KOLUMAN OTOMOTIV ENDUSTRI A.Ş.

2024 CDP Corporate Questionnaire 2024

Word version

Important: this export excludes unanswered questions
This document is an export of your organization's CDP questionnaire response. It contains all data points for questions that are answered or in progress. There may be questions or data points that you have been requested to provide, which are missing from this document because they are currently unanswered. Please note that it is your responsibility to verify that your questionnaire response is complete prior to submission. CDP will not be liable for any failure to do so.
Terms of disclosure for corporate questionnaire 2024 - CDP

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10/01/2024, 09:00 am

Contents

C1. Introduction

(1.3) Provide an overview and introduction to your organization.

(1.3.2) Organization type

Select from:

☑ Privately owned organization

(1.3.3) Description of organization

Founded in 1965, Koluman Holding has established itself as a cornerstone of the Turkish automotive industry and a key partner of Mercedes-Benz Türk Inc. As one of the principal dealers and shareholders of Mercedes-Benz Automotive and Trade Services in Türkiye, Koluman Holding has expanded its operations beyond the automotive sector to become a significant player in construction, engineering, superstructure production, marketing, and foreign trade. Koluman Automotive Industry Incorporated, a subsidiary of Koluman Holding, has been at the forefront of logistics and superstructure manufacturing since 1999. Operating from a state-of-the-art facility in Mersin Tarsus, covering an indoor area of 80,000 m² and a total layout area of 312,000 m², we specialize in designing, producing, and integrating various vehicle superstructures. Our product range includes military vehicles, semi-trailers for the transportation and logistics sectors, public service vehicles like road sweepers, and tactical wheeled vehicles for defense applications. With 55% of our production exported to 45 countries worldwide, Koluman contributes to the global economy and solidifies its position as a leader in advanced manufacturing and international trade. Koluman Holding is dedicated to creating value through continuous development, leveraging advanced technologies, and prioritizing innovation. Our business model is firmly rooted in generating social and environmental benefits alongside economic growth. We have implemented an integrated sustainability strategy that addresses environmental, economic, and social factors, with a strong focus on reducing our carbon footprint. Our commitment to combating climate change is reflected in our effective process management, including calculating and reducing emissions from operational activities. By enhancing production processes through technological innovation, we aim to minimize our environmental impact and contribute to a more sustainable future. Emissions Profile (2023): • Scope 1: 2,465 tCO2e • Scope 2: 4,992 tCO2e (Location based emissions // Scope 2: 0 tCO2e (Market based emissions due to IREC certification) • Scope 3: 41,634 tCO2e Koluman Holding remains committed to advancing sustainable practices across all its operations, ensuring that we continue to lead by example in the industries we serve. Emission Reduction Targets are; - 50% emission reduction by 2028 from the 2023 baseline emissions in scope 1 and 2, - Net Zero emission by 2050 in all scopes, - %70 emission reduction by 2030 per trailer (baseline is 2022). [Fixed row]

(1.4) State the end date of the year for which you are reporting data. For emissions data, indicate whether you will be providing emissions data for past reporting years.

	End date of reporting year	Alignment of this reporting period with your financial reporting period	Indicate if you are providing emissions data for past reporting years
	12/30/2023	*Select from:* ☑ Yes	*Select from:* ☑ No

[Fixed row]

(1.5) Provide details on your reporting boundary.

	Is your reporting boundary for your CDP disclosure the same as that used in your financial statements?
	Select from: ☑ Yes

[Fixed row]

(1.6) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

ISIN code - bond

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ No

ISIN code - equity

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ No

CUSIP number

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ No

Ticker symbol

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ No

SEDOL code

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ No

LEI number

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ No

D-U-N-S number

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ Yes

(1.6.2) Provide your unique identifier

366120660

Other unique identifier

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ No

[Add row]

(1.24) Has your organization mapped its value chain?

(1.24.1) Value chain mapped

Select from:

☑ Yes, we have mapped or are currently in the process of mapping our value chain

(1.24.2) Value chain stages covered in mapping

Select all that apply

☑ Upstream value chain

☑ Downstream value chain

(1.24.3) Highest supplier tier mapped

Select from:

☑ Tier 2 suppliers

(1.24.4) Highest supplier tier known but not mapped

Select from:

☑ Tier 3 suppliers

(1.24.7) Description of mapping process and coverage

Within the organization, the starting point for sustainability practices has been the prioritization analysis. This study was conducted with the participation of internal and external stakeholders to identify the organization's priority topics. One of the outcomes of the prioritization analysis was the determination to combat climate change as a priority. In this context, the entire value chain of the organization was defined with a life cycle perspective, taking into account the GHG Protocol and sector-specific emission sources. In the defined value chain map, data collection efforts have been carried out through direct stakeholder communication methods as well as literature and databases to obtain data for emissions, particularly for Scope 3 emission sources, which are required to be calculated on a sectoral basis. In the CDP Technical Note: Relevance of Scope 3 Categories by Sector, it is expected that emissions for Category 4: Fuel and energy-related activities, Category 3: Upstream transportation and distribution, and Category 1: Purchased goods and services will be calculated for our sector. All these categories refer to upstream activities, and although we have mapped the entire value chain as an organization, we initiated the process by focusing on upstream emissions for calculation purposes. In addition to these categories, the emissions of waste, business travel, employee transportation, and end-life product emissions were also calculated. For these categories, Tier 1 and Tier 2 companies were initially requested to provide data. However, as much of the data could not be obtained, calculations were performed based on the product characteristics, such as emission factors and weights, according to Defra documents for purchased goods. While there is no clear method that organizations use for value chain mapping, we have currently defined the EFRAG IG2 Value Chain Implementation Guidance as a reference to improve our value chain mapping practices. In this mapping process, all upstream processes, from the extraction of raw materials in the mine to the processing, production, and transportation of materials, have been evaluated.
[Fixed row]

(1.24.1) Have you mapped where in your direct operations or elsewhere in your value chain plastics are produced, commercialized, used, and/or disposed of?

(1.24.1.1) Plastics mapping

Select from:

☑ No, but we plan to within the next two years

(1.24.1.5) Primary reason for not mapping plastics in your value chain

Select from:

☑ Not an immediate strategic priority

(1.24.1.6) Explain why your organization has not mapped plastics in your value chain

Koluman did not map plastics in its value chain because it is not considered a priority issue for the company. The amount of plastics involved in Koluman’s waste management processes is less than 0,1% and the primary materials used in the company’s products are metals. Consequently, plastics do not represent a strategic priority within Koluman's operations.
[Fixed row]

C2. Identification, assessment, and management of dependencies, impacts, risks, and opportunities

(2.1) How does your organization define short-, medium-, and long-term time horizons in relation to the identification, assessment, and management of your environmental dependencies, impacts, risks, and opportunities?

Short-term

(2.1.1) From (years)

0

(2.1.3) To (years)

1

(2.1.4) How this time horizon is linked to strategic and/or financial planning

For Koluman, short-term planning primarily addresses operational issues and emergency actions, with acute physical risks being a notable example. The company has insurance coverage to manage these acute physical risks effectively. Unlike broader strategic planning, which might encompass long-term climate-related risks and opportunities, Koluman's short-term horizon is more focused on immediate operational challenges and the mitigation of sudden risks.

Medium-term

(2.1.1) From (years)

1

(2.1.3) To (years)

5

(2.1.4) How this time horizon is linked to strategic and/or financial planning

For Koluman, the medium-term horizon spans 1 to 5 years. Within this timeframe, the company focuses on board-level strategies and strategic decisions related to the transition to a low-carbon economy. This period is crucial for aligning Koluman's long-term strategy, business plans, potential investments, and opportunities with our financial forecasts. The risks and opportunities identified during the medium term are periodically reviewed and updated to ensure they align with our evolving business environment. These assessments help us anticipate and create opportunities, such as integrating automation into our production processes and investing in R&D to maximize the use of raw materials and minimize environmental impact, which will drive our transition to a more sustainable and resilient business model.

Long-term

(2.1.1) From (years)

5

(2.1.2) Is your long-term time horizon open ended?

Select from:

☑ No

(2.1.3) To (years)

35

(2.1.4) How this time horizon is linked to strategic and/or financial planning

Koluman's long-term horizon focuses on strategic planning across key areas such as customer behavior, market dynamics, production models, asset management, new investments, and product development. This period is crucial for achieving our decarbonization targets, aligned with our transition to a low-carbon economy. The long-term horizon was chosen because the most significant impacts of climate change are expected during this period, making it vital for us to anticipate and integrate these effects into our strategic and financial planning. Technological advancements and R&D investments will minimize the risks that might occur in the long term based on scenario analysis like chronic weather conditions. This horizon allows us to prepare for long-term climate-related challenges while supporting our broader strategic goals. It integrates with our strategic planning to ensure resilience and sustainability in the face of future uncertainties.
[Fixed row]

(2.2) Does your organization have a process for identifying, assessing, and managing environmental dependencies and/or impacts?

	Process in place	Dependencies and/or impacts evaluated in this process
	Select from: ☑ Yes	*Select from:* ☑ Both dependencies and impacts

[Fixed row]

(2.2.1) Does your organization have a process for identifying, assessing, and managing environmental risks and/or opportunities?

	Process in place	Risks and/or opportunities evaluated in this process	Is this process informed by the dependencies and/or impacts process?
	Select from: ☑ Yes	*Select from:* ☑ Both risks and opportunities	*Select from:* ☑ Yes

[Fixed row]

(2.2.2) Provide details of your organization's process for identifying, assessing, and managing environmental dependencies, impacts, risks, and/or opportunities.

Row 1

(2.2.2.1) Environmental issue

Select all that apply

☑ Climate change

(2.2.2.2) Indicate which of dependencies, impacts, risks, and opportunities are covered by the process for this environmental issue

Select all that apply

☑ Dependencies

☑ Impacts

☑ Risks

☑ Opportunities

(2.2.2.3) Value chain stages covered

Select all that apply

☑ Direct operations

☑ Upstream value chain

☑ Downstream value chain

☑ End of life management

(2.2.2.4) Coverage

Select from:

☑ Full

(2.2.2.5) Supplier tiers covered

Select all that apply

☑ Tier 1 suppliers

☑ Tier 2 suppliers

(2.2.2.7) Type of assessment

Select from:

☑ Qualitative and quantitative

(2.2.2.8) Frequency of assessment

Select from:

☑ More than once a year

(2.2.2.9) Time horizons covered

Select all that apply

☑ Short-term

☑ Medium-term

☑ Long-term

(2.2.2.10) Integration of risk management process

Select from:

☑ Integrated into multi-disciplinary organization-wide risk management process

(2.2.2.11) Location-specificity used

Select all that apply

☑ Site-specific

☑ Local

☑ Sub-national

☑ National

(2.2.2.12) Tools and methods used

Commercially/publicly available tools

☑ TNFD – Taskforce on Nature-related Financial Disclosures

Enterprise Risk Management

☑ Internal company methods

☑ ISO 31000 Risk Management Standard

International methodologies and standards

☑ Environmental Impact Assessment

☑ IPCC Climate Change Projections
☑ ISO 14001 Environmental Management Standard
☑ Life Cycle Assessment

Databases
☑ Regional government databases

Other
☑ Desk-based research
☑ Internal company methods
☑ Materiality assessment
☑ Partner and stakeholder consultation/analysis
☑ Scenario analysis

(2.2.2.13) Risk types and criteria considered

Acute physical
☑ Cyclones, hurricanes, typhoons
☑ Flood (coastal, fluvial, pluvial, ground water)
☑ Storm (including blizzards, dust, and sandstorms)

Chronic physical
☑ Water stress

Policy
☑ Carbon pricing mechanisms
☑ Changes to international law and bilateral agreements
☑ Changes to national legislation

Market
☑ Availability and/or increased cost of raw materials

Reputation

☑ Increased partner and stakeholder concern and partner and stakeholder negative feedback

Technology

☑ Transition to water intensive, low carbon energy sources

Liability

☑ Non-compliance with regulations

(2.2.2.14) Partners and stakeholders considered

Select all that apply

☑ NGOs

☑ Customers

☑ Employees

☑ Suppliers

☑ Regulators

☑ Local communities

(2.2.2.15) Has this process changed since the previous reporting year?

Select from:

☑ No

(2.2.2.16) Further details of process

Koluman Holding, the parent company of Koluman Automotive, employs a structured approach to identify, assess, and manage environmental dependencies, impacts, risks, and opportunities. This process is embedded within its value chain and integrated into both operational and strategic risk management. The process of identifying dependencies and impacts begins with value chain mapping, guided by EFRAG IG 2, which covers the full range of activities, resources, and relationships within Koluman's business model and external environment. Scenario analysis is performed using the IEA 2050 NZE and RCP 8.5 frameworks, focusing on the impacts of climate change on direct operations and the supply chain, as well as the company's natural resource inputs. This provides insights into raw material dependencies. The responsibility for assessing risks and opportunities lies mainly with process owners. Each department identifies risks through the Risk and Opportunity Management Procedure. The Internal Sustainability Committee supports the identification and assessment of risks and opportunities by raising awareness of climate and life cycle approaches, and by conducting value chain and scenario analyses. The results of the scenario analysis and value chain mapping are shared by department managers who are part of the sustainability committee. Departments then assess financial impacts and define mitigation actions. All identified risks and opportunities are integrated into Koluman Holding's company-wide risk management system. COSO ERM (Enterprise Risk Management) is used

to evaluate these risks, employing a combination of qualitative and quantitative methods to determine which risks and opportunities could have significant financial or strategic implications. Risks are primarily evaluated based on their likelihood and potential impact on operations, finances, and reputation, using the company's risk likelihood and severity tables. Additionally, risks are classified such as environmental, financial, operational, strategic, compliance, and IT risks, with each having further subcategories. Koluman Holding's Risk Management and Audit Department oversees the entire process and reports directly to the Chairman. Monthly reviews and annual audits are conducted to ensure risks are effectively managed. Any nonconformities identified during audits must be resolved within seven days, as outlined in the company's KPIs.
[Add row]

(2.2.7) Are the interconnections between environmental dependencies, impacts, risks and/or opportunities assessed?

(2.2.7.1) Interconnections between environmental dependencies, impacts, risks and/or opportunities assessed

Select from:

☑ Yes

(2.2.7.2) Description of how interconnections are assessed

We currently map our value chain, focusing on tier 1 and tier 2 suppliers, with plans to expand the scope and conduct scenario analysis related to climate change. Our primary procurement involves metal materials, mainly sourced from suppliers using recycled metal. To reduce emissions related to logistics, we prioritize local suppliers, which lowers our dependence on natural resources in tier 1 and tier 2. This approach helps minimize environmental impacts while optimizing resource efficiency. Climate change impacts are assessed across both direct operations and tier 1 and tier 2 suppliers based on location-specific risks. The IPCC Assessment Report and scenario analyses serve as our framework for understanding and prioritizing climate-related risks and opportunities. For example, we have prioritized risk factors specific to the Mediterranean Basin, where our operations and suppliers are located. This ensures that we can address climate vulnerabilities in a focused manner. Incorporating local suppliers not only reduces our carbon footprint from logistics but also aligns with our sustainability goals by reducing dependencies on raw materials. We identify synergies between minimizing environmental impacts and reducing emissions through local sourcing strategies. However, this also presents potential trade-offs, as local market limitations may affect supply chain flexibility. We assess these interconnections holistically, ensuring that the potential trade-offs between environmental dependencies, risks, and opportunities are carefully evaluated. National climate assessments and broader environmental reports are used alongside our internal data to provide a comprehensive understanding of risks and opportunities. This integration allows us to manage both climate and nature-related impacts through a unified process. While we aim to fully integrate these factors, challenges remain in expanding our supplier assessments and gathering data from certain regions. Nonetheless, we continue refining our approach, prioritizing local suppliers, and expanding the scope of our environmental assessments to fully capture the interconnections between dependencies, impacts, risks, and opportunities. We continuously evaluate these interconnections, and the insights are integrated into our broader corporate strategy, influencing decisions on sourcing, operations, and sustainability targets.
[Fixed row]

(2.3) Have you identified priority locations across your value chain?

(2.3.1) Identification of priority locations

Select from:

☑ Yes, we have identified priority locations

(2.3.2) Value chain stages where priority locations have been identified

Select all that apply

☑ Direct operations

☑ Upstream value chain

(2.3.3) Types of priority locations identified

Sensitive locations

☑ Areas of limited water availability, flooding, and/or poor quality of water

(2.3.4) Description of process to identify priority locations

Koluman Automotive has identified priority locations across its value chain through a value chain mapping process, focusing on tier 1 and tier 2 suppliers. Our direct operations are based in Turkey, which is part of the Mediterranean region, an area known for its ecological sensitivity and vulnerability to climate change impacts. This region faces significant environmental challenges, including water scarcity, rising temperatures, and ecosystem degradation, making it a priority for our assessments. Due to our prioritization of local suppliers, a substantial part of our supply chain also operates within Turkey, primarily in the Mediterranean Basin. This localized focus allows us to effectively manage dependencies and impacts related to nature, as well as mitigate supply chain risks. By concentrating our operations and supply chain within this region, we can monitor and address ecological risks more effectively and support the resilience of ecosystems that are critical to our business. We recognize the importance of the Mediterranean region's ecosystems for the stability of our operations and our supply chain. The region's current and future health directly impacts our sourcing strategies and operational continuity, particularly given the reliance on natural resources such as metal materials from suppliers using recycled metals. Thus, we have prioritized this region in our environmental risk assessments to ensure that both operational stability and ecological sustainability are maintained. By focusing on the Mediterranean Basin, we aim to take urgent actions in areas that present the highest risk to both nature and our business. This allows us to maximize our potential for positive environmental impacts while maintaining the long-term viability of our supply chain and operations.

(2.3.5) Will you be disclosing a list/spatial map of priority locations?

Select from:

☑ No, we have a list/geospatial map of priority locations, but we will not be disclosing it

[Fixed row]

(2.4) How does your organization define substantive effects on your organization?

Risks

(2.4.1) Type of definition

Select all that apply

☑ Qualitative

☑ Quantitative

(2.4.2) Indicator used to define substantive effect

Select from:

☑ Revenue

(2.4.3) Change to indicator

Select from:

☑ % decrease

(2.4.4) % change to indicator

Select from:

☑ Less than 1%

(2.4.6) Metrics considered in definition

Select all that apply

☑ Frequency of effect occurring

☑ Time horizon over which the effect occurs

☑ Likelihood of effect occurring

(2.4.7) Application of definition

Koluman Holding defines substantive financial impacts using a combination of financial, operational, and risk-related metrics, aligned with its structured risk management procedures. A threshold of 1% of the company's revenue, set at 58 million Turkish lira for 2023, is used to identify substantive effects, applying equally to both risks and opportunities. These impacts are assessed through quarterly reviews in accordance with the ISO 31000 framework, ensuring that risks and opportunities are evaluated for their likelihood and frequency. The likelihood is categorized into high (over 70%), medium (30%-70%), and low (under 30%) ranges, while substantive effects are those expected to occur annually or more frequently. This matrix-based approach enables Koluman to prioritize risks that may have a lower financial threshold but higher likelihood or shorter time frames. The evaluation process is embedded within the company's COSO ERM framework, integrating risk identification across environmental, financial, operational, and strategic domains. Each department assesses risks and opportunities through the Risk and Opportunity Management Procedure, supported by scenario analysis and value chain mapping, particularly for climate-related risks. These evaluations are reviewed annually as part of Koluman's strategic planning, ensuring alignment with long-term business objectives and adaptability to changing market or regulatory conditions. The company remains committed to further enhancing its risk management by integrating sustainability metrics into future evaluations, ensuring its approach evolves in line with global sustainability goals. 58 M - 100 M Low 100 M - 150 M Medium Above 150 M High

Opportunities

(2.4.1) Type of definition

Select all that apply

☑ Qualitative

☑ Quantitative

(2.4.2) Indicator used to define substantive effect

Select from:

☑ Revenue

(2.4.3) Change to indicator

Select from:

☑ % increase

(2.4.4) % change to indicator

Select from:

☑ Less than 1%

(2.4.6) Metrics considered in definition

Select all that apply

☑ Frequency of effect occurring

☑ Time horizon over which the effect occurs

☑ Likelihood of effect occurring

(2.4.7) Application of definition

Koluman Holding defines substantive financial impacts using a combination of financial, operational, and risk-related metrics, aligned with its structured risk management procedures. A threshold of 1% of the company's revenue, set at 58 million Turkish lira for 2023, is used to identify substantive effects, applying equally to both risks and opportunities. These impacts are assessed through quarterly reviews in accordance with the ISO 31000 framework, ensuring that risks and opportunities are evaluated for their likelihood and frequency. The likelihood is categorized into high (over 70%), medium (30%-70%), and low (under 30%) ranges, while substantive effects are those expected to occur annually or more frequently. This matrix-based approach enables Koluman to prioritize risks that may have a lower financial threshold but higher likelihood or shorter time frames. The evaluation process is embedded within the company's COSO ERM framework, integrating risk identification across environmental, financial, operational, and strategic domains. Each department assesses risks and opportunities through the Risk and Opportunity Management Procedure, supported by scenario analysis and value chain mapping, particularly for climate-related risks. These evaluations are reviewed annually as part of Koluman's strategic planning, ensuring alignment with long-term business objectives and adaptability to changing market or regulatory conditions. The company remains committed to further enhancing its risk management by integrating sustainability metrics into future evaluations, ensuring its approach evolves in line with global sustainability goals. 58 M - 100 M Low 100 M - 150 M Medium Above 150 M High
[Add row]

C3. Disclosure of risks and opportunities

(3.1) Have you identified any environmental risks which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future?

Climate change

(3.1.1) Environmental risks identified

Select from:

☑ Yes, both in direct operations and upstream/downstream value chain

Plastics

(3.1.1) Environmental risks identified

Select from:

☑ No

(3.1.2) Primary reason why your organization does not consider itself to have environmental risks in your direct operations and/or upstream/downstream value chain

Select from:

☑ Not an immediate strategic priority

(3.1.3) Please explain

The amount of plastics involved in Koluman’s waste management processes is less than 0,1% and the primary materials used in the company’s products are metals. Consequently, plastics do not represent a strategic priority within Koluman's operations.
[Fixed row]

(3.1.1) Provide details of the environmental risks identified which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future.

Climate change

(3.1.1.1) Risk identifier

Select from:

☑ Risk1

(3.1.1.3) Risk types and primary environmental risk driver

Policy

☑ Carbon pricing mechanisms

(3.1.1.4) Value chain stage where the risk occurs

Select from:

☑ Upstream value chain

(3.1.1.6) Country/area where the risk occurs

Select all that apply

☑ Turkey

(3.1.1.9) Organization-specific description of risk

Koluman Automotive has identified a key climate-related risk in its upstream value chain related to carbon pricing on steel. With the introduction of the EU's Carbon Border Adjustment Mechanism (CBAM) and the potential for a Turkish Climate Law in 2026, the cost of steel is expected to rise as carbon taxes are applied to the steel and iron industry. Koluman operates in Turkey, where these changes will impact domestic and export suppliers. While we source steel primarily from suppliers that use Electric Arc Furnace (EAF) technology, which uses recycled steel and emits less carbon, there is a growing demand for low-emission materials. This increased demand for recycled steel is expected to drive up its price, adding to the cost pressures caused by carbon taxes. Although this risk hasn't yet led to major cost increases, we anticipate it will have a significant impact in the coming years. The rising cost of steel will increase our raw material expenses and could affect our profitability. As a result, Koluman is already adjusting its procurement strategies, working closely with suppliers, and exploring ways to minimize the impact on our

operations. This risk highlights the need to carefully manage our supply chain and plan for future cost increases, ensuring that we can continue operating efficiently despite the rising cost of low-carbon materials and introducing new carbon pricing policies.

(3.1.1.11) Primary financial effect of the risk

Select from:

☑ Increased direct costs

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

☑ Medium-term

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

Select from:

☑ Likely

(3.1.1.14) Magnitude

Select from:

☑ High

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

Koluman Automotive anticipates a significant impact on its financial performance due to the projected increase in raw material costs, specifically steel, resulting from the EU's Carbon Border Adjustment Mechanism (CBAM) and the potential Turkish Climate Law by 2026. These carbon pricing mechanisms are expected to increase raw material costs by 15% to 30%. Based on industry practices, the cost of goods sold (COGS) is accepted as 70% of total revenue, with raw materials (mainly steel) comprising 50% of COGS. A 15% increase in raw material costs would lead to a reduction in revenue by approximately 5.25%, while a 30% increase would decrease revenue by around 10.5%. These rising costs will increase raw material expenses, reduce profitability, and significantly impact cash flows by driving up operating costs. As a result, Koluman is already adjusting its procurement strategies, working closely with suppliers, and exploring alternative sourcing options to minimize the impact on its operations. This risk highlights the importance of managing the supply chain efficiently and planning for future cost increases, ensuring that Koluman can continue to operate effectively despite the rising cost of low-carbon materials and the introduction of new carbon pricing policies.

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

☑ Yes

(3.1.1.21) Anticipated financial effect figure in the medium-term – minimum (currency)

308863409

(3.1.1.22) Anticipated financial effect figure in the medium-term – maximum (currency)

617726818

(3.1.1.25) Explanation of financial effect figure

Koluman Automotive has calculated the potential financial impact of rising raw material costs, particularly steel, based on two scenarios. If raw material costs increase by 15%, the company anticipates a minimum reduction in revenue of approximately 5.25%, resulting in a cost of 308,863,409. In a more severe scenario, where raw material costs rise by 30%, the expected reduction in revenue would be around 10.5%, leading to a maximum cost of 617,726,818. These figures reflect the anticipated changes in operating expenses due to carbon pricing mechanisms such as the EU's Carbon Border Adjustment Mechanism (CBAM) and a potential Turkish Climate Law. As raw material costs are accepted as 50% of Koluman's COGS, which is estimated at 70% of revenue, these revenue reductions are projected based on the rising costs associated with sourcing steel from suppliers who rely on recycled materials. By carefully analyzing both scenarios, Koluman aims to prepare for the potential impact on profitability and cash flow, while exploring strategies to mitigate this risk.

(3.1.1.26) Primary response to risk

Infrastructure, technology and spending

☑ Increase investment in R&D

(3.1.1.27) Cost of response to risk

124851796

(3.1.1.28) Explanation of cost calculation

In 2023, Koluman Automotive invested 124,851,796 TRY in research and development (R&D) to manage the financial risks from rising raw material costs, particularly steel. This investment focuses on design improvements, and lighting the trailer weight that will provide minimal use of raw material and alternative raw material use. It is part of Koluman's strategy to mitigate the impact of the EU's Carbon Border Adjustment Mechanism (CBAM) and the anticipated Turkish Climate Law, which could increase raw material costs by 15% to 30%. The 124851796 TRY represents Koluman's investments in R&D which leads to reduced operational costs and minimises

the projected 5.25% to 10.5% revenue reduction due to rising material prices. This R&D investment is crucial in maintaining competitiveness and financial stability under these regulatory changes.

(3.1.1.29) Description of response

Koluman Automotive is actively managing the financial risks posed by rising steel costs through significant investment in research and development (R&D). In 2023, the company invested 124,851,796 to R&D that provide less raw material use, reduce waste and improve resource use. This investment aligns with Koluman's strategy to mitigate the potential impact of regulatory changes, such as the EU's Carbon Border Adjustment Mechanism (CBAM) and the expected Turkish Climate Law in 2026, which could lead to a 15% to 30% increase in raw material costs. Koluman estimates that a 15% increase in raw material costs would result in a 5.25% reduction in revenue, while a 30% increase could decrease revenue by 10.5%. These projected impacts underscore the importance of the company's R&D efforts to improve production efficiency and reduce dependency on high-carbon materials. By enhancing its production processes, Koluman aims to offset the financial strain caused by rising raw material costs and maintain operational stability. The R&D investment is crucial to Koluman's long-term strategy for managing cost increases, ensuring that the company remains competitive and resilient in the face of new regulatory pressures. This proactive approach will help Koluman reduce the financial impact of higher material costs, maintain profitability, and adapt to the evolving market conditions.

Climate change

(3.1.1.1) Risk identifier

Select from:

☑ Risk2

(3.1.1.3) Risk types and primary environmental risk driver

Acute physical

☑ Heat wave

(3.1.1.4) Value chain stage where the risk occurs

Select from:

☑ Direct operations

(3.1.1.6) Country/area where the risk occurs

Select all that apply

☑ Turkey

(3.1.1.9) Organization-specific description of risk

Koluman Automotive is facing a growing risk from increasing heat waves due to climate change, particularly affecting our production site in Tarsus. In the summer, temperatures are already 34C average which significantly impacts our assembly and welding lines. Currently, we see a 20% drop in production during the hottest months due to heat-related issues. As heat waves become more frequent, this reduction could worsen, putting further strain on our operations and workforce. To address this risk, we are planning to invest in automation technology. By automating key processes, especially in the heat-sensitive assembly and welding lines, we aim to maintain production efficiency even during extreme temperatures. These automation investments will help reduce downtime, improve cooling efficiency, and ensure stable production levels, helping us mitigate the long-term risks posed by rising temperatures.

(3.1.1.11) Primary financial effect of the risk

Select from:

☑ Decreased revenues due to reduced production capacity

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

☑ Long-term

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

Select from:

☑ Likely

(3.1.1.14) Magnitude

Select from:

☑ High

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

Koluman Automotive anticipates that the increasing frequency of heat waves due to climate change will have a significant long-term impact on the company's financial position, performance, and cash flows. Currently, the production site in Tarsus experiences a 20% drop in output during the hottest months, leading to a

production loss of approximately 103 fewer trailers. With the expected extension of extreme heat seasons, this could result in a further reduction of 206 trailers annually, equating to a 3.2% annual decrease in production. This decline would translate to a revenue loss of approximately 188,259,601 TRY based on 2023 figures. The long-term financial performance of the company would be adversely affected if no mitigating actions are taken, as heat-related production inefficiencies will likely worsen. This prolonged impact could reduce Koluman's ability to maintain consistent cash flows and affect the company's overall profitability. Lower production efficiency during extreme heat events may also lead to increased operational costs related to equipment maintenance and workforce productivity, further straining the company's financial performance. In response, Koluman plans to invest in automation technology in the medium term (1-5 years). These investments are intended to mitigate the long-term financial risks posed by rising temperatures by stabilizing production and reducing downtime during extreme weather. Although the risk may fully materialize in the long term due to climate change, the medium-term investments in automation will help the company maintain production efficiency and prevent chronic heat-related disruptions. By proactively addressing this risk, Koluman aims to preserve cash flows and reduce the potential financial losses associated with long-term climate impacts. This strategic investment is expected to secure operational resilience and safeguard the company's financial position, ensuring that Koluman remains competitive despite the increasing threat of climate change.

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

☑ Yes

(3.1.1.23) Anticipated financial effect figure in the long-term – minimum (currency)

188259601

(3.1.1.24) Anticipated financial effect figure in the long-term – maximum (currency)

188259601

(3.1.1.25) Explanation of financial effect figure

Koluman Automotive anticipates a significant financial impact due to reduced production during increasingly hot seasons, which currently span June, July, August, and September. At present, the production drop during these months amounts to approximately 103 fewer trailers compared to other months of the year. With rising temperatures, we project that this seasonal impact will extend by an additional two months, leading to an expected reduction of 206 trailers per year if no mitigating actions are taken. This loss in production equates to a 3.2% annual decrease in overall output. Given that Koluman's revenue in 2023 was 5,883,112,553 TRY, a 3.2% reduction would result in a revenue loss of 188,259,601 TRY. The anticipated financial loss underscores the importance of taking timely measures, such as automation and cooling system investments, to maintain production levels and mitigate the risks associated with the extended heat seasons. Without these actions, Koluman faces a substantial decrease in revenue due to lower production efficiency during extreme heat events, a direct result of climate change's ongoing effects.

(3.1.1.26) Primary response to risk

Infrastructure, technology and spending

☑ Other infrastructure, technology and spending, please specify **:**Transition to robotic systems in production

(3.1.1.27) Cost of response to risk

431269183

(3.1.1.28) Explanation of cost calculation

The cost of Koluman Automotive's response to the increasing risk of heat waves due to climate change is primarily tied to the automation investments made in 2023, amounting to 431,269,183 TRY. These investments are focused on automating key processes in our heat-sensitive assembly and welding lines, which are particularly vulnerable to rising temperatures.

(3.1.1.29) Description of response

By implementing automation technology, Koluman aims to reduce the impact of extreme heat on production efficiency, mitigate downtime, and ensure stable output levels during the hottest months. This investment is a critical step in addressing the long-term risks posed by climate change, specifically the expected increase in heat waves that could extend the hottest season and further disrupt production. The automation systems will allow us to maintain operational stability, improve cooling efficiency, and significantly reduce the financial impact of these heat-related production losses in the coming years. This proactive investment reflects Koluman's commitment to mitigating climate-related risks and maintaining financial stability through enhanced operational resilience.
[Add row]

(3.1.2) Provide the amount and proportion of your financial metrics from the reporting year that are vulnerable to the substantive effects of environmental risks.

Climate change

(3.1.2.1) Financial metric

Select from:

☑ Revenue

(3.1.2.2) Amount of financial metric vulnerable to transition risks for this environmental issue (unit currency as selected in 1.2)

0

(3.1.2.3) % of total financial metric vulnerable to transition risks for this environmental issue

Select from:

☑ Less than 1%

(3.1.2.4) Amount of financial metric vulnerable to physical risks for this environmental issue (unit currency as selected in 1.2)

0

(3.1.2.5) % of total financial metric vulnerable to physical risks for this environmental issue

Select from:

☑ Less than 1%

(3.1.2.7) Explanation of financial figures

There are no financial metrics directly affected by substantive environmental risks in the current reporting year, as these risks have been identified in the medium and long term. However, these risks are being closely monitored, and it is anticipated that they may have significant impacts in the coming years.
[Add row]

(3.6) Have you identified any environmental opportunities which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future?

	Environmental opportunities identified
Climate change	*Select from:* ☑ Yes, we have identified opportunities, and some/all are being realized

[Fixed row]

(3.6.1) Provide details of the environmental opportunities identified which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future.

Climate change

(3.6.1.1) Opportunity identifier

Select from:

☑ Opp1

(3.6.1.3) Opportunity type and primary environmental opportunity driver

Resource efficiency

☑ Use of new technologies

(3.6.1.4) Value chain stage where the opportunity occurs

Select from:

☑ Direct operations

(3.6.1.5) Country/area where the opportunity occurs

Select all that apply

☑ Turkey

(3.6.1.8) Organization specific description

Koluman Automotive has identified an opportunity to enhance its manufacturing capacity through automation investments made in response to the increasing risk of heat waves due to climate change. In 2023, the company invested 431,269,183 TRY in automating key processes in the heat-sensitive assembly and welding lines. These automation systems are designed to reduce the impact of extreme heat on production efficiency, minimize downtime, and maintain stable output levels during the hottest months. By implementing this automation technology, Koluman not only mitigates the risks posed by climate change but also creates an opportunity to increase overall manufacturing capacity. Automation will help the company optimize operations by improving cooling efficiency and reducing the strain on human labor during high-temperature periods. This investment will allow Koluman to expand production without being constrained by seasonal heat fluctuations, positioning the company to capture increased market demand while enhancing operational resilience. This proactive approach reflects Koluman's commitment to turning climate-related risks into opportunities, ensuring that long-term production stability and financial growth are supported through technological advancements.

(3.6.1.9) Primary financial effect of the opportunity

Select from:

☑ Increased revenues resulting from increased production capacity

(3.6.1.10) Time horizon over which the opportunity is anticipated to have a substantive effect on the organization

Select all that apply

☑ Medium-term

(3.6.1.11) Likelihood of the opportunity having an effect within the anticipated time horizon

Select from:

☑ Likely (66–100%)

(3.6.1.12) Magnitude

Select from:

☑ High

(3.6.1.14) Anticipated effect of the opportunity on the financial position, financial performance and cash flows of the organization in the selected future time horizons

The anticipated effect of this opportunity on Koluman Automotive's financial position, financial performance, and cash flows in the medium term (1-5 years) is expected to be significantly positive. The automation investments, designed to mitigate the effects of heat waves and improve production stability, will increase manufacturing capacity by 6% annually, generating an additional 381,707,460 TRY in revenue each year. Over the medium term, this increased revenue will enhance the company's financial position by strengthening its cash flow and providing the resources needed for further investment and growth. By stabilizing production during the hottest months and reducing the impact of climate-related disruptions, the company will see improved financial performance, with higher productivity and reduced operational costs related to inefficiencies and downtime. The initial cost of the automation investment will be offset by the increased revenue generated in the coming years, allowing Koluman to improve its cash flow, maintain profitability, and invest in further operational improvements. This opportunity positions Koluman for long-term resilience and growth, contributing to a stronger financial outlook.

(3.6.1.15) Are you able to quantify the financial effects of the opportunity?

Select from:

☑ Yes

(3.6.1.19) Anticipated financial effect figure in the medium-term - minimum (currency)

381707460

(3.6.1.20) Anticipated financial effect figure in the medium-term - maximum (currency)

381707460

(3.6.1.23) Explanation of financial effect figures

The installation of automation systems at our manufacturing site is expected to significantly increase yearly production and revenue by 6%. Currently, production capacity decreases by 22% per month during the four hottest months due to extreme heat. With automation, we aim to stabilize operations and boost overall output. Based on our 2023 revenue of 5,883,112,553 TRY, a 6% increase will bring the total revenue to 6,264,820,013 TRY, generating an additional yearly income of 381,707,460 TRY.

(3.6.1.24) Cost to realize opportunity

431269183

(3.6.1.25) Explanation of cost calculation

The cost of Koluman Automotive's response to the increasing risk of heat waves due to climate change is based on the automation investments made in 2023, totaling 431,269,183 TRY. This cost includes the procurement, installation, and integration of automation systems specifically designed for the heat-sensitive assembly and welding lines, which are most vulnerable during the hot seasons. The investment covers not only the technology itself but also additional expenditures related to the reconfiguration of the production floor, training for employees on operating the new systems, and any maintenance or operational adjustments required post-installation. This upfront cost is critical for stabilizing production, reducing downtime, and ensuring long-term operational resilience. The projected benefit of this investment is a 6% increase in annual revenue, offsetting the initial capital outlay and leading to a sustainable increase in capacity and financial returns over time. The automation system is expected to mitigate future climate risks and production disruptions, making it a cost-effective solution in the long run.

(3.6.1.26) Strategy to realize opportunity

Koluman Automotive's strategy to realize the cost of the 431,269,183 TRY automation investment is centered on improving operational efficiency and long-term financial gains. The automation systems will be implemented in phases, targeting the most heat-sensitive production areas, such as assembly and welding lines, to ensure smooth integration and minimize disruption to ongoing operations. By stabilizing production during peak heat months and reducing downtime, the automation systems are expected to generate a 6% increase in annual revenue, equating to an additional 381,707,460 TRY. This income is calculated for one year, but the technical lifetime of the investment is at least 10 years, ensuring sustained financial benefits over the long term. The increased revenue will help offset the initial investment cost over time. Additionally, the automation systems will optimize resource allocation by improving energy efficiency and reducing the need for manual

labor, further enhancing the financial return on investment. Koluman will continue to monitor the system's performance, ensuring that the projected gains are realized and necessary adjustments are made to maximize efficiency and cost recovery.
[Add row]

(3.6.2) Provide the amount and proportion of your financial metrics in the reporting year that are aligned with the substantive effects of environmental opportunities.

Climate change

(3.6.2.1) Financial metric

Select from:

☑ Revenue

(3.6.2.2) Amount of financial metric aligned with opportunities for this environmental issue (unit currency as selected in 1.2)

0

(3.6.2.3) % of total financial metric aligned with opportunities for this environmental issue

Select from:

☑ Less than 1%

(3.6.2.4) Explanation of financial figures

There are no financial metrics directly affected by substantive environmental opportunities in the current reporting year, as opportunity has been identified in the medium term. However, this opportunity is being closely monitored, and it is anticipated that they may have significant impacts in the coming years.
[Add row]

C4. Governance

(4.1) Does your organization have a board of directors or an equivalent governing body?

(4.1.1) Board of directors or equivalent governing body

Select from:

☑ Yes

(4.1.2) Frequency with which the board or equivalent meets

Select from:

☑ More frequently than quarterly

(4.1.3) Types of directors your board or equivalent is comprised of

Select all that apply

☑ Executive directors or equivalent

(4.1.4) Board diversity and inclusion policy

Select from:

☑ Yes, but it is not publicly available

(4.1.5) Briefly describe what the policy covers

Koluman Automotive has a Board of Directors which is led by a board chair that oversees governance and strategic decisions, including those related to environmental issues. The board plays a key role in ensuring that the company follows ethical procedures and aligns with sustainability goals. Our governance and ethical practices are guided by the principles outlined in our Corporate Ethical Management Guidelines. These principles emphasize transparency, accountability, and a commitment to environmental stewardship, as outlined in our governance documents.

(4.1.6) Attach the policy (optional)

TL.194 Kurumsal Etik Yönetim İlkeleri.pdf

[Fixed row]

(4.1.1) Is there board-level oversight of environmental issues within your organization?

	Board-level oversight of this environmental issue
Climate change	*Select from:* ☑ Yes
Biodiversity	*Select from:* ☑ Yes

[Fixed row]

(4.1.2) Identify the positions (do not include any names) of the individuals or committees on the board with accountability for environmental issues and provide details of the board's oversight of environmental issues.

Climate change

(4.1.2.1) Positions of individuals or committees with accountability for this environmental issue

Select all that apply

☑ Board chair

☑ Chief Executive Officer (CEO)

☑ Chief Financial Officer (CFO)

(4.1.2.2) Positions' accountability for this environmental issue is outlined in policies applicable to the board

Select from:

☑ Yes

(4.1.2.3) Policies which outline the positions' accountability for this environmental issue

Select all that apply

☑ Individual role descriptions

(4.1.2.4) Frequency with which this environmental issue is a scheduled agenda item

Select from:

☑ Scheduled agenda item in every board meeting (standing agenda item)

(4.1.2.5) Governance mechanisms into which this environmental issue is integrated

Select all that apply

☑ Reviewing and guiding annual budgets

☑ Overseeing and guiding scenario analysis

☑ Overseeing the setting of corporate targets

☑ Approving corporate policies and/or commitments

☑ Reviewing and guiding innovation/R&D priorities

☑ Overseeing and guiding major capital expenditures

☑ Overseeing and guiding the development of a business strategy

☑ Overseeing and guiding the development of a climate transition plan

☑ Reviewing and guiding the assessment process for dependencies, impacts, risks, and opportunities

(4.1.2.7) Please explain

At Koluman Automotive, environmental issues, including climate change, are overseen by the Board of Directors, led by the Board Chair. Both the CEO and CFO are key board members and play critical roles in shaping the company's sustainability strategy. The Sustainability Committee, which reports directly to the board, supports this oversight by providing updates on sustainability initiatives. The Sustainability Committee, previously known as the Green Team, includes members from different areas of the company, ensuring that sustainability is integrated across all departments. This committee helps promote a unified sustainability vision throughout the organization, advancing the board's commitment to addressing environmental issues. Koluman's board views sustainability and climate change as strategic priorities for the company's long-term success. The Board Chair, CEO, and CFO are responsible for key functions such as setting corporate environmental targets, ensuring the alignment of the climate transition plan with business strategy, reviewing major capital expenditures related to sustainability, and guiding the development of annual budgets. They also prioritize R&D and automation investments to reduce environmental impacts. In 2023, the board approved Koluman's comprehensive sustainability strategy, which includes ambitious goals such as the Net Zero target and 2028 emission reduction goals. The board emphasized the importance of R&D and automation in improving production efficiency and reducing environmental impacts. These areas were prioritized in the company's budget

allocations to ensure Koluman meets its sustainability commitments. The board's leadership has been essential in embedding sustainability into Koluman's core strategy. The CEO and CFO's direct involvement in approving policies, guiding the climate transition plan, and overseeing financial allocations further highlights the importance of environmental issues within the organization. This ensures that sustainability initiatives are aligned with both the operational and financial goals of the company. Through these governance mechanisms, Koluman Automotive demonstrates its strong commitment to environmental issues. The board's active role in reviewing and approving sustainability initiatives, alongside the work of the Sustainability Committee, ensures the company is on track to achieve its climate-related goals and fosters a company-wide culture of sustainability.

Biodiversity

(4.1.2.1) Positions of individuals or committees with accountability for this environmental issue

Select all that apply

☑ Chief Executive Officer (CEO)

(4.1.2.2) Positions' accountability for this environmental issue is outlined in policies applicable to the board

Select from:

☑ No

(4.1.2.4) Frequency with which this environmental issue is a scheduled agenda item

Select from:

☑ Scheduled agenda item in some board meetings – at least annually

(4.1.2.5) Governance mechanisms into which this environmental issue is integrated

Select all that apply

☑ Reviewing and guiding the assessment process for dependencies, impacts, risks, and opportunities

(4.1.2.7) Please explain

At Koluman Automotive, the CEO oversees the review and guidance of biodiversity-related assessments, including dependencies, impacts, risks, and opportunities. Although biodiversity is not a strategic priority, it is still monitored to understand its potential effect on the value chain. The Sustainability Committee regularly presents biodiversity assessments to the CEO, ensuring any risks or opportunities are considered, even if they are not part of the core business strategy. The CEO plays a crucial role in reviewing these assessments to identify potential risks that could affect the value chain, such as regulatory changes or shifts in market expectations regarding sustainable sourcing. By guiding the evaluation of these risks, the CEO ensures that Koluman can manage any biodiversity-related risks that arise in the

future. The Sustainability Committee is responsible for collecting and monitoring data related to biodiversity within the company's operations. The committee consists of members from various departments, ensuring that a wide range of environmental dependencies and risks are evaluated. This collaboration allows the CEO to understand the connections between biodiversity and the company's operations, including risks in the value chain. While biodiversity is not a top priority, this governance structure ensures that Koluman stays informed about emerging risks and opportunities. This proactive approach enables the company to address potential biodiversity challenges in its value chain. The collaboration between the Sustainability Committee and the CEO allows Koluman to maintain a clear view of its environmental responsibilities and be prepared for future regulatory changes. This accountability structure demonstrates Koluman's commitment to addressing environmental issues, including biodiversity, at the highest management levels. The CEO's involvement highlights the company's dedication to managing biodiversity risks, even those that are not currently prioritized. By keeping biodiversity risks in mind and linking them to potential impacts on the value chain, Koluman ensures it remains agile and responsive to evolving environmental challenges. In summary, this governance model ensures that biodiversity-related assessments are reviewed and considered by top management, allowing Koluman to take a forward-looking approach to environmental issues.
[Fixed row]

(4.2) Does your organization's board have competency on environmental issues?

Climate change

(4.2.1) Board-level competency on this environmental issue

Select from:

☑ Yes

(4.2.2) Mechanisms to maintain an environmentally competent board

Select all that apply

☑ Consulting regularly with an internal, permanent, subject-expert working group

☑ Engaging regularly with external stakeholders and experts on environmental issues

[Fixed row]

(4.3) Is there management-level responsibility for environmental issues within your organization?

	Management-level responsibility for this environmental issue
Climate change	*Select from:* ☑ Yes
Biodiversity	*Select from:* ☑ Yes

[Fixed row]

(4.3.1) Provide the highest senior management-level positions or committees with responsibility for environmental issues (do not include the names of individuals).

Climate change

(4.3.1.1) Position of individual or committee with responsibility

Committee

☑ Sustainability committee

(4.3.1.2) Environmental responsibilities of this position

Dependencies, impacts, risks and opportunities

☑ Assessing environmental dependencies, impacts, risks, and opportunities

☑ Assessing future trends in environmental dependencies, impacts, risks, and opportunities

☑ Managing environmental dependencies, impacts, risks, and opportunities

Policies, commitments, and targets

☑ Monitoring compliance with corporate environmental policies and/or commitments

☑ Measuring progress towards environmental corporate targets

☑ Setting corporate environmental policies and/or commitments

☑ Setting corporate environmental targets

Strategy and financial planning

☑ Developing a climate transition plan

☑ Implementing a climate transition plan

☑ Conducting environmental scenario analysis

☑ Managing annual budgets related to environmental issues

☑ Implementing the business strategy related to environmental issues

☑ Developing a business strategy which considers environmental issues

☑ Managing environmental reporting, audit, and verification processes

☑ Managing priorities related to innovation/low-environmental impact products or services (including R&D)

(4.3.1.4) Reporting line

Select from:

☑ Reports to the Chief Executive Officer (CEO)

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:

☑ More frequently than quarterly

(4.3.1.6) Please explain

At Koluman Automotive, the Sustainability Committee holds the highest senior management-level responsibility for environmental issues. This committee reports to the CEO and plays a crucial role in aligning the company's environmental strategy with its overall business objectives. The Sustainability Committee was formed to replace the former Green Team, with members from various departments across the company to ensure a unified approach to sustainability. Its role is to extend the company's sustainability culture and prioritize climate change as a strategic focus. Key responsibilities of the Sustainability Committee include: Assessing environmental trends and managing dependencies, impacts, risks, and opportunities. Setting environmental policies and developing strategies, including the climate transition plan. Managing environmental reporting and verification. In the reporting period, the committee initiated scenario analysis studies and extended the company's risk assessments based on those insights. The Sustainability Committee ensures Koluman stays proactive in addressing environmental challenges and implementing its sustainability goals.

Biodiversity

(4.3.1.1) Position of individual or committee with responsibility

Committee

☑ Sustainability committee

(4.3.1.2) Environmental responsibilities of this position

Dependencies, impacts, risks and opportunities

☑ Assessing environmental dependencies, impacts, risks, and opportunities

☑ Assessing future trends in environmental dependencies, impacts, risks, and opportunities

☑ Managing environmental dependencies, impacts, risks, and opportunities

(4.3.1.4) Reporting line

Select from:

☑ Reports to the Chief Executive Officer (CEO)

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:

☑ Annually

(4.3.1.6) Please explain

At Koluman Automotive, the Sustainability Committee holds the highest senior management-level responsibility for environmental issues, including biodiversity. Although biodiversity is not currently a strategic priority, the committee ensures that the company remains aware of potential risks and opportunities related to biodiversity, particularly in the future. The Sustainability Committee consists of members from various departments across the company, allowing for a comprehensive approach to sustainability. While biodiversity is not a focus due to the lack of sensitivity among tier 1 suppliers, the committee is responsible for assessing current and future trends in biodiversity, and managing related dependencies, impacts, risks, and opportunities as part of a broader environmental strategy. The committee regularly reviews biodiversity-related information to ensure that potential risks are considered and that Koluman can adapt to any future biodiversity challenges. This proactive approach allows Koluman to stay informed and manage biodiversity-related dependencies effectively, even if it is not currently a priority in the value chain.

The Sustainability Committee's efforts reflect Koluman's commitment to maintaining awareness of environmental risks, ensuring that biodiversity concerns are monitored and managed as part of the company's broader environmental framework.

Climate change

(4.3.1.1) Position of individual or committee with responsibility

Executive level

☑ Chief Executive Officer (CEO)

(4.3.1.2) Environmental responsibilities of this position

Policies, commitments, and targets

☑ Monitoring compliance with corporate environmental policies and/or commitments

☑ Setting corporate environmental policies and/or commitments

Strategy and financial planning

☑ Developing a business strategy which considers environmental issues

☑ Managing annual budgets related to environmental issues

☑ Managing major capital and/or operational expenditures relating to environmental issues

☑ Managing priorities related to innovation/low-environmental impact products or services (including R&D)

(4.3.1.4) Reporting line

Select from:

☑ Reports to the board directly

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:

☑ More frequently than quarterly

(4.3.1.6) Please explain

At Koluman Automotive, the CEO has key responsibilities for managing the company's environmental goals. This includes monitoring compliance with environmental targets set in the company's 2028 strategic plan and ensuring Koluman stays on track to meet its Net Zero emissions goal by 2050. The CEO is responsible for setting environmental policies and commitments, including the company's environmental policy, which has been in place for over three years. The CEO also develops business strategies that integrate environmental goals into the company's operations. In addition, the CEO manages the annual budget for environmental initiatives, overseeing major capital and operational expenditures to ensure investment in sustainable practices. The CEO also leads innovation and R&D efforts, focusing on new technologies and processes that improve energy efficiency and reduce emissions. These actions ensure that environmental considerations remain central to Koluman's strategy and operations.
[Add row]

(4.5) Do you provide monetary incentives for the management of environmental issues, including the attainment of targets?

Climate change

(4.5.1) Provision of monetary incentives related to this environmental issue

Select from:
☑ Yes

(4.5.2) % of total C-suite and board-level monetary incentives linked to the management of this environmental issue

16

(4.5.3) Please explain

Koluman Automotive provides monetary incentives for the management of environmental issues, including the attainment of climate-related targets. As part of our KPI-based management model, climate-related goals have been integrated into employee performance evaluations following the approval of our sustainability strategy. These KPIs are designed to align individual performance with the company's environmental commitments, ensuring that employees at various levels contribute to achieving sustainability targets. By linking monetary incentives to environmental performance, Koluman encourages employees to actively engage in and support the company's climate and sustainability objectives, promoting a culture of responsibility and accountability across the organization.
[Fixed row]

(4.5.1) Provide further details on the monetary incentives provided for the management of environmental issues (do not include the names of individuals).

Climate change

(4.5.1.1) Position entitled to monetary incentive

Board or executive level

☑ Chief Executive Officer (CEO)

(4.5.1.2) Incentives

Select all that apply

☑ Bonus - % of salary

(4.5.1.3) Performance metrics

Emission reduction

☑ Reduction in emissions intensity

Resource use and efficiency

☑ Energy efficiency improvement

☑ Reduction in total energy consumption

(4.5.1.4) Incentive plan the incentives are linked to

Select from:

☑ Both Short-Term and Long-Term Incentive Plan, or equivalent

(4.5.1.5) Further details of incentives

At Koluman Automotive, the CEO's monetary incentives are closely linked to the company's environmental performance, covering both short- and long-term goals. These incentives align the CEO's role with Koluman's sustainability commitments. The key indicators for the CEO's performance include reducing emissions intensity, improving energy efficiency, and decreasing total energy consumption. Emissions reduction is tied to the company's goal of achieving Net Zero and lowering emissions relative to production output. The CEO is also incentivized to lead efforts in enhancing energy efficiency across operations, which includes driving investments in technology and processes to optimize energy use. Additionally, the CEO's performance is measured by the company's overall reduction in energy consumption, reflecting the CEO's leadership in minimizing Koluman's environmental impact. Incentives are part of both short-term and long-term plans. The short-term plan focuses on yearly targets, while the long-term plan ensures continued progress towards Koluman's environmental goals.

(4.5.1.6) How the position's incentives contribute to the achievement of your environmental commitments and/or climate transition plan

These incentives reinforce the CEO's responsibility to integrate sustainability into the company's overall strategy and drive meaningful environmental outcomes.

Climate change

(4.5.1.1) Position entitled to monetary incentive

Facility/Unit/Site management

☑ Business unit manager

(4.5.1.2) Incentives

Select all that apply

☑ Bonus - % of salary

(4.5.1.3) Performance metrics

Targets

☑ Progress towards environmental targets

☑ Achievement of environmental targets

Strategy and financial planning

☑ Increased investment in environmental R&D and innovation

(4.5.1.4) Incentive plan the incentives are linked to

Select from:

☑ Short-Term Incentive Plan, or equivalent, only (e.g. contractual annual bonus)

(4.5.1.5) Further details of incentives

At Koluman Automotive, our incentive-based management model ensures that business unit managers are not only responsible for achieving financial performance but are also measured on their environmental impact. The Key Performance Indicators (KPIs) for managers include the progress and achievement of environmental targets, such as reducing emissions, improving energy efficiency, and minimizing waste. In addition to meeting environmental goals, managers are incentivized to increase investment in R&D and innovation. This encourages the development of new technologies and sustainable practices that align with Koluman's long-term environmental objectives, including its commitment to Net Zero emissions by 2050.

(4.5.1.6) How the position's incentives contribute to the achievement of your environmental commitments and/or climate transition plan

These incentives are structured to reward managers who actively contribute to advancing the company's sustainability strategy. Bonuses and performance-based compensation are tied to their success in meeting environmental KPIs and driving innovative solutions. This ensures that sustainability is a core focus across all business units, supporting Koluman's overall environmental commitments.

Climate change

(4.5.1.1) Position entitled to monetary incentive

Senior-mid management

☑ Procurement manager

(4.5.1.2) Incentives

Select all that apply

☑ Bonus - % of salary

(4.5.1.3) Performance metrics

Targets

☑ Reduction in absolute emissions in line with net-zero target

Emission reduction

☑ Reduction in absolute emissions

Engagement

☑ Increased engagement with suppliers on environmental issues

☑ Increased value chain visibility (traceability, mapping)

(4.5.1.4) Incentive plan the incentives are linked to

Select from:

☑ Short-Term Incentive Plan, or equivalent, only (e.g. contractual annual bonus)

(4.5.1.5) Further details of incentives

At Koluman Automotive, procurement managers are part of an incentive-based management model focused on environmental goals. Their performance is measured by specific targets, including: Reducing absolute emissions: Managers are rewarded for finding ways to lower the carbon footprint of the company's supply chain. Improving value chain visibility: They are responsible for making the environmental impact of suppliers more transparent and easier to track. Engaging with suppliers: Procurement managers are incentivized to work with suppliers to improve their sustainability practices and align with Koluman's goals.

(4.5.1.6) How the position's incentives contribute to the achievement of your environmental commitments and/or climate transition plan

These targets are tied to bonuses and performance-based incentives, encouraging managers to prioritize sustainability in their purchasing decisions and supplier relationships. This approach ensures that environmental goals are a key part of the procurement process.

Climate change

(4.5.1.1) Position entitled to monetary incentive

Senior-mid management

☑ Energy manager

(4.5.1.2) Incentives

Select all that apply

☑ Bonus - % of salary

(4.5.1.3) Performance metrics

Emission reduction

☑ Reduction in emissions intensity

☑ Increased share of renewable energy in total energy consumption

Resource use and efficiency

☑ Energy efficiency improvement

☑ Reduction in total energy consumption

(4.5.1.4) Incentive plan the incentives are linked to

Select from:

☑ Short-Term Incentive Plan, or equivalent, only (e.g. contractual annual bonus)

(4.5.1.5) Further details of incentives

At Koluman Automotive, energy managers are included in the company's incentive-based management model, with their performance evaluated against key environmental targets. These Key Performance Indicators (KPIs) are closely aligned with Koluman's sustainability strategy and are used to encourage energy managers to focus on reducing the company's environmental impact. The specific environmental KPIs for energy managers are: Reduction in emission intensity: Energy managers are incentivized to lower emissions per unit of production, contributing to Koluman's overall emissions reduction goals. Increased share of renewable energy: Energy managers are rewarded for increasing the proportion of renewable energy used within the company, which supports Koluman's commitment to sustainable energy practices and its long-term climate goals. Energy efficiency improvements: Incentives are provided for successfully implementing measures that improve energy efficiency, helping reduce energy waste and improve operational sustainability. Reduction in total energy consumption: Energy managers are also responsible for decreasing the total energy used across operations, which further aligns with Koluman's goal to reduce its overall environmental footprint.

(4.5.1.6) How the position's incentives contribute to the achievement of your environmental commitments and/or climate transition plan

These KPIs are directly tied to monetary incentives such as bonuses and performance-based rewards. This ensures that energy managers actively work towards meeting Koluman's climate and energy goals, driving progress in areas such as emissions reduction, energy efficiency, and the increased use of renewable energy sources. This incentive structure ensures that environmental performance is a key priority in decision-making and operational activities.

Climate change

(4.5.1.1) Position entitled to monetary incentive

Senior-mid management

☑ Environment/Sustainability manager

(4.5.1.2) Incentives

Select all that apply

☑ Bonus - % of salary

(4.5.1.3) Performance metrics

Strategy and financial planning

☑ Shift to a business model compatible with a net-zero carbon future

Resource use and efficiency

☑ Improvements in emissions data, reporting, and third-party verification

Pollution

☑ Reduction/elimination of environmental incidents and/or environmental notices (notices of violation)

Engagement

☑ Implementation of employee awareness campaign or training program on environmental issues

(4.5.1.4) Incentive plan the incentives are linked to

Select from:

☑ Short-Term Incentive Plan, or equivalent, only (e.g. contractual annual bonus)

(4.5.1.5) Further details of incentives

At Koluman Automotive, environmental and sustainability managers are part of the company's incentive-based management model, where their performance is evaluated based on key environmental and sustainability goals. These Key Performance Indicators (KPIs) are designed to ensure that sustainability managers contribute to the company's long-term environmental strategy and commitment to achieving Net Zero. The specific environmental KPIs for these managers include: Shifting to a business model in line with a Net Zero future: Sustainability managers are incentivized to implement strategies that help transition Koluman's operations and business practices toward a Net Zero emissions future. Improvements in reporting and emissions data: Managers are rewarded for enhancing the accuracy,

transparency, and comprehensiveness of environmental reporting, including the tracking and reporting of emissions data in line with international standards. Reduction in environmental incidents: They are also responsible for reducing the occurrence of environmental incidents, ensuring compliance with environmental regulations and improving operational safety. Implementation of employee awareness campaigns: Sustainability managers are incentivized to lead employee engagement and awareness programs that foster a sustainability-focused culture within the company, ensuring all employees are aligned with Koluman's environmental goals.

(4.5.1.6) How the position's incentives contribute to the achievement of your environmental commitments and/or climate transition plan

These KPIs are tied to monetary incentives such as bonuses and performance-based rewards, encouraging sustainability managers to prioritize achieving environmental targets. This model drives continuous improvement in Koluman's sustainability efforts, helping the company align with its Net Zero commitments and broader environmental objectives.
[Add row]

(4.6) Does your organization have an environmental policy that addresses environmental issues?

	Does your organization have any environmental policies?
	Select from: ☑ Yes

[Fixed row]

(4.6.1) Provide details of your environmental policies.

Row 1

(4.6.1.1) Environmental issues covered

Select all that apply

☑ Climate change

☑ Biodiversity

(4.6.1.2) Level of coverage

Select from:

☑ Organization-wide

(4.6.1.3) Value chain stages covered

Select all that apply

☑ Direct operations

☑ Upstream value chain

☑ Downstream value chain

(4.6.1.4) Explain the coverage

The Integrated Management Systems (IMS) Policy at KOE covers environmental responsibilities by committing to minimize waste, promote recycling, and prevent pollution. The policy emphasizes the protection of the environment by reducing greenhouse gas emissions, conserving energy, and implementing measures for a sustainable future. Energy efficiency is also a priority, with a focus on reducing electricity, natural gas, and raw material consumption. These efforts align with the company's goal of achieving environmental sustainability in all its operations, ensuring compliance with legal standards and striving for continuous improvement in environmental performance.

(4.6.1.5) Environmental policy content

Environmental commitments

☑ Commitment to a circular economy strategy

☑ Commitment to comply with regulations and mandatory standards

☑ Commitment to take environmental action beyond regulatory compliance

☑ Commitment to stakeholder engagement and capacity building on environmental issues

(4.6.1.6) Indicate whether your environmental policy is in line with global environmental treaties or policy goals

Select all that apply

☑ No, but we plan to align in the next two years

(4.6.1.7) Public availability

Select from:

☑ Not publicly available

(4.6.1.8) Attach the policy

ELK01 Ek-5 KOE IMS Policy Rev. 04.pdf
[Add row]

(4.10) Are you a signatory or member of any environmental collaborative frameworks or initiatives?

	Are you a signatory or member of any environmental collaborative frameworks or initiatives?
	Select from: ☑ No, but we plan to within the next two years

[Fixed row]

(4.11) In the reporting year, did your organization engage in activities that could directly or indirectly influence policy, law, or regulation that may (positively or negatively) impact the environment?

(4.11.1) External engagement activities that could directly or indirectly influence policy, law, or regulation that may impact the environment

Select all that apply

☑ No, we have assessed our activities, and none could directly or indirectly influence policy, law, or regulation that may impact the environment

(4.11.2) Indicate whether your organization has a public commitment or position statement to conduct your engagement activities in line with global environmental treaties or policy goals

Select from:

☑ No, but we plan to have one in the next two years

(4.11.5) Indicate whether your organization is registered on a transparency register

Select from:

☑ Unknown

(4.11.8) Describe the process your organization has in place to ensure that your external engagement activities are consistent with your environmental commitments and/or transition plan

Koluman Automotive recognizes the importance of ensuring that all external engagement activities are consistent with the company's environmental commitments and transition plans. Although our sector is not classified as high-emission, and Turkey currently lacks a specific climate law, Koluman proactively assesses its activities to ensure alignment with global environmental goals and sustainability objectives. In the reporting year, our activities were evaluated, and none were found to directly or indirectly influence policy, law, or regulation related to the environment. Our internal process involves regular reviews of our external engagement activities to ensure they are in line with Koluman's environmental commitments and transition plan. This process is managed by the Sustainability Committee, which works closely with relevant departments across the company to assess whether any external engagement might conflict with our sustainability goals. These assessments include examining partnerships, industry engagements, and collaboration with external organizations. If any activity is identified as potentially inconsistent with our commitments, the matter is escalated to the CEO for review. Corrective actions, such as adjusting the engagement or withdrawing from conflicting activities, are implemented as necessary.

(4.11.9) Primary reason for not engaging in activities that could directly or indirectly influence policy, law, or regulation that may impact the environment

Select from:

☑ Not an immediate strategic priority

(4.11.10) Explain why your organization does not engage in activities that could directly or indirectly influence policy, law, or regulation that may impact the environment

Koluman is not heavily engaged in policy development related to climate laws, as high-emission industries are more actively involved. However, Koluman remains committed to monitoring policy development closely and engaging in meaningful discussions as environmental regulations evolve. As part of this, we aim to ensure that all future engagements align with our sustainability strategy and transition plan. We understand that our sector's embedded emissions are a growing area of focus, and as environmental regulations evolve, we will continue to assess our role in policy discussions and make necessary adjustments to ensure that we remain consistent with our environmental objectives. As regulations develop, Koluman is prepared to implement additional processes to ensure that future engagements align with both internal goals and global environmental frameworks.

[Fixed row]

C5. Business strategy

(5.1) Does your organization use scenario analysis to identify environmental outcomes?

Climate change

(5.1.1) Use of scenario analysis

Select from:

☑ Yes

(5.1.2) Frequency of analysis

Select from:

☑ Every three years or less frequently

[Fixed row]

(5.1.1) Provide details of the scenarios used in your organization’s scenario analysis.

Climate change

(5.1.1.1) Scenario used

Climate transition scenarios

☑ IEA B2DS

(5.1.1.3) Approach to scenario

Select from:

☑ Qualitative

(5.1.1.4) Scenario coverage

Select from:

☑ Organization-wide

(5.1.1.5) Risk types considered in scenario

Select all that apply

☑ Acute physical

☑ Chronic physical

☑ Policy

☑ Technology

(5.1.1.6) Temperature alignment of scenario

Select from:

☑ 1.5°C or lower

(5.1.1.7) Reference year

2023

(5.1.1.8) Timeframes covered

Select all that apply

☑ 2030

☑ 2040

☑ 2050

☑ 2100

(5.1.1.9) Driving forces in scenario

Stakeholder and customer demands

☑ Consumer sentiment

Regulators, legal and policy regimes

☑ Global regulation

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

The IEA 2050 NZE scenario assumes that rapid decarbonization and technological innovation will occur to limit global temperature rise to 1.5C. Key assumptions include a shift to renewable energy, electrification of transport, and improved energy efficiency. The scenario also relies on carbon capture technologies and significant reductions in fossil fuel consumption. However, constraints exist in the pace of global cooperation, the readiness of new technologies, and financing for green infrastructure. Uncertainties revolve around whether global political and social will can support such drastic changes, along with the unforeseen challenges in scaling up renewables and energy storage. There's also uncertainty in how industries will transition, given varying levels of readiness across sectors and regions.

(5.1.1.11) Rationale for choice of scenario

The IEA 2050 NZE scenario was selected because it aligns with Koluman Automotive's commitment to achieving net zero emissions by 2050. This scenario provides a clear pathway for decarbonization across industries, emphasizing the rapid deployment of renewable energy, electrification of operations, and significant improvements in energy efficiency. By using the NZE scenario as a guide, Koluman ensures that all investment plans, particularly in automation and production processes, are aligned with a low-carbon future. The scenario supports the company's strategy to remain competitive while transitioning to sustainable operations, helping identify key areas for investment in clean technologies and resilience to regulatory changes. It also serves as a benchmark for assessing long-term financial and operational decisions, ensuring that Koluman's goals are in line with global climate targets.

Climate change

(5.1.1.1) Scenario used

Physical climate scenarios

☑ RCP 8.5

(5.1.1.2) Scenario used SSPs used in conjunction with scenario

Select from:

☑ SSP3

(5.1.1.3) Approach to scenario

Select from:

☑ Qualitative

(5.1.1.4) Scenario coverage

Select from:

☑ Organization-wide

(5.1.1.5) Risk types considered in scenario

Select all that apply

☑ Acute physical

☑ Chronic physical

☑ Policy

☑ Technology

(5.1.1.6) Temperature alignment of scenario

Select from:

☑ 4.0ºC and above

(5.1.1.7) Reference year

2023

(5.1.1.8) Timeframes covered

Select all that apply

☑ 2040

☑ 2050

☑ 2070

☑ 2100

(5.1.1.9) Driving forces in scenario

Stakeholder and customer demands

☑ Consumer sentiment

Regulators, legal and policy regimes

☑ Global regulation

☑ Global targets

Direct interaction with climate

☑ On asset values, on the corporate

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

The RCP 8.5 scenario assumes that the world continues on a high-emission trajectory, with little to no significant climate mitigation efforts. Key assumptions include continued reliance on fossil fuels, limited adoption of renewable energy, and minimal global cooperation on climate policies. Economic growth is uneven, driven primarily by resource-intensive industries. Constraints in this scenario include a lack of political will for international agreements and slow technological advancements in clean energy. Infrastructure remains vulnerable to climate change, particularly in regions already exposed to extreme weather events. The major uncertainties lie in how quickly climate impacts like heat waves, sea-level rise, and droughts will intensify, as well as the potential for unforeseen technological breakthroughs or shifts in global policies that could mitigate some of these risks. Additionally, societal resilience to climate-related disruptions remains uncertain, with varying capacities across countries and sectors.

(5.1.1.11) Rationale for choice of scenario

The RCP 8.5 scenario was chosen because it represents a high-emission, worst-case trajectory, which allows Koluman to prepare for the most severe climate impacts. While the company has a net zero target by 2050, all investment plans, particularly those in automation and infrastructure, need to be resilient to the potential climate risks posed by this scenario. By planning for the worst-case climate scenario, Koluman ensures that its strategies are robust, adaptable, and future-proof. This approach not only aligns with the company's long-term sustainability goals but also ensures that all business operations, including production and supply chain activities, are equipped to handle the extreme weather conditions, such as heat waves, that are expected to intensify under RCP 8.5. These climate scenarios will be crucial in guiding all future investment decisions.
[Add row]

(5.1.2) Provide details of the outcomes of your organization's scenario analysis.

Climate change

(5.1.2.1) Business processes influenced by your analysis of the reported scenarios

Select all that apply

☑ Risk and opportunities identification, assessment and management

☑ Strategy and financial planning

(5.1.2.2) Coverage of analysis

Select from:

☑ Organization-wide

(5.1.2.3) Summarize the outcomes of the scenario analysis and any implications for other environmental issues

The scenario analysis conducted using the IEA 2050 Net Zero Emissions (NZE) and RCP 8.5 / SSP 3 scenarios has significantly influenced Koluman Automotive's strategic planning and risk and opportunity assessments. The IEA 2050 NZE scenario, aligned with the company's net zero target by 2050, has driven a shift in our investment strategy, emphasizing the need for early adoption of renewable energy, automation, and energy-efficient technologies. This pathway highlights the necessity for Koluman to decarbonize operations rapidly, reduce emissions, and ensure compliance with future regulatory frameworks. The opportunities in this scenario include enhanced competitiveness in low-carbon markets, positioning the company to benefit from the global shift towards clean technologies. As a result, the scenario has shaped our strategic focus on innovation and sustainability. In contrast, the RCP 8.5 / SSP 3 scenario reflects a high-emission future, characterized by severe climate impacts such as frequent heat waves, which pose risks to our production site in Tarsus. The analysis revealed that without mitigation, extended heat periods could lead to reduced production and financial losses. This has highlighted the importance of investing in automation to maintain production efficiency under extreme climate conditions. The scenario has informed our risk analysis by underscoring the need for resilient infrastructure and operational flexibility in the face of worsening climate impacts. Overall, the combined insights from both scenarios have led to a more robust risk management strategy and a clear focus on long-term opportunities in automation, energy efficiency, and low-carbon innovation, aligning Koluman's operations with global climate goals while safeguarding against severe environmental risks.
[Fixed row]

(5.2) Does your organization's strategy include a climate transition plan?

	Transition plan	Primary reason for not having a climate transition plan that aligns with a 1.5°C world	Explain why your organization does not have a climate transition plan that aligns with a 1.5°C world
	Select from:	*Select from:*	*Koluman has a net zero target. Based on this target transition plan is under development.*

	Transition plan	Primary reason for not having a climate transition plan that aligns with a 1.5°C world	Explain why your organization does not have a climate transition plan that aligns with a 1.5°C world
	☑ No, but we are developing a climate transition plan within the next two years	☑ Lack of internal resources, capabilities, or expertise (e.g., due to organization size)	

[Fixed row]

(5.3) Have environmental risks and opportunities affected your strategy and/or financial planning?

(5.3.1) Environmental risks and/or opportunities have affected your strategy and/or financial planning

Select from:

☑ Yes, both strategy and financial planning

(5.3.2) Business areas where environmental risks and/or opportunities have affected your strategy

Select all that apply

☑ Products and services

☑ Upstream/downstream value chain

☑ Investment in R&D

☑ Operations

[Fixed row]

(5.3.1) Describe where and how environmental risks and opportunities have affected your strategy.

Products and services

(5.3.1.1) Effect type

Select all that apply

☑ Risks

☑ Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

☑ Climate change

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

Koluman Automotive's strategy, particularly regarding its product and service offerings, has been influenced by both environmental risks and opportunities. As a manufacturer of trailers used across diverse sectors such as logistics and defense, Koluman has not fundamentally changed its existing products but has strategically responded by heavily investing in research and development (R&D) for new product designs. This is part of a long-term strategy to increase the company's portfolio with value-added, innovative trailer designs that meet the evolving needs of our customers, especially in a world facing increasing environmental regulations and sustainability pressures. One key opportunity identified is the demand for more energy-efficient, durable trailers that can help reduce the environmental impact of transportation, such as lowering fuel consumption and emissions. In response, Koluman is exploring new designs that incorporate lightweight materials and improved aerodynamics, enhancing the overall sustainability of our product offerings. The goal is to contribute to the growing demand for low-emission solutions in the logistics and defense sectors. However, environmental risks also impact our strategy. As climate risks, such as extreme heat and weather patterns, become more prominent, there is an increased need to ensure that our products can perform reliably under extreme conditions. This risk drives Koluman to focus on testing innovative solutions more thoroughly to prevent quality issues from arising once products are introduced to the market. In addition, we are also increasing the number of patents and utility models, focusing on product differentiation and intellectual property protection. Our target is to grow our product portfolio with cutting-edge designs that not only meet customer needs but also comply with stringent environmental standards. The strategic direction to prioritize innovation is underpinned by the awareness of both the risks of falling behind on environmental expectations and the opportunities of leading the industry with forward-thinking product solutions.

Upstream/downstream value chain

(5.3.1.1) Effect type

Select all that apply

☑ Risks

☑ Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

☑ Climate change

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

Upstream Risks and Opportunities: The primary risk in the upstream value chain occurs from rising raw material costs, particularly steel. As steel is a key input for trailer production, price volatility due to carbon pricing mechanisms, such as the EU's Carbon Border Adjustment Mechanism (CBAM), and the anticipated Turkish Climate Law, creates a financial risk. With carbon taxes and the rising demand for low-emission steel, we anticipate an increase in material costs, which could lead a pressure on our production budget. To mitigate these risks, Koluman has invested in research and development (R&D) aimed at reducing raw material usage by designing lighter, more efficient trailers. These efforts will not only decrease our dependence on steel but also allow us to better manage costs in a carbon-regulated market. Additionally, upstream opportunities arise from sourcing materials with lower emissions. By collaborating with suppliers focused on low-carbon and recycled steel, Koluman can reduce its environmental impact while preparing for stricter future regulations. This strategy aligns with our sustainability objectives and provides a competitive edge as clients seek more environmentally friendly solutions. Strategically we invest in collaboration with our suppliers to create synergy for similar sustainability aspects. Koluman Automotive also has sourced renewable energy through an I-REC-certified physical power purchase agreement (PPA). The electricity generated from renewables contributes to reducing the company's market-based Scope 2 emissions. In the downstream value chain, Koluman faces risks linked to the emission reduction targets of its clients, especially in the logistics and defense sectors. As many of our customers aim to reduce their carbon footprints, there is increasing pressure for Koluman to supply trailers that offer lower lifecycle emissions and greater fuel efficiency. Failing to meet these demands could result in a loss of market share, as clients seek products that support their sustainability goals. To capitalize on downstream opportunities, Koluman is focusing on developing new, value-added products that use fewer raw materials and emit lower levels of carbon. Our R&D investments are geared toward innovations in trailer design that meet the needs of environmentally conscious customers. This strategy will not only ensure compliance with future market demands but also strengthen our position in an industry where emission reduction is becoming a priority. In summary, env. risks and opportunities have significantly influenced Koluman's strategy across both its upstream and downstream value chains. We are proactively addressing these challenges by investing in R&D to reduce raw material usage, improve efficiency, and meet the growing demand for sustainable products. This approach positions Koluman to stay competitive and resilient in a market increasingly driven by environmental sustainability.

Investment in R&D

(5.3.1.1) Effect type

Select all that apply

☑ Risks

☑ Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

☑ Climate change

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

Koluman Automotive recognizes that innovation and research are critical in addressing both environmental risks and opportunities in its business strategy. In light of these challenges, Koluman has significantly increased its investment in R&D to develop new product designs that reduce raw material usage and lower emissions. This focus on innovation aligns with the company's goal to expand its portfolio with value-added, ecologically aware products, while also meeting the rising demand for sustainable solutions from clients across sectors such as logistics and defense. Our R&D efforts are primarily aimed at creating trailers that use less steel and lighter materials, improving fuel efficiency and reducing emissions. By doing so, we not only address the environmental concerns of our customers but also ensure compliance with evolving carbon regulations. The strategic goal of Koluman's R&D investment is to enhance our product offerings with new patented designs, thereby securing a competitive edge in a market increasingly driven by sustainability. Ultimately, Koluman's strategic investment in R&D positions the company to tackle both the risks of rising raw material costs and the opportunities presented by the growing demand for sustainable products. By investing in cutting-edge technologies and materials, Koluman is reinforcing its commitment to long-term competitiveness and environmental resilience.

Operations

(5.3.1.1) Effect type

Select all that apply

☑ Risks

☑ Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

☑ Climate change

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

Koluman Automotive has integrated environmental risks and opportunities into its operational strategy to align with both business efficiency and sustainability goals. In response to climate-related challenges, Koluman has defined clear strategic targets aimed at improving production efficiency and reducing environmental impacts across its operations. The first key operational target is to increase production efficiency to 78% by 2028. This goal focuses on optimizing manufacturing processes and improving resource management, ensuring that Koluman can maintain high output levels while reducing waste and energy consumption. The commitment to improving operational efficiency reflects the company's awareness of the need to remain competitive while meeting environmental expectations. Additionally, Koluman has set a target to reduce Scope 1 and Scope 2 emissions by 50% by 2028, compared to 2022 levels and net zero by 2050. This significant reduction goal highlights Koluman's commitment to minimizing its carbon footprint, particularly in light of rising regulatory pressures and the need to adapt to a low-carbon economy. To achieve this target, Koluman is investing in energy-efficient technologies, optimizing energy use across its production facilities, investing in R&D, and transitioning to cleaner energy sources where possible. In 2023, the following projects were done under operations; -To improve energy efficiency, the skylight area in Building 3 was increased to maximize the use of natural daylight. This initiative reduces electricity consumption for lighting during daytime hours and contributes to reducing overall Scope 2 emissions, -Lighting fixtures in the AC Axis and Jig Fixture Workshop were sectioned and connected to separate switches, enabling tailored use of lighting based on the specific needs of each area. This measure enhances energy efficiency by reducing unnecessary electricity consumption, -Previously unused

solar energy panels were reactivated through a new installation, enabling the panels to generate renewable energy for the facility's heating and cooling needs. The refurbishment and maintenance enhance the energy system's efficiency, contributing to Scope 2 emissions reductions, -Improvement of the Electrocoat Oven Process: The working duration of the oven has been shortened, and sensor positions have been adjusted to reduce heat loss by keeping the door open for a shorter period.
[Add row]

(5.3.2) Describe where and how environmental risks and opportunities have affected your financial planning.

Row 1

(5.3.2.1) Financial planning elements that have been affected

Select all that apply

☑ Revenues

☑ Capital expenditures

☑ Capital allocation

(5.3.2.2) Effect type

Select all that apply

☑ Risks

☑ Opportunities

(5.3.2.3) Environmental issues relevant to the risks and/or opportunities that have affected these financial planning elements

Select all that apply

☑ Climate change

(5.3.2.4) Describe how environmental risks and/or opportunities have affected these financial planning elements

Koluman Automotive has adapted its financial planning to address the environmental risks and opportunities posed by climate change and shifting regulations. This provided key investments and adjustments in several areas to ensure the company's resilience and competitiveness. R&D Budget Koluman has set aside a dedicated budget for research and development (R&D) to design new, more sustainable products. The focus is on creating lighter, more efficient trailers that reduce raw material usage and emissions. By investing in R&D, Koluman is preparing to meet both customer demand for greener products and future regulatory requirements. Automation to Address Climate Risks In response to growing risks from heat waves and other climate impacts, Koluman is investing in automation systems for its

production lines. Automation will help maintain production efficiency by reducing dependence on human labor in high-heat conditions, which are expected to worsen due to climate change. This investment also ensures long-term cost savings by stabilizing output during extreme weather. Net Zero and Renewable Energy As part of its commitment to reach net zero emissions, Koluman is exploring further renewable energy investments. The company currently uses renewable energy through an agreement with an electricity provider, ensuring a stable and sustainable energy supply. Future renewable energy investments are a key part of Koluman's financial planning, as they help the company reduce its carbon footprint and prepare for stricter environmental regulations. Reducing Embedded Emissions in Products Koluman has also focused on reducing embedded emissions in its products by sourcing steel from electric arc furnace (EAF) producers. These producers use recycled steel, which has lower carbon emissions. This sourcing strategy may increase initial costs, but it aligns with Koluman's long-term goal of reducing the overall environmental impact of its supply chain and complying with future regulations on emissions. Koluman's financial planning reflects its strategic response to environmental risks and opportunities. By investing in R&D, automation, renewable energy, and sustainable sourcing, the company is positioning itself to meet future challenges and maintain its competitive edge in a changing market.
[Add row]

(5.4) In your organization's financial accounting, do you identify spending/revenue that is aligned with your organization's climate transition?

	Identification of spending/revenue that is aligned with your organization's climate transition
	Select from: ☑ No, but we plan to in the next two years

[Fixed row]

(5.5) Does your organization invest in research and development (R&D) of low-carbon products or services related to your sector activities?

(5.5.1) Investment in low-carbon R&D

Select from:
☑ Yes

(5.5.2) Comment

Koluman Automotive is engaged in various innovative projects aimed at improving sustainability and operational efficiency. The Aerodynamic Trailer Project focuses on reducing drag to enhance fuel efficiency, while the Autonomous Technology for Road Sweepers uses deep learning and energy-efficient operations to optimize performance. The Trailer with Dismantlable Chassis reduces fuel consumption and carbon emissions by eliminating welding processes. Projects like Reducing Effects of Weld Stress and Minimizing Welding Applications aim to improve material sustainability and reduce energy usage. The Fan Design for Runway Sweepers and Mechanically Driven High-Efficiency Road Sweeper optimize designs to lower fuel consumption and emissions. Efforts to standardize parts and reduce chemical product usage further minimize environmental impacts. Additionally, fuel-saving projects using auxiliary engines are helping reduce CO2 emissions. Collaborations with 13 universities further support Koluman's research and sustainability initiatives, focusing on low-carbon activities, energy efficiency, and sustainable manufacturing practices.
[Fixed row]

(5.5.8) Provide details of your organization’s investments in low-carbon R&D for transport-related activities over the last three years.

Row 1

(5.5.8.1) Activity

Select all that apply

☑ Heavy Duty Vehicles (HDV)

(5.5.8.2) Technology area

Select from:

☑ Infrastructure

(5.5.8.3) Stage of development in the reporting year

Select from:

☑ Applied research and development

(5.5.8.4) Average % of total R&D investment over the last 3 years

2

(5.5.8.5) R&D investment figure in the reporting year (unit currency as selected in 1.2) (optional)

124851796.38

(5.5.8.6) Average % of total R&D investment planned over the next 5 years

10

(5.5.8.7) Explain how your R&D investment in this technology area is aligned with your climate commitments and/or climate transition plan

Koluman Automotive's R&D projects are directly aligned with its climate-related targets of reducing Scope 1 and 2 emissions by 50% by 2028 and achieving net zero emissions across all scopes by 2050. These projects focus on enhancing energy efficiency, reducing fuel consumption, and minimizing carbon-intensive processes in manufacturing, all of which contribute to significant emissions reductions. For example, the Aerodynamic Trailer Project reduces fuel consumption by improving vehicle performance through lower drag, directly decreasing emissions from transportation. The Autonomous Technology for Road Sweepers uses energy-efficient systems that adjust power usage based on road conditions, further cutting energy consumption. The Trailer with Dismantlable Chassis eliminates welding processes, reducing the carbon emissions typically generated from these activities, aligning with the company's goal to lower energy-intensive processes in manufacturing. In projects like Reducing Weld Stress and Minimizing Welding Applications, efforts to optimize welding methods and reduce the need for high-energy processes help cut energy consumption, directly contributing to the reduction of Scope 1 and 2 emissions. The development of more efficient fan designs for runway and road sweepers reduces fuel needs, contributing to a long-term strategy of lowering operational emissions. Moreover, the use of auxiliary engines optimized for low fuel consumption, as well as efforts to standardize parts and reduce chemical usage, further align with Koluman's goals to improve energy efficiency across all processes, ensuring compliance with long-term emissions targets. By focusing on projects that reduce direct and indirect emissions, Koluman ensures that its R&D efforts contribute toward meeting both its 2028 goal of halving Scope 1 and 2 emissions and its 2050 net zero target across all scopes. These innovations are not only addressing current climate challenges but are also laying the foundation for a more sustainable, low-carbon future.
[Add row]

(5.10) Does your organization use an internal price on environmental externalities?

	Use of internal pricing of environmental externalities	Primary reason for not pricing environmental externalities	Explain why your organization does not price environmental externalities
	Select from: ☑ No, but we plan to in the next two years	*Select from:* ☑ Lack of internal resources, capabilities, or expertise (e.g., due to organization size)	*It's under development. We are planning to apply carbon prices internally based on the EU ETS carbon prices.*

[Fixed row]

(5.11) Do you engage with your value chain on environmental issues?

Suppliers

(5.11.1) Engaging with this stakeholder on environmental issues

Select from:

☑ Yes

(5.11.2) Environmental issues covered

Select all that apply

☑ Climate change

Customers

(5.11.1) Engaging with this stakeholder on environmental issues

Select from:

☑ Yes

(5.11.2) Environmental issues covered

Select all that apply

☑ Climate change

Investors and shareholders

(5.11.1) Engaging with this stakeholder on environmental issues

Select from:

☑ No, and we do not plan to within the next two years

(5.11.3) Primary reason for not engaging with this stakeholder on environmental issues

Select from:

☑ Judged to be unimportant or not relevant

(5.11.4) Explain why you do not engage with this stakeholder on environmental issues

Koluman is not a stockmarket company.

Other value chain stakeholders

(5.11.1) Engaging with this stakeholder on environmental issues

Select from:

☑ Yes

(5.11.2) Environmental issues covered

Select all that apply

☑ Climate change

[Fixed row]

(5.11.1) Does your organization assess and classify suppliers according to their dependencies and/or impacts on the environment?

Climate change

(5.11.1.1) Assessment of supplier dependencies and/or impacts on the environment

Select from:

☑ Yes, we assess the dependencies and/or impacts of our suppliers

(5.11.1.2) Criteria for assessing supplier dependencies and/or impacts on the environment

Select all that apply

☑ Contribution to supplier-related Scope 3 emissions

(5.11.1.3) % Tier 1 suppliers assessed

Select from:

☑ 76-99%

(5.11.1.4) Define a threshold for classifying suppliers as having substantive dependencies and/or impacts on the environment

We assess suppliers representing up to 80% of our procurement spending for their contribution to Scope 3 emissions. If emissions data is unavailable, we use assumptions from sources like DEFRA. Steel suppliers, accounting for about 80% of our Scope 3 emissions, are classified as having substantive environmental impacts due to their significant emissions contribution.

(5.11.1.5) % Tier 1 suppliers meeting the thresholds for substantive dependencies and/or impacts on the environment

Select from:

☑ 1-25%

(5.11.1.6) Number of Tier 1 suppliers meeting the thresholds for substantive dependencies and/or impacts on the environment

45
[Fixed row]

(5.11.2) Does your organization prioritize which suppliers to engage with on environmental issues?

Climate change

(5.11.2.1) Supplier engagement prioritization on this environmental issue

Select from:

☑ Yes, we prioritize which suppliers to engage with on this environmental issue

(5.11.2.2) Criteria informing which suppliers are prioritized for engagement on this environmental issue

Select all that apply

☑ In line with the criteria used to classify suppliers as having substantive dependencies and/or impacts relating to climate change

(5.11.2.4) Please explain

Yes, we prioritize certain suppliers for engagement on environmental issues, particularly those that contribute significantly to our product emissions. As our products contain embedded emissions that must be reported under the Carbon Border Adjustment Mechanism (CBAM), steel suppliers are our top priority. We engage with them to ensure accurate data for emissions reporting and to align our sustainability targets with global standards. We also prioritize suppliers who use scrap steel in their production due to its lower emissions. Additionally, we aim to increase the number of strategically important suppliers that share our environmental goals. This engagement helps us reduce carbon risks, comply with CBAM, and support our long-term sustainability strategy.
[Fixed row]

(5.11.5) Do your suppliers have to meet environmental requirements as part of your organization's purchasing process?

Climate change

(5.11.5.1) Suppliers have to meet specific environmental requirements related to this environmental issue as part of the purchasing process

Select from:

☑ Yes, suppliers have to meet environmental requirements related to this environmental issue, but they are not included in our supplier contracts

(5.11.5.2) Policy in place for addressing supplier non-compliance

Select from:

☑ No, we do not have a policy in place for addressing non-compliance

(5.11.5.3) Comment

Our suppliers are not currently required to meet environmental requirements as part of our purchasing process, as these requirements are not yet included in contracts. However, as part of our sustainability strategy, sustainable procurement practices are under development. Once finalized, these practices will be incorporated into our supplier contracts to ensure that environmental standards are met throughout our supply chain. This will help drive transformative environmental actions across our value chain and align with our long-term sustainability goals.
[Fixed row]

(5.11.6) Provide details of the environmental requirements that suppliers have to meet as part of your organization's purchasing process, and the compliance measures in place.

Climate change

(5.11.6.1) Environmental requirement

Select from:

☑ Compliance with an environmental certification, please specify **:**ISO 14001 Certification

(5.11.6.2) Mechanisms for monitoring compliance with this environmental requirement

Select all that apply

☑ No mechanism for monitoring compliance

(5.11.6.3) % tier 1 suppliers by procurement spend required to comply with this environmental requirement

Select from:

☑ 1-25%

(5.11.6.4) % tier 1 suppliers by procurement spend in compliance with this environmental requirement

Select from:

☑ 1-25%

(5.11.6.7) % tier 1 supplier-related scope 3 emissions attributable to the suppliers required to comply with this environmental requirement

Select from:

☑ 76-99%

(5.11.6.8) % tier 1 supplier-related scope 3 emissions attributable to the suppliers in compliance with this environmental requirement

Select from:

☑ 76-99%

(5.11.6.9) Response to supplier non-compliance with this environmental requirement

Select from:

☑ No response

(5.11.6.12) Comment

ISO 14001 certification is requested from suppliers that are identified as substantially important to our operations. This certification ensures that these key suppliers are managing their environmental responsibilities effectively and aligning with our sustainability goals.
[Add row]

(5.11.7) Provide further details of your organization's supplier engagement on environmental issues.

Climate change

(5.11.7.2) Action driven by supplier engagement

Select from:

☑ No other supplier engagement
[Add row]

(5.11.9) Provide details of any environmental engagement activity with other stakeholders in the value chain.

Climate change

(5.11.9.1) Type of stakeholder

Select from:

☑ Customers

(5.11.9.2) Type and details of engagement

Innovation and collaboration

☑ Collaborate with stakeholders on innovations to reduce environmental impacts in products and services

(5.11.9.3) % of stakeholder type engaged

Select from:

☑ 1-25%

(5.11.9.4) % stakeholder-associated scope 3 emissions

Select from:

☑ 1-25%

(5.11.9.5) Rationale for engaging these stakeholders and scope of engagement

Koluman Automotive engages with customers as key stakeholders in the value chain to drive environmental action, particularly during product development. Since our products are designed either based on client specifications or selected from our approved products, close collaboration with customers is essential. This engagement ensures that we can deliver products that not only meet their functional needs but also minimize environmental impact. We focus on developing products that reduce waste and are lighter in weight, which helps lower emissions during transportation and production. By working directly with customers during the design and development phases, we create products that align with both sustainability goals and customer requirements. This collaborative process helps us reduce material use, improve resource efficiency, and ultimately deliver solutions with a lower environmental footprint. Through this engagement, we foster long-term relationships with customers who share our commitment to sustainability, and we ensure that our product offerings support both their operational goals and broader environmental objectives. This approach helps Koluman address environmental risks and opportunities throughout the value chain, contributing to a more sustainable and responsible business model.

(5.11.9.6) Effect of engagement and measures of success

The engagement with customers during product development has led to tangible outcomes in terms of both environmental impact and business strategy. By collaborating with customers, Koluman Automotive has been able to design lighter, more efficient products that reduce waste and emissions. The lower environmental impact of these products is a key measure of success, as it demonstrates the effectiveness of our sustainability efforts. Additionally, this engagement has resulted in an increased budget for R&D, as the company recognizes the need for continuous innovation to meet both customer demands and environmental goals. By allocating more resources to R&D, Koluman ensures that future product developments will continue to align with sustainability targets and further reduce environmental footprints. This cycle of engagement, innovation, and investment not only strengthens our relationship with customers but also enhances our overall environmental performance.

Climate change

(5.11.9.1) Type of stakeholder

Select from:

☑ Other value chain stakeholder, please specify **:**Universities

(5.11.9.2) Type and details of engagement

Innovation and collaboration

☑ Collaborate with stakeholders on innovations to reduce environmental impacts in products and services

(5.11.9.3) % of stakeholder type engaged

Select from:

☑ Unknown

(5.11.9.4) % stakeholder-associated scope 3 emissions

Select from:

☑ 76-99%

(5.11.9.5) Rationale for engaging these stakeholders and scope of engagement

Koluman Automotive engages with various academic institutions to support its R&D initiatives and reduce embedded emissions, particularly in Scope 3 from steel materials. These collaborations focus on key areas such as green transformation, energy efficiency, and reducing carbon emissions through innovative projects. The partnerships help enhance Koluman's technological capabilities, such as developing demountable chassis trailers and energy-efficient autonomous vehicles, while also contributing to reduced greenhouse gas emissions and improving production processes. Through these engagements, Koluman not only strengthens its sustainability journey but also ensures continuous progress in innovation and operational efficiency, aligned with its low-carbon goals. These collaborations provide scientific insights and practical solutions that help minimize environmental impacts across its value chain.

(5.11.9.6) Effect of engagement and measures of success

The engagement with various academic institutions has had a significant positive impact on Koluman Automotive's operations and sustainability goals. Through these partnerships, Koluman has been able to integrate advanced technologies, such as automation and energy efficiency improvements, directly into its production processes. For example, collaboration on projects like the development of demountable chassis trailers has reduced emissions by eliminating welding processes, while energy efficiency studies have optimized operations and minimized resource consumption. Additionally, these engagements have contributed to a reduction in Scope 3 embedded emissions, particularly from steel materials, aligning Koluman's activities with its long-term low-carbon strategy. The scientific expertise and innovative approaches provided by the universities have helped Koluman advance its R&D efforts and improve operational efficiency, leading to both environmental and financial benefits.
[Add row]

C6. Environmental Performance - Consolidation Approach

(6.1) Provide details on your chosen consolidation approach for the calculation of environmental performance data.

Climate change

(6.1.1) Consolidation approach used

Select from:

☑ Operational control

(6.1.2) Provide the rationale for the choice of consolidation approach

Koluman uses the operational control consolidation approach to calculate and report its environmental performance data, including GHG emissions. This approach was chosen in line with the requirements of ISO 14064-1:2018, under which Koluman has been certified since 2022. By applying operational control, Koluman consolidates all emissions and environmental data from activities over which it has full authority to implement and enforce operational policies. This ensures that all operations under Koluman's direct management are captured in the scope of environmental reporting. The operational control approach aligns with the financial boundaries of the organization, ensuring that both environmental and financial data are consistently consolidated. This method allows for clearer interpretation and comparability of environmental impacts across the organization, helping Koluman to manage, measure, and report its performance accurately in relation to its operational footprint. The choice of this approach also facilitates the alignment of environmental data with science-based target-setting methodologies, as recommended by the GHG Protocol and CDP guidance.

Plastics

(6.1.1) Consolidation approach used

Select from:

☑ Operational control

(6.1.2) Provide the rationale for the choice of consolidation approach

Koluman adopts the operational control approach for its plastics-related environmental performance data to ensure that any plastics management activities within its direct control are covered in environmental reporting. Despite plastics accounting for less than 0.1% of the waste in Koluman's processes, this approach maintains consistency with the methodology used for other environmental issues, such as GHG emissions, in line with CDP's guidance on consolidation approaches. Since the

primary materials in Koluman's operations are metals, plastics do not represent a significant environmental impact or strategic priority for the company. However, by including plastics within the operational control framework, Koluman can still efficiently track, monitor, and manage any potential environmental impacts associated with their minimal use.

Biodiversity

(6.1.1) Consolidation approach used

Select from:

☑ Operational control

(6.1.2) Provide the rationale for the choice of consolidation approach

Koluman uses the operational control approach for its biodiversity-related environmental performance data, consistent with the approach applied to other environmental metrics such as GHG emissions and plastics. This ensures that biodiversity impacts are reported for all areas under Koluman's direct operational authority. The decision-making process related to biodiversity is overseen by the Board of Directors (BoD), which is responsible for setting biodiversity targets and allocating the necessary resources for biodiversity initiatives. By applying the operational control approach, Koluman ensures comprehensive tracking and reporting of its biodiversity performance, facilitating transparency and accountability in its biodiversity conservation efforts.
[Fixed row]

C7. Environmental performance - Climate Change

(7.1.1) Has your organization undergone any structural changes in the reporting year, or are any previous structural changes being accounted for in this disclosure of emissions data?

	Has there been a structural change?
	Select all that apply ☑ No

[Fixed row]

(7.1.2) Has your emissions accounting methodology, boundary, and/or reporting year definition changed in the reporting year?

	Change(s) in methodology, boundary, and/or reporting year definition?
	Select all that apply ☑ No

[Fixed row]

(7.3) Describe your organization's approach to reporting Scope 2 emissions.

(7.3.1) Scope 2, location-based

Select from:

☑ We are reporting a Scope 2, location-based figure

(7.3.2) Scope 2, market-based

Select from:

☑ We are reporting a Scope 2, market-based figure

(7.3.3) Comment

Koluman reports its Scope 2 emissions using both the location-based and market-based methods, in full compliance with the GHG Protocol Scope 2 Guidance. For the market-based approach, Koluman has purchased International Renewable Energy Certificates (I-RECs) to cover 100% of its electricity consumption. In line with standard practice, the emissions factor for the renewable energy sourced through I-RECs is accounted as zero. By reporting both the location-based and market-based emissions figures, Koluman provides a comprehensive view of its Scope 2 emissions. The location-based figure reflects the average emissions intensity of the grid where the electricity is consumed, while the market-based figure, with a zero emissions factor due to the I-RECs, reflects Koluman's commitment to renewable energy.
[Fixed row]

(7.5) Provide your base year and base year emissions.

Scope 1

(7.5.1) Base year end

12/30/2022

(7.5.2) Base year emissions (metric tons CO2e)

2331.18

(7.5.3) Methodological details

Koluman’s Scope 1 emissions are calculated based on the consumption of fuels used for heating, generators, fire pumps, and company-owned vehicles, including both on-road vehicles (such as company cars) and off-road vehicles (such as forklifts). Additionally, fugitive emissions from leakage in fire extinguishers, air conditioning systems, and other cooling units are accounted for. The emission factors used in this calculation are sourced from the IPCC 2006 Guidelines for National Greenhouse Gas Inventories - Volume 2: Energy. The use of primary data ensures the information is directly relevant to the company’s operations, and both the data

and emission factors have been third-party verified as part of the ISO 14064 audit process. The selected reporting year reflects Koluman's current operations and has been verified according to ISO 14064-1, ensuring accuracy and reliability in reporting.

Scope 2 (location-based)

(7.5.1) Base year end

12/30/2022

(7.5.2) Base year emissions (metric tons CO2e)

3405.02

(7.5.3) Methodological details

Koluman's location-based Scope 2 emissions are calculated from electricity consumption drawn directly from the national grid. The emission factor used for this calculation is based on the official "Turkey Electricity Production and Electricity Consumption Point Emission Factors Information Form." The chosen data has been verified under the ISO 14064-1 standard, representing Koluman's actual electricity consumption profile for the reporting year. This method allows for an accurate depiction of the company's emissions, considering the local energy grid's emissions intensity.

Scope 2 (market-based)

(7.5.1) Base year end

12/30/2022

(7.5.2) Base year emissions (metric tons CO2e)

0

(7.5.3) Methodological details

Koluman did not engage in market-based emissions reporting for Scope 2 in the base year 2022, as no renewable energy certificates (e.g., I-RECs) or other market-based contractual instruments were used during that period.

Scope 3 category 1: Purchased goods and services

(7.5.1) Base year end

12/30/2022

(7.5.2) Base year emissions (metric tons CO2e)

78971.02

(7.5.3) Methodological details

Koluman calculates emissions from the purchased goods and services it consumes using a cradle-to-gate approach. This means the emissions are tracked from the extraction of raw materials through the production process up until the goods are delivered to Koluman's operations. The emission factors for these calculations are sourced from DEFRA's (UK Department for Environment, Food & Rural Affairs) comprehensive emissions factor database. This approach ensures that the full lifecycle emissions from purchased goods are accounted for.

Scope 3 category 2: Capital goods

(7.5.3) Methodological details

Koluman does not currently calculate emissions for capital goods, as relevant mass (kg) data is not available. However, the company recognizes the potential emissions associated with this category and may incorporate it into future reporting as data becomes available.

Scope 3 category 3: Fuel-and-energy-related activities (not included in Scope 1 or 2)

(7.5.1) Base year end

12/30/2022

(7.5.2) Base year emissions (metric tons CO2e)

466.04

(7.5.3) Methodological details

For Scope 3 fuel- and energy-related activities, Koluman calculates emissions associated with the extraction, processing, and transportation of fuels (well-to-tank emissions) as well as the distribution and transmission losses from electricity consumption. The emission factors for these activities are taken from the DEFRA database. This ensures that indirect energy-related emissions are accounted for, providing a more comprehensive view of the company's energy footprint.

Scope 3 category 4: Upstream transportation and distribution

(7.5.1) Base year end

12/30/2022

(7.5.2) Base year emissions (metric tons CO2e)

1169.28

(7.5.3) Methodological details

Koluman calculates emissions from the upstream transportation of raw materials, which includes the movement of goods from suppliers to Koluman's operations. These emissions are calculated using DEFRA emission factors, with data obtained from logistics providers and internal records on the transportation modes and distances involved.

Scope 3 category 5: Waste generated in operations

(7.5.1) Base year end

12/30/2022

(7.5.2) Base year emissions (metric tons CO2e)

87.66

(7.5.3) Methodological details

Emissions from waste generated during Koluman's operations are included in its Scope 3 reporting. These emissions are calculated based on DEFRA's waste-related emission factors, which consider the disposal and treatment processes for various types of waste generated on site.

Scope 3 category 6: Business travel

(7.5.1) Base year end

12/30/2022

(7.5.2) Base year emissions (metric tons CO2e)

47.47

(7.5.3) Methodological details

Koluman tracks emissions from business travel, which includes both air travel and hotel accommodations for employee business trips. The calculation is performed using DEFRA emission factors, with data provided by the travel agency handling the company's bookings as well as internal records on travel activity.

Scope 3 category 7: Employee commuting

(7.5.1) Base year end

12/30/2022

(7.5.2) Base year emissions (metric tons CO2e)

79.95

(7.5.3) Methodological details

Emissions from employee commuting are calculated using DEFRA emission factors. Koluman tracks emissions specifically from company-provided transportation services for its employees. Commuting via personal vehicles or public transportation is not included in these calculations. This approach ensures that emissions from company-sponsored commuting activities are accurately accounted for..

Scope 3 category 8: Upstream leased assets

(7.5.3) Methodological details

Koluman does not currently report emissions for upstream leased assets, as this category is not applicable to its operations.

Scope 3 category 9: Downstream transportation and distribution

(7.5.1) Base year end

12/30/2022

(7.5.2) Base year emissions (metric tons CO2e)

2581.32

(7.5.3) Methodological details

Emissions from the downstream transportation of sold products are calculated using DEFRA emission factors. Koluman gathers data from its sales department regarding transportation routes, shipping methods, and distances traveled to deliver products to customers. This data is used directly for emissions reporting in this category.

Scope 3 category 10: Processing of sold products

(7.5.3) Methodological details

This category is not applicable to Koluman’s operations, as the company does not engage in the processing of sold products.

Scope 3 category 11: Use of sold products

(7.5.3) Methodological details

This category is not applicable to Koluman’s operations, as the company does not include emissions from the use of sold products in its current reporting.

Scope 3 category 12: End of life treatment of sold products

(7.5.1) Base year end

12/30/2022

(7.5.2) Base year emissions (metric tons CO2e)

1725.89

(7.5.3) Methodological details

Koluman calculates emissions from the end-of-life treatment of its sold products. The emissions are estimated using DEFRA’s end-of-life treatment emission factors, which consider the disposal and recycling processes applicable to the materials in Koluman’s product range.

Scope 3 category 13: Downstream leased assets

(7.5.3) Methodological details

Koluman does not report emissions for downstream leased assets, as this category is not applicable to its operations.

Scope 3 category 14: Franchises

(7.5.3) Methodological details

This category is not applicable, as Koluman does not operate any franchises.

Scope 3 category 15: Investments

(7.5.3) Methodological details

This category is not applicable, as Koluman does not include investments in its current emissions reporting.

Scope 3: Other (upstream)

(7.5.3) Methodological details

There are no other upstream emissions categories applicable to Koluman's operations.

Scope 3: Other (downstream)

(7.5.3) Methodological details

There are no other downstream emissions categories applicable to Koluman's operations.
[Fixed row]

(7.6) What were your organization's gross global Scope 1 emissions in metric tons CO2e?

Reporting year

(7.6.1) Gross global Scope 1 emissions (metric tons CO2e)

2464.66

(7.6.3) Methodological details

Koluman's gross Scope 1 emissions for the reporting year amount to 2,464.66 metric tons of CO2 equivalent. These emissions are generated from fuel consumption for heating, generators, and fire pumps, as well as from company-owned on-road vehicles (such as cars) and off-road vehicles (such as forklifts). Fugitive emissions from leakage in fire extinguishers, air conditioning systems, and other cooling units are also included. The activity data for fuel consumption was collected from primary sources, such as invoices and meter readings, ensuring high accuracy and direct relevance to the company's operations. The emission factors used for calculating fuel-related emissions were derived from the IPCC 2006 Guidelines for National Greenhouse Gas Inventories - Volume 2: Energy and are as follows: Natural Gas: 56,100 kg CO2/TJ Diesel: 74,100 kg CO2/TJ Gasoline: 69,300 kg CO2/TJ For fugitive emissions, Koluman establishes an inventory for each gas type and quantity. Assumptions for leakage were made based on the 2019 Refinement to the 2006 IPCC Guidelines for National Greenhouse Gas Inventories, specifically from Volume 3: Industrial Processes and Product Use / Chapter 7 (ODS Substitutes). The assumed leakage rates are: Refrigerants: 1% of the total gas volume, Chillers: 2% of the total gas volume, Fire extinguishers: 2% of the total gas volume. Since the data for fuel consumption was collected from primary sources, no estimates were required. All Scope 1 emissions data, including fugitive emissions calculations, have been third-party verified under ISO 14064-1, ensuring both accuracy and reliability in the reported figures.
[Fixed row]

(7.7) What were your organization's gross global Scope 2 emissions in metric tons CO2e?

Reporting year

(7.7.1) Gross global Scope 2, location-based emissions (metric tons CO2e)

4992.38

(7.7.2) Gross global Scope 2, market-based emissions (metric tons CO2e) (if applicable)

0

(7.7.4) Methodological details

Koluman's total electricity consumption for the reporting year was 11,372,158 kWh. To calculate Scope 2 emissions, two approaches were used in compliance with the GHG Protocol: the location-based and the market-based methods. Location-based emissions: The location-based method applies the average grid emission factor for Turkey. Koluman used an emission factor of 0.439 kg CO2/kWh for grid electricity, sourced from the Turkey Electricity Production and Consumption Point

Emission Factors Information Form. Based on this factor, Koluman's gross location-based Scope 2 emissions were calculated as 4,992.38 metric tons CO2e. Market-based emissions: For the market-based method, Koluman used International Renewable Energy Certificates (I-RECs) to cover 100% of its electricity consumption. The emission factor for electricity covered by I-RECs was set to 0 kg CO2/kWh, in line with standard market-based accounting principles. As a result, Koluman's market-based Scope 2 emissions for the reporting year are reported as zero. All data, including emission factors and electricity consumption, have been verified by third-party auditors under ISO 14064-1, ensuring accuracy and transparency in the reporting.
[Fixed row]

(7.8) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

(7.8.1) Evaluation status

Select from:
☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

37272.03

(7.8.3) Emissions calculation methodology

Select all that apply
☑ Average data method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

Koluman's Scope 3 emissions for purchased goods and services were calculated using the average-data method, as outlined by the GHG Protocol's Scope 3 guidance. This approach involved collecting data on the mass (kg) of purchased goods/materials for the reporting year and applying relevant cradle-to-gate emission factors from secondary data sources. Data Collection and Sources: Activity Data: The mass of purchased goods was obtained from Koluman's internal data systems, including purchasing records and bills of materials. For the reporting year, data on approximately 80% of purchased goods, for which weight information was available, was included in the emissions calculation. Emission Factors: Cradle-to-gate emission factors were sourced from the DEFRA Greenhouse Gas Reporting

Conversion Factors. The emission factors were matched to relevant product categories based on the type of goods purchased. Methodology and Assumptions: The calculation was performed by multiplying the mass of purchased goods (in kg) by the corresponding cradle-to-gate emission factors from DEFRA. For categories of purchased goods where weight data was unavailable, assumptions were made to exclude those products from the calculation. This method assumes that the excluded 20% of goods is not materially significant to the overall emissions footprint. Data Quality and Verification: All Scope 3 emissions, including those from purchased goods and services, have been verified by a third party under the ISO 14064 standard, ensuring accuracy and reliability of the reported data. Koluman is continuing to improve data collection processes, with a particular focus on ensuring that weight data for all purchased goods is recorded. The aim is to include 100% of purchased goods in future reporting cycles for even more comprehensive emissions reporting. Calculation Boundary: The boundary for this calculation covers all direct emissions related to the production of purchased goods to Koluman's facilities. In conclusion, Koluman's Scope 3 emissions for purchased goods and services were calculated using the average-data method, with 80% of goods included based on available mass data. Improvements in data collection are ongoing to enhance the completeness of future calculations.

Capital goods

(7.8.1) Evaluation status

Select from:

☑ Relevant, not yet calculated

(7.8.5) Please explain

Due to the absence of necessary weight data, Koluman was unable to calculate emissions from capital goods for the reporting year. However, improvements have been initiated to ensure systematic recording of this data in future reporting cycles. Emissions will be calculated using cradle-to-gate emission factors from DEFRA, and the process will undergo third-party verification.

Fuel-and-energy-related activities (not included in Scope 1 or 2)

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

914.93

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Average data method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

The emissions from fuel-and-energy-related activities were calculated using the average-data method. This category covers emissions from the extraction, production, and transportation of fuels consumed in Scope 1 activities, as well as the upstream emissions from the production of electricity consumed in Scope 2. The emissions from the combustion of fuels are already included in Scope 1, and those from electricity generation are reported under Scope 2, as per GHG Protocol guidance. Data Collection and Sources: Activity Data: Quantities of fuel and electricity consumed were taken from Koluman's Scope 1 and 2 GHG inventories, which include details on fuel types and electricity consumption. Emission Factors: Fuel: DEFRA emission factors for upstream fuel emissions, excluding combustion, were used to capture emissions related to extraction, processing, and transportation of fuels. Electricity: National electricity factors for Turkey were applied to estimate emissions related to the upstream processes involved in electricity generation, excluding combustion. Methodology and Assumptions: The emissions calculation was based on the quantity of fuel and electricity consumed, multiplied by the corresponding Well-to-Tank (WTT) emission factors. This ensures that only upstream emissions from the extraction and production processes are included. For electricity, life cycle emission factors that exclude combustion were used, in line with the GHG Protocol's Scope 3 guidance. Fuel: The emissions from the extraction, processing, and transportation of fuels were calculated using DEFRA's WTT factors. Electricity: The upstream emissions associated with electricity production were calculated using national grid emission factors, which exclude combustion-related emissions that are already accounted for in Scope 2. Data Quality and Verification: All Scope 3 emissions in this category have been verified by a third party under the ISO 14064 standard, ensuring the accuracy and transparency of the reported data. Boundary: The boundary for this calculation covers emissions from the extraction, production, and transportation of fuels and electricity consumed by Koluman. This includes upstream processes but excludes emissions from the combustion of fuels and electricity generation, as these are reported in Scope 1 and 2, respectively.

Upstream transportation and distribution

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

602.76

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Distance-based method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

Koluman's emissions from upstream transportation and distribution were determined through the distance-based method, calculating emissions for goods transported from Tier 1 suppliers. This category includes emissions resulting from the transportation of purchased goods from Tier 1 suppliers to Koluman's operations. Transportation activities that fall under Koluman's operational control were included, but transport beyond Tier 1 suppliers was excluded. Data Collection and Sources: Activity Data: The mass of transported goods was gathered from purchasing records and internal data systems. Distances traveled were estimated using online maps and theoretical shortest distances where actual data was unavailable. Emission Factors: DEFRA emission factors were used for each mode of transport (e.g., road, rail, sea) and applied per tonne-kilometer of transported goods. These emission factors reflect the average fuel consumption, utilization, and GHG emissions per transportation mode. Methodology and Assumptions: The distance-based method was applied by multiplying the mass (tonnes) of the transported goods by the distance traveled (in kilometers) and then multiplying the result by the appropriate emission factors for the mode of transport. Different transport legs were calculated separately, and total emissions were aggregated. Since exact mileage data was not available for all shipments, theoretical shortest distances were used as a conservative estimate. Assumptions: Transportation within Koluman's operational control was included, while upstream transportation beyond Tier 1 suppliers was excluded. Theoretical distances were used for some transportation legs where actual data was unavailable. Data Quality and Verification: All Scope 3 emissions in this category, including data collection and calculations, were third-party verified under ISO 14064, ensuring accuracy and completeness of the reported emissions. Boundary: The boundary for this calculation includes all transportation activities between Tier 1 suppliers and Koluman's operations.

Waste generated in operations

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

64.76

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Waste-type-specific method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

Koluman's Scope 3 emissions from waste generated during operations were calculated using the waste-type-specific method. This category covers emissions from the third-party disposal and treatment of solid waste generated in Koluman's operations. Wastewater emissions were excluded, as they are non-process related and are directed to the municipality sewage system, making their contribution insignificant and uncertain. Data Collection and Sources: Activity Data: Koluman collected data on the type and quantity of waste (in tonnes) generated from its operations, sourced from waste service providers. This included detailed breakdowns of waste types and their corresponding treatment methods (e.g., landfill, recycling). Emission Factors: DEFRA emission factors were applied based on the type of waste and the specific disposal method. These factors include the emissions from the full end-of-life process, such as decomposition in landfills or emissions from incineration. Methodology and Assumptions: Emissions were calculated by multiplying the mass of each waste type by the corresponding DEFRA emission factors for the applied disposal methods. The waste included in the calculations was categorized by type (e.g., paper, plastic, metals), with each type aligned to its specific treatment (e.g., landfill, incineration, recycling). - Wastewater was excluded due to its administrative nature and the high uncertainty of associated emissions. - Emissions from waste transportation were not separately included, as the DEFRA emission factors already account for the transportation involved in waste disposal. Data Quality and Verification: All Scope 3 emissions from waste were verified by a third party under ISO 14064, ensuring accuracy and reliability in the reported data. Boundary: The boundary includes emissions from the treatment of solid waste by third-party facilities. Wastewater and process-related waste emissions were excluded due to their negligible impact. Additionally, transportation emissions related to waste were not separately accounted for, as they are included in the DEFRA emission factors used.

Business travel

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

72.29

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Distance-based method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

Koluman's Scope 3 emissions from business travel were calculated using the distance-based method. This category includes emissions from employee air travel and hotel stays, as well as emissions related to client visits to Koluman's facilities, where the travel arrangements were made by the company. Rental car emissions were excluded due to the lack of available data, and road travel emissions from company vehicles were accounted for under Scope 1. Data Collection and Sources: Activity Data: Koluman gathered data on the total distance traveled by employees for air travel and the number of hotel nights. These data were sourced from the company's travel agency and internal booking systems. Emission Factors: DEFRA emission factors were applied for both air travel and hotel stays. For countries where DEFRA does not provide a specific emission factor for hotel stays, an equivalent country was selected based on geographic and electricity grid similarity to apply an appropriate emission factor. Methodology and Assumptions: The distance-based method was used to calculate air travel emissions, with the total flight distance multiplied by the appropriate DEFRA emission factors for the relevant aircraft type. Hotel stay emissions were calculated based on the number of nights spent, with DEFRA's hotel-specific emission factors applied. In cases where country-specific emission factors were unavailable, factors from a geographically and electrically similar country were used as a proxy. - Emissions from rental cars were excluded due to data unavailability. - Road travel by company vehicles was excluded from this category as it was already accounted for under Scope 1. - For countries without a DEFRA hotel emission factor, a similar country's emission factor was used. Data Quality and Verification: All Scope 3 emissions from business travel were verified by a third party under ISO 14064. The data and methodology used, including the selection of proxy countries for hotel stay emissions, were reviewed to ensure accuracy and transparency. Boundary: The boundary includes emissions from employee air travel and hotel stays, as well as client travel when arranged by Koluman. Travel managed independently by clients, as well as rental car usage, was excluded due to data limitations.

Employee commuting

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

2638.76

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Distance-based method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

Koluman's Scope 3 emissions from employee commuting were calculated using the distance-based method. This category includes emissions from company-provided transportation services, such as shuttle buses used by employees to commute between their homes and work facilities. Public transportation commuting and emissions from remote working were excluded due to data limitations. Data Collection and Sources: Activity Data: The data on the number of employees using the shuttle service and the distances traveled was obtained from contracts and invoices provided by Koluman's transportation service supplier. These documents detail the total distance traveled by the shuttle buses and the number of passengers using the service. Emission Factors: DEFRA emission factors were applied to calculate the emissions from employee commuting, based on the total kilometers traveled by company-provided buses. These factors account for CO2e emissions per passenger-kilometer traveled. Methodology and Assumptions: The distance-based method was applied by multiplying the total distance traveled by shuttle buses by the appropriate DEFRA emission factors. Since data on public transportation usage and remote working emissions was unavailable, these were excluded from the calculation. - Only company-managed transportation services (e.g., shuttle buses) were included in the calculation. - Public transportation commuting and emissions from remote working were excluded due to data limitations. Data Quality and Verification: All Scope 3 emissions related to employee commuting were verified by a third party under ISO 14064, ensuring transparency and accuracy of the reported data. Boundary: The boundary includes emissions from employee commuting via company-provided transportation services. Public transportation and remote working emissions were excluded due to the unavailability of sufficient data. The calculation covers only the Well-to-Wheel (WTW) emissions from company-managed shuttle buses.

Upstream leased assets

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

Emissions from upstream leased assets are not relevant to Koluman, as the company does not lease any assets from third parties in the upstream stages of its operations. In the reporting year, Koluman either owns the assets it operates or leases downstream assets to other parties, which are accounted for in other categories. Therefore, this category does not apply to Koluman's emissions inventory. According to the GHG Protocol, this category would typically include emissions from the operation of assets leased by Koluman that are not already included in Scope 1 or Scope 2. Since Koluman does not lease upstream assets, there are no relevant emissions to report under this category.

Downstream transportation and distribution

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

38.62

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Distance-based method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

Koluman's Scope 3 emissions from downstream transportation and distribution were calculated using the distance-based method. This category includes emissions from the transportation of products to the first customer after the point of sale. Transportation activities beyond the first customer, such as further distribution or retail, were excluded. Data Collection and Sources: Activity Data: The total distance traveled by products from Koluman's facilities to the first customer was collected. Data was obtained from internal logistics records, covering transport modes such as road, sea, and air. Where exact distances were unavailable, online maps and tools were used to estimate the shortest transportation routes. Emission Factors: DEFRA emission factors were applied for each mode of transport (e.g., road, sea, air), accounting for CO2e emissions per tonne-kilometer traveled. These factors reflect emissions based on the distance traveled for different transportation modes. Methodology and Assumptions: The distance-based method was applied by multiplying the mass of goods transported (in tonnes) by the distance traveled (in kilometers) and applying the appropriate DEFRA emission factors for each transport mode. Each leg of the transportation process was calculated separately, and the total emissions were aggregated. - Emissions from transportation were only included up to the first point of sale (i.e., the first customer). - Further downstream transportation or distribution (e.g., from the first customer to subsequent buyers or retail locations) was excluded from the calculations. Data Quality and Verification: All Scope 3 emissions in this category were verified by a third party under ISO 14064, ensuring transparency and reliability of the reported data. Boundary: The boundary for this calculation includes emissions from the transportation of products from Koluman's facilities to the first customer, covering all modes of transport used. Further downstream emissions, including transportation beyond the first customer and any retail or storage emissions, were excluded from the boundary.

Processing of sold products

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

Emissions from the processing of sold products are not relevant for Koluman, as the products sold do not undergo significant energy- or emission-intensive processing after being sold. Koluman's products are typically sold as final products, or if intermediate, they do not require further transformation or energy-intensive processes before reaching the end consumer. According to the GHG Protocol, this category includes emissions from the processing of sold intermediate products by third parties, which could involve further manufacturing, transformation, or inclusion in other products. However, Koluman's products do not require such processes that would result in significant emissions from downstream processing. Therefore, emissions from this category were not calculated.

Use of sold products

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

Emissions from the use of sold products were not included in Koluman's Scope 3 inventory, as the products sold do not lead to significant energy or fuel consumption during their usage. Koluman's products are either final goods that do not consume energy during their use phase or are intermediate products that do not require substantial energy input for their operation by end users. According to the GHG Protocol, this category includes emissions from the direct and indirect use-phase of sold products. Direct use-phase emissions result from the operation of products that consume energy or fuel.

End of life treatment of sold products

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

29.78

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Waste-type-specific method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

Koluman's Scope 3 emissions from the end-of-life treatment of sold products were calculated using the waste-type-specific method. This category includes emissions resulting from the disposal of Koluman's sold products, such as trailers and semi-trailers, after their usage by consumers. The calculation covers the total expected emissions from all products sold in the reporting year, including both landfill and recycling processes. Data Collection and Sources: Activity Data: Koluman collected data on the total mass of the sold products at the point of sale. The proportions of end-of-life disposal were estimated based on national recycling and waste management statistics provided by TÜİK (Turkish Statistical Institute). Emission Factors: DEFRA emission factors were used for both landfill and recycling processes. These factors account for the greenhouse gases emitted during waste treatment and disposal, such as methane (CH4) from landfills and the energy savings from recycling processes. Methodology and Assumptions: The waste-type-specific method was applied by multiplying the total mass of sold products by the proportion of waste treated by different methods (landfill and recycling) and the relevant DEFRA emission factors. This method assumes that the recycling and landfill rates are based on national statistics, which provide a reasonable estimation of consumer disposal behaviors for Koluman's products. Data Quality and Verification: All Scope 3 emissions related to the end-of-life treatment of sold products were verified by a third party under ISO 14064, ensuring transparency and reliability of the reported data. Boundary: The boundary for this calculation includes emissions from the treatment of Koluman's sold products at the end of their life, covering both landfill and recycling processes. The calculation does not include any downstream transportation or additional disposal processes beyond the initial treatment of waste.

Downstream leased assets

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

Emissions from downstream leased assets are not relevant to Koluman, as the company does not lease any assets downstream. In the reporting year, Koluman neither leased out assets to other entities nor acted as a lessor in any capacity. Consequently, this category does not apply to Koluman's emissions inventory. According to the GHG Protocol, this category would include emissions from assets owned by Koluman and leased to other entities, where the emissions from these leased assets would typically arise from the scope 1 and scope 2 emissions of the lessees. However, since Koluman does not engage in downstream leasing, this

category is excluded from the company's emissions inventory. This exclusion is based on the company's operational structure, which does not involve leasing downstream assets. Given this operational reality, Koluman has concluded that emissions from downstream leased assets are not relevant and have therefore not been calculated or included in the Scope 3 inventory.

Franchises

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

Emissions from franchises are not relevant to Koluman, as the company does not operate any franchises. Koluman neither grants franchise licenses nor has any franchisees selling or distributing its goods or services. Therefore, this category is not applicable to Koluman's operations and emissions reporting. According to the GHG Protocol, this category would typically include the scope 1 and scope 2 emissions from the operation of franchises granted by Koluman to third-party entities. However, as Koluman does not engage in any franchising activities, there are no emissions to report in this category. Given this operational reality, Koluman has concluded that emissions from franchises are not relevant and have therefore not been calculated or included in the Scope 3 inventory.

Investments

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

Emissions from investments are not relevant to Koluman, as the company does not engage in any investment activities that would generate Scope 3 emissions. Koluman's operations do not include providing capital or financing as a service, and the company is not involved in activities such as private equity investments, asset management, or financial services that would typically fall under this category. Therefore, this category is not applicable to Koluman's emissions inventory. According to the GHG Protocol, this category primarily applies to private financial institutions (e.g., commercial banks) or other entities that provide capital or financing, where the emissions associated with these investments would be the scope 1 and scope 2 emissions of the investees. However, since Koluman does not engage in investment activities, this category is excluded from the company's Scope 3 inventory. The exclusion is justified based on the company's core business model, which does not involve financial services or investment-related operations.

Other (upstream)

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

No other upstream emission sources were identified that are not already accounted for in other categories.

Other (downstream)

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

No other downstream emission sources were identified that are not already accounted for in other categories.
[Fixed row]

(7.9) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	*Select from:* ☑ Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	*Select from:* ☑ Third-party verification or assurance process in place

	Verification/assurance status
Scope 3	*Select from:* ☑ Third-party verification or assurance process in place

[Fixed row]

(7.9.1) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

Row 1

(7.9.1.1) Verification or assurance cycle in place

Select from:

☑ Annual process

(7.9.1.2) Status in the current reporting year

Select from:

☑ Complete

(7.9.1.3) Type of verification or assurance

Select from:

☑ Reasonable assurance

(7.9.1.4) Attach the statement

Koluman 14064_Verification Statement.pdf

(7.9.1.5) Page/section reference

Koluman's Scope 1 emissions have been independently verified in accordance with ISO 14064-1:2018 for the reporting period from 01.01.2023 to 31.12.2023. The verification process provided reasonable assurance and 100% of the reported Scope 1 emissions were covered. The details of this verification are documented in the attached verification statement.

(7.9.1.6) Relevant standard

Select from:

☑ ISO14064-1

(7.9.1.7) Proportion of reported emissions verified (%)

100
[Add row]

(7.9.2) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

Row 1

(7.9.2.1) Scope 2 approach

Select from:

☑ Scope 2 location-based

(7.9.2.2) Verification or assurance cycle in place

Select from:

☑ Annual process

(7.9.2.3) Status in the current reporting year

Select from:

☑ Complete

(7.9.2.4) Type of verification or assurance

Select from:

☑ Reasonable assurance

(7.9.2.5) Attach the statement

Koluman 14064_Verification Statement.pdf

(7.9.2.6) Page/ section reference

The Scope 2 (location-based) emissions for Koluman. have been fully verified under ISO 14064-1:2018 for the 2023 reporting period. The verification provided reasonable assurance, and 100% of the reported Scope 2 (location-based) emissions were included in the verification. Refer to the attached verification statement for further details.

(7.9.2.7) Relevant standard

Select from:

☑ ISO14064-1

(7.9.2.8) Proportion of reported emissions verified (%)

100

Row 2

(7.9.2.1) Scope 2 approach

Select from:

☑ Scope 2 market-based

(7.9.2.2) Verification or assurance cycle in place

Select from:

☑ Annual process

(7.9.2.3) Status in the current reporting year

Select from:

☑ Complete

(7.9.2.4) Type of verification or assurance

Select from:

☑ Reasonable assurance

(7.9.2.5) Attach the statement

Koluman 14064_Verification Statement.pdf

(7.9.2.6) Page/ section reference

The Scope 2 (market-based) emissions for Koluman, have been fully verified under ISO 14064-1:2018 for the reporting period from 01.01.2023 to 31.12.2023. The verification provided reasonable assurance, and 100% of the reported Scope 2 (market-based) emissions were verified. Please see the attached verification statement for complete information.

(7.9.2.7) Relevant standard

Select from:

☑ ISO14064-1

(7.9.2.8) Proportion of reported emissions verified (%)

100
[Add row]

(7.9.3) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.

Row 1

(7.9.3.1) Scope 3 category

Select all that apply

- ☑ Scope 3: Business travel
- ☑ Scope 3: Employee commuting
- ☑ Scope 3: Purchased goods and services
- ☑ Scope 3: Waste generated in operations
- ☑ Scope 3: End-of-life treatment of sold products
- ☑ Scope 3: Upstream transportation and distribution
- ☑ Scope 3: Downstream transportation and distribution
- ☑ Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2)

(7.9.3.2) Verification or assurance cycle in place

Select from:

☑ Annual process

(7.9.3.3) Status in the current reporting year

Select from:

☑ Complete

(7.9.3.4) Type of verification or assurance

Select from:

☑ Reasonable assurance

(7.9.3.5) Attach the statement

Koluman 14064_Verification Statement.pdf

(7.9.3.6) Page/section reference

The attached verification statement verifies the Scope 3 emissions for Koluman, in accordance with ISO 14064-1:2018, for the reporting period of 01.01.2023 to 31.12.2023. The verification provides reasonable assurance, with 100% of the reported Scope 3 emissions. Please refer to the attached verification statement.

(7.9.3.7) Relevant standard

Select from:

☑ ISO14064-1

(7.9.3.8) Proportion of reported emissions verified (%)

100
[Add row]

(7.10.1) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

Change in renewable energy consumption

(7.10.1.1) Change in emissions (metric tons CO2e)

3088

(7.10.1.2) Direction of change in emissions

Select from:

☑ Decreased

(7.10.1.3) Emissions value (percentage)

54

(7.10.1.4) Please explain calculation

*Koluman's use of I-REC certificates covered 100% of its electricity consumption (11,372 MWh) in the reporting year, reducing Scope 2 emissions to zero. The previous year's electricity consumption (7,035 MWh) contributed 3,088 metric tons CO2e (calculated as: 7,035 MWh * 0.439 tCO2/MWh). This shift to renewable energy resulted in a 54% decrease compared to the previous year, calculated as: (-3,088 / 5,736) * 100 -54%.*

Other emissions reduction activities

(7.10.1.1) Change in emissions (metric tons CO2e)

1607

(7.10.1.2) Direction of change in emissions

Select from:

☑ Decreased

(7.10.1.3) Emissions value (percentage)

28

(7.10.1.4) Please explain calculation

*Koluman implemented several energy efficiency projects during the reporting year, contributing to a reduction in Scope 1 and 2 emissions. One significant project was the increase in the number of roof skylights, allowing more natural daylight into the production areas. This project, initiated in October 2022, replaced older panels with new ones, adding an additional 700 square meters of skylights. This improvement resulted in the reduced use of artificial lighting during daylight hours, leading to significant energy savings. Other energy efficiency initiatives included replacing fluorescent lighting with energy-efficient LED lighting across multiple production halls, further decreasing electricity consumption. These measures resulted in a total reduction of 1.607 metric tons of CO2e for the reporting year. All these initiatives align with Koluman's broader strategy of enhancing energy efficiency and reducing greenhouse gas emissions across its operations. Emissions reduction activities led to a reduction of 1,607 metric tons CO2e. This represents a 28% reduction, calculated as: (-1,607 / 5,736) * 100 -28%.*

Change in output

(7.10.1.1) Change in emissions (metric tons CO2e)

1424

(7.10.1.2) Direction of change in emissions

Select from:

☑ Increased

(7.10.1.3) Emissions value (percentage)

25

(7.10.1.4) Please explain calculation

*Koluman's production increased by 7,021 tons in the reporting year, which led to higher emissions. The emissions intensity for production was 0.2027 tCO2/ton. This production increase caused an emissions rise of 1,424 metric tons CO2e. However, despite this increase in emissions due to higher output, Koluman implemented several emissions reduction initiatives. These initiatives, combined with the use of renewable energy, resulted in a significant overall decrease in total emissions. Without these measures, the increase in output would have led to a larger rise in total emissions. The combined effect of these efforts shows that Koluman's commitment to reducing its carbon footprint successfully offset the potential emissions growth from increased production. Koluman's production output increased by 7,021 tons, resulting in an emissions increase. With an emissions intensity of 0.2027 tCO2 per ton, this output increase caused an additional 1,424 metric tons CO2e. The production-related emissions rise contributed a 25% increase, calculated as: (1,424 / 5,736) * 100 25%.*
[Fixed row]

(7.15.1) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used global warming potential (GWP).

Row 1

(7.15.1.1) Greenhouse gas

Select from:
☑ CO2

(7.15.1.2) Scope 1 emissions (metric tons of CO2e)

2408.77

(7.15.1.3) GWP Reference

Select from:
☑ IPCC Sixth Assessment Report (AR6 - 100 year)

Row 2

(7.15.1.1) Greenhouse gas

Select from:

☑ CH4

(7.15.1.2) Scope 1 emissions (metric tons of CO2e)

1.79

(7.15.1.3) GWP Reference

Select from:

☑ IPCC Sixth Assessment Report (AR6 - 100 year)

Row 3

(7.15.1.1) Greenhouse gas

Select from:

☑ N2O

(7.15.1.2) Scope 1 emissions (metric tons of CO2e)

35.77

(7.15.1.3) GWP Reference

Select from:

☑ IPCC Sixth Assessment Report (AR6 - 100 year)

Row 4

(7.15.1.1) Greenhouse gas

Select from:

☑ HFCs

(7.15.1.2) Scope 1 emissions (metric tons of CO2e)

3.22

(7.15.1.3) GWP Reference

Select from:

☑ IPCC Sixth Assessment Report (AR6 - 100 year)

Row 5

(7.15.1.1) Greenhouse gas

Select from:

☑ SF6

(7.15.1.2) Scope 1 emissions (metric tons of CO2e)

15.1

(7.15.1.3) GWP Reference

Select from:

☑ IPCC Sixth Assessment Report (AR6 - 100 year)

[Add row]

(7.16) Break down your total gross global Scope 1 and 2 emissions by country/area.

	Scope 1 emissions (metric tons CO2e)	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Turkey	*2464.66*	*4992.38*	*0*

[Fixed row]

(7.17.2) Break down your total gross global Scope 1 emissions by business facility.

Row 1

(7.17.2.1) Facility

Tarsus, Mersin Facility

(7.17.2.2) Scope 1 emissions (metric tons CO2e)

2464.66

(7.17.2.3) Latitude

36.954

(7.17.2.4) Longitude

34.998
[Add row]

(7.17.3) Break down your total gross global Scope 1 emissions by business activity.

	Activity	Scope 1 emissions (metric tons CO2e)
Row 1	*Heating and generators*	*1894.79*
Row 2	*Company cars*	*219.01*
Row 3	*Forklift, grass mower etc.*	*332.53*
Row 4	*Air conditioning and fire extinguisher*	*18.33*

[Add row]

(7.19) Break down your organization’s total gross global Scope 1 emissions by sector production activity in metric tons CO2e.

Transport OEM activities

(7.19.1) Gross Scope 1 emissions, metric tons CO2e

2.465

(7.19.3) Comment

Koluman's total gross global Scope 1 emissions for the reporting year amount to 2,464.66 metric tons CO2e, attributed entirely to production activities. These emissions encompass stationary combustion, mobile combustion, and process emissions. The emissions calculation was performed in accordance with the GHG Protocol standards, ensuring comprehensive coverage of all operational activities related to production processes. This includes fuel combustion in production equipment and transportation vehicles within Koluman’s control. All emissions sources directly linked to the production of transport equipment (e.g., trailers, semi-trailers) were included. The calculation was verified under ISO 14064 to ensure precision and transparency.
[Fixed row]

(7.20.2) Break down your total gross global Scope 2 emissions by business facility.

	Facility	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Row 1	*Tarsus, Mersin Facility*	*4.992*	*0*

[Add row]

(7.21) Break down your organization’s total gross global Scope 2 emissions by sector production activity in metric tons CO2e.

Transport OEM activities

(7.21.1) Scope 2, location-based, metric tons CO2e

4992

(7.21.2) Scope 2, market-based (if applicable), metric tons CO2e

0

(7.21.3) Comment

Koluman has actively reduced its market-based Scope 2 emissions to zero by sourcing 100% of its electricity consumption through certified I-REC certificates, which ensures that all purchased electricity is backed by renewable energy sources. All Scope 2 emissions are related to production activities. Koluman sourced 100% of its electricity consumption (11,372 MWh) through I-REC certificates, reducing its Scope 2 market-based emissions to zero. This practice aligns with the company's sustainability goals and reduces its overall carbon footprint.
[Fixed row]

(7.22) Break down your gross Scope 1 and Scope 2 emissions between your consolidated accounting group and other entities included in your response.

Consolidated accounting group

(7.22.1) Scope 1 emissions (metric tons CO2e)

2.465

(7.22.2) Scope 2, location-based emissions (metric tons CO2e)

4.992

(7.22.3) Scope 2, market-based emissions (metric tons CO2e)

0

(7.22.4) Please explain

All Scope 1 and Scope 2 emissions reported are associated with Koluman's consolidated accounting group, which includes all production facilities and operations directly under Koluman's financial control. Koluman sourced 100% of its electricity consumption through I-REC certificates, resulting in zero Scope 2 market-based emissions.

All other entities

(7.22.1) Scope 1 emissions (metric tons CO2e)

0

(7.22.2) Scope 2, location-based emissions (metric tons CO2e)

0

(7.22.3) Scope 2, market-based emissions (metric tons CO2e)

0

(7.22.4) Please explain

There are no other entities outside of Koluman's consolidated accounting group included in the reporting. All emissions data reported pertains to the consolidated group.
[Fixed row]

(7.30) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	*Select from:* ☑ Yes
Consumption of purchased or acquired electricity	*Select from:* ☑ Yes
Consumption of purchased or acquired heat	*Select from:*

	Indicate whether your organization undertook this energy-related activity in the reporting year
	☑ No
Consumption of purchased or acquired steam	*Select from:* ☑ No
Consumption of purchased or acquired cooling	*Select from:* ☑ No
Generation of electricity, heat, steam, or cooling	*Select from:* ☑ No

[Fixed row]

(7.30.1) Report your organization’s energy consumption totals (excluding feedstocks) in MWh.

Consumption of fuel (excluding feedstock)

(7.30.1.1) Heating value

Select from:

☑ LHV (lower heating value)

(7.30.1.2) MWh from renewable sources

0

(7.30.1.3) MWh from non-renewable sources

11203

(7.30.1.4) Total (renewable and non-renewable) MWh

11203

Consumption of purchased or acquired electricity

(7.30.1.1) Heating value

Select from:

☑ LHV (lower heating value)

(7.30.1.2) MWh from renewable sources

11372

(7.30.1.3) MWh from non-renewable sources

0

(7.30.1.4) Total (renewable and non-renewable) MWh

11372

Total energy consumption

(7.30.1.1) Heating value

Select from:

☑ LHV (lower heating value)

(7.30.1.2) MWh from renewable sources

11372

(7.30.1.3) MWh from non-renewable sources

11203

(7.30.1.4) Total (renewable and non-renewable) MWh

22575
[Fixed row]

(7.30.6) Select the applications of your organization’s consumption of fuel.

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	*Select from:* ☑ No
Consumption of fuel for the generation of heat	*Select from:* ☑ Yes
Consumption of fuel for the generation of steam	*Select from:* ☑ No
Consumption of fuel for the generation of cooling	*Select from:* ☑ No
Consumption of fuel for co-generation or tri-generation	*Select from:* ☑ No

[Fixed row]

(7.30.7) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

Sustainable biomass

(7.30.7.1) Heating value

Select from:

☑ LHV

(7.30.7.2) Total fuel MWh consumed by the organization

0

(7.30.7.8) Comment

Koluman did not consume any sustainable biomass during the reporting period.

Other biomass

(7.30.7.1) Heating value

Select from:
☑ LHV

(7.30.7.2) Total fuel MWh consumed by the organization

0

(7.30.7.8) Comment

No other types of biomass were consumed by Koluman.

Other renewable fuels (e.g. renewable hydrogen)

(7.30.7.1) Heating value

Select from:
☑ LHV

(7.30.7.2) Total fuel MWh consumed by the organization

0

(7.30.7.8) Comment

Koluman did not consume other renewable fuels such as renewable hydrogen.

Coal

(7.30.7.1) Heating value

Select from:
☑ LHV

(7.30.7.2) Total fuel MWh consumed by the organization

0

(7.30.7.8) Comment

No coal consumption took place during the reporting period.

Oil

(7.30.7.1) Heating value

Select from:
☑ LHV

(7.30.7.2) Total fuel MWh consumed by the organization

2211

(7.30.7.8) Comment

This value includes diesel and gasoline consumption for transportation and stationary purposes. Diesel is consumed for generators and off-road vehicles such as forklifts, while gasoline is used for on-road and off-road vehicles. Diesel oil consumption covers multiple operational activities at Koluman's facilities. Approximately 11.6% of diesel is used in generators for electricity generation during power outages or high-demand periods, providing backup power for critical operations. Around 33.7% is used for on-road transportation by company-owned heavy-duty vehicles (HDVs), including delivery and logistics services. The remaining 54.7% is allocated

for off-road transportation, such as forklifts, grass mowers, and other maintenance equipment used within facility grounds. Gasoline consumption primarily supports on-road transportation, including vehicles used by employees and management for day-to-day operations, making up approximately 43.5% of the total gasoline consumption. The remaining 56.5% is used for off-road equipment, such as forklifts and maintenance vehicles, within facility premises. Koluman has implemented fuel-efficient driving practices and regular vehicle maintenance to reduce gasoline consumption in transportation.

Gas

(7.30.7.1) Heating value

Select from:

☑ LHV

(7.30.7.2) Total fuel MWh consumed by the organization

8992

(7.30.7.8) Comment

This figure includes natural gas, CNG, and LPG consumption, primarily for heating purposes at Koluman's facilities. Natural gas consumption at Koluman's facilities is predominantly used for heating applications, accounting for around 31.2% of total usage. No natural gas is used for electricity generation. LPG and CNG are used for maintenance activities, accounting for around 1.1% of total usage (LPG accounting for 0.4% and CNG for 0.7%)

Other non-renewable fuels (e.g. non-renewable hydrogen)

(7.30.7.1) Heating value

Select from:

☑ LHV

(7.30.7.2) Total fuel MWh consumed by the organization

0

(7.30.7.8) Comment

No non-renewable hydrogen or other non-renewable fuels were consumed.

Total fuel

(7.30.7.1) Heating value

Select from:

☑ LHV

(7.30.7.2) Total fuel MWh consumed by the organization

11203

(7.30.7.8) Comment

At Koluman's facilities, the total fuel consumption is divided among various sources and applications. Natural gas constitutes the largest portion, accounting for 31.2% of total fuel consumption, primarily used for heating purposes. LPG and CNG contribute smaller shares, making up 0.4% and 0.7%, respectively, both used in maintenance activities. When it comes to transportation and equipment operations, diesel oil is utilized for several functions. 1% of the diesel is consumed by generators and fire pumps, 2.91% is used by on-road vehicles such as heavy-duty trucks, and 4.05% is allocated to off-road vehicles, including forklifts and maintenance equipment. Gasoline is used primarily for on-road vehicles, with two segments accounting for 0.003% and 0.004% of the total consumption.
[Fixed row]

(7.30.14) Provide details on the electricity, heat, steam, and/or cooling amounts that were accounted for at a zero or near-zero emission factor in the market-based Scope 2 figure reported in 7.7.

Row 1

(7.30.14.1) Country/area

Select from:

☑ Turkey

(7.30.14.2) Sourcing method

Select from:

☑ Physical power purchase agreement (physical PPA) with a grid-connected generator

(7.30.14.3) Energy carrier

Select from:

☑ Electricity

(7.30.14.4) Low-carbon technology type

Select from:

☑ Wind

(7.30.14.5) Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

2870

(7.30.14.6) Tracking instrument used

Select from:

☑ I-REC

(7.30.14.7) Country/area of origin (generation) of the low-carbon energy or energy attribute

Select from:

☑ Turkey

(7.30.14.8) Are you able to report the commissioning or re-powering year of the energy generation facility?

Select from:

☑ Yes

(7.30.14.9) Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

2011

(7.30.14.10) Comment

Koluman Automotive has actively sourced 2,870 MWh of renewable electricity from a wind power facility, via a physical Power Purchase Agreement (PPA) under the I-REC framework. The electricity is supplied by the Killik Wind Plant (WP), an onshore wind farm commissioned in November 2011. The I-REC tracking instrument ensures the energy attributes are from wind energy, contributing to Koluman's goal of reducing market-based Scope 2 emissions. This renewable electricity purchase supports Koluman's sustainability strategy by procuring low-carbon energy and enhancing environmental benefits through transparent and certified renewable energy sourcing. The redemption statement covers the period from 01.01.2023 to 31.03.2023, ensuring that the renewable attributes of the wind energy are accurately accounted for

Row 2

(7.30.14.1) Country/area

Select from:

☑ Turkey

(7.30.14.2) Sourcing method

Select from:

☑ Physical power purchase agreement (physical PPA) with a grid-connected generator

(7.30.14.3) Energy carrier

Select from:

☑ Electricity

(7.30.14.4) Low-carbon technology type

Select from:

☑ Solar

(7.30.14.5) Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

2671

(7.30.14.6) Tracking instrument used

Select from:

☑ I-REC

(7.30.14.7) Country/area of origin (generation) of the low-carbon energy or energy attribute

Select from:

☑ Turkey

(7.30.14.8) Are you able to report the commissioning or re-powering year of the energy generation facility?

Select from:

☑ Yes

(7.30.14.9) Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

2018

(7.30.14.10) Comment

Koluman Automotive has procured 2,671 MWh of solar-generated renewable electricity through a physical PPA certified by I-REC. The solar PV electricity is generated by the Best Brands Group facility, which commenced operation in February 2018. By sourcing this electricity, Koluman supports the uptake of solar technology, aligns with its renewable energy and carbon reduction strategy, and ensures full environmental integrity through the use of certified renewable energy. The I-REC tracking instrument, with a redemption statement dated 01.04.2023 to 30.06.2023, verifies that the energy consumed is from a dedicated solar source, reducing Koluman's Scope 2 market-based emissions.

Row 3

(7.30.14.1) Country/area

Select from:

☑ Turkey

(7.30.14.2) Sourcing method

Select from:

☑ Physical power purchase agreement (physical PPA) with a grid-connected generator

(7.30.14.3) Energy carrier

Select from:

☑ Electricity

(7.30.14.4) Low-carbon technology type

Select from:

☑ Other biomass

(7.30.14.5) Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

2980

(7.30.14.6) Tracking instrument used

Select from:

☑ I-REC

(7.30.14.7) Country/area of origin (generation) of the low-carbon energy or energy attribute

Select from:

☑ Turkey

(7.30.14.8) Are you able to report the commissioning or re-powering year of the energy generation facility?

Select from:

☑ Yes

(7.30.14.9) Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

2020

(7.30.14.10) Comment

Koluman Automotive has acquired 2,980 MWh of biomass-derived renewable electricity via a physical PPA, backed by I-REC certification. The energy is sourced from a biomass generation facility commissioned in 2020, enhancing Koluman's approach to reducing carbon emissions by utilizing renewable and sustainable sources. The biomass electricity is part of Koluman's broader strategy to reduce its carbon footprint, as evidenced by the I-REC redemption statement dated 01.07.2023 to 30.09.2023. This purchase reflects Koluman's commitment to sustainable energy practices and transparent tracking of low-carbon energy consumption.

Row 4

(7.30.14.1) Country/area

Select from:

☑ Turkey

(7.30.14.2) Sourcing method

Select from:

☑ Physical power purchase agreement (physical PPA) with a grid-connected generator

(7.30.14.3) Energy carrier

Select from:

☑ Electricity

(7.30.14.4) Low-carbon technology type

Select from:

☑ Other biomass

(7.30.14.5) Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

2853

(7.30.14.6) Tracking instrument used

Select from:

☑ I-REC

(7.30.14.7) Country/area of origin (generation) of the low-carbon energy or energy attribute

Select from:

☑ Turkey

(7.30.14.8) Are you able to report the commissioning or re-powering year of the energy generation facility?

Select from:

☑ Yes

(7.30.14.9) Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

2020

(7.30.14.10) Comment

Koluman Automotive procured 2,853 MWh of renewable energy from biomass sources, supported by a physical PPA under I-REC. The electricity is produced at a facility commissioned in 2020, providing verifiable renewable attributes that reduce Koluman's market-based Scope 2 emissions. This I-REC certified purchase highlights Koluman's dedication to diversifying its renewable energy mix and reducing emissions through certified, traceable energy sources. The associated I-REC redemption statement from 01.10.2023 to 31.12.2023 confirms the renewable origin and sustainability of the biomass energy sourced.
[Add row]

(7.30.16) Provide a breakdown by country/area of your electricity/heat/steam/cooling consumption in the reporting year.

Turkey

(7.30.16.1) Consumption of purchased electricity (MWh)

11372

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

11372.00
[Fixed row]

(7.35) Provide any efficiency metrics that are appropriate for your organization's transport products and/or services.

Row 1

(7.35.1) Activity

Select from:
☑ Heavy Duty Vehicles (HDV)

(7.35.2) Metric figure

0.0698

(7.35.3) Metric numerator

Select from:
☑ tCO2e

(7.35.4) Metric denominator

Select from:
☑ Production: Vehicle

(7.35.5) Metric numerator: Unit total

2465

(7.35.6) Metric denominator: Unit total

35313.38

(7.35.7) % change from previous year

-65.57

(7.35.8) Please explain

The significant decrease in the emissions intensity from 0.20275 tCO2e/vehicle to 0.0698 tCO2e/vehicle, representing a 65.57% reduction, is primarily due to the use of renewable energy (via I-REC certificates) and energy efficiency measures implemented in production. Metric numerator refers to the total Scope 1 and Scope 2 emissions for heavy-duty vehicle (HDV) production, which amounts to 2464.66 metric tons of CO2e. Metric denominator refers to the total production output, which is 35,313.38 vehicles produced. This improvement was driven by Koluman's commitment to reducing both Scope 1 and Scope 2 emissions through increased renewable energy consumption and more efficient manufacturing processes.
[Add row]

(7.45) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Row 1

(7.45.1) Intensity figure

4e-7

(7.45.2) Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

2465

(7.45.3) Metric denominator

Select from:

☑ unit total revenue

(7.45.4) Metric denominator: Unit total

5883112553

(7.45.5) Scope 2 figure used

Select from:

☑ Market-based

(7.45.6) % change from previous year

82.2

(7.45.7) Direction of change

Select from:

☑ Decreased

(7.45.8) Reasons for change

Select all that apply

☑ Change in renewable energy consumption

☑ Other emissions reduction activities

☑ Change in revenue

(7.45.9) Please explain

The significant 82.2% decrease in our emissions intensity is primarily attributed to using renewable energy through I-REC certificates, which reduced our Scope 2 emissions to zero. Koluman sourced 100% of its electricity consumption from renewable sources, leading to a substantial reduction in market-based emissions. In addition, Koluman implemented several emissions reduction initiatives, which further contributed to the overall reduction in Scope 1 and 2 emissions. Despite an increase in total revenue and production output, the combination of renewable energy procurement and emissions reduction activities resulted in a lower intensity figure for the reporting year. These efforts align with Koluman's commitment to reducing its carbon footprint and enhancing operational sustainability.
[Add row]

(7.50) Provide primary intensity metrics that are appropriate to your indirect emissions in Scope 3 Category 11: Use of sold products from transport.

Row 1

(7.50.1) Activity

Select from:

☑ Heavy Duty Vehicles (HDV)

(7.50.11) Please explain the changes, and relevant standards/methodologies used

Koluman's Scope 3 emissions from Category 11 (Use of Sold Products) were not included in the inventory, as the products sold do not lead to significant energy or fuel consumption during their usage. Koluman primarily manufactures final goods that do not consume energy during their operational phase, or intermediate products that do not require substantial energy input for their operation by end users. According to the CDP Technical Note: Measuring emissions intensity of transport movements, Category 11 applies to products that directly or indirectly consume energy or fuel during their use phase. Given that Koluman's products fall outside of this definition, the emissions associated with the use of sold products are not relevant for our reporting. This aligns with the GHG Protocol guidelines, which specify that Category 11 emissions should be reported when products have direct use-phase emissions related to energy or fuel consumption. Koluman's products, either as final or intermediate goods, do not meet the criteria for significant energy consumption in their use phase, thus rendering emissions calculations in this category unnecessary.
[Add row]

(7.53.1) Provide details of your absolute emissions targets and progress made against those targets.

Row 1

(7.53.1.1) Target reference number

Select from:

☑ Abs 1

(7.53.1.2) Is this a science-based target?

Select from:

☑ No, but we anticipate setting one in the next two years

(7.53.1.5) Date target was set

08/31/2024

(7.53.1.6) Target coverage

Select from:

☑ Organization-wide

(7.53.1.7) Greenhouse gases covered by target

Select all that apply

☑ Carbon dioxide (CO2)

(7.53.1.8) Scopes

Select all that apply

☑ Scope 1

☑ Scope 2

(7.53.1.9) Scope 2 accounting method

Select from:

☑ Market-based

(7.53.1.11) End date of base year

12/30/2023

(7.53.1.12) Base year Scope 1 emissions covered by target (metric tons CO2e)

2465

(7.53.1.13) Base year Scope 2 emissions covered by target (metric tons CO2e)

4992

(7.53.1.31) Base year total Scope 3 emissions covered by target (metric tons CO2e)

0.000

(7.53.1.32) Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

7457.000

(7.53.1.33) Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1

100

(7.53.1.34) Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2

100

(7.53.1.53) Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

100

(7.53.1.54) End date of target

12/30/2028

(7.53.1.55) Targeted reduction from base year (%)

50

(7.53.1.56) Total emissions at end date of target covered by target in all selected Scopes (metric tons CO2e)

3728.500

(7.53.1.57) Scope 1 emissions in reporting year covered by target (metric tons CO2e)

2465

(7.53.1.58) Scope 2 emissions in reporting year covered by target (metric tons CO2e)

4992

(7.53.1.77) Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

7457.000

(7.53.1.78) Land-related emissions covered by target

Select from:

☑ No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

(7.53.1.79) % of target achieved relative to base year

0.00

(7.53.1.80) Target status in reporting year

Select from:

☑ New

(7.53.1.82) Explain target coverage and identify any exclusions

The target comprehensively covers all Scope 1 and Scope 2 greenhouse gas emissions from Koluman's operations organization-wide. There are no exclusions within these scopes, ensuring that 100% of Koluman's operational emissions under Scope 1 and Scope 2 are considered in the reduction target.

(7.53.1.83) Target objective

The objective of this target is to achieve a significant reduction of Scope 1 and Scope 2 emissions by 50% by the year 2028 from the baseline year of 2023. This target is designed to contribute to the company's transition toward more sustainable operations and ultimately aligns with Koluman's long-term ambition of reducing its carbon footprint substantially in the near term.

(7.53.1.84) Plan for achieving target, and progress made to the end of the reporting year

The plan to achieve the 50% reduction in Scope 1 and Scope 2 emissions by 2028 is structured across three phases: short-term, medium-term, and long-term. In the short-term, Koluman is focusing on reducing Scope 1 and Scope 2 emissions by 3% in 2024. This will be achieved through operational enhancements and the establishment of a comprehensive value system that supports sustainability efforts. Initiatives include energy efficiency improvements, process optimizations, and increased digitalization to reduce energy consumption. The medium-term strategy involves a series of measures designed to achieve the overall 50% reduction by

2028. The company is set to increase its digital maturity, focusing on automation and process efficiency. By digitizing operations and automating processes, the company aims to reduce waste and enhance energy efficiency. Additionally, Koluman is working on the development of a green supply chain by evaluating suppliers based on their sustainability credentials and encouraging them to adopt lower-carbon operations. Procurement practices will be aligned to favor raw materials and products with a reduced carbon footprint. Moreover, life cycle assessments (LCAs) will be conducted for all products to identify areas for emissions reductions across the entire value chain. The company will also implement advanced technologies in manufacturing to improve automation and energy efficiency. Progress made to date includes the initial identification of areas for digital and automation improvements, preliminary assessments for green supply chain practices, and the creation of a roadmap for conducting LCAs. These efforts lay the groundwork for the medium-term goal of halving emissions by 2028.

(7.53.1.85) Target derived using a sectoral decarbonization approach

Select from:

☑ No

Row 2

(7.53.1.1) Target reference number

Select from:

☑ Abs 2

(7.53.1.2) Is this a science-based target?

Select from:

☑ No, but we anticipate setting one in the next two years

(7.53.1.5) Date target was set

08/31/2024

(7.53.1.6) Target coverage

Select from:

☑ Organization-wide

(7.53.1.7) Greenhouse gases covered by target

Select all that apply

☑ Carbon dioxide (CO2)

(7.53.1.8) Scopes

Select all that apply

☑ Scope 1

☑ Scope 2

☑ Scope 3

(7.53.1.9) Scope 2 accounting method

Select from:

☑ Market-based

(7.53.1.10) Scope 3 categories

Select all that apply

☑ Scope 3, Category 6 – Business travel

☑ Scope 3, Category 7 – Employee commuting

☑ Scope 3, Category 1 – Purchased goods and services

☑ Scope 3, Category 5 – Waste generated in operations

☑ Scope 3, Category 12 – End-of-life treatment of sold products

☑ Scope 3, Category 4 – Upstream transportation and distribution

☑ Scope 3, Category 9 – Downstream transportation and distribution

☑ Scope 3, Category 3 – Fuel- and energy- related activities (not included in Scope 1 or 2)

(7.53.1.11) End date of base year

12/30/2023

(7.53.1.12) Base year Scope 1 emissions covered by target (metric tons CO2e)

2465

(7.53.1.13) Base year Scope 2 emissions covered by target (metric tons CO2e)

4992

(7.53.1.14) Base year Scope 3, Category 1: Purchased goods and services emissions covered by target (metric tons CO2e)

37272

(7.53.1.16) Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target (metric tons CO2e)

915

(7.53.1.17) Base year Scope 3, Category 4: Upstream transportation and distribution emissions covered by target (metric tons CO2e)

603

(7.53.1.18) Base year Scope 3, Category 5: Waste generated in operations emissions covered by target (metric tons CO2e)

65

(7.53.1.19) Base year Scope 3, Category 6: Business travel emissions covered by target (metric tons CO2e)

72

(7.53.1.20) Base year Scope 3, Category 7: Employee commuting emissions covered by target (metric tons CO2e)

2639

(7.53.1.22) Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target (metric tons CO2e)

39

(7.53.1.25) Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target (metric tons CO2e)

30

(7.53.1.31) Base year total Scope 3 emissions covered by target (metric tons CO2e)

41635.000

(7.53.1.32) Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

49092.000

(7.53.1.33) Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1

100

(7.53.1.34) Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2

100

(7.53.1.35) Base year Scope 3, Category 1: Purchased goods and services emissions covered by target as % of total base year emissions in Scope 3, Category 1: Purchased goods and services (metric tons CO2e)

100

(7.53.1.37) Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target as % of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

100

(7.53.1.38) Base year Scope 3, Category 4: Upstream transportation and distribution covered by target as % of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e)

100

(7.53.1.39) Base year Scope 3, Category 5: Waste generated in operations emissions covered by target as % of total base year emissions in Scope 3, Category 5: Waste generated in operations (metric tons CO2e)

100

(7.53.1.40) Base year Scope 3, Category 6: Business travel emissions covered by target as % of total base year emissions in Scope 3, Category 6: Business travel (metric tons CO2e)

100

(7.53.1.41) Base year Scope 3, Category 7: Employee commuting covered by target as % of total base year emissions in Scope 3, Category 7: Employee commuting (metric tons CO2e)

100

(7.53.1.43) Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target as % of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e)

100

(7.53.1.46) Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e)

100

(7.53.1.52) Base year total Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)

100

(7.53.1.53) Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

100

(7.53.1.54) End date of target

12/30/2050

(7.53.1.55) Targeted reduction from base year (%)

100

(7.53.1.56) Total emissions at end date of target covered by target in all selected Scopes (metric tons CO2e)

0.000

(7.53.1.57) Scope 1 emissions in reporting year covered by target (metric tons CO2e)

2465

(7.53.1.58) Scope 2 emissions in reporting year covered by target (metric tons CO2e)

4992

(7.53.1.59) Scope 3, Category 1: Purchased goods and services emissions in reporting year covered by target (metric tons CO2e)

37272

(7.53.1.61) Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions in reporting year covered by target (metric tons CO2e)

915

(7.53.1.62) Scope 3, Category 4: Upstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)

603

(7.53.1.63) Scope 3, Category 5: Waste generated in operations emissions in reporting year covered by target (metric tons CO2e)

65

(7.53.1.64) Scope 3, Category 6: Business travel emissions in reporting year covered by target (metric tons CO2e)

72

(7.53.1.65) Scope 3, Category 7: Employee commuting emissions in reporting year covered by target (metric tons CO2e)

2639

(7.53.1.67) Scope 3, Category 9: Downstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)

39

(7.53.1.70) Scope 3, Category 12: End-of-life treatment of sold products emissions in reporting year covered by target (metric tons CO2e)

30

(7.53.1.76) Total Scope 3 emissions in reporting year covered by target (metric tons CO2e)

41635.000

(7.53.1.77) Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

49092.000

(7.53.1.78) Land-related emissions covered by target

Select from:

☑ No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

(7.53.1.79) % of target achieved relative to base year

0.00

(7.53.1.80) Target status in reporting year

Select from:

☑ New

(7.53.1.82) Explain target coverage and identify any exclusions

The target encompasses all Scope 1, Scope 2, and a selection of significant Scope 3 emissions (Categories 1, 3, 4, 5, 6, 7, 9, and 12) throughout Koluman's value chain. This covers a broad range of activities including purchased goods and services, upstream and downstream transportation and distribution, business travel, waste generated in operations, employee commuting, and end-of-life treatment of sold products. No exclusions are applied within these categories, making the target a comprehensive goal to address the most impactful sources of emissions.

(7.53.1.83) Target objective

The primary objective of this target is to achieve carbon neutrality across all covered Scopes (Scope 1, 2, and 3) by the year 2050, aligning with global efforts to mitigate climate change. The target sets an ambitious pathway for Koluman to completely offset its carbon emissions by 2050, thereby supporting a transition to a low-carbon future and promoting sustainable operations throughout its value chain.

(7.53.1.84) Plan for achieving target, and progress made to the end of the reporting year

Koluman's target for Abs2 is to achieve carbon neutrality by 2050, covering Scope 1, Scope 2, and selected Scope 3 categories (including business travel, upstream and downstream transportation, purchased goods and services, fuel- and energy-related activities, waste generated in operations, employee commuting, and end-of-life treatment of sold products). This target builds upon the reduction activities outlined in Abs1 and extends the commitment to Scope 3 emissions, ensuring a holistic approach to emission reductions throughout the value chain. The long-term strategy revolves around transitioning the entire company to carbon neutrality. Koluman plans to achieve this by adopting renewable energy sources, such as solar energy, for its operational needs. It also aims to increase the recycling rate of products post-life-cycle, contributing to a circular economy approach. The increase in digital maturity will be a key enabler for optimizing operational efficiency and minimizing waste. The company plans to build upon its renewable energy capacity, such as expanding its GES installations, and pursue additional renewable energy certificates (RECs) to cover more of its energy consumption with renewable sources. Progress made to date includes the development of strategies to transition to renewable energy and preliminary actions taken to boost the digital maturity level across operations. Additionally, Koluman is setting frameworks for measuring product life cycle emissions and planning to engage stakeholders in developing sustainable product end-of-life solutions. These measures are expected to significantly contribute to reducing overall carbon emissions and meeting the carbon neutrality goal by 2050. The company continuously monitors the progress towards these goals and adjusts its strategies as necessary to ensure effective implementation and alignment with its overall sustainability objectives.

(7.53.1.85) Target derived using a sectoral decarbonization approach

Select from:

☑ No

[Add row]

(7.53.2) Provide details of your emissions intensity targets and progress made against those targets.

Row 1

(7.53.2.1) Target reference number

Select from:

☑ Int 1

(7.53.2.2) Is this a science-based target?

Select from:

☑ No, but we anticipate setting one in the next two years

(7.53.2.5) Date target was set

08/31/2024

(7.53.2.6) Target coverage

Select from:

☑ Organization-wide

(7.53.2.7) Greenhouse gases covered by target

Select all that apply

☑ Carbon dioxide (CO2)

(7.53.2.8) Scopes

Select all that apply

☑ Scope 1

☑ Scope 2

(7.53.2.9) Scope 2 accounting method

Select from:

☑ Market-based

(7.53.2.11) Intensity metric

Select from:

☑ Metric tons CO2e per unit of production

(7.53.2.12) End date of base year

12/30/2022

(7.53.2.13) Intensity figure in base year for Scope 1 (metric tons CO2e per unit of activity)

0.42385

(7.53.2.14) Intensity figure in base year for Scope 2 (metric tons CO2e per unit of activity)

0.61909

(7.53.2.33) Intensity figure in base year for all selected Scopes (metric tons CO2e per unit of activity)

1.0429400000

(7.53.2.34) % of total base year emissions in Scope 1 covered by this Scope 1 intensity figure

100

(7.53.2.35) % of total base year emissions in Scope 2 covered by this Scope 2 intensity figure

100

(7.53.2.54) % of total base year emissions in all selected Scopes covered by this intensity figure

100

(7.53.2.55) End date of target

12/30/2030

(7.53.2.56) Targeted reduction from base year (%)

70

(7.53.2.57) Intensity figure at end date of target for all selected Scopes (metric tons CO2e per unit of activity)

0.3128820000

(7.53.2.58) % change anticipated in absolute Scope 1+2 emissions

70

(7.53.2.60) Intensity figure in reporting year for Scope 1 (metric tons CO2e per unit of activity)

0.38813

(7.53.2.61) Intensity figure in reporting year for Scope 2 (metric tons CO2e per unit of activity)

0

(7.53.2.80) Intensity figure in reporting year for all selected Scopes (metric tons CO2e per unit of activity)

0.3881300000

(7.53.2.81) Land-related emissions covered by target

Select from:

☑ No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

(7.53.2.82) % of target achieved relative to base year

89.69

(7.53.2.83) Target status in reporting year

Select from:

☑ New

(7.53.2.85) Explain target coverage and identify any exclusions

The target comprehensively covers all Scope 1 and Scope 2 emissions generated from Koluman's operations, accounting for 100% of emissions under these scopes. The emissions intensity is measured as metric tons of CO2e per trailer produced. There are no exclusions within the target boundary, ensuring that all emissions from these scopes are fully addressed. This complete coverage aligns with Koluman's commitment to reducing its overall carbon footprint by focusing on both production efficiency and energy use.

(7.53.2.86) Target objective

The primary objective of this target is to achieve a 70% reduction in emissions intensity (measured as metric tons of CO2e per trailer produced) by 2030, using 2022 as the base year. This target is a key step in Koluman's broader sustainability strategy to transition to low-carbon operations and align with global climate change mitigation efforts. The intensity reduction aligns with Koluman's ambition to improve operational efficiency, reduce carbon emissions per unit of production, and contribute to long-term environmental sustainability.

(7.53.2.87) Plan for achieving target, and progress made to the end of the reporting year

Koluman's plan to achieve a 70% reduction in emissions intensity by 2030 is structured into short, medium, and long-term strategies, targeting operational efficiencies and sustainability improvements. Short-term: Koluman aims to achieve a 3% reduction in total Scope 1 and Scope 2 emissions. Key actions include operational enhancements such as implementing energy-efficient technologies, process optimization, and digitalization to reduce energy consumption across production lines. Medium-term: Koluman plans to further reduce emissions by 50% compared to 2023 through advanced digitalization and automation. Efforts will be made to assess and enhance digital maturity, streamline automated processes, and drive innovation in sustainable product development. Additionally, the company will work on establishing a 'green supply chain' by evaluating suppliers based on sustainability criteria and prioritizing low-carbon materials and products. Product life cycle assessments (LCAs) will be conducted to identify opportunities for emissions reductions across the entire value chain. Long-term: Koluman is committed to achieving net-zero emissions by 2050. To reach this goal, the company will work towards complete carbon neutrality in its operations and products. Key actions include enhancing recycling rates for products post-life cycle and transitioning to renewable energy sources, particularly expanding solar energy (GES). The company will also focus on enhancing its digital maturity, enabling efficient resource use and waste reduction. Progress includes initial steps to enhance operational efficiency through digital and automation improvements, assessments for green supply chain practices, and the development of a roadmap for conducting comprehensive LCAs. These actions establish a foundation for achieving the medium and long-term goals, setting Koluman on a clear path to significantly reduce emissions intensity by 2030.

(7.53.2.88) Target derived using a sectoral decarbonization approach

Select from:

☑ No
[Add row]

(7.54.1) Provide details of your targets to increase or maintain low-carbon energy consumption or production.

Row 1

(7.54.1.1) Target reference number

Select from:
☑ Low 1

(7.54.1.2) Date target was set

08/31/2024

(7.54.1.3) Target coverage

Select from:
☑ Organization-wide

(7.54.1.4) Target type: energy carrier

Select from:
☑ Electricity

(7.54.1.5) Target type: activity

Select from:
☑ Production

(7.54.1.6) Target type: energy source

Select from:

☑ Renewable energy source(s) only

(7.54.1.7) End date of base year

12/30/2022

(7.54.1.8) Consumption or production of selected energy carrier in base year (MWh)

0

(7.54.1.9) % share of low-carbon or renewable energy in base year

0

(7.54.1.10) End date of target

12/30/2035

(7.54.1.11) % share of low-carbon or renewable energy at end date of target

100

(7.54.1.12) % share of low-carbon or renewable energy in reporting year

0

(7.54.1.13) % of target achieved relative to base year

0.00

(7.54.1.14) Target status in reporting year

Select from:

☑ New

(7.54.1.16) Is this target part of an emissions target?

Yes, and it should reference both Abs1 (50% reduction by 2028) and Abs2 (carbon neutrality by 2050), as the renewable energy production target directly contributes to achieving these emissions reduction objectives. The target to increase renewable energy production is aligned with our broader emissions reduction goals outlined in our absolute emissions targets, Abs1 and Abs2. By expanding renewable energy sources, we aim to significantly decrease our Scope 2 emissions, contributing directly to the achievement of our short-term goal of a 50% emissions reduction by 2028 and our long-term objective of achieving carbon neutrality by 2050. Therefore, this renewable energy target serves as a key component in our strategy to meet these emissions reduction targets and is integral to our overall approach to decarbonization.

(7.54.1.17) Is this target part of an overarching initiative?

Select all that apply

☑ No, it's not part of an overarching initiative

(7.54.1.19) Explain target coverage and identify any exclusions

The target is organization-wide, covering the entire production of electricity from renewable sources within the company's operations. The goal is to produce renewable electricity through on-site generation, specifically from solar energy (GES). This target excludes any purchased renewable energy, focusing solely on self-produced renewable energy.

(7.54.1.20) Target objective

Koluman aims to produce 18,171 MWh of renewable electricity annually from solar energy by 2035, starting from a base year of 2022 with no renewable electricity production. This will help to reduce operational emissions and increase energy independence significantly. The strategic objective of this target is to transition to renewable energy sources and reduce dependency on non-renewable energy, contributing to the organization's broader sustainability and carbon neutrality goals. This aligns with Koluman's commitment to environmental responsibility and is part of a strategy to reduce Scope 1 and 2 emissions by 50% by 2028, progressing towards a long-term aim of achieving net-zero emissions by 2050.

(7.54.1.21) Plan for achieving target, and progress made to the end of the reporting year

Koluman plans to achieve this target by installing a 6.73 MWe/8.22 MWp solar energy system. Land assessment studies are ongoing. The anticipated renewable energy production will contribute to both Koluman's sustainability strategy and GHG emissions reduction.
[Add row]

(7.54.3) Provide details of your net-zero target(s).

Row 1

(7.54.3.1) Target reference number

Select from:

☑ NZ1

(7.54.3.2) Date target was set

08/31/2024

(7.54.3.3) Target Coverage

Select from:

☑ Organization-wide

(7.54.3.4) Targets linked to this net zero target

Select all that apply

☑ Abs2

(7.54.3.5) End date of target for achieving net zero

12/30/2050

(7.54.3.6) Is this a science-based target?

Select from:

☑ No, but we anticipate setting one in the next two years

(7.54.3.8) Scopes

Select all that apply

☑ Scope 1

☑ Scope 2

☑ Scope 3

(7.54.3.9) Greenhouse gases covered by target

Select all that apply

☑ Carbon dioxide (CO2)

(7.54.3.10) Explain target coverage and identify any exclusions

This net-zero target covers all of Koluman's Scope 1, 2, and 3 emissions, ensuring comprehensive coverage across the organization's operational boundaries. The target applies organization-wide, without exclusions, to account for emissions from all significant company operations areas. This includes direct emissions from our facilities and vehicles (Scope 1), indirect emissions from purchased electricity (Scope 2), and the wide range of value chain emissions (Scope 3), including those associated with upstream and downstream activities. The goal is to address all greenhouse gas emissions, ensuring that none are overlooked in the path toward carbon neutrality by 2050.

(7.54.3.11) Target objective

The primary objective of this target is to achieve net-zero emissions by 2050, aligning Koluman's sustainability strategy with global climate goals. This target aims to significantly reduce greenhouse gas emissions across all scopes, positioning the company as a leader in the transition to a low-carbon economy. It also reflects Koluman's commitment to meeting regulatory requirements, minimizing climate-related risks, and creating long-term value for stakeholders. By achieving carbon neutrality, Koluman seeks to ensure its resilience in a future low-carbon economy, while contributing to global efforts to limit temperature rise in line with the Paris Agreement.

(7.54.3.12) Do you intend to neutralize any residual emissions with permanent carbon removals at the end of the target?

Select from:

☑ Yes

(7.54.3.13) Do you plan to mitigate emissions beyond your value chain?

Select from:

☑ No, but we plan to within the next two years

(7.54.3.14) Do you intend to purchase and cancel carbon credits for neutralization and/or beyond value chain mitigation?

Select all that apply

☑ Yes, we plan to purchase and cancel carbon credits for neutralization at the end of the target

(7.54.3.15) Planned milestones and/or near-term investments for neutralization at the end of the target

To meet our 2050 net-zero goal, Koluman has identified several key milestones and investments: Transition to renewable energy sources: We are planning to increase the share of renewable energy in our electricity consumption, with solar energy as a major component of this shift. Life-cycle analysis and recycling: We will increase the recycling rates of products after the end of their life cycle, contributing to a circular economy and reducing emissions from waste. Digitalization and automation: Improving digital maturity and expanding automation in our processes will lead to more energy-efficient operations, further driving emissions reductions. Supplier engagement and sustainable sourcing: We will engage suppliers to support green supply chain initiatives, ensuring the procurement of materials and products with lower carbon footprints. Carbon credits for neutralization: At the end of the target period, any residual emissions will be neutralized through the purchase and cancellation of high-quality carbon credits, ensuring full neutrality.

(7.54.3.17) Target status in reporting year

Select from:

☑ New

(7.54.3.19) Process for reviewing target

Koluman has established a robust process for reviewing progress towards the net-zero target. Regular performance reviews will be conducted on an annual basis, assessing progress against key milestones and emission reductions across all scopes. This includes tracking energy efficiency improvements, renewable energy uptake, and emissions reductions from supply chain initiatives. A dedicated sustainability committee will oversee this process, making necessary adjustments to the strategy based on evolving technological, regulatory, and market developments. Additionally, Koluman will continuously align its net-zero strategy with the latest international agreements, such as updates from the Paris Agreement and relevant jurisdictional commitments, ensuring that the company remains on track to meet its 2050 carbon neutrality goal.
[Add row]

(7.55.1) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	*3*	*`Numeric input*

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
To be implemented	*2*	*2800*
Implementation commenced	*3*	*4500*
Implemented	*8*	*5083*
Not to be implemented	*1*	*`Numeric input*

[Fixed row]

(7.55.2) Provide details on the initiatives implemented in the reporting year in the table below.

Row 1

(7.55.2.1) Initiative category & Initiative type

Energy efficiency in buildings

☑ Solar shading

(7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

21.04

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply

☑ Scope 2 (location-based)

(7.55.2.4) Voluntary/Mandatory

Select from:

☑ Voluntary

(7.55.2.5) Annual monetary savings (unit currency – as specified in C0.4)

1920000

(7.55.2.6) Investment required (unit currency – as specified in C0.4)

128000

(7.55.2.7) Payback period

Select from:

☑ <1 year

(7.55.2.8) Estimated lifetime of the initiative

Select from:

☑ 3-5 years

(7.55.2.9) Comment

To improve energy efficiency, the skylight area in Building 3 was increased to maximize the use of natural daylight. This initiative reduces electricity consumption for lighting during daytime hours and contributes to reducing overall Scope 2 emissions.

Row 2

(7.55.2.1) Initiative category & Initiative type

Energy efficiency in buildings

☑ Lighting

(7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

43.06

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply

☑ Scope 2 (location-based)

(7.55.2.4) Voluntary/Mandatory

Select from:

☑ Voluntary

(7.55.2.5) Annual monetary savings (unit currency – as specified in C0.4)

647040

(7.55.2.6) Investment required (unit currency – as specified in C0.4)

92800

(7.55.2.7) Payback period

Select from:

☑ <1 year

(7.55.2.8) Estimated lifetime of the initiative

Select from:

☑ 3-5 years

(7.55.2.9) Comment

Lighting fixtures in the AC Axis and Jig Fixture Workshop were sectioned and connected to separate switches, enabling tailored use of lighting based on the specific needs of each area. This measure enhances energy efficiency by reducing unnecessary electricity consumption.

Row 3

(7.55.2.1) Initiative category & Initiative type

Low-carbon energy consumption

☑ Solar heating and cooling

(7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

18.24

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply

☑ Scope 2 (location-based)

(7.55.2.4) Voluntary/Mandatory

Select from:

☑ Voluntary

(7.55.2.5) Annual monetary savings (unit currency – as specified in C0.4)

649728

(7.55.2.6) Investment required (unit currency – as specified in C0.4)

48000

(7.55.2.7) Payback period

Select from:

☑ <1 year

(7.55.2.8) Estimated lifetime of the initiative

Select from:

☑ 6-10 years

(7.55.2.9) Comment

Previously unused solar energy panels were reactivated through a new installation, enabling the panels to generate renewable energy for the facility's heating and cooling needs. The refurbishment and maintenance enhance the energy system's efficiency, contributing to Scope 2 emissions reductions.

Row 4

(7.55.2.1) Initiative category & Initiative type

Energy efficiency in production processes

☑ Smart control system

(7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

7.2

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply

☑ Scope 1

(7.55.2.4) Voluntary/Mandatory

Select from:

☑ Voluntary

(7.55.2.5) Annual monetary savings (unit currency – as specified in C0.4)

52218

(7.55.2.6) Investment required (unit currency – as specified in C0.4)

1600

(7.55.2.7) Payback period

Select from:

☑ <1 year

(7.55.2.8) Estimated lifetime of the initiative

Select from:

☑ 6-10 years

(7.55.2.9) Comment

Improvement of the Electrocoat Oven Process: The working duration of the oven has been shortened, and sensor positions have been adjusted to reduce heat loss by keeping the door open for a shorter period.

Row 5

(7.55.2.1) Initiative category & Initiative type

Low-carbon energy consumption

☑ Wind

(7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

1260

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply

☑ Scope 2 (market-based)

(7.55.2.4) Voluntary/Mandatory

Select from:

☑ Voluntary

(7.55.2.5) Annual monetary savings (unit currency – as specified in C0.4)

0

(7.55.2.6) Investment required (unit currency – as specified in C0.4)

7251055

(7.55.2.7) Payback period

Select from:

☑ No payback

(7.55.2.8) Estimated lifetime of the initiative

Select from:

☑ <1 year

(7.55.2.9) Comment

Koluman Automotive has sourced 2,870 MWh of wind-based renewable energy through an I-REC certified physical power purchase agreement (PPA). The electricity is generated from the Killik Wind Plant (WP), an onshore wind facility commissioned in November 2011. The I-REC redemption statement is dated from 01.01.2023 to 31.03.2023, ensuring that this wind energy contributes to reducing the company's market-based Scope 2 emissions.

Row 6

(7.55.2.1) Initiative category & Initiative type

Low-carbon energy consumption

☑ Solar PV

(7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

1173

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply

☑ Scope 2 (market-based)

(7.55.2.4) Voluntary/Mandatory

Select from:

☑ Voluntary

(7.55.2.5) Annual monetary savings (unit currency – as specified in C0.4)

0

(7.55.2.6) Investment required (unit currency – as specified in C0.4)

6748282

(7.55.2.7) Payback period

Select from:

☑ No payback

(7.55.2.8) Estimated lifetime of the initiative

Select from:

☑ <1 year

(7.55.2.9) Comment

Koluman Automotive has sourced 2,671 MWh of solar-based renewable energy via an I-REC certified physical PPA. The solar electricity is produced by Best Brands Group, which operates a solar PV facility commissioned in February 2018. The energy is backed by an I-REC redemption statement from 01.04.2023 to 30.06.2023, supporting the company's market-based Scope 2 reduction strategy.

Row 7

(7.55.2.1) Initiative category & Initiative type

Low-carbon energy consumption

☑ Biogas

(7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

1308

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply

☑ Scope 2 (market-based)

(7.55.2.4) Voluntary/Mandatory

Select from:

☑ Voluntary

(7.55.2.5) Annual monetary savings (unit currency – as specified in C0.4)

0

(7.55.2.6) Investment required (unit currency – as specified in C0.4)

7528970

(7.55.2.7) Payback period

Select from:

☑ No payback

(7.55.2.8) Estimated lifetime of the initiative

Select from:

☑ <1 year

(7.55.2.9) Comment

Koluman Automotive procured 2,980 MWh of biomass-based renewable energy through an I-REC certified physical PPA. This energy is derived from biomass sources with the energy generation plant commissioned in 2020. The I-REC redemption statement is dated from 01.07.2023 to 30.09.2023, contributing to the company's market-based Scope 2 carbon reduction efforts.

Row 8

(7.55.2.1) Initiative category & Initiative type

Low-carbon energy consumption

☑ Biogas

(7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

1252

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply

☑ Scope 2 (market-based)

(7.55.2.4) Voluntary/Mandatory

Select from:

☑ Voluntary

(7.55.2.5) Annual monetary savings (unit currency – as specified in C0.4)

0

(7.55.2.6) Investment required (unit currency – as specified in C0.4)

7208105

(7.55.2.7) Payback period

Select from:

☑ No payback

(7.55.2.8) Estimated lifetime of the initiative

Select from:

☑ <1 year

(7.55.2.9) Comment

Koluman Automotive has sourced 2,853 MWh of renewable energy generated from biomass through an I-REC certified physical PPA. The energy originates from a biomass plant commissioned in 2020. The related I-REC redemption statement covers the period from 01.10.2023 to 31.12.2023, enhancing the company's Scope 2 emissions reduction plan through the use of low-carbon energy sources.
[Add row]

(7.55.3) What methods do you use to drive investment in emissions reduction activities?

Row 1

(7.55.3.1) Method

Select from:

☑ Dedicated budget for other emissions reduction activities

(7.55.3.2) Comment

Koluman allocates a dedicated budget for emissions reduction activities, specifically through investments in energy efficiency and low-carbon R&D initiatives. In 2023, Koluman invested 124,851,796 TRY in research and development (R&D), focusing on design improvements, reducing trailer weight to minimize raw material usage, and exploring alternative materials. This investment aims to enhance resource efficiency and reduce emissions while contributing to long-term carbon neutrality goals. The dedicated budget for these R&D projects represents Koluman's commitment to reducing operational costs and maintaining competitiveness in the face of evolving regulations.
[Add row]

C11. Environmental performance - Biodiversity

(11.2) What actions has your organization taken in the reporting year to progress your biodiversity-related commitments?

	Actions taken in the reporting period to progress your biodiversity-related commitments
	Select from: ☑ No, we are not taking any actions to progress our biodiversity-related commitments, but we plan to within the next two years

[Fixed row]

(11.3) Does your organization use biodiversity indicators to monitor performance across its activities?

	Does your organization use indicators to monitor biodiversity performance?
	Select from: ☑ No, we do not use indicators, but plan to within the next two years

[Fixed row]

(11.4) Does your organization have activities located in or near to areas important for biodiversity in the reporting year?

Legally protected areas

(11.4.1) Indicate whether any of your organization's activities are located in or near to this type of area important for biodiversity

Select from:

☑ No

(11.4.2) Comment

No Koluman activities are located in or near any legally protected areas, UNESCO World Heritage sites, UNESCO Man and the Biosphere Reserves, Ramsar sites, Key Biodiversity Areas, or other areas important for biodiversity as of the reporting year.
[Fixed row]

C13. Further information & sign off

(13.1) Indicate if any environmental information included in your CDP response (not already reported in 7.9.1/2/3, 8.9.1/2/3/4, and 9.3.2) is verified and/or assured by a third party?

	Other environmental information included in your CDP response is verified and/or assured by a third party
	Select from: ☑ Yes

[Fixed row]

(13.1.1) Which data points within your CDP response are verified and/or assured by a third party, and which standards were used?

Row 1

(13.1.1.1) Environmental issue for which data has been verified and/or assured

Select all that apply

☑ Climate change

(13.1.1.2) Disclosure module and data verified and/or assured

Environmental performance – Climate change

☑ Base year emissions

☑ Electricity/Steam/Heat/Cooling consumption

☑ Emissions breakdown by business division

☑ Emissions breakdown by country/area

☑ Fuel consumption

(13.1.1.3) Verification/assurance standard

Climate change-related standards

☑ ISO 14064-1

(13.1.1.4) Further details of the third-party verification/assurance process

The related data has been verified by a third-party company as per the ISO 14064-1.

(13.1.1.5) Attach verification/assurance evidence/report (optional)

Koluman 14064_Verification Statement.pdf
[Add row]

(13.3) Provide the following information for the person that has signed off (approved) your CDP response.

(13.3.1) Job title

Chief Executive Officer

(13.3.2) Corresponding job category

Select from:

☑ Chief Executive Officer (CEO)
[Fixed row]