






# TODAY'S ENERGY FOR TOMORROW'S WORLD

WHAT WE DO TODAY  
FOR A BETTER FUTURE

# CONTENTS

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 <b>ABOUT THE REPORT</b>	<b>4</b>	 <b>REDUCING OUR IMPACT</b>	<b>31</b>	 <b>FOCUSING ON TOMORROW</b>	<b>62</b>
General Manager's Message	5	Emission and Energy Management	34	R&D and Innovation	65
		Waste and Resource Management	38	Digital Transformation and Technology	67
		Water Stewardship	39	Data Privacy and Information Security	68
		Biodiversity	40		
 <b>ABOUT AYGAZ</b>	<b>7</b>	 <b>SHAPING THE FUTURE</b>	<b>41</b>	 <b>APPENDICES AND INDEX</b>	<b>69</b>
Aygaz at a Glance	8	Human Resource	42	Stakeholder Relations and	
Aygaz in 2024	9	Diversity, Equity and Inclusion	48	Communications	70
Board of Directors	11	Integrated Talent Management	51	Memberships and Associations	71
Organizational Structure	14	Employee Health and Safety	53	GRI Content Index	72
Effective Corporate Governance	17	Supply Chain	55	Performance Indicators	77
Business Ethics and Compliance	18	Customer Satisfaction	58		
Managing Risks and Opportunities	20	Serving Communities	60	 <b>ABBREVIATIONS &amp; ACRONYMS</b>	<b>82</b>
				 <b>CONTACTS</b>	<b>83</b>
 <b>SUSTAINABILITY STRATEGY</b>	<b>22</b>				
Sustainability Management	23				
Value Chain and Stakeholder					
Communications	25				
Material Sustainability Topics	26				

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We set out on this journey with a vision for a more livable future, and from day one, we have been striving for better. Across Türkiye, we are taking decisive steps not only to transform today but also to shape tomorrow. We are channeling our energy into building a world that is more innovative, more sustainable and more inclusive because we believe the most meaningful legacy we can leave to future generations is forged in every step we take, every solution we create and every idea we bring to life. After all, we know that tomorrow begins with the energy of today.



# ABOUT THE REPORT

In this 2024 edition of the Aygaz Sustainability Report, we present an overview of Aygaz and its subsidiaries' sustainability-related activities, as well as their economic performance, corporate governance, and social and environmental impact. This report, covering the period from January 1, 2024 to December 31, 2024, offers insights into the developments within the year and our future plans regarding Aygaz Group companies (Aygaz A.Ş., Aygaz Doğal Gaz, Anadoluhisarı Tankercilik, Pürsu-Balkaynak and Akpa). This report has been prepared according to the GRI (Global Reporting Initiative) Standards. The content has been shaped by the aspects identified through a comprehensive double materiality assessment, including a stakeholder analysis.

Please submit your questions, opinions and suggestion about the report by email to:

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# GENERAL MANAGER'S MESSAGE

## Dear Shareholders,

In 2024, we steadily advanced on our journey toward sustainable growth, closely monitoring and managing our environmental and social impacts. As the transformation of the energy sector accelerates, we continue to reshape our business model in line with sustainability principles, recognizing our responsibility in this transformation. Founded by our late founder Vehbi Koç and grounded in the ideals of the Republic, Aygaz remains committed to contributing to Türkiye's economic and social development through its vision of sustainable growth.

Despite shifting global economic conditions and evolving market dynamics, LPG, our core business, continues to maintain its strategic importance within the energy ecosystem. Its key advantages, including portability, sustainability and accessibility, position LPG as a leading energy solution for the future.

In 2024, Aygaz increased its LPG sales to 2.4 million tons, natural gas sales to 88 million cubic meters and total revenues to TL 81.8 billion. We continue to expand the capacity of United Aygaz LPG, our subsidiary in Bangladesh, which plays a pivotal role in our international growth strategy. Through our Gebze plant, we strengthen our global competitiveness by exporting cylinders, valves, regulators and station tanks worldwide. The addition of a new 38,000-cubic-meter LPG vessel to our fleet has further enhanced our operational efficiency and the value we bring to our supply chain.

With the merger of Sendeo and Kolay Gelsin, we achieved a record monthly package delivery volume

of 6.8 million in November 2024. We also invested in expanding production capacity at the Pürsu İnegöl plant and improving our logistics infrastructure.

In a period marked by rapidly changing global dynamics and persistent uncertainties in the energy sector, we move forward with determination, guided by our vision to turn challenges into opportunities. According to the World Economic Forum's (WEF) 2025 Global Risks Report, climate change, natural resource depletion and biodiversity loss are among the most pressing risks of the coming years. Aligned with this outlook, we are shaping our sustainable growth with a strong sense of environmental responsibility and working to ensure our operations are resilient to climate risks. We are building our business model to create long-term value by seizing the opportunities presented by the transition to a low-carbon economy.

In 2024, we strengthened the strategic scope of the Sustainability Department established in 2023. Following a comprehensive workshop, we structured our strategy around four main pillars: "Carbon and Energy Transition," "Circular Economy," "Social Responsibility," and "Governance." Our Sustainability Leaders Team continues to manage these efforts at the senior management level, shaping our corporate strategy in collaboration with relevant departments.

In the first quarter of 2025, we published our Sustainability Policy, publicly disclosing our commitment to reducing environmental impacts, enhancing social responsibility, and adhering





to corporate governance principles. Through this policy, we have committed to transparently sharing our action plans, developed with climate-related risks and opportunities in mind, as well as our goals for efficient resource use, carbon footprint reduction, social and economic responsibilities, and overall sustainability performance.

At Aygaz, we continue to advance our efforts to reduce greenhouse gas emissions. Our Manisa Solar Power Plant, with an installed capacity of 1.59 MW and commissioned in November 2024, supplies 2,900 MWh of our annual energy needs from solar power. With this project, we aim to avoid 1,250 tons of CO<sub>2e</sub> emissions annually.

Amid an accelerating energy transition, we are taking action not only to meet today's energy demands but also to anticipate future needs. Accordingly, we are actively exploring investment opportunities in alternative green energy sources such as biogas, rDME and hydrogen, and we are preparing for the introduction of new low-carbon products and technologies. In line with our sustainable supply chain strategy, we are also taking concrete steps to raise supplier awareness and implement green sourcing policies.

We believe that sustainable development requires not only environmental and economic success but also the generation of social benefit. Guided by this belief, we shape our social investments around strategic goals. By the end of 2024, we

reached 100,000 women, achieving our goal, originally set for 2026, of providing STEM training to 100,000 women. Our company also aims to increase the ratio of female employees working in STEM fields to 35% and ratio of female managers to 21%. Through our W-Energy for Equality program, launched in alignment with Koç Group's commitments to the UN Women Generation Equality Forum, we continue to promote gender equality in technology and innovation. As an extension of this program, we launched the "Yaşı Bile Olmaz" project in 2024. With the help of our volunteer employees, we support digital inclusion by offering basic digital literacy training to individuals aged 40 and over.

To promote equal opportunities in education, we aim to reach more children and expand access to our Education Support Project and the Firefly Education Unit. We also intend to increase our long-term contribution to cultural heritage initiatives and extend the reach of our sponsorships in the arts and sports to more young people. In all these efforts, we prioritize measurable social impact, value creation with our stakeholders and sustainable contributions to social development.

We remain committed to fostering a culture of innovation and entrepreneurship across the organization.

Under the Aythink umbrella, we continue to implement innovative ideas in R&D, digitalization and customer experience, with a focus on sustainable innovation. Through

our Startup Mentoring Program, launched in alignment with our intrapreneurship approach, 16 coworkers have assumed mentoring roles. Our Innovation Everywhere initiative has engaged more than 500 employees in innovation processes, helping to create an inclusive innovation ecosystem across all departments. In 2024, the Aygaz Innovation Academy graduated its first cohort, and we have since launched the commercialization phase for our successful intrapreneurship projects, marking an important step toward delivering innovative solutions to market. As a result of these efforts, we received third place in the "Innovation Strategy" category of the Turkish Exporters' Assembly (TİM) Inovalig competition and were recognized among the top ten in Fast Company's "Best Workplaces for Innovators" and "Best Workplaces for Innovations" list. As we continue our innovation-driven work to create industry-wide value, our R&D Center contributes its knowledge and expertise to various projects through university–industry collaborations.

The year 2024 saw an acceleration in sustainability-focused regulations and practices in Türkiye. In line with this transformation, we took a major step toward greater transparency and accountability by publishing our TSRS-Compliant Sustainability Report, prepared in accordance with the Turkish Sustainability Reporting Standards (TSRS) issued by the Public Oversight, Accounting and Auditing Standards Authority (POA). In this report, we comprehensively disclose our governance structure regarding sustainability and

climate-related risks and opportunities, their impact on our business strategy and our management approach to addressing them. We are also pleased to present our performance on environmental, social, and governance (ESG) matters affecting our stakeholders in a more concrete and comparable format.

Looking ahead, we will continue to advance our sustainability journey by drawing on our accumulated experience and values. As we remain committed to reducing our environmental impact, we will also work with determination to enhance social value, create long-term benefits with our stakeholders and contribute meaningfully to our country's development. I would like to express my sincere gratitude to all our employees, business partners, customers, and dealers for their dedication, ideas, and efforts throughout this journey and to all our stakeholders for their continued support in reinforcing our leadership.

Warmest regards,

**Melih Poyraz**



# ABOUT AYGAZ



Türkiye's 24<sup>th</sup>  
largest industrial  
enterprise

2024 ISO 500 Largest Industrial  
Enterprises List



2.4 million  
tons  
LPG sales



178 thousand m<sup>3</sup>  
largest LPG storage  
capacity in Türkiye



USD 1.1 billion  
year-end  
market cap



9.67  
corporate  
governance rating

out of 10



# AYGAZ AT A GLANCE

Operating as the Koç Group’s first company in the energy sector since 1961, we have always followed the motto of our founder, the late Vehbi Koç, who said, “Without energy, life does not flow.” Armed with responsibility of this legacy, we are committed to delivering the essential needs that ensure life’s continuity with the assurance of Aygaz. We are moving forward with the mission of becoming a strong mobile energy brand at home and abroad. We build our agile work culture on the principles of continuous learning and improvement. In line with our “Today’s Energy for Tomorrow’s World” approach, we develop innovative solutions and stay close to our customers’ minds, hearts and lives as a key priority.



## » Vision

To be the brand that keeps life in motion with its outstanding competencies in the energy and distribution sectors, exceptional solutions, and closeness to its customers.

## » Mission

To offer the best products and services in all fields of operation and particularly in LPG by prioritizing high quality and safety standards with work principles that align with corporate values of the Koç Group and always respecting the community and the environment.

## » Main Fields of Operation

- Procurement, storage, filling and sales of LPG
- Production and sales of pressurized containers and LPG equipment
- Maritime transportation of LPG



## » Facilities

- 5** Sea Terminals
- 5** Filling Plants\*
- 1** Pressurized Container and Accessory Manufacturing
- 8** Distribution Centers

~ **4,000 dealers** across Türkiye

*\*Excluding the filling plants in the terminals*



## » Corporate Values

**Customer-centric.** We constantly strive to be a trusted brand.

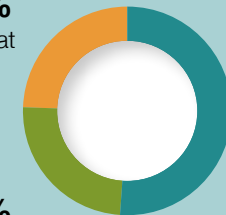
**Agile and Innovative.** We follow and define the dynamics of the moment.

**Committed and Responsible.** We focus on the target, overcome the obstacles and move forward.

**Collaborative.** We teach and share to empower each other and always charge ahead.

## » Shareholder Structure

**24.3%**  
Free Float



**51.2%**  
Koç Group

**24.5%**

Liquid Petroleum Gas Development Company (LPGDC)



# AYGAZ IN 2024

➤ **2.4 million tons**  
LPG Sales

➤ **2,010**  
Cylinder Gas Dealers

➤ **1,874**  
Autogas Stations

➤ **Türkiye's 24th Largest Industrial Enterprise**  
2024 ISO 500 Largest Industrial Enterprises List

➤ **USD 1.1 billion**  
Year-end Market Cap

➤ **9.67/10**  
Corporate Governance Rating

➤ **1,256**  
Average Number of Employees

➤ **178 thousand m<sup>3</sup>**  
Türkiye's Largest LPG Storage Capacity

➤ **47 million km**  
Traveled for LPG Logistics by Road

➤ **240 thousand**  
Vehicles Refuel Their Tanks with Aygaz  
100+ Octane every day

➤ **40 thousand**  
Households distributed Aygaz Cylinder Gas  
every day

➤ **67 thousand m<sup>3</sup>**  
LPG Transportation Capacity of  
Anadoluhisari Tankercilik Vessels

➤ **~12 thousand**  
United Aygaz LPG Sales Points

➤ **USD 75 million**  
Capital of United Aygaz LPG

➤ **6 spheres  
16 thousand tons**  
United Aygaz LPG's Installed Capacity

➤ **126 thousand tons**  
Sales Volume of United Aygaz LPG

➤ **2.27 million**  
downloads New Aygaz Mobile App

➤ **88 million m<sup>3</sup>**  
Aygaz Doğal Gaz Sales Volume

➤ **185 million liters**  
Pürsu Sales Volume (carboys, PET and  
glass bottles)

# FINANCIAL AND OPERATIONAL OUTLOOK

Key Financial Indicators (TL million)	2023	2024
Sales Revenues	93,608	<b>81,773</b>
Gross Profit	7,165	<b>6,874</b>
Operating Profit*	505	<b>623</b>
Profit Before Tax	7,892	<b>2,645</b>
Net Profit**	8,596	<b>2,123</b>
EBITDA*	1,682	<b>1,753</b>
Gross Profit Margin	7.7%	<b>8.4%</b>
Operating Profit Margin	0.3%	<b>1.1%</b>
Net Profit Margin	9.2%	<b>2.6%</b>
EBITDA Margin	1.8%	<b>2.1%</b>
Current Assets	14,645	<b>10,807</b>
Fixed Assets	52,042	<b>51,043</b>
Total Assets	66,687	<b>61,850</b>
Short-Term Liabilities	13,045	<b>7,927</b>
Long-Term Liabilities	909	<b>1,650</b>
Shareholders' Equity**	52,221	<b>52,273</b>
Total Equity and Liabilities	66,687	<b>61,850</b>
Return on Equity (ROE)	16.5%	<b>4.1%</b>
Current Ratio	1.1	<b>1.4</b>

\*Excluding other income and expenses from main operations

\*\*Parent company's share

## Market Shares\*

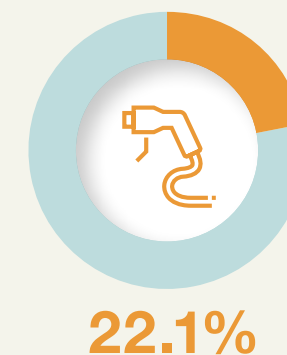
LPG Market Share



Cylinder Gas Market Share



Autogas Market Share



\* According to EMRA's December 2024 report



# BOARD OF DIRECTORS

Aygaz Board of Directors consists of eight members, including three independent directors. Currently, two female directors and six male directors serve on the Board, while no member holds an executive role. The Chairperson and General Manager roles are held by different individuals. Board members each have a single vote, and the Board of Directors appoints new directors to replace the members whose terms have expired. The highest governing body is the Board of Directors, which should comprise of at least five directors elected for a maximum term of 3 years.

The objective of the **Aygaz Board of Directors Diversity Policy** is to achieve diversity in terms of age, gender, race, nationality and ethnicity in nominating candidates, who should possess the necessary knowledge, experience, and competence required for the position, based on the company's culture, size, and operations, and the qualifications needed to protect the interests of all stakeholders. We also aim to maintain a female board membership ratio of at least 25%. We disclose summary information about the competencies of our Board members through the **Board Skills Matrix**.

Four committees – **Corporate Governance, Audit, Risk Management and Executive Committee** – are structured under the Board of Directors. The Corporate Governance Committee convenes at least once a year to ensure effective corporate governance.

➤ [Please click to access Aygaz Board of Directors Diversity Policy.](#)

## ➤ Board of Directors

**RAHMI M. KOÇ**  
Chairperson

**ÖMER M. KOÇ**  
Vice Chairperson

**ALEXANDRE F. J. PICCIOTTO**  
Member

**LEVENT ÇAKIROĞLU**  
Member

**YAĞIZ EYÜBOĞLU**  
Member

**M. M. GÜLAY BARBAROSOĞLU**  
Independent Director

**NESLİHAN TONBUL**  
Independent Director

**MUHARREM HİLMİ KAYHAN**  
Independent Director

➤ [Please click to access Board of Directors' résumés.](#)

## ➤ Board of Directors' Skills Matrix

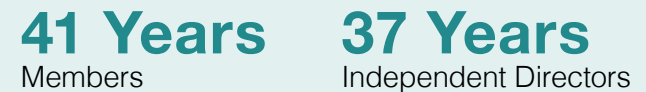
### Gender Distribution



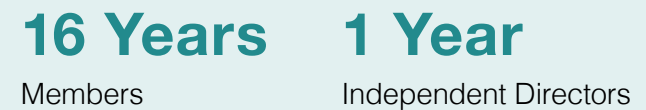
### Education Level



### Total Average Professional Experience



### Average Term of Service





## COMMITTEES

### ➤ AUDIT COMMITTEE

**Committee Chair:**

Muharrem Hilmi Kayhan

**Member:** M.M. Gülay Barbarosoğlu

**Ratio of Non-executive**

**Directors:** 100%

**Ratio of Independent Directors:**

100%

**Audit Committee** is tasked with selecting the independent audit firm, determining the scope of auditing services, initiating the independent audit process and overseeing the activities of the independent auditor. The committee also ensures that complaints regarding the accounting, reporting and internal control systems are investigated and the employees' notifications are addressed in compliance with privacy principles.

### ➤ EXECUTIVE COMMITTEE

**Committee Chair:**

Mustafa Rahmi Koç

**Members:** Mehmet Ömer Koç, Yıldırım Ali Koç, Alexandre F.J. Picciotto, Caroline Nicole Koç

**Ratio of Non-executive**

**Directors:** 100%

**Ratio of Independent Directors:**

0%

**Executive Committee** is responsible for reviewing, analyzing and evaluating the materially significant agenda topics before they are submitted to the Board of Directors for resolution and ensuring that the General Assembly or Board resolutions are implemented per guidelines and policies. The committee also oversees the alignment of the company's activities with the Board resolutions and annual business plans, monitors the economic, social and political developments, assesses potential impacts and determines strategies to improve competitive strengths

### ➤ RISK MANAGEMENT COMMITTEE

**Committee Chair:**

M.M. Gülay Barbarosoğlu

**Member:** Levent Çakıroğlu

**Ratio of Non-executive**

**Directors:** 100%

**Ratio of Independent**

**Directors:** 50%

**Risk Management Committee** defines the existing and potential risks that may affect the attainment of company goals and ensures that they are assessed, monitored and managed. The committee also reviews the Enterprise Risk Management (ERM) system at least once a year and evaluates risk reports, risk management and internal control systems, assesses technical bankruptcy risks and recommends necessary measures.

### ➤ CORPORATE GOVERNANCE COMMITTEE

**Committee Chair:**

Neslihan Tonbul

**Members:** Yağız Eyüboğlu, Gökhan Dizemen

**Ratio of Non-executive**

**Directors:** 66.7%

**Ratio of Independent**

**Directors:** 33.3%

**Corporate Governance Committee** is tasked with overseeing the implementation of corporate governance principles and the activities of the Investor Relations Department, reviewing the Corporate Governance Compliance Report, ensuring that these principles are adopted and applied across the organization. The committee also assumes the duties of the nomination and remuneration committees, evaluating the Board of Directors and Senior Management in terms of performance and working on topics such as career planning, remuneration principles, independent directors and nominations



# REMUNERATION POLICY

The remuneration system applicable for members of the Board of Directors and senior executives is determined in accordance with **Aygaz Remuneration Policy for Board of Directors and Executive Management**. The remuneration for senior executives consists of two components: fixed, and performance based. Fixed salaries of senior executives are determined in line with international standards and legal obligations by taking into account the macroeconomic data in the market, the salary practices prevailing in the market, the size and long-term targets of the company and the specific positions of the individuals. Bonuses for senior executives are calculated according to the bonus base, company performance and the individual performance in a way to support the realization and exceeding of the company's business goals and to encourage superior performance by rewarding sustained success. Targets related to sustainability and climate change are incorporated into performance assessments at the executive management level. The company's progress toward its sustainability and climate change targets is monitored accordingly.

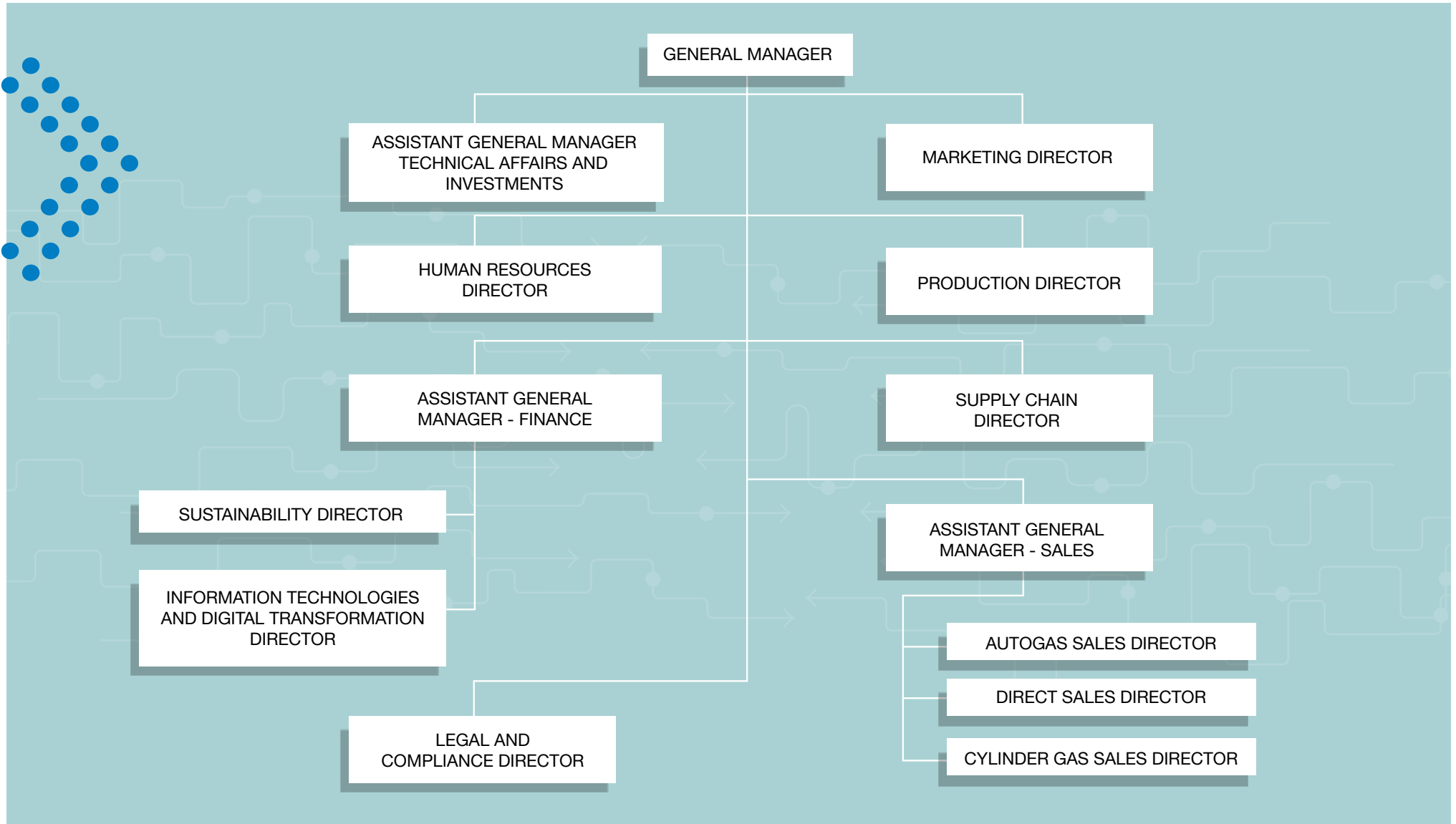
In all resignation and termination processes, Aygaz follows the provisions of the Turkish Labor Law. Senior executives may be entitled to severance payments based on their total tenure at the company, term of service as an executive, as well as contributions made to the company, the recent bonus base, and the salaries and bonuses paid in the last year of service.

➤ *Please click to access [Aygaz Remuneration Policy for Board of Directors and Executive Management](#).*





# ORGANIZATIONAL CHART





# SUBSIDIARIES



### Field of Operation

Natural gas and liquified natural gas (LNG) sales

### Founded in

2004

### Participation Rate

100%

### Sales Volume

88 million m<sup>3</sup> of LNG



### Field of Operation

LPG transportation by sea

### Founded in

2010

### Participation Rate

100%

### Number of Vessels

4

### Transportation Capacity

67 thousand m<sup>3</sup>

### Fleet's Average Age

15



### Field of Operation

LPG, fuel products and bottled water marketing and sales

### Founded in

2001

### Participation Rate

100%



BAL KAYNAK SU

### Field of Operation

İçme suyu üretimi ve satışı

### Acquired in

2019

### Participation Rate

100%

### Sales Volume

185 million liters



# JOINT VENTURES

# AFFILIATES AND FINANCIAL INVESTMENTS

<p><b>Field of Operation</b> Sourcing, storage, filling and distribution of LPG in Bangladesh</p>	<p><b>Field of Operation</b> Property purchasing to operate fuel and autogas stations</p>
<p><b>Participation Rate</b> 50%</p>	<p><b>Participation Rate</b> 50%</p>
<p><b>Formed in</b> 2021</p>	<p><b>Formed in</b> 2013</p>
<p><b>Sales Volume</b> 126 thousand tons</p>	<p><b>Stations</b> 16</p>

<p><b>Field of Operation</b> Courier and last-mile delivery services</p>	<p><b>Field of Operation</b> Energy</p>	<p><b>Field of Operation</b> Financial services</p>
<p><b>Participation Rate</b> 27.5%</p>	<p><b>Participation Rate</b> 20%</p>	<p><b>Participation Rate</b> 3.93%</p>
<p><b>Incorporated in</b> 2020</p>	<p><b>Founded in</b> 2005</p>	<p><b>Indirect share in the capital of Yapı Kredi Bank</b></p>
<p><b>Merger with Kolay Gelsin</b> 2024</p>	<p><b>Indirect share in the capital of Tüpraş</b> 9.3%</p>	<p>1.6%</p>



# EFFECTIVE CORPORATE GOVERNANCE

Implementing effective corporate governance practices, we continuously improve our governance quality and manage financial and non-financial risks more effectively. Through **transparent, traceable, and integrated management systems**, we not only elevate our credibility in the capital markets but also support Aygaz's transition to a low-carbon economy. In 2024, our **Corporate Governance Rating rose to 9.67 out of 10.**

➤ *Please click to view Corporate Governance Principles Compliance Report.*

## ➤ Executive Management

The executive management at Aygaz consists of 10 members, including four women: General Manager, Assistant General Managers, Cylinder Gas Sales Director, Autogas Sales Director, Supply Chain Director, Human Resources Director, Production Director, and Marketing Director.

**MELİH POYRAZ**  
General Manager

**HAKAN ÖNTÜRK**  
Autogas Sales Director

**GÖKHAN DİZEMEN**  
Assistant General Manager – Finance

**ELİFCAN YAZGAN**  
Supply Chain Director

**AYŞE ABAMOR BİLGİN**  
Assistant General Manager – Technical Affairs and Investments

**ESRA TOPKOÇ**  
Human Resources Director

**AHMET ERCÜMENT POLAT**  
Assistant General Manager – Sales

**GÖKHAN BURAK GÜRBÜZ**  
Production Director

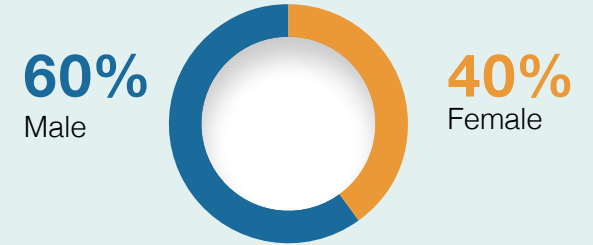
**DİDEM KALKAN ERDEM**  
Marketing Director

**ŞENOL ZAFER POLAT**  
Cylinder Gas Sales Director

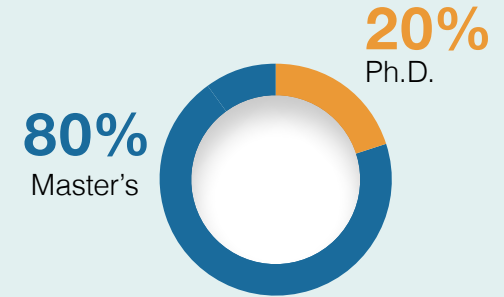
➤ *Please click to access Executive Management's résumés.*

## ➤ Executive Management Skills Matrix

Distribution by Gender



Education Level



Average Total Professional Experience

**26 Years**



# BUSINESS ETHICS AND COMPLIANCE

At Aygaz, we carry out all our activities with **integrity, transparency and responsibility** and view commitment to ethical values as an integral part of our corporate culture. To ensure that all our employees embrace the same codes of conduct, we follow **Aygaz Code of Ethics and Implementation Principles** Policy, which has guided us since it was published in 2018.

The Ethics Committee, established to better evaluate any ethics violations and ensure alignment between practices, is composed of the General Manager, Senior Executives, Human Resources Director, and Legal and Compliance Director. This committee is responsible for reviewing violations of ethical conduct and referring them to the relevant parties for further action.

To raise awareness of ethical principles, we share the **Koç Group Code of Ethics** and Implementation Principles document with new hires and encourage participation in the online **Code of Ethics -Energy** training program developed by the Koç Group as part of our orientation processes. As of 2024, a total 475 employees have completed this training.

We also maintain a high level of ethical awareness by periodically assigning online Code of Ethics Refresher training to all employees and organize physical or online

group training sessions specific to each department or business unit as needed.

Ensuring confidentiality and trust in reporting ethics violations is a key priority for us. All our employees and stakeholders can report any incident they consider unethical by contacting the **Koç Holding Ethics Line** by phone or online.

To foster the ethics and compliance culture at Aygaz, we develop policies in alignment with the Koç Group Compliance Program and in accordance with applicable legislation and international best practices. These policy documents, addressing a wide range of topics from human rights and occupational health to data privacy and conflicts of interest, define our company's ethical and legal standards.

We encourage our employees to report violations without fear of pressure or retaliation and create an open and safe communication environment where unethical behavior is not tolerated.

We published the Policy on Prevention of Laundering the Proceeds of Crime, Financing of Terrorism and Weapons of Mass Destruction in 2024.

➤ [Please click to view Aygaz Code of Ethics.](#)

➤ [Please click to view Aygaz Compliance Policy.](#)

➤ [Please click to view Aygaz Whistleblowing Policy.](#)

➤ [More information on Corporate Governance and Ethics and Compliance is available in Aygaz 2024 Annual Report.](#)

➤ [Please click to view Aygaz Policy on Prevention of Laundering the Proceeds of Crime, Financing of Terrorism and Weapons of Mass Destruction.](#)





## ➤ **Anti-Bribery and Anti-Corruption**

At Aygaz, we apply a zero-tolerance policy against bribery and corruption and build our business processes on ethical values and compliance with laws and regulations. Following our **Anti-Bribery and Corruption Policy** published in 2021, we diligently manage risk-prone topics such as conflicts of interest, public relations, donations, facilitation payments, and similar issues, and expect all our stakeholders to uphold these principles as well. In our **Gift Acceptance and Honor Policy**, developed with this approach, we clearly limit practices that could undermine mutual trust in business relationships. We ensure that any violations of ethical principles are reported in confidence through the Koç Holding Ethics Line, promoting transparency in the process. In 2024, 53 people completed the anti-bribery and anti-corruption training we developed to raise employee awareness. We regularly update information on our policies and practices and continue to strengthen our ethical culture across our value chain.



➤ *Please click to access Anti-bribery and Corruption Policy.*

➤ *Please click to access Aygaz Gift Acceptance and Honor Policy.*



# MANAGING RISKS AND OPPORTUNITIES

At Aygaz, we base our risk management on the enterprise risk management principles and address corporate risks in integration with the company strategies and targets. We view risks not just as threats but also as opportunities and adopt a systematic and holistic approach to addressing them. We spread risk awareness across the organization to identify potential risks proactively and anticipate their impact according to different scenarios. Accordingly, we define short-term as 0-1 year, medium-term as 1-5 years, and long-term as 5+ years in our strategic plans.

Throughout the year, we update and prioritize the company's risk inventory by reviewing the identified risks and scenarios, while developing solutions to mitigate or eliminate the risks. We then share the updated risks and opportunities with internal stakeholders. Accordingly, the departments review their own risk assessments, enabling us to build a common risk culture across the organization.

We implement a risk management system that aligns with international standards. We manage all risks, starting with financial, operational, legal, and cyber risks, with a systematic approach in line with policies approved by the Board of Directors and strategic objectives. Utilizing insurance mechanisms and information security practices, we mitigate the impact of such risks.

In managing financial risks, we leverage various tools against volatilities in exchange rates, interest rates, liquidity, and commodity prices. We ensure a balance between assets and liabilities, secure our commercial receivables and diversify our payment options to reduce collection risks. We regularly monitor financial indicators to maintain our strong capital structure.

We work with relevant departments to monitor operational, legal and strategic risks and regularly inform the Board of Directors through **senior executives** and the **Risk Management Committee**. To mitigate potential losses, we develop insurance solutions covering all our fields of operation and take measures against cyber risks by deploying protection systems and using insurance policies.

We ensure the security of our business processes in line with our sustainability principles and guided by our Integrated Management Systems Policy. We also closely monitor regulatory changes together with all relevant departments, in particular the Legal and Compliance Department, and regularly inform and train our employees as part of our sustainability and compliance programs. Moreover, we monitor climate change and sustainability-related risks and opportunities regularly. Starting from 2024, we will publicly disclose information on these issues in compliance with **Turkish Sustainability Reporting Standards (TSRS)**.



➤ [Please click to view Aygaz Integrated Management Systems Policy.](#)

➤ [More information about Risk Management is provided in Aygaz 2024 Annual Report.](#)



## Managing Sustainability and Climate Risks and Opportunities

As global risks become increasingly complex and more intertwined, environmental risks remain a key concern among all risk categories. According to the World Economic Forum's (WEF) 2025 Global Risks Report<sup>1</sup>, the impacts of environmental risks have increased in both intensity and frequency since 2006. Projections for the next decade paint a particularly alarming picture. Extreme weather events stand out as the top priority risk related to climate change, while biodiversity loss and ecosystem collapse are second, with a significantly worsening trend. These indicators demonstrate that climate change-related risks directly impact not only environmental sustainability but also economic and social stability.

At Aygaz, we address sustainability and climate-related risks and opportunities with a systematic approach. As a Koç Group company, we support the **Task Force on Climate-Related Financial Disclosures (TCFD)**. We monitor sustainability and climate change-related risks and opportunities through the **Sustainability Department** and other relevant units and report these risks and opportunities to Executive Management and the Risk Management Committee.

According to our risk assessment, prepared with S&P Global in 2021, we classify risks into five categories: policy, market, reputation, technology transition, and physical. After studying the issues with the highest impact in these areas,

we determined our metrics. For compliance with TSRS, we updated our risk and opportunity inventories.

We work with different scenarios to better understand the potential impacts of climate change on our business. To assess our transition risks, we use the **STEPS, APS** and **NZE** scenarios published by the International Energy Agency (IEA), and the **RCP 2.6, RCP 4.5** and **RCP 8.5** scenarios developed by the Intergovernmental Panel on Climate Change (IPCC) to analyze our physical risks. Based on these scenarios, we identify potential climate-related risks and develop strategies to mitigate them. We also monitor the potential financial impact of our short-, medium-, and long-term climate-related risks and opportunities on our operations.

We recognize that climate-related risks go beyond physical impacts with the potential to damage companies' reputations. As assessed by S&P Global, our carbon intensity has been rated low, an indication of our operational efficiency. Given the constantly evolving climate regulations and rising stakeholder expectations, we are focused on further strengthening our climate strategies with a transparent accountability approach. Accordingly, we continue to intensify our efforts for transitioning to a low-carbon economy, strengthening stakeholder trust and proactively managing reputation risks.

More information on climate risks and opportunities is provided in Aygaz's TSRS-Compliant Sustainability Report 2024.

<sup>1</sup> Global Risks Report 2025 - WEF





# SUSTAINABILITY STRATEGY

50% reduction in  
Scope 1 and Scope 2  
emissions  
by 2030

compared to 2017  
baseline

25% decrease  
in clean water  
consumption  
by 2030

As of 2024, we included Aygaz Group  
companies within the scope and revised our  
water consumption reduction target as 25%  
compared to the 2023 baseline.

Increase ratio of women  
in STEM to 35%  
by 2026



# SUSTAINABILITY MANAGEMENT

At Aygaz, we position sustainability as a cornerstone of our long-term success and at the center of our corporate strategy. Strategically, sustainability management contributes to managing both our financial and non-financial assets. This approach enables us to lay the foundation for establishing long-term stakeholder relationships based on creating benefit and value. Focusing on environmental, social, and governance (ESG) issues, we aim to develop our corporate structure from a sustainability perspective.

We monitor our sustainability approach across Aygaz, guided by our **Sustainability Policy**, which we disclosed in the first quarter of 2025. We developed this policy with the objective of reducing our environmental impact, increasing social responsibility and complying with corporate governance principles.

Our Sustainability Leaders Team, led by the Aygaz General Manager, is responsible for managing our sustainability efforts. The Sustainability Department, established in 2023 and reporting to the Assistant General Manager - Finance, coordinates the Sustainability Leaders Team and reviews corporate plans and strategies with the support of relevant units.

The Sustainability Leaders Team operates with four main working groups: Carbon and Energy Transition, **Hydrogen and Ammonia, Alternative Products and Biofuels, and Circular Economy**. We report the activities of these working groups to senior executives through the Sustainability Department, address sustainability issues at the Executive Management level, and manage our sustainability strategy at the highest level. The Sustainability Leaders Team convenes quarterly to monitor the progress toward the targets we have set and the activities of the working groups.

[Please click to view Aygaz Sustainability Policy.](#)





## ➤ Sustainability Leaders Team

Team Leader

Aygaz General Manager



Team Coordinator

Sustainability Department



- |   |                                     |   |  |
|---|-------------------------------------|---|--|
| > Assistant General Manager – Finance                           | > Human Resources Director          | > Quality Systems, HSE-S and Industry Relations Manager | > Innovation and Intellectual Property Manager |
| > Assistant General Manager – Technical Affairs and Investments | > Production Director               | > Corporate Communications Manager                      | > Internal Audit Manager                       |
| > Assistant General Manager – Sales                             | > Supply Chain Director             | > R&D Manager   | > Marketing Manager                            |
| > Marketing Director  | > Information Technologies Director |   | > ADG Engineering and Quality Manager          |
|   | > Legal and Compliance Director     |   |  |

Sustainability Working Groups



### Carbon and Energy Transition Duties

Planning Aygaz’s climate targets and actions, determining roadmaps for transitioning to a low-carbon economy.



### Hydrogen and Ammonia Duties

Diversifying the energy portfolio during Aygaz’s transition to a low-carbon economy and expanding business areas.



### Alternative Products and Biofuels Duties

Diversify Aygaz’s low-carbon product portfolio and developing new business areas.



### Circular Economy Duties

Assessing the environmental impact of Aygaz’s operations in terms of waste and water, setting targets and creating roadmaps to reduce negative impacts.

## ➤ The Sustainability Policy lays out:

- Our targets related to effective resource utilization and carbon footprint reduction.
- Our social and economic goals.
- Our action plans created to identify climate-related risks and opportunities and to manage such risks.



## ➤ Sustainability Indices

Our sustainability efforts have been recognized by various national and international indices. We are listed in the BIST Sustainability Index and BIST Corporate Governance Index. According to Sustainalytics, we are in the medium-risk category in our industry with a score of 26.9.\* The London Stock Exchange, the assessor of the BIST Sustainability Index, rated us with a score of 78/100 in 2023. We also ranked 16<sup>th</sup> among 413 companies in the Oil & Gas industry.\*\*



\* Since March 28, 2025

\*\* Since June 23, 2025




# VALUE CHAIN AND STAKEHOLDER COMMUNICATIONS

In addition to our own operations, our entire value chain contributes to our sustainability goals. We maintain open and transparent communication with our suppliers, dealers, subcontractors, customers and non-governmental organizations and manage our social and environmental impact together. This collaborative approach helps us build long-term relationships based on trust, enhance our system's resilience and achieve our strategic goals more effectively.

We strive to comply with sustainability principles across our entire value chain and adopt a business conduct that adheres to legal standards and ethical values in line with our Sustainability Policy and Code of Ethics. We establish strong partnerships with chambers, industry associations and non-governmental organizations within our stakeholder ecosystem and actively participate in these platforms. Through memberships, we contribute to projects for sustainability, digital transformation, green transformation, environment, climate and social impact.

At Aygaz we adopt a holistic approach to our value chain, from raw material sourcing to serving the end-consumer, and address our sustainability goals from an integrated perspective, incorporating our environmental, economic and social responsibilities into every link of this chain. We view each stakeholder as an integral part of this chain and aim to create long-term impact through collaborations.



 [Please click to access Aygaz Stakeholder Relations and Communications Map.](#)



Aygaz hosted the launch event of the Women in Global LPG Network's Türkiye Branch organized by the World Liquid Gas Association.



We participated in the European LPG Association Congress in Lyon, France.



# MATERIAL SUSTAINABILITY TOPICS

We identified the material sustainability topics of the Aygaz Group through a double materiality assessment in 2023. In the process of identifying the topics that would shape our sustainability strategy, we considered global sustainability trends, international standards, stakeholder expectations and our business strategies.

The impacts of these topics on the environment, society and the economy were thoroughly addressed through stakeholder analyses, external trend reviews and impact analyses. We also assessed the financial impact of these issues on Aygaz, drawing from the opinions of our managers, investors and key stakeholders. We regularly monitor our material topics and keep our sustainability strategy updated by considering the evolving regulations, industry trends and stakeholder feedback.



















**Material Topics**



PRIORITY	1	Talent Development, Retention and Engagement
VERY HIGH PRIORITY	2	Transitioning to Low-Carbon Economy
	3	Employee Health and Safety
	4	Digital Transformation and Technology
	5	R&D, Innovation, Innovative Products and Services
	6	Diversity, Equity and Inclusion
HIGH PRIORITY	7	Climate Change and Resilience
	8	Responsible Supply Chain
	9	Corporate Governance
	10	Process Safety
	11	Water and Effluents
	12	Waste Management
	13	Ethics and Compliance
	14	Community Engagement
	15	Managing Risks and Opportunities
	16	Air Quality
PRIORITY	17	Human Rights and Working Conditions
	18	Customer Satisfaction and Safety
	19	Product Quality and Safety
	20	Quality, Safety and Resilience in Logistics
	21	Data Privacy and Security
	22	Biodiversity and Ecosystems

➤ Environmental 
 ➤ Social 
 ➤ Governance



MATERIAL TOPIC	MATERIALITY FOR AYGAZ	RELATED SDGs
 <b>TALENT DEVELOPMENT, RETENTION AND ENGAGEMENT</b>	<p>Ensuring continuous development of qualified employees and increasing their engagement improves productivity, extending talent retention time. Furthermore, offering flexible work models and personal development opportunities helps companies adapt to dynamic business environments by increasing their competitiveness and innovation capacity.</p>	
 <b>TRANSITIONING TO LOW-CARBON ECONOMY</b>	<p>Transitioning to a low-carbon economy is crucial for tackling climate change and limiting global warming to 1.5 °C. Shifting to lower carbon technologies drives innovation and improves financial performance, while enabling companies to maintain long-term competitiveness.</p>	
 <b>EMPLOYEE HEALTH AND SAFETY</b>	<p>Efforts toward employee health and safety lead to higher employee productivity, while improving engagement and workforce continuity.</p>	
 <b>DIGITAL TRANSFORMATION AND TECHNOLOGY</b>	<p>Digital transformation and technologies enhance business processes and improve efficiency. Technologies such as artificial intelligence, big data and automation increase operational efficiency, competitiveness and innovation capabilities, resulting in higher customer satisfaction and service quality.</p>	
 <b>R&amp;D, INNOVATION, INNOVATIVE PRODUCTS AND SERVICES</b>	<p>R&amp;D, innovation and innovative products and services elevate companies' competitive advantages and grow their market share. Various mobility solutions and low-emission fuel technologies enable companies to meet customer needs more effectively and create new opportunities.</p>	
 <b>DIVERSITY, EQUITY AND INCLUSION</b>	<p>Diversity, equity and inclusion improve companies' innovation and competitiveness. Inclusive workplaces promote diverse perspectives and generate more creative and effective solutions. Such practices increase employee satisfaction and loyalty, while also elevating brand reputation.</p>	
 <b>CLIMATE ACTION AND RESILIENCE</b>	<p>Climate events such as more frequent heat waves, droughts and sea level rises are becoming more severe. Reducing environmental impact and adapting to climate change will help businesses gain more resilience in the face of future risks.</p>	



# SUSTAINABILITY TARGETS

On our long-term value creation journey, we shaped our sustainability strategy around four main pillars: Carbon and Energy Transition, Circular Economy, Social Responsibility, and Governance. Monitoring the targets and metrics, reporting to Executive Management, and taking necessary actions are led by the Sustainability Department. We aim to strengthen LPG’s role as a transition fuel in process of shifting to low-carbon energy, reduce our environmental impact and increase resource efficiency. Accordingly, we are developing projects for material topics, including energy efficiency, water consumption optimization and waste management, while we also focus on alternative energy solutions like hydrogen and biofuels in the transition to low-carbon business models. Our sustainability strategy was developed with the contributions of the Executive Management team.

TOPIC	TARGET	PERFORMANCE METRICS	2023 PERFORMANCE	2024 PERFORMANCE	PROGRESS	EXPLANATION
CLIMATE	50% reduction in Scope 1 and Scope 2 emissions by 2030, compared to the 2017 baseline.	Scope 1 and Scope 2 emissions (tons CO <sub>2</sub> e)	14,905	11,917	Reduced by 20% compared to 2023.	We began calculating Scope 1 and Scope 2 emissions of Aygaz Group in 2024. Even though the emission figures increased because of this calculation, we achieved a total emission reduction of 20% compared to 2023.
	Net-zero in Scope 1 and Scope 2 emissions by 2050.	Scope 1 and Scope 2 emissions (tons CO <sub>2</sub> e)				
	50% reduction in specific process-related hazardous waste by 2030, compared to the 2017 baseline.	Process-related hazardous waste quantity (tons of waste)	231	233	Remained at similar levels as 2023.	We reduced our process-related hazardous waste by 39% compared to the baseline. In 2024, our hazardous waste remained at similar levels as 2023. Our continuous improvement and efficiency-focused practices are ongoing to achieve our 50% reduction target by 2030.
	25% reduction in clean water consumption by 2030, compared to the 2023 baseline.	Clean water consumption (m <sup>3</sup> of water)	186,345	167,707	Reduced by 10% compared to 2023.	In 2024, we included the facility data of our group companies within our targets. Accordingly, we updated the target as 186,345 by adding the data from our group companies to the baseline value determined for the target. After expanding the scope of our targets to encompass Aygaz Group, we revised our target as a 25% reduction.



TOPIC	TARGET	PERFORMANCE METRICS	2023 PERFORMANCE	2024 PERFORMANCE	PROGRESS	EXPLANATION
SOCIETY	Providing STEM training for 100,00 women by 2026 and increasing participation in the energy sector's workforce.	Number of women receiving STEM training	43,417	100,000	Target met as of 2024 year-end.	In the 2023-2024 academic year, we allocated all of the scholarships extended to the Turkish Education Foundation for female students studying in STEM fields. We remained committed to our target of maintaining a minimum 50% female student ratio in our technology and innovation internship programs. 84% of our 2024 Summer Internship Program participants were women. To increase our engagement with female students, we established direct contact with more than 1,500 university students in 2024. We reached our target of providing STEM training for 100,000 women by the end of 2024.
	Increasing the ratio of female employees working in STEM fields to 35% by 2026.	Ratio of female employees in STEM (%)	17%	24%	A 7-point increase compared to 2023.	We increased the ratio of female employees working in STEM fields by 7% compared to 2023, reaching 24%.
	Increasing the female executive ratio to 21% by 2026.	Female executive ratio (%)	17%	17%	Representation in senior management increased.	Even though our overall female executive ratio remained stable at 17%, we increased women's representation in executive management from 30% (2023) to 33% (2024).



# REDUCING OUR IMPACT



**2,900 MWh of energy**  
generated from solar power  
by the Manisa SPP  
**with 1.59 MW installed  
capacity**



**Approximately 30%  
reduction**  
in total energy  
consumption in the  
2022-2024 period



**TL 3,4 million in  
financial savings**  
through environmental  
investments and  
spending



# ENVIRONMENT-FOCUSED MANAGEMENT APPROACH

To minimize the environmental impact of our operations and leave a better world for future generations, we adopt an environment-focused management approach. Embracing a holistic perspective, we focus on our material topics such as tackling climate change, efficient use of natural resources and conserving biodiversity. We analyze our environmental impacts across a broad range, from energy and emissions management and waste reduction to water resource conservation and ecosystem continuity. We also assess improvement opportunities and take firm actions.

Aiming for continuous improvement and creating more value with fewer resources, we transform our production and service processes to enhance performance. Integrating technological innovations and sustainable business models enables us to reduce our carbon footprint, contribute to circular economy and focus on minimizing our negative impacts on the ecosystem.

Guided by our **Quality System, HSE-S and Industry Relations Department**, we carry out our environmental and energy management processes in alignment with applicable legislation and international standards. We apply the **ISO 14001 Environmental Management System and ISO 50001 Energy Management System** standards and regularly review our performance through internal and external audits on these systems. In all these efforts, we follow the Koç Group's goals and principles and adhere to the Integrated Management Systems Policy and Aygaz's Climate Change Strategy. In 2024, we ensured full compliance with environmental regulations and did not incur any administrative sanctions or penalties.

Our employees are our greatest asset in reducing our environmental impact. In 2024, we organized environmental training programs covering environmental management, climate change, waste management, environmental legislation, and air, water and soil pollution for both our own employees and subcontractor teams.



➤ The environmental investments and operational improvement projects resulted in financial savings of TL 3.4 million TL in 2024. During the same period, our environmental expenditures amounted to approximately TL 24.6 million.

## ➤ ENVIRONMENTAL INVESTMENTS AND SPENDING

	2022	2023	2024
Financial Savings Through Environmental Investments and Spending (TL million)	-	4.2	3.4
Facilities holding ISO 14001 Certification	12	12	11
Facilities holding ISO 50001 Certification	2	3	3

## ➤ ENVIRONMENTAL TRAININGS

	2022	2023	2024
Environmental Training Time for Employees (hours)	1,334	865	1,006
Employees Receiving Environmental Training	1,327	1,038	933
Environmental Training Time for Subcontractor Employees (hours)	462	223	224
Subcontractor Employees Receiving Environmental Training	476	267	285



## Climate Actions in 2024

Pursuant to environmental legislation, we provided **1,320 person-hours of training** in total.



**Total electricity consumption** across our 12 locations, including our head office and Pürsu İnegöl water plant, amounted to **18,000 MWh. We reduced electricity consumption by 5%** at each of our terminal offices, filling plants and the Gebze Plant.



**Our Scope 1, Scope 2 and Scope 3 emissions were calculated as 4,200 tons CO<sub>2</sub>e, 7,717 tons CO<sub>2</sub>e and 19,245,335 tons CO<sub>2</sub>e, respectively,** and assured by a third-party.



As part of our efforts to measure our environmental impact, we conducted **Full Life Cycle Assessments on 40%** of our products.



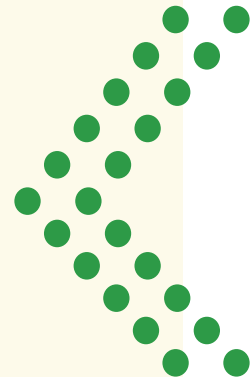
**We donated 3,440 kg of electronic waste,** contributing to environmental protection and supporting children with quality education through TEGV.



**We recycled 2,751 tons of non-reusable scrapped gas cylinders.**



We recovered, treated and reused **61,102 m<sup>3</sup>** of water in total.





# EMISSIONS AND ENERGY MANAGEMENT



At Aygaz, we adopt a comprehensive management approach to reduce our emissions and to use energy more efficiently. In addition to improving energy efficiency in our operational processes, we are accelerating the transition to renewable energy sources and setting solid targets to reduce our greenhouse gas emissions. The Carbon and Energy Transition Working Group, focusing on emissions and energy transition, leads our efforts to develop strategic roadmaps to achieve our climate targets. As we plan the necessary actions for transitioning to a low-carbon economy, we also prioritize projects for reducing our energy consumption and carbon footprint. At the same time, we are expanding the use of renewable energy with ongoing efforts to minimize our environmental impact through more efficient resource utilization.



## Carbon and Energy Transition Working Group's Activities in 2024

In line with our 2050 Carbon Neutrality target, we commissioned two solar power plants in Akçaköy, Manisa, which we anticipate will generate a total of **2,900 MWh** of electricity annually. With the commissioning of our solar power plants this year, 30% of the electricity consumed at our LPG filling facilities will be met by renewable sources.

We obtained the internationally recognized International Renewable Energy Certificate (I-REC) for the solar power plants we commissioned. The I-REC certification demonstrates that we maintain transparency within an internationally accepted system by documenting that our electricity comes from renewable sources.

We regularly measure, monitor and report our Scope 1, 2, and 3 emissions. In addition to introducing technological enhancements to reduce energy consumption at our facilities, we develop low-carbon production applications. We also carry out optimization activities to reduce fuel consumption and emissions in our logistics operations.

Through energy management, we aim to increase operational efficiency and reduce environmental impact. In the two years from 2022 to 2024, we reduced our total energy consumption by approximately 30%, down from 157,380 GJ to 114,640 GJ. In this period, we nearly tripled our renewable energy use, reaching 785 GJ.

We continue to work toward our goals of achieving carbon neutrality by 2050 and reducing our Scope 1 and Scope 2 greenhouse gas emissions by 50% by 2030, compared to the 2017 baseline. Accordingly, we monitor our Scope 1 and Scope 2 GHG emissions annually, compare them with industry benchmarks and leverage reduction opportunities. Our total Scope 1 and Scope 2 emissions decreased from 15,050 tons CO<sub>2e</sub> in 2022 to 11,917 tons CO<sub>2e</sub> by the end of 2024. In the same period, we reduced our Scope 3 emissions by approximately 1.3 million tons CO<sub>2e</sub>.



## ENERGY CONSUMPTION (GJ)

	2022	2023	2024
Renewable Energy Consumption	249	212	785
Direct Non-Renewable Energy Consumption	86,890	70,937	50,077
Purchased Electricity	70,241	68,528	64,563
Total Energy Consumption	157,380	139,677	114,640
Energy Savings	3,865	4,190	16,483

\* Starting from 2024, subsidiaries' data has been included in our performance indicators. The spikes in figures compared to the previous year are due to expanding the reporting scope.

## GREENHOUSE GAS EMISSIONS (Tons CO<sub>2</sub>e)

	2022	2023	2024
Scope 1*	6,328	6,550	4,200
Scope 2*	8,722	8,355	7,717
Total	15,050	14,905	11,917
Total Scope 3**	20,488,693	19,989,879	19,245,335
Carbon Footprint Intensity (tons CO <sub>2</sub> e / million TL)	0.44	0.32	0.16

\* The 2024 calculations for Scope 1 and Scope 2 emissions has been expanded to include Aygaz and its subsidiaries. All year data has been verified.

\*\* Total indirect greenhouse gas amount. All year data has been verified.

We reduced our carbon footprint from 0.32 in 2023 to 0.16 tons of CO<sub>2</sub>/million TL in 2024.

## AIR EMISSIONS (kg/year)\*

	2022	2023	2024
NOx	15,644	15,254	15,116
SOx	312	266	255
Volatile Organic Compounds (VOC)	111,459	91,751	82,296

\* Values may vary because measurements are by law taken at different facilities every two years. As of 2022, they are calculated in kg/year. 2021 measurements have been updated by converting from kg/hour to kg/year.

We monitor NOx, SO<sub>2</sub>, and VOC emissions to reduce our impact on air quality. In 2024, we achieved a 10% reduction in VOC emissions compared to the previous year.

## SCOPE 3 EMISSIONS (Tons CO<sub>2</sub>e)

	2022	2023	2024
Category 1 - Purchased Goods and Services	1,131,815.59	1,333,218.14	1,197,174.03
Category 1 - Purchased Goods and Services	5,048.78	6,128.54	7,923.70
Category 2 – Capital Goods	4,220.39	4,601.86	4,302.22
Category 3 - Fuel- and Energy-Related Activities Not Included in Scope 1 or Scope 2	0,00	0,00	1,285,13
Category 4 - Upstream Transportation and Distribution	13,382.63	24,311.56	4,865.99
Category 5 - Waste Generated in Operations	18.44	16.41	35.89
Category 6 - Business Travel	386.77	935.30	1,096,98
Category 7 - Employee Commuting	558.93	512.12	654.37
Category 9 - Outbound Transportation	135,676.66	185,987.07	97,132.31
Category 9 - Downstream Transportation and Distribution	128,271.08	127,645.73	127,646.31
Category 11 - Use of Sold Products	6,835,382.63	7,946,840.83	7,371,349.28
Category 12 - End-of-Life Treatment of Sold Products	310,95	334,48	1,374,31
Category 13 - Downstream Leased Assets	198,57	214,65	192,96
Category 15 - Investments	10,748,122.57	10,343,848.32	10,423,766.34
Total Scope 3 Emissions*	19,003,394.00	19,974,595.02	19,238,799.82

\* Indirect greenhouse gas emissions from purchased energy are not included.



## ➤ Climate-Focused Energy Efficiency Projects in 2024

### Aliğa Terminal PLC-Controlled Washing and Drying Units

We integrated the washing and drying units, which operate based on the filling line's cylinder fill levels, into the automation system. This PLC-controlled system, which prevents idling, saved 61 thousand kWh in energy consumption. This enhancement resulted in preventing approximately 26 tons of CO<sub>2e</sub> emissions annually.

### Yarımca Terminal Air Compressor Replacement - 110 kW Air Compressor

We replaced the end-of-life compressor, which frequently broke down, with a new 110 kW inverter-type compressor. The new automatic system operates on demand and ensures energy efficiency. This project saved 40 thousand kWh of electricity annually, preventing 16 tons of CO<sub>2e</sub> emissions per year.

### Kırıkkale Filling Plant Air Compressor Replacement - 90 kW Air Compressor

We replaced two inefficient 55 kW compressors with a 90kW inverter-type air compressor. This replacement increased efficiency in meeting the system's energy needs. Through the project, we saved 110 thousand kWh of electricity annually and reduced annual CO<sub>2e</sub> emissions by 48 tons.

### Yarımca Terminal Cylinder Filling Building's Roof Fitted With Transparent Panels

We installed transparent panels on the roof of the cylinder filling building to maximize daylight. This significantly reduced the need for artificial lighting during the day. The project saved us 25 thousand kWh of electricity annually and prevented approximately 11 tons of CO<sub>2e</sub> emissions per year.

### Samsun Terminal Hava Regulators and Actuator Valves Added to Air Lines

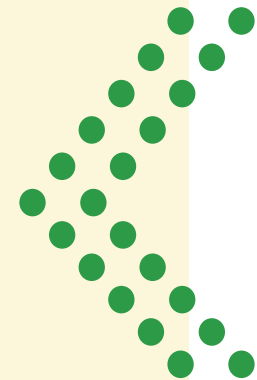
We fitted regulators and actuated valves in the compressed air line running to unneeded areas within the facility. This prevented unnecessary air consumption. This enhancement saved 45 thousand kWh per year and prevented 18 tons of CO<sub>2e</sub> emissions annually.

### Dedectors Purchased and Used to Detect Air Leaks

To detect leakage points, we procured special air leak detectors and deployed them extensively throughout the facility. These detectors help us quickly identify leaks and intervene. As a result, we saved 138 thousand kWh of energy per year and reduced annual CO<sub>2e</sub> emissions by 60 tons.

### Gebze Plant High-Efficiency Motor Conversion

At the Gebze Plant, we replaced 17 IE1 and IE2 class motors in various machines with high-efficiency IE4 class motors. This replacement resulted in savings of 50 MWh of electricity.





## » Climate-Focused Energy Efficiency Projects in 2024

### Energy Efficiency Projects Across Aygaz Facilities

The energy efficiency projects implemented across Aygaz Filling Facilities and the Gebze Plant in 2024 resulted in saving 743 MWh of electricity and 589 thousand m<sup>3</sup> of natural gas, corresponding to financial gains of TL 3.4 million.

### Manisa SPP Project

Our Manisa Solar Power Plant, commissioned in November 2024 with an installed capacity of 1.59 MW, meets 2,900 MWh of our energy need from solar energy. Within 1.5 months from the commissioning, the plant generated nearly TL 100 thousand in financial savings. The goal is to prevent approximately 1,250 tons of CO<sub>2</sub>e emissions annually.

### Compressed Air Process Improvements in Filling Buildings

This project, which involved enhancing the compressed air lines and replacing the compressors at the Ambarlı Terminal and Isparta Filling Facility, was completed in 2024, saving 210 MWh of electricity annually. We aim to prevent 91 tons of CO<sub>2</sub>e emissions per year.

### Lighting Conversions

In early 2024, we replaced the lighting systems in our cylinder tank, and valve plants, and our administrative buildings, with LED luminaires. With this latest conversion, LED luminaires are used in 94% of our lighting fixtures.

### Replacing Radiant Heaters

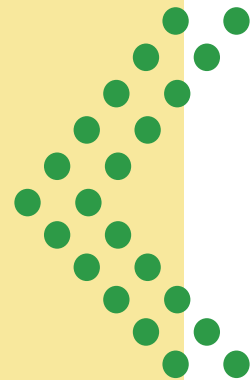
The existing radiant heaters at the Valve Plant were removed replaced with new-generation, energy-efficient, low-consumption U-shaped radiant heaters. This replacement both saved energy and increased our heating efficiency.

### Convection Oven Project

Two end-of-life infrared burner paint curing ovens used in powder coated cylinders at the cylinder plant were replaced with a convection type paint curing oven that transfers heat over a wider surface area with two burners and a combustion chamber. This replacement resulted in saving 75% of natural gas.

### Aliğa Terminal Remote Control and Speed Drive Integration

At the Aliğa Terminal, the LPG pumps were upgraded with remote control and a speed driver was integrated. These enhancements resulted in annual electricity savings of approximately 80 MWh.





# WASTE AND RESOURCE MANAGEMENT

Our goal is to reduce and effectively manage waste generation across our value chain and at every stage of our operations. We adhere to circular economy principles throughout the process, from production and logistics to packaging and the end-user.

Our primary objectives include efficient resource utilization, preventing waste at source and maximizing the recovery of generated waste.

We monitor our waste generation and, where possible, encourage reduction first and then recycling. When this is not possible, we resort to disposal methods. The waste generated in our processes is managed pursuant to environmental legislation and sorted by type. We dispose of both hazardous and non-hazardous waste or recycle them through licensed companies. To ensure transparency and traceability in our waste management processes, we enter all waste movements into the Mobile Waste Tracking System (MoTAT) of the Ministry of Environment, Urbanization and Climate Change.

The production optimizations and improvements in process-related waste reduction resulted in decreasing the amount of hazardous waste recovered from 514 tons in 2022 to 373 tons in 2024. In non-hazardous waste, the amount recovered dropped from 7,845 tons in 2022 to 5,648 tons in 2024, aligning with our principles of more efficient production and reduced waste.

The amount of hazardous waste we disposed of has also decreased steadily. Our hazardous waste disposal dropped from 1.90 tons in 2022 to 0.21 tons in 2024. This reduction was achieved by recovering waste before disposal and diverting it for recycling whenever possible.

## WASTES (tons)

	2022	2023	2024*
Hazardous Waste – Recovery	514	410	373
Non-hazardous Waste – Recovery	7,845	7,312	5,648
Hazardous Waste – Disposal	1.90	2.10	0.21
Non-hazardous Waste – Disposal	0	0	0

\*Starting from 2024, the individual waste amounts of Aygaz and its subsidiaries are presented in consolidated figures.

Managing products throughout their lifecycles is a key pillar of our waste reduction strategy.

We are now expanding this holistic approach to product lifecycles to include the post-life cycle. Through product take-back programs, we achieved environmental benefits and significant financial gains. The product take-back programs implemented in 2024 generated a financial advantage of TL 2.97 million. Through these practices, we reduced waste and – with the help of our customers - significantly limited resource consumption by extending the lifecycle of our products.

## PRODUCT MANAGEMENT

	2022	2023	2024
Total Number of Products	5	5	5
Total Number of Products Undergoing LCA	2	2	2
Financial Savings Through Product Take-Back Programs (TL)*	419.638**	5.948.621	2.972.569

\*Introduced in 2023, GEKAP provides a financial advantage in returnable Pürsu and Aygaz products.

\*\*Financial advantage provided by returnable Pürsu products.

Our efforts to address hazardous waste groups, identified as a priority by the **Circular Economy Working Group**, formed as part of our sustainability strategy, continued in 2024. These included:

- A pilot project for sun-dried sewage sludge was launched.
- A “Best Practices Guide” was created, featuring successful examples implemented at our facilities through the years.
- Process improvements and efficiency-enhancing practices were introduced.
- Various awareness-raising activities were carried out to foster a waste management culture.

All these efforts represented important steps toward our waste reduction target.

- For waste management as a key element of our sustainability strategy, we apply an environmentally friendly and systematic approach.
- We hold Zero Waste Certificates issued by the Ministry of Environment, Urbanization and Climate Change for all our locations.
- We focus on minimizing waste generation, increasing recycling rates and reducing natural resource utilization in our operations.
- We continue to reduce our environmental impact and create long-term value by integrating the Zero Waste system into our business processes.



# WATER STEWARDSHIP

According to the Aqueduct Water Risk Atlas<sup>2</sup> published by the World Resources Institute (WRI), Türkiye ranks among the countries with high risk of water stress. As water demand continues to increase in industry, agriculture and residential areas, managing the available resources sustainably becomes more critical than ever.

At Aygaz, we assume using water resources sustainably as a key environmental responsibility. We work systematically to maximize the efficient use and treatment of water at our 12 locations, including our Head Office, the Pürsu water plant in İnegöl and all our process-based operations.

We treat the industrial wastewater generated at our facilities in our treatment plants and then discharge it into the receiving environment or municipal sewage canals within discharge limits. We apply advanced treatment techniques where appropriate and reuse this water in various processes, reducing water consumption through treatment.

We process our wastewater using chemical and biological treatment depending on its pollution characteristics for environmental sustainability. All our facilities operate with the necessary legal permits for the receiving environments where the wastewater is released.

The conservation and efficient use of water resources is a cornerstone of our environmental sustainability targets. With respect to our operations, water is not only a resource but also as a vital asset that must be protected. Therefore, we monitor our water consumption and

implement projects to reduce our water footprint through treatment and reuse.

As part of the water management initiatives launched within the Koç Group, we conducted a **basin-specific risk assessment**. This initiative further advanced the process by utilizing tools to analyze the financial impact of water-related risks.

We **reduced our total water consumption by 10% compared to the previous year**, down to 167,707 m<sup>3</sup> in 2024. Additionally, we maintained a high level of recycled water. In 2024, we recovered 61,102 m<sup>3</sup> of water, equivalent to approximately 40% of our water withdrawal, and reintroduced it to production processes.

We adopt an open approach to technological innovations to increase efficiency levels in our existing treatment facilities, reduce wastewater burden and increase reuse rates. In the reporting year, the Circular Economy Working Group continued its activities on topics such as gray water applications, reuse of treated water and rainwater harvesting to promote more efficient utilization of water resources. Our efforts in this context included improving wastewater treatment systems at our facilities, expanding the scope of the rainwater harvesting project wider and spreading water consumption monitoring practices across all our locations along with communication and training activities to raise employee awareness about water conservation practices. Through these efforts, we made significant progress in reducing water consumption.



## WATER CONSUMPTION (m<sup>3</sup>)

	2022	2023*	2024**
Ground Water	-	-	-
Underground Water	48,938	117,007	97,810
Municipal Water	60,360	69,338	69,897
Rainwater and Other Resources	-	-	-
Total Water Withdrawal	109,298	186,345	167,707
Total Recovered Water	60,809	60,171	61,102
Discharged Water	76,902	92,067	98,359

\*Since 2023 is taken as baseline for water consumption, the figures have been updates with the edition of data from the Pürsu plant in İnegöl.

\*\*Starting from 2024, data from Aygaz subsidiaries is included in the metrics. This is the reason for the spike in water consumption figures, compared to the previous year.

<sup>2</sup> Aqueduct Water Risk Atlas - WRI



# BIODIVERSITY

Protecting natural life and minimizing potential impacts on biodiversity in all locations where we operate are among our primary responsibilities. We recognize that nature is not only a resource but also essential for the continuity of life, and this understanding guides us in all our processes.

We integrate biodiversity into our environmental impact assessments related to new investments and operational expansions. If potential negative impacts are identified, we take the necessary measures.

In 2023, we initiated an extensive analysis to identify and manage our biodiversity risks, under the coordination of the **Koç Holding Biodiversity Working Group**. Through this study, we not only identified biodiversity risks but also created a strategic infrastructure for managing them.

Through this study, the proximity of 11 Aygaz facilities to biodiversity and protected areas was identified. Sectoral risks related to biodiversity were determined using databases such as the Integrated Biodiversity Assessment Tool (IBAT) and WWF-Biodiversity Risk Filter. Flora and fauna species within a 50 km radius of the facility locations were reported under the IUCN Red List of Threatened Species. In this assessment, species were listed for our 11 facilities in the Critically Endangered (CR), Endangered (EN), Vulnerable (VU) and Near Threatened (NT) risk categories.





# SHAPING THE FUTURE



Total  
**1,256**  
employees



**33 %**  
ratio of female  
executives



In 2024  
**42.80 hours**  
of training per employee



In 2024  
**23,412 person\*hours**  
of occupational health and  
safety training in total



# HUMAN RESOURCE

At Aygaz, we view our human resources as one of our most important strategic assets. The words of our founder Vehbi Koç, who said - “Our most valuable capital is our human resource” – guide us as a fundamental principle. We shape our human resources approach and processes by enhancing the competencies of our employees, creating a safe and inclusive work environment, promoting diversity across our value chain and championing equal opportunity.

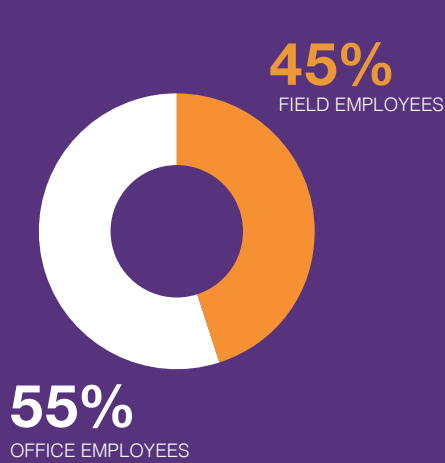
The Human Resources Department carries out all recruitment, training, development, performance and compensation processes in line with company strategies and our ethical values. Reporting to the Aygaz General Manager, the Human Resources Department maintains human resources policies in alignment with the principles of equity, inclusion and continuous improvement. We manage the rights and working conditions of our employees through the **Human Rights Policy**, which is based on eight principles: equal opportunity for all, selecting and placing suitable talents in the right positions, equal pay for equal work, merit-based promotion, timely recognition and appreciation, continuity and efficiency in work performance, effective internal communication, and social responsibility. We regularly review our recruitment, promotion and rewarding processes to ensure and continuously improve a work environment where all our employees are entitled to equal opportunities.

[▶ Please click to view Aygaz Human Rights Policy.](#)

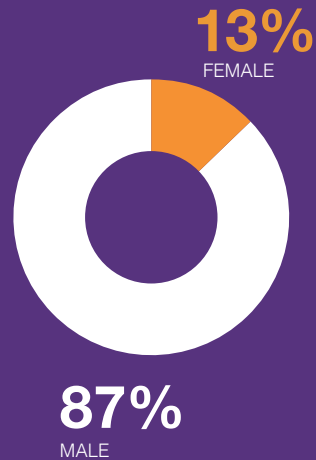




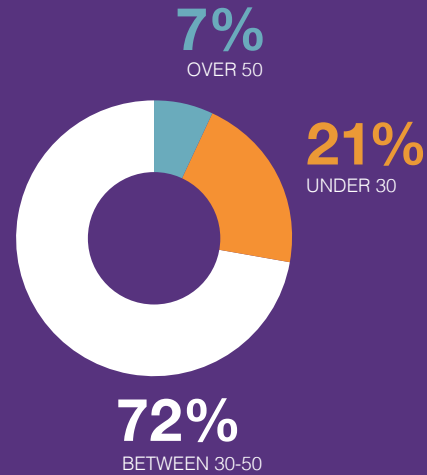
EMPLOYEES BY CATEGORY (%)



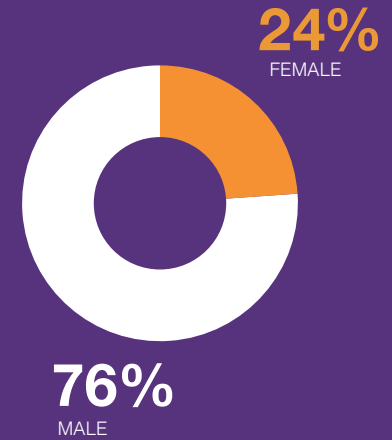
EMPLOYEES BY GENDER (%)



EMPLOYEES BY AGE GROUPS (%)



EMPLOYEES WORKING IN STEM FIELDS BY GENDER (%)



1,256  
Total Employee Count

118  
Employees Working in STEM Fields

5  
Average Tenure

64%  
Ratio of Employees Holding Higher Education Degrees (Associate, Bachelor's, Master's, etc.)

19%  
Ratio of Unionized Employees

37  
Average Age

32  
Disabled Employees (4 women, 28 men)

38%  
Employee Turnover Rate



## ► Performance Monitoring and Appraisal Approach

At Aygaz, we aim to reward the creation of sustainable value over short-term returns through a performance management system that focuses on objectively evaluating our employees' performance. In the **Koç Dialogue Performance System**, implemented in 2021, we create goals for our employees in the mobile environment and manage the approval process. Sustainability metrics are also included in the Performance Management System, used for objectively assessing employee performance. We communicate sustainability-related metrics as OKRs (Objectives and Key Results) to executive management and specialists, managers and directors in relevant units, as well as to our facilities. Additionally, we monitor the sustainability targets set by Koç Holding. Through the Koç Dialogue process, a total of 3,065 OKRs and 11,475 Key Results were generated in 2024.

## ► Employee Training and Development

We promote a culture of continuous learning and encourage our employees to embrace it, offering comprehensive training programs that support their professional and personal development. In 2024, we provided an average of 42.80 hours of training per employee. In addition to technical trainings, we provided trainings on digital competencies, leadership development, and ethics compliance. We also design internship and talent programs to attract young talent to the company.

Furthermore, we partner with leading educational institutions to offer our executives development opportunities. Our C-Suite executives attend prestigious programs such as the Harvard University Personal Development Program and Be Global China, designed by Koç Holding and tailored to potential employee groups at various levels. As part of our development plan, we continued to direct our employees to digital training programs designed to build digital competencies online, such as those offered by Harvard Business School, Udacity, Udemy, Emeritus (MIT, Cambridge, Berkeley), and Koç University Executive MBA programs.



## ► Aygaz KEY Summer Internship Program

Aygaz KEY Summer Internship Program, launched to discover young talents and attract them to the company, continues for high school and university students. Through this program, we aim to enable students to put their theoretical knowledge into practice, experience professional life, and inspire their career planning. The program also enables us to unlock the potential of young people, recognize their talents, and introduce them to our corporate culture. By establishing our first contact with young professionals, we lay the foundation for long-term collaborations.

## Success-Driven Best Practices in Human Resources Management



At Aygaz, we aim to enhance employee engagement and build an inclusive corporate culture. Accordingly, we have implemented several human resources projects. Some of these best practices are summarized below:

### **Talent360 Young Talent Development Program:**

The Talent360 Young Talent Development Program, which follows an interactive training methodology, has been implemented to support young Aygaz employees in developing their leadership skills, enhancing their organizational competencies and actively participating in business processes. Following the human resources planning meetings, 24 employees were selected for this program based on succession criteria, including intermediate or advanced level of English, at least two years of experience within the Aygaz Group, and being under the age of 35. The training program is composed of theoretical training (35%), practical case studies and simulations (35%), and group and individual coaching (30%). The training program will conclude in the fall of 2025 with the participants delivering their presentations before the senior executives. Through this program, we aim to unlock the potential of our talented employees, reinforce the sustainable leadership culture within the organization, and support the teams who will shape Aygaz's future today.

**Professional Development Trainings:** Our training and development activities continued throughout the year with a comprehensive Training Catalogue, designed in line with Aygaz's competency sets and featuring employee, leader, and potential skills development programs, to ensure continuous personal and professional development.

While the personal and professional development of all Aygaz employees is supported with content available in the training catalogue, classroom courses were delivered in the spring and fall semesters to enhance the leadership skills and competencies of leaders and managers. With a broad range of video training content from technology and personal development to wellness, family, and hobbies, the employees continued to learn and develop remotely on the Koç Academy online video training platform, which was upgraded last year. Moreover, technical and personal development training content provided by digital learning sources such as TISK Academy, Udemy, and Udacity are also offered to Aygaz employees. In addition to the personal development programs, function-based mandatory training programs, tailored to the needs of business units, were assigned to relevant employees, strengthening the culture of learning and development across the organization.

**Technician Academy:** The Technician Academy training program was launched in 2024 to develop the competencies of technical teams. Through this program, we aim to train newly hired technicians as "Lead Technician Trainer" candidates by supporting them with technical sessions over a five-year period. In 2024, 103 technicians took 176 hours of training on seven technical topics over 22 days. With these programs, we aim to enhance our technicians' professional competencies and develop leadership skills to enable internal knowledge sharing. The Technician Academy supports continued success by strengthening the knowledge base of field teams and preparing future technical leaders today.



**Improving Road Safety with Driving Training:** We valued the safety of our employees and society at large as a key priority and continue to offer trainings as part of the Aygaz Road Safety Project. The Defensive and Antiskid Driving Techniques training, designed for drivers who use company vehicles at Aygaz, aims to educate the participants about recognizing the dangers and risks in traffic early on, raise awareness about defensive driving, and drive with “zero accidents.” In 2024, more than 300 employees participated in both the theory and practice parts of the training program in eight regions. Our efforts to strengthen the driving safety culture in the field through training demonstrate our commitment to the safety of our employees and all our stakeholders.

**Leadership360 Manager Development Program:** The objective of this program is to enhance our managers’ leadership and managerial skills, thereby increasing organizational success. We designed the program as a holistic structure that begins with creating individual awareness, fosters collective learning and enables continuous development.

**A Manager’s Handbook:** We are in the process of creating a handbook as a guide for our first-time managers. Through the handbook, we aim to help new managers easily access information about their responsibilities, what they need to know about technological infrastructure, and their benefits.

**Sales Experience Program:** The interactive program designed for the Sales Department consists of five phases: (1) Advanced Sales Training, (2) Webinars, (3) Case Studies and Simulations, (4) Rotation, and (5) Internship Program.

**EX Team:** As an agile work method, a team of employees from 10 functions within the company meets daily to develop various projects for improving the employee experience. Employee experience representatives listen to

the expectations of our coworkers in the relevant functions, communicate these requests to the employee experience team, and develop solutions.

**Tournaments:** To encourage sports activities and foster collaboration, we organize table tennis, foosball, tennis, and FIFA tournaments. Additionally, more than 250 Aygaz employees compete with group companies in the annual Koç Sports Festival. Five Aygaz teams captured great success by placing in the 2025 events.

**Social Clubs:** Through annual communications plans, we aim to build an internal communication culture that embraces employee expectations, addresses next-generation needs, and ultimately creates an effective employee experience. Accordingly, various events are organized to in the social clubs formed to promote social, mental, and physical well-being.

**Your Job is My Job:** To increase synergy and support rotation within our sales team, we implemented the “Your Job is My Job” project across regions.

**You are Part of the Success:** “You Are Part of the Success” System was designed as an agile project to encourage Aygaz Group employees to work toward the company’s goals and develop themselves and to motivate them by recognizing their success and efforts. This system consists of three categories, defined by the level of contribution: Bright Star, Supporting Us, and Driving Our Success. The Bright Star category celebrates instant successes of the employee/team and aims to create opportunities for recognition and rewarding based on a flexible schedule throughout the year. The Supporting Us category aims to identify the employees who make a difference within the Aygaz Group, and recognize, appreciate, and reward their achievements. This approach increases loyalty and promotes exemplary behaviors across functions.

The Driving Our Success category aims to recognize, appreciate and reward the outstanding achievements of the employees identified in the “Supporting Us” category and that make significant contributions to the company. In 2024, the system identified and rewarded 254 employees.

**Family-Friendly Practices:** By providing daycare and educational support for our employees’ children, we promote work-life balance and strengthen employee engagement.

At Aygaz, we aim to elevate the productivity and satisfaction of our employees through Human Resources practices. We monitor future of work trends and implement innovations that align with our corporate culture. With this approach, we offer our employees flexible and hybrid work opportunities.

Every year, we review feedback from internal customers and conduct surveys to measure employee satisfaction and engagement. In 2024, the employee engagement was rated at 76.9%.





## ➤ Code of Ethics and Social Responsibility

In performing their duties, the employees of Aygaz, a Koç Group company, are required to comply with the Koç Group Goals and Principles. To ensure that ethical values are embraced by all employees with the same effectiveness and passed onto the next generations, Aygaz is committed to implementing the **Code of Ethics and Implementation Principles Policy**.

The Ethics Committee, formed to better evaluate any violations and ensure alignment of practices, is composed of the General Manager, Senior Executives, Human Resources Director, and Legal and Compliance Director. The committee plays an active role in incorporating our ethical standards into how we operate and ensuring consistency across the organization. The Code of Ethics and Implementation Principles booklet is presented to all the newly recruited employees, who are asked to declare and agree that they would adhere to the principles.

The process is also supported with the online Ethical Principles-Energy training, developed by Koç Holding to increase the employees' knowledge level and awareness. In 2024, 475 employees took the training. We view our code of ethics not just as a requirement but as a cornerstone of our corporate culture and continue to act with transparency, integrity and accountability.

➤ [Please click to access Aygaz Code of Ethics and Implementation Principles Policy.](#)





# EQUAL OPPORTUNITY AND DIVERSITY

Equal opportunity and diversity are integral parts of our company culture and sustainability approach. According to the materiality assessment we conducted in 2023, diversity, equity and inclusion has been identified among our highest priority material topics.

We are committed to creating an inclusive workplace where human rights are respected and we continue to provide equal opportunities for all our employees, see differences as enrichment, and systematically support diversity. We approach diversity from a holistic perspective, welcoming all without discrimination against gender, age, ethnicity, disability, faith, mentality, education level, experience, and individual differences.

We design all human resources processes, including recruitment, career development, compensation, and performance evaluation, based on the principle of equal opportunity. As part of our Human Rights Policy, we implement internal regulations to prevent discrimination and emphasize gender representation in decision-making processes through our Board of Directors Diversity Policy.

At Aygaz, we have made strides in building a strong business culture by adopting a zero-tolerance approach to violence against women in the workplace. In July 2016, we became a pioneer in this area as the first company to publish a **Domestic Violence in the Workplace Policy**. Based on this policy, we aim to support employees who are victims of domestic violence and who seek help, and to guide our managers on how to address the effects of violence. We also partner with the Federation of Women's Associations in Türkiye (TKDF) and the Mor Çatı Women's Shelter Foundation in important projects for tackling violence against women. As the corporate supporter of TKDF's Domestic Violence Emergency Helpline and in collaboration with the Mor Çatı Foundation, we provide training to our managers on violence against women.

➤ [Please click to view Aygaz Board of Directors Diversity Policy.](#)

➤ [Please click to view Aygaz Domestic Violence Policy.](#)



## Gender Equality



We have been a signatory of **UN Women's Empowerment Principles (WEPs)** since 2016. Following the campaign for gender equality in technology and innovation launched by Koç Group in 2022 as part of the UN Women's Generation Equality Forum, we have set our targets in this area.

We advocate for increasing female employment and the participation of women in all sectors, particularly in technical and leadership roles. We met our commitment to provide STEM training to 100 thousand women by 2026 already by year-end 2024. We also aim to increase workforce participation in the energy sector, the ratio of women in technology and innovation to 35% and female managers to 21%.

### **Gender Equality in Technology and Innovation**

**Campaign:** Aygaz actively contributes to the Gender Equality in Technology and Innovation Campaign, launched by the Koç Group as part of the UN Women's Generation Equality Forum. For this purpose, we have set solid goals both within the organization and at the societal level. Through community-focused efforts, we reached 100 thousand girls and women of all ages through education, mentoring, and scholarship projects.

We have committed to increase female employment in technology and innovation to 35% and female manager ratio to 21%. In 2024, the ratio of female employees in technology and innovation rose from 13.5% to 24%, and female managers from 13% to 21% in 2024. Furthermore, women constituted 25% of the employees involved in the intrapreneurship projects. In the 2023- 2024 academic year, 100%

of the TEV scholarships were granted to female students in STEM. The goal is to keep the ratio of female students at a minimum of 50% in the internship programs in technology and innovation. Meanwhile, 84% of the interns participating in the 2024 Summer Internship Program were female students. In 2024, we engaged with over 1,500 university students to attract female talent in this field.

**W-energy for Equality:** With the W-Energy For Equality program, consisting of three phases, we aim to enhance the participants' digital skills for technology and entrepreneurship. Through the program, we offer a wide range of content, from online webinars and bootcamps to basic and advanced entrepreneurship training. We launched W-energy for Technology in collaboration with Global AI Hub, W-energy for Innovation with Learneco, and W-energy for Future. Overall, we reached 82,692 young women. The W-energy for Kids program, launched in 2023, offers interactive educational content specifically designed for children aged 8-11 at the Rahmi M. Koç Museum. In 2024, the education program titled "Inventive Women – Guess What" hosted 784 students from 24 schools. The W-energy for Equality program won the Special Jury Award at the 2024 Corporate Entrepreneurship Awards organized by the Entrepreneurial Institutions Platform and Özyeğin University.

**Scholarships:** We allocate 100% of the scholarships granted through TEV to female students in technology and innovation fields.

## ➤ Fair Pay and Equality

At Aygaz, we employ a job evaluation system in international standards to measure the contribution of all jobs toward achieving company goals and ensure that they are ranked according to their scale. This system enables us to manage our organizational structure transparently and fairly and forms the basis of our compensation processes. A competitive remuneration policy, determined in line with our current wage structure, position in the market, competition, and financial means, is applied fairly without any bias for gender, language, religion, and race.

Remuneration for unionized employees is determined according to the collective bargaining agreements between MESS (Turkish Employers Association of Metal Industries) and Turkish Metal Workers Union for the workers in the metal business line or between Aygaz and Turkish Seamen's Union for the workers in the maritime business line.

Employees are paid 16 salaries, consisting of 12 salaries +4 bonuses per year, while all employees are offered Koç Group's comprehensive benefits, standard or varied depending on the position. We continue to elevate employee satisfaction and engagement with a fair, transparent and sustainable compensation approach.



### ➤ In 2024 at Aygaz:

13%

Female Employment Ratio

33%

Female Executive Ratio

25%

Women's Representation on the Board of Directors

28

Female Employees Working in STEM

12%

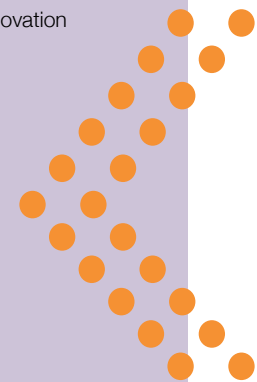
Ratio of New Female Hires

50%

Ratio of Female Interns in Technology and Innovation

60%

Ratio of Female Participants in the Summer Internship Program





# INTEGRATED TALENT MANAGEMENT

We believe that the path to sustainable corporate success lies in positioning our human resource as a strategic priority. Accordingly, we not only attract talented individuals but also aim to transform employees with high potential into long-term value by supporting their development. We have structured our integrated talent management system holistically, encompassing all processes, from recruitment and career planning to development and engagement.

In our 2023 materiality assessment, “Talent Development, Retention, and Engagement” was identified as a very high priority topic. This demonstrates that both our stakeholders and Aygaz management recognize the importance of integrated career management.

At Aygaz, we make fair and sustainable career plans for the employees in alignment with their knowledge, skill, and competency levels through a process that also considers their expectations.

At the annual **Strategic Human Resources Planning Meetings**, following specific methodologies and considering senior management’s inputs, succession plans are defined for the company’s potential executive pool and all management positions in line with the future goals and strategies of Aygaz.

At the end of this process, we offer special training and development opportunities to the employees identified as future executives to ensure that they are well prepared for the next position. Through tailored development plans, we strategically assess our internal talent and enhance our leadership capacity. To manage this process even more effectively and transparently, we will launch our career planning processes on a new digital platform starting in 2025. This will create a traceable, accessible and engaging development journey for all employees.





## ➤ Employer Brand and Talent Acquisition

To attract the best talent that will drive the company forward, we engage in strong promotional activities and university events in line with the employer brand approach. In 2024, we interacted with nearly 2,000 students from the top Turkish universities. Matching the right talent with the right roles means aligning employees with high potential and our corporate goals. Therefore, we select new employees with great care and diligence based on **“the right candidate for the right position”** and **“equality at work”** principles. The selection and placement processes include group interviews, case studies, foreign language assessments, job-specific tests, personality inventories, and reference checks. The candidates are assessed for prospective roles without any bias regarding fair competition, religion, language, race, ethnicity, and gender, while the recruitment strategies are updated annually to align with global trends. The candidates who receive a job offer start their careers with a comprehensive, interactive and digital onboarding program. Each new employee participating in the recruitment process is sent a candidate experience questionnaire and asked to rate their experiences. According to the results of these surveys, the NPS (Net Promoter Score) of Aygaz was +84 points in 2023 and +80 in 2024. In the Aygaz KEY Summer Internship Program in 2024, orientation, introductory presentations, project work, and feedback sessions on development areas were held for the participants who completed their internships and are viewed as “Future Koç Employees.” The Internship Experience Survey, conducted at the end of the internship, was rated with an NPS of +74 in 2023 and +81 in 2024.

### ➤ EXPERIENCE SURVEYS

	NPS 2023	NPS 2024
Candidate Experience Survey	84	80
Intern Experience Survey	74	81





# EMPLOYEE HEALTH AND SAFETY

The health and safety of our employees is an integral part of our corporate culture. Therefore, we develop systematic, preventive and comprehensive approaches to create a safe, healthy and respectful work environment for our employees.

As an active participant in Koç Holding Occupational Health and Safety Coordination Board, Aygaz leads various projects for continuous development. We operate at 12 locations, including the Head Office, the Gebze Plant, and other facilities, all holding **ISO 45001 Occupational Health and Safety Management System Certification**. We manage our OHS processes in accordance with this system and aim to reduce our OHS risks through improvement efforts.

The health and safety of our employees and stakeholders is a key priority for us. Accordingly, we further strengthened our occupational health and safety practices in 2024, adhering to the Golden Rules of OHS published in 2023.

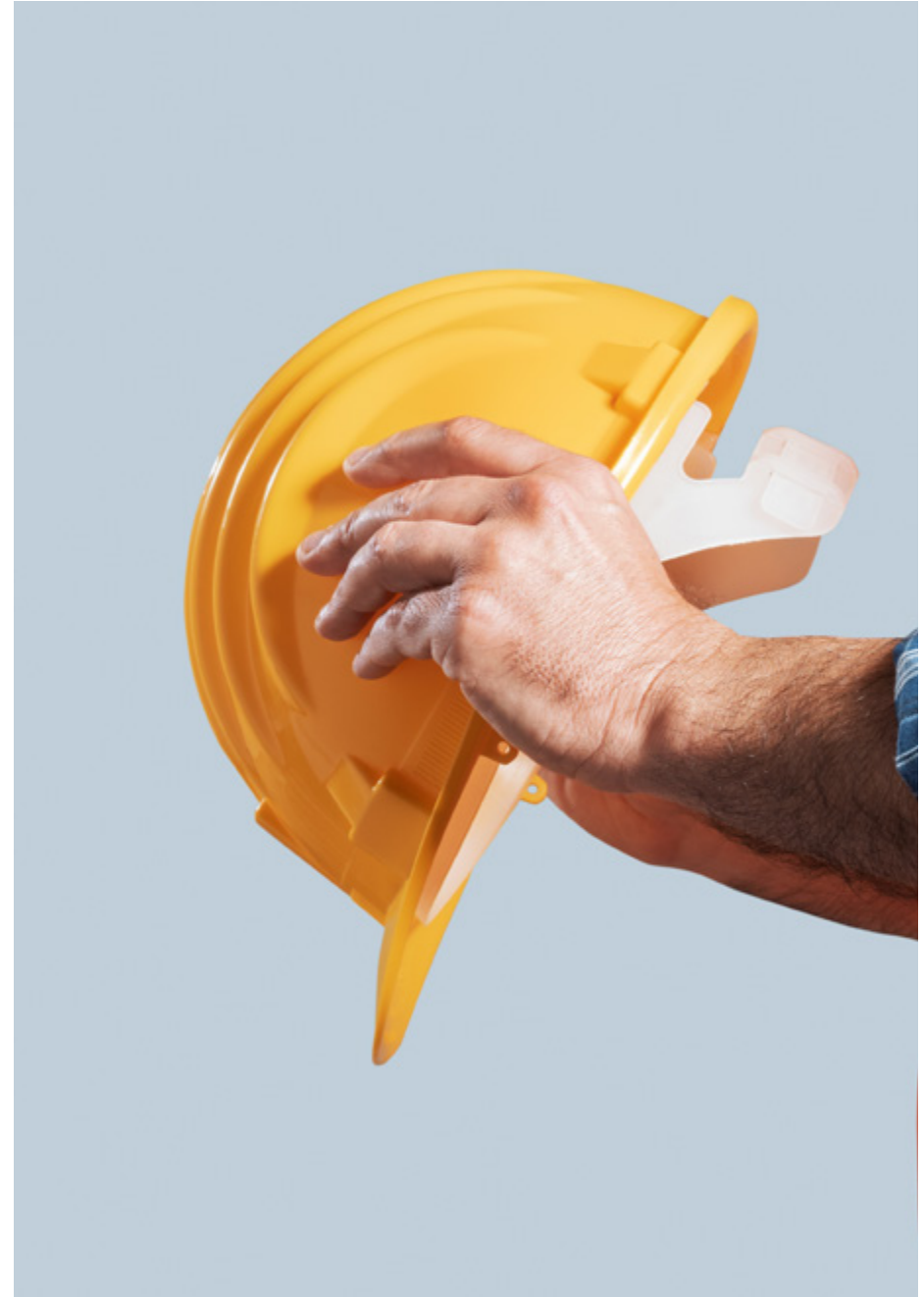
We reinforced our safe working standards in risky work processes by focusing on the **Lock Out/Tag Out** procedure in all energy-related work. We also continued to strengthen our safety culture at both the field and management levels through subcontractor management processes, step-by-step job hazard analyses and behavior-oriented OHS practices.

While no occupational disease cases were observed during the reporting period, we conducted periodic health checks for all our employees to maintain our proactive approach in this area.

Two fatal workplace accidents occurred in the same period, and after each incident, all relevant processes were analyzed by independent experts. Based on the analysis, we reviewed and restructured our field practices, audit mechanisms and training content. Health screenings include pre-employment physicals, periodic examinations, return-to-work examinations after accidents, examinations performed upon changes in internal duties, periodic checkups, and OHS training. We also inform employees about occupational diseases, perform occupational hygiene measurements and regularly monitor exposure factors, taking engineering measures designed to address the musculoskeletal system. Personal protective equipment is provided and distributed to employees against factors that could cause occupational diseases.

Our Occupational Health and Safety Committee convenes regularly, based on hazard classification, as required by regulations. Health monitoring and audits are conducted by the workplace physician and other healthcare staff.

With respect to ergonomics, various practices specified by labor legislation (adjustable computer screens, adjustable office chairs, etc.) are implemented in office environments for devices with screens. Basic OHS training includes information on ergonomics and working with devices with screens. In the filling and manufacturing plants, ergonomics-focused efforts are supported, particularly with innovative activities.





### OHS PERFORMANCE (Employees)

	2022	2023	2024
Fatal Accidents	0	0	1
Occupational Diseases	0	0	0
Lost Day Rate* (LDR)	0.16	0.16	0.15

\*Only Aygaz

### OHS PERFORMANCE (Subcontractors)

	2022	2023	2024
Fatal Accidents	0	0	1
Occupational Diseases	0	0	0
Lost Day Rate* (LDR)	0.06	0.50	0.84

\*Only Aygaz

### OHS PERFORMANCE

	2022	2023	2024
Employees LTIF	15.53	14.69	12.11
Subcontractors LTIF	6.20	4.02	5.57
Total LTIF	9.64	8.00	7.90
Employees TRIF	16.35	16.28	14.53
Subcontractors TRIF	8.11	5.67	7.87
Total TRIF	11.55	9.63	10.25

\*Starting from 2024, data includes Aygaz and its subsidiaries.

### OHS Trainings

We carried out comprehensive training programs for Aygaz and subcontractor employees at our filling and production facilities to raise awareness about the importance of fire and emergency management and to strengthen our corporate culture in this area. Throughout 2024, we provided a total of 23,412 person\*hours of occupational health and safety training, supplementing a significant part of this training with active drills.

### Digital Solutions for Occupational Health and Safety

We leverage digital solutions to support our performance in occupational health and safety. Since 2022, we have been monitoring our OHS performance across five categories using the Power BI solution, with efforts ongoing to digitalize the relevant processes. We also use WorkSafe software to report employees' OHS training and health examination results to the Ministry of Labor and Social Security.

### OHS TRAININGS (Employees)

	2022	2023	2024
Total OHS Training (person*hours)	10,166	15,294	17,050
OHS Training per employee (hours)	7.90	11.10	13.01

### OHS TRAININGS (Subcontractors)

	2022	2023	2024
Total OHS Training (person*hours)	3,443	4,935	6,362
OHS Training per employee (hours)	6.40	12.18	17.43



# SUPPLY CHAIN

More than just an operational process, supply chain management represents a strategic area where sustainability is directly observed and corporate values are brought to the field. Raising awareness among all our suppliers and implementing green sourcing policies for a sustainable supply chain are among our key goals.

Our supply chain management approach, which encompasses the entire chain, from purchasing and logistics to quality controls and human rights, is built on long-term collaborations to create shared values. In supplier selection, we consider numerous criteria, including practices related to human rights, working conditions, occupational health and safety, anti-corruption and the environment. Quality, code of ethics, environmental and social conditions are upheld across our value chain. Furthermore, as Koç Group company, a signatory to the UN Global Compact (UNGC), we do not source products or services from suppliers that do not comply with UNGC criteria.

As specified in our Supply Chain Compliance Policy, we expect our suppliers to adhere to our principles regarding legal compliance, human rights, health and safety, environment and ethics. We also value the importance of increasing our suppliers' sustainability awareness and provide training on social, environmental and ethical issues.

➤ [Please click to access Aygaz Supply Chain Compliance Polic.](#)



## ➤ Sustainable Supply Chain Roadmap

We identified our critical suppliers according to Koç Holding's Sustainable Supply Chain Guidelines. We sent out an online survey, which includes questions on ESG, to 49 critical suppliers. After evaluating the response, we conducted an online data verification audit of all our suppliers, ranked according to their ESG scores.

According to our Sustainable Supply Chain Roadmap, launched in 2023, we aim to:

- to identify the current status of the Aygaz supply chain, create policies in alignment with international regulations and indices, and share them with all our stakeholders through various channels.
- establish reward incentive mechanisms for the development of suppliers.
- contribute to supplier development by planning various training webinars.

## ➤ VALUE CHAIN

	2022	2023	2024
Total Number of Suppliers	1,876	2,015	2,396
Total Number of Local Suppliers	1,813	1,934	2,268
Number of Tier 1 Suppliers*	116	75	75
Number of Critical Suppliers**	83	67	49

\* Refers to suppliers who directly supply goods, materials or services (including intellectual property - IP/patents) to the company.

\*\* Refers to critical suppliers who have the potential to directly impact production, high-volume suppliers, or suppliers who supply a unique product, component, or service that the company relies on or cannot be substituted, such as those with the potential to disrupt production in case of unavailability.



## ► Quality and Safety Across the Distribution System

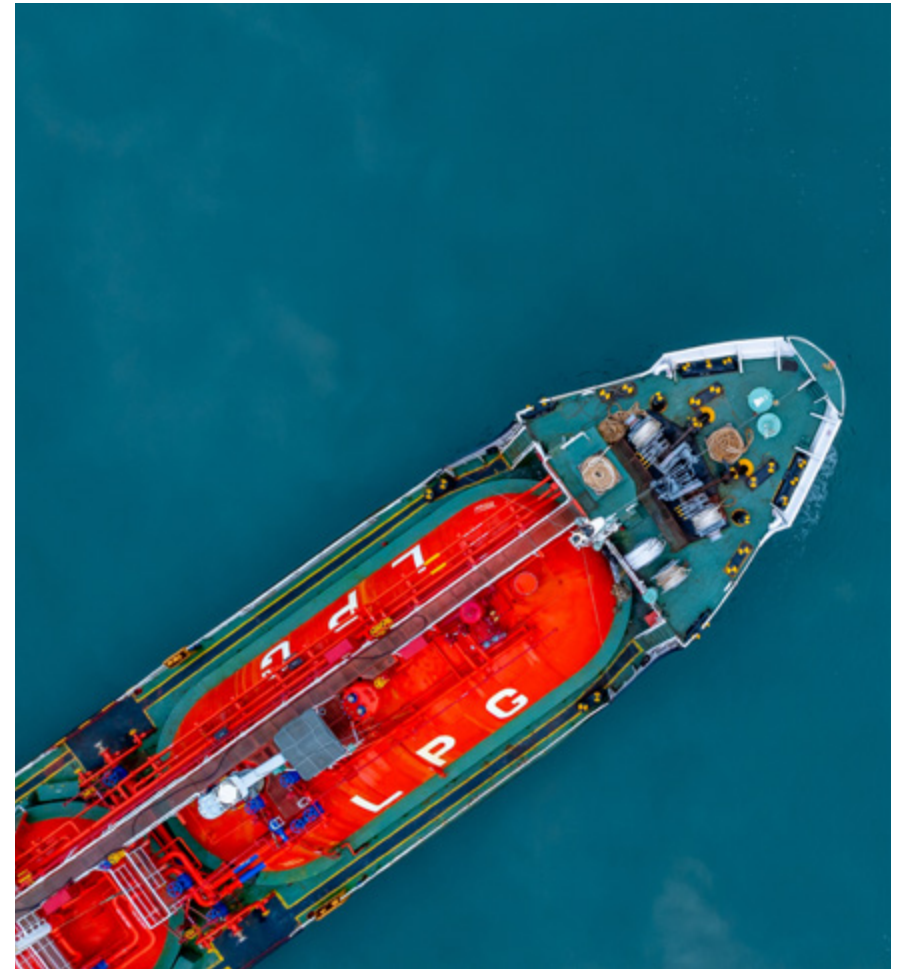
At Aygaz, we adopt a safety-, quality- and sustainability-focused service approach in the LPG sector at every stage with our robust logistics infrastructure, operations supported by digital solutions and an extensive dealer network. Every day, we deliver our LPG cylinders to approximately 40 thousand households, while more than 240 thousand vehicles fill up their tanks with autogas from our stations. We aim to maximize efficiency and safety by utilizing the latest technological infrastructure for LPG distribution and the production of LPG cylinders, tanks, valves and regulators.

A cornerstone of this strong distribution structure is our extensive and competent dealer network, which represents our service quality in the field. We recognize that our extensive network of strong dealers plays a critical role in our long years of success. We serve our consumers through **2,010 cylinder gas dealers and 1,874 autogas stations**, creating ultimate customer satisfaction across Türkiye with our Aygaz and Mogaz brands. We require full compliance with the highest safety standards from our dealers and ensure service quality through mandatory practices. Therefore, we provide training programs to support the development of our dealers and also engage with them through a digital dealer portal, regional meetings, field visits, and various campaigns. We regularly collect feedback from our dealers regarding new products and services. By integrating their feedback into our business processes, we further strengthen our collaboration.

We continuously improve traceability of cylinders throughout their life cycles across our distribution operations. As part of the **Cylinder Tracking Project**, launched in 2017, we have ensured that the cylinders are tracked digitally at the facility, dealer and customer level. To date, 18.4 million cylinders have been tagged with QR codes, enabling 240 million cylinder movements to be recorded and the cylinders to be checked throughout their life cycles.

## ► Logistics Processes

We address our logistics processes as an integral part of our sustainable supply chain approach from a perspective of increasing resource efficiency and minimizing environmental impact. Accordingly, we integrate digital solutions into our logistics structure, enhancing our operational performance and making more effective and measurable contributions to our sustainability goals. We optimize our logistics network based on criteria such as vehicle capacity, distribution routes, number of units and sales distribution.



As the operator of Türkiye's largest LPG logistics system, we are proud to share that we added our fourth LPG tanker to our fleet in 2024.

## » Actions in 2024



With our robust logistics infrastructure, and a **fleet of over 300 tanker trucks and nearly 200 LPG trucks, along with more than 600 drivers**, we operate Türkiye's leading road fleet for LPG distribution. Our road fleet makes **98 thousand trips and 47 million kilometers every year.**



We **track our LPG tanker truck fleet online 24/7 via GPS and monitor the speeds**, improving driving safety.



Since 2010, we have managed our LPG tanker fleet through our subsidiary, **Anadoluhisari Tankercilik**. The fleet currently consists of **four specially equipped LPG tankers with a total capacity of 67 thousand cubic meters and an average age of 15**. In 2024, **Anadoluhisari Tankercilik** accounted for **10% of our maritime sourcing and transportation operations.**



We use the **Station Inventory Management and Tanker Routing Systems** when we supply LPG to 1,874 autogas stations to improve efficiency in LPG distribution processes and optimize resource utilization. These systems **create dealer orders automatically**, enabling us to manage our distribution operations with person-independent **route optimizations.**



To ensure that drivers **follow the law and traffic rules**, we provide **regular trainings**. In the period from 2022 to 2024, a total of **502 drivers** took the **Defensive Driving Techniques Training** and **171** took the **Anti-Skid and Anti-Roll Over Training**. Through these training programs, we aim to increase driving safety and minimize potential risks.



We have the **largest LPG storage capacity in Türkiye** with 5 marine terminals.



In all our operations, **we adhere to European Norms**, Agreement Concerning the International Carriage of Dangerous Goods by Road (**ADR**) and applicable **Turkish Standards** and diligently implement safety measures.



We operate with **5 filling plants, 8 distribution centers and a plant manufacturing pressurized containers and accessories.**



# CUSTOMER SATISFACTION

Ensuring customer satisfaction is a cornerstone of our sustainable business model. We embrace the principles of trust, transparency, quality and continuous improvement at every touchpoint and redesign our product and service processes accordingly.

At Aygaz, we prioritize customer satisfaction and continually improve our product and service offering. To ensure and regularly measure customer satisfaction, Aygaz Group brands are continuously evaluated by independent organizations. The results we have achieved since 2003 demonstrate that our brands rank among the top in the industry in customer satisfaction in both the cylinder gas and autogas segments. This success is a strong indicator of our continuous service quality and how much we value our customers.

We closely monitor customer expectations and needs, consistently expand our product range and continuously work with our dealers to elevate our service quality. As of year-end 2024, we operate with an extensive distribution network of 2,010 cylinder gas dealers and 1,874 autogas stations across Türkiye, enabling us to meet demand quickly, safely and efficiently. Every day, we deliver Aygaz cylinders and those of our affiliated brands to approximately 40 thousands households, while over 240 thousands vehicles refuel at our stations. We integrate our customer-focused approach into all our processes to continuously improve our service quality and maintain our leading position in customer satisfaction.

We offer digital apps to enable customers to reach and communicate with us easily. We closely listen to customer expectations and needs, monitor their feedback via all available communication channels and take necessary actions. We manage all processes in accordance with the **ISO 10002 Customer Satisfaction Management System** and our internal policies.



In alignment with the objectives and principles of the Koç Group and our customer-focused approach, we have shaped the Aygaz Customer Complaints Management Commitment around 12 guiding principles.



Please click to access Aygaz Customer Complaints Management Commitment.



# INTEGRATED MANAGEMENT SYSTEMS

Beyond serving as a compliance tool, our management systems form a fundamental part of our culture of sustainable success, corporate development and continuous improvement. In 2024, the management systems implemented at Aygaz met all requirements, while planned regulations were effectively implemented and the practices yielded successful results in achieving company objectives in line with relevant policies. The adequacy of our organization's ability to meet legal and regulatory requirements was assured, while the management systems identified potential areas for improvement and contributed to our continuous improvement approach.

Extending beyond our internal practices, we actively supported the development efforts for management systems at the **Koç Group Quality Summit**. We conducted internal audits on 17 core business processes in accordance with quality, environment, occupational health and safety, and customer satisfaction management standards, and 14 units through the Information Security Management System. All these processes, including the audits of energy and security management systems and 10 units within the ADR internal inspection framework, were successfully audited by 46 qualified internal auditors. As a result of these efforts, we evaluated the effectiveness of our systems with an integrated approach.

We ensure the continuity of our certifications by verifying the compliance of our management systems with national and international standards through 53 person-day external audits conducted by accredited independent organizations. These verifications ensure that our certifications are valid and up-to-date. Our management systems are not only a requirement but also a critical tool in achieving our sustainability and corporate excellence goals.

 [Please click to view Aygaz Integrated Management Systems Policy.](#)



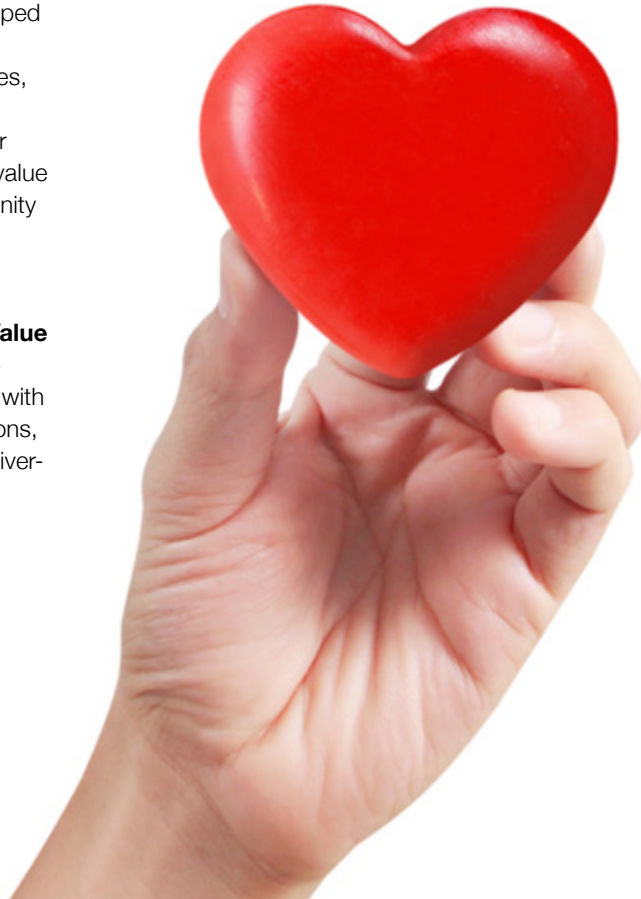


# SERVING COMMUNITIES

We believe that sustainable development is achieved both through environmental or economic success, and by creating benefit for communities. Therefore, we act with a sense of social responsibility in the regions where we operate, carrying out projects that respond to society’s needs, engage communities and create long-term impact. We prioritize community investment projects and align them with our **Community Investment Policy**, the social needs within our company’s sphere of impact, the UN Sustainable Development Goals (SDGs) and the expectations of local stakeholders.

Our community investments are shaped around priorities such as supporting the development of local communities, facilitating access to education and preserving cultural heritage. In all our projects, we strive to create lasting value and adopt an impact-driven community investment approach.

In all our activities that contribute to society, we follow the principle of **“Value Creation.”** Accordingly, we develop community projects in collaboration with public institutions, local administrations, non-governmental organizations, universities and social startups.



## Social Initiatives



**Supporting the Earthquake-Affected Region and Hope Cities:** Aiming to assist the recovery efforts after the major earthquakes on February 6, 2023, Koç Holding and the Koç Group collaborated to build Hope Cities as residential areas with a wide range of living spaces, education facilities, and employment opportunities, social and sports activities. Since day one, Aygaz has been a part of these efforts, contributing to recovery efforts in the region and helping to heal the wounds.

In collaboration with UN Women Türkiye and the Foundation for Supporting Women’s Labor, we help women participate in production. Women take part in economic activity by contributing their labor to textile and kitchen workshops and also become more active in the social sphere. At Aygaz, we are committed to contributing to equity-focused projects that empower women to play a more active role in social life.

Through the Education Support Project, we contribute to children’s education and instill hope for their future. We extend seamless support for students’ learning processes through online courses on Turkish, Math, Science, and English, taught by Koç Volunteers.



**Sagalassos Excavations:** Aygaz has supported the excavations and restorations in the ancient city of Sagalassos since 2005, demonstrating our commitment to preserving cultural heritage. The Antonine Fountain, faithfully rebuilt in 2010 with Aygaz’s contributions, marked a significant milestone in the structural reinforcement of the Upper Agora, a landmark of the ancient city. These efforts represent a significant step toward the ancient city’s addition to UNESCO’s List of World Heritage Sites. In the new excavation period, we continue to sponsor restoration projects in areas such as the Agora Gymnasium, Southeast Street and the Junction Gate.

 [Please click to access Aygaz Community Investment Policy.](#)



**Iznik Tile Kilns Excavation:** Iznik Tile Kilns Excavation, which Aygaz has supported since 2021, is one of the oldest excavation sites focused on uncovering Middle Age Turkish art and archaeology in Türkiye with significant findings leading to correcting the falsely defined terms pertaining to Turkish Tile Art. In 2024, 210 objects were analyzed in full detail. Among the excavated artifacts, 13 pieces were selected by the experts from the Iznik Museum and added to the inventory. During the work on three grids in the eastern part of the site, remnants of core foundations of Ottoman period civil structures, wells and ceramic waste dump areas were unearthed. The analyses, conducted jointly with Koç University Surface Science and Technology Center (KUYTAM) since the 2018 excavation season, are ongoing.



**Beşiktaş Handball Team Sponsorship:** Since 2013, Aygaz with its Mogaz brand has sponsored the Beşiktaş Handball Team. This sponsorship has continued under the Aygaz brand since the 2019 season.

**Fenerbahçe Sports Club Sponsorship:** Extending its support to other sports disciplines, Aygaz became a sponsor of the Fenerbahçe Sports Club Professional Football A Team, with Pürsu as the official water supplier in the 2024-2025 season.

**Tofaş Basketball Team Sponsorship:** Aygaz has sponsored Tofaş Basketball Team since the 2019-2020 season.



**İKSV Theatre Festival Sponsorship:** Aygaz has supported the theater since 2004. In 2024, Aygaz continued its support as the co-sponsor of the İstanbul Theatre Festival. The 28th edition of the festival featured 19 plays – nine international and ten local productions - attracting nearly 30 thousand viewers.



**“Yaşı Bile Olmaz”:** Volunteer trainers consisting of Aygaz employees and Learneco trainers provide basic digital literacy training to individuals aged 40 and over as part of this project, bearing the title loosely meaning, age is just a number. In total, 312 participants from five provinces joined the project, which was launched in the last quarter of 2024.



**Books on the History of Ottoman Diplomacy:** History of Ottoman Diplomacy is among our many cultural activities. In this project, documents and information curated from the Ottoman archives are published in book form. The total number of published works now stands at 114.



**Firefly Education Unit:** Aygaz has fostered the education of children and young people in partnership with the Education Volunteers Foundation of Türkiye (TEGV) since 2001. In the 2023- 2024 period, the Firefly Education Units reached 7,436 students in Gaziantep, Ordu, Malatya, and Osmaniye, delivering quality education with the help of 189 volunteers.



**“What will the weather be like tomorrow?”:** This project, launched in 2010 by Aygaz in cooperation with the Regional Environmental Center (REC), is ongoing with support from the Ministry of Environment, Urbanization and Climate Change. Meanwhile, educational programs related to the project have been offered at the Rahmi M. Koç Museum since 2012. The Climate Change Awareness Workshop hosted in the museum's Discovery Globe was attended by 2,642 students from 84 schools in the January – December 2024 period. To date, 111,963 students from 2,610 schools have attended these workshops.



# FOCUSING ON TOMORROW



• **166** brands  
**38** patents  
**14** utility models



~**TL 78 million total**  
R&D budget



**1,300** ideas collected  
**7** projects commercialized

## PREPARING FOR THE FUTURE...

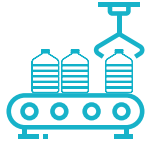
To us, sustainability means more than a concept of making our lives productive today; it also prepares us for the future. As we transform the way we operate, we integrate innovative technologies into our operations and adapt to the digital age by building a robust information security infrastructure.

Global megatrends like climate change, digitalization, energy transformation, and technological advancements are reshaping our industry. Acting proactively to respond to this transformation allows us to foster a culture of innovation, invest more in R&D, develop data-driven decision-making systems and create a secure and sustainable ecosystem for all our stakeholders.





» **Actions in 2024**



The **Carboy Palletization System** we developed for our water plant in İnegöl **enhanced operational efficiency and workplace ergonomics**. Through this system, we aim to streamline the Pürsu Filling Plant's production processes.



We are currently **working on production technologies for Bio-DME fuel** to make LPG, a green product, even more environmentally friendly.



**First group of participants** in the **Aygaz Innovation Academy** graduated with four project presentations. **The second term** of the Academy **is ongoing with training and project modules**, with 14 new employees.



We developed a **Smart Detector** to detect potential gas leaks in locations where LPG cylinders are used. With this detector, we aim to **increase safety by informing users with audio and visual alerts or via mobile devices**.



**Fast Company** published the results of its **Best Workplaces for Innovators Survey** in the magazine's July edition. **Aygaz ranked 9<sup>th</sup>** among the top 50 applicants out of 117.



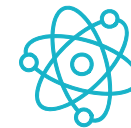
The **Startup Mentoring Program** was launched to support the startup ecosystem. To date, **16 Aygaz employees participated in the mentoring program, which hosted more than 50 sessions**.



Thanks to our **GreenOdor** project, we **reduced SOx emissions from LPG odorization by 70%** in 2024 by using fewer chemicals.



We placed **third in the "Innovation Strategy" category in the inovaLiG** competition organized by the **Turkish Exporters Assembly (TİM)**.



The **Innovation Everywhere** program was launched to spread the culture of innovation across all units and operations at Aygaz LPG filling plants. Approximately 500 employees participated in the training and workshop series, **where 35 ideas were amplified. Four of these were moved to the acceleration phase**.



# R&D AND INNOVATION

At Aygaz, we leverage innovation to enhance the efficiency, safety and environmental aspects of our business processes. Active participation of our employees in company strategy and developing an innovative mindset and entrepreneurial skills lie at the heart of this transformation. We closely monitor national and international developments and continuously invest in R&D to improve product and service quality and generate sustainable solutions. The sub-working groups we formed with this vision to work on **“Hydrogen and Ammonia”** and **“Alternative Products and Biofuels”** aim to diversify our energy portfolio and expand our business areas as we transition to a low-carbon economy. We support sustainable energy transition by seizing collaboration opportunities, incentive mechanisms, and project development areas on relevant topics.

Through the Intrapreneurship Program running with the motto “Innovation Starts with You” since 2016, we continue to encourage our employees to submit their creative ideas through the **AyThink Platform, Facility Workshops and Design Thinking workshops**. To date, we collected nearly 1,300 ideas, prototyped 52 of these ideas, and commercialized seven projects.

As of 2024, **four of our intrapreneurship projects have reached the scaling stage and are on their way to commercialization**, while **one has moved into the prototype stage**. Throughout the year, we **collected nearly 100 new ideas**, developed four of these into projects and initiated the development process.

In 2024, we held meetings with more than 50 startups as part of our open innovation efforts. We conducted PoC processes with startups that promise a potential to add value to Aygaz’s business processes and engaged in various collaborations. We also began working on new collaboration models **to jointly develop products and services with both corporations and startups**.

Through the **Innovation Everywhere program** launched in 2024, we aimed to equip approximately **500 coworkers** in various locations and units with an innovative perspective. As part of the program, we held Design Thinking Workshops with the participation of employees from all levels in our facilities and regions.

At Aygaz, our innovations are not limited to the idea and project development process; we also protect them with intellectual property rights. As of 2024, our IP portfolio includes **166 brands, 38 patents, and 14 utility models**. The efforts within the scope of intellectual property rights support the commercialization potential of our product- and process-focused innovative solutions and contribute to our company’s intellectual capital.

The **Aygaz Innovation Academy**, launched in September 2023, continues to develop internal leadership and entrepreneurship skills. The first term of the academy concluded in 2024.

With the addition of **14 new employees**, the total number of **participants** reached 28. At the end of the first term, participants completed four projects. The development journey now continues with project modules and training content.

As part of the Startup Mentoring Program, launched in 2024, Aygaz employees from various departments voluntarily began contributing to the entrepreneurial ecosystem as mentors. **16 employees served as mentors** and held over **50 mentoring sessions** throughout the year. Through this program, we aim to add value to startups from a corporate perspective and strengthen our employees’ focus on innovation.

The Aygaz R&D Center, established in 2018 as a first in the Turkish LPG sector, currently operates on a 1,437 m<sup>2</sup> area. The Center focuses on improving LPG product quality, increasing digitalization with smart products, enhancing efficiency with automation systems, and helping us contribute more to consumers, the national economy, and the environment through research into alternative and clean energy sources.

In 2024, we significantly increased the resources we allocate to our R&D and innovation activities compared to previous years. This budget increase provided the Center with the resources to develop more projects.

➤ **34 experts**

developing innovative solutions

➤ In 2024, the R&D Center carried out

**19 projects**

➤ Our IP portfolio as of 2024

**166 brands**   **38 patents**   **14 utility models**

## ➤ R&D and Innovation

	2022	2023	2024
Total R&D Budget (TL million)	24.9	47.2	77.8
Full-time Employees in the R&D and Innovation Department	29	30	31



## » Activities in 2024

### Carboy Palletization System

Through the Carboy Palletization System, which we plan to launch at the İnegöl Pürsu Filling Plant in 2025, we aim to create a more efficient and ergonomic carboy palletization process. The fully automated system reduces physical labor, promote employee health and optimizes production time. Through this system, we minimize process-related productivity losses. We also contribute to occupational health and safety, improving ergonomic working conditions for operators and minimizing the risk of workplace accidents. Once the project is completed, we anticipate a packaging capacity of 1,600 carboys/hour at the Pürsu Filling Plant.



### Smart Scale

We developed the Smart Scale to measure the amount of LPG in cylinders and provide users with information via their mobile devices. We commercialized the Smart Scale product, developed by our R&D Center and featuring internet of things (IoT) technology. This innovative product improves the efficiency and convenience of the users' gas consumption and ordering processes.



### Smart LPG Detector

We developed the Smart Detector to instantly detect potential gas leaks in areas where LPG is used and notify users with both audio-visual alerts and via their mobile devices. The IoT-enabled detector communicated instant safety alerts, helping to prevent potential LPG-related accidents.



### GreenOdor

Since LPG is an odorless gas, it is odorized with a distinctive ingredient in accordance with the EN 589 Standard to detect leaks. However, traditional odorants increase the total sulfur content of LPG, causing harmful SOx emissions. After four years of R&D and three years of product development, we began using GreenOdor, a sulfur-free LPG odorants, in our facilities in 2022. GreenOdor offers lower emissions, less chemical use, and cost advantages compared to traditional odorants. In 2024, we reduced SOx emissions from LPG odorants by 70% by using fewer chemicals.



### DME Production from Organic Waste and Testing with an Innovative Method

As part of a project we are conducting with İnönü University under the TÜBİTAK TEYDEB 1505 University-Industry Collaboration Support Program, we are developing a process to produce Bio-DME (Dimethyl Ether) from organic waste. To further enhance the environment-friendly properties of LPG, we are working on production technologies for Bio-DME fuel and its use as autogas and cylinder gas. The Bio-DME produced within the scope of this project has the potential to replace fossil fuels as a renewable energy source, reducing CO2e emissions by up to 85% compared to fossil fuels. Our Bio-DME project aims to offer a sustainable and environmentally friendly solution to energy consumption by reducing dependence on fossil fuels. We also aim to raise environmental awareness by encouraging the use of renewable energy sources and contribute to communities' transition to sustainable lifestyles.





# DIGITAL TRANSFORMATION AND TECHNOLOGY

We continue to harness digital technologies to develop more efficient, smarter and more sustainable in business processes. As we strengthen our operational excellence, we increase resource efficiency and develop solutions that elevate the customer experience. Moreover, we reinforce our data-driven decision-making processes and integrate artificial intelligence, IoT, and big data technologies into our business processes.

Our Smart Scale solution precisely measures the amount of gas in LPG cylinders and enables users to monitor their gas levels in real time via a mobile app. Developed by our R&D Center, this product conveniently allows users to optimize their LPG consumption.

We benefit from digital solutions to strengthen our sales and service processes. Our digital transformation journey, which began in 2018 with the launch of Türkiye's first online cylinder sales platform, continued to expand in 2024. We transform the user experience through the Aygaz e-store and the Aygaz Mobile app, which features faster, easier and more integrated systems.

As of 2024, we offer over 600 products on our e-store platform. Our customers benefit from fast delivery and high service satisfaction in orders placed through our Aygaz e-store and mobile app. Thanks to integration of digital sales channels, we create a seamless and reliable shopping experience, across all channels.





# DATA PRIVACY AND INFORMATION

As our digital transformation is ongoing, we prioritize the security of customer and employee information and adhere to the highest standards in data privacy and cybersecurity. We manage our information security processes in accordance with our Information Security Policy. To protect the privacy and integrity of the data of our customers, dealers and employees, we follow the **ISO 27001 Information Security Management System** and review our processes through regular internal and external audits.

Throughout 2024, we took proactive measures against cybersecurity risks and regularly conducted penetration tests and risk analyses to identify system vulnerabilities.

To protect customers' and dealers' data, we restrict access to our applications and servers. We secure data sharing processes with our dealers by signing Dealer Agreements, which we update every five years. In 2024, we received no complaints regarding customer privacy breaches or data loss.

 [Please click to view Aygaz Information Security Policy.](#)





# APPENDICES AND **INDEX**



# STAKEHOLDER RELATIONS & COMMUNICATIONS

At Aygaz, stakeholder engagement forms the basis of our collaboration culture. Maintaining open, continuous and multi-channel communication with all our stakeholders enables us to move toward our strategic targets with confidence. This level of engagement, in alignment with digitalization and transparency principles, directly contributes to our sustainability efforts.

We focus on creating mutual value with a broad network of stakeholders, including employees, customers, suppliers and academic institutions. We leverage the feedback we receive in shaping our projects, closely monitor market trends, and foster trust-based relationships around by shared goals. Through these effort, we aim to create sustainable impact within a dynamic and resilient ecosystem.

 [Please click to access Aygaz Disclosure Policy.](#)

STAKEHOLDER GROUP	ENGAGEMENT METHOD	COMMUNICATION FREQUENCY	SOME TOPICS RAISED BY THE STAKEHOLDERS
<b>SHAREHOLDERS, INVESTORS, ANALYSTS</b>	Investor conferences, face-to-face meetings at the head office, responding to information requests received by phone and in writing, teleconferences, analyst meetings, executive management meetings, Investor Relations page on the corporate website, annual reports, sustainability reports, company presentations, earnings releases, briefings, material event disclosures	Immediate response to information requests, minimum each quarter	
<b>BUSINESS PARTNERS AND DEALERS</b>	Dealer helpline, satisfaction surveys, Aygaz Training Truck and Training Bus, joint projects, audits, dealer portals	Daily	<ul style="list-style-type: none"> <li>• Highlight product quality and safety issues more in communications</li> <li>• Sharing exemplary customer focus activities</li> <li>• Leveraging brand power more</li> <li>• Focusing on innovations in customer experience</li> <li>• Emphasizing competitiveness in the market</li> <li>• New business opportunities and channels</li> </ul>
<b>EMPLOYEES</b>	Employee satisfaction and loyalty research and surveys, online idea collection platform, intranet plasma screens, internal communication activities, announcements, committee meetings, company publications, suggestion systems	Daily	<ul style="list-style-type: none"> <li>• Continuing to contribute to community projects</li> <li>• Introducing future of work approaches (flexible work, etc.) in human resources processes</li> <li>• Increasing current intrapreneurship activities</li> <li>• Talent management and career planning</li> <li>• Elevating knowledge level about R&amp;D and innovation</li> </ul>
<b>AFFILIATES AND SUBSIDIARIES</b>	Meetings, joint projects	On demand	
<b>PUBLIC INSTITUTIONS AND REGULATORY AUTHORITIES</b>	One-on-one meetings, official visits, industry events	At least once a month	
<b>CUSTOMERS</b>	Communication campaigns, advertisements, website, social media, customer service line (Aygaz, Mogaz, Pürsu), market research and customer loyalty surveys, visits	Daily	
<b>MEDIA</b>	Press releases and press conferences, interviews, reputation surveys, website, trade publications	Weekly	<ul style="list-style-type: none"> <li>• Developing a long-lasting corporate responsibility project that reflects the strength of the Aygaz brand</li> </ul>
<b>NON-GOVERNMENTAL ORGANIZATIONS AND CHAMBERS</b>	Following the industry agenda, social responsibility topics, joint projects, sponsorships and donations, reputation surveys, working groups and committees	Weekly	<ul style="list-style-type: none"> <li>• Continuing environmental policy activities with sensitivity to national issues and integrating environmental management with a quality approach.</li> <li>• Raising awareness of energy efficiency among end-consumers.</li> </ul>
<b>LABOR UNIONS</b>	Face to face discussions, collective bargaining agreements, joint projects, General Assembly, open workplace meetings	At least four times a year	
<b>SUPPLIERS</b>	Supplier portal, audits/inspections	Daily	<ul style="list-style-type: none"> <li>• Carrying out activities to increase employment opportunities in operations across the country.</li> <li>• Continuously advancing quality, safety, and occupational health practices.</li> </ul>
<b>INTERNATIONAL ORGANIZATIONS AND INITIATIVES</b>	Joint projects, conferences, seminars, corporate memberships	At least once a month	
<b>UNIVERSITIES</b>	Conferences, training programs, festivals	At least once a month	



# MEMBERSHIPS AND ASSOCIATIONS

- Adana Chamber of Commerce
- Aerosol Manufacturers Association
- Aliağa Chamber of Commerce
- Ankara Chamber of Industry
- Ankara Chamber of Commerce
- Antalya Chamber of Commerce and Industry
- Bursa Chamber of Commerce and Industry
- Deniz Temiz Association/TURMEPA
- Denizli Chamber of Commerce
- Foreign Economic Relations Board (DEİK)
- Diyarbakır Chamber of Commerce and Industry
- Dört Yol Chamber of Commerce and Industry
- World Energy Council Turkish National Committee
- World LPG Association (WLPGA)
- Aegean Region Chamber of Industry
- Association of E-Commerce Operators (ETİD)
- Erzurum Chamber of Commerce and Industry
- Eskişehir Chamber of Industry

- Eskişehir Chamber of Commerce
- Gaziantep Chamber of Industry
- Gaziantep Chamber of Commerce
- Venture Capital Companies Platform
- GS1 Türkiye Foundation Economic Enterprise
- Hayrabolu Chamber of Commerce and Industry
- Isparta Chamber of Commerce and Industry
- İstanbul and Marmara, Aegean, Mediterranean, Black Sea Regions Chamber of Shipping (İMEAK DTO)
- İstanbul Foundation for Culture and Arts (İKSV)
- İstanbul Mineral and Metals Exporters' Association (İMMİB)
- İstanbul Chamber of Industry (İSO)
- İstanbul Chamber of Commerce (İTO)
- Business Council for Sustainable Development Türkiye (BCSD Türkiye)
- İzmir Chamber of Commerce
- Kayseri Chamber of Commerce
- Kırıkkale Chamber of Commerce and Industry
- Employers' Association of Chemicals, Oil, Tire and Plastics Industry (KİPLAS)
- Kocaeli Chamber of Industry
- Koç Group Executives Association
- Körfez Chamber of Commerce
- Corporate Communications Association

- Mersin Chamber of Commerce and Industry
- International Chamber of Commerce (ICC)
- Advertisers Association
- Samsun Chamber of Commerce and Industry
- TMMOB Chamber of Electrical Engineers
- Trabzon Chamber of Commerce and Industry
- Turkish Foreign Trade Association
- Turkish Confederation of Employer Associations (TİSK)
- Turkish Quality Association (KalDer)
- Corporate Governance Association of Türkiye (TKYD)
- Turkish LPG Association
- Turkish Employers' Association of Metal Industries (MESS)
- Union of Chambers and Commodity Exchanges of Türkiye (TOBB)
- Turkish Industry and Business Association (TÜSİAD)
- Turkish Investor Relations Society
- The British Chamber of Commerce in Türkiye



# GRI CONTENT INDEX

<b>STATEMENT OF USE</b>	Aygaz has reported in accordance with the GRI Standards for the January 1, 2024 – December 31, 2024 period.
<b>GRI 1 USED</b>	GRI 1: Foundation 2021

	<b>GRI 1: FOUNDATION 2021</b>		
	<b>DISCLOSURE</b>	<b>SECTION</b>	<b>LOCATION/ PAGE NO, SOURCE AND/ OR DIRECT ANSWERS</b>
<b>GRI: 2 GENERAL DISCLOSURES 2021</b>	2-1 Organizational details	About the Report	4
		About Aygaz	7
	2-2 Entities included in the organization's sustainability reporting	About the Report	4
	2-3 Reporting period, frequency and contact point	About the Report	4
	2-4 Restatements of information	-	There is no restatement of information regarding the previous reporting period. .
	2-5 External assurance	-	External assurance is not received for the Sustainability Report.
	2-6 Activities, value chain and other business relationships	Value Chain and Stakeholder Engagement	25
	2-7 Employees	Shaping the Future	41
	2-8 Workers who are not employees	-	There is no restatement of information
	2-9 Governance structure and composition	Board of Directors	11
		Organizational Structure	14
		Effective Corporate Governance	17
	2-10 Nomination and selection of the highest governance body	Board of Directors	11
	2-11 Chair of the highest governance body	Board of Directors	11
	2-12 Role of the highest governance body in overseeing the management of impacts	Board of Directors	11
		Organizational Structure	14
		Effective Corporate Governance	17
	2-13 Delegation of responsibility for managing impacts	Board of Directors and Committees	11
		Sustainability Management	23
		Managing Risks and Opportunities	20
	2-14 Role of the highest governance body in sustainability reporting	Sustainability Management	23
	2-15 Conflicts of interest	Business Ethics and Compliance	18
2-16 Communication of critical concerns	Business Ethics and Compliance	18	
2-17 Collective knowledge of the highest governance body	Board of Directors	11	
2-18 Evaluation of the performance of the highest governance body	Board of Directors	11	
2-19 Remuneration policies	Board of Directors	11	
2-20 Process to determine remuneration	Board of Directors	11	
2-21 Annual total compensation ratio	-	The response is provided in the 2024 Annual Report.	
2-22 Sürdürülebilir kalkınma stratejisine ilişkin açıklama	Sustainability Strategy	22	



	DISCLOSURE	SECTION	LOCATION/ PAGE NO, SOURCE AND/ OR DIRECT ANSWERS
<b>GRI: 2 GENERAL DISCLOSURES 2021</b>	2-23 Policy commitments	Business Ethics and Compliance Shaping the Future	18 41
	2-24 Embedding policy commitments	Business Ethics and Compliance Shaping the Future	18 41
	2-25 Processes to remediate negative impacts	Managing Risks and Opportunities	20
	2-26 Mechanisms for seeking advice and raising concerns	Business Ethics and Compliance	18
	2-27 Compliance with laws and regulations	Business Ethics and Compliance	18
	2-28 Membership associations	Memberships and Associations	71
	2-29 Approach to stakeholder engagement	Material Sustainability Topics	26
	2-30 Collective bargaining agreements	Equal Opportunity and Diversity	48
<b>MATERIAL TOPICS</b>			
<b>GRI: 3 MATERIAL TOPICS 2021</b>	3-3 Management of material topics	Material Sustainability Topics	26
	3-2 List of material topics	Material Sustainability Topics	26
<b>TALENT DEVELOPMENT, RETENTION AND ENGAGEMENT</b>			
<b>GRI: 3 MATERIAL TOPICS 2021</b>	3-3 Management of material topics	Material Sustainability Topics Human Resource Socia Performance Metrics	26 42 79
	404-1 Average hours of training per year per employee	Human Resource Socia Performance Metrics	42 99
	404-2 Programs for upgrading employee skills and transition assistance programs	Human Resource	42
<b>GRI 404: TRAINING AND EDUCATION 2016</b>	404-3 Percentage of employees receiving regular performance and career development reviews	Socia Performance Metrics	79
<b>TRANSITIONING TO LOW-CARBON ECONOMY</b>			
<b>GRI: 3 MATERIAL TOPICS 2021</b>	3-3 Management of material topics	Material Sustainability Topics	26
<b>EMPLOYEE HEALTH AND SAFETY</b>			
<b>GRI 3 MATERIAL TOPICS 2021</b>	3-3 Management of material topics	Material Sustainability Topics Employee Health and Safety	26 53
	403-1 Occupational health and safety management system	Employee Health and Safety	53
	403-2 Hazard identification, risk assessment, and incident investigation	Employee Health and Safety	53
	403-5 Workers training on occupational health and safety	Employee Health and Safety	53
	403-8 Workers covered by an occupational health and safety management system	Employee Health and Safety	53
	403-9 Work-related injuries	Employee Health and Safety	53
	403-10 Work-related ill health	Employee Health and Safety	53
<b>DIGITAL TRANSFORMATION AND TECHNOLOGY</b>			
<b>GRI: 3 MATERIAL TOPICS 2021</b>	3-3 Management of material topics	Material Sustainability Topics Digital Transformation and Technology	26 67
	<b>R&amp;D, INNOVATION, INNOVATIVE PRODUCTS AND SERVICES</b>		
<b>GRI: 3 MATERIAL TOPICS 2021</b>	3-3 Management of material topics	Material Sustainability Topics R&D and Innovation	26 65



	DISCLOSURE	SECTION	LOCATION/ PAGE NO, SOURCE AND/ OR DIRECT ANSWERS
<b>DIVERSITY, EQUITY AND INCLUSION</b>			
<b>GRI: 3 MATERIAL TOPICS 2021</b>	3-3 Management of material topics	Material Sustainability Topics	26
		R&D and Innovation	48
<b>GRI 405: DIVERSITY AND EQUAL OPPORTUNITY 2016</b>	405-1 Diversity of governance bodies and employees	Equal Opportunity and Diversity	48
	405-2 Ratio of basic salary and remuneration of women to men	Equal Opportunity and Diversity	48
<b>CLIMATE ACTION AND RESILIENCE</b>			
<b>GRI: 3 MATERIAL TOPICS 2021</b>	3-3 Management of material topics	Material Sustainability Topics	26
		Emissions and Energy Management	34
<b>GRI 302: ENERGY 2016</b>	302-1 Energy consumption within the organization	Emissions and Energy Management	34
	302-4 Reduction of energy consumption	Emissions and Energy Management	34
<b>GRI 305: EMISSIONS 2016</b>	305-1 Direct (Scope 1) GHG emissions	Emissions and Energy Management	34
	305-2 Energy indirect (Scope 2) GHG emissions	Emissions and Energy Management	34
	305-3 Other indirect (Scope 3) GHG emissions	Emissions and Energy Management	34
	305-4 GHG emissions intensity	Emissions and Energy Management	34
	305-5 Reduction of GHG emissions	Emissions and Energy Management	34
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Emissions and Energy Management	34
<b>RESPONSIBLE SUPPLY CHAIN</b>			
<b>GRI: 3 MATERIAL TOPICS 2021</b>	3-3 Management of material topics	Material Sustainability Topics	26
		Supply Chain	55
<b>GRI 204: PROCUREMENT PRACTICES 2016</b>	204-1 Proportion of spending on local suppliers	Supply Chain	55
<b>GRI 308: SUPPLIER ENVIRONMENTAL ASSESSMENT 2016</b>	308-1 New suppliers that were screened using environmental criteria	Supply Chain	55
<b>GRI 414: SUPPLIER SOCIAL ASSESSMENT 2016</b>	414-1 New suppliers that were screened using social criteria	Supply Chain	55
<b>CORPORATE GOVERNANCE</b>			
<b>GRI: 3 MATERIAL TOPICS 2021</b>	3-3 Management of material topics	Material Sustainability Topics	26
		Aygaz in 2024	9
		Managing Risks and Opportunities	20
		Business Ethics and Compliance	18
<b>GRI 201: ECONOMIC PERFORMANCE 2016</b>	201-1 Direct economic value created and distributed	Aygaz in 2024	9
	201-2 Financial implications and other risks and opportunities due to climate change	Managing Risks and Opportunities	20
<b>GRI 205: ANTI-CORRUPTION 2016</b>	205-2 Communication and training about anti-corruption policies and procedures	Business Ethics and Compliance	18
	205-3 Confirmed incidents of corruption and actions taken	Business Ethics and Compliance	18
<b>GRI 402: LABOR/MANAGEMENT RELATIONS 2016</b>	402-1 Minimum notice periods regarding operational changes	-	In case of collective and / or individual layoffs or job changes, the relevant provisions specified in the labor legislation and collective agreements in the operation countries are applied.



	DISCLOSURE	SECTION	LOCATION/ PAGE NO, SOURCE AND/ OR DIRECT ANSWERS
<b>PROCESS SAFETY</b>			
<b>GRI: 3 MATERIAL TOPICS 2021</b>	3-3 Management of material topics	Material Sustainability Topics	26
<b>WATER AND EFFLUENTS</b>			
<b>GRI: 3 MATERIAL TOPICS 2021</b>	3-3 Management of material topics	Material Sustainability Topics Water Stewardship	26 39
<b>GRI 303: WATER AND EFFLUENTS 2018</b>	303-1 Interactions with water as a shared resource	Water Stewardship	39
	303-3 Water withdrawal	Water Stewardship	39
<b>WASTE MANAGEMENT</b>			
<b>GRI: 3 MATERIAL TOPICS 2021</b>	3-3 Management of material topics	Material Sustainability Topics Waste and Resource Management	26 38
<b>GRI 306: WASTE 2020</b>	306-1 Waste generation and significant waste-related impacts	Waste and Resource Management	38
	306-2 Management of significant waste-related impacts	Waste and Resource Management	38
	306-3 Waste generated	Waste and Resource Management	38
	306-4 Waste diverted from disposal	Waste and Resource Management	38
	306-5 Waste directed to disposal	Waste and Resource Management	38
<b>ETHICS AND COMPLIANCE</b>			
<b>GRI: 3 MATERIAL TOPICS 2021</b>	3-3 Management of material topics	Material Sustainability Topics Business Ethics and Compliance	26 18
<b>COMMUNITY ENGAGEMENT</b>			
<b>GRI: 3 MATERIAL TOPICS 2021</b>	3-3 Management of material topics	Material Sustainability Topics Business Serving Communities	26 60
<b>MANAGING RISKS AND OPPORTUNITIES</b>			
<b>GRI: 3 MATERIAL TOPICS 2021</b>	3-3 Management of material topics	Material Sustainability Topics Managing Risks and Opportunities	26 20
<b>AIR QUALITY</b>			
<b>GRI: 3 MATERIAL TOPICS 2021</b>	3-3 Management of material topics	Material Sustainability Topics	26
<b>HUMAN RIGHTS AND WORKING CONDITIONS</b>			
<b>GRI: 3 MATERIAL TOPICS 2021</b>	3-3 Management of material topics	Material Sustainability Topics Human Resource Socia Performance Metrics	26 42 79
<b>GRI 401: EMPLOYMENT 2016</b>	401-1 New employee hires and employee turnover	Human Resource	42
	401-3 Parental leave	Socia Performance Metrics	79
<b>CUSTOMER SATISFACTION AND SAFETY</b>			
<b>GRI: 3 MATERIAL TOPICS 2021</b>	3-3 Management of material topics	Material Sustainability Topics	26



	DISCLOSURE	SECTION	LOCATION/ PAGE NO, SOURCE AND/ OR DIRECT ANSWERS
<b>GRI 416: CUSTOMER HEALTH AND SAFETY 2016</b>	416-1 Assessment of the health and safety impacts of product and service categories	-	Aygaz complies with all international and local regulations regarding health and safety impacts of its products and operations.
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	-	Non-compliance with the health and safety impacts of product and service categories has not been identified during the reporting period.
<b>PRODUCT QUALITY AND SAFETY</b>			
<b>GRI: 3 MATERIAL TOPICS 2021</b>	3-3 Management of material topics	Material Sustainability Topics	26
<b>SAFETY, QUALITY AND RESILIENCE IN LOGISTICS</b>			
<b>GRI: 3 MATERIAL TOPICS 2021</b>	3-3 Management of material topics	Material Sustainability Topics	26
		Supply Chain	55
<b>DATA PRIVACY AND SECURITY</b>			
<b>GRI: 3 MATERIAL TOPICS 2021</b>	3-3 Management of material topics	Material Sustainability Topics	26
		Customer Satisfaction	58
<b>GRI 418: CUSTOMER PRIVACY 2016</b>	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Customer Satisfaction	58
<b>BIODIVERSITY AND ECOSYSTEMS</b>			
<b>GRI: 3 MATERIAL TOPICS 2021</b>	3-3 Management of material topics	Material Sustainability Topics	26
		Biodiversity	40
		Biodiversity	40
<b>GRI 304: BIODIVERSITY 2016</b>	304-2 Significant impacts of activities, products and services on biodiversity	Biodiversity	40
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	Biodiversity	40



# PERFORMANCE INDICATORS

## Environmental Performance Indicators

### ENERGY CONSUMPTION (GJ)

	2022	2023	2024*
Renewable Energy Consumption	249	212	785
Direct Non-Renewable Energy Consumption	86,890	70,937	50,077
Purchased Electricity	70,241	68,528	64,563
Total Energy Consumption	157,380	139,677	114,640
Energy Savings	3,865	4,190	16,483

\*Starting from 2024, Aygaz subsidiaries' data has been included in the metrics.

### GREENHOUSE GAS EMISSIONS (Tons CO<sub>2</sub>e)

	2022	2023	2024
Scope 1*	6,328	6,550	4,200
Scope 2*	8,722	8,355	7,717
Total	15,050	14,905	11,917
Total Scope 3**	20,488,693	19,989,879	19,245,335
Carbon Footprint Intensity (tons CO <sub>2</sub> e / million TL)	0.44	0.32	0.16

\* The 2024 calculations for Scope 1 and Scope 2 emissions has been expanded to include Aygaz and its subsidiaries. All year data has been verified.

\*\* Total indirect greenhouse gas amount. All year data has been verified.

### AIR EMISSIONS (kg/year)\*

	2022	2023	2024
NOx	15,644	15,254	15,116
SOx	312	266	255
Volatile Organic Compounds (VOC)	111,459	91,751	89,296

\* Values may vary because measurements are by law taken at different facilities every two years. As of 2022, they are calculated in kg/year. 2021 measurements have been updated by converting from kg/hour to kg/year. Only Aygaz data.

### WASTES (Tons)

	2022	2023	2024*
Hazardous Waste – Recovery	514	410	373
Non-hazardous Waste – Recovery	7,845	7,312	5,648
Hazardous Waste – Disposal	1.90	2.10	0.21
Non-hazardous Waste – Disposal	-	-	-

\*\*Starting from 2024, Aygaz subsidiaries' data is included in the metrics.



## WATER CONSUMPTION (m<sup>3</sup>)

	2022	2023*	2024**
Ground Water	-	-	-
Underground Water	48,938	117,007	97,810
Municipal Water	60,360	69,338	69,897
Rainwater and Other Resources	-	-	-
Total Water Withdrawal	109,298	186,345	167,707
Total Recovered Water	60,809	60,171	61,102
Discharged Water	76,902	92,067	98,359

\*Since 2023 is taken as baseline for water consumption, the figures have been updates with the edition of data from the Pürsu plant in İnegöl.

\*\*Starting from 2024, Aygaz subsidiaries' data has been included in the metrics.

## ENVIRONMENTAL TRAINING

	2022	2023	2024*
Environmental Training Time for Employees (hours)	1,334	865	1,006
Employees Receiving Environmental Training	1,327	1,038	933
Environmental Training Time for Subcontractor Employees (hours)	462	223	224
Subcontractor Employees Receiving Environmental Training	476	267	285

\*Starting from 2024, Aygaz subsidiaries' data has been included in the metrics.

## ENVIRONMENTAL INVESTMENTS AND SPENDING

	2022	2023	2024
Financial Savings Through Environmental Investments and Spending (TL)	-	4,200,000	3,370,000
Facilities holding ISO 14001 Certification	12	12	11
Facilities holding ISO 50001 Certification	2	3	3

## PRODUCT MANAGEMENT

	2022	2023	2024***
Total Number of Products	5	5	5
Total Number of Products Undergoing LCA	2	2	2
Financial Savings Through Product Take-Back Programs (TL)*	419,638**	5,948,621	2,972,569

\*Introduced in 2023, GEKAP provides a financial advantage in returnable Pürsu and Aygaz products.

\*\*Financial advantage provided by returnable Pürsu products.

\*\*\*Starting from 2024, Aygaz subsidiaries' data has been included in the metrics.

## Social Performance Metrics

### EMPLOYEE DEMOGRAPHICS

	2022		2023		2024	
	FEMALE	MALE	FEMALE	MALE	FEMALE	MALE
Office Employees	231	762	227	785	149	546
Field Employees	25	655	28	618	17	544
Employees in STEM	20	104	22	113	28	90
Disabled Employees	3	23	3	26	4	28
Total Employees	1,673		1,658		1,256	
Unionized Employees	17	343	19	311	9	229

### EMPLOYEES BY WORK TYPE

	2022		2023		2024	
	PART-TIME	FULL-TIME	PART-TIME	FULL-TIME	PART-TIME	FULL-TIME
Number of Employees	-	1,673	-	1,658	-	1,256

### EMPLOYEES BY AGE GROUPS

	2022	2023	2024
Over 50	129	101	88
31-49 Years Old	1,202	1,200	909
Under 30	342	357	259

### SENIOR AND MID-LEVEL EXECUTIVES BY GENDER

	2022		2023		2024	
	FEMALE	MALE	FEMALE	MALE	FEMALE	MALE
Senior Executives*	3	6	3	6	6	9
Mid-Level Executives	18	89	23	94	7	54

\*Starting from 2024, directors and higher roles have been included.

### PARENTAL LEAVES BY GENDER

	2022		2023		2024	
	FEMALE	MALE	FEMALE	MALE	FEMALE	MALE
Employees Taking Parental Leave	7	0	8	42	7	48
Employees Returning From Parental Leave	5	0	6	41	3	48

### TRAININGS (Employees)

	2022	2023	2024
Total Training Time (person*hours)	45,426	61,382	53,765
Training Hours per Employee	34.22	44.58	42.80
Total OHS Training (person*hours)	10,166	15,294	17,050
OHS Training Hours per Employee	7.90	11.10	13.01

### TRAININGS (Subcontractors)

	2022	2023	2024
Total Training Time (person*hours)	7,226	8,320	6,586
Training Hours per Employee	13.40	20.54	17.38
Total OHS Training (person*hours)	3,443	4,935	6,362
OHS Training Hours per Employee	6.40	12.18	17.43



## EMPLOYEE DEMOGRAPHICS

	2022		2023		2024	
	FEMALE	MALE	FEMALE	MALE	FEMALE	MALE
Newly Hired Employees	85	313	66	636	42	315
Employees leaving the company	48	218	68	460	55	419
Employee turnover rate	19%	15%	27%	33%	33%	38%
Employee turnover rate	16%		32%		38%	
Voluntary resignations	21	97	30	111	16	124
Employee turnover rate (voluntary)	7%		9%		11%	
Terminations (involuntary)	27	121	38	349	37	261
Employee turnover rate (involuntary)	11%	9%	15%	25%	15%	20%
Employee turnover rate (involuntary)	9%		23%		19%	

## EMPLOYEES SUBJECTED TO PERFORMANCE APPRAISAL

	2022	2023	2024
Office Employees	993	984	658
Field Employees	385	375	303
Total Employees	1,378	1,359	961

## OHS PERFORMANCE (Employees)

	2022	2023	2024
Fatal Accidents	0	0	1
Occupational Diseases	0	0	0
Lost Day Rate* (LDR)	0.16	0.16	0.15

\* Only Aygaz data.

## OHS PERFORMANCE (Subcontractors)

	2022	2023	2024
Fatal Accidents	0	0	1
Occupational Diseases	0	0	0
Lost Day Rate* (LDR)	0.06	0.50	0.84

\* Only Aygaz data.

## OHS PERFORMANCE

	2022	2023	2024
Employees LTIF	15.53	14.69	12.11
Subcontractors LTIF	6.20	4.02	5.57
Total LTIF	9.64	8.00	7.90
Employees TRIF	16.35	16.28	14.53
Subcontractors TRIF	8.11	5.67	7.87
Total TRIF	11.55	9.63	10.25

## GENDER PAY GAP (Average Female Employee Salary/ Average Male Employee Salary)

	2022	2023	2024
Managers	104%	101%	99%

## TOTAL TRAINING EXPENDITURE (TL)

	2022	2023	2024
Training Expenditure	2,906,118	7,899,451	13,383,471

## EMPLOYEE DEMOGRAPHICS

	2022		2023		2024	
	FEMALE	MALE	FEMALE	MALE	FEMALE	MALE
Subcontractor Employees	59	468	57	435	51	677
Total Subcontractor Employees	527		492		728	

## EMPLOYEES BY CONTRACT TYPE

	2022		2023		2024	
	FEMALE	MALE	FEMALE	MALE	FEMALE	MALE
Employees on Indefinite Contracts	251	1,353	249	1,351	157	1,015
Employees on Fixed-Term Contracts	5	64	6	52	9	75

## PROMOTIONS AND ROTATIONS

	2022		2023		2024	
	FEMALE	MALE	FEMALE	MALE	FEMALE	MALE
Promotions	19	90	6	25	8	33
Employees Receiving First Time Promotion to Senior Executive Roles	1	-	-	-	1	1
All Open Positions	204		640		421	
Positions Filled Internally	8	25	10	22	2	3

## NEW RECRUITMENT

	2022		2023		2024	
	FE-MALE	MALE	FEMALE	MALE	FEMALE	MALE
New Hires Within the Year	85	313	66	636	42	315
Ratio of New Hires Within the Year	21%	79%	9%	91%	12%	88%

## R&D AND INNOVATION

	2022	2023	2024
Total R&D Budget (TL)	24,900,000	15,265,608	77,832,876
Full-time Employees in the R&D and Innovation Department	29	30	31

## CUSTOMERS

	2022	2023	2024
Total Customers	-	3,500,000	4,200,000
Customers Actively Using Online Sales/Service Channels	-	980	1,500,000
Online Sales/Service Channel Revenues (TL)	-	28,691,577	35,500,000

## VALUE CHAIN

	2022	2023	2024
Total Number of Suppliers	1,876	2,015	2,396
Total Number of Local Suppliers	1,813	1,943	2,268
Number of Tier 1 Suppliers*	116	75	75
Number of Critical Suppliers**	83	67	49

\* Refers to suppliers who directly supply goods, materials or services (including intellectual property - IP/patents) to the company.

\*\* Refers to critical suppliers who have the potential to directly impact production, high-volume suppliers, or suppliers who supply a unique product, component, or service that the company relies on or cannot be substituted, such as those with the potential to disrupt production in case of unavailability.



# ABBREVIATIONS & ACRONYMS

**ADR** European Agreement on the International Transport of Dangerous Goods by Road

**APS** Announced Pledges Scenario

**CDP** CDP

**DME** Dimethyl Ether

**ESG** Environmental, Social and Governance

**GRI** Global Reporting Initiative

**HR** Human Resources

**IBAT** Integrated Biodiversity Assessment Tool

**IEA** International Energy Agency

**IoT** Internet of Things

**IPCC** Intergovernmental Panel on Climate Change

**ISO** Istanbul Chamber of Industry

**KR** Key Results

**KUYTAM** Koç University Surface Science and Technology Center

**LCA** Life Cycle Assessment

**LDR** Lost Day Rate

**LNG** Liquid Natural Gas

**LPG** Liquid Petroleum Gas

**LTIF** Lost Time Injury Frequency

**MESS** Turkish Employers' Association of Metal Industries

**MoTAT** Mobile Waste Tracking System

**NPS** Net Promoter Score

**NZE** Net Zero Emissions by 2050 Scenario

**OHS** Occupational Health and Safety

**R&D** Research & Development

**REC** Regional Environmental Center

**SDG** Sustainable Development Goals

**STEPS** Stated Policies Scenario

**TCFD** Task Force on Climate-related Financial Disclosures

**TEGV** Educational Volunteers Foundation of Türkiye

**TEV** Turkish Education Foundation

**TİM** Türkiye Exporters Assembly

**TKDF** Federation of Women's Associations in Türkiye

**TRIF** Total Recordable Injury Frequency

**TSRS** Türkiye Sustainability Reporting Standards

**TÜBİTAK** Scientific and Technological Research Council of Türkiye

**UN** United Nations

**UN WEPs** UN Women's Empowerment Principles

**UNESCO** United Nations Educational, Scientific and Cultural Organization

**UNGC** United Nations Global Compact

**VOC** Volatile Organic Compound

**WEF** World Economic Forum

**WLGA** World Liquid Gas Association

**WRI** World Resources Institute



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