Energy management was not limited to facilities but also included transportation and operational processes. In this context, the transition to electric vehicles and equipment continued, and plans were made to renew all passenger and light vehicles as well as certain machinery.

Within the framework of climate change adaptation, the emergency action plan was updated, and risk management principles were strengthened. Employees received training on preparedness and safe evacuation in the event of disasters, and communication and coordination processes were improved to ensure rapid response after emergencies.

In addition, eco-friendly technologies and new-generation tools and equipment were introduced in both the head office and facilities, contributing to the reduction of natural resource and energy consumption and ensuring the continuity of a sustainable operational cycle.

All these efforts demonstrate KSE's determination to minimize its environmental impacts, reduce its carbon footprint, and contribute to combating climate change.



\*In the 2024 reporting period, Scope 1 emissions decreased by 4.60% compared to 2022, while Scope 2 emissions decreased by 41.39%.

In the 2024 reporting period, Scope 1 emissions increased by 3.69% compared to 2023, while Scope 2 emissions decreased by 32.81%.

\*The 2022 and 2024 energy consumption data and emission values include data from the Lapseki, Çerkeşli, İvrindi Facility and the head office, while the 2023 energy consumption data and emission values include data from the Lapseki, Çerkeşli, İvrindi, Darıca Facility and the head office.

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## APPENDIX



KSE

# KEY PERFORMANCE INDICATORS

GRI 2-7, GRI 2-8, GRI 201-1, GRI 202-1, GRI 302-1, GRI 303-3, GRI 303-4, GRI 303-5, GRI 305-1, GRI 305-2, GRI 306-3, GRI 306-4, GRI 306-5, GRI 401-1, GRI 401-3, GRI 403-9, GRI 404-1, GRI 404-2, GRI 405-1

## SOCIAL PERFORMANCE INDICATORS

	Total Number of Employees at the Beginning of the Year	Head Office		Lapseki		İvrindi		Çerkeşli		Gence		Ostim Warehouse		Artvin		Darıca		Söğüt		Total	
		Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men
2022	Under 30 Years Old	3	5	3	81	3	97	0	8	0	4	0	0	—	—	—	—	—	—	9	195
	30-50 Years Old	8	13	4	180	5	296	0	16	0	10	1	5	—	—	—	—	—	—	18	520
	Over 50 Years Old	1	0	0	61	0	105	1	10	0	4	0	4	—	—	—	—	—	—	2	184
2023	Under 30 Years Old	3	4	4	72	4	69	1	9	0	2	0	5	0	0	0	0	0	0	12	161
	30-50 Years Old	9	14	5	228	5	276	0	18	0	10	1	4	0	0	0	0	0	0	20	550
	Over 50 Years Old	1	0	0	50	0	65	0	10	0	0	0	3	0	0	0	0	0	0	1	128
2024	Under 30 Years Old	0	4	5	63	2	46	0	10	0	0	0	1	0	7	0	6	0	13	7	124
	30-50 Years Old	12	18	6	254	7	283	1	26	0	0	0	3	0	21	1	20	3	54	30	584
	Over 50 Years Old	1	5	0	70	1	93	0	14	0	0	0	0	0	0	9	0	28	0	23	2

	Total Number of Employees at the End of the Year	Head Office		Lapseki		İvrindi		Çerkeşli		Gence		Ostim Warehouse		Artvin		Darıca		Söğüt		Total		
		Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	
2022	Under 30 Years Old	3	5	4	77	4	77	1	10	0	6	0	3	—	—	—	—	—	—	12	178	
	30-50 Years Old	9	15	5	214	5	252	0	17	0	12	1	4	—	—	—	—	—	—	20	514	
	Over 50 Years Old	1	1	0	62	0	83	0	11	0	2	0	3	—	—	—	—	—	—	1	162	
2023	Under 30 Years Old	3	3	6	85	6	77	0	16	0	0	0	4	0	9	0	8	1	18	16	220	
	30-50 Years Old	8	15	5	241	4	285	1	22	0	0	1	4	0	24	1	20	2	56	22	667	
	Over 50 Years Old	1	1	0	52	0	57	0	12	0	0	0	4	0	6	0	24	0	16	1	172	
2024	Under 30 Years Old	2	7	5	77	2	48	0	9	0	0	0	0	0	0	0	0	7	0	0	9	148
	30-50 Years Old	9	19	6	243	6	274	1	29	0	0	0	0	0	0	0	1	17	0	0	23	582
	Over 50 Years Old	0	4	0	66	1	87	0	14	0	0	0	0	0	0	0	0	30	0	0	1	201

	Annual Average Number of Employees	Head Office		Lapseki		İvrindi		Çerkeşli		Gence		Ostim Warehouse		Artvin		Darıca		Söğüt		Total	
		Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men
2022	Under 30 Years Old	3	5	3.5	79	3.5	87	0.5	9	0	5	0	1.5	—	—	—	—	—	—	10.5	186.5
	30-50 Years Old	8.5	14	4.5	197	5	274	0	16.5	0	11	1	4.5	—	—	—	—	—	—	19	517
	Over 50 Years Old	1	0.5	0	61.5	0	94	0.5	10.5	0	3	0	3.5	—	—	—	—	—	—	1.5	173
2023	Under 30 Years Old	3	3.5	5	78.5	5	73	0.5	12.5	0	1	0	4.5	0	4.5	0	4	0.5	9	14	190.5
	30-50 Years Old	8.5	14.5	5	234.5	4.5	280.5	0.5	20	0	5	1	4	0	12	0.5	10	1	28	21	608.5
	Over 50 Years Old	1	0.5	0	51	0	61	0	11	0	0	0	3.5	0	3	0	12	0	8	1	150
2024	Under 30 Years Old	1	5.5	5	70	2	47	0	9.5	0	0	0	0.5	0	3.5	0	6.5	0	6.5	8	149
	30-50 Years Old	10.5	18.5	6	248.5	6.5	278.5	1	27.5	0	0	0	1.5	0	10.5	1	18.5	1.5	27	26.5	630.5
	Over 50 Years Old	0.5	4.5	0	68	1	90	0	14	0	0	0	0	0	0	4.5	0	29	0	11.5	1.5

Annual Number of Hired Employees	Merkez Ofis		Lapseki		İvrindi		Çerkeşli		Gence		Ostim Warehouse		Artvin		Darıca		Söğüt		Total			
	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men		
2022	Under 30 Years Old	2	2	2	32	1	19	1	9	0	3	0	2	—	—	—	—	—	—	6	67	
	30-50 Years Old	4	12	1	71	0	36	0	20	0	7	0	1	—	—	—	—	—	—	5	147	
	Over 50 Years Old	0	0	0	12	0	18	1	8	0	1	0	1	—	—	—	—	—	—	1	40	
2023	Under 30 Years Old	0	1	4	28	2	19	0	16	0	0	0	0	0	11	0	13	1	69	7	157	
	30-50 Years Old	8	8	2	59	0	63	2	21	0	0	0	0	0	22	1	33	4	179	17	385	
	Over 50 Years Old	0	2	0	11	0	9	0	18	0	0	0	2	0	7	0	33	0	92	0	174	
2024	Under 30 Years Old	2	4	0	39	0	7	0	7	0	0	0	0	0	2	0	12	0	0	2	71	
	30-50 Years Old	5	12	0	90	0	41	0	18	0	0	0	0	0	6	1	16	0	0	6	183	
	Over 50 Years Old	0	0	0	23	0	10	0	10	0	0	0	0	0	0	0	0	15	0	0	58	
Annual Employee Recruitment Rate	Head Office		Lapseki		İvrindi		Çerkeşli		Gence		Ostim Warehouse		Artvin		Darıca		Söğüt		Total			
	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men		
2022	Under 30 Years Old	67%	40%	57%	41%	29%	22%	200%	100%	—	60%	—	133%	—	—	—	—	—	—	57%	36%	
	30-50 Years Old	47%	86%	22%	36%	0%	13%	—	121%	—	64%	0%	22%	—	—	—	—	—	—	26%	28%	
	Over 50 Years Old	0%	0%	—	20%	—	19%	200%	76%	—	33%	—	29%	—	—	—	—	—	—	67%	23%	
2023	Under 30 Years Old	0%	29%	80%	36%	40%	26%	0%	128%	—	0%	—	0%	—	244%	—	325%	200%	767%	50%	82%	
	30-50 Years Old	94%	55%	40%	25%	0%	22%	400%	105%	—	0%	0%	0%	—	183%	200%	330%	400%	639%	81%	63%	
	Over 50 Years Old	0%	400%	—	22%	—	15%	—	164%	—	—	57%	—	233%	—	275%	—	1150%	0%	116%		
2024	Under 30 Years Old	200%	73%	0%	56%	0%	15%	—	74%	—	—	—	0%	—	57%	—	185%	—	0%	25%	48%	
	30-50 Years Old	48%	65%	0%	36%	0%	15%	0%	65%	—	—	—	0%	—	57%	100%	86%	0%	0%	23%	29%	
	Over 50 Years Old	0%	0%	—	34%	0%	11%	—	71%	—	—	—	—	—	0%	—	52%	—	0%	0%	26%	
Annual Number of Employees Quitting	Head Office		Lapseki		İvrindi		Çerkeşli		Gence		Ostim Warehouse		Artvin		Darıca		Söğüt		Total			
	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men		
2022	Under 30 Years Old	1	1	1	20	0	20	0	7	0	3	0	0	—	—	—	—	—	—	2	51	
	30-50 Years Old	5	9	0	50	0	105	0	19	0	9	0	2	—	—	—	—	—	—	5	194	
	Over 50 Years Old	0	0	0	15	0	38	2	5	0	3	0	1	—	—	—	—	—	—	2	62	
2023	Under 30 Years Old	1	2	2	16	0	10	1	10	0	2	0	0	0	4	0	6	0	66	4	116	
	30-50 Years Old	8	11	2	80	1	80	1	25	0	10	2	0	0	6	0	16	2	138	16	366	
	Over 50 Years Old	0	1	0	19	0	27	0	19	0	0	1	0	0	1	0	10	0	83	1	160	
2024	Under 30 Years Old	0	1	0	20	0	5	0	8	0	0	0	0	1	0	9	0	11	0	13	0	68
	30-50 Years Old	8	11	0	95	1	50	0	15	0	0	0	3	0	27	1	19	3	54	13	274	
	Over 50 Years Old	1	1	0	27	0	16	0	10	0	0	0	0	0	9	0	13	0	23	1	99	
Annual Employee Turnover Rate	Head Office		Lapseki		İvrindi		Çerkeşli		Gence		Ostim Warehouse		Artvin		Darıca		Söğüt		Total			
	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men		
2022	Under 30 Years Old	33%	20%	29%	25%	0%	23%	0%	78%	—	60%	—	0%	—	—	—	—	—	—	19%	27%	
	30-50 Years Old	59%	64%	0%	25%	0%	38%	—	115%	—	82%	0%	44%	—	—	—	—	—	—	26%	38%	
	Over 50 Years Old	0%	0%	—	24%	—	40%	400%	48%	—	100%	—	29%	—	—	—	—	—	—	133%	36%	
2023	Under 30 Years Old	33%	57%	40%	20%	0%	14%	200%	80%	—	200%	—	0%	—	89%	—	150%	0%	733%	29%	61%	
	30-50 Years Old	94%	76%	40%	34%	22%	29%	200%	125%	—	200%	200%	0%	—	50%	0%	160%	200%	493%	76%	60%	
	Over 50 Years Old	0%	200%	—	37%	—	44%	—	173%	—	—	0%	—	33%	—	83%	—	1038%	100%	107%		
2024	Under 30 Years Old	0%	18%	0%	29%	0%	11%	—	84%	—	—	200%	—	257%	—	169%	—	200%	0%	46%		
	30-50 Years Old	76%	59%	0%	38%	15%	18%	0%	55%	—	—	200%	—	257%	100%	103%	200%	200%	49%	43%		
	Over 50 Years Old	200%	22%	—	40%	0%	18%	—	71%	—	—	—	—	200%	—</td							

Total Number of Employees Eligible for Parental Leave		2022	2023	2024
	Women	1	0	1
	Men	29	27	30

Total Number of Employees Taking Parental Leave		2022	2023	2024
	Women	1	0	1
	Men	29	27	30

Total Number of Employees Returning to Work During the Year After Parental Leave		2022	2023	2024
	Women	0	0	1
	Men	29	27	30

Total Number of Employees Continuing to Work 12 Months After Returning from Parental Leave		2022	2023	2024
	Women	0	0	1
	Men	23	25	30

Annual Return to Work Rate		2022	2023	2024
	Women	0%	—	100%
	Men	100%	100%	100%

Total Training Hours Given to Employees		2022	2023	2024
	Women	751	1078	1078
	Men	37449	39367	41524
	Total	38200	40445	42602

Average Hours of Training per Employee		2022	2023	2024
	Women	25.90	24.50	29.94
	Men	41.66	32.24	41.48
	Total	41.16	31.97	41.08

Number of Employees Participating in Performance Evaluation		2022	2023	2024
	Women	17	31	12
	Men	108	159	130
	Total	125	190	142

Participation Rate in Performance Evaluation		2022	2023	2024
	Women	0.59	0.94	0.33
	Men	0.12	0.19	0.13
	Total	0.10	0.22	0.14

Average Number of Employees by Age Groups		Women	Men	
	2022	Under 30 Years Old	10.5	186.5
		30-50 Years Old	19	517
		Over 50 Years Old	1.5	173
	2023	Under 30 Years Old	14	190.5
		30-50 Years Old	21	608.5
		Over 50 Years Old	1	150
	2024	Under 30 Years Old	8	149
		30-50 Years Old	26.5	630.5
		Over 50 Years Old	1.5	221.5

All individuals on the KSE Mining Board of Directors and Senior Management are male. 90% of the individuals on the KSE Mining Senior Management are between the ages of 30-50, while 10% are over the age of 50.

During the reporting period, the total number of workers working at KSE Mining is 77.

Occupational Health and Safety	2022	2023	2024
Number of Lost Time Injuries	8	8	2
Injury Frequency Rate	3.42	3.00	0.75
Number of Fatal Accident	0	0	0

\*The number of accidents, injury frequency rate, and fatal accident data in 2022 include the Lapseki Facility, Çerkeşli Facility, İvrindi Facility, and the head office. The data for 2023 and 2024, on the other hand, include the Lapseki Facility, Çerkeşli Facility, İvrindi Facility, Darıca Facility, and the head office. Data from other facilities are not included in the cumulative data, as per contractual agreements with employers, since responsibilities related to occupational safety, environmental issues, and waste management lie with the employer. The number of accidents shown in the table represents the Lost Time Injury (LTI) cases that occurred within KSE.

## ENVIRONMENTAL PERFORMANCE INDICATORS

Water Management (1)	2022	2023	2024
Amount of Water Withdrawn (m <sup>3</sup> )	160,432	129,921	141,004
Amount of Discharged Water (m <sup>3</sup> )	104,706	70,448	64,806
Amount of Water Consumed (m <sup>3</sup> ) (2)	55,726	59,473	76,198

Waste Management (3)	2022	2023	2024
Amount of Hazardous Waste (tons)	155.94	128.40	101.00
Amount of Hazardous Waste Diverted from Disposal (tons)	101.09	99.73	68.40
Amount of Hazardous Waste Directed to Disposal (tons)	54.85	28.67	32.60
Amount of Non-Hazardous Waste (tons)	284.03	295.62	186.82
Amount of Non-Hazardous Waste Diverted from Disposal (tons)	115.45	67.90	70.47
Amount of Non-Hazardous Waste Directed to Disposal (tons)	168.04	227.72	116.35
Total Waste Amount (tons)	439.37	424.02	287.82

Direct Energy Consumption (4)	2022	2023	2024
Natural Gas (GJ)	171	1,532	3,019
Diesel (GJ)	519,666	467,625	489,124
Gasoline (GJ)	—	—	850
Coal (GJ)	7,010	13,911	9,639
Total Direct Energy Consumption (GJ)	526,847	483,068	502,632

Indirect Energy Consumption (GJ)	2022	2023	2024
Electricity (GJ)	33,756	23,331	22,973

Energy Consumption (GJ)	2022	2023	2024
Total Energy Consumption (GJ)	560,603	506,399	525,604

Emissions (4)	2022	2023	2024
Scope 1 Emissions (tons CO <sub>2</sub> e)	39,354	36,210	37,544
Scope 2 Emissions (tons CO <sub>2</sub> e)	5,204	4,540	3,050

\*Data of KSE Agriculture and KSE Machinery are not included in the cumulative data due to lack of information. The data belonging to the Gence facility are not included in the cumulative data as the employer is responsible for occupational safety, environmental issues and wastes in accordance with the contract made with the employer. Environmental performance indicators belonging to the Söğüt Facility and HOD Facility could not be included in the data because they could not be determined. Due to a lack of information, data from the Darıca Facility are not included in the 2024 cumulative data.

(1) The amount of water withdrawn, discharged and consumed includes the data of Lapseki Facility, Çerkeşli Facility, İvrindi Facility, and the head office.

(2) Since the amount of water consumed cannot be measured directly, the calculation was made using the formula given below:

Water consumed = Water withdrawn - Water discharged

(3) The amount of waste includes the data of the Lapseki, Çerkeşli, and İvrindi Facility. Since the data of the head office could not be determined, it is not included in the cumulative data.

(4) The 2023 energy consumption and emission data include information from the Lapseki, Çerkeşli, İvrindi, and Darıca Facilities, as well as the head office. The 2022 and 2024 energy consumption and emission data include information from the Lapseki, Çerkeşli, İvrindi Facility, and the head office. At the İvrindi Facility, electricity is shared with TÜMAD; therefore, as the electricity data could not be separated, it was not included in the cumulative data.

## ECONOMIC PERFORMANCE INDICATORS

Direct Economic Value Generated			
	2022	2023	2024
İvrindi Revenues	451,669,346 ₺	950,905,072 ₺	1,589,234,267 ₺
Lapseki Revenues	369,149,964 ₺	883,553,036 ₺	1,377,906,802 ₺
Çerkeşli Revenues	42,693,612 ₺	66,100,034 ₺	111,149,372 ₺
Darıca Revenues	—	34,108,863 ₺	126,116,763 ₺
Artvin Revenues	—	16,111,664 ₺	57,178,639 ₺
Söğüt Revenues	—	212,846,471 ₺	78,825,515 ₺
Overseas Revenues	135,997,129 ₺	286,604,734 ₺	399,463,953 ₺
Other Revenues	68,342,794 ₺	97,849,150 ₺	456,181,074 ₺
Total Revenues	1,067,852,845 ₺	2,548,079,023 ₺	4,196,056,387 ₺

Economic Value Distributed			
	2022	2023	2024
Employee Wages	167,572,464 ₺	303,393,134 ₺	824,886,451 ₺
Operating Costs	1,038,112,205 ₺	2,012,118,089 ₺	2,921,399,335 ₺
Total	1,205,684,669 ₺	2,315,511,224 ₺	3,746,285,786 ₺

In the 2024 reporting period, KSE's revenue increased 3.9 times compared to 2022 and 1.65 times compared to 2023.

Note: The data are taken from Balance Sheet, Income Statement and Trial Balance

## Ratio of Entry Level Wage to Minimum Wage

	2022		2023		2024	
	Women	Men	Women	Men	Women	Men
ARTVİN	-	-	-	1.15	-	1.11
ÇERKEŞLİ	1.03	1.03	1.05	1.23	1.11	1.11
DARICA	-	-	1.14	1.40	1.11	1.11
İVRİNDİ	1.15	1.15	1.09	1.09	1.13	1.13
LAPSEKİ UNDERGROUND	1.20	1.15	1.49	1.14	1.17	1.12
LAPSEKİ OVERGROUND	1.15	1.15	1.09	1.00	1.13	1.13
HEAD OFFICE	1.18	1.50	1.01	1.00	1.12	1.13
OSTİM WAREHOUSE	1.45	1.59	1.40	1.14	1.12	1.18
SÖĞÜT	-	-	1.45	1.00	1.11	1.11



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## GRI CONTENT INDEX

KSE



# GRI CONTENT INDEX



GRI CONTENT INDEX					
Statement of Use	KSE has reported in accordance with the GRI Standards for the period January 1, 2024 - December 31, 2024.				
GRI I Used	GRI I: Foundation 2021				
Applicable GRI Sector Standard(s)					
GRI STANDARD / OTHER SOURCE	DISCLOSURE	LOCATION	OMISSIONS		
			Requirement(s) Omitted	Reason	Explanation
General Disclosures					
Corporate Profile					
GRI 2: General Disclosures 2021	2-1 Organizational details	About KSE, pages 12-17	—		
	2-2 Entities included in the organization's sustainability	About the Report, pages 4-7	—		
	2-3 Reporting period, frequency and contact point	About the Report, pages 4-7	—		
	2-4 Restatements of information	The "Number of Accidents" and "Incident Frequency Rate" data for the 2022 and 2023 reporting periods have been reviewed and updated. Pages 96-107	—		
	2-5 External assurance	There is no external assurance for this report.	—		
	2-6 Activities, value chain and other business relationships	About KSE, pages 12-17	—		
	2-7 Employees	Key Performance Indicators, pages 96-107	—		
	2-8 Workers who are not employees	Key Performance Indicators, pages 96-107	—		
	2-9 Governance structure and composition	Governance at KSE, pages 22-29	—		
	2-10 Nomination and selection of the highest governance body	Governance at KSE, pages 22-29	—		
	2-11 Chair of the highest governance body	Governance at KSE, pages 22-29	—		
	2-12 Role of the highest governance body in overseeing	Governance at KSE, pages 22-29	—		
	2-13 Delegation of responsibility for managing impacts	Governance at KSE, pages 22-29	—		
	2-14 Role of the highest governance body in sustainability	Governance at KSE, pages 22-29	—		
	2-15 Conflicts of interest	Work Ethics, pages 30-33	—		
	2-16 Communication of critical concerns	Work Ethics, pages 30-33	—		
	2-17 Collective knowledge of the highest governance body	Governance at KSE, pages 22-29	—		
	2-18 Evaluation of the performance of the highest governance body	Governance at KSE, pages 22-29	—		
	2-19 Remuneration policies	Wage Policy, pages 34-37	—		
	2-20 Process to determine remuneration	Wage Policy, pages 34-37	—		
	2-21 Annual total compensation ratio	It has not been shared as it is considered confidential information.	—		
	2-22 Statement on sustainable development strategy	Sustainability at KSE, pages 38-41; Sustainable Development Goal, pages 42-49; KSE Sustainability Strategy, pages 54-61	—		
	2-23 Policy commitments	Sustainability at KSE, pages 38-41; KSE Sustainability Strategy, pages 54-61	—		
	2-24 Embedding policy commitments	Sustainability at KSE, pages 38-41; KSE Sustainability Strategy, pages 54-61	—		
	2-25 Processes to remediate negative impacts	KSE Sustainability Strategy, pages 54-61	—		
	2-26 Mechanisms for seeking advice and raising concerns	Work Ethics, pages 30-33	—		
	2-27 Compliance with laws and regulations	During the reporting period, there were no significant cases of non-compliance with laws and regulations.	—		
	2-28 Membership associations	KSE Mining is a member of the Turkish Mineworkers' Trade Union and the Ankara Chamber of Commerce.	—		
	2-29 Approach to stakeholder engagement	KSE Sustainability Priorities, pages 50-53	—		
	2-30 Collective bargaining agreements	873 employees are employed under the collective bargaining agreement.	—		

GRI STANDARD / OTHER SOURCE	DISCLOSURE	LOCATION	OMISSIONS		
			Requirement(s) Omitted	Reason	Explanation
<b>Material Topics</b>					
GRI 3: Material Topics 2021	3-1 Process to determine material topics	KSE Sustainability Priorities, pages 50-53	—		
	3-2 List of material topics	KSE Sustainability Priorities, pages 50-53	—		
<b>Energy Management and Climate Change</b>					
GRI 3: Material Topics 2021	3-3 Management of material topics	Energy Management and Climate Change, pages 90-95	—		
GRI 302: Enerji 2016	302-1 Energy consumption within the organization	Key Performance Indicators, pages 96-107	—		
	302-2 Energy consumption outside of the organization	There is no energy consumption data outside the organization.	—		
<b>Waste Management</b>					
GRI 3: Material Topics 2021	3-3 Management of material topics	Waste Management, pages 82-85	—		
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Waste Management, pages 82-85	—		
	306-2 Management of significant waste-related impacts	Waste Management, pages 82-85	—		
	306-3 Waste generated	Key Performance Indicators, pages 96-107	—		
	306-4 Waste diverted from disposal	Key Performance Indicators, pages 96-107	—		
	306-5 Waste directed to disposal	Key Performance Indicators, pages 96-107	—		
<b>Water Management</b>					
GRI 3: Material Topics 2021	3-3 Management of material topics	Water Management, pages 86-89	—		
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	Water Management, pages 86-89	—		
	303-2 Management of water discharge-related impacts	Water Management, pages 86-89	—		
	303-3 Water withdrawal	Key Performance Indicators, pages 96-107	—		
	303-4 Water discharge	Key Performance Indicators, pages 96-107	—		
	303-5 Water consumption	Key Performance Indicators, pages 96-107	—		
<b>Reducing Carbon Emission &amp; Climate Change</b>					
GRI 3: Material Topics 2021	3-3 Management of material topics	Energy Management and Climate Change, pages 90-95	—		
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Key Performance Indicators, pages 96-107	—		
	305-2 Energy indirect (Scope 2) GHG emissions	Key Performance Indicators, pages 96-107	—		
<b>Occupational Health and Safety</b>					
GRI 3: Material Topics 2021	3-3 Management of material topics	Occupational Health and Safety, pages 72-81	—		
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Occupational Health and Safety, pages 72-81	—		
	403-2 Hazard identification, risk assessment, and incident investigation	Occupational Health and Safety, pages 72-81	—		
	403-3 Occupational health services	Occupational Health and Safety, pages 72-81	—		
	403-4 Worker participation, consultation, and communication on occupational health and safety	Occupational Health and Safety, pages 72-81	—		
	403-5 Worker training on occupational health and safety	Occupational Health and Safety, pages 72-81	—		
	403-6 Promotion of worker health	Occupational Health and Safety, pages 72-81	—		
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Occupational Health and Safety, pages 72-81	—		
	403-8 Workers covered by an occupational health and safety management system	KSE employees are covered by the OHS management system.	—		
	403-9 Work-related injuries	Key Performance Indicators, pages 96-107	—		
	403-10 Work-related ill health	During the reporting period, there were no work-related accidents resulting in illness or death.	—		

Employee Development and Satisfaction					
GRI 3: Material Topics 2021	3-3 Management of material topics	Employees at KSE, pages 62-67	–		
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Key Performance Indicators, pages 96-107	–		
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Employees at KSE, pages 62-67	–		
Gender and Equal Opportunity					
GRI 3: Material Topics 2021	3-3 Management of material topics	Employees at KSE, pages 62-67	–		
GRI 202: Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	Key Performance Indicators, pages 96-107	–		
	202-2 Proportion of senior management hired from the local community	The ratio of local senior management is 100% in locations within the borders of the Republic of Turkey. There are no local senior managers at the Gence facility located outside the borders of the Republic of Turkey.	–		
GRI 401: Employment 2016	401-3 Parental leave	Key Performance Indicators, pages 96-107	–		
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Key Performance Indicators, pages 96-107; Employees at KSE, pages 62-67	–		
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	There were no cases of discrimination during the reporting period.	–		
Education and Training					
GRI 3: Material Topics 2021	3-3 Management of material topics	Occupational Health and Safety, pages 72-81	–		
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Key Performance Indicators, pages 96-107	–		
	404-3 Percentage of employees receiving regular performance and career development reviews	Key Performance Indicators, pages 96-107	–		
Customer Satisfaction					
GRI 3: Material Topics 2021	3-3 Management of material topics	Customer Satisfaction, pages 68-71	–		
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and loss of customer data	There were no confirmed complaints regarding breach of customer privacy and loss of customer data during the reporting period. No leaks, theft or loss of customer data were detected or reported.	–		

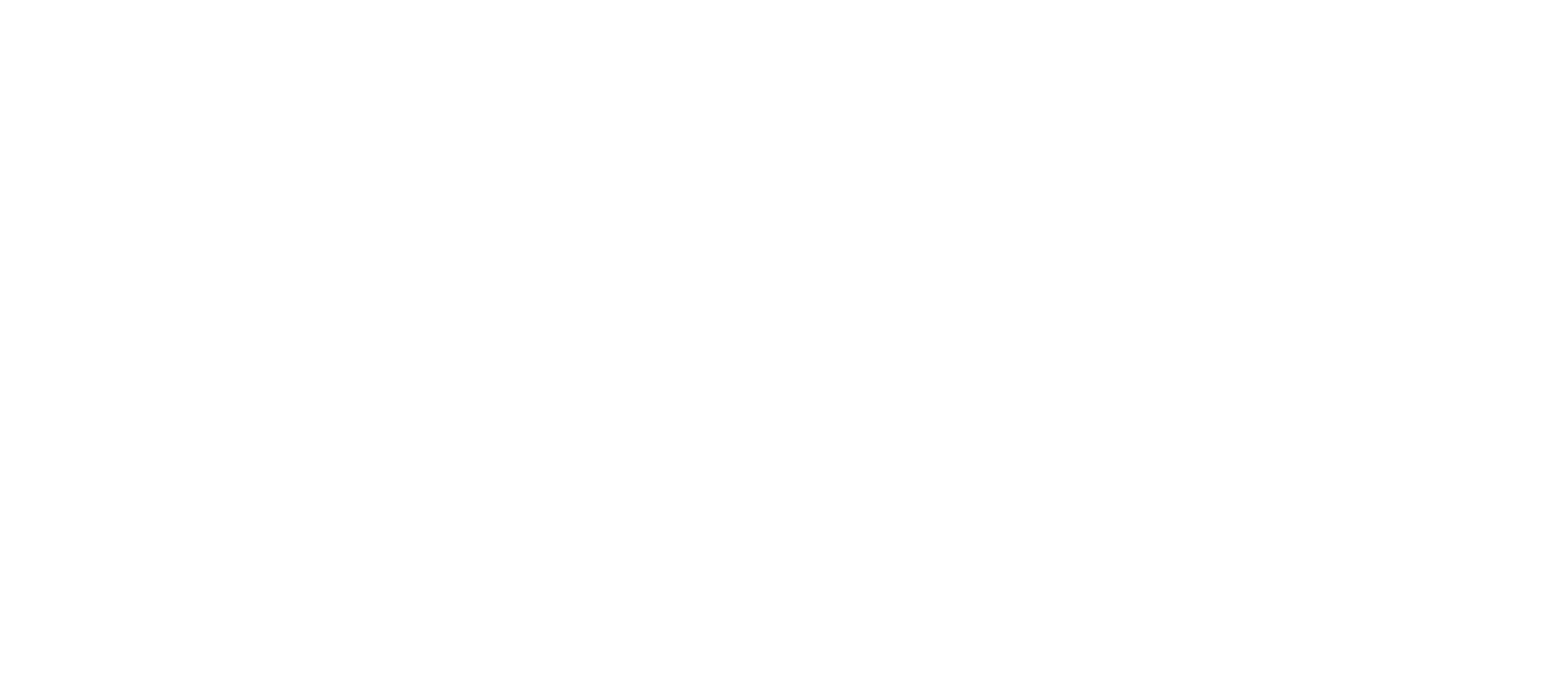
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We would like to thank the individuals and organizations who contributed to the preparation of the KSE Sustainability Report. If you have any questions about the sustainability report, you can contact us via e-mail to [eys@ksemadencilik.com.tr](mailto:eys@ksemadencilik.com.tr).

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