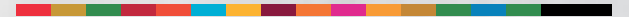




AFS

2024

AFS BORU SANAYİ A.Ş.
SUSTAINABILITY REPORT



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1.1. About the Report

In today's rapidly changing conditions, companies not only continue their business activities but also adopt the understanding of being responsible corporate citizens. They integrate sustainability-focused issues into their business processes, monitor these efforts, and take responsibility for transparently sharing their work with all stakeholders.

Driven by our strong sense of responsibility and confidence in the future, and as one of the leading companies in the HVAC sector exporting to nearly 100 countries, we decided to publicly share our sustainability actions, efforts, and targets as of 2024 by highlighting our strong and reliable capabilities.

First Step Toward Sustainability

Prepared following a process in which the social, environmental, and economic dimensions of our operations were evaluated and their impacts measured, this report aims to transparently share AFS's sustainability performance, environmental investments, corporate structure, strengths, and strategies with all stakeholders. As AFS, we aim to establish a communication approach based on mutual interaction by sharing our sustainability efforts related to environmental, social, and economic issues with all stakeholder groups.

Reporting Principles and Standards

This report has been prepared in accordance with the GRI Standards and covers the reporting period from January 1, 2024, to December 31, 2024. To demonstrate the development of performance indicators over time, comparative data from previous periods have been included where deemed appropriate.

During the reporting process, a materiality analysis was conducted in line with the GRI Standards. The reporting scope and boundaries were determined by considering stakeholder expectations, the impacts arising from AFS's activities, and strategic priorities. Performance indicators related to the identified material topics were included in the report within the framework of relevant data collection and verification processes.



Scope and Verification

This report, through which we commit to managing our environmental and social impacts by presenting our sustainability activities transparently and comprehensively, covers the operations carried out at AFS's production facility located in the İvedik Organized Industrial Zone in Ankara.

The carbon footprint calculations presented in the report were verified by TOBB MEYBEM A.Ş., an independent third-party verification body accredited by TÜRKAK.

Future Goals and Report Outcomes

Within our 2024 vision, AFS clearly defines its sustainability objectives. By adopting a systematic approach, we aim to focus on sustainability management practices, make strategic decisions in priority areas, and actively involve our stakeholders in these processes.

By following a transparent communication strategy through sustainability reporting in line with GRI Standards, we aim to share our activities in the social, environmental, and economic domains with all stakeholders. In addition, we commit to evaluating potential future risks and opportunities by remaining sensitive to sectoral changes, closely monitoring industry developments, and focusing on innovation. With these comprehensive sustainability initiatives in 2024, we are determined to contribute to our sector.

The preparation of this report was carried out by our Sustainability Department. As AFS, we will continue to pursue our activities to ensure sustainability in the HVAC sector together with all our internal and external stakeholders, while continuing to lead the industry by implementing successful projects.

Questions, feedback, and suggestions regarding the AFS 2024 Sustainability Report can be sent to:

sustainability@afs.com.tr



1.2. Message from Our General Manager



As one of Turkey's largest exporters in the HVAC sector, we undertake a strategic role.

Dear Valued Partners,

Changing global conditions and rapidly depleting natural resources pose serious risks and threats to our country and the entire world. In this context, adopting a holistic approach to sustainability and taking concrete actions have become more critical than ever in order to leave a livable and healthy world for future generations. Sustainability is a strategic approach that must be addressed not only from an environmental perspective, but also through its economic and social dimensions. As AFS, we are experiencing a period in which we are strengthening our sustainability mindset and developing innovative solutions with a strong sense of responsibility to safeguard the future. This first sustainability report, which we have prepared with great dedication and diligence, represents the most tangible evidence of the steps we have taken and the efforts we have undertaken on our sustainability journey.

For AFS, sustainability is not merely an area of responsibility; it is a core value that underpins all our operations and has become an integral part of our corporate culture. Within the scope of the commitments we have established in line with the United Nations Sustainable Development Goals, we continue to expand our sphere of influence day by day through collaborations with sectoral stakeholders at both national and international levels. By going beyond our business model, we act with the ambition of being an environmentally and socially responsible industry leader and embed this understanding into a corporate culture that permeates all levels of our organization.

Our sustainability journey, which began in 2022 with the calculation of our corporate carbon footprint, has continued to strengthen through corporate water footprint studies and I-REC carbon reduction certification processes. Today, by taking these efforts one step further, we have initiated sustainability reporting that transparently and holistically presents our performance across environmental, social, and governance dimensions. We view this process not merely as a reporting activity, but as an essential part of our responsibility toward the future and our goal of continuous improvement.

As AFS, we are delighted to share with our valued stakeholders our strategic roadmap in the field of sustainability and the initiatives we have implemented in line with it, through our first sustainability report prepared in accordance with the internationally recognized GRI Standards. As the company with the largest air duct exports in 2024, I would like to extend my sincere thanks to all our employees whose collective efforts contributed to achieving our business objectives, realizing our projects, and shaping our future plans, as well as to all our stakeholders who have continuously supported us.

Zeki Poyraz
Zeki Poyraz
General Manager

2.1. About AFS



AFS is Turkey's largest exporter of air duct products. The company operates with 294 employees at its manufacturing facility located on a 38,688 m² site in the İvedik Organized Industrial Zone in Ankara.

Founded in 1991 in Ankara with the production of semi-flexible air ducts, AFS accelerated its technology investments as it approached the 21st century, expanding production across various product groups. In a short period of time, the company established itself as a leading organization within the sector.

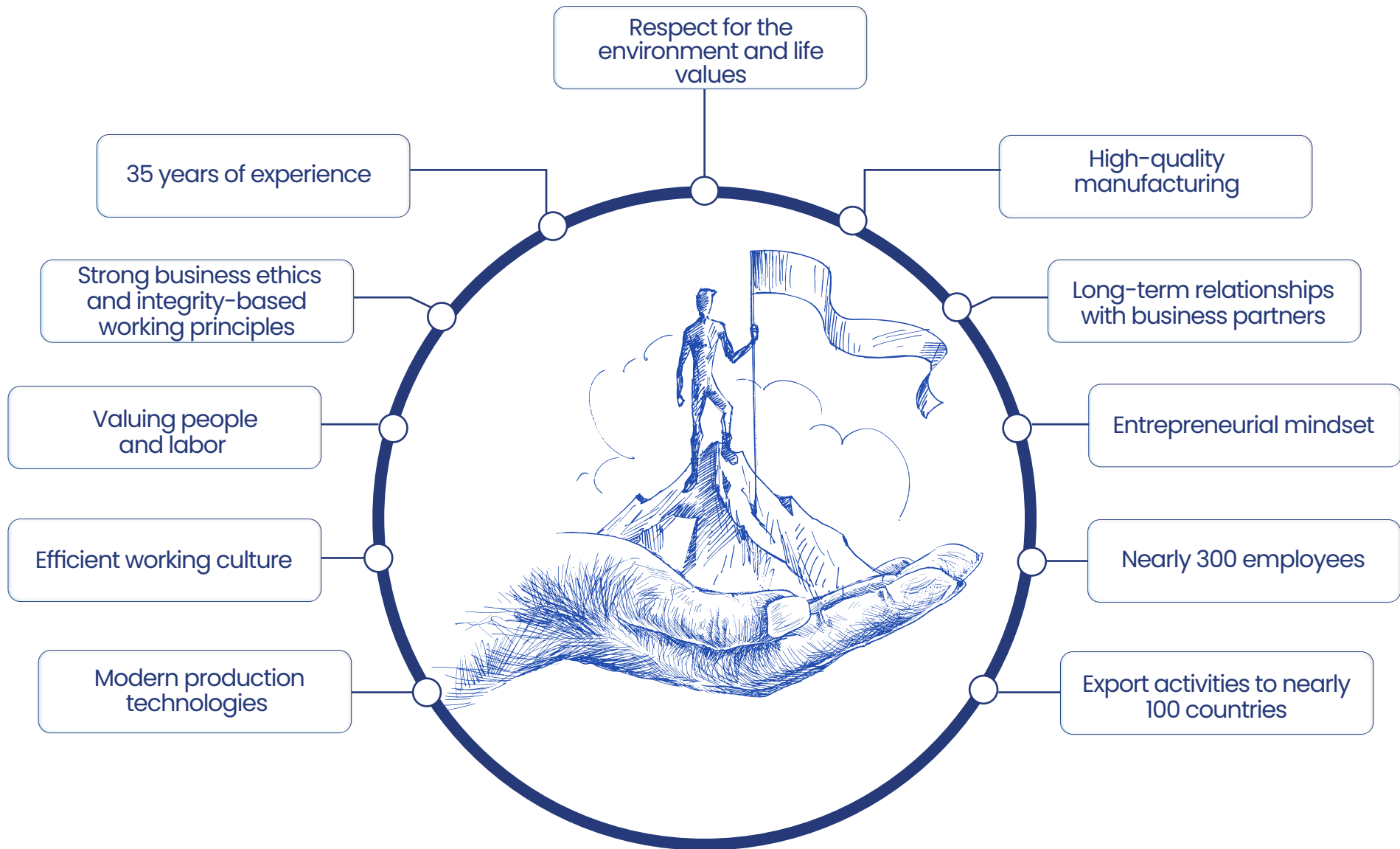
Continuously expanding its product portfolio, AFS offers a wide range of solutions used in ventilation systems, including semi-flexible and flexible air ducts as well as assembly and connection components, all produced in-house. Recognized as one of Europe's largest flexible air duct manufacturers, the company has achieved a reputable position in the industry through its accredited certifications and patented technologies, while exporting to nearly 100 countries with a vision of global market leadership.

AFS adopts a young and dynamic organizational structure that brings together quality and speed under one roof, approaching customers with the principle of "the right product, the right solution." While assuming the responsibility of being one of the leading driving forces of the Turkish economy through numerous national and international awards, the company remains committed to representing Türkiye in the best possible manner on the global stage.

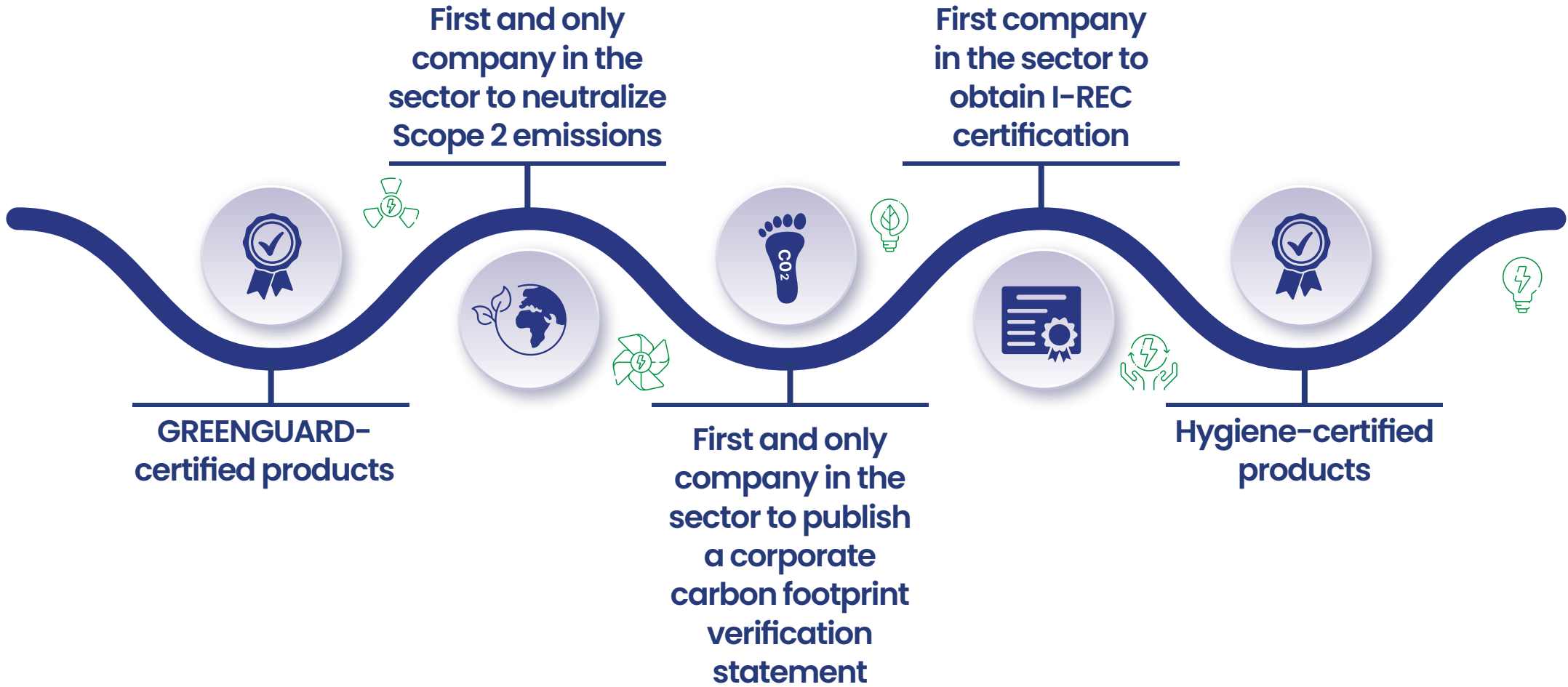
By embracing advanced production technologies in compliance with international standards, AFS also stands out with its customer-oriented marketing approach and after-sales services. Integrity and trust form the foundation of its corporate culture. Through significant R&D investments and solutions developed across eight different product categories, AFS contributes to improving indoor comfort and reducing energy consumption.

Within this framework, AFS continues to move forward with confidence toward becoming a "symbol of quality and trust" in both local and international markets by simultaneously prioritizing technology, sustainability, and customer satisfaction.

Our Strengths



Our First Achievements on the Sustainability Journey



“ We meet our own energy needs from our renewable energy plant. Moreover, we certify this commitment through I-REC certification. ”

With a 651,000 kWh-capacity solar power plant installed on our factory rooftop, we generated 574,625 kWh of electricity in 2024, covering 48% of our total electricity consumption. Additionally, we demonstrated that 100% of our electricity consumption was supplied from renewable energy sources through I-REC certification. As a result, we neutralized our Scope 2 carbon footprint.

“ We conserve our water resources. ”

We are aware of the importance of water for a sustainable world and continue to manage all our operational processes consciously. We calculate our water footprint annually to measure our impact and we transparently share our water footprint on our website through our reports.

“ With our circular economy perspective, we continue to generate added value. ”

We aim to recover our industrial waste through industrial symbiosis practices. Production scrap from ventilation ducts is segregated and supplied to cement factories. Nearly all of our waste is recovered through licensed recycling companies. Certain waste streams are reintroduced into the production process after simple physical treatments, supporting the circular economy and the conservation of natural resources.



2.2. Our Mission, Vision and Values

Mission

To enhance brand recognition by producing innovative, reliable, and competitive products and services in line with customer needs and expectations, with a strong sense of responsibility and sensitivity toward the environment and society.



Vision

To become a global brand by providing lasting competitive advantages.



Our Values

As AFS employees:

- We are customer-oriented,
- We prioritize occupational health and safety,
- We are environmentally conscious,
- We operate in compliance with legal regulations and international standards,
- We embrace the principles of equality and fairness,
- We act with full awareness of our responsibilities,
- We are results-driven,
- We adopt and implement management systems.



2.3. Our Sustainable Success Journey



2.4. Awards

LOW CARBON HERO AWARD



Since our establishment, we have received numerous awards. At AFS, we will continue our work with sustainable investments in line with our future goals, ensuring the continuation of our successes.

At the 10th Istanbul Carbon Summit, organized by the Sustainable Production and Consumption Association (SÜT-D) with the support of the Ministry of Environment, Urbanization and Climate Change and Istanbul Technical University, the best corporate carbon management projects were recognized. AFS was honored with this special award for reducing its indirect emissions by 22%, ultimately neutralizing its Scope 2 emissions through data quality optimization and I-REC certification efforts. This success was driven by the technical work of our Sustainability Department, including corporate carbon footprint calculations conducted in accordance with ISO 14064-1 standards, leveraging the advantage of meeting all energy needs through in-house renewable energy systems, and complementing these efforts with I-REC certification processes and improvements in data quality. At the summit, AFS was awarded the "Low Carbon Hero" under the theme "A Carbon-Free Future with Cool Solutions." Our Sustainability Manager, Yeşim Bek Doğan, accepted the award on behalf of the company.

We have neutralized our
Scope 2 emissions.



AWARD FOR THE COMPANY WITH THE LARGEST AIR DUCT EXPORTS IN THE YEAR



As a pioneering company in Türkiye's flexible air duct manufacturing industry, AFS was honored with one of the sector's most prestigious awards based on its export achievements in 2024.

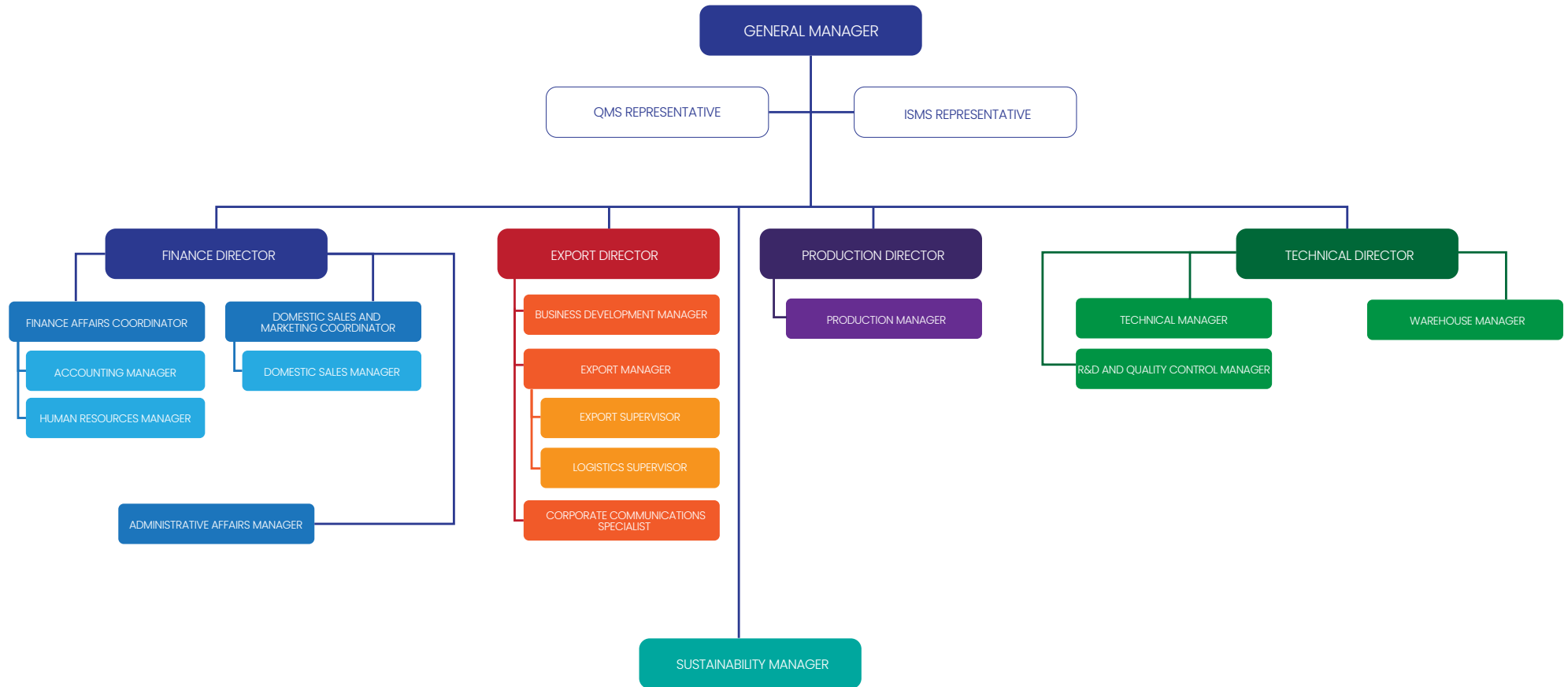
At the "Successful Exporters Award Ceremony" organized by the Air Conditioning Industry Exporters' Association (İSİB), AFS received the "Company with the Largest Air Duct Exports of the Year" award for its export performance to nearly 100 countries. With strong domestic production capabilities, we play an active role in the global market within the HVAC sector. Through our expertise in flexible air duct manufacturing and our extensive export network, we continue to represent Türkiye successfully on the international stage. Our quality-driven production approach, innovative solutions, and commitment to customer satisfaction position us among the most reliable brands in the industry. In the coming period, we aim to further strengthen our leadership in the sector through our sustainable production approach and export-oriented vision.

3.1. Organizational Structure

AFS Boru Sanayi A.Ş. implements its vision and mission in line with corporate governance principles, drawing strength and support from all its stakeholders. The adopted governance approach stands out as one of the fundamental elements of sustainable success and long-term growth. Our corporate structure ensures that our operations are carried out based on core principles such as transparency, accountability, and fairness.

From senior management to operational levels, all employees perform their duties in alignment with defined strategies and benefit from effective management systems that support them throughout the process.

AFS Boru Sanayi A.Ş. is represented by directors and managers operating under the General Manager. While implementing the company's strategic objectives with determination, our senior management team demonstrates a transparent and accountable management approach within the framework of corporate governance principles.



3.2. Corporate Governance

“We have a strong corporate governance structure.”

As AFS, we not only comply with legal regulations but also meticulously implement our corporate governance principles by adhering to ethical values.

Our corporate governance approach goes beyond a traditional structure focused solely on profit generation; it is based on protecting the rights of the community and safeguarding the interests of all stakeholders. The company adopts a governance policy that aims to protect not only shareholders' rights but also the rights of all stakeholders, ensuring that relationships among stakeholders are regulated in a fair and transparent manner.

Within this framework, our company commits to maintaining a management approach that is sensitive to societal expectations and environmental impacts, with sustainability as a core principle.

Our company has a defined vision, mission, and set of values that support sustainable growth and success. These elements guide our operations and serve as fundamental principles in shaping our commitments, responsibilities, and objectives.

Our corporate policies outline the company's commitments and the standards it adheres to. Our Management Systems Policies provide a comprehensive framework covering quality, occupational health and safety, information security, environmental management, human resources management, and ethical conduct rules, clearly defining commitments in these areas.

Proactive Risk Management

As AFS, we conduct risk assessment meetings in collaboration with relevant departments, based on established procedures, to ensure effective management of risks arising from our operations. During these meetings, risks are identified and evaluated in terms of their impact, likelihood, and severity. We continuously review and effectively manage our risks. Based on the determined risk levels, necessary risk action plans are developed and implemented. Operational risks are identified in detail by our Occupational Safety Specialist, and coordinated efforts are carried out with relevant departments to mitigate these risks. Through this approach, we effectively manage our environmental, operational, and process-based risks.

3.3. Ethics, Transparency and Legal Compliance

Our fundamental principles regarding business ethics, transparency, and compliance with laws are the elements that shape our corporate behavior. Our company is committed to full adherence to legal and regulatory requirements, and in this context, it upholds the principles of integrity, accountability, and transparency in its dealings with official authorities. In fulfilling our responsibilities, we adopt a management approach that considers society, the environment, and our stakeholders.

Our transparent and open communication policy (our ethical principles) is further supported by making these policy documents accessible on our company's official website. This approach aims to enhance engagement with stakeholders and communicate all of our sustainability commitments to the public in a transparent manner.

Our Ethical Principles

AFS aims to provide a work environment with individuals who are energetic, passionate, open to innovation, and visionary, while fostering a sense of happiness and pride in being part of the AFS family. The company's fundamental goal is to be among the preferred employers. In pursuing these objectives, AFS establishes its code of ethical conduct within a management approach that respects human rights, treats employees fairly, and recognizes their true value. The ethical guidelines align with the personnel regulations, and their implementation is overseen by the disciplinary board. Integrity and honesty are prioritized in all processes. Equality is an indispensable principle in all communications and activities. The company adheres to the rules set forth in laws and regulations and expects the same from its employees. Work procedures and relationships are conducted in a fair manner, with respect for society and the environment. By prioritizing quality standards, AFS continuously aims to enhance the brand and operates with this commitment in mind.

Policies and Guidelines

Our policies regarding business ethics, transparency, and legal compliance are based on written procedures and corporate culture. The Ethics Committee Directive, human resources procedures, and management systems include compliance requirements such as ISO 9001, ISO 45001, ISO 14001, and ISO 27001.

Anti-Bribery and Anti-Corruption

As AFS, we demonstrate a firm stance against bribery and corruption based on our sustainability-driven approach. The company's perspective is centered on transparency, ethical values, and legal compliance. Within this framework, bribery and corruption are considered both unethical practices and legal violations.

“We are committed to full compliance with legal requirements.”

3.4. Management Systems

In line with our vision, AFS holds ISO certifications that demonstrate compliance with internationally recognized standards for quality, safety, and environmental management. These certifications provide a competitive advantage, enhance customer confidence, support continuous improvement, and increase operational efficiency by demonstrating reliability and compliance in global markets.

Below is the certificate information pertaining to our factory, reflecting our commitment to careful and consistent business processes.

Quality Management

Quality management is a critical factor aimed at maximizing customer satisfaction and achieving internationally recognized standards.

This essential requirement extends beyond production stages to include service and maintenance processes, ensuring excellence at every stage. Quality management not only ensures standardization of products and services but also enhances efficiency, reduces costs, ensures safety, and manages environmental impacts.

Accordingly, we place the utmost importance on quality management and strive to embed it deeply within our corporate culture. To maintain consistency, we meticulously implement procedures such as establishing the Quality Management System, conducting continuous improvement practices, and monitoring performance through internal and external audits. Our commitment to excellence requires ongoing improvements and active participation from all employees, which is why we promote a strong quality culture across the organization. Looking ahead specifically for our company, the integration of digitalization and automation systems into our quality management processes provides significant advantages in terms of speed and accuracy. Additionally, we carry out initiatives related to energy production and supply chain management.

“We continuously improve our corporate structure through the Quality Management System, Occupational Health and Safety Management System, Environmental Management System, and Information Security Management System, in line with the principle of **“continuous improvement”**.”

3.4. Management Systems

Information Security Management

Within the scope of information security, we have established policies and procedures governing our security measures. These documents cover all rules and safeguards related to information security, internet access, and the use of cloud services within the company. In addition, the operation of the system is continuously improved through our Information Security Management System (ISMS) team and audit mechanisms.

By diligently implementing each procedure through the relevant departments, we aim to safeguard our company's data security and system integrity. We reinforce training and awareness activities under the motto "Clean Desk, Clean Desktop." Regular training programs are provided to employees to ensure the effective implementation of these policies. Through our investments in information security, we support the company's sustainable development and ensure progress aligned with digital transformation processes.

Environmental Management

At our company, we work with great commitment to act with environmental responsibility and build a sustainable future.

Our Environmental Management System is structured around waste management, energy efficiency, optimization of resource use, and minimizing environmental impacts. We also foster an environmentally responsible corporate culture by ensuring compliance with applicable legislation. Our strategy incorporates long-term plans and policies designed to support the environmental pillar of sustainability. By adopting environmentally friendly practices, we aim to reduce our environmental footprint across the organization and conduct our operations responsibly.

As a company with a high level of environmental awareness, we strive to enhance our reputation not only through our contributions to ecosystems but also among consumers and all stakeholders. In the long term, this approach supports corporate stability and contributes to sustainable development.

Environmental impact assessment (EIA) permits related to our factory operations and solar power plants (SPP), along with other environmental permits, waste management, emissions, wastewater management, circular economy activities, quality processes, and corporate regulatory follow-ups are organized and monitored by our Sustainability Department. To ensure the effective and sustainable execution of environmental management processes, our factory also receives environmental consultancy services under the coordination of this department.



3.4. Management Systems

Occupational Health and Safety Management

In line with our Occupational Health and Safety (OHS) Management System, we commit to identifying and maintaining the most appropriate working methods to ensure a safe and healthy work environment and to continuously improve our OHS performance in all processes in accordance with our objectives and relevant national and international legislation.

To fulfill this commitment, we aim to:

- Establish healthy and safe working conditions with a zero workplace accidents and zero occupational diseases approach
- Identify and eliminate hazards, risks, and near-miss incidents in the workplace
- Ensure effective communication activities to understand the OHS needs and expectations of employees and relevant parties
- Continuously improve OHS performance by utilizing the best available technologies
- Take proactive measures by planning for potential emergency situations
- Provide opportunities for all required OHS training programs and monitor their effectiveness
- Promote lessons learned and best practices in OHS and disseminate them across all work areas
- Identify OHS-related opportunities and integrate them into processes and practices
- Establish quantitative targets, develop action plans, and monitor performance levels to achieve successful OHS outcomes
- Foster a culture in which safe and healthy working habits are internalized and allocate the necessary resources
- Ensure continuous improvement in OHS activities through the participation of all organizational levels and stakeholders



4.1. Our Sustainability Approach, Strategy and Structure

As AFS, we closely monitor new developments that are sensitive to climate change and the environment by using our resources efficiently.

Today, companies take various measures to adopt sustainability strategies and fulfill their social responsibilities by minimizing their environmental impacts. Within this framework, AFS closely follows national and international targets, commitments, strategies, and policies related to climate change mitigation and sustainability, and actively participates in relevant seminars, congresses, training programs, and other events.

Within the scope of our sustainability vision, we assume a responsible, conscious, and exemplary role in our sector as an organization that is environmentally friendly and fulfills its social responsibilities.

Sustainability Approach

We aim to enhance quality of life by acting responsibly from economic, environmental, and social perspectives, while meeting today's needs without compromising the resources of future generations.

Our objective is to make energy affordable, efficient, clean, and economical, and to develop environmentally friendly products across all areas.

Our Strategy / Roadmap

Across all our production processes, we support sustainable growth and continue to build lasting value for people, society, and the environment, alongside our company.

As AFS, with a commitment to being a responsible company towards the world and society, we embrace the Sustainable Development Goals at every stage of our value chain, from source to end user, and take a leading role in supporting the 10 global goals we have prioritized within this framework.

“Our aim is to transform sustainability into an integral part of our corporate culture.”

Strategic Value Areas



Society

We prioritize product quality and customer satisfaction at the highest level. We define our actions to work collaboratively with our stakeholders and serve as a driving force for mutual progress.



Employees

As a family-owned company, we draw strength from one another like a family and work together in harmony.



Our Company

We continue to achieve stable growth, contribute value to the economy, and generate employment opportunities.



Environment

We are aware that natural resources are not infinite. To prevent waste and protect our resources, we manage all production processes with this perspective and work diligently to minimize environmental impacts.



Through this approach, we are transforming.

In 2023, we took a significant step forward by establishing our Sustainability Department to strengthen our organizational structure for developing, implementing, and reporting sustainability management plans. The next step was to elevate the department to a directorate, allowing us to approach our strategy in a more structured, detailed, and comprehensive manner.

In the next phase, we will establish a Sustainability Committee covering all our activities. The Chair of this Committee will be our General Manager, who represents the company at the highest level. The Committee will consist of managers responsible for the main aspects of AFS's operations and experts appointed by these managers. Within the company, we aim to embed sustainability into our corporate culture through a holistic approach.

Committee members will annually review and assess the priority topics affecting our operations, develop projects based on these priorities, and develop action plans. They will also conduct related activities such as workshops with internal stakeholders and surveys targeting external stakeholders. Although the impact of sustainability on our business continuity is a recent focus, by 2024 we will have taken the necessary steps to establish our sustainability organizational structure. The development, implementation, and reporting of sustainability management plans will both support and strengthen our organizational framework.

As AFS, we will evaluate the risks and opportunities arising from future changes in our sector and focus on innovations to actively contribute to developments within the industry. This step is crucial for shaping our sustainability vision and maintaining our leadership in the sector.

By transparently sharing our social, environmental, and economic initiatives with our stakeholders, we aim to present the company's sustainability efforts from a broad perspective. This step reflects our commitment to fulfilling social responsibilities and embracing a culture of transparent communication.



4.2. Stakeholder Management

At AFS, we recognize the critical importance of understanding the needs and expectations of our stakeholders, and we prioritize identifying and addressing them in the best possible way. To achieve this, we use a variety of stakeholder engagement methods, including meetings, public statements, surveys and interviews, events, and trainings. These methods allow us to interact with stakeholders and gather their feedback, enabling us to develop more effective strategies and identify areas for improvement in our products, production processes, supply chain activities, and social development initiatives. Our stakeholder engagement mapping process is an important component of these efforts, providing clear guidance for our engagement activities and contributing to the sustainable success of our business in the industry.

Accordingly, our stakeholders are categorized into three groups. The first group includes stakeholders who are most affected by our activities, have the greatest impact on our corporate success, and hold direct economic influence. The second group consists of stakeholders with moderate influence and impact, as well as indirect economic effects. The third group comprises stakeholders who provide or enhance new opportunities, knowledge, and understanding, but have no significant economic impact.

1. Group	2. Group	3. Group
Employees	Contractors/Subcontractors	Media Representatives
Customers	Public Authorities and Regulatory Bodies	NGOs, Industry Associations
Suppliers and Business Partners		Universities
		International Organizations and Initiatives



4.2. Stakeholder Management

Our Stakeholder Relations

To achieve stability in our business processes and succeed, we are committed to building the trust of each stakeholder through the integrity of our words and actions. Together with our customers, partners, and other key stakeholders, we are determined to accelerate the green transformation of the HVAC sector, which is anchored by ventilation ducts.

We recognize that strong collaboration and engagement are essential to enable this transition. By embracing diversity and working together, we emphasize effective communication to ensure we reach our goals. Starting with our employees, customers, suppliers, and business partners, we adopt a people-centered business model that fosters expanded social dialogue within the communities, countries, and regions where we live and operate. Indeed, our sustainability strategy highlights that engagement and partnership with stakeholders are key to the success and resilience of our business. Details of our communication with stakeholder groups are presented in the table below.



Employees	Coordination Meetings	Once a Year
	Suggestion and Complaint Mechanism	Continuous
Customers, Suppliers & Business Partners	Sustainability Survey	Once Every Three Years
	Fairs	3-4 Times a Year
	Website	Continuous
	Phone/Email Communication	Continuous
Contractors and Subcontractors	Website	Continuous
	Phone/Email Communication	Continuous
Public Authorities and Regulatory Bodies	Consultation Meetings and Visits	Several Times a Year
	Conferences/Panels/Projects	Several Times a Year
	Cooperation on Legal Regulations	Continuous
Media Representatives	Press Releases	Continuous
	Website/Social Media Communication Channels	Continuous
NGOs and Industry Associations	Meetings, Fairs	Several Times a Year
	Website/Social Media Communication Channels	Continuous
Universities	Technical Visits and Meetings	Several Times a Year
	Website/Social Media Communication Channels	Continuous
International Organizations and Initiatives	Website/Social Media Communication Channels	Continuous
	Fairs	3-4 Times a Year

4.3. Our Priority Topics

We adopt a strategic approach that incorporates stakeholder feedback while managing the environmental, social, and governance aspects of sustainability. We have conducted a comprehensive materiality assessment that also takes into account the GRI Standards.

Materiality Analysis Methodology

As AFS, within the scope of our 2024 sustainability efforts, we followed the methodology below to identify our sustainability priorities:

- Compiling a long list of topics
- Determining stakeholder priorities
- Determining company priorities
- Identifying priority topics

Compilation of the Long List of Topics

- This is the initial list prepared for the study. It is comprehensive and broad in scope.
- Literature review
- Sustainability standards
- Sectoral and industrial developments

Determination of Stakeholder Priorities

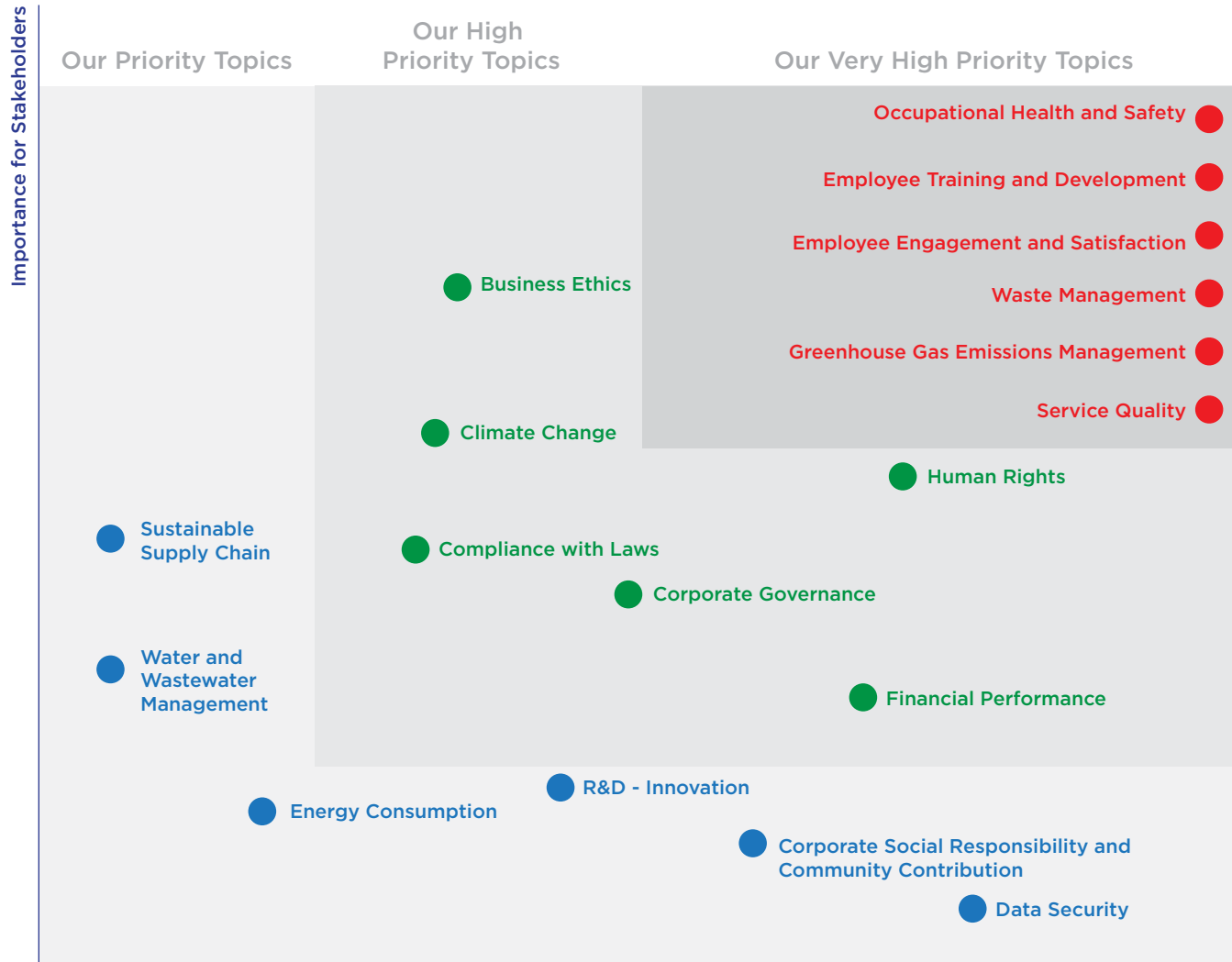
The topics on the long list are evaluated, and those deemed significant are submitted for assessment to our customers and suppliers through a sustainability survey. It has been deemed appropriate for this survey to be conducted once every three years.

Determination of Company Priorities

The external environment affected by our company, as well as the issues impacting the company, are evaluated, and the initial list is refined through more in-depth analyses. This process is reviewed annually.

Identification of Priority Topics

Stakeholder priorities and our company's priorities are evaluated together to determine the final set of priority topics. This process is reviewed annually and presented for the information and feedback of our Board of Directors and relevant employees during year-end coordination meetings.



As AFS, we will shape our sustainability efforts, investments, and strategy around these priority topics and continue our operations in line with our roadmap.

Our Very High Priority Topics	Our High Priority Topics	Our Priority Topics
Occupational Health and Safety	Human Rights	Energy Consumption
Employee Training and Development	Business Ethics	Data Security
Employee Engagement and Satisfaction	Climate Change	Water and Wastewater Management
Waste Management	Compliance with Laws	Corporate Social Responsibility and Community Contribution
Greenhouse Gas Emissions Management	Corporate Governance	R&D - Innovation
Service Quality	Financial Performance	Sustainable Supply Chain

Importance for AFS

5.1. Factory Production Activities

AFS is a leading industrial company operating in the HVAC sector with high-technology-based production capabilities. Our company has become an indispensable part of modern living spaces with products that improve indoor air quality, enhance energy efficiency, and provide sustainable solutions.

Our main activities include the design, production, and distribution of flexible and semi-flexible air ducts, assembly and connection components, and ventilation accessories. Our product range features systems made from aluminum, stainless steel, PVC, and environmentally friendly alternative materials, offering a wide range of applications for industrial, commercial, and residential projects.

As one of Europe's largest flexible air duct manufacturers, AFS exports to approximately 100 countries, representing the strength of Turkish engineering in the global market. The quality control systems implemented in our modern production facilities according to international standards ensure the reliability and consistent performance of our products.

Sustainability is integrated into every stage of our operations. In our production processes, we utilize environmentally friendly technologies to increase energy efficiency, optimize the use of natural resources, and minimize waste. Our business model, based on the principles of the circular economy, prioritizes material recovery, resource efficiency, and long-lasting product design.

AFS not only reduces its environmental impact but also incorporates social and economic sustainability as an integral part of its business strategy. In this regard, we encourage all our stakeholders—from employees and suppliers to business partners and customers—to advance together in line with our sustainable development goals.

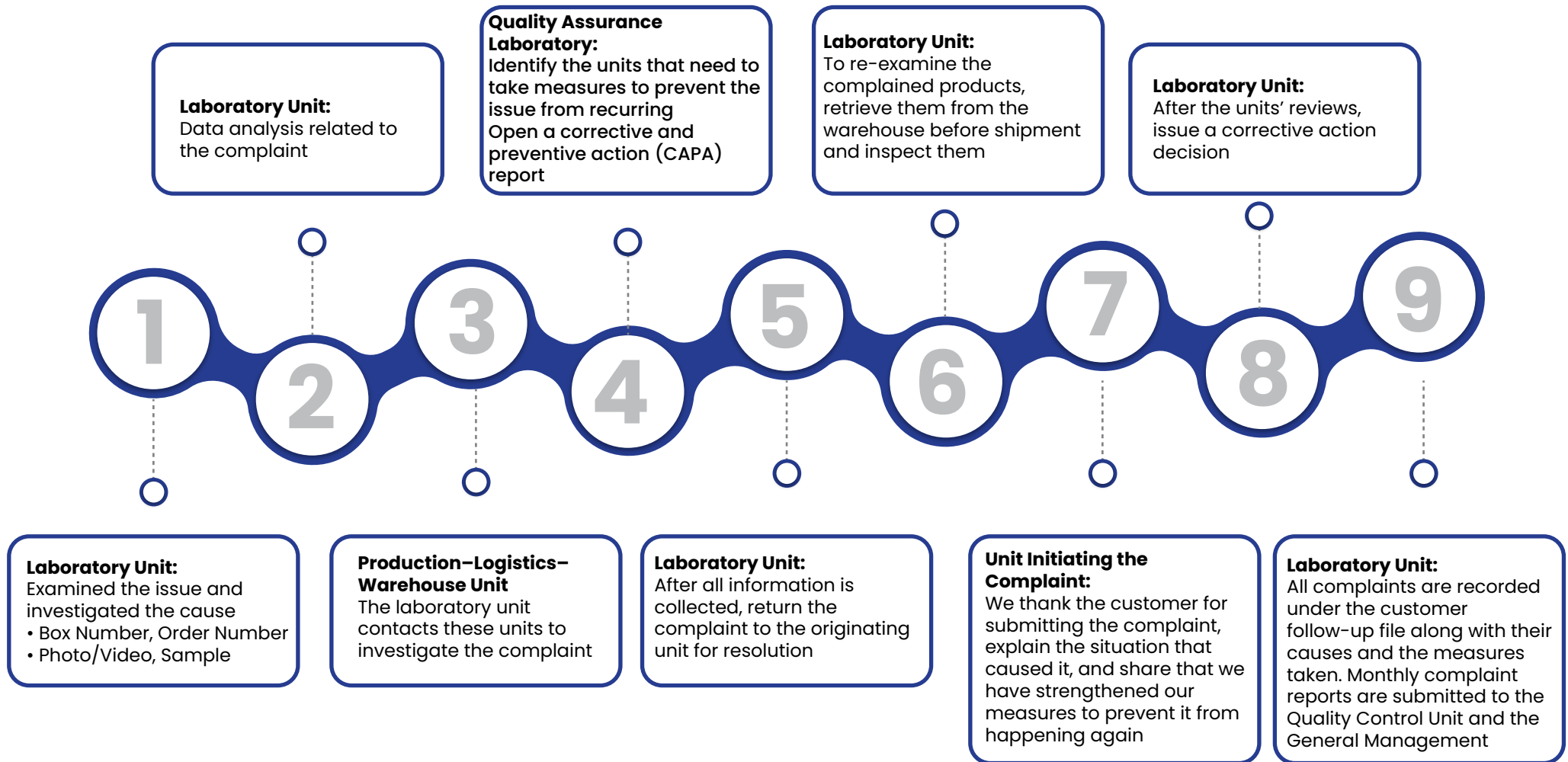
Through this holistic approach, AFS is steadfastly advancing toward becoming a strong brand that leads the future of its sector, balancing environmental responsibility, technological innovation, and societal contribution.



5.2. Happier Customers

Customer satisfaction is recognized as the most important factor for sustainable growth in our company, and the feedback we receive from customers is highly valued. Therefore, customer complaints play a critical role in the development of our operations.

Customer complaint management is closely monitored within our company as a sensitive matter. In 2024, a total of 71 complaints were recorded. Considering that we are Turkey's largest exporting company and ship tens of thousands of products abroad, this number is relatively low. All complaints were categorized and resolved, leaving no outstanding issues.



5.3. Sustainable Supply Chain

We carefully select our long-term strategic supply chain partners and effectively manage supplier performance. We prepare supplier contracts meticulously to minimize financial, project, operational, and reputational risks. Our system is continuously improved to reduce risks arising from complexity, misalignment, and coordination issues.

At AFS, we have a comprehensive supply chain management approach that ensures the procurement and delivery of goods or services to consumers within the timelines determined by our projects and technical specifications. Our company adopts a strategy focused on sustainability, efficiency, and customer satisfaction. This comprehensive approach enables our company to complete projects on time, maintain compliance with quality standards, and maximize customer satisfaction. Responsible supply chain management supports our company's leadership in the HVAC sector and allows us to implement sustainable energy solutions.

Our supplier relationships are governed by our company policies, which are transparently shared with stakeholders on our website.

The key principles we prioritize in our supplier relationships include:

- Maintaining communication in an open, direct, and accurate manner,
- Making decisions regarding suppliers, distributors, and authorized dealers based on objective criteria,
- Adhering to reasonable confidentiality and occupational safety rules requested by the supplier during visits to suppliers, distributors, or authorized dealers.



AFS Human Resources Department adopts policies that support development, promote fairness, encourage success, and prioritize equal opportunity, with the awareness that people are our most critical asset.

Sustainability goes beyond addressing the environmental crises our planet is facing and beyond merely protecting natural resources and reducing environmental impacts. For this reason, it is a concept shaped by highly significant social dimensions. Companies, as one of the most influential stakeholders in resolving these crises, undertake important responsibilities in shaping the awareness of the future.

At AFS, we evaluate our corporate policies through the three dimensions of sustainability—economic, environmental, and social—and integrate them into our business strategies. Within this framework, as the Human Resources function, we empower people for an inclusive society and well-being, promote a talented and diverse workforce in a safe working environment, and assume responsibility to generate a broader positive impact on society. In order to be a preferred workplace, contribute to social welfare, and have a positive influence on our community, we prioritize the principles of inclusiveness, diversity, accountability, ethics, and transparency. We strive to encourage the personal and professional development of all our employees.

Furthermore, we believe that having a diverse workforce and an inclusive environment is beneficial. In this context, we support diversity in talent management in terms of age and gender equality. We value the health and happiness of our employees and therefore maintain our goal of being a company that sets an example in occupational health and safety. Within our “Zero Accident Journey,” we aim to prevent critical and high-potential near-miss incidents. As part of our corporate social responsibility programs, we carry out initiatives focused on society, the environment, energy efficiency, and education.

Within this scope, meetings are held within our company with the participation of representatives from each department on sustainability, aiming to raise awareness by providing information on the current situation and potential future actions.

We define our human capital as our most valuable asset.

6.1. Human Resources Policy and Approach

- As AFS, through our Human Resources Policy, we aim to:
- Ensure the selection and assignment of individuals with qualifications appropriate to the nature of the job,
- Provide a working environment where all company employees can utilize and further develop their talents and skills,
- Develop and implement a fair, balanced, competitive, and motivating compensation management policy,
- Offer in-house and external training opportunities within the framework of career management that support employees' professional development, enhance performance, and prepare them for higher-level positions,
- Foster an environment based on mutual respect, trust, understanding, and effective communication that encourages the generation and sharing of new ideas and provides solutions to challenges,
- Develop and implement systems that promote and reward success,
- Take steps toward digitalization,
- Develop employer branding practices that contribute to talent acquisition,
- Ensure the unconditional application of equal opportunity across all these practices.



Employee Profile

Workforce Distribution (%)

White-collar	24
Blue-collar	76

Employee Age Distribution (%)

Over 55 years of age	6.1
Between 35 and 55 years of age	55.4
Under 35 years of age	38.4

Employees by Gender Distribution (%)

Female	19
Male	81

Managers and Senior Executives by Gender Distribution (%)	2024	2023	2022
Female	21	21	15
Male	79	79	85

Employee Distribution by Seniority (%)

0-1 year	19.4
2-3 year	19.4
4-7 year	25.5
8-10 year	4.76
10 years and above	30.9

Employees on Parental Leave (%)	2024	2023	2022
Female	0.34	0	0
Male (Paternity Leave)	3	3.74	0.34
Total	3.4	3.74	0.34

Return to Work After Parental Leave (%)	2024	2023	2022
Female	0.34	0	0
Male (Paternity Leave)	3	3.74	0.34
Total	3.4	3.74	0.34

Employees with Disabilities (%)	2024	2023	2022
Female	2	2	2
Male	6	6	6
Total	8	8	8



The steps our company has taken to increase employee satisfaction and strengthen its sustainability initiatives will be further reinforced by the growing number and scope of projects implemented across different areas. As AFS, we present our future human resources goals through determined and concrete actions.

Employer of Choice

AFS continues its operations with an approach that prioritizes employee satisfaction. Within this framework, our company provides employees with training opportunities, offers internship programs, and develops projects while delivering various employee benefits.

Practices and Employee Benefits

Newly hired employees are announced internally and included in an orientation program. This approach facilitates their adaptation to the workplace and integration with their colleagues.

For all open positions within our company, internal candidates are given priority. This practice supports employees' career development while increasing engagement and motivation.

Through our "A New Beginning for a Healthy Life" campaign, employees are encouraged to quit smoking, and financial support is provided as part of this initiative.

As part of our employee welfare practices, food assistance is provided to all employees during the month of Ramadan.

Financial support is extended to employees who get married or become new parents, while refreshments are delivered to the homes of those who have lost a first-degree relative.

Various seniority awards, such as plaques and gift vouchers, are granted based on employees' years of service.

Senior management representatives regularly meet with employees across all departments and with employee representatives. These meetings ensure open communication regarding requests and expectations, as well as updates on current developments.

As AFS, we aim to continuously improve our practices and employee benefits in line with our future goals and to further advance our sustainable human resources approach.

Education

AFS prepares an annual training program that takes into account employees' technical and personal development needs as well as legal requirements. This program includes professional and personal development trainings, examinations aimed at meeting certification requirements, as well as activities such as trade fair visits and technical site visits.

The various professional and personal development trainings we conducted in 2024, the steps taken to meet our employees' certification needs, and participation in events such as trade fairs and technical visits are just a few examples of our company's long-term initiatives.

Environmental Management Training	2024	2023	2022
Number of Participants (Persons)	180	165	145
Total Training Hours Delivered	2	2	2
Occupational Health and Safety Training	2024	2023	2022
Number of Participants (Persons)	363	362	348
Total Training Hours Delivered	1,408	1,684	2,292
Corporate Carbon Footprint Awareness Training	2024	2023	2022
Number of Participants (Persons)	22	-	-
Total Training Hours Delivered	2	-	-





6.2. Occupational Health and Safety

The health and safety of our employees is our top priority.

At AFS, aligned with our commitment to “healthy and environmentally friendly production,” our goal is to instill the necessary awareness and culture regarding occupational health, safety, and environmental protection among all employees, including senior management.

In accordance with our Occupational Health and Safety Management System, we are committed to identifying and maintaining the most appropriate working methods to ensure a safe and healthy work environment. In line with our objectives, we also strive to enhance our OHS performance in all processes in compliance with relevant national and international laws and regulations.

At AFS, human life is the top priority, and no task is considered important enough to be carried out without implementing the necessary safety and health measures.

Our employees act in accordance with all legal regulations and company policies regarding occupational health and safety. They immediately report unsafe working conditions, accidents, injuries, and unhealthy situations, identify emergency hazards, and take appropriate precautions. Employees are aware of the actions required in emergency situations and do not come to work under the influence of drugs or alcohol.

All company employees, stakeholders, and contractors are required to operate in accordance with the requirements of the AFS OHS Policy.

To fulfill this obligation, we manage our occupational health and safety activities in an integrated manner with our Quality, Energy, and Environmental Management Systems, our sustainability approach, global business ethics principles, relevant policies, and the AFS OHS Policy. We strive with all our efforts to be a leading organization in occupational health and safety within our industry.

Our company holds the ISO 45001 Occupational Health and Safety Management System certification.

Occupational Health and Safety	2024	2023	2022
Number of Accidents	21	23	19
Lost Days Due to Accidents	49	247	149
Fatal Work Accidents	0	0	0
Occupational Diseases	0	0	0

Corporate Social Responsibility

With an awareness that companies leading the future must act with social benefit in mind, we carry out our corporate social responsibility activities in a diverse and inclusive work environment, together with our stakeholders. In addition, with a sense of corporate citizenship and solidarity, we provide an environment that encourages and promotes employee participation in these social responsibility projects.



8.1. Carbon Management

Our base year for calculations and reporting has been set as 2022. The studies covering the years 2022 and 2023 have been completed, and as a result of the corporate carbon footprint verification processes conducted by an accredited organization under the ISO 14064-1:2018 standard, our TÜRKAK-accredited verification statement has been shared with our stakeholders.

Our transparent and open communication policy is further supported by making these statements accessible on the official website of our company. This approach aims to enhance engagement with stakeholders and to openly communicate all our sustainability commitments to the public.

Within this scope, we prepare our report annually, continuously monitor our environmental performance, and aim to control and reduce carbon emissions.

As AFS, we have initiated efforts to set greenhouse gas reduction targets in a period when sector strategies regarding greenhouse gas mitigation have not yet been fully established. The most significant of these efforts include the verification of renewable energy use in our operations through I-REC certification and the neutralization of our Scope 2 emissions.

Scope	Activity Category	Total Emissions (tCO ₂ e)	Percentage (%)
Category 1	Stationary Combustion (Facilities)	424	2.03
	Mobile Combustion / Vehicles		
	Emissions from Industrial Processes		
	Fugitive Emissions – Refrigerants – Pressurized Containers		
Category 2	Purchased Electricity	330	1.58
Category 3 (AFS)	Product (Inbound Transportation)	7,424	35.6
	Product (Outbound Transportation)		
	Employee Commuting		
	Business Travel		
Category 4	Raw Materials / Finished Products	12,574	60.73
	Capital Goods		
	Waste Disposal		
	Services Purchased		
Category 5	End-of-Life Product Recovery, Disposal	9	0.04
Category 6	Other (Consumables Used Across the Factory)		
TOTAL		20,852	100

We continue our efforts to enhance environmental performance, conserve our resources, achieve zero waste, and maintain our exemplary position in the industry.



AFS Emission Intensities and Analytical Procedure (2024)

Purchased Raw Material (tons)	6,850
Produced (tons)	7,440
Electricity Consumed (kWh)	745,980
Natural Gas Consumed (tons)	97
Emissions Generated (tCO ₂ e)	20,852

AFS Emission Intensities and Analytical Procedure (2023)

Purchased Raw Material (tons)	8,143.5
Produced (tons)	7,478
Electricity Consumed (kWh)	719,450
Natural Gas Consumed (tons)	96
Emissions Generated (tCO ₂ e)	24,346

AFS Emission Intensities and Analytical Procedure (2022)

Purchased Raw Material (tons)	10,100.4
Produced (tons)	4,557
Electricity Consumed (kWh)	684,322
Natural Gas Consumed (tons)	116.62
Emissions Generated (tCO ₂ e)	31,275



8.2. Water Management

Year	Blue Water (Water Consumption) (m ³ /year)	Grey Water (SS) (Polluted Water) (m ³ /year)	Grey Water (COD) (Polluted Water) (m ³ /year)	Grey Water (BOD) (Polluted Water) (m ³ /year)	Total Water Footprint (m ³ /year)
2024	5,735	5,018	2,294	2,867	10,752
2023	4,153	3,634	1,661	2,076	7,786

As AFS, we have prepared a detailed water footprint inventory report to ensure the sustainability of water management in accordance with the ISO 14046 standard. This report includes the water footprint, a metric used to evaluate the impacts on water resources by measuring both the quantitative and qualitative effects of water use. The year 2023 has been designated as the baseline year, and from 2023 onwards, we prepare our annual Water Footprint Report. This enables us to define strategies for future periods, contribute to the sustainable management of resources, minimize environmental impacts, and focus on the efficient use of water. These efforts reflect not only our company's operational activities but also our commitment to understanding and improving the impacts on regional water resources. Our goal is to keep the total water consumption below a certain level. Our water footprint inventories for the years 2023 and 2024 are detailed in the table below.



2023 Total Water Footprint Inventory Emissions

Scope		Ankara Factory Water Footprint (m ³)	Share in Inventory (%)
Consumed Water	Blue Water Footprint	3,754	53.3
Rainwater	Green Water Footprint	0	0
Polluted Water	Grey Water Footprint (COD)	1,501.6	-
	Grey Water Footprint (SS)	3,284.8	46.7
	Grey Water Footprint (BOD)	1,877.0	-
Total Water Footprint		7,787 m³	100%

2024 Total Water Footprint Inventory Emissions

Scope		Ankara Factory Water Footprint (m ³)	Share in Inventory (%)
Consumed Water	Blue Water Footprint	6,717	53.3
Rainwater	Green Water Footprint	0	0
Polluted Water	Grey Water Footprint (COD)	2,687	-
	Grey Water Footprint (SS)	5,877	46.7
	Grey Water Footprint (BOD)	3,358	-
Total Water Footprint		10,753 m³	100%

Since the highest pollution originates from SS (Suspended Solids), the other parameters are considered as indicators of grey water footprint based on SS.

After monitoring these two years, our short-, medium-, and long-term targets for water management have been established.

Water Management Goals

Timeframe	Improvement
Short Term (Within 1–2 Years)	<p>We aim to</p> <ul style="list-style-type: none"> Conduct water footprint calculations annually and monitor improvement projects by comparing with the baseline year, Raise awareness on water management and conservation through panels, events, and other activities each year, Reduce overall water consumption.
Medium Term (Within 2–5 Years)	<p>We aim to</p> <ul style="list-style-type: none"> Develop a system to collect wastewater from sinks in the administrative building for reuse as toilet flushing water, Conduct systematic checks for water losses and leaks, and install monitoring equipment such as meters and flow meters at inlets and outlets if necessary.
Long Term (5 Years and Beyond)	<p>We aim to</p> <ul style="list-style-type: none"> Install systems on roofs to collect rainwater or implement alternative projects to harvest and utilize rainwater.



8.3. Waste Management

The Zero Waste Policy and Sustainable Waste Management aim to manage all waste generated in both the factory and administrative areas, while keeping the amount of waste sent for regular disposal at a minimum. Under the management of the Sustainability Department, all waste is directed towards recycling and recovery. Key initiatives include:

- Conducting a needs assessment for zero waste bins and placing bins, containers, and informational signs at appropriate locations in each unit according to their specific requirements.
- Providing training to employees to raise awareness and improve their understanding of waste management.
- Performing regular inspections and controls to ensure compliance.
- Sending waste to licensed recycling and recovery facilities.

To eliminate our negative environmental impacts, all waste storage, transportation, and disposal processes are carried out in accordance with the regularly updated Industrial Waste Management Plan and Zero Waste Directive.

Within the company, the Zero Waste Management System has been effectively established with a focus on waste reduction. Through this system, we collect waste separately at the source according to type and category using zero waste bins placed in administrative and production areas. Recyclable waste is recovered through licensed firms. This approach not only reduces the total amount of waste but also promotes recycling and contributes to the conservation of natural resources.

Waste Management (kg/year)	2024	2023	2022
Recovered Hazardous Waste	4,690	142	2,451
Recovered Non-Hazardous Waste	234,776	272,860	248,840

We implement the principles of the circular economy.



8.4. Biodiversity

The World Economic Forum (WEF) Global Risks Report 2023 and 2024, which assesses risks worldwide on an annual basis, highlights the risk of ecosystem disruption and biodiversity loss among the top five global risks.

As a company that has adopted the motto of conserving resources and preventing waste, we respect the right to life of all living beings.


In addition to other environmental issues occurring globally under the scope of sustainability, deforestation is another critical concern due to its impact on atmospheric carbon levels, the greenhouse effect, and climate change. At AFS, we have prioritized this issue from our early years. Our first tree-planting activity was carried out in 2014, and since then, our afforestation efforts have continued.

To date, our tree-planting initiatives have successfully covered over 5 hectares of land.

Our company will continue to fulfill its environmental responsibilities by maintaining a vision of protecting the environment and contributing to sustainability through forestry activities.



Verification Statements

 **TOBB MEYBEM**

SERA GAZI DOĞRULAMA BEYANI

GREENHOUSE GAS VERIFICATION STATEMENT

Belge No/ Certificate No: SGD003-2024

AFS BORU SANAYİ A.Ş.
ÜRETİM TESİSİ/PRODUCTION FACILITY:
 İvedik O.S.B. Havalandırmacılar Cad. (Eski 1468 Cad.) No: 153 Yenimahalle/ANKARA
 Firmasında TOBB MEYBEM A.Ş tarafından
 TOBB MEYBEM A.Ş hereby certifies that,
TS EN ISO 14064-1:2019

(Aynı zamanda düzenlenen bu belge ISO 14064-3'e uygun olarak süreç, izleme ve raporlama gerekliliklerinin sağlandığını gösterir.) / (As well as criteria given to provide for consistent operations, monitoring and reporting in ISO 14064-3:2019)

standardına uygun olarak gerçekleştirilen doğrulama sonucunda
in consequence of the verification carried out in compliance with the standard

Toplam Sera Gazı Emisyonu: 31.275 tCO₂e
Total Greenhouse Gas Emission

Doğrudan Emisyonlar: 461 tCO₂e
Direct Emissions

Enerji Dolaylı Emisyonlar: 300 tCO₂e
Energy Indirect Emissions

Dolaylı Emisyonlar: 30.514 tCO₂e
Indirect Emissions

Biyokütle Yanmasından Kaynaklı Emisyonlar: Bulunmuyor.
Emissions From Biomass Combustion

Güven Seviyesi: Makul - Reasonable
Level of Assurance

yukarıda bildirilen Sera Gazı Beyanı kapsamında
makul güven seviyesinde yorumlarla tatmin edici doğrulanmıştır.
verified by satisfactory with comments at a reasonable level of assurance within the scope of above-mentioned Greenhouse Gas Statement.

Doğrulama Periyodu/Verification Period: 01.01.2022-31.12.2022

Belgelendirme Tarihi/ Date of Certification: 25.08.2024


Doğrulama Raporu No-Rev.No/Verification Report No-Rev.No: : 06.08.2024 – 00

Emisyon Raporu No-Rev.No/Emission Report No-Rev.No: : 01.08.2024 – 03

Ahmet Saygın BABAN
 Genel Müdür
General Manager

DK.FR28/Rev.02/22.08.2024 İlk yayım: 08.05.2023

Sayfa 1/1

 **TOBB MEYBEM**

SERA GAZI DOĞRULAMA BEYANI

GREENHOUSE GAS VERIFICATION STATEMENT

Belge No/ Certificate No: SGD005-2024

AFS BORU SANAYİ A.Ş.
ÜRETİM TESİSİ/PRODUCTION FACILITY:
 İvedik O.S.B. Havalandırmacılar Cad. (Eski 1468 Cad.) No: 153 Yenimahalle/ANKARA
 Firmasında TOBB MEYBEM A.Ş tarafından
 TOBB MEYBEM A.Ş hereby certifies that,
TS EN ISO 14064-1:2019

(Aynı zamanda düzenlenen bu belge ISO 14064-3'e uygun olarak süreç, izleme ve raporlama gerekliliklerinin sağlandığını gösterir.) / (As well as criteria given to provide for consistent operations, monitoring and reporting in ISO 14064-3:2019)

standardına uygun olarak gerçekleştirilen doğrulama sonucunda
in consequence of the verification carried out in compliance with the standard

Toplam Sera Gazı Emisyonu: 24.346 tCO₂e
Total Greenhouse Gas Emission

Doğrudan Emisyonlar: 442 tCO₂e
Direct Emissions

Enerji Dolaylı Emisyonlar: 316 tCO₂e
Energy Indirect Emissions

Dolaylı Emisyonlar: 23.588 tCO₂e
Indirect Emissions

Biyokütle Yanmasından Kaynaklı Emisyonlar: Bulunmuyor.
Emissions From Biomass Combustion

Güven Seviyesi: Makul - Reasonable
Level of Assurance

yukarıda bildirilen Sera Gazı Beyanı kapsamında
makul güven seviyesinde yorumlarla tatmin edici doğrulanmıştır.
verified by satisfactory with comments at a reasonable level of assurance within the scope of above-mentioned Greenhouse Gas Statement.

Doğrulama Periyodu/Verification Period: 01.01.2023-31.12.2023

Belgelendirme Tarihi/ Date of Certification: 23.08.2024

Doğrulama Raporu No-Rev.No/Verification Report No-Rev.No: : 22.08.2024 – 00

Emisyon Raporu No-Rev.No/Emission Report No-Rev.No: : 21.08.2024 – 02

Ahmet Saygın BABAN
 Genel Müdür
General Manager

DK.FR28/Rev.02/22.08.2024 İlk yayım: 08.05.2023

Sayfa 1/1

I-REC Certificates (For Full Coverage of Self-Consumption in 2024)

ENVIRONMENTAL AND SOCIAL PERFORMANCE INDICATORS

SOCIAL PERFORMANCE INDICATORS

Workforce Distribution (%)

White-collar	24
Blue-collar	76

Employee Age Distribution (%)

Over 55 years of age	6.1
Between 35 and 55 years of age	55.4
Under 35 years of age	38.4

Employees by Gender Distribution (%)

Female	19
Male	81

Managers and Senior Executives by Gender Distribution (%)	2024	2023	2022
Female	21	21	15
Male	79	79	85

Employee Distribution by Seniority (%)

0-1 year	19.4
2-3 years	19.4
4-7 years	25.5
8-10 years	4.76
10 years and above	30.9

Employees on Parental Leave (%)	2024	2023	2022
Female	0.34	0	0
Male (Paternity Leave)	3	3.74	0.34
Total	3.4	3.74	0.34

Return to Work After Parental Leave (%)	2024	2023	2022
Female	0.34	0	0
Male (Paternity Leave)	3	3.74	0.34
Total	3.4	3.74	0.34

Employees with Disabilities (%)	2024	2023	2022
Female	2	2	2
Male (Paternity Leave)	6	6	6
Total	8	8	8

Occupational Health and Safety	2024	2023	2022
Number of Accidents	21	23	19
Lost Days Due to Accidents	49	247	149
Fatal Work Accidents	0	0	0
Occupational Diseases	0	0	0

Occupational Health and Safety Training	2024	2023	2022
Number of Participants	363	362	348
Total Training Hours Delivered	1,408	1,684	2,292

Environmental Training	2024	2023	2022
Number of Participants	180	165	145
Total Training Hours Delivered	2	2	2

ENVIRONMENTAL PERFORMANCE INDICATORS

Greenhouse Gas Emissions

ISO 14064-1 Categories	Total Emission (ton CO ₂ e)		
	2024	2023	2022
Category 1 - Direct Greenhouse Gas Emissions	424	442	460
Category 2 - Imported Indirect Greenhouse Gas Emissions	330	316	300
Category 3 - Logistics	7,424	10,676	6,769
Category 4 - Indirect Greenhouse Gas Emissions from Purchased Materials	12,574	12,903	23,651
Category 5 - Indirect Greenhouse Gas Emissions Associated with the Use of the Organization's Products	9	9	94
Category 6 - Other	-	-	-
Total	20,852	24,346	31,274
Direct emissions	754	758	760
Indirect emissions	20,428	23,588	30,514
Significant indirect emissions	20,097	23,518	-
Offset emissions (I-REC)	330	0	0

Energy Consumption	2024	2023	2022
Natural Gas Consumption (tons)	97	96	116,62
Electricity Consumption (kWh)	745,979	719,450	684,322

GRI Content Index

GRI Services has reviewed the GRI Content Index for the Content Index – Essentials Service and confirmed that it is presented in a manner consistent with the reporting requirements of the GRI Standards, and that the information included in the index is clearly presented and accessible to stakeholders.

Statement of Use AFS Boru San. A.Ş. has reported the period from January 1 to December 31, 2024 in accordance with the GRI Standards.

GRI 1 GRI 1: Foundation 2021

Applied GRI Sector Standard As a GRI Sector Standard for the HVAC sector has not yet been issued, no sector standard has been applied.

GRI STANDARD	DISCLOSURES	LOCATION IN THE REPORT OR DIRECT ANSWERS
PRIORITY TOPICS		
GRI 2: General Disclosures 2021	Organization and Reporting Practices	
	2-1 Organization details	About the report, pages 3-4 At a glance AFS, page 6
	2-2 Entities included in the Organization's sustainability reporting	About the report, pages 3-4
	2-3 Reporting period, frequency, and contact point	About the report, pages 3-4
	2-4 Restatements of information from previous reports	This is the first reporting under the GRI standards.
	2-5 External assurance	Greenhouse Gas Emissions Verification Statement, page 55
	Activities and Workers	
	2-6 Activities, value chain, and other business relationships	At a glance AFS, page 6 Our Stakeholder Map and Stakeholder Engagement, pages 23-24 Sustainable Supply Chain, page 29
	2-7 Workers	6 Happier Employees, pages 31-32-33-34-35-36
	2-8 Workers who are not employees	6 Happier Employees, pages 31-32-33-34-35-36
	Governance	
	2-9 Governance structure	Corporate Governance, pages 14-15-16-17-18-19
	2-10 Nomination and selection of the highest governance body	Actions are taken in accordance with applicable regulations regarding the minimum qualifications required for board member selection. Corporate Governance, pages 14-15-16-17-18-19
	2-11 Chair of the highest governance body	Organizational Chart, page 14; Corporate Governance, pages 14-15-16-17-18-19
	2-12 Role of the highest governance body in overseeing the management of impacts	Organizational Chart, page 14; Corporate Governance, pages 14-15-16-17-18-19
	2-13 Delegation of responsibility for managing impacts	4 Sustainability Governance, pages 20-21-22-23-24-25-26
	2-14 Role of the highest governance body in sustainability reporting	4 Sustainability Governance, pages 20-21-22-23-24-25-26
2-15 Conflicts of interest	https://afs.com.tr/policies/	
2-16 Selection of Material Topics	4 Sustainability Governance, pages 20-21-22-23-24-25-26	

SECTION 9: APPENDICES

GRI STANDARD	DISCLOSURES	LOCATION IN THE REPORT OR DIRECT ANSWERS
PRIORITY TOPICS		
GRI 2: General Disclosures 2021		4.3 Our Priority Topics, pages 25-26
	2-17 Collective knowledge of the highest governance body	Organizational Chart, page 14; Corporate Governance, pages 14-15-16-17-18-19
	2-18 Evaluation of the highest governance body's performance	Organizational Chart, page 14; Corporate Governance, pages 14-15-16-17-18-19
	2-19 Remuneration policies	Happier Employees, pages 31-32-33-34-35-36
	2-20 Process for determining remuneration	Happier Employees, pages 31-32-33-34-35-36
	2-21 Ratio of annual total compensation	https://afs.com.tr/policies/
	Strategy, Policies, and Practices	
	2-22 Explanation of the sustainability development strategy	Message from Our General Manager, page 3
		Our Strengths, page 7
		Sustainability Governance, pages 20-21-22-23-24-25-26
		Our Sustainability Journey, page 11
	2-23 Policy commitments	Sustainability Governance, pages 20-21-22-23-24-25-26
		Corporate Governance, pages 14-15-16-17-18-19
	2-24 Embedding of policy commitments	Sustainability Governance, pages 20-21-22-23-24-25-26
		Corporate Governance, pages 14-15-16-17-18-19
	2-25 Processes to remedy negative impacts	Our Management System Certifications: ISO 9001, 27001, 14001, 45001
	2-26 Seeking advice in compliance with regulations	Our Management System Certifications: ISO 9001, 27001, 14001, 45001
	2-27 Compliance with laws and regulations	During the reporting period, no developments occurred that violated laws, and no penalties for non-compliance with laws or regulations were imposed.
2-28 Memberships in associations	We are members of TİM, İSİB, and TOBB. We plan to diversify our memberships in initiatives in line with our sustainability goals.	
2-29 Approach to stakeholder engagement	4.2 Stakeholder Management, page 23-24	
2-30 Collective bargaining agreements	No collective bargaining agreements are in place.	
PRIORITY TOPICS		
GRI 3: Material Topics 2021	3-1 Process for determining material topics	4.3 Our Priority Topics, pages 25-26
	3-2 List of material topics	4.3 Our Priority Topics, pages 25-26
Financial Performance		
GRI 3: Material Topics 2021	3-3 Management of material topics	4.3 Our Priority Topics, pages 25-26
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	5.1 Factory Production Activities, page 27
Sustainable Supply Chain		
GRI 3: Material Topics 2021	3-3 Management of material topics	4.3 Our Priority Topics, pages 25-26
		5.3 Sustainable Supply Chain, page 29
GRI 308: Supplier Environmental Assessment 2016	308-2 Negative environmental impacts in the supply chain and measures taken	During the reporting period, no significant negative environmental impacts were observed in the supply chain. Sustainable Supply Chain, page 29
GRI 414: Supplier Social Assessment 2016	414-2 Negative social impacts in the supply chain and measures taken	During the reporting period, no significant negative environmental impacts were observed in the supply chain. Sustainable Supply Chain, page 29

SECTION 9: APPENDICES

GRI STANDARD	DISCLOSURES	LOCATION IN THE REPORT OR DIRECT ANSWERS
ENERGY EFFICIENCY		
GRI 3: Material Topics 2021	3-3 Management of material topics	4.3 Our Priority Topics, pages 25-26
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Environmental and Social Performance Indicators, pages 45-46
	302-2 Energy consumption outside the organization	Environmental and Social Performance Indicators, pages 45-46
	302-4 Reduction of energy consumption	Part of our electricity needs is met by our rooftop solar PV system. An I-REC self-consumption certificate is obtained for the electricity produced from the rooftop PV system.
	302-5 Reduction of energy requirements of products and services	Environmental and Social Performance Indicators, pages 45-46
Water and Wastewater Management		
GRI 3: Material Topics 2021	3-3 Management of material topics	4.3 Our Priority Topics, pages 25-26
		8.2 Water Management, page 40-41
		ISO 14001 Environmental Management System
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	8.2 Water Management, page 40-41
	303-2 Management of water discharge-related impacts	8.2 Water Management, page 40-41
	303-5 Water consumption	8.2 Water Management, page 40-41
		Environmental and Social Performance Indicators, pages 45-46
Greenhouse Gas (GHG) Emissions Management		
GRI 3: Material Topics 2021	3-3 Management of material topics	4.3 Our Priority Topics, pages 25-26
		8.1 Carbon Management, pages 38-39
		ISO 14001 Environmental Management System
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Environmental and Social Performance Indicators, pages 45-46
	305-2 Energy indirect (Scope 2) GHG emissions	Environmental and Social Performance Indicators, pages 45-46
	305-3 Other indirect (Scope 3) GHG emissions	Environmental and Social Performance Indicators, pages 45-46
	305-5 Reduction of GHG emissions	8.1 Carbon Management, pages 38-39
		Environmental and Social Performance Indicators, pages 45-46
WASTE MANAGEMENT		
GRI 3: Material Topics 2021	3-3 Management of material topics	4.3 Our Priority Topics, pages 25-26
		8.3 Waste Management, page 42
		ISO 14001 Environmental Management System
GRI 306: Waste 2020	306-2 Management of significant waste-related impacts	8.3 Waste Management, page 42
	306-3 Waste generated	8.3 Waste Management, page 42
		Environmental and Social Performance Indicators, pages 45-46
	306-4 Waste diverted from disposal	8.3 Waste Management, page 42
		Environmental and Social Performance Indicators, pages 45-46
OCCUPATIONAL HEALTH AND SAFETY (OHS)		
GRI 3: Material Topics 2021	3-3 Management of material topics	4.3 Our Priority Topics, pages 25-26
		6.2 Occupational Health and Safety, pages 35-36
		ISO 45001 OHS Management System

SECTION 9: APPENDICES

GRI STANDARD	DISCLOSURES	LOCATION IN THE REPORT OR DIRECT ANSWERS
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	6.2 Occupational Health and Safety, pages 35-36
	403-2 Hazard identification, risk assessment, and incident investigation	6.2 Occupational Health and Safety, pages 35-36
	403-3 Occupational health services	6.2 Occupational Health and Safety, pages 35-36
	403-4 Worker participation, consultation, and communication on OHS	6.2 Occupational Health and Safety, pages 35-36
	403-5 Worker training on OHS	6.2 Occupational Health and Safety, pages 35-36
	403-6 Promotion of worker health	6.2 Occupational Health and Safety, pages 35-36
	403-7 Prevention and mitigation of OHS impacts directly linked to business relationships	6.2 Occupational Health and Safety, pages 35-36
	403-8 Workers covered by OHS management system	6.2 Occupational Health and Safety, pages 35-36
	403-9 Work-related injuries	6.2 Occupational Health and Safety, pages 35-36
Employee Training and Development		
GRI 3: Material Topics 2021	3-3 Management of material topics	4.3 Our Priority Topics, pages 25-26
		6.1 Human Resources, pages 31-32-33-34
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	6.1 Human Resources, pages 31-32-33-34
		Environmental and Social Performance Indicators, pages 45-46
	404-2 Programs for skills development and transition assistance	6.1 Human Resources, pages 31-32-33-34
Business Ethics, Transparency, and Legal Compliance		
GRI 3: Material Topics 2021	3-3 Management of material topics	4.3 Our Priority Topics, pages 25-26
		Our Ethical Principles, page 16
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	No discrimination cases occurred at AFS during the reporting period.
		https://afs.com.tr/policies/
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	AFS respects freedom of association and collective bargaining. During the reporting period, no violations of union rights occurred at any supplier under the company's knowledge.
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	AFS does not employ child labor and expects all value chain stakeholders, including suppliers, to comply with age requirements in applicable laws and regulations.
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor and measures taken	AFS and all stakeholders in its value chain, including suppliers, do not employ forced labor under any circumstances.
Digitalization and Data Security		
GRI 3: Material Topics 2021	3-3 Management of material topics	4.3 Our Priority Topics, pages 25-26
		Information Security Management, pages 18
		ISO 27001 Information Security Management System
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints regarding breaches of customer privacy and losses of customer data	No substantiated complaints regarding breaches of customer privacy or loss of customer data occurred during the reporting period.
		Information Security Management, pages 18

GRI STANDARD	DISCLOSURES	LOCATION IN THE REPORT OR DIRECT ANSWERS
Employee Engagement and Satisfaction		
GRI 3: Material Topics 2021	3-3 Management of material topics	4.3 Our Priority Topics, pages 25-26
		6.1 Human Resources, pages 31-32-33-34
Service Quality		
GRI 3: Material Topics 2021	3-3 Management of material topics	4.3 Our Priority Topics, pages 25-26
		ISO 9001 Quality Management System
Human Rights, Values, and Ethical Principles		
GRI 3: Material Topics 2021	3-3 Management of material topics	4.3 Our Priority Topics, pages 25-26
		6.1 Human Resources, pages 31-32-33-34
		https://afs.com.tr/policies/
Climate Action and Environmental Compliance		
GRI 3: Material Topics 2021	3-3 Management of material topics	4.3 Our Priority Topics, pages 25-26
		Our Sustainability Approach, page 20
		ISO 14001 Environmental Management System
Corporate Governance		
GRI 3: Material Topics 2021	3-3 Management of material topics	4.3 Our Priority Topics, pages 25-26
		3.2 Corporate Governance, page 15
R&D and Innovation		
GRI 3: Material Topics 2021	3-3 Management of material topics	4.3 Our Priority Topics, pages 25-26
Corporate Social Responsibility		
GRI 3: Material Topics 2021	3-3 Management of material topics	4.3 Our Priority Topics, pages 25-26
		Corporate Social Responsibility, page 37

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AFS BORU SANAYİ A.Ş. SUSTAINABILITY REPORT

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