

VitrA

ARTEMA

İNTEMA

 burgbad

Eczacıbaşı Building Products - Bathroom (EBPB)
Integrated Sustainability Report
2023

Building a Healthier Future, Together

Story of Our Ambition

ECZACIBAŞI
BUILDING PRODUCTS

Contents

About the Report	4
Message from the Chairperson of the Board	6
1. Eczacıbaşı Building Products - Bathroom (EBPB) at a Glance	8
Overview of Eczacıbaşı Building Products - Bathroom (EBPB)	10
Our Organization, Brands and Products	12
Our Operating Environment	18
Year in Review	26
2. Our Approach to Sustainability	28
Our Value-Creating Business Model	30
Sustainability at Eczacıbaşı Building Products - Bathroom (EBPB)	34
Eczacıbaşı Building Products - Bathroom (EBPB)'s Materiality	38
Sustainability Objectives	41
Contributing to the UN 2030 Agenda	42
Stakeholder Relations	46
3. Corporate Governance	54
Ethics and Compliance	68
Business Ethics and Legal Compliance	69
Supply Chain Management	74
Economic Sustainability	82
Economic and Financial Performance	83
4. Investing in Planet	84
Climate and Environment	88
Energy Management and Carbon Emissions	91
Water Management	98
Circular Economy	100
Resource Management and Responsible Procurement	103
Product Responsibility	108
Waste Management	124
5. Investing in People	126
Equal Opportunity	130
Equal, Diverse and Inclusive Workplace	132
Attracting, Developing and Retaining Talent	138
Health and Wellbeing	154
Health, Safety and Wellbeing	155
Corporate Wellbeing	156
Community and Social Vitality	160
Social Investment	160
Wellbeing and Hygiene	168
6. Investing in Future	172
Innovation and Entrepreneurship	176
R&D and Innovation	176
Digital Transformation	184
Digital Transformation	186
7. Annexes	190
List of Associations, Initiatives and Memberships	192
GRI Content Index	194
WEF Stakeholder Capitalism Metrics	202
Independent Assurance Report	206
Reporting Principles	210
Product TSE Certificates	215
Info	216

About the Report

GRI 2-2, GRI 2-3, GRI 2-4

GRI 2-2, GRI 2-3, GRI 2-4

Purpose of our Integrated Sustainability Report

Here at the Eczacıbaşı Building Products - Bathroom (EBPB), our commitment lies in promoting a sustainable future through all our activities. We strive to maintain a balance between the environment, resources, society, and business, while harnessing technology and innovation to enhance our efforts. We take great pride in our unwavering dedication to pushing the boundaries of what is possible and leaving a positive impact on the world around us. Eczacıbaşı Building Products - Bathroom (EBPB) aims to publish annual reports to clarify its environmental, social, and governance activities and achievements to our stakeholders with full transparency. We are excited to share that our efforts have remained strong and consistent throughout 2023. As we advance on our path to a more sustainable future, we are thrilled to release our second Integrated Sustainability Report and third Sustainability Report this year, building on the momentum and successes of our endeavors. Continuing our approach from last year, we are proud to present two comprehensive reports this year, detailing our sustainability strategy, performance, goals, and the significant progress we are making towards achieving them. Recognizing the importance of engaging with our stakeholders, we have placed special emphasis on their feedback during this reporting period. By incorporating their insights into our report, we ensure that our business processes are more inclusive, participatory, and transparent.

- The [Eczacıbaşı Building Products - Bathroom \(EBPB\) Integrated Sustainability Report 2023: Story of Our Ambition Report](#) provides a detailed overview of our key sustainability initiatives and activities accompanied by case studies highlighting our achievements and impact.
- The [Eczacıbaşı Building Products - Bathroom \(EBPB\) Integrated Sustainability Report 2023: Facts about Our Actions Report](#) presents a data-driven approach to analyze our sustainability performance and provides detailed insights into our sustainability practices.

Scope of our Report

This report covers our operations and contains financial and non-financial data for **Istanbul Headquarters, as well as our production facilities in Bozüyük and Tuzla in Türkiye, and in Russia** for the full calendar year 2023 or reflect status on December 31, 2023. Additionally, **burgbad operations in France and Germany** are included in this report with reference to burgbad's operations and the wholesale channel **Intema** is also referenced in the report. The demographic data of employees presented in the report pertains specifically to the operations conducted in Türkiye unless otherwise stated. All financial statistics are provided in euros (€) unless otherwise stated.

Principles and Standards

This report has been prepared in accordance with the GRI (Global Reporting Initiative) Standards. The report also takes into account the 'Stakeholder Capitalism Sustainable Value Creation Reporting Criteria' set forth by the World Economic Forum (WEF) and indicates our contribution to the UN Sustainable Development Goals (SDGs). In addition, we sought to align our reporting with the International Integrated Reporting Report Framework published by the International Integrated Reporting Council (IIRC).

Assurance

We have obtained independent assurance for the data covering energy, water, waste, employee demographics and gender equality, occupational health, and safety, as well as production key performance indicators (KPIs) presented in this report. The assurance, conducted in accordance with ISAE 3000 (Revised) by Deloitte (DRT Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş.), provides limited assurance on the accuracy and reliability of the information. Our Reporting Guidance for non-financial KPIs document provides details and definitions of these selected KPIs and the Limited Assurance Report can be reached at [Annexes](#). The selected KPIs that have been subject to limited assurance by DRT Bağımsız Denetim ve SMMM A.Ş. ("Deloitte") are denoted by the check symbol as displayed here: ✓

Navigation Icons



Financial Capital



Natural Capital



Social Capital



Human Capital



Intellectual Capital



Manufacturer Capital



Spotlight Projects



Stakeholder View



A PDF version of the Eczacıbaşı Building Products - Bathroom (EBPB) Story of Our Ambition, Facts about Our Actions and all reports from previous periods can be accessed on the [corporate website](#).

Message from the Chairperson of the Board

Dear Stakeholders,

Poised to celebrate the 100th anniversary of the Republic of Türkiye in 2023, our nation experienced one of the most devastating earthquakes in its history on February 6. Relief efforts for the millions of people impacted by the calamity began immediately. Under the coordination of Eczacıbaşı Holding, we, too, sent search and rescue teams to the affected region and assisted in addressing the health, hygiene, sanitation, and shelter needs of earthquake victims. We also partnered in efforts to rebuild health and education infrastructure, and we provided scholarships to university students affected by the earthquake. Although it is impossible to bring back the families and friends we lost, we will continue to do all we can for as long as necessary to help heal our communities' wounds.

The year 2023 also brought economic and political upheaval on a global scale. Growing geopolitical tension, continuing supply chain issues, and rising inflation exacerbated economic uncertainty around the world as well as in Türkiye. Supported by strong teams, distributors, and stakeholders, we implemented a flexible and dynamic management approach to transform these challenges into opportunities. While achieving total sales of €526 million for the year, we focused on expanding our market share in developing countries to further improve our financial performance in subsequent periods.

While creating value and adapting to change, we also prepared for the future.

We created a rich portfolio of new products for the global hospitality and tourism industry, which we expect to resume strong growth in the period ahead. We continued to develop ergonomic, safe, easy-to-install and easy-to-use products for the renovation market. And we explored making greater use of e-commerce channels in our geographies of operation as a driver of growth.

At Eczacıbaşı Building Products, we believe that finding and maintaining the delicate balance between environment, society and business is only possible with good governance models. To this end, we renewed our organizational structure and transitioned to a more agile and global governance model. Despite the great challenges of 2023, we maintained the pace of our efforts to ensure a sustainable future. We continued to closely monitor the impact of international developments on our business, most notably the EU Green Deal and Emissions Trading System. We also continued to participate in various initiatives shaping our industry and to share our sectoral expertise and experience with stakeholders. In Türkiye, we joined efforts to set sustainability standards in our industry through the Ministry of Environment, Urbanization, and Climate Change's "Bathroom Faucet Environmental Label" project, which aims to disseminate the Environmental Label System. Internationally, we attended the UN Conference of the Parties on Climate Change (COP28) in Dubai to keep abreast of global priorities related to climate issues and actions and share our own efforts in these areas.

We are aware of our responsibility to respond swiftly and effectively to the climate crisis. To this end, we have begun a Low Carbon Roadmap Project that we will present alongside our updated sustainability strategy in our 2024 sustainability report. This revised strategy will be based on a cohesive, Group-wide climate strategy aligned with both EU regulations and a Double Materiality project we are initiating in 2024.

In 2023, we also accelerated our investments in energy efficiency, renewable energy, and green energy, longstanding priorities of our sustainability agenda. Every year, we draw closer to our 2030 goal of producing all the electricity we consume at our own renewable energy power plants. As of end-2023, the installed capacity of our solar power plant investments was 12.5 MWp. In 2023, we supplied 18% of our total electricity consumption from the renewable energy produced at our own power plants; the remaining amount, equivalent to 73 MWh, we sourced from green energy suppliers. Furthermore, we are closely following developments in green hydrogen technology as an alternative to fossil fuels.

Our desire to present innovative products that contribute to sustainability is founded on research, scientific data and the exploration of new technologies. In 2023, we continued our collaboration with Boğaziçi University on product life cycle assessment and sustainable product development. As a result of these efforts, our VitrA brand produced the world's first and only 100% recycled ceramic washbasin*. VitrA Academy is also collaborating with Istanbul Technical University and Eskişehir Technical University to encourage young talents to enter our industry.

Eczacıbaşı Building Products is committed to ensuring equal opportunities for everyone, regardless of gender, religion, language, race, ethnic origin, physical characteristics, or political affiliation. Aware of the importance of strengthening women's place in society in our own geography, we implement various practices to increase female employment. In 2023, the share of women among our new hires in Türkiye increased by one percentage point to 38.9%. We also ensure equality in our remuneration processes through our equal pay for equal work policy.

We are pleased to introduce our **2023 Integrated Sustainability Report** aligned with Global Reporting Initiative (GRI) Sustainability Reporting Standards, World Economic Forum Stakeholder Capitalism Sustainable Value Creation Reporting Criteria, and the International Integrated Reporting Council (IIRC) International Integrated Reporting Framework.

The **Story of Our Ambition** report sheds light on our initial sustainability initiatives and activities, our good practice projects, and the impact of our achievements. **The Facts about Our Actions** report provides detailed insights of our sustainability performance based on a data-driven approach. We hope you enjoy reading the entire 2023 Integrated Sustainability Report, which is a combination of these two reports, and we look forward to receiving your comments and feedback.

I would like to take this opportunity to sincerely thank our shareholders, colleagues, dealers, business partners, suppliers and customers, for enabling us to proudly celebrate the 100th year of our Republic by creating sustainable value for all our stakeholders.

Sincerely,



Atalay M. Gümrah Chairperson of the Board

* Approximately 100% of the content is produced from waste generated and disposed during the production process.

1

Eczacıbaşı Building Products - Bathroom (EBPB) at a Glance

Eczacıbaşı Building Products - Bathroom (EBPB), which creates the bathroom concept with its strong operational capabilities and experience, produces high quality and innovative products for unique bathroom experiences with its world-renowned brands including VitrA, Artema, Intema, burgbad.

In a world where needs, desires and choices are growing ever closer, and ever more singular at the same time, Eczacıbaşı Building Products - Bathroom (EBPB) is dedicated to addressing fundamental human needs as it blends extraordinary design concepts with cutting edge technology to enhance contemporary urban living.

Overview of Eczacıbaşı Building Products - Bathroom (EBPB)	10
Our Organization, Brands and Products	12
Our Operating Environment	18
Year in Review	26

Overview of Eczacıbaşı Building Products - Bathroom (EBPB)

GRI 2-1

Established in 1958, Eczacıbaşı Building Products - Bathroom (EBPB) started producing ceramic sanitary equipment, recognizing the importance of bathrooms for human wellbeing. Today, Eczacıbaşı Building Products - Bathroom (EBPB) is a leading Turkish manufacturer and exporter in the building products industry, achieving net sales exceeding €526 million and employing over 5,000 people across 14 production facilities in four countries.

As a designer and manufacturer of every core element in the bathroom, EBPB creates inspiring bathrooms with a wide range of choices, admired by users around the world, more than 100 countries on five continents. Featuring renowned brands like VitrA, Artema, Intema, burgbad, Norm, Normus, Punto, Sea, and Selena; EBPB defies the conventional notion of the bathroom as merely functional. Instead, we represent it as a space of beauty, relaxation, and personal enrichment.

Centered on people and their needs, EBPB seamlessly integrates technological advancements and innovative solutions to continuously enhance

expertise in bathroom hygiene, comfort, and cleanliness. Elevating human health and personal hygiene experiences to new heights, we prioritize accessibility, safety, and functionality in our design philosophy.

Committed to inclusivity, we strive to create bathroom experiences that provide to the wellbeing of all individuals, irrespective of age, gender, ability, or condition.

For additional details regarding the history of our organization, please refer to [our website](#).

Our Mission

Our mission is to manufacture high-quality and essential bathroom products that promote hygiene and wellbeing for all. By empowering our employees and fostering a culture of innovation and excellence, we are dedicated to preserving the delicate balance of the environment, resources, and society for nourishing a sustainable future.

Overview of The Eczacıbaşı Group

Eczacıbaşı Group, the leader of a modern, quality, and healthy lifestyle for more than eighty years, was founded in 1942 and has been one of Türkiye's leading companies since then, with a total of 47 companies, 47 product plants, more than 13,250 employees, and a net sales of €2 billion in 2023.

Eczacıbaşı's core sectors are shaped around building products, consumer products, and healthcare, supplemented by diverse ventures in information technology, natural resources, and property development. Renowned for its leading position across multiple sectors, the Group capitalizes on efficient distribution networks for building products, pharmaceuticals, and fast-moving consumer goods within Türkiye. On a global scale, Eczacıbaşı pioneered in sector leader in building products which is responsible for supplying more than half of Türkiye's ceramic sanitaryware exports. For more detailed information, please refer to [our website](#).

Our Group Values

As members of the Eczacıbaşı Group:

- We hold our **dignity and self-respect** above all else. Ethical business principles underpin our business activities.
- Our management style **respects the individual**. We believe that each of us has the right to learn about issues that affect us and to voice our opinions on these. We regard it our duty, as well as our right, to challenge our personal limits and develop our abilities.
- We believe that **quality is a way of life**. In all that we do, in every product and service we provide, we aim for the highest level of quality. Our customer is the focal point of this pursuit of quality.
- We are **open to the world and to change**; by nature, we are **pioneering and entrepreneurial**. The search to innovate in every area of activity is a fundamental aspect of our corporate tradition.
- We uphold the tradition of **servicing our community** because we esteem our society and respect our environment. We are proud of the contributions that we have made to culture and the arts, education, science, and sports.
- We recognize that **participatory management** gives each of us the responsibility of working forcefully towards the objectives and goals of our institution. We are careful to observe the rules of our work environment as we understand that this reflects our respect for our colleagues.



Our Organization, Brands and Products

GRI 2-1

4

Brands



14

Production Plants



21

Offices worldwide



+100

International Markets



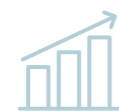
+5,000

Overall Employment



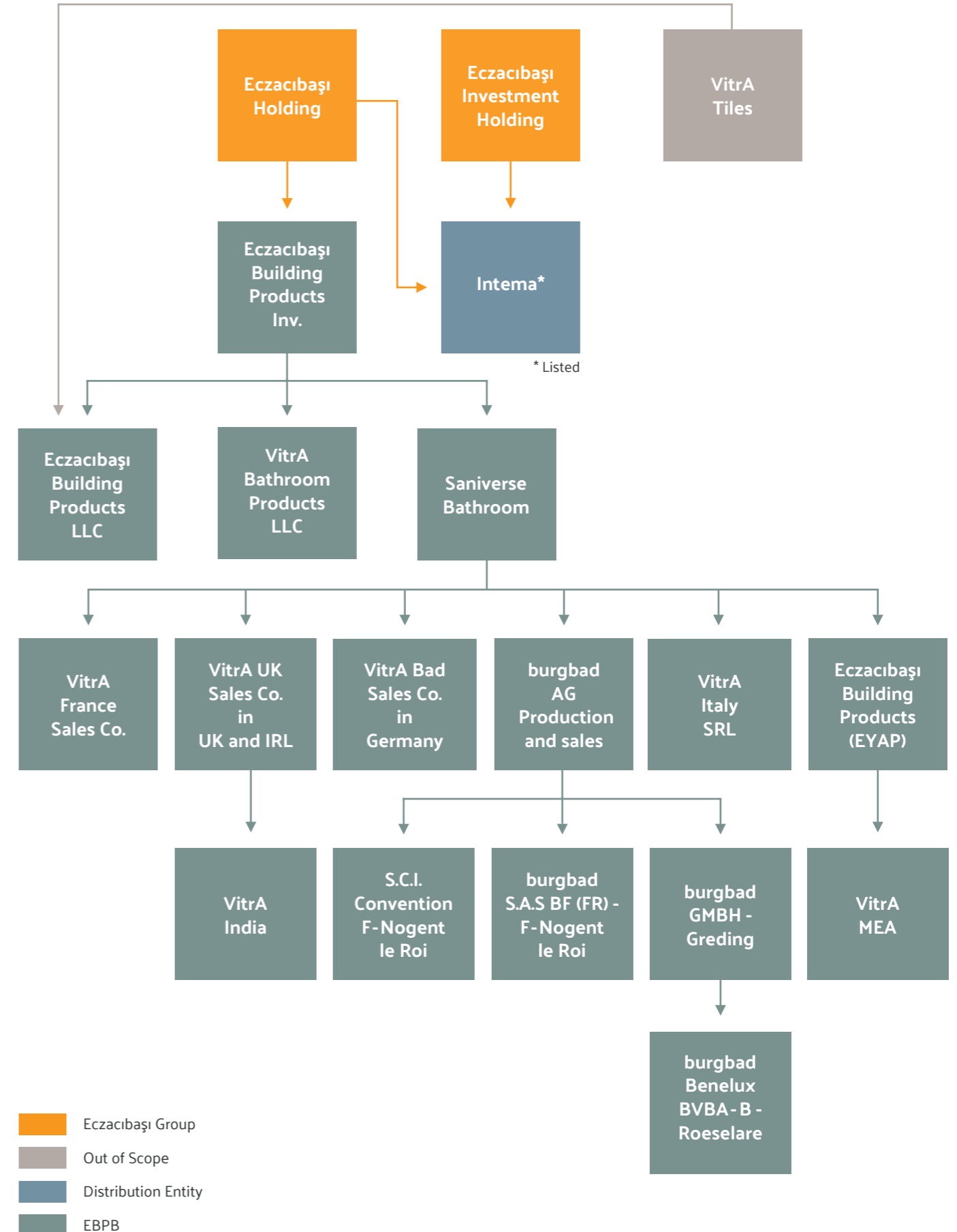
€526 Million

Net Sales



Eczacıbaşı Building Products - Bathroom (EBPB) (Eczacıbaşı Building Products ("EYAP")) produces ceramic sanitaryware, faucets, bathroom furniture, bathtubs, and bathroom complementary products. These products are offered under the Vitra and Artema brands in Türkiye. In 2020, Eczacıbaşı Group became a stakeholder to burgbad AG ("burgbad") through its subsidiary, Saniverse Bathroom. A leading manufacturer of bathroom furniture, burgbad's facilities are located in Germany and France. In 2023, EYAP transferred its shares of Vitra Bathroom Products LLC ("Santekhnika"), which is located in Russia and produces and sells ceramic sanitaryware and other bathroom products, to Eczacıbaşı Yapı Yatırım Ürünleri A.Ş.

EBPB operates sales and marketing activities through Eczacıbaşı Group's subsidiaries and offices in Germany, France, Italy, and the United Kingdom and has representative offices in the United Arab Emirates and India. In 2021, EYAP transferred its Saniverse Bathroom shares to Eczacıbaşı Building Products Inv. (Eczacıbaşı Yapı Ürünleri Yatırım A.Ş.), a wholly owned subsidiary of Eczacıbaşı Holding. Eczacıbaşı Holding is the ultimate beneficial owner of both EYAP and Eczacıbaşı Building Products Inv. Eczacıbaşı Holding, which owned 100% of EYAP, transferred all of its shares to Saniverse in 2023. As a result, Saniverse became the 100% owner of EYAP.



Our Brands

As the flagship brand of Eczacıbaşı, Vitra develops innovative products for unique bathroom experiences for a world where needs and tastes are growing ever closer, and ever more singular at the same time, and with unshakable commitment to sustainability.

Intending to be a universal fountainhead of inspiration for the most demanding professionals serving the most fastidious end users, Vitra addresses fundamental human needs as it blends extraordinary design concepts with cutting-edge technology to enhance contemporary urban living.

Always striving for improvement and focusing on solutions that simplify life, Artema offers shower systems, bathroom, and kitchen faucets suitable for every style, habit, and need.

Developed with cutting-edge technologies and innovative design concepts, Artema's products set the standard for aesthetics, comfort, and durability with their functional superiority and award-winning designs.

A leading manufacturer of premium furniture and furnishing concepts for the bathroom burgbad offers compelling bathroom furniture solutions in all segments – from family-friendly bathrooms in lacquer wood veneer or country style to design-oriented product lines and timelessly classic collections all the way to individual architecturally progressive concepts for entire rooms.

With production facilities in Bad Fredeburg Greiding Lauterbach-Allmenrod (Germany) and Nogent le Roi (France) burgbad has been a wholly owned subsidiary of the Eczacıbaşı Building Products - Bathroom since 2010.

With its innovative and contemporary style, Intema provides high-quality kitchen furniture designed to enhance the ideal kitchen experience for consumers.

By fostering an emotional connection with its users, Intema provides diverse furniture alternatives that stand out for their form and design, while offering versatility in terms of product, material, and functionality.



Product Portfolio*

GRI 2-1



Ceramic Sanitaryware

- W.C. Pan
- Cistern
- Washbasin
- Pedestal
- Sink
- Urinal
- Separator
- Bidet
- Shower Tray
- Squatting Pan

44.8%



Bathroom Furniture

- Furniture
- Counters
- Mirrors
- Complementary products

22.5%



Faucets and Accessories

- Basin faucet
- Bidet faucet
- Kitchen faucet
- Shower set
- Hand shower
- Head Shower
- Shower column
- Shower systems
- Bathroom accessories

20.1%



Concealed Cisterns

- Concealed Cisterns
- Flush Plates

11.1%



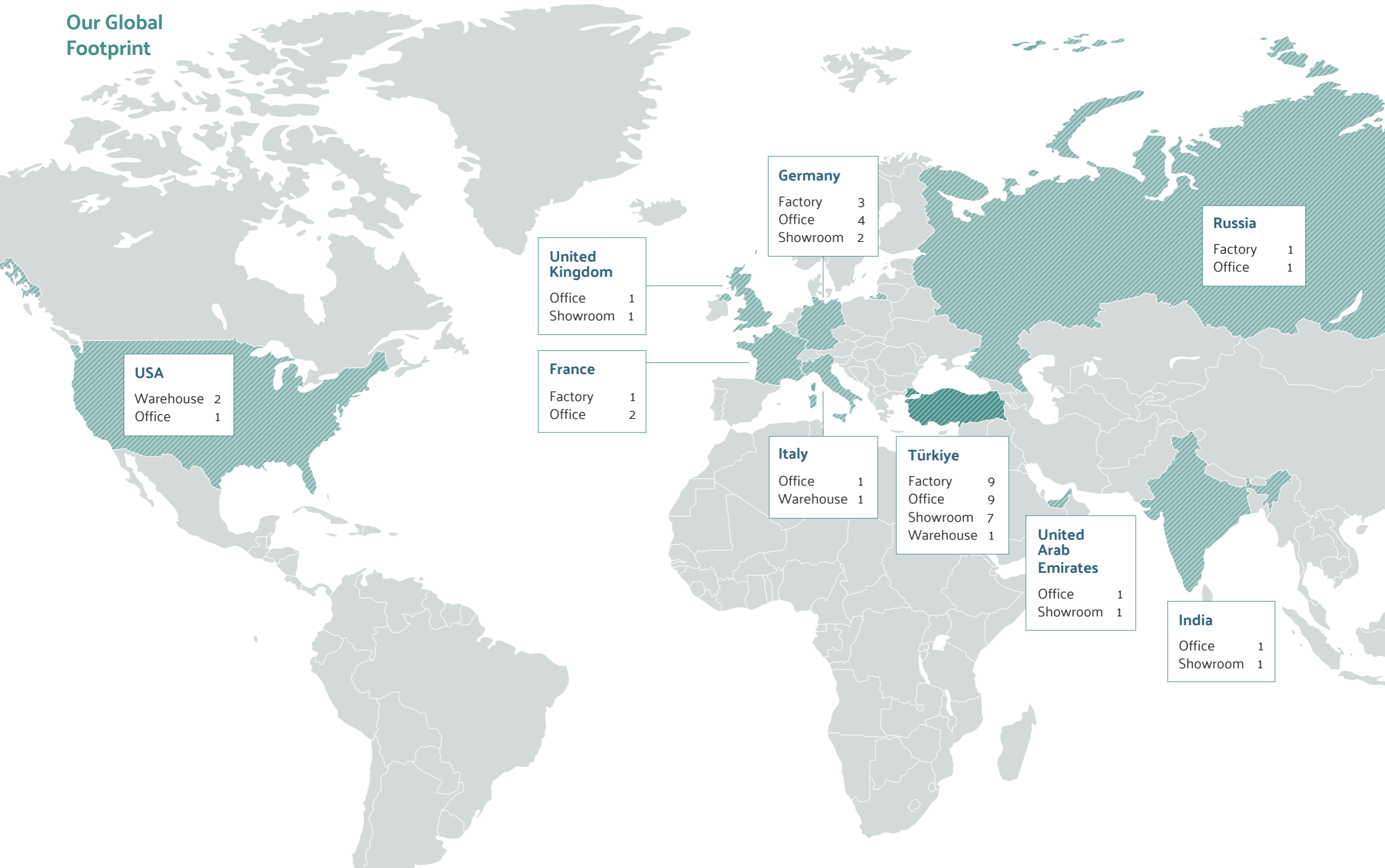
Showering Areas

- Compact units
- Bathtubs
- Shower channels
- Shower trays

1.5%

* Income percentage is provided in the product portfolio

Our Global Footprint



Our Operating Environment

As a global exporter and manufacturer, we are committed to navigating the rapidly changing currents of the global market. Our mission is to anticipate and respond to both the opportunities and challenges that define our industry, positioning ourselves at the junction of global sustainability trends and the evolving landscape of our operational environment. Being attuned to emerging trends and potential threats enables us to make informed decisions and

take decisive action to drive positive outcomes. By closely monitoring these dynamics and understanding their impact on our projects, we engage with the world around us in a way that ensures our long-term success and resilience. Our commitment to sustainability drives us to not only achieve our goals but to do so in a manner that preserves and enhances the wellbeing of both our business and the planet.


<p>Global Trends</p>	<p>Climate and Nature Crisis</p> <p>As the planet undergoes an increase in temperature, the effects of the climate crisis are becoming more evident through prolonged periods of extreme heat and cold, which have far-reaching consequences for people, economies, and nature. Economic and population growth are leaving indelible marks on the environment, including deforestation, loss of biodiversity, water insecurity, and pollution, among other ecological degradation. This situation places mounting pressure on businesses, as investors, markets, and civil society demand a faster transition towards a sustainable economic model. Despite the urgency, reports and statements from various organizations focusing on the climate crisis, notably the IPCC, suggest that current efforts fall short of the required level to limit the rise in the global temperature to the 1.5°C threshold, thereby increasing the risk of climate action failure.</p>
<p>Impact on the Industry</p>	<ul style="list-style-type: none"> • Impact of water scarcity on hygiene and diseases, adversely affecting the product portfolio • Growing risk of raw material shortages due to decreasing resources, particularly brass, which is an essential material for faucets production • Impact on supply chain: • Increasing severity of the climate change have a huge impact on the logistics, affecting the delivery of the raw materials and finished products. • Increasing demand for sustainable bathroom products made from recycled materials or with lower environmental impact is driving the need for these products to meet specific "green" certification requirements. • Emerging regulations: <ul style="list-style-type: none"> - Emerging new climate regulations can cause new supply chain adjustments. - Accelerating crisis on climate and nature, enabled emergency of regulations. These regulations focus on mitigating carbon emissions and minimizing their environmental impact. • The European Green Deal includes various actions for companies, such as the Circular Economy Action Plan, Packaging and Packaging Waste Directive, and the world's first Carbon Border Adjustment Mechanism (CBAM) with a provisional agreement. • Implications for industrial companies in Türkiye as a major trading partner with Europe: <ul style="list-style-type: none"> - Carbon taxes and strict environmental regulations covering the entire product life cycle, including packaging and material use, could pose challenges in maintaining export levels and competitiveness due to the increased financial burden.


<p>Impact on the Industry</p>	<ul style="list-style-type: none"> - Legal regulations concerning nature conservation and restoration are increasing to promote investment in habitat conservation and establish stricter protected areas, as addressed in COP28. - The Renovation Wave strategy is a significant part of this effort, targeting the improvement of energy performance in buildings. Reversing nature loss can provide upwards of 30 percent of the mitigation action needed to keep 1.5°C within reach by 2030. - In EU, the sustainability reporting framework came into force under the Corporate Sustainability Directive (CSRD). Apart from EU, in Türkiye Public Oversight, the Accounting and Auditing Standards Authority has published Türkiye Sustainability Reporting Standards. - The EU Energy Performance of Buildings Directive (EPBD) aims to improve energy efficiency in EU buildings and important for achieving the EU's climate targets and transitioning to a sustainable energy system.
<p>Our Response</p>	<p>We recognize the multidimensional impact of the climate crisis and its impact on the environment, society and economy. To address these challenges, we are constantly pushing the boundaries of advanced production facilities, embracing opportunities to bolster energy efficiency, employ renewable energy in both on-site and off-site projects, and promote the sustainable utilization of scarce resources. Furthermore, our organization has long recognized the imperative of water conservation and, as a result, we have undertaken extensive research and analyses aimed at reducing water consumption.</p> <p>Our primary focus also lies in the design and development of products that have minimal environmental impact, achieved through the utmost efficiency in resource utilization, extending the lifespan of our products, and increasing the share of nature-friendly materials. By mitigating the adverse effects of greenhouse gas emissions and decoupling our expansion from resource consumption, we strive to fulfill our responsibility to uphold planetary boundaries and reduce our environmental footprint throughout the value chain.</p> <p>We closely monitor the burdens brought by the climate crisis and the regulations developed to minimize these burdens, integrating them into our business practices. Through our approach in the buildings sector, we aim to take swift action. Our evolving product portfolio, designed to adapt to the climate crisis, allows us to look to the future with confidence. Our integrated approach involves continuous monitoring and adaptation to regulatory changes, ensuring that our operations remain at the forefront of sustainability. Looking to the future, we remain committed to driving positive change in the industry. Our focus on sustainability, innovation, and regulatory alignment positions us as a leader in climate action. Through continuous improvement and collaboration, we aim to build a more sustainable world for future generations.</p>

Capitals Impacted






<p>Global Trends</p>	<p>Technological Progress and Digital Age</p> <p>The rapid technological advancements witnessed in recent years have led to a transformative and revolutionary change in industries. Emerging technologies such as artificial intelligence (AI), machine learning, robotics, and 3D printing are expected to be at the forefront of driving increased automation across different sectors. This will enable companies to improve their research and development (R&D) activities, foster product innovation and ultimately boost efficiency and productivity. Artificial intelligence (AI) and machine learning are key components in the industry for predicting equipment failures, thereby reducing downtime and maintenance costs, optimizing supply chains, and enhancing quality control. These technologies continue to reshape the industry by driving innovation, enhancing efficiency, and transforming business models. Furthermore, as these technologies continue to gain prominence, data analysis will become an essential aspect of business operations for firms, financial institutions, and governments alike.</p>
<p>Impact on the Industry</p>	<ul style="list-style-type: none"> • Keeping up with the pace of technological transformation to enable prompt decision-making in company strategies • Driven by rising energy and raw material costs, the impact of automation against the need for increased production efficiency • Cybersecurity risks in the supply chain and data privacy concerns • Compliance to increasingly stringent data security and privacy regulations such as Personal Data Protection Law (KVKK) in Türkiye and General Data Protection Regulation (GDPR) in the EU • Leveraging emerging technologies including the Internet of Things (IoT), Artificial Intelligence (AI), machine learning, and Industry 4.0 to maintain competitiveness • Prediction on related equipment failures before it occurs by AI and IoT technologies • Enhancing Digital tools will support supply chain management, improve logistics, inventory control, and overall efficiency, ensure timely delivery and reduce costs • Optimizing supply chain by predicting demand, managing inventory levels and identifying most efficient logistics routes
<p>Our Response</p>	<p>We acknowledge that keeping pace with the rapidly evolving digital landscape is imperative to accomplishing our long-term objectives and maintaining a competitive advantage in the marketplace. The rapid technological advancements witnessed in recent years have led to a transformative and revolutionary change in various industries and emerging technologies such as artificial intelligence (AI), machine learning, robotics, and 3D printing are expected to be at the forefront of driving increased automation across these sectors. This will enable us to improve their research and development (R&D) activities, foster product innovation, and ultimately boost efficiency and productivity. VitrA Innovation Center serves as the hub for our research and development endeavours, enabling us to remain vigilant in identifying and responding to emerging technological trends and shifts. In doing so, we actively deploy human-centric, sustainable, and innovative solutions for the bathroom of the future.</p> <p>Furthermore, as these technologies continue to gain prominence, data analysis will become an essential aspect of business operations for our industry. Analyzing large sets of data collected from various stages of the manufacturing process can provide insights into operational efficiencies, market trends, and customer preferences. This data-driven approach allows us to make informed decisions, optimize production processes, and develop new products that meet market demands.</p>
<p>Capitals Impacted</p>	

<p>Global Trends</p>	<p>Global Inflation</p> <p>The global inflationary environment is characterized by a continuous increase in the prices of raw materials and services worldwide. This situation is accompanied by various factors such as supply chain disruptions, rising energy and raw material costs, monetary policies, and increasing labour costs. These developments significantly impact companies' cost management, pricing strategies, profitability, supply chain management, investment and growth strategies, and customer relationships. Companies must adopt flexible and proactive approaches, such as reviewing their cost structures to enhance efficiency and strengthening their supply chains by seeking alternative supply sources.</p>
<p>Impact on the Industry</p>	<ul style="list-style-type: none"> • Rising commodity prices, particularly energy and natural gas, on financial performance and product pricing • Potential pressure on product prices resulting from consumer behaviour in response to inflation and rising costs • Risk of not achieving the desired sales results arising from the economic slowdown in the European Union • Impact of increased drive to use sustainable and alternative materials that are less exposed to global price volatility • Inflation encourages investments in energy-efficient technologies and sustainable practices to reduce long-term operational costs. This includes optimizing operations and recycling heat within the production process
<p>Our Response</p>	<p>We closely monitor the developments surrounding the deceleration of the global economy and swiftly adjust our operations, commercial strategies, and innovation priorities to align with the rapidly shifting market dynamics. Our primary focus lies in bolstering our production capacity and expanding our global reach through strategic investments. These investments enable us to fulfill our mission of manufacturing high-quality, essential bathroom products that promote hygiene and wellbeing for all our stakeholders worldwide.</p> <p>Through strategic investments and the adoption of agile business strategies, we strive to foster a proactive approach that anticipates and adapts to the prevailing economic challenges. Our ultimate objective is to cultivate resilience and navigate the intricacies of the ever-evolving economic landscape.</p>
<p>Capitals Impacted</p>	

<p>Global Trends</p>	<p>Social Cohesion and Inequalities</p> <p>Globalization, rapid economic growth, and widespread improvements in livelihood have failed to bridge the deep divides within and across countries. In fact, these factors have exacerbated pre-existing inequalities and contributed to the erosion of social cohesion. Furthermore, the emergence of polarization trends in recent years has further intensified this phenomenon. According to the WEF Global Risks Report 2024, growing income inequalities and social divides can lead to workforce challenges, including increased demands for fair wages and better working conditions. Uneven economic recoveries around the world have exacerbated income disparities, thereby fuelling polarization. The growing inequalities in society have prompted civil society to become more attuned to and vocal about social injustices. Attention is now focused on the role that businesses can play in addressing social inequality and promoting human rights. In this context, regulations have been put in place to help companies take further steps towards the protection of human rights and the promotion of social justice. To achieve these goals, businesses must intensify their efforts in diversity, equity, equality, and inclusion. These actions not only benefit society as a whole but also enhance the private sector’s ability to attract and retain talent.</p>
<p>Impact on the Industry</p>	<ul style="list-style-type: none"> • Compliance to due diligence and other supply chain regulatory developments, particularly in the EU • Growth in pressure to ensure transparency and accountability throughout the supply chain • Fostering innovation and collaboration to address social challenges and promote inclusivity, in particular the development of new products and services that contribute to social cohesion and inequalities • Consumer focus in transparent businesses and demand for accountability, with a specific emphasis on human rights and environmental footprint • Loss of interest and talent within the industry, leading to potential challenges in attracting and retaining skilled individuals • Employee expectations in fair employment practices (wages, fringe benefits etc.), competitive compensation, and considerations for diversity and inclusion
<p>Our Response</p>	<p>Our unwavering commitment is to treat all individuals with the utmost respect and dignity. We steadfastly adhere to the fundamental principles of human rights and unequivocally condemn any transgressions against these values in our business operations. Through empowering our employees and cultivating a culture of innovation and excellence, we are dedicated to providing meaningful and equitable employment opportunities for all. Our commitment to promoting gender equality in the sector is underscored by our focus on developing initiatives aimed at increasing the representation of women. We harness the power of digital innovation and technology to enhance women’s participation across our operations. Additionally, we have embraced a long-term approach to empowering women, aligning with our commitment to the wellbeing of all stakeholders. Prior to offering employment opportunities, we invest in skill development within our community, thus contributing to the long-term sustainable development of the region. We develop our relations with our value chain and see our stakeholders as our core partners. Through our supply chain, we encourage our suppliers to develop their sustainability skills and we aim to upskill with our business partners. By trying to fulfill our customers’ expectations in the best possible way, we take care to ensure that all our suppliers in our supply chain have, acquire and develop similar ethical and environmental values.</p>
<p>Capitals Impacted</p>	

<p>Global Trends</p>	<p>Geopolitical Developments</p> <p>The surge in polarization, populism, and nationalism continues to shape geopolitics. This trend has weakened multilateralism and international institutions, with several populist leaders ignoring the complexity of the modern world and prioritizing their own agendas. The disruptions brought about by social, environmental, and economic changes are leading to a more polarized world, with politics becoming more radical. While the ongoing conflict between Russia and Ukraine remains the focus of discussions on geopolitical tensions with far-reaching implications for the global economy, other sources of instability are anticipated to emerge in the global arena. Rising geopolitical tensions risk further weakening the economic landscape, potentially leading to persistent inflation or stagnant growth even if current pressures abate. As the costs of adapting to different political and economic systems rise, multinationals may pragmatically choose sides, accelerating the divergence between different economic models. Shortened supply chains, designed to reduce risks associated with geopolitical and economic disruptions, may inadvertently increase exposure to geographically concentrated risks such as labour shortages, civil unrest, pandemics, and natural disasters.</p>
<p>Impact on the Industry</p>	<ul style="list-style-type: none"> • Further supply chain disruptions due to the ongoing conflict between Russia and Ukraine, coupled with potential sanctions on natural gas imported from Russia, stemming from the EU’s roadmap to decrease its dependence • Adverse impact of the ongoing conflict and the international sanctions on the export activities of companies with production facilities located in Russia • Geopolitical conflicts exacerbate labour shortages and create challenges in attracting and retaining talent • To respond to geopolitical risks, companies may need to diversify their operations and supply chains geographically
<p>Our Response</p>	<p>We actively adopt a proactive stance towards mitigating the risks associated with geopolitical developments, with a focus on the continuous monitoring of such developments and related sanctions to steer our strategies in the right direction. Our focus is on strengthening the resilience of our supply chain and minimizing operational disruptions through investments in research and development, product, and process optimizations. We continue to accelerate our investments in renewable energy and energy efficiency initiatives to mitigate related risks and eliminate the possible negative effects of both temporary and long-term geopolitical crises.</p>
<p>Capitals Impacted</p>	

<p>Global Trends</p>	<p>Lifestyle and Behavioural Changes</p> <p>In developed economies, especially among younger age groups, there is a noticeable inclination towards prioritizing experiences and accessibility over material possessions. This phenomenon signifies a more intentional and mindful approach to living, resulting in a surge in the need for comprehensive wellbeing beyond the confines of physical health. The quest for personal growth has also emerged as a prominent objective for many individuals, with a particular emphasis on learning and self-development. The pursuit of an elevated standard of living has also heightened global consciousness regarding the finite resources of the planet, compelling individuals to assume responsibility for their environmental impact. Millennials and Gen Z are at the forefront of a sustainable and mindful lifestyle movement, driving a growing demand for ethical and sustainable products. Consumers are willing to pay a premium for goods that reflect their environmental values, resulting in a significant shift in purchasing behaviour.</p>
<p>Impact on the Industry</p>	<ul style="list-style-type: none"> • Evolving expectations of young people, particularly Generation Z, regarding employment and purchasing decisions • Shift in consumer behaviour, resulting in an increased demand for information content related to product carbon footprint, recycled material content, and the use of locally and ethically sourced materials • Increasing importance of diverse environmental and social product certifications, necessitating effective communication with consumers to maintain competitiveness
<p>Our Response</p>	<p>Our utmost priority lies in human health, so we work towards both personal and environmental hygiene in every sphere, from homes through to schools, hospitals, hotels, restaurants, and all other public spaces. We continuously work to engineer solutions that provide maximum hygiene benefits, including touch free toilet experience, ion-rich technology that inhibits the growth of harmful bacteria, smart toilets and Rim-Ex rimless WC bowls that are free of the channels and holes that can harbor harmful bacteria and microorganisms. At the same time, QuantumFlush changes the flow of water thanks to our innovative technology, thus aiming to achieve maximum hygiene by preventing splashing.</p> <p>By encouraging product stewardship, targeting resource efficiency and prioritizing sustainability in design, we take a strategic approach to move towards a more sustainable product portfolio in line with the changing needs and preferences of our users. We offer a wide range of sustainable solutions designed to meet the requirements of globally recognized green building rating systems. Our products also have a wide range of environmental labels and certificates, and we are also the first brand in Türkiye to receive the Unified Water Label certificate. Our steadfast commitment lies in continuing to adapt to change in consumer preferences so that we can remain competitive and be better positioned to respond to their demands. Thanks to our 100% Recycled Washbasin which we launched this year, we take care to use our resources effectively and encourage our customers, reducing our environmental impact by 30% compared to a classic washbasin.</p> <p>Being aware that the needs and expectations of our employees are constantly changing, we work to maintain a high level of sensitivity to the development of contemporary lifestyles. Therefore, we are committed to creating hybrid working conditions adapted to meet the different demands of our workforce. Our unwavering focus on health, safety and wellbeing is an integral pillar of our overall strategy. We are committed to creating a work environment that prioritizes the physical, emotional and mental wellbeing of our employees while providing ample opportunities for growth and development.</p>
<p>Capitals Impacted</p>	



Year in Review**

Here are the key performances achieved by Eczacıbaşı Building Products - Bathroom (EBPB) in 2023.

Economic and Financial Performance

€526 million

total net sales

64%

share of international sales



Investing in our Planet

4,822 MWh

renewable electricity generated



100%

renewable electricity usage in Türkiye operations ✓

73,068 MWh*

green electricity procurement



45%

recycled water in ceramic sanitaryware production

24%

recycled content in faucet production

89%

local suppliers

26.48%

decrease in total carbon emission (Scope 1 + Scope 2) compared to base year (2021)

Our **100% recycled ceramic washbasin** reduces the environmental impact of a standard washbasin by **32%**



The water drawn is **98%** from **low-water stress area**



9,088 ton

recycled raw material used



90%

share of recycled waste ✓



Investing in People

38.9%

total share of women professionals ✓

55.6%

women among new recruits¹ ✓

41.9%

women in management ✓



0.86

Lost Time Incident Rate ✓

5.4

training hours per talent² ✓



20

training hours per employee³ ✓



• Eczacıbaşı Group embraced **Leadership Behaviors** aligned with Group strategies, foundational and transformative values, strengths that contributed to its achievements, competencies required for the future, and universal leadership principles.

• **31 young people** completed **320 hours of training** of Climate Champions.

Investing in Future

150

registered patents



51

national patent applications in 2023



73

R&D employees

35% increase compared to previous year



€4.51 million

investment in digital initiatives



36 participants

ViTeach and ViLearn programme



VitrA Innovation Center with

8 laboratories



* 68,715 MWh EYAP IREC, 4,353 MWh burgbad Ökoström

** The ✓ symbol represents verified data

¹ White-collar employees in Türkiye with a full-time, indefinite term contract

² Employees in leadership programs

³ Employees in Türkiye

2

Our Approach to Sustainability

Central to our ethos is a deep commitment to seamlessly integrating design, innovation, digitalisation and sustainability into every facet of our products for a diverse global customer base. We prioritise incorporating sustainability trends and evolving stakeholder expectations into our strategy. Our ongoing quest to build a better, healthier future for all is driven by a strong commitment to protecting the environment and maintaining a careful balance between resources, societal needs and business imperatives. We make it our daily mission to find new ways to have a sustainable and beneficial impact on the planet.

By regularly reviewing our material issues, we ensure that our sustainability strategy remains effective. We continually push the limits of what's possible, aiming to exceed expectations and set new standards for sustainable excellence. This commitment extends from raw material procurement to the sale of finished products, allowing us to create a positive impact on the planet, communities, and our future.


Our Value-Creating Business Model	30
Sustainability at Eczacıbaşı Building Products - Bathroom (EBPB)	34
Eczacıbaşı Building Products - Bathroom's Materiality	38
Sustainability Objectives	41
Contributing to the UN 2030 Agenda	42
Stakeholder Relations	46


Our Value-Creating Business Model


Building a Healthier Future, Together


Our value creation describes what we do, how we conduct our business to deliver on our purpose and how we allocate our resources –financial, human, natural, intellectual, and social capitals- to create long-term value for all our stakeholders.


Our six capitals


- 

Our **financial capital** is allocated to invest in our core business, ensuring sustainable growth and enabling us to deliver our purpose of making essential, high-quality products that promote hygiene, cleanliness, and wellbeing for all.
- 

Our **human capital** encompasses a motivated and talented workforce, an inclusive culture and institutional expertise that enable our business to thrive.
- 

Our **natural capital** refers to our careful use of the limited resources of our planet in our operations, including energy, water, and climate, as well as the influence we exert on them through our business activities.
- 

Our **intellectual capital** comprises our research and development capabilities, capacity for innovation, knowledge and expertise that collectively empower us to shape the future of the bathroom.
- 

Our **social capital** is built on our stakeholder relationships, founded on honesty, mutual respect, and trust. Through strategic partnerships and collaborations, we aim to create a lasting impact on the societies in which we operate, fostering the development of thriving communities.
- 

Our **manufacturer capital** is based on the resources and assets that our company maintains to produce products. By effectively managing and utilizing these physical resources, we strive to optimize our production processes and deliver high-quality goods.

What we do

Our mission

“To manufacture high-quality, essential bathroom products that promote hygiene and wellbeing for all.”

How we do it

As we work towards designing and producing for human health and wellbeing, we are dedicated to preserving the delicate balance of the environment, resources, society, and business. Sustainability is at the center of our business strategy, serving as a production, design, and management philosophy to enable us to deliver our purpose. This strategic approach builds upon our competitive advantages and directs our investments and operational decisions, allowing us to continually contribute to a more sustainable and healthier future.



Our Value Chain

Sourcing

As we collaborate with over **2,900** suppliers, of which **88%** are local, we uphold ethical, economic, social, and environmental standards in our purchasing decisions to ensure supply chain resilience and reduce our environmental footprint.



R&D

Focusing on functionality, hygiene, and aesthetics while leveraging innovation, research, and technology to develop high quality, sustainable, and smart essential bathroom products, we have undertaken **26 R&D and innovation projects**, with **8** of them specifically centered around sustainability.



Manufacturing

With **14** advanced and cutting-edge **production facilities** across **4 countries**, we are constantly pushing the boundaries to create sophisticated designs and maintain high standards, whilst progressively reducing our ecological footprint.



Storing

With a capacity of **66,069 pallets**, we work towards minimizing our resource use during the storage of our products. This includes reducing packaging materials and waste, repairing, and reusing damaged pallets, optimizing all processes through digital technologies.



Distribution

We focus on increasing transportation volume while simultaneously reducing our carbon emissions from distribution processes through route optimizations and transportation method modifications initiatives.



Sales

Creating the total bathroom concept under **4 brands** renowned for their refined aesthetics, our products are sold to over **1,461 customers** across **105 international markets** through our extensive network of stores, sales points, and distributors worldwide.



Customer Service

Committed to delivering the best customer experience, our dedicated customer service teams provide exceptional support to promptly address inquiries and ensure customer satisfaction. Our presence extends to **7 provinces** and **56 cities** in Türkiye, supported by a team of **263 highly skilled technicians**.



Our Inputs in six capitals



4 brands
€526 million
 total net sales
€61.4 million
 EBITDA



More than **5,000**
 employees worldwide
€1.5 million
 OHS investments
24.33 hours
 OHS training



472,473 MWh
 energy consumption ✓
378,820 m³
 freshwater withdrawal ✓
175,180 tons raw material sourced
€8.2 million
 environmental investments
€7.68 million emission and energy
 reduction-related investment
€5.49 million water and
 wastewater related investment
29 energy efficiency projects



73 R&D and Innovation employees
ISO 50001 certification
 across **78%** of our sites and
ISO 14001 across **89%** of
 our facilities in Türkiye
 Vitra Innovation Center with
8 laboratories



More than **2,900** dealers
 and suppliers
1,461 customers
€0.59 million
 CSR expenditures
27 universities and high schools
 collaborated with



14 production plants across
4 countries
12.05 million pieces
 production capacity

Our Key Outputs

3% combined income growth
€1.8 million
 total tax paid
€40.8 million paid
 to capital providers

38.9% share of women
 professionals ✓
55.6% share of women in
 new recruitment (white collar)* ✓
41.9% share of women
 in management positions
 (white collar) ✓
32% share of women in
 STEM position
62% share of women in
 value generated roles
€122.4 million paid to employees
 in wages and benefits
27,855 employee **training hours**
5.4 training hours per talent ✓

12.5 MWp renewable energy
 installed capacity
73,068 MWh** green electricity
 procurement
6% of electricity generated
 with solar panels
88% renewable energy
 procurement (IREC and Ökostrom)
18,248 MWh reduction through
 energy efficiency projects
2.9% decrease in total
 water withdrawal
90% share of recycled waste ✓
44% of treated and reused water
26.48% CO₂e emissions reduction
 compared to base year (Scope 1+2)

150 cumulative registered patents
26 R&D projects
9 new collections,
 approximately **370** new SKUs

176 students participating
 in internship programs
€14,336 total social investments
 (TSI)
90% customer satisfaction score
More than 50 employees
 contributing to volunteering
 activities

112,477 ton production
100+ international markets
 Export to **100+** countries
62% exported product

* White-collar employees in Türkiye with a full-time, indefinite term contract

** 68,715 MWh EYAP IREC, 4,353 MWh burgbad Ökostrom

The ✓ symbol represents verified data

Sustainability at Eczacıbaşı Building Products - Bathroom (EBPB)

At Eczacıbaşı Building Products-Bathroom (EBPB), we're committed to shaping a sustainable future by upholding the delicate equilibrium among the environment, natural resources, society, and the business world in all our endeavors. Acknowledging our broader responsibilities, we collaborate with stakeholders to make a positive, enduring impact and build a healthier future.

As we embark on our journey to shape the future of the bathroom, our steadfast dedication to sustainability fuels our passion to innovate, stretch our boundaries and push ourselves to discover new and better opportunities for creating sustainable value for our stakeholders, all while lessening our impact on our one and only planet.

Last year, we incorporated Eczacıbaşı Group's sustainability strategy and updated our approach to sustainability, which covers four sustainability pillars and nine focus areas. We consistently review our sustainability strategy to ensure its alignment with our company's business strategy, external environment, and Eczacıbaşı Group's sustainability strategy. In doing so, our Executive Management team plays a crucial role in embedding our sustainability approach across all operations at EBPB.



Investing in Planet	Investing in People	Investing in Future	Corporate Governance
<p>Respecting the right of future generations to inhabit a healthy planet, we are dedicated to mitigating the adverse effects of our operations on the climate and environment. At the heart of this effort is driving down carbon emissions and our resource use while partnering with stakeholders across our value chain to design solutions that reduce our environmental impact. Within this content, Eczacıbaşı Group's initiated low-carbon transition project to ensure align the Group's climate strategy with its business model.</p> <p>Putting circular economy at the core of our business, we are embracing opportunities to minimize waste and maximize circularity. While producing using less resources, we are progressing towards an even more sustainable product portfolio. Driven by innovation, we seek to design sustainable solutions that facilitate energy and water conservation, effectively addressing environmental impacts across their entire lifecycle.</p>	<p>Investing in our people is essential for our success in our ambitious sustainability agenda. Our utmost responsibility to our people is to cultivate an inspiring, inclusive, and diverse working environment that prioritizes both physical and mental wellbeing. By empowering our people and enhancing their skills and competencies, we foster an agile and motivated workforce that enables us to achieve sustainable success.</p> <p>We strive to foster enhanced collaboration with all our stakeholders to address the economic, environmental, and social challenges of our time. Our objective is to create lasting impact and generate opportunities for economic growth and development in the communities we engage with.</p>	<p>At the core of our business lies our unwavering commitment to innovation and creativity, driving us to continually enhance comfort, sustainability, and the aesthetic appeal of bathrooms. We are dedicated to designing for a better future by developing purpose driven products and technologies that deliver the utmost value to our users.</p> <p>As a data and technology-driven organization, we aim to offer unique and seamless experiences to our stakeholders. Our vision is centered around shaping the future of our business, enhancing customer value, and increasing productivity through the implementation of digital systems and leveraging data in all our business processes.</p>	<p>We are dedicated to maintaining accountable, fair, responsible, and transparent corporate behavior. Our operations are guided by comprehensive policies, standards, and management systems that address both risks and opportunities, allowing us to respond and adapt to future challenges and ensure sustainable growth.</p> <p>We adopt an integrated approach to managing corporate risks. Our focus extends beyond economic considerations to encompass environmental and social aspects, enabling us to drive progress on our commitments.</p>

In 2023, by adhering to our approach to sustainability, we diligently monitored our performance in our focus areas to ensure that we are meeting our sustainability targets. To ensure that our sustainability strategy remains relevant and effective in addressing emerging challenges and opportunities and remains aligned with Eczacıbaşı Group's strategy, we will continue to review and evaluate regularly. We present our performance in line with our strategy and commitment to **building a healthier future** to our stakeholders.

The Group's Future Low Carbon Roadmap

In 2024, as part of the low-carbon transition project initiated by the Holding and the Group companies, a qualitative assessment study is being conducted for the Group and its subsidiaries. The project's goal is to develop and implement a Group-wide climate strategy aligned with European Union regulations. This project comprises three main stages. The first stage involves establishing a Scope 1, 2, and 3 GHG emission inventory covering the Group's entire value chain, in accordance with the GHG Protocol, a prerequisite for setting long term targets. In the second phase, we aim to align the Group's climate strategy with our business model, values, and goals, ensuring consistency across main subsidiaries and developing strategic recommendations. These include setting greenhouse gas emissions targets for main affiliates and developing scenario modeling for our carbon reduction initiatives. The third phase, compliant with TCFD guidelines, focuses on integrating climate risk assessment into our governance structure. At the project's conclusion, a long-term climate strategy plan will be presented, and we will announce this to our stakeholders in our 2024 Sustainability Report. For more detailed information, please refer to [Energy Management and Carbon Emissions](#).

Unveiling Our Brands' Approaches to Sustainability

VitrA

VitrA's sustainability initiatives are founded on a deep understanding of global needs, the brand's strengths, and its passion. By fostering a diverse culture and enhancing collaboration, VitrA aims to inspire **people** and create a lasting impact. Through **product** stewardship, resource efficiency, and sustainability awareness, VitrA offers innovative solutions that deliver enhanced sustainability benefits. Leveraging advanced **production** facilities, VitrA continually seeks opportunities to minimize waste, maximize circularity, and invests in renewable energy to reduce emissions.



ARTEMA

Artema is committed to the belief that preserving natural resources is of paramount importance for securing the wellbeing of future generations. Sustainability is deeply integrated into every aspect of our design, manufacturing, and administrative processes. As a sustainable building solutions provider, Artema adheres to internationally recognized green building rating systems while prioritizing water conservation.



burgbad

As the world's leading manufacturer of bathroom furniture, burgbad is aware of its unique responsibility to people, nature, and the climate. burgbad has a long-standing commitment to **sustainability**, which it prioritises not only within its own organization but also throughout the global value chain. This involves prioritizing responsibility in our supply chain, ensuring employee satisfaction, developing sustainable products, and implementing climate protection measures in our production facilities worldwide.



'INTEMA

Intema is dedicated to creating a sustainable lifestyle that strikes a balance with the environment, meeting the needs of both the present and the future. Intema is expanding its sustainable product range and is therefore optimising its logistics operations to minimise emissions and conserve natural resources by incorporating recycled materials into its production processes. Furthermore, Intema is committed to raising awareness about sustainability and actively promoting the adoption of environmentally friendly products through diverse marketing campaigns.



Eczacıbaşı Building Products - Bathroom (EBPB)'s Materiality

GRI 3-1, GRI 3-2, GRI 3-3

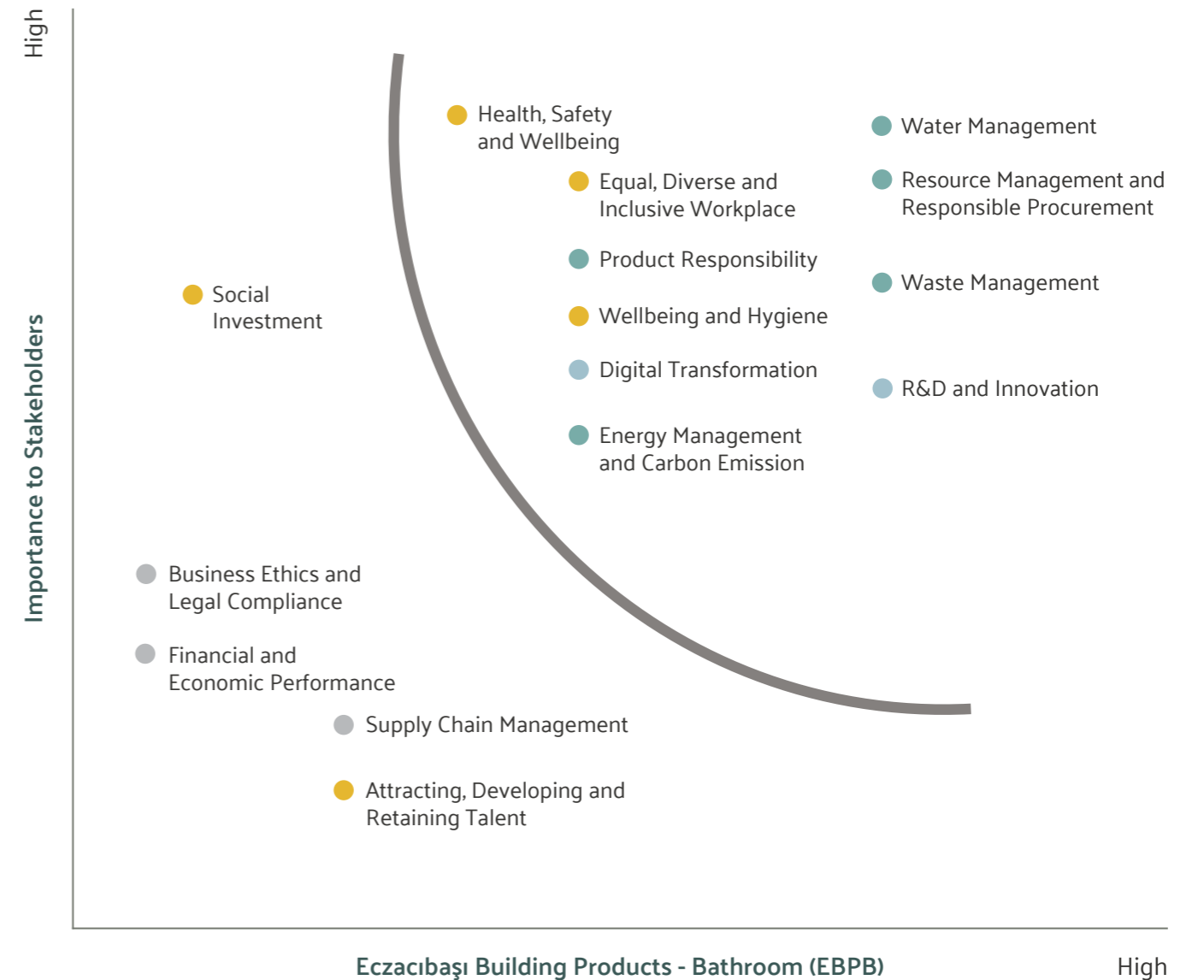
At Eczacıbaşı Building Products - Bathroom (EBPB), we firmly believe that our success depends on understanding and addressing the evolving sustainability landscape and associated issues that may shape our future strategic direction. Our materiality assessment enables us to pinpoint the environmental, social, and economic issues that matter most to our business and our stakeholders. It also helps us understand how our activities impact our stakeholders and helps us allocate our efforts and resources to determine the areas where we can have the greatest impact both now and in the future. This also supports our risk management process to identify areas that may affect our ability to achieve our business objectives, and to uncover opportunities for value creation.

In 2021, we conducted detailed stakeholder analysis and meetings to review the material issues of Eczacıbaşı Group and determine our materiality issues that reflect our company's strategy and business model. We gathered insights from over 40 stakeholders to assess these topics, reflecting their relevance to them.
































In 2022, we renewed our materiality analysis in order to ensure that all our materiality issues remain dynamic with developments in sustainability and to realign all our future objectives and areas where we need to developments. While determining our material issues, we examined reports published by international institutions covering comprehensive external environmental analysis, including World Economic Forum's Global Risks Report, the OECD's Economic Outlook, and the World Business Council for Sustainable Development's Macrotrends and Disruptions Shaping 2020-2030 Report. We conducted benchmark study with publicly available information of national and international peer companies and evaluated material issues advised by GRI Standards, SASB and S&P specific to our industry. As a result of all our work, we have identified our 15 material issues across nine focus areas and this study has provided us with an evidence base to identify strategic opportunities to improve our performance going forward.

In 2023, our material issues have remained unchanged compared to the previous year, reaffirming our commitment to addressing the sustainability challenges that matter most to our stakeholders. In addition to our analysis, Eczacıbaşı Group initiated Group's first double materiality assessment, a crucial step towards enhancing transparency and accountability in our reporting practices and aims to evaluate both financial and non-financial factors to provide a holistic view of sustainability impacts. The double materiality project also means contributing to CSRD legal compliance for us. Although the results of this assessment are not yet available, they are expected to contribute significantly to our next sustainability report, offering valuable insights and guidance. By leveraging the forthcoming insights from the Group's double materiality assessment, we will disclose our actions and performance in our upcoming report.

GRI 3-1, GRI 3-2, GRI 3-3



GRI 3-1, GRI 3-2, GRI 3-3

Sustainability Pillars	Strategic Focus Areas	Material Topics	SDGs	Capitals
Investing in Planet	Climate and Environment	Energy Management and Carbon Emissions	    	   
		Water Management		
	Circular Economy	Resource Management and Responsible Procurement		
		Product Responsibility		
		Waste Management		
Investing in People	Equal Opportunity	Equal, Diverse and Inclusive Workplace	      	  
		Attracting, Developing and Retaining Talent		
	Health and Safety	Health, Safety and Wellbeing		
		Community and Social Vitality		
	Wellbeing and Hygiene			
Investing in Future	Innovation and Entrepreneurship	R&D and Innovation	   	  
	Digital Transformation	Digital Transformation		
Corporate Governance	Ethics and Compliance	Business Ethics and Legal Compliance	 	  
		Supply Chain Management		
	Economic Sustainability	Economic and Financial Performance		

Sustainability Objectives

At EBPB, setting objectives and consistently evaluating our performance are paramount to driving meaningful change. We recognize that by closely monitoring and assessing our progress, we can catalyze significant improvements. Aligning with this ethos, we meticulously track our development by ensuring that our sustainability objectives are intricately linked with key performance indicators (KPIs). Through this approach, we establish a systematic strategy and strategically allocate resources to promote sustainable practices throughout our operations. Furthermore, to uphold transparency and demonstrate our steadfast commitment to sustainability, we plan to regularly disclose our past performance against these KPIs to our stakeholders. This commitment to openness underscores our dedication to continuous improvement and accountability in our sustainability endeavors.

The following table outlines our sustainability objectives as to our selected material topics, provides an overview of our performance in 2023, and outlines our future objectives.

Material Topics	Goals	Key Performance Indicator	Performance*			Status
			2021	2022	2023	
Energy Management and Carbon Emissions	By the end of 2025, we will reduce our energy consumption per ton of product by 14% from 2020 levels	Energy consumption per ton of product (MWh/ton)	3.51	3.73 4% decrease compared to base year	4.06 ✓ 5% increase compared to base year	Room for improvement
	By the end of 2030, we will provide the entire electricity consumption from self-produces renewable energy (in Türkiye)	Renewable energy installed capacity (MWp)	-	Achieved 5.43 MWp capacity (7% of the total electricity consumption when operating at full capacity)	Achieved 12.5 MWp capacity (22% of the total electricity consumption when operating at full capacity)	In progress
Water Management	By the end of 2025, we will reduce our water consumption per ton of product by 18% from 2020 levels	Water consumption per ton of product (m³/ton)	3.71	3.69 2% increase compared to base year	3.69 ✓ 2% increase compared to base year	In progress
Equal, Diverse and Inclusive Workplace	By the end of 2025, we will increase the share of women among new recruits to 50%	Share of women among new recruits (%)	45.00%	50.00%	55.6% ✓	Achieved
	By the end of 2025, we will increase the share of women in employment to 42.5%	Total share of women professionals (%)	35.00%	38.00%	38.90% ✓	In progress
	By the end of 2025, we will increase the share of women in management positions to 37.5%	Share of women in management positions (%)	34.00%	40.30%	41.90% ✓	Achieved

* The ✓ symbol represents verified data

Contributing to the UN 2030 Agenda



The United Nations' 2030 Agenda outlines 17 Sustainable Development Goals (SDGs) that serve as vital benchmarks for fostering sustainable development across environmental, ethical, societal, and economic domains. Achieving these goals requires collaborative efforts from governments, corporations, and civil society. At EBPB, we are committed to embedding these objectives into our daily operations, contributing to 10 key SDGs that align with our company's values and stakeholder expectations. Through our strategic initiatives, we aim to make significant strides towards addressing poverty, hunger, health, education, gender equality, clean water, affordable energy, decent work, innovation, and sustainable communities. By aligning our actions with these SDGs, we strive to create a positive impact on society and build the way for a more sustainable future.

Good Health and Wellbeing



- Our business is centered around human health; therefore, we strive to provide solutions that deliver the highest level of personal and environmental hygiene in the bathroom.
- We actively work to enhance people's quality of life through sanitation and hygiene initiatives.
- We are dedicated to achieving zero accidents across all locations and take continuous action to achieve our goal. These actions include reducing physical strain, conducting behavioral analyses, implementing artificial intelligence camera systems, and providing training to our employees through simulated scenarios of potential accidents.

Quality Education



- To build a teamwork-oriented, motivated, and qualified workforce, we offer impactful training programs that foster both personal and professional development opportunities, aiming to support our employees in reaching their full potential.
- We collaborate with universities to enhance the skills and competences of young talent by offering seminars, conferences, and sharing our sectoral and technical expertise.

Gender Equality



- Recognizing that achieving sustainability in business requires the equal participation of women across all domains of work, we are committed to implementing projects, activities, and practices that aim to close the gender gap. We establish targets to increase the representation of women throughout our entire business.
- We leverage digital innovation and technology in our production facilities to enhance women's participation in non-traditional roles.
- We deploy initiatives to empowering women in the regions where we operate. This includes investing in skill development, conducting regular training sessions, and providing employment opportunities.

Clean Water and Sanitation



- We improve people's quality of life through our sanitation and hygiene solutions. We develop innovative products that promote water conservation by reducing the amount of water consumed, optimizing water usage in buildings while maintaining high hygiene and sanitary standards.
- We set objectives to decrease our water intensity, and we are committed to implementing measures that enhance water efficiency, treat water for reuse in various processes and minimize freshwater withdrawal.

Affordable and Clean Energy



- We work towards decreasing our reliance on non-renewable fossil fuels and promoting the use of clean energy by investing in on-site and off-site renewable energy solutions.
- Through the implementation of energy efficiency projects, process and design optimization, the utilization of heat recovery systems, and the harnessing of digital technologies across our production facilities, we continuously seek innovative methods to achieve optimal energy efficiency in manufacturing.

Decent Work and Economic Growth



- We generate economic value by exceeding €526 million in total net sales. Our sustainable growth allows us to continuously generate added value for regional economic areas, suppliers, and business partners.
- We create fair and meaningful employment opportunities and provide avenues for personal and professional growth to our worldwide workforce, which comprises more than 5,000 employees.

Industry, Innovation and Infrastructure



- In our factories equipped with cutting-edge technologies, we continuously improve our processes to manufacture high-quality products while minimizing material usage and maximizing energy and water efficiency.
- We invest in designing, developing, and producing new materials, processes, and technologies to offer water-saving and sustainable products to our users. Through collaborations with universities and external consultants, we engage in a range of projects to generate new tools and skills that redefine form and function for the contemporary bathroom.
- The goal of our bathroom solutions is to inspire positive habit changes in individuals, which in turn generate social impacts, ultimately leading to cultural transformations.

Reduced Inequalities



- We are committed to combatting gender inequalities by supporting advancement of income equity. In order to reduced pay inequalities we made several actions.
- We continuously provide training to ensure equality and inclusivity.

Responsible Consumption and Production



- We continuously implement new methods and technologies to reduce raw material usage and enhance the recovery and recycling of materials, thereby lowering our environmental impact throughout production. We actively collaborate with our supply chain partners to maximize industrial symbiosis opportunities and reduce our environmental footprint across the entire value chain.
- From the initial concept onwards, our products are designed with sustainability in mind. Our design approach focuses on minimizing water usage in developed products such as WC pans, urinals, taps & mixers, resulting in significant savings of freshwater per person, reducing power consumption and helping cut down on carbon emissions.
- We contribute to the circular economy by producing products from spare parts and products that we can recycle, which we collect during authorized service visits, and ceramic waste (fired waste sludge, CSW wastewater treatment sludge) generated as a result of our operations.

Climate Action



- We are advancing initiatives throughout our company to contribute to the global effort of limiting the increase in global temperature to 1.5°C. To achieve this, we are implementing various measures, including ensuring efficient production processes, investing in renewable energy solutions, and reducing our environmental impact by minimizing carbon emissions across the entire supply chain, from procurement to distribution.

Partnership for the Goals



- In alignment with the Group's vision and objectives, we actively support multistakeholder initiatives, including the Business Plastics Initiative, UN Global Compact, WEF Stakeholder Capitalism, and Women's Empowerment Principles (WEPs).
- We place a strong emphasis on collaborating with all stakeholders to maximize our impact, contribute to the UN Sustainable Development Goals (SDGs) and achieve our sustainability commitments.



Stakeholder Relations

GRI 2-29

Engaging and building trust with our stakeholders is fundamental for our long-term success. We recognize that value creation is essential for all participants in the enterprise, as it establishes a shared purpose. By fostering synergy through shared goals and objectives among diverse stakeholders, we can create meaningful partnerships and engage in multistakeholder collaborations to address the pressing challenges of our time. To achieve this, we actively seek open dialogue to understand their expectations and respond accordingly.

Our stakeholder ecosystem encompasses a diverse range of individuals and groups, including employees, customers, supply chain partners, R&D ecosystem, the finance community, and civil society. Recognizing the significance of ongoing and reciprocal communication with our stakeholders, we value their role in identifying global trends, market expectations, and providing deeper insights into their needs and expectations. This enables us to adeptly manage risks and seize opportunities, enhance the quality of our products and services, and maximize our overall impact.

The following table summarizes who our key stakeholders are, what is importance for us, how we create value for key stakeholders, how we engage and hold regular dialogue with diverse groups through various platforms.



Stakeholder Groups	Stakeholders	Importance for EBPB	Value Created for Stakeholders	Communication Methods and Frequency
Finance Community	Shareholders	Shareholders support the EBPB's financial health and profitable growth by securing access to capital and strengthening its capital structure.	We uphold the highest standards of corporate governance, we make sure management acts in the best interests of shareholders, protects their rights, and maintains accountability and transparency – the essential elements for long-term shareholder value creation.	<ul style="list-style-type: none"> • Customer Surveys (Periodic) • Sustainability Reports (Annual) • Social media (Continuous) • Corporate Website (Continuous) • Audits (Periodic) • Customer Meetings (Periodic)
	Board of Directors	The Board of Directors directly guides EBPB's operations, considering its long-term strategic priorities. In addition, it contributes to the sustainable growth and success of the Company by taking into consideration its interests, with its perspectives and insights that enable early detection of risks, opportunities, and emerging trends in the financial markets.	EBPB creates long-term financial value and profitability through its leading position on performance, business strategies and industry outlook. Timely actions taken by the company against megatrends and sectoral risks and opportunities contribute to its sustainable continuity.	<ul style="list-style-type: none"> • Sustainability Reports (Annual) • Annual Reports (Annual) • Financial Reports (Quarterly) • Social media (Continuous) • Corporate Website (Continuous) • Material Disclosures (Instant) • Community Meetings (Instant/Periodic) • Cash-Flow Reports (Monthly) • Group Financial Results Report (Monthly) • Group Profit and Loss Forecast Report (Quarterly)
Internal Stakeholders	Employees	Employees are the driving force behind our operations and developing high quality products. We firmly believe that investing in our employees is vital for the success of our economic and sustainability agenda, enabling our business to thrive.	We provide our employees with opportunities for professional and personal development, and competitive compensation, and benefits. We foster an inclusive, healthy, and prosperous work environment. We are ready to implement opportunities to keep employee satisfaction and loyalty at the highest level.	<ul style="list-style-type: none"> • Sustainability Reports (Annual) • Annual Reports (Annual) • Social media (Continuous) • Corporate Website (Continuous) • Group Meetings and Publications (Continuous / Periodic / Instant) • Bulletins / Announcements (Continuous) • Material Disclosures (Instant) • Employee Engagement Surveys (Annual) • Training (Continuous) • Social Responsibility Projects (Continuous) • Human Resources Handbook (Continuous) • CEO Webinars (Periodic) • Functional regular meetings (Periodic)

Stakeholder Groups	Stakeholders	Importance for EBPB	Value Created for Stakeholders	Communication Methods and Frequency
Customers	Customers	Customers play a vital role in shaping our business. Our customers' preferences directly affect EBPB's sales and sustainable success. Maintaining strong customer satisfaction, gaining the loyalty of our customers, and listening to customer feedback are essential to our success and competitiveness in the industry.	We deliver high-quality products, innovative solutions, design inspiration and a sustainability commitment. Our new designs, features, and technologies deliver innovative solutions that add value to customers' lives and enhance their experiences.	<ul style="list-style-type: none"> • Sustainability Reports (Annual) • Annual Reports (Annual) • Social media (Continuous) • Corporate Website (Continuous) • Material Disclosures (Instant)
	Influencers	Influencers allow us direct access to our target audience, significantly impacting purchase decisions and driving quick conversions. They help expand our reach, boost brand visibility, and directly influence our revenue.	We provide micro-influencers with increased visibility and credibility. For macro-influencers, we offer opportunities to align with a reputable brand, enhancing their audience engagement and loyalty.	<ul style="list-style-type: none"> • Sustainability Reports (Annual) • Projects (Project Based) • Social media (Continuous) • Corporate Website (Continuous)
Supply Chain	Business Partners	Business partners, allows our company to leverage shared knowledge and capabilities, foster innovation, and adapt to changing market dynamics more effectively.	We provide business partners with innovative and differentiated products, helping them stand out in the competitive marketplace and attract discerning customers.	<ul style="list-style-type: none"> • Sustainability Reports (Annual) • Annual Reports (Annual) • Social media (Continuous) • Corporate Website (Continuous) • Material Disclosures (Instant)
	Suppliers (Materials and Equipment)	Suppliers play a vital role in ensuring the continuity of our operations and products we offer, as well as adequacy, quality, reliability, and availability of materials required for our production processes.	We strengthen our supplier relationships, drives mutual growth and success, and contributes to a sustainable and resilient supply chain ecosystem by fostering strategic partnerships, upholding fair, and ethical practices, maintaining quality standards, encouraging innovation and collaboration, and optimizing supply chain efficiency.	<ul style="list-style-type: none"> • Sustainability Reports (Annual) • Annual Reports (Annual) • Social media (Continuous)

Stakeholder Groups	Stakeholders	Importance for EBPB	Value Created for Stakeholders	Communication Methods and Frequency
Civil Society	Civil Society, Industry Platforms and Communities	Engaging with civil society, industry platforms, and communities allows us to gain a deeper understanding of the diverse needs, concerns, and expectations of our stakeholders.	We are fully committed to social responsibility, sustainability, and community engagement, and we are confident that this will have a positive impact on civil society. We are enhancing the quality of life for individuals and communities alike. We achieve this both with our products and our responsibility activities. By actively listening and collaborating with these groups, we believe that we can build trust, foster dialogue, and address relevant social, environmental, and economic issues.	<ul style="list-style-type: none"> • Sustainability Reports (Annual) • Annual Reports (Annual) • Financial Reports (Quarterly) • Social media (Continuous) • Corporate Website (Continuous) • Customer Surveys (Periodic) • Projects (Project Based) • Memberships (Continuous)
	Research and Development Ecosystem	R&D ecosystem provides fertile ground for innovation, enabling us to develop new products, technologies, and processes that meet evolving customer needs and market trends.	We are relentless in our pursuit of innovative approaches. We encourage new opportunities and collaborations with our R&D and innovation investments by following new technologies. While strengthening the sustainability-oriented R&D ecosystem, we contribute to the development of the sector in this direction.	<ul style="list-style-type: none"> • Sustainability Reports (Annual) • Projects (Project Based) • Social media (Continuous) • Corporate Website (Continuous)
	Others (Agencies, Media, Consultants)	Advertising agencies and media partners assist us in effectively promoting our products and brand to target audiences. Consultants and market research agencies provide valuable insights into consumer preferences, market trends, and competitive landscapes.	We ensure that agencies, media, and consultants have access to reliable data and insights enabling them to effectively convey our company strategy.	<ul style="list-style-type: none"> • Sustainability Reports (Annual) • Social media (Continuous) • Corporate Website (Continuous) • Press Releases (Instant)
Government and Regulators	Public Institutions	Public Institutions are a key component of our company's ability to navigate regulatory complexities, access resources, and contribute to sustainable economic development.	We strict adhere to regulations and standards set by public institutions. Providing active support to the relevant regulations as an industry actor, thus we promote regulatory compliance in the industry.	<ul style="list-style-type: none"> • Sustainability reports (Annual) • Social Media (Continuous) • Corporate Website (Continuous) • Projects (project based) • Audits (Instant/ Periodic)
	Local Governments	Local governments play a vital role in our operations, providing essential services and infrastructure, regulating land use and zoning, issuing permits and licenses, and supporting economic development initiatives.	We contribute to local governments by providing employment opportunities, contributing to the economy through our investment, and supporting community development projects where we operate.	<ul style="list-style-type: none"> • Sustainability reports (Annual) • Social Media (Continuous) • Corporate Website (Continuous) • Projects (project based) • Audits (Instant/ Periodic)



Pozitif bakar, empatiyle yaklaşır, güvenirim.

Pozitif bakış açımı daima korur, karyımdakini dinler ve onu anlamaya çalışırım.

*I approach positively, I empathize and I trust.
I listen to hear and understand, I maintain my positive perspective.*



3

Corporate Governance

At Eczacıbaşı Building Products - Bathroom (EBPB), we are committed to upholding the highest ethical standards in all our business practices. We hold ourselves to the highest standards of honesty, fairness, responsibility, and transparency in our corporate conduct. Our corporate governance approach is based on these values, providing a robust foundation for addressing future challenges and fostering sustainable growth. We are committed to extending this approach throughout the value chain, effectively addressing potential risks and opportunities, and minimizing negative environmental and social impacts in the supply chain through robust supply management. We make ongoing investments in our core business operations to stimulate organic growth, reinforce our production capabilities and financial performance, and enhance the quality and range of our products, thereby creating sustainable value for all our stakeholders.

Ethics and Compliance	68
Business Ethics and Legal Compliance	69
Supply Chain Management	74
Economic Sustainability	82
Economic and Financial Performance	83

Governance Approach

It is vital to establish robust governance in order to create a resilient and thriving organization that delivers value to stakeholders and drives progress on sustainability commitments. By means of effective strategic planning, risk management and decision-making processes, our Board of Directors and Executive Management work together to ensure that the company's objectives are aligned with the evolving market dynamics and stakeholder expectations. By ensuring the implementation of robust governance practices and fostering a culture of accountability and transparency, they aim to protect the long-term success of the organization and deliver sustainable value to all stakeholders.

Eczacıbaşı Group is an industrial conglomerate that comprises Eczacıbaşı Holding and its subsidiaries. As an integral part of the Eczacıbaşı Group, our organization operates in close alignment with the robust short, medium, and long-term objectives outlined within the Group's overarching business strategy. We place great emphasis on meticulously executing our operations in line with these strategic goals, ensuring a harmonious integration with the broader vision and direction of the Eczacıbaşı Group.

Board of Directors

EBPB carries out its effective governance approach, which it has created within the framework of the principles of corporate governance, with the Board of Directors, which is the highest management body. The EBPB Board of Directors assumes the crucial role of implementing strategic decisions of the Eczacıbaşı Group, ensuring compliance with internal regulations and policies. EBPB Board of Directors manages and represents the company while considering factors such as risks, growth, returns, and long-term interests. Its primary responsibility is to ensure the long-term success of the company using his financial and industry expertise.

The EBPB Board of Directors consists of 8 members, led by the Group CEO of Eczacıbaşı Holding, who undertakes the role of Chairperson. The Board includes five members from Eczacıbaşı Holding. Furthermore, the Board is strengthened by the presence of two non-executive members who provide valuable insights and perspectives. Notably, the EBPB CEO also serves as a member of the Board of Directors and maintains a direct reporting line to the Group CEO.



Atalay M. Gümrah
Chairperson of the Board
Talent and
Remuneration Committee



Seyfettin Sarıçam*
Vice Chairperson
Investment Committee
Audit, Risk and
Governance Committee



Nejat Emre Eczacıbaşı*
Board Member
Investment Committee
Marketing Committee



Özgen Özkan*
Board Member
Investment Committee
Talent and
Remuneration Committee



İpek Güleç
Board Member
Investment Committee



Esra Eczacıbaşı Coşkun
Digital Board Member



Andreas Josef Pfeiffer
Independent Board Member
Investment Committee
Marketing Committee
Talent and
Remuneration Committee



Darius Padler*
Independent Board Member
Audit, Risk and
Governance Committee
Marketing Committee

* In 2024, several changes took place in EBPB's Board of Directors. In May 2024, Ferit Erin was appointed CFO of Eczacıbaşı Holding and joined the Board of EBPB. In July 2024, Özgen Özkan retired from EBPB and the Eczacıbaşı Group, Darius Padler and Emre Eczacıbaşı left the Board of Directors, and Okşan Atilla Sanön joined the Board of EBPB.



ISH Fair 2023

Executive Management

The EBPB Executive Management is responsible for giving the organization strategic direction and guidance, with an emphasis on providing all stakeholders with dependable, transparent, and high-quality services.

In 2023, EBPB implemented a more flexible and agile management model. This new organizational structure streamlines decision-making processes, thereby enhancing the company's competitiveness. Moreover, the transition to a more agile structure is intended to facilitate more effective adaptation to evolving market conditions.

Reflecting our commitment to gender diversity, our Executive Management comprises 11 members.

Executive Management Gender Ratio



64%



36%

We have **4 female members** in our Executive Management accounting for **36%**. Executive Management Team is dedicated to achieving long-term leadership and excellence in alignment with the company's objectives and goals. In addition to this, we have sustainability related targets, including people, digital transformation, innovation and entrepreneurship and sustainability and environment topics, on our CEO's scorecard with a weight of 40%. These sustainability-related targets have significant impact on both our CEO's and company performance scores.

Chief Executive Officer

Özgen Özkan*

Chief Strategy Officer

Ferit Erin*

Chief Commercial Officer

Simon Shaya

Chief Manufacturing Officer

Tuna Tümer

Chief Supply Chain Officer

Canan Kıran

Chief Marketing Officer

Sibylle Goettgens

Finance Director

Mustafa Değirmenci

Information Technologies Director

Alp Güldür

Human Resources Director

Aslı Namal*

Chief Executive Officer - burgbad

Stefan Sallandt

Senior Sustainability Manager

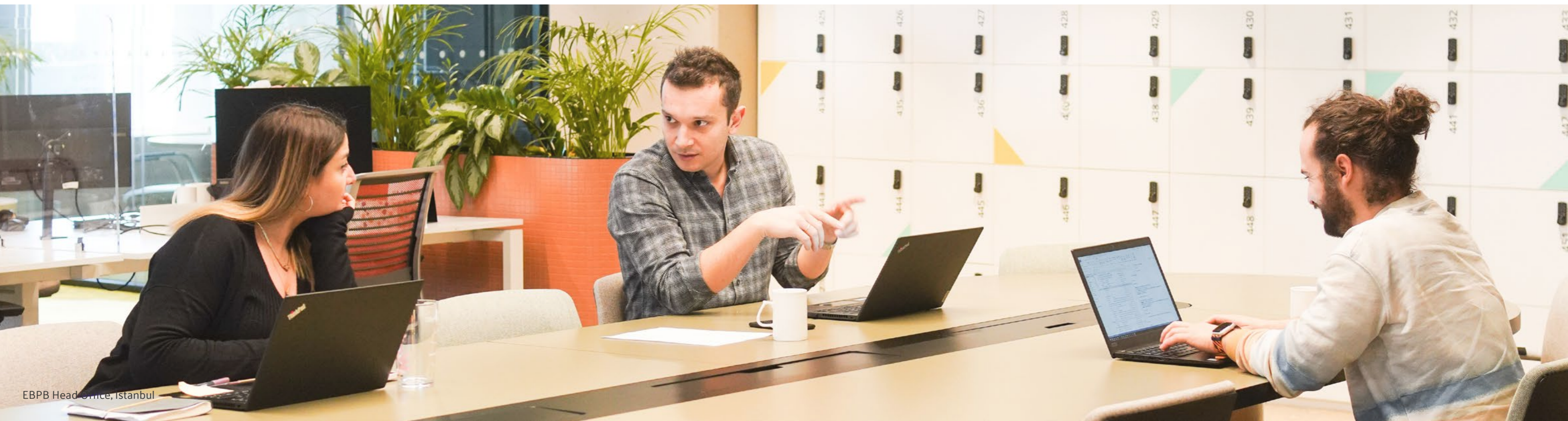
Gökçe Ötkün

* In 2024, several changes took place in EBPB management. In February 2024, Aslı Namal left her job in EBPB, and in April 2024, Serdar Sahan was appointed to her position. In May 2024, Ferit Erin was appointed CFO of Eczacıbaşı Holding, and in July 2024, Özgen Özkan retired from EBPB and the Eczacıbaşı Group.

Committees

Board Committees	Investment Committee	Audit, Risk and Governance Committee	Talent And Remuneration Committee	Marketing Committee
Members	Andreas Pfeiffer, Emre Eczacıbaşı, Özgen Özkan, Ferit Erin , Burak Ayken, Mustafa Değirmenci	Darius Padler, Ferit Erin, Özcan Konak , Hakan İncili, Tolga Çatmaz, Zeynep İrem Tunçkale, Sercan Özdemir	Atalay M. Gümrah , Özgen Özkan, Eylem Özgür , Serdar Sahan	Andreas Pfeiffer , Darius Padler, Emre Eczacıbaşı, Sibylle Goettgens
Responsibility	<ul style="list-style-type: none"> Ensuring the investment policies and practices align with the long-term financial and strategic objectives of the company in line with the Group's strategy. 	<ul style="list-style-type: none"> Implementing all essential actions to guarantee that all internal or external audits are conducted accurately and transparently. Undertaking oversight responsibility behalf of Board of Directors to ensure reasonable assurance is provided for the interests of all stakeholders. <p>For more information, please refer to the Risk Management section.</p>	<ul style="list-style-type: none"> Including providing guidance and making decisions regarding human resources management, reviewing the performance of executive managers, monitoring the development of executives in the most critical top positions, and creating a succession plan in line with the Group's human resources strategy. 	<ul style="list-style-type: none"> Setting overall marketing strategy and direction and top-down marketing targets for the Business Unit.
As of 2024 Board Committee Members	As of September 2024, Esra Eczacıbaşı Coşkun, İpek Güleç, and Anıl İpekçi have joined the committee, replacing Emre Eczacıbaşı, Özgen Özkan.	As of September 2024, Andreas Pfeiffer , Turgay Özdelice, and Mustafa Değirmenci have joined the committee, replacing Darius Padler, Tolga Çatmaz, Zeynep İrem Tunçkale, and Sercan Özdemir.	As of September 2024, Andreas Pfeiffer and Taylan Gümüş have joined the committee, replacing Özgen Özkan.	As of September 2024, Okşan Atilla Sanön , Esra Eczacıbaşı Coşkun, and Ayşe Fıçı have joined the committee, replacing Andreas Pfeiffer, Darius Padler, and Emre Eczacıbaşı.

Note: Committee heads are indicated with bold.



Sustainability Governance

Group-wide Sustainability Organization

Responsibility: Sustainability Oversight, Monitoring and Group-wide Execution of the Sustainability Strategy

Eczacıbaşı Holding Board of Directors

The Eczacıbaşı assumes responsibility for coordinating the primary business strategy and setting long-term goals for all Group companies. The Group's sustainability mechanism is overseen by the Holding Board of Directors, which plays a vital role in making strategic decisions related to sustainability management.

Eczacıbaşı Holding ESG Committee

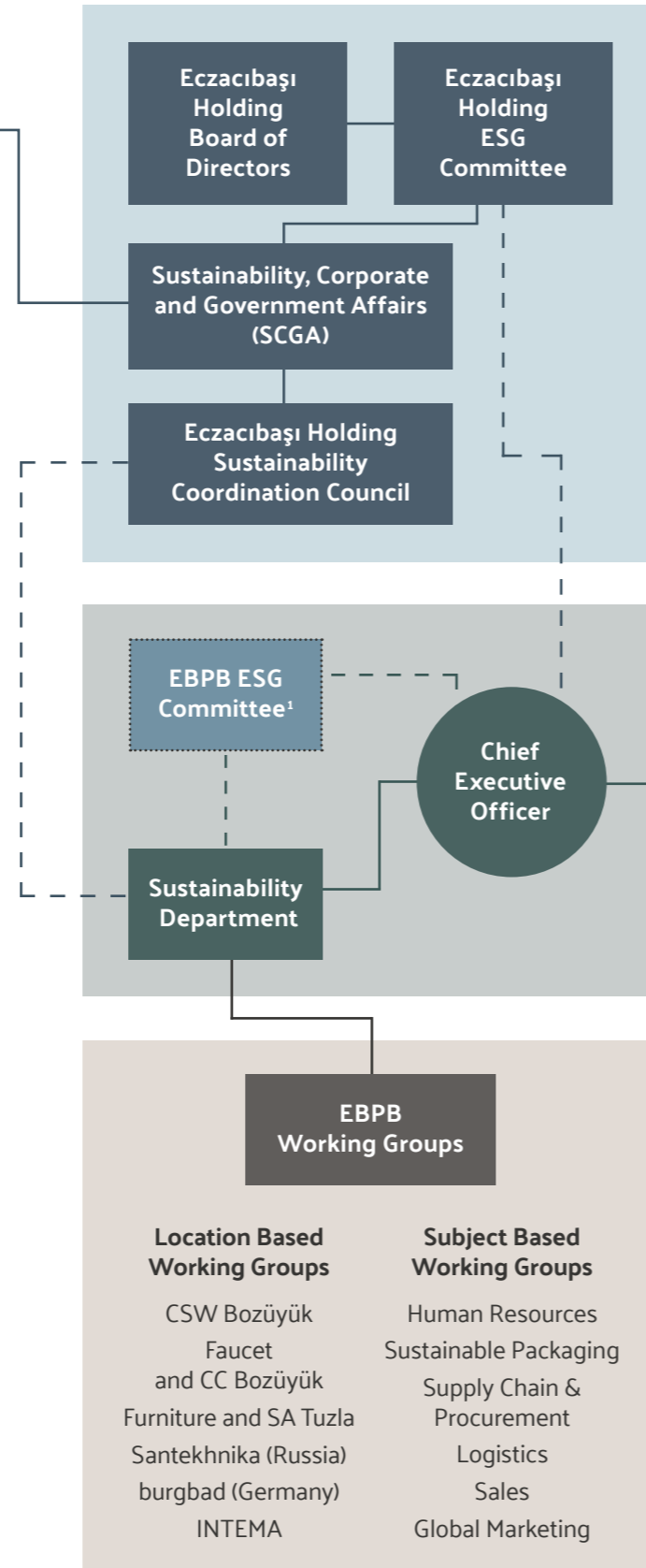
The Holding ESG Committee, which reports to the Holding Board of Directors, is responsible for ensuring the effectiveness of policies, strategies, governance bodies, and tools related to sustainability management across the Group. The committee evaluates strategic priorities, provides advice to the Board of Directors on ESG issues, and reviews the sustainability performance of the Group companies.

Sustainability, Corporate and Government Affairs (SCGA)

Sustainability management across the Group is overseen by the CEO and performed by the Sustainability Directorate, which operates under the coordination of the Sustainability, Corporate, and Government Affairs Coordinator. The SCGA provides quarterly reports on the progress to the Holding ESG Committee.

Eczacıbaşı Holding Sustainability Coordination Council (SSC)

Sustainability management activities are led by the Group's Sustainability Coordination Council and implemented through sustainability working groups within the Group companies.



ESG Governance at EBPB

Responsibility: Sustainability Oversight, Monitoring and Execution of the Sustainability Strategy on EBPB

EBPB ESG Committee

The Committee's primary objective is to assess the environmental, social, and governance (ESG) risks and opportunities within the company. This involves vigilant monitoring and analysis of sustainability issues relevant to the industry, as well as periodic review and refinement of the ESG strategy to adapt to changing circumstances. The committee actively leads projects aimed at achieving predetermined ESG targets and facilitates effective cross-departmental communication on ESG matters. It also ensures timely reporting of project outcomes and findings to senior management. The committee operates under the guidance of the EBPB CEO and regularly reports to the Holding ESG committee through the CEO. The sustainability executive within the Committee provides regular updates and information on ESG-related matters to the SCGA.

Sustainability Department

The EBPB Sustainability Department reports directly to the CEO, and its responsibilities encompass monitoring and analyzing the company's sustainability performance, the progress on established ESG targets, ESG-related risks and opportunities, as well as sector-specific ESG matters. The department provides regular reports to the CEO, informs SCC, coordinates sustainability working groups. Sustainability Department actively participates in various Sustainability Working Groups in Eczacıbaşı Holding. These include the Circular Economy Working Group, the Climate Change Policies Working Group, and the Sustainable Product Working Group.

Working Groups

Responsibility: Implementation of Sustainability Action Plans

The Working Groups serve as the execution bodies of the EBPB's sustainability efforts and are responsible for transforming the company's ESG strategies and policies into targets and action plans. The Groups also track global and local developments, submit suggestions to the Sustainability Department and implement projects.

Along with the production focused location specific working groups, subject based working groups are also being organized to develop sustainability strategy around associated topics. Monthly and quarterly meetings are organized to work on detailed roadmaps and follow up projects. In 2023, working groups monitored organizational performance, sustainability related metrics, and 150 projects across all locations through monthly sustainability meetings. Over 40 meetings were held.



EBPB Ceramic Sanitary Ware Factory

¹ EBPB ESG Committee has been established and started its operations as of 2023.

Risk Management

At EBPB, we see risk management as a comprehensive discipline that we incorporate into our daily work to create an organizational culture that is risk aware. Our main goal is to proactively reduce any incidents that could seriously affect our capacity to meet our short, mid and long-term goals, jeopardize our expansion, or interfere with our sustainability endeavors. To achieve our objectives and risk mitigation strategies, we maintain a governance structure that clearly defines responsibilities for risk oversight activities.

With the goal of achieving this objective, we strive to implement a risk management framework that aligns with global frameworks and standards. This initiative aims to cultivate a culture of risk awareness and promote data-driven decision-making throughout our organization. Our risk management approach begins with the identification of risks, involving contributions from all business units responsible for managing risks, followed by the assessment of impact and possibility to differentiate risk levels. Appropriate risk responses are then determined to mitigate identified risks, and the final risk inventory is calibrated by senior management, considering the risk appetite of the Board of Directors. The Risk Management Committee, operating at the Board of Directors level, diligently monitors and reports on all critical risks.

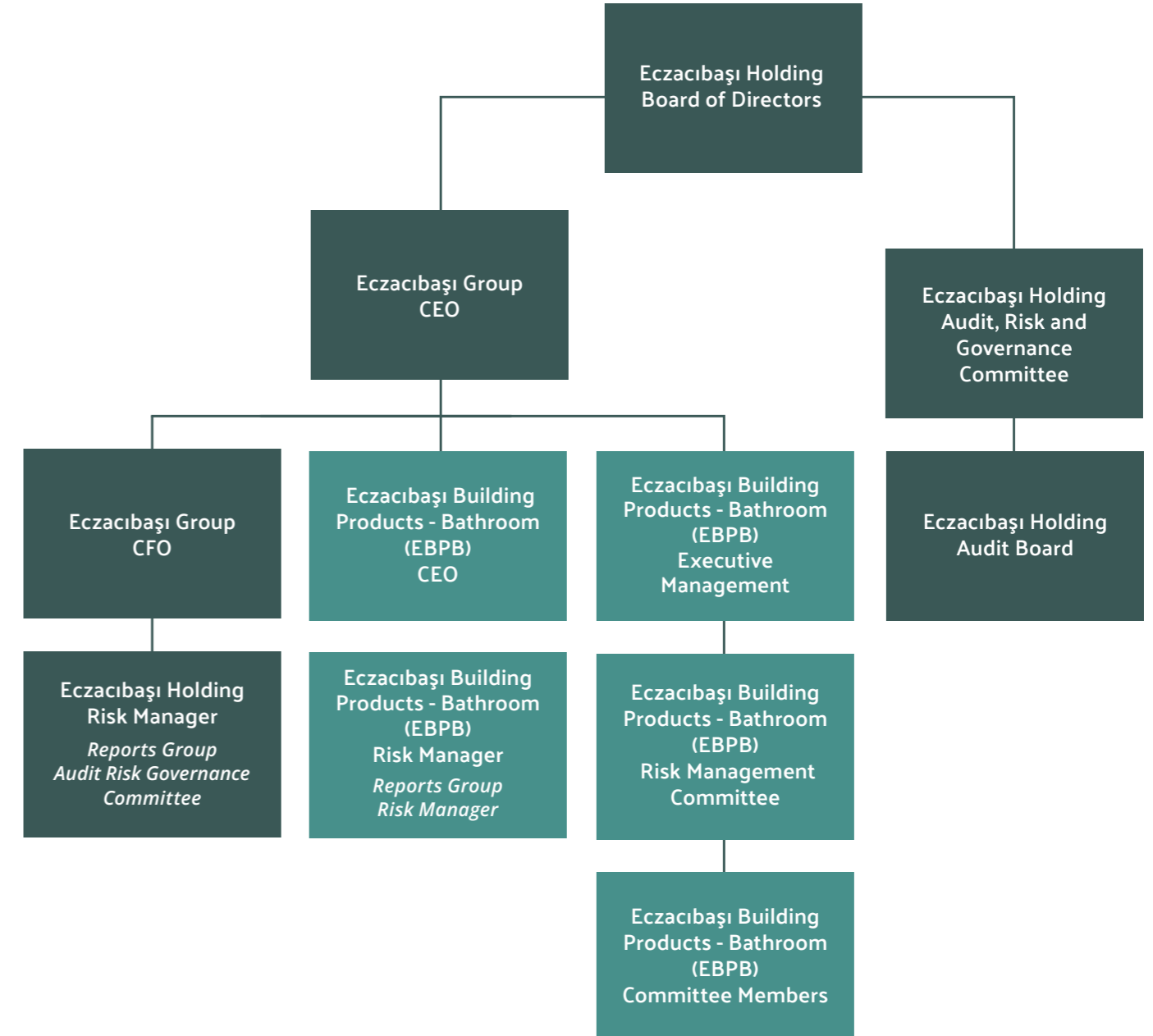
An inherently risk-averse operational system is firmly established, ensuring a consistent risk management approach is implemented at our production sites and throughout our entire value chain, serving to uphold and enhance our company-wide risk management mechanism. By leveraging this approach, we proactively manage and mitigate risks, optimize the allocation of time and resources, and foster sustainable growth by minimizing financial losses and preventing resource waste.



Eczacıbaşı Groups Risk Management Structure and Approach

EBPB's risk management activities are carried out by the Enterprise Risk Management Department, which operates under the leadership of EBPB's CEO in coordination with the Eczacıbaşı Holding Enterprise Risk Management Department, reporting to the Eczacıbaşı Holding Chief Financial Officer. EBPB's enterprise risk management activities are regularly communicated to both EBPB's Risk Management Committee and the Group Audit, Risk and Governance Committee, comprising the Chief Internal Auditor and independent board members with necessary background and expertise. These committees undertake the oversight function of risk management activities across the company and receive periodic reports on these activities.

EBPB's Risk Management Committee, the Group Audit, Risk and Governance Committee meets twice a year to discuss current risk trends and actions taken. The senior management of relevant business units responsible for risk management will implement the measures to address these risks in accordance with the committee's requests.

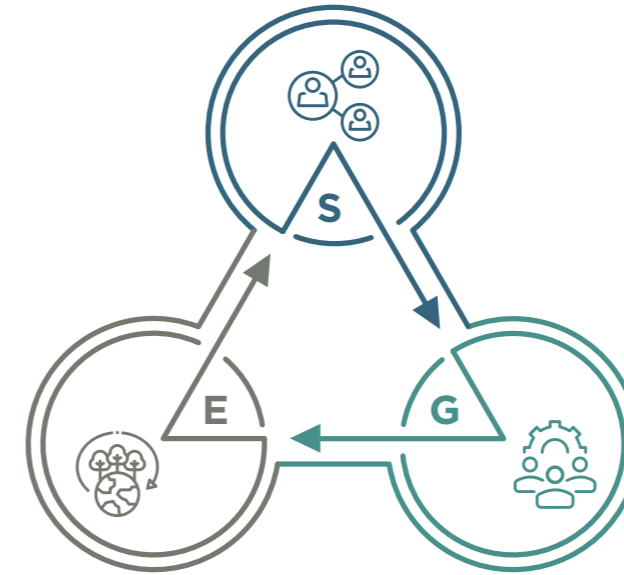


Risks are classified using the common risk universe of the Eczacıbaşı Group, which encompasses 5 main categories, including strategic, operational, financial, compliance, and sustainability and 50 subcategories. In 2023, we conducted a thorough review of EBPB's risk universe with our risk manager. Within the risk universe study, the current measures and practices of the relevant department are determined. Based on current practices, we assess the impact and likelihood of the risk using an impact and probability matrix,

and then take action to reduce the risk's impact and likelihood. The table below demonstrates how EBPB categorizes risks and provides examples of risk titles within each respective category. Thus, it has been determined which level of employees should follow up on the risks we have categorized in our company. As EBPB, all levels and all departments will work together to minimize all our risks, which is market that sustainability has been embraced as a company culture.

Strategic	Operational	Financial	Compliance	Sustainability
Economic / Macroeconomic	Disaster / Hazard / Security (Earthquake, fire, accident, theft, etc.)	Foreign Exchange / Parity	Legislation / Regulation	Natural Disasters / Extreme Weather
Political / Geopolitical / Country	Health and Safety & Environmental	Liquidity / Cash Flow / Debt Ratio	Ethics / Code of Conducts	Climate Change
Market / Competition	Supply Chain / Procurement (Quality, logistics, subcontractor, etc.)	Interest Rate	Fraud / Errors and Omissions	Resource Management (Energy, water, etc.)
Business Model / Value Chain	Productivity / Resource Usage	Counterparty / Credit	Contract Management	Biodiversity Ecosystem
Portfolio Management (Customer, channel, region, etc.)	Project Management	Collection / Collateral	Compliance with Standards (ISO, etc.)	Occupational Health and Safety
Investments (Expanding, mergers and acquisitions, etc.)	Asset Management	Capital / Fund Management	Corporate Governance Principles	Employee Rights & Equal Opportunity
Governance (Organizational structure, sources-capacity usage, strategic planning, etc.)	Infrastructure / System (Energy, water, natural gas, communication, etc.)	Financial Instruments	License / Permission / Intensives	Sustainability Communication (Industrial negative perception, response/reactions to projects, product quality, etc.)
Reputation / Image / Brand Value (Communication, social impact, etc.)	Human Resources / Employee	Commodity / Price	Legal Risks (taxation, customs, etc.)	Responsible Purchasing & Cooperations (Environmentally friendly, ethical and sustainability oriented)
Stakeholder Relations (Shareholders, business partners, customers, suppliers, etc.)	Information Technologies / Information Securities	Financial & Official Reporting	Legal Compliance with Foreign	Sustainable Economic Growth (Failure of economic productivity, value-based innovation activities)
Innovation / Digitalization (Technological improvement, R&D, business, and product development, etc.)	Process Management	Managerial Reporting	Industrial Relations	Lack of contribution to the Stakeholder Economy

Deeper Look at Management of Sustainability Risks



We are aware of sustainability related risks, and we thoroughly assess all risk categories, considering their possible economic, social, environmental and governance consequences.

At EBPB, we address environment-related risks are natural disasters, extreme weather events, biodiversity, optimizing use of available natural resources and climate change. In order to manage the social risks, we also prioritize advancing equal opportunities, workplace health and safety, strengthening employee rights, and supporting a stakeholder-driven economy. We carefully evaluate governance-related risks, including those pertaining to product and service responsibility, innovation, corporate ethics, legal compliance, and the fight against bribery and corruption, using our sustainability risk management methodology. We analyze their potential impact on strategic, operational, and compliance risks with utmost care and consideration.

Within this content, we launched our Sustainability Risk Register project to identify and assess risks associated with sustainability within our company. This project's main objectives are to identify potential risk factors, evaluate their likelihood and impact, and develop action plans to effectively mitigate these risks. Through the creation of a comprehensive Sustainability Risk Register, we intend to systematically monitor, manage, and mitigate sustainability risks that could adversely impact our business operations. To enhance our risk management approach and enable real-time reporting we implement a digital platform for risk register, risk prioritization, generating heat map reports, and automating action tracking. By doing so, we ensure risk traceability and transparency throughout the organization.

In addition, in 2024, within the scope of the low-carbon transition project initiated by the Holding, a qualitative assessment study is being conducted using different climate scenarios for short, medium, and long-term to determine the climate risks of the Group and its subsidiaries. Within the scope of this study, we fully committed to integrating our climate risks into our risk management approach in alignment with national and international frameworks and standards such as the Task Force on Climate-related Financial Disclosures (TCFD), IFRS S2¹ and TSRS S2². This initiative will subsequently be followed by the preparation of a comprehensive climate risk report to enable us to better understand and address climate risks with significant strategic impact effectively and inform our stakeholders in line with the importance we attach to transparency.

¹ [International Financial Reporting Standards S2 Climate-related Disclosures](#)

² [Turkish Sustainability Reporting Standards S2](#)

Ethics and Compliance

Our company is committed to complying with all relevant business ethics and legal regulations set out in our corporate values. In line with the Eczacıbaşı Group, we have developed a dynamic corporate culture that upholds rigorous business ethics. These ethics are based on the principles of respecting individuals and the environment, pursuing constant growth and advancement, and actively contributing to the collective welfare of society. The Group places significant importance on ensuring that all its members and subsidiaries understand and embrace these values, and that they are consistently applied in daily operations.

Business Ethics and Legal Compliance

EBPB business approach is characterized by a profound commitment to honesty, integrity, and transparency. This is reflected in the company's adherence to all relevant rules and laws, which is evident in all actions and decisions. We approach our work with objectivity and the highest moral standards, and we conduct ourselves professionally in all of our dealings with coworkers, vendors, and business partners. We accept our social obligations as responsible corporate citizens and work hard to uphold and honor them.

Our Group remains committed to the highest standards of fulfillment of business ethics principles and legal regulations, which form the foundation of all our activities. We are dedicated to ensuring that all our operations are conducted in a manner that is consistent with our values and principles, and that we operate with the utmost integrity and transparency. Our Group has a comprehensive [Code of Conduct](#) that clearly outlines our ethical and compliance expectations, not only for our employees but also for third parties with whom we work. The Code is easily accessible to all stakeholders, including all the Group's employees, on the Group's website.



EBPB Faucet Factory

EBPB's Code of Conduct encompasses various fundamental aspects:

- Principles Regarding Working Relations
- Conflict of Interest Principles
- Third Party Relations
- Social Responsibility
- Environment and Sustainability
- Bribery and Anti-Corruption
- Eczacıbaşı Group Policy on Gifts and Invitations
- Properties And Assets of the Eczacıbaşı Group
- Occupational Health and Safety
- Media Relations – Representation of the Eczacıbaşı Group
- Code of Conduct Implementation Principles

The Audit Group, CHRO (Chief Human Resources Officer), Legal Department, and Compliance Committee are all responsible for overseeing activities and practices related to business ethics, internal audits, and legal compliance throughout the Group. The Compliance Committee plays a vital role in overseeing the enforcement of our Code of Conduct, ensuring its rules are upheld. It diligently reviews and evaluates any suspicions of violation. The Committee is comprised of dedicated individuals and division representatives committed to upholding our standards and values.

We are fully committed to zero tolerance towards discrimination, bribery, and corruption, in line with our Group's core values. At EBPB, we take pride in providing our employees with a fair and equitable working environment that upholds human rights and does not tolerate any form of violation. We strictly prohibit practices such as child labor and forced labor and ensure that all recruitment and subsequent processes are free from discrimination based on gender, language, belief, or ethnic origin.

EBPB fully embraces all the principles outlined in the UN Global Compact (UNGC), to which the Eczacıbaşı Group is a dedicated signatory. Moreover, EBPB maintains a zero-tolerance policy towards bribery and corruption in both the public and private sectors. In accordance with its company policies and aligned with this zero-tolerance approach, EBPB expects its employees and business partners to strictly refrain from participating in any form of bribery, illegal commission payments, or other corrupt practices, whether directly or indirectly through relatives. We ensure compliance with all applicable laws and regulations, including the national regulations of countries where Eczacıbaşı Group companies operate. Furthermore, all employees are expected to reject any form of benefit, such as gifts, discounts, or entertainment, regardless of their monetary value. Furthermore, we are dedicated to protecting our employees' right to unionize and organize, striving to build constructive relationships with trade unions. Our Group Human Resources Handbook provides comprehensive information to our employees regarding human rights, freedom of association practices, as well as our core values and codes of conduct.

In cases where there is suspicion of a code of conduct violation, particularly relating to bribery, corruption, violations of rights, or conflicts of interest, it is the responsibility of every employee within the Group to report such information to the Compliance Committee through designated channels. All reports are thoroughly examined and evaluated by the Compliance Committee, adhering to strict confidentiality principles. The investigation and review process are conducted by relevant individuals or parties, who interview all necessary individuals and utilize all available resources. The Compliance Committee assesses suspicions of violation on a case-by-case basis, considering all aspects of the violation, including the presence of intent or negligence, the employee's past behavior and performance, the scope of the violation, the presence of repetition, and the potential damage to the Group's reputation and financial losses. In light of these considerations, the Committee determines whether disciplinary action will be taken. In compliance with the procedures established by the Eczacıbaşı Group, EBPB employees have multiple options to report violations. They can send an email eczacibasi@etikhat.com, call +90 212 800 01 05, or fill out the violation form on **SpeakHub** (<https://www.speak-hub.com/index.php/login>). The notifications should contain sufficient detail to enable the Compliance Committee to conduct a thorough evaluation. This includes providing as much information as possible the timing and occurrence of the suspected violation along with any written evidence.

As part of Eczacıbaşı Group, we are fully in line with the Group's corporate sustainability management system, formulated in accordance with global business standards, instill confidence in our stakeholders and align the quality of all Group undertakings.

Please find our Group's sustainability-related policies listed below which cover all Group's companies.

[ESG \(Environmental, Social, Governance\) Policy](#)

[Gender Equality Policy](#)

[Human Rights Policy](#)

[Environment and Climate Change Policy](#)

[OHS \(Occupational, Health and Safety\) Policy](#)

[Privacy Policy](#)

In addition to adhering to the Group's policies, EBPB has developed supplementary policies to further reinforce our commitment to various aspects of our operations. These policies serve as additional guidelines and standards within our organization to ensure compliance, efficiency, and responsible practices.

[Environmental Policy](#)

[Energy Policy](#)

[Quality Policy](#)

[OHS \(Occupational, Health and Safety\) Policy](#)

Employee Communication and Training

Our dedication lies in ensuring that every employee possesses a clear understanding of the standards and regulations relevant to their individual responsibilities. To accomplish this, we provide extensive training initiatives and foster open channels of communication, clarifying the practical application of these guidelines in their day-to-day tasks.

As of 2023, our 69 employees, including the CEO, Directors, Senior Managers and Managers have collectively received Fraud Awareness and Reporting Channels Trainings. In line with this, total training hours of Anti-Corruption and Anti-Bribery 117.8 and Ethics 75.5.



Supply Chain Management

At Eczacıbaşı Building Products – Bathroom (EBPB), we leverage our extensive resources and knowledge to drive positive change and promote sustainable and responsible production practices, extending our influence beyond the boundaries of our facilities. Our steadfast dedication to ethical and sustainable standards guarantees that every facet of our supply chain adheres to global norms and complies with relevant laws and regulations.

EBPB ensures that its commercial activities are carried out in compliance with the principles of labour and social appropriateness, which are established with a focus on the human and labour rights of employees in the workplace, as set forth by the International Labour Organization (ILO). Additionally, in accordance with the relevant provisions of the Act on Corporate Due Diligence Obligations in Supply Chains, ensures full compliance with both international and foreign regulations. This ensures not only compliance within its own organization but also guarantees that its suppliers adhere to these regulations, thereby creating a commercial activity where not only its own employees but also those of its business partners are ensured the protection of human rights.

We work towards partnering exclusively with suppliers who share our values and exhibit unwavering commitment to them. To uphold the highest standards in our supply chain operations, we conduct thorough assessments of our suppliers, evaluating their product quality, safety, and their social, environmental, and ethical impact. Our Sustainable Purchasing practices prioritize economic, social, and environmental considerations, and we place significant importance on encouraging strong relationships with our suppliers. By doing so, we strive to ensure that our supply chain aligns with our sustainability goals and contributes to a better future for all.

Perspective of Our Stakeholders



Emir Haşserbetçi
Torun Metal
 Sustainability and Corporate Communications Manager

We have been the supplier of Eczacıbaşı Building Products since our first delivery to Artema 10 years ago. Although recent rapid changes in the markets have caused purchasing forecasts to change on the customer side and created resource planning issues on the supplier side, we can come together around the same table with Eczacıbaşı Building Products and create proactive solutions. Eczacıbaşı's open sharing of its sustainability road map with its suppliers takes stakeholder participation to the next level. Since we are in the same industry, sharing mutual experience, especially in emission reduction issues, benefits us as well.

ConneXion

We launched the ConneXion project to enhance the efficiency and speed of supplier data management and traceability processes by establishing clear criteria for supplier identification and selection. As a result, we achieved significant cost savings, by eliminating manual tracking and transactions.

Selecting New Suppliers

To enhance the quality of supplied materials, we employ various processes to select and engage with

suppliers while adhering to sustainable procurement practices. Throughout the selection process, we prioritize fair pricing, contractual terms, and supplier adherence to ethical standards. We proactively gather necessary information and provide guidance to address any potential issues before entering collaboration. Our supplier selection process starts by collecting information through the Supplier Information Form, allowing us to gather essential details about prospective suppliers. Suppliers are then provided with a Self-Assessment Form to evaluate themselves based on our criteria. For strategic suppliers, the Preliminary Evaluation Form is assessed by EBPB. Throughout this process, we provide supplier candidates with the Supplier Handbook, which contains important documents and leaflets outlining our expectations and requirements. The Supplier General Agreements are used to review and confirm aspects such as energy usage, environmental practices, social compliance, quality management systems, and general management systems. New suppliers are expected to have a minimum ISO 9001 certification or a quality plan in place that meets the requirements to be able to work with EBPB. Within the Supplier Handbook and Supplier General Agreements, suppliers are informed about specific requirements, including quality certifications, health, safety, environmental expectations, social compliance (such as BSCI), and our monitoring methods.

Monitoring And Evaluating Existing Suppliers

The Procurement Department carefully selects suppliers who undergo annual audits conducted by the supplier development department. These audits focus on various aspects, including management practices, quality standards, social compliance, and environmental and energy management. Additionally, our material suppliers undergo assessments every six months, evaluating criteria such as quality, product offerings, pricing, shipment performance, communication, and flexibility. Through these monitoring processes, we aim to uphold the highest standards and continually improve our relationships with suppliers, fostering transparency, reliability, and mutual growth.



Economic, social, and environmental factors in our Sustainable Purchasing

Economic Factors

- Creating green technology, recycling industry
- Considering the entire lifetime cost
- Supporting small and medium-sized enterprises
- Ensuring that contracts with suppliers are at appropriate terms and price levels

Social Factors

- Giving equal opportunity to all suppliers
- Ensuring equal rights in recruitment
- Supporting workers' health and safety issues
- Providing opportunities for education and skill development
- Ethical trading, sourcing, and affordable pricing

Environmental Factors

- Carbon emissions reporting
- Eco-friendly production techniques
- Use of renewable energy sources
- Packaging and transportation methods (Recycling and waste reduction)

Contributing to The Social and Environmental Awareness of Our Suppliers

We proactively monitor and implement environmental and sustainability initiatives within our company and across our supplier network. Purchasing and Supplier Development departments organize supplier days and training sessions to disseminate information about EBPB requirements, policies, and quality and environmental management practices. In this context, we organized training for our suppliers in 2023 to raise their awareness of sustainability. Through these efforts, we strive to foster a culture of sustainability and continuous improvement throughout our supply chain. We will continue to raise awareness by expanding the scope of our training programs in 2024.

Responsible Procurement Survey

We have been voluntarily assessing sustainability maturity of our suppliers regularly through a comprehensive survey since 2021. Out of a **total of 65 suppliers** on the priority list, **47 responded and completed the survey**, which **corresponds to 72%** during the reporting period. We will take the necessary action according to our company's sustainability culture after analyzing the response from our suppliers. We evaluate their responses based on the following criteria:

- Health and Safety Management in the Organization
- Commitment to Human Rights
- Conducting Audits
- Staff Training Programs
- Corporate Social Responsibility (CSR) Initiatives
- Code of Social Conduct
- Sustainability Reporting
- Environmental Management System
- Measurement of Consumption
- Pollution Control Measures
- Environmental Code of Conduct
- Certifications

Social Compliance Due Diligence

Our commitment is deeply rooted in aligning the social compliance and ethical standards of our suppliers with our own, ensuring that every aspect of our supply chain operates at the highest levels of integrity. By uniting our efforts in this endeavor, our goal is to cultivate a culture of integrity, transparency, and accountability across all facets of our operations. Consistent with this philosophy, we initiated the Social Compliance Due Diligence project in 2023. This comprehensive initiative involved conducting an extensive gap analysis and crafting a detailed roadmap for advancing social compliance and ethical practices. As we move forward, we prioritize active involvement from all stakeholders, fostering collaboration to achieve our shared objectives.

Optimization of Material Procurement Processes

We embarked on optimizing our material procurement process to enhance efficiency and streamline operations. Previously, the material requirements of all suppliers were handled independently, leading to separate coordination efforts by the planning team for transportation with carriers for each supplier. This approach often resulted in duplicated efforts and inefficiencies. By centralizing our procurement activities, we aim to consolidate processes, improve coordination, and ultimately reduce costs and environmental impact associated with transportation and logistics. Through this improvement, we significantly reduced our environmental footprint, preventing the emission of 10,577 tons of CO₂. This step, reflecting our commitment to environmental responsibility, also serves as an inspiration for our future sustainability projects.

Return Load Collection Project

We initiated a strategic adjustment aimed at optimizing logistics operations and improving the efficiency of our supply chain management. Previously, the transportation of materials and raw materials from suppliers collaborated with Vitra Tiles. However, in a recent strategic shift, Vitra Karo's own trucks have taken over this responsibility. After completing deliveries to Istanbul and Kocaeli, these trucks now return to the factory to directly procure materials and raw materials from suppliers, facilitating their transportation back to the facility. By leveraging Vitra's own trucks for domestic shipments upon their return to the facility, our primary objective is to maximize vehicle utilization. This consolidation of transportation resources not only reduces extra transportation costs but also enhances service levels, leading to an overall enhancement in operational efficiency. Furthermore, this transition is expected to yield significant reductions in CO₂ emissions, contributing to our environmental sustainability goals.



Sustainability Initiatives in our Stores

Our stores serve as spaces where users can explore diverse layout options, experience different materials, and immerse themselves in inspiring living spaces while embracing sustainable habits. Our commitment to sustainability resonates not just within our stores but also across our extensive network of sales points and distributors worldwide. By collaborating closely with our partners throughout the supply chain, we envision a future that fosters equity and regeneration. Guided by an unwavering determination to minimize our environmental impact, we embark on a transformative journey alongside over 2,900 dealers and suppliers. Together, we are forging partnerships that span the entire value chain, aimed at designing innovative solutions to reduce emissions, conserve resources, and eliminate waste, all while prioritizing convenience and simplicity. This commitment to sustainability is enshrined in our comprehensive action plan, which encompasses a wide range of initiatives to drive positive change.

Showrooms

With 7 in Türkiye, 5 in global, our Intema stores cater to consumers by offering a wide range of products and services. Last year, we increased the awareness of our sales personnel by broadening our product portfolio to encompass a wide range of materials bearing certifications such as EMAS, ISO 50001 and ISO 14001. We continued our efforts in 2023. This expansion not only increased the availability of certified products but also amplified our commitment to raising user awareness regarding sustainable and environmentally conscious choices.

Moreover Vitra has adopted sustainable retailing principles as it takes steps to minimize environmental impact and provide customers with a more eco-friendly shopping experience. As the beginning of a green revolution in Vitra stores, which are an important part of the value chain, green stores catalogue plays a key role.



VitrA Showroom, Suadiye



VitrA Showroom, Nişantaşı



VitrA Showroom, London



VitrA Showroom, Cologne

We initiated measures to simplify our paper packaging material procurement as part of our efforts to minimize our environmental impact and maximize resource use. This year, we are actively pursuing material reduction initiatives, with a focus on optimizing processes to minimize material usage. In paper packaging material procurement, we aim to achieve maximum pallet capacity by optimizing the number of units per pallet. By reducing the number of pallets invoiced, we aim to decrease costs related to product procurement and contribute to sustainability. We utilize 8,935 pallets for material procurement by placing materials on pallets in two directions. We are also utilizing 4,966 kg of shrink wrap to protect materials stored in open areas.

Given our awareness that emissions associated with our operations extend beyond our in-house activities, we have implemented measures to mitigate emissions in our logistics operations. Our steadfast dedication lies in increasing transportation volume while simultaneously minimizing the adverse impact of greenhouse gas emissions on the environment. Towards this objective, we continue to implement several initiatives. We work towards reducing the number of transfers required by maximizing our containers. We are also aligning our transport methods with dispatch sizes and minimizing the frequency of partial loading with route optimizations to minimize unnecessary movement. These efforts have resulted in increasing the utilization of truck types with lower per-pallet shipping costs for domestic shipments.

VitrA

Change begins with VitrA.



Customer Experience

Our commitment extends beyond merely selling our products to customers. With an unwavering dedication to delivering exceptional customer experiences, Customer Experience Department of Eczacıbaşı Building Products has ensured satisfaction at every touchpoint throughout the year via regular surveys. Based on feedback, we have implemented significant improvements to enhance customer satisfaction. We have diligently tracked the satisfaction levels of all our customers by employing Net Promoter Score (NPS) and Customer Satisfaction Score (CSAT) surveys.

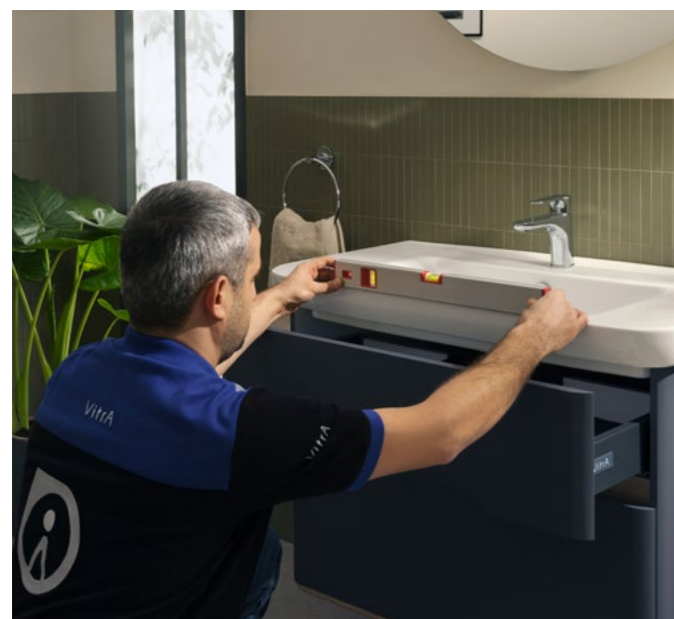
Our primary objective is to satisfy our clients with consistently high levels of service while exceeding their expectations in quality. In 2023, our call center served 43,817 customers, successfully handling 93% of calls in under 20 seconds. Additionally, we provided services to 77,854 customers through our extensive authorized service network comprising 87 centers across the country. Furthermore, we opened five additional authorized service centers and expanded 63 additional service areas to ensure customer satisfaction. The expansion of our comprehensive service network has enabled us to provide our clients with flawless service. For detailed information please refer to our [website](#).

Our authorized service centers, strategically located in four major provinces and seven regions, play a pivotal



role in delivering seamless services with exceptionally high standards. These centers, managed by our well-trained and professional technicians, have significantly contributed to resolving customer issues promptly and effectively.

Furthermore, we have integrated our efforts with our logistics operations to ensure the best possible service delivery to our customers. Aiming to become a preferred partner, we have set new benchmarks by offering high-quality services at our mini points, located in eleven regions. Our objective is to further enhance customer satisfaction and maintain consistently high customer ratings.



New Customer Communication Center

In November, we began preparations to transition to our new customer communication center partner, scheduled to commence operations in 2023. To align with evolving needs in areas such as complaint management, social media, and e-commerce, we formed the Customer Communication Center team. This dedicated team underwent an intensive week-long training program at our factories. During the training, they gained valuable insights into our production processes, actively observing and familiarizing themselves with our operations. This strategic move sets the foundation for our new customer contact center to deliver exceptional service and effectively address customer inquiries and concerns. In addition in 2023, we bought our own cloud operator which enables us to track call center performance and call records on digital platform without the dependence on any 3rd party.

Customer Service Mini Page

New customer service icon has been integrated into the Vitra and Artema websites. This addition enhances accessibility to the Service and Sales Points and Contact Us tabs located under the new icon. Additionally, Warranty and Services tabs have been included, offering customers easier access to relevant information. Through the Services tab, customers can conveniently access details about authorized services and select the options best suited to their requirements. Similarly, the "Warranty" tab provides access to the Extended Warranty page, allowing customers to explore warranty-related information effortlessly.

Online Service Sales Project

Through online.vitra, our customers can now purchase installation services for their products at an additional cost while making their product purchases. This allows for seamless installation scheduling, as the installation work is assigned to an authorized service, and an appointment is scheduled based on the customer's availability. This service eliminates the need for customers to find separate contractors, ensuring convenience and reliability.

This initiative ensures that customers, regardless of their geographic location, can access the best services effortlessly, thereby supporting our brand's image and service recognition.

Customer Advocacy Team

Recognizing the importance of exceptional customer experience in today's competitive business environment, Vitra has established the Customer Advocacy Team. This team comprises experts from various departments and markets, tasked with mapping and implementing customer journey strategies to embed a customer-centric culture within the company.

Initially, we identified customer journeys in Türkiye and subsequently organized workshops in the UK, Germany, and France to create market-specific customer journeys. Based on these journeys, we set KPIs and directed future projects to meet customer needs and optimize overall experience.

Launched in the second half of 2023, the Customer Advocacy Team has since defined customer journeys and KPIs based on customer needs, fostering a collaborative culture focused on customer satisfaction.

Sustainability & Recycling Campaign

We have undertaken sustainability initiatives throughout the year. One such initiative was Sustainability and Recycling campaign, aimed at collecting old faucets and recycling them in our factory, thus contributing to a sustainable economy. To customer who purchase our faucets and choose our authorized service for installation, we offer the installation service free of charge if they provide us with their old faucet from home. We have also integrated the emphasis on recycling into our commercial campaigns within the market & company.

Economic Sustainability

At EBPB, we acknowledge the intrinsic connection between responsible business practices and sustainable growth. Our unwavering commitment is to advocate for a comprehensive sustainability framework that encompasses economic, environmental, and social aspects. By pursuing export-oriented growth and integrating sustainable practices across our operations, we are confident that we can achieve long-lasting prosperity while contributing to a more promising future for all.

The construction sector is a vital component of our country's economy and is essential to international trade. Despite global uncertainties, the construction sector continued to play a vital role in driving economic growth and development. Investments in infrastructure projects, urbanization initiatives, and housing developments remained prominent strategies to stimulate economic activity and create employment opportunities. Historically overlooked, bathrooms are becoming important spaces for restorative purposes and are becoming more and more popular in the growing renovation and improvement sector. Moreover, advancements in technology and innovation continued to reshape the construction landscape, promoting efficiency and environmental sustainability. The misconception that buyers usually wait ten years before thinking about remodeling their bathrooms has been disproved as more people choose to renovate their bathrooms. By embracing emerging trends and prioritizing customer needs, industry continues to shape the environment for the better, contributing to economic vitality.



Economic and Financial Performance

At EBPB, we are firmly committed to enhancing competitiveness and generating sustainable value for all stakeholders. As an international manufacturer with operations across 14 plants in five countries and a global presence spanning over 105 markets, we maintain close monitoring of global developments and make adjustments to our operations, commercial strategies, and innovation priorities to ensure continued adaptation to rapidly changing market dynamics. EBPB is a global market leader, with 75% of its revenue generated from over 75 countries. It is the primary supplier of ceramic sanitaryware exports from Turkey, accounting for over 50% of the market share, and is the country's top exporter of tiles to EU markets.

Our growth strategy centers around continuously investing in our core business to drive organic growth, strengthen our production capabilities, enhance product quality and variety, and expand our presence in new regions and markets.

This year, we achieved a substantial increase in total sales, surpassing **€526 million**, representing a significant 2.9% surge compared to the previous year, with 62% of our revenue originating from international markets.

In 2023, we celebrated the inauguration of its 5th facility at the Production Campus in Bilecik, Bozüyük. This significant milestone underscores the company's commitment to expansion and growth, as well as its dedication to enhancing production capabilities and meeting evolving market demands. Moreover, the opening of the new plant comes just four years after the introduction of the second phase of our 4th ceramic sanitaryware plant in 2019, highlighting the company's rapid pace of development and continuous investment in infrastructure and technology. By the end of 2024, this development will increase our manufacturing capacity by one million pieces, making the Bozüyük complex the largest sanitaryware production hub in the world. Currently, our facility already accounts for over 50% of Türkiye's ceramic sanitaryware exports.

In addition to introducing new products in existing markets, we actively pursue opportunities for market diversification. Our presence in the MENA market continues to expand, and we have made promising initial progress in India. In a strategic move in 2022, we invested in a concealed cistern plant and a dedicated production line for sinks and shower trays, exclusively targeting the North American market. Furthermore, we have finalized our plans to expand our bathroom furniture capacity in Germany and France. In response to the increasing importance of e-commerce in the retail industry, we have strategically invested in the establishment of new sales channels. Our launch of "[online.Vitra.com](https://online.vitra.com)" in March 2022, along with our presence on leading e-commerce platforms in Türkiye, has yielded positive results.

Zero-Based Budgeting

As part of the Eczacıbaşı Group's executive commitment, we have implemented Zero-Based Budgeting (ZBB) as a dynamic management method to foster a continuous improvement culture. Our goal is to proactively find and seize possibilities for value creation, process improvement, and cost reduction.

ZBB allows for a departure from typical budgeting methods since it does not rely solely on previous data. Rather, all company owners are required to create their budgets from scratch, based on certain activities. In addition, this method comprises holding brainstorming sessions that are cross-functional in nature, where prospective avenues for productivity improvement are investigated across a range of cost categories. The projects that are identified during these sessions are monitored and assessed in a methodical manner over the following year.



4

Investing in Planet

As the cumulative effects of climate change become increasingly apparent, we are reminded that environmental degradation poses significant challenges to the future of our planet and the wellbeing of all its inhabitants. Now more than ever, it is imperative that governments, businesses and individuals come together to take meaningful action to ensure a sustainable and healthy environment for future generations.

At Eczacıbaşı Building Products - Bathroom, we are committed to our role in this transition to a low-carbon, circular economy. We continually strive to minimize the environmental impact of our operations and work with our stakeholders to address climate change, optimize resource use and reduce the environmental footprint of our products. Our comprehensive strategies cover the entire product lifecycle, including supplier partnerships, our operational practices, consumer engagement and end-of-life considerations.

Climate and Environment	88
Energy Management and Carbon Emissions	91
Water Management	98
Circular Economy	100
Resource Management and Responsible Procurement	103
Product Responsibility	108
Waste Management	124

Investing in Planet 2023 Highlights

Climate and Environment

We established clear and measurable targets to closely monitor our performance. By maximizing efficiencies in resource use and partnering with stakeholders, we will design and implement solutions that minimize our environmental footprint and contribute to a sustainable future. Our Scope 1 and Scope 2 emissions decreased by **26.48%** compared to the base year (2021).

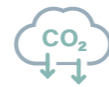
We implemented ISO 50001 certification **across 78%** of our sites and ISO 14001 **across 89%** of our facilities in Türkiye.



Energy Management and Carbon Emissions

To reduce the detrimental impacts of our operations on the climate and environment, energy, and prevent carbon emissions; energy efficiency and operational improvements are essential.

Our total energy consumption was **472,473 MWh** ✓. A series of initiatives led to the successful conservation of **18,248 MWh** of energy in 2023, equivalent to approximately **10,257 tons of CO₂** emissions.



We produce **6%** of our electricity consumption with solar panels, purchase **88%** of renewable electricity (IREC and Ökostrom).



12.5 MWp

Our renewable energy capacity



Circular Economy

We work towards using resources in a smart way, which ultimately results in reduced resource consumption, from raw materials to packaging.

As a result of our efforts, in 2023, total recycle raw material used 9,088 ton which corresponds to **8.5%** of total material usage in CSW. Reuse of brass project continued in 2023. 329 tons of brass is saved, which is approximately **24%** of total raw material usage in faucets.



In 2023, we achieved savings of **540 kg** of expanded polystyrene. **For 2024, our objective is to achieve a reduction of 12,000 kg of expanded polystyrene.**



We acknowledge the importance of procuring local materials and collaborating with local suppliers to shorten supply chains and mitigate supply-related risks. **Consequently, the overall percentage of our local suppliers stands at 89%.**

Product Responsibility

We launched a comprehensive initiative VSPI (VitrA Sustainable Product Index) to innovate our product portfolio with a strong focus on sustainability in bathroom products.

Our **VitrA 100% Recycled Ceramic Washbasin** is made from waste generated and disposed of during the production process at our CSW factory.

As we design for tomorrow's bathrooms today, we are making a significant contribution to the circular economy by utilizing our resources creatively.

100% Recycled Ceramic Washbasin reduces our environmental impact on global warming by **30%** per product compared to ceramic washbasins produced without recycled content.

Waste Management

We are committed to extracting the maximum value from our production outputs and preventing them from becoming waste at the end of their life cycle.

A total of **83,034 tons** of waste were generated this year, with **90%** ✓ recovered and recycled. In accordance with this information, we are pleased to report that our recycled waste ratio has increased by **6.24%** compared to the previous year.

Repurposed the MDF waste generated from our Bathroom Furniture Factory as a sub-support material, comprising **23%** of the total in our bathtub production.

Water Management

We focused on optimization and innovative practices. As part of these initiatives, we started collecting rainwater to be used in our operations.

According to our assessment, a total of **378,820 m³** of freshwater were withdrawn, with **98%** derived from low-water stress locations and **2%** from high-water stress regions according to World Resource Institute.



In 2023, the total volume of withdrawal has reduced by **9%** in comparison with the figures recorded in 2022, amounting to a total volume of **37,637 m³**.

At our facilities, we have implemented various measures to enhance water reuse, which resulted in a total of **166,318 m³** of treated and reused water in 2023, corresponding to **44%** of the total our water use.

Climate and Environment

With human-induced global warming now at around 1.1°C above pre-industrial levels¹ and the widespread impacts of a changing climate on natural and human systems becoming apparent, we are facing an ever-shrinking window of opportunity to limit global temperature rise to 1.5°C, in line with the Paris Agreement. Decarbonization remains an economic, environmental and social imperative to address one of the world's greatest challenges.

At Eczacıbaşı Building Products – Bathroom (EBPB), we recognize the impact of climate change as a significant business risk and a threat to all livelihoods. Our success as a business depends on our ability to deliver our strategy of strengthening and scaling our capabilities to contribute to the transition towards a low-carbon economy. We are committed to reducing the environmental footprint of our operations and our entire value chain, aligning ourselves with the goal of operating within the planetary boundaries. We understand that mitigating climate change is not only essential for our long-term sustainability but also crucial for safeguarding the wellbeing of future generations. We established clear and measurable targets to closely monitor our performance. By maximizing efficiencies in resource use and partnering with stakeholders, we will design and implement solutions that minimize our environmental footprint and contribute to a sustainable future.

Our approach to environmental management is deeply rooted in our corporate culture. This is shaped by our [Environmental Policy](#), [Energy Policy](#), and [Eczacıbaşı Group's Environment and Climate Change Policy](#) which serve as guiding principles for our operations. At EBPB, we are aware of our environmental responsibilities for preserving energy sources, minimizing waste and water consumption to convey livable planet to the future generations.

To drive progress, we establish long-term and interim targets, closely monitor, and evaluate specific key performance indicators (KPIs), coordinate and implement a diverse range of initiatives through our Working Groups and actively engage with Eczacıbaşı Group to harmonize our efforts.

We strive to mitigate climate-related risks and build resilient operations by leveraging innovative technologies, investing in renewable energy sources, and exploring all opportunities to support our low-carbon transition roadmap. We are focusing our efforts on maximizing efficiencies in resource use, including energy, and water, leaving minimal footprint behind, and partnering with stakeholders to tackle climate change and design solutions that reduce our environmental impact.

Climate Change Summit 2023 Green Transformation

Özgen Özkan, the CEO of Eczacıbaşı Building Products, recently participated as a speaker at the “Climate Change Summit 2023: Green Transformation” event. The event, organized in Istanbul as part of the ongoing long-term climate change strategy studies in collaboration with the Ministry of Environment, Urbanization and Climate Change and the United Nations Development Programme (UNDP), featured a panel session titled “Climate Change, Transformation Economy and Opportunities.”



¹ WEF Global Risk Report 2023 https://www3.weforum.org/docs/WEF_Global_Risks_Report_2023.pdf



At the end of 2023, we have initiated our efforts to formulate the Low Carbon Transition Roadmap according to European Commission Low Economy By 2050 Road Map², which includes development of a detailed GHG emissions inventory, development of our long-term targets along with appropriate interim goals, and adoption of climate-risk assessment as part of our governance. Through this project, we shape our efforts are directed towards the objective of reducing carbon emissions, with a view to creating a low carbon economy.

Energy Management and Carbon Emissions

GRI 302-1

As we operate in an energy-intensive industry, how we use energy directly influences our ability to address the climate crisis and ensure the long-term sustainability of our business. With this in mind, we maintain a relentless focus on reducing our carbon footprint and the carbon intensity of our products, enhancing energy efficiency, striving for energy independence, and maintaining our reputation as a responsible corporate citizen.

To reduce the detrimental impacts of our operations on the climate and environment, energy, and prevent carbon emissions; energy efficiency and operational improvements are essential. In order to do this, we employ **ISO 50001 Energy Management System** and **ISO 14001 Environmental Management System** in several of our locations, and we are actively working toward integrating these systems throughout all our locations. We implemented ISO 50001 certification **across 78%** of our sites and ISO 14001 **across 89%** of our facilities in Türkiye. Our teams constantly use a range of strategies to improve production, increase efficiency, and conserve energy in our manufacturing operations.

According to our environmental figures for 2023, our total energy consumption was **472,473 MWh** ✓. A series of initiatives led to the successful conservation of over **18,248 MWh** of energy in 2023, equivalent to approximately **10,257 tons of CO₂** emissions, demonstrating the effectiveness of our energy conservation efforts.

Over **18,248 MWh**
energy savings



Due to the integration of new factories and platform changes, our energy intensity increased by **12%** from **3.73 MWh/ton** to **4.20 MWh/ton** ✓ in comparison to **base year**.

On the other hand, we successfully decreased our total carbon emissions (Scope 1 and Scope 2) by **26.48%** compared to the base year. In addition, we generate 6% of our electricity consumption with solar panels, purchase 88% of renewable electricity (IREC and Ökostrom). A total of 18% of our energy consumption comes from renewable sources. In parallel with this decrease, we achieved a **16.88%** reduction in carbon emission intensity, from **0.77 tons CO₂/ton** to **0.64 tons CO₂/ton**, compared to base year (2021).



COP28
UAE



Global warming's impacts are increasingly being felt, necessitating urgent action. In line with this, the latest Conference of the Parties (COP), one of the primary platforms for making and implementing policy decisions related to global climate change, was held in Dubai. Within the scope of COP28, a panel titled 'The pivotal role of the financial sector in the transition to a net-zero world, focusing on climate action plans of companies,' was held, in which Senior Sustainability Manager Gökçe Ersel Otkun participated as a speaker. Risks in climate and climate-related developments, strategies, and projects created in this context, as well as the need for financing, were discussed.

² https://climate.ec.europa.eu/system/files/2016-12/2050_roadmap_en.pdf

A Closer Look at EBPB's Energy Efficiency Projects

Energy efficiency and operational improvements are key to mitigating adverse effects of our operations on climate and environment, leading to cost and energy savings, and avoided carbon emissions.

Energy Optimization Projects

Energy optimization projects aim to increase energy efficiency, reduce energy consumption, and achieve cost savings. At EBPB, we prioritize conducting optimization projects to enhance energy efficiency. In 2023, we implemented various energy optimization projects, including transitioning our lighting systems to LED, providing automation in general electricity, increasing the boiler inlet water temperature with compressor heat, loading more products per charge by using MDF, converting fan systems from driverless to driven fans, implementing frequency-controlled operation, transitioning inefficient pumps to the IE3 pump category, and converting compressors to inverters. As a result of our energy optimization projects, our estimated energy savings are **2.6 million kWh**.

Through our energy optimization projects

2.6 million kWh
energy savings



Process Improvement Projects

At EBPB, we implement process improvement projects to reduce the adverse effects of our operations on the climate and environment by decreasing energy consumption, thereby achieving cost savings, and enhancing operational efficiency. As a result of process improvement projects, our estimated energy savings are **4.5 million kWh** and **€287,740** cost savings annually, which are broken down as shown below.

• KWC Cycle Time Improvement

In our KWC machines, we improved mold cleaning units to minimize downtime and unnecessary energy consumption during sandblasting, enhancing operational efficiency. To enhance the efficiency of KWC machines, we restructured shift schedules to enable continuous operation during lunch and breaks. As a result of this project, we achieved a total of **€18,576** cost savings and total of **50.3 kWh/year** energy saving, and the sandblasting time of the mold was reduced by 25%.

• Energy saving in LPDC

To improve the efficiency of KWC machines, we reorganized shift schedules to allow for uninterrupted operation during lunch and breaks. This adjustment has led to an increase in the number of bodies produced per unit time, resulting in a reduction in energy consumption per body in the casting workshop. Our objective is to achieve annual cost savings of **€22,438.64** and an energy saving of **135,000 kWh**. As a result of the project, we achieved cost savings of **€20,615.50** and an energy saving of **126,000 kWh**.

• Decreasing Energy Consumption of EGES Induction Furnace

At EGES, we extended the interval between lining changes in induction furnaces, effectively preventing an increase in energy consumption per unit kilogram.

• FFC Slip Preparation Blanger Revision

Additionally, to improve efficiency and reduce energy consumption, we increased the mixer's capacity from 15 tons to 25 tons. By expanding the filling capacity, we reduced processing time, saving time, and streamlining operations. We saved time by increasing the filling capacity at once and reducing the time. The scraps are simply recycled again. By implementing this strategy, our goal for 2024 is to achieve serious cost savings of up to **€4,253** per year, as well as an annual reduction of **26,000 kWh** in energy consumption. As a result of the project, we achieved a total cost saving of **€1,061** per year and a total energy saving of **6,500 kWh**.

• Increasing Efficiency of Core Shooting Machines

In order to eliminate the need for mold heating before setup and to reduce the waiting time, die preheating units were added to each line. With the commissioning of these units, mold heating times decreased, allowing mold to be processed without any downtime. Following the installation, we have observed a significant reduction in post-installation mold heating times within the core machines. This enhancement is poised to streamline our production processes, leading to increased productivity and operational efficiency. We aim to save approximately **€6,055** per year in costs and **4,320 kWh/year** in energy. As a result of the project, we have saved a total cost saving of **€4,333** and a total energy saving of **2,520 kWh**.

• Shutting Down Old Heating Furnace

The old preheating furnace was replaced with modern mold preheating units. We optimize energy usage by increasing wagon occupancy rates through strategic product positioning. By rearranging the positioning of products on the wagon, the project aims to increase wagon occupancy rates, thereby reducing energy consumption during firing cycles.

As part of our process optimization efforts, we have successfully shortened the sieving time by revising our procedures. Previously, excess sludge from raw material grinding was stored in static tanks, contributing to energy consumption. By redesigning the system, we removed these tanks from the process.

• Improvement of FFC Slip Production Process

Process improvements have significantly reduced the time required to produce a batch. The production time for a batch, which traditionally took 15.5 hours, has been streamlined to only 11.8 hours through equipment changes within the process system. This improvement was made possible by changing certain equipment within the process system. This optimization has resulted not only in increased efficiency, but also in significant power savings. As a result of the project, estimated energy saving **800,000 kWh** and total cost savings of **€64,500**.

• FFC Slip Preparation Sieve System Revision

As part of our process optimization efforts, we have successfully shortened the sieving time by revising our procedures. Previously, excess sludge from raw material grinding was stored in static tanks, which contributed to energy consumption. By redesigning the system, we removed these tanks from the process, resulting in energy savings. In addition, this optimization has accelerated the process, eliminating the need for screening, and further reducing energy consumption. As a result of project, estimated energy saving **62,200 kWh** and total cost savings of **€5000**.

• **Loading more products per charge by using MDF instead of Styrofoam**

To increase the efficiency of our product loading process, we have switched from using polystyrene to using MDF as a carrier material. Styrofoam had previously been used to support specific product shapes during the drying process, but its chemical composition, disposability and environmental impact made it an undesirable option. Since implementing this change, we have experienced significant energy savings due to the ability to load more product per load. This transition has resulted in the complete elimination of the use of Styrofoam.

• **Reducing energy consumption the positioning of the temperature sensor**

It was determined that the drying process was not operating under optimum conditions, which led to a review of the positioning of the temperature sensors. The locations of the temperature sensors in our dryers were re-evaluated and adjusted due to inaccurate temperature readings. As a result, we realized energy savings per product by achieving more accurate measurements. We used to operate the ovens at higher temperatures, but now we can precisely apply the desired temperature. We also upgraded and adjusted the drying fans to ensure a more even distribution of air. This improvement has resulted in a faster and more uniform drying process.

Through our process improvement projects

4.59 million kWh

energy savings

€287,05

cost savings



• **Plaster Mold Dryer Revision**

We conducted a comprehensive analysis to optimize the drying process and reduce energy consumption in gypsum mold production. By calculating the theoretical drying time and energy requirements, we were able to identify key factors. As a result of project, estimated energy saving **95,000 kWh**.

• **The Energy Savings in 1st Plant Shuttle Kilns**

We initiated to optimize energy usage by increasing wagon occupancy rates through strategic product positioning. The project focuses on improving the efficiency of shuttle kilns in the 1st Plant by maximizing the use of available space on the wagons. By rearranging the positioning of products on the wagon, the project aims to increase wagon occupancy rates, thereby reducing energy consumption during firing cycles. Our goal is the reduction of energy consumption, which will result in estimated savings of **2.7 million kWh** of natural gas and **€112,972** in cost savings.

• **The Compressed Air Timing Automation**

We initiated to address energy wastage associated with compressed air usage in the production hall. The project involved the installation of automated valves to control the compressed air lines. These valves were programmed to automatically close during non-production hours, effectively reducing energy consumption during idle periods. Our goal is the reduction of energy consumption, which will result in estimated savings of **750,000 kWh** of natural gas and **€60,000** in cost savings.



EBPB Ceramic Sanitary Ware Factory

Operational Efficiency Project

At EBPB, by encouraging the greater adoption of technological innovation and automation, we utilize the latest technologies in our processes, optimizing them for better efficiency. We make our operations more efficient to reduce energy consumption in a way that contributes to our environmental sustainability goals. In this context, we collect and analyze comprehensive data on energy usage. By doing so, we gain insights into energy usage patterns, allowing us to identify potential savings opportunities. We reduce unnecessary energy expenditures by detecting energy inefficiencies.

• **The CSW Energy Monitoring Project**

The CSW Energy Monitoring Project is a project by the Eczacıbaşı Building Products that aims to monitor energy consumption in real-time, report on energy distribution, and detect anomalies in energy usage. The project involves monitoring daily electricity and natural gas consumption, as well as real-time reporting of energy distribution. The project aims to reduce energy consumption by 1% (€400,000) in 2021 through kaizens using the Energy Monitoring project. The project also includes the detection of anomalies in energy usage based on established rules.

• **Reducing Fuel Consumption**

We are decreasing repeated repair rates in visits, ensuring that the correct part is available to technicians during the initial visit, eliminating the need to pay for second visit labor, and ultimately decreasing fuel consumption associated with unnecessary return visits. As a result of project, we achieve improved operational efficiency, reduced costs. We also minimize our environmental impact by optimizing fuel usage. We reached **24%** energy efficiency by saving **27.64 ton CO₂** for **143,375 km**. Through this initiative, we anticipate an annual cost saving of **€16,361**.

Renewable Energy

Access to clean, affordable, secure, and sustainable energy is a critical factor in the transition to a low-carbon economy and the advancement of prosperous communities, resilient societies, and equitable human development. Despite the rapid technological advancements and cost reductions in renewable energy, these technologies still face competition from heavily subsidized fossil fuel sources. For a successful decarbonization strategy, it is essential that governments and businesses actively promote and expand the use of renewable energy solutions. Embracing these environmentally friendly solutions not only reduces our environmental impact but also makes a significant contribution to global climate action, which aligns with the objectives of numerous businesses committed to a sustainable future.

At EBPB, we firmly believe that transitioning to renewable energy in the production of our products in every region is essential to reduce our dependence on fossil-based energy sources and mitigating the twin crises of rising energy costs and inflation. We continue to take concrete steps towards this goal by accelerating our investments in renewable energy and utilizing every opportunity to support our low-carbon transition roadmap. Our endeavors include promoting on-site renewable energy for all our locations and investing in off-site projects.

As we strive towards a cleaner and greener future, we are committed to meeting our electricity needs through renewable sources. **Our aim is for every building in our portfolio to be equipped with a solar energy panel on its roof by the end of 2025, achieving a cumulative renewable energy capacity of 17.8 MW.**

In 2023, International Hydrogen Ramp-Up Programme, a pilot project aimed at analyzing the entire value chain of using green hydrogen in ceramic production was launched between Türkiye and Germany.

The project, funded by the German Federal Ministry for Economic Affairs and Climate Action's 'International Hydrogen Ramp-Up' program, includes partners such as the German International Cooperation Agency GIZ, as well as Eczacıbaşı Group companies Eczacıbaşı Building Products and burgbad.

Purchase **88%**
of renewable electricity
(I-REC and Ökostrom)



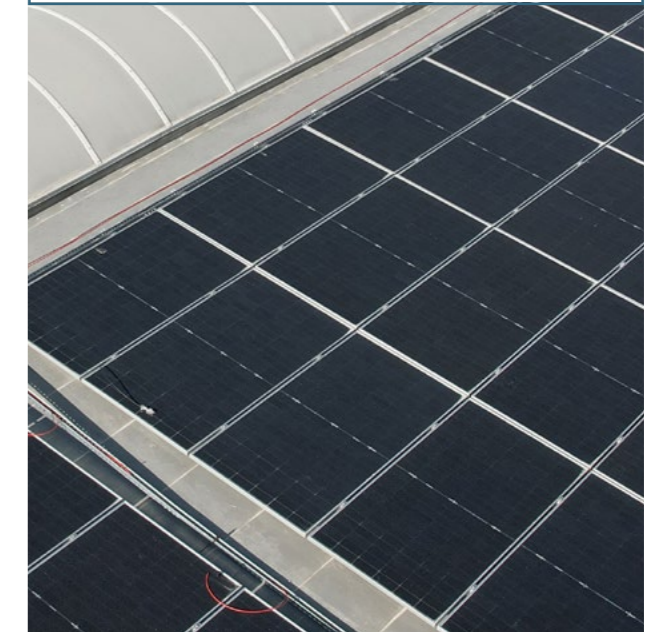
Generating Our Own Electricity from Renewables



Within the context of our aim to achieving cumulative renewable energy capacity of 17.8 MW, we have successfully completed the installation of our first solar power plant (SPP) on the roof of our ceramic sanitary ware factory at the VitrA Production Campus in Bozüyük, Bilecik in 2022. In 2023, solar energy system project implemented for new concealed cistern factory and 5th solar plant. By the end of 2023, the SPP generated 22,567 kWh in concealed cistern factory. Our ambition is to install SPPs covering an area of 112 thousand square meters by the end of 2025. Apart from Bozüyük facility, we have also installed solar power plants on the roofs of our stores in Bodrum, Ankara and Istanbul.

Looking ahead, we plan to further advance our sustainability goals by installing solar power plants on the rooftops of our remaining factories. Our aim is for every building in our portfolio to be equipped with a solar energy panel on its roof by the end of 2025. Once this milestone is reached, we will be able to meet **approximately 30% of our annual electricity needs from self-produced renewable energy sources.** As a result of all these efforts, we reached 12.5 MWp installed capacity with 4,822 MWh renewable electricity generation in 2023.

17.8 MW
cumulative renewable
energy capacity by 2025



Green Electricity Procurement

Striving for a future powered by 100% renewable energy, we are dedicated to reducing our carbon emissions by procuring certified green electricity for our production facilities and stores. In line with this commitment, we have taken the initiative to purchase I-REC certified green electricity, amounting to **73,068 MWh.**

As we go forward, we intend to keep our promise to a cleaner, greener future by using the electricity produced by our investments in renewable energy and obtaining the remaining from certified green electricity sources.

Water Management

In light of the growing global population, the resource-intensive nature of economic development, and the increasing unpredictability of water due to climate change, it is vital to recognize that water, being a limited resource, must be treated as a scarce resource. At COP28, the importance of water management for climate resilience was highlighted. One of the key achievements was the setting of a water target within the Global Goal on Adaptation, which underscores the critical need to address water scarcity and enhance resilience to water-related risks. This integration emphasizes the vital importance of water in climate policy and the necessity of its inclusion in national climate plans, such as NDCs and NAPs³. At Eczacıbaşı Building Products - Bathroom (EBPB), we recognize the significant role that water plays in all aspects of our business. As a vital component in our manufacturing processes and essential for the use of our products, water conservation has long been a critical area of focus for our organization. It is of the utmost importance to monitor and utilize water resources in an accurate and efficient manner in order to safeguard and restore our natural environment.

At EBPB, our efforts in this are focused on reducing water withdrawal, ensuring efficient use, and increasing water reuse in our operations. We also work towards designing innovative solutions that conserve water and promote minimal usage without compromising comfort, as we strive to prioritize hygiene and enhance human wellbeing in the bathroom.

Our teams have been working diligently to foster responsible water use by conducting in-depth studies and research as well as implementing a range of projects. In 2023, we focused on optimization and innovative practices. As part of these initiatives, we started collecting rainwater to be used in our operations. Moving forward, we will closely monitor the savings generated from our rainwater collection project, aiming to achieve approximately 5,500 m³ of water savings. Additionally, in 2023, we installed new industrial wastewater treatment plant with a daily capacity of 700 m³ and a domestic wastewater treatment plant with a daily capacity of 200 m³. This enables us to target preventing the discharge of 19,800 m³ of wastewater into the environment.

We collaborate closely with the Eczacıbaşı Group to implement comprehensive water management initiatives. The Group's Water Management Working Group establishes specific targets and action plans for all companies within the Group. We provide monthly reports on our water consumption and the volume of water used per product to ensure transparency and accountability. We closely monitor water consumption from the grid and groundwater sources and the water consumption per ton of product.

Our endeavors throughout the year have resulted in a considerable reduction in the total amount of water used. In 2023, the total volume of withdrawal has reduced by **9%** in comparison with the figures recorded in 2022, amounting to a total volume of **37,637 m³**. However, in 2023, we witnessed a slight 2.3% increase in water intensity compared to our base year 2020, reaching to 3.36 m³/ton. This intensity increase caused by capacity increase from new facilities and infrastructural changes in the current ones.

We place a strong priority on conserving water and avoiding water withdrawals from areas with high levels of water stress in order to accomplish our sustainability objectives. In locations where there is a water scarcity, we closely monitor our water withdrawal. We have therefore carried out a detailed analysis in which we have measured water stress levels in the areas where we have extracted water. According to our assessment, a total of **378,820 m³** of freshwater were withdrawn, with **98%** derived from low-water stress locations and **2%** from high-water stress regions according to World Resource Institute⁴. We are dedicated to creating more mindful and cautious water usage habits in water-stressed areas in considering this information.



Maximizing Reuse of Water

As per SDG goal 6.3, enhancing water treatment and encouraging reuse is a crucial strategy to reduce dependency on freshwater resources and mitigate water stress. This strategy supports sustainable water management techniques in addition to assisting in protecting ecosystems which depend on water.

At our facilities, we have implemented various measures to enhance water reuse, which resulted in a total of **166,318 m³** of treated and reused water in 2023, corresponding to **44%** of the total our water use.

Climate - Water - Agriculture Summit

As a vital and limited resource, water's role in maintaining life and ecosystems is essential. As climate change exacerbates water scarcity and threatens our ability to manage this precious resource effectively, its importance becomes even more critical. To this end, the panel titled **"Our Decreasing Water While the Climate is Rapidly Changing"** moderated by Kivılcım P. Eğilmez Kocabıyık and honored by the participation of Prof. Dr. Levent Kurnaz, Water Policy Association President Dursun Yıldız, EBP Bathroom Sustainability Manager Gökçe Ersel Ötkün, and ARC Water Technologies Chairman Alkan Canbay, was held.



Artema World Water Day

Artema, continuing its awareness communication on water consumption for the past three years on World Water Day, initiated a recycling movement this year as well. Between July 5th and August 31st, users who exchanged their old fixtures for Artema's water-saving products not only participated in recycling but also benefited from free installation opportunities. Through video-focused digital communication planned on platforms such as Google, Meta, YouTube, TikTok, Onedio, and Spotify, the campaign aimed to deliver the campaign message to the target audience.



³ <https://www.gwp.org/en/About/more/news/2023/amplifying-the-voice-of-water-at-cop28-uae-gwps-four-key-highlights/>

⁴ [Aqueduct Water Risk Atlas](#)

Circular Economy

Our current economic model is exceeding the sustainable threshold of our planet. The global economy is now only 7.2% circular and deteriorating each year. By adopting a circular economy, we can meet people's needs using just 70% of the materials we presently consume, all while staying within the Earth's safe boundaries⁵. This rapid growth has led to the breach of five out of the nine crucial "planetary boundaries" that measure the overall health of our environment, primarily due to the linear approach of our economy known as "take-make-waste." To reverse adverse effects and promote wellbeing within safe limits of our planet, it is crucial for both public and private sectors, as well as individuals, to take immediate and decisive action to accelerate the transition towards a circular economy.

At EBPB, we continuously optimize manufacturing process to maximize resource efficiency and minimize energy consumption. By doing so, we are committed to design our product with our Circular Design Principles. We focused on optimization and innovative practices. As part of these initiatives, we started collecting rainwater to be used in our operations.

We recognize that putting circular economy at the core of our business is not only a significant opportunity for sustainable growth, but also a logical approach to ensure sustainable production and foster responsible consumption models. Our strategy revolves around Eczacıbaşı Group's [Environment and Climate Change Policy](#), responsible resource utilization, which involves reducing our reliance on raw materials, maximizing circularity, using materials with low environmental impact, and minimizing waste throughout our production processes.

Our objective is to provide our customers with sustainable solutions that encourage energy and water saving throughout the use of our products. We are driven by innovation and strive to develop our products for longevity and functionality. We actively participate in creating solutions by continuously addressing the environmental impact of our products across their whole lifecycle, working to achieve an equitable and safe balance between fulfilling the requirements of people and protecting the environment. By doing so, we are actively participating in Eczacıbaşı Group's "Circular Economy Working Group". The responsibility of working group is to monitor progress that meets the circular economy objectives. Additionally, we participated in The World Circular Economy Forum to provide unique opportunity to create momentum for nature positive future. Furthermore, we initiated defective parts recycling process to collect spare parts and products that can be recycled during authorized service visits. Thanks to our project, we have successfully diverted **2.5 tons** of recycled material, including carton, plastic, and metal, from landfills. These materials reintegrated into the production cycle. Our entire operation centers around design, and circular design is a way of thinking that considers the product's whole life cycle from the very beginning of the design process. Our Vitra Circular Design Principles are intended to serve as a roadmap for the creation of our circular products.

Vitra Circular Design Principles



Choose low impact materials.

- Prioritize local resources to minimize transport
- Replace hazardous substances with green chemistry
- Use sustainably produced or recycled materials to reduce resource footprint



Aim for durability.

- Imagine enduring appeal and functionality
- Develop high quality products that look beautiful and work well for years
- Create a forceful response to the throw-away culture



Plan for upgradeability and refurbishment.

- Envision easy and economical installation and repair
- Shape parts for easy upgrading to new performance levels



Avoid production waste.

- Maximize product commonalities
- Minimize material use
- Design for zero waste during production



Strive for multipurpose functionality.

- Envisage one product for different ages and needs
- Combine functions to increase convenience and reduce consumption



Consider the entire product cycle.

- Design with the end in mind
- Consider new lives for product components or materials
- Think "zero waste"



Reduce weight and size.

- Simplify products
- Eliminate unnecessary components
- Use light-weighted materials and compact designs to decrease transport volume



Maximize compatibility.

- Look for styles that adapt easily to new trends
- Strive for consonance with other Vitra products



Think packaging.

- Choose packaging materials that can be repurposed or recycled
- Consider non-toxic biodegradable options for disposal

⁵ [The Circularity Gap Report](#)

Resource Management and Responsible Procurement

The global economy is displaying an increasing reliance on materials derived from virgin sources. Projections indicate that by 2050, material extraction and usage will have doubled in comparison to 2015 levels⁶. It is imperative that we alter our relationship with materials in a fundamental manner in order to optimize their use for the benefit of all, while simultaneously reducing the pressure on the planet's life support systems, which are already under immense pressure.

It is crucial for manufacturing industries to consider the self-renewal capacity of nature when producing in order to reduce environmental impact and respect the ecosystem. At EBPB, our approach is to strengthen our understanding of quality service aligned with caution for limited resource use. We maintain a relentless focus on using limited resources, extending product lifecycles and promoting reuse, all in line with the principles of the circular economy.



Using Less Resources

We work towards using resources in a smart way, which ultimately results in reduced resource consumption, from raw materials to packaging. We have continued to identify and implement innovative solutions that decrease our reliance on materials through various means, including product innovations, design optimizations, and process improvements— all while upholding our stringent quality standards. As a result of our efforts, in 2023, total recycle raw material used **9,088 ton** which corresponds to 8.5% of total material usage. Reuse of brass project continued in 2023. **329 tons** of brass is saved, which is approximately **24%** of total raw material usage in faucets.

9,088 ton

Total recycle raw material used



Our endeavors at EBPB this year encompassed a range of initiatives aimed at improving resource efficiency. For instance, our projects covered a variety of matters, such as reducing the scrap rate of products, optimizing raw material utilization through peeling, and improving mould design for energy and material savings. We also improved grinding processes, optimized pallet arrangements and packaging, developed repair slurry for pre-glazing processes and extended the life of plaster moulds.

⁶ [United Nations Environment Programme](#)

Design Optimization Project

• Transition to MDF to Chipboard

We achieved a saving of 780 m³ (20%) in tree raw material used in the production of Bathroom Furniture by using chipboard instead of MDF panels obtained from trees. 67% of the wood panel requirement in production was sourced from chipboard. Embarking on this project with environmental goals, thereby contributing to the economic dimension of sustainability. Due to chipboard's lower density compared to natural woods, its lightweight nature provides advantages for certain bathroom furniture pieces.

Following mechanical processing, we reduce wall thickness and material costs by removing chips.

• Making rough grinding operation

We are currently rough grinding following the casting process, which results in the production of grinding dust. Through this initiative, we will no longer grind the brass after casting; instead, we will machine the brass first to produce chips with a more valued shape. Subsequently, we will perform a grinding process after machining. The aim is to save 1.8 tons/year of brass.

• Developing Repair Sludge Before Glazing

In our manufacturing process, fine cracks occasionally develop in our products prior to the glazing stage. To address this issue and ensure high product quality, we have developed a special repair slurry that is compatible with the car body material. This innovative solution allows us to effectively repair these cracks, ensuring that the products meet our quality standards without creating semi-finished waste. As a result of project, total of 492 kWh electricity, total of 69,435 kWh gas and total of 306 m³ water saving achieved.

• Decreasing Scrap Rate of Selected SKU's

The objective of this project is to mitigate the scrap rate across 23 selected products, aligning with our commitment to resource management and responsible production practices. In the production of body codes, the scrap rate due to the casting process was 10.2% in 2022. Our goal is to decrease the scrap rate by a minimum of 20% for the selected codes. Through strategic interventions and process optimizations, we aim to minimize waste generation and enhance the overall efficiency of our manufacturing operations. With this project, root cause analyses were conducted, and necessary actions were taken through mold revisions. With this project, we reduced our scrap rate from 5.8% to 4.9% in 23 products and contributed to a sustainable future by achieving an energy saving of 12,000 kWh/year.

• Raising Mould Life-Adding LLG

In the traditional casting process, plaster moulds typically have an average life of 80-90 castings. Once these moulds expire, they are discarded and replaced with new ones, resulting in increased set-up costs and material waste. To address this issue, we have developed a new plaster mix through thorough analysis and experimentation. The aim is to extend the life of plaster moulds to 110-130 castings without compromising casting quality. By extending the life of the moulds, we aim to optimize the number of moulds produced each year and reduce set-up losses during assembly. As a result of the project, mould life was increased to 130 castings. Total of 44,800 kWh energy savings achieved.

• Raw Material & Energy Saving Project with Ascast Consultancy Service

Through Ascast's consultancy service, the mould design has undergone a significant transformation, resulting in a new and innovative approach. The primary objective of this project is to minimize the use of body, runner, and riser materials, resulting in significant energy and raw material savings. As a result, this initiative aims to optimize the use of labor across a total of 6 codes. Additionally, this endeavor aims to diversify our operations across a total of 6 codes, ensuring a broader impact and sustainable growth. We aim to save 150,000 kWh of energy and 5 tons of material annually. As a result of project, total of 6.9 tons of material has been saved.

• Raw Material Saving by Removing Chip

Although initiated last year, this project has been further developed this year, focusing on enhancing efficiency and competitiveness. A core aspect involves the removal of chips from bodies following mechanical processing, so reducing wall thickness and material costs. Through strategic investments in machines capable of peeling, we anticipate significant chip savings, enabling us to optimize operations and bolster our competitive edge. As a result of this project, 30.4 tons of material has been saved.

The Sustainability Recycling/Trade Campaign

Our Sustainability Recycling/Trading Campaign aims to enhance our sustainability efforts by revising the service processes in our software to enable the return of old products. This project involves collecting old faucets from customers and recycling them in our factory, contributing to a sustainable economy. The core activities include reviewing service processes, implementing a collection system for old products and arranging transport to our factory for recycling. Thanks to our project, we have improved customer service, reduced waste and successfully promoted responsible consumption. After launching our campaign this year, we look forward to continuing to collect faucets to help the environment while encouraging our customers to engage in recycling practices.



Towards Sustainable Packaging

Our products are delivered using a variety of packaging formats, including cardboard, paper, and shrink wraps. Our commitment is to make all our packaging more sustainable, and transition towards package-less solutions. Throughout the year, we have implemented several initiatives to minimize material usage and maximize the reuse of materials in our packaging.

These included the implementation of bio-stretch, quality and cost improvement projects, and the elimination of plastic and styrofoam in packaging. In 2023, we achieved savings of 540 kg of expanded polystyrene. **For 2024, our objective is to achieve a reduction of 12,000 kg of expanded polystyrene.**

Transition to
100% recyclable
faucet packaging material



In the faucet product range, **PVC packaging has been replaced with PET packaging** for all products, ensuring **a transition to 100% recyclable packaging material**. Our commitment lies in making all our packaging more sustainable and moving towards package-less solutions. By doing so, our aim is to reduce of plastic based packaging materials usage on Solex products, to replace nylon with paper packaging on Solex products. Initially we implemented in the first 10 product codes, we aim to extend this initiative throughout the entire Solex product range. Furthermore, corrugated boards are a widely used product in the packaging industry. Previously, the recycled material rate of these boards was typically between 50% and 60%. However, aiming to enhance environmental sustainability and reduce waste, we increased **recycled material rate to 100%**. The utilization of 100% recycled corrugated boards offers numerous advantages both environmentally and economically.

Pallets Optimizations Projects

At EBPB, aimed to streamline product shipments and enhance efficiency. In 2023, the focus was on increasing the number of items per pallet and per vehicle to reduce pallet usage and shrink material. This optimization led to a decrease from 250 to 208 pallets used for shipments annually, saving 42 pallets and 36 kg of shrink material. In addition, damaged pallets are repaired to fit the dimensions of shipping crates for use in domestic and international freight shipments. Additionally, adjustments were made to accommodate the large dimensions of the Concealed cisterns, requiring the division of pallets for safer and more efficient transportation. This solution not only addressed logistical challenges but also optimized the packing process, reducing labor time and preventing the waste of 1,675 pallets and 670 kg of stretch film.



Eco-labelling and Extend Product Responsibility (EPR)

In today's environmentally conscious world, eco-labelling and extended product responsibility play a vital role in promoting sustainability, reducing environmental impact, and meeting regulatory requirements. This initiative ensures that consumers have clear guidance on how to responsibly dispose of products while also fulfilling our responsibility to provide transparent information to countries regarding the materials and their quantities used in our products. In 2023, we initiated project initially focused on packaging products, the project will expand to include all products within the scope of EPR, such as electronic products, furniture products, and printed paper documents. Moreover, in 2023, we implemented Sustainable Packaging Information Report, aiming to save time by streamlining the process of providing necessary information. This project is carried out internally through collaboration among IT, procurement, master data, and product development teams to optimize the information provisioning process. Through these initiatives, we not only ensure compliance with global EPR regulations but also enhance efficiency in our information management processes.

Life Cycle Assessment (LCA)

At EBPB, we conducted packaging LCA studies to strengthen our sustainability approach and make more informed decisions to minimize the environmental impact of our product packaging. We compared current and ideal packaging scenarios for our 3 products, continuing our efforts to improve our packaging practices to reduce our environmental footprint.

Defective Parts Recycling Process

Our initiative collects spare parts and products for recycling during authorized service visits. This project aims to increase the sustainability mindset among both field and factory staff and contribute to the recycling process within the factory. We successfully diverted **2.8 tons of material**, including cardboard, plastic, and metal, which was reintegrated into the production.

Perspective of Our Stakeholders



İlyas Kılıç
EBPB

Product Development
Manager

As Eczacıbaşı Building Products, while offering innovative products for a healthy life, we observe sustainable production techniques and the use of renewable energy in all our processes. We add value to nature and society while creating economic impact.

In the packaging product development process, we avoid non-recyclable components, try to increase the ratio of recycled packaging and minimise the use of plastics. Working with this sensitivity in all our product development processes and supporting the development of the sector in this direction are among the most successful practices of our company.

In order to further strengthen our company's sustainability leadership, transition to fully circular production systems in the future, investment in advanced recycling technologies, carbon neutral production targets, the use of biodegradable packaging and the dissemination of social sustainability trainings are important to achieve this goal.

Responsible Procurement Practices

We strive to procure renewable forest products and actively seek out suppliers certified by the Forest Stewardship Council (FSC). Furthermore, we encourage our suppliers to adopt sustainable forestry practices. Since 2014, our German brand, burgbad proudly has the Program for the Endorsement of Forest Certification (PEFC). We have already incorporated FSC certified products into our packaging, and we are continuously working with our innovation team to expand our sustainable packaging efforts. As we strive to procure renewable forest products and actively seek out suppliers certified by the Forest Stewardship Council (FSC). The transition to FSC certification is slated to commence **in 2024, aiming to ensure that minimum of 83% of our products attain FSC certification.**

Localization

We acknowledge the importance of procuring local materials and collaborating with local suppliers to shorten supply chains and mitigate supply-related risks. Local procurement not only contributes to increasing the income and employment levels of communities but also helps to minimize the adverse environmental effects of long-distance transportation. At EBPB, we are committed to localizing our supply chain by prioritizing the procurement of resources from suppliers close to our facilities. Therefore, we mainly collaborate with suppliers in Türkiye and burgbad collaborates with European Suppliers.




In 2023, in our Türkiye operations, **89% of our suppliers were sourced locally**, while in Russia, this figure was **96%**, and in burgbad operations, it was **83%**. **As a result, our overall local supplier percentage stands at 84%**. This year, we achieved a **5%** increase in local suppliers, underscoring our commitment to supporting local businesses.

For more information on our supplier selection and evaluation processes, please refer to [Supply Chain Management](#) section of our report.

Product Responsibility

As we strive to use fewer resources, we are also making progress towards developing a more sustainable product portfolio. Central to our mission of manufacturing high-quality, essential bathroom products that promote hygiene and wellbeing for all, is our dedication to providing users with environmentally friendly products and solutions. While designing our products with sustainability in mind and focusing on reducing environmental impacts through all stages of the product life cycle, we aim to inspire and enable people to make healthier and more sustainable choices.

Our Design Approach

-  Promoting product stewardship
-  Aiming for resource efficiency
-  Increasing sustainability awareness

Designerati Awards 2023

Rebecca Lowe from the Vitra London team was nominated for the "Bathroom Designer of the Year" award in the 2023 Designerati Awards for a project designed to be used by our customers.

Transforming Our Product Portfolio for a Greener Future

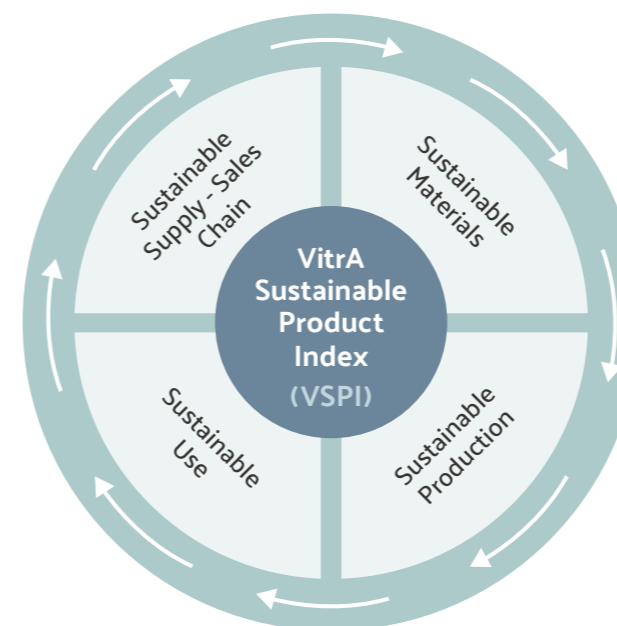
Central to our mission of manufacturing high-quality, essential bathroom products that promote hygiene and wellbeing for all, is our dedication to providing users with environmentally friendly products and solutions. We launched a comprehensive initiative VSPI (Vitra Sustainable Product Index) to innovate our product portfolio with a strong focus on sustainability



Vitra Plural Collection

in bathroom products. Our objectives included reducing environmental and human health impacts, mitigating material scarcity risks, and helping consumers make sustainable choices.

To achieve this, we defined sustainability criteria, established data collection metrics, and analyzed the negative impacts of our products through life cycle assessments. These findings were integrated into our planning and decision-making systems to drive continuous improvement. Our methodology assessed products by material, production, use, and channels using a detailed set of questions to evaluate and define sustainability, providing valuable insights for all stakeholders. Additionally, in 2023, a workshop was conducted with the participation of marketing, design, R&D, and production teams. The workshop aimed to review and plan Vitra's current and future sustainable product portfolio. The agenda included discussions on sustainability goals, global perspectives, market needs, packaging strategy, certifications, and Vitra's projects. During the workshop segment, collaborative brainstorming sessions focused on future product ideas, inspiring brands, and the use of Generative AI. The session concluded with the creation of Vitra's Sustainable Product Roadmap.





With sustainability at the core of its values, EBPB aims to understand the environmental and human health impacts of its raw material usage. This understanding will guide strategic improvements and identify opportunities for future production enhancements. Within this context, we conducted a comprehensive Life Cycle Assessment (LCA) in partnership with Vitra Innovation Center, Brika Sustainability and Boğaziçi University to understand the environmental and human health impacts of the raw materials used in our “Whole Bathroom” product line.

Whole Bathroom LCA

The LCA provided us with critical information about the impacts of our materials, helping us to set a clear path for our research and development efforts. The findings are also promoting trust by increasing transparency for our customers and demonstrating our commitment to making sustainable choices in our production lines.

Whole Bathroom LCA will provide EBPB with a complementary perspective on the environmental and human health impacts of its products, helping to define the necessary R&D path forward. Additionally, it will serve as valuable information for EBPB’s customers.

Perspective of Our Stakeholders



Gülin Yücel
Brika Sustainability
Consultant

By designing the methodology of the Vitra Sustainable Product Index (V-SPI) study for Eczacıbaşı Building Products, we looked holistically at the life cycle of the products. The Vitra team was always very committed to this journey and the whole team embraced and supported the work. The resulting study offers a very advanced example both in the sector and in the whole industry. We recommend that this increasingly important issue continues to be prioritized.

Green Bathroom Solutions

The concept of green buildings requires an integrated design process that prioritizes environmental responsibility and resource efficiency throughout its entire life, construction, administration, maintenance, renovation, and demolition. While the evaluation criteria may vary among different green building certification systems, they all share a common objective: to minimize the overall impact of buildings on human health and the natural environment.

Materials used in green buildings are engineered to surpass legal regulations and industry standards, resulting in enhanced building quality, energy efficiency, water conservation, ecological sensitivity, and indoor air quality, while simultaneously reducing their environmental footprint. One of the standards that has gained popularity in the construction sector is the green building rating system, with LEED in the U.S.A., BREEAM in the UK (United Kingdom), and DGNB in Germany being the most widely adopted certification systems by their respective countries.

At EBPB, we hold a deep regard for the environments in which our products are utilized. As a testament to our commitment to sustainability, we have designed a Green Bathroom Solutions Catalogue, featuring a collection of eco-friendly products that promote environmental consciousness. Our intention is to foster a collaborative community comprising industry professionals, designers, and homeowners who are dedicated to building a greener future. In 2023, Vitra updated Green Bathroom Catalogue, featuring innovative designs for a greener lifestyle. For more information, please refer to our [Green Bathroom Solutions Catalogue](#).



We offer a diverse range of solutions across various categories, encompassing ceramic sanitary ware, complementary products, faucets, and shower systems that meet the rigorous standards required for internationally recognized certifications such as LEED, BREEAM, and DGNB.

LEED with Vitra and Artema

We offer smart solutions to help earn points in various categories under the LEED certification system. In 2023, we updated our existing LEED Certification by incorporating a sales code to enhance our records and ensure comprehensive documentation of our sustainable building practices.

- Our certified products are specifically designed to minimize water consumption, rendering them ideal for earning points in the “water efficiency” category. For further details please refer to our [Green Bathroom Solutions Catalogue](#).



- By offering Environmental Product Declarations (EPDs) that transparently disclose the environmental impacts of our production processes, we make a valuable contribution to the “materials and resources” category. Furthermore, our local producer status in multiple markets further enhances our ability to earn points in this category.
- Our innovative technologies and product designs including economical toilets, waterless urinals and specially designed wall-hung toilets used with concealed cisterns, achieving up to 50% efficiency, help earn points in the “innovation” category.

BREEAM with Vitra and Artema

Our range of smart solutions is designed to assist in earning points across multiple categories within the BREEAM certification system.

- We create a healthy indoor environment by lowering the oscillation of volatile organic compounds in furniture solutions, contributing to earning points in “health and comfort” category.

- Our faucets that consume less water and lower hygiene-based water waste and our economical toilets, waterless urinals and specially designed wall hung toilets used with concealed cisterns help earn points in the “water” category.
- We only use building products that have a reduced environmental impact during the building’s life cycle and only choose materials made responsibly for fundamental elements of the construction, contributing to earning points in “materials” category. Our local producer status in multiple markets further enhances our ability to earn points in this category.

DGNB with Vitra and Artema

We provide intelligent solutions that enable earning points in the environmental feature category within the DGNB certification system by utilizing building materials with lower environmental impacts and promoting the use of water-saving faucets to decrease overall water consumption.

Indoor Air Quality

The significance of indoor air quality in terms of human health, comfort, and efficiency has become evident, considering that we spend approximately 90% of our lives indoors. The chemicals released by indoor construction materials can evaporate at room temperature, leading to air pollution that poses risks to both users and the environment.

At EBPB, we design and manufacture our products with great care to ensure healthy indoor air quality. We prioritize the use of construction materials with low levels of Volatile Organic Compounds (VOCs). Ensuring the chemical emissions from indoor materials are minimized is vital in safeguarding consumer health, as we utilize board products that are free from any cancer-related risks and do not trigger allergic asthma.



Products Certificates

In an era where the global focus is shifting towards sustainability, customers rightfully demand transparency from companies, particularly when it comes to sustainability claims. Third-party certifications enable us to validate the sustainability features of our products, gaining the trust of our increasingly conscious users.

With a steadfast commitment to release the true potential of bathroom design in modern urban architecture, our products are meticulously designed and certified with a diverse array of environmental labels and certificates, ensuring their adherence to rigorous environmental standards.



Environmental Product Declarations



In the construction industry, green building rating systems universally emphasize the importance of manufacturers providing transparent declarations of their environmental impact with Environment Product Declarations (EPDs). These EPDs are created through life cycle analysis (LCA) studies, which comprehensively assess the environmental impacts of various stages throughout the product or service's life cycle, from raw material acquisition to production, transportation, consumer use, and post-use waste disposal. EPDs are globally recognized documents approved by independent third-party validating institutions, and their utilization in construction products can significantly enhance the points awarded by green certification systems. In 2024, we are aiming to expand our EPDs.

In accordance with the ISO 14040 standard, our ceramic sanitaryware, and faucets are certified with Environmental Product Declaration (Type III), which undergoes verification by Germany's esteemed third-party independent verification body, the Association of Building and Environment Institute (IBU). This certification serves to inspire the development of product sustainability and helps users to make conscious decisions regarding their purchasing choices.

Unified Water Label



As a recipient of the Unified Water Label certificate, Artema promotes transparency with its users by prominently displaying the label indicating water consumption, along with labels displaying energy usage. This certification, awarded to a Turkish brand for the first time, is labeled on Artema products, providing users with valuable information regarding the water consumption levels of the faucets.

Product Certificates

	TUV LGA Product Certificate		IAPMO Certificate
	KIWA Certificate		WATERMARK Certificate
	SII Certificate		FSC - Forest Stewardship Council
	Belgaqua V-Care Certificate (ceramic sanitary ware, concealed cisterns, bathroom furniture)		Blue Angel for program Eqio
	SVGW V-Care Certificate		SMETA
	ANQAS Certificate		SASO
	DVGW Certificate (ceramic sanitary ware, concealed cisterns)		Greenguard
	WRAS Certificate (ceramic sanitary ware, bathroom furniture, faucets, concealed cisterns)		PEFC
	ISO 14025: EPD		SNI
	CSTB-NF Certificate (ceramic sanitary ware, bathroom furniture, faucets, concealed cisterns)		WEEE (It is related to electronic components.)
	Made in Germany Label		Interseroh (It is related to recyclable packaging.)
	REACH Declaration		WaterSense
	ACS Certificate		WELS
			TSE (Turkish Standards Institution)*

* Please refer to [Annexes](#) for the complete list of TSE Certificates.

Sustainability Solutions

We aim to provide our users with sustainable solutions, by offering innovative products designed to decrease the amount of water and energy used in common areas and houses.

Water Saving WC Pan

2.5/4 liters dual flush WC and flushing system is one of the Vitra's revolutionary solutions and the world's first WC approved by German Standard Institution (LGA). The system can reduce water consumption up to 60%.



Hygienic Waterless Urinal

Vitra's waterless urinal technology saves a significant amount of water annually and provides superior hygiene at the same time.



BluEco Technology

While conventional approaches to improve water and energy efficiency often involve separate efforts, it is important to recognize that reducing consumption in both areas aligns with the shared objective of minimizing greenhouse gas emissions. In fact, conserving water can directly contribute to energy savings by reducing the treatment requirements of public water systems.

By moving 90 degrees to the left, the BluEco cartridge provides a cold stream of water even when the tap handle is in the middle. Hot water flows when the handle is moved to the left, thereby preventing the unnecessary use of hot water. This energy-efficient design offers significant savings over time.

By diversifying our product portfolio, we aim to strengthen our market position and meet the evolving needs of our customers. To this end, we enhance our product offerings under the BluStep technology. In 2024, we introduced the Flow Series, which includes additional 24 SKUs (EKF) consisting of bath mixers, shower mixers, and sink mixers, as well as 8 additional SKUs (ENG) of sink mixers. This expansion significantly increases the BluStep product range, providing our customers with a wider selection to choose from.



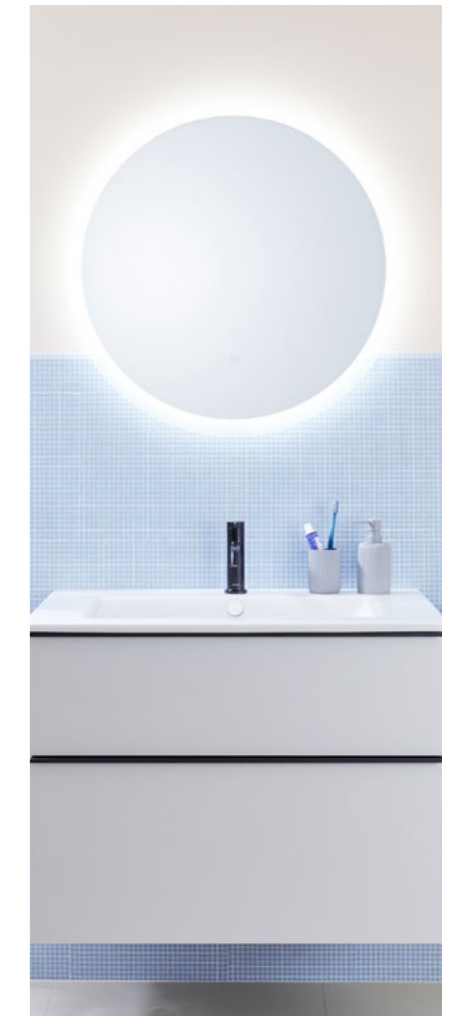
• Touch Free Hand Washing Technology

- 40% of Vitra's touch-free basin mixers use only 1.3 liters/minute of water, reducing water consumption by up to 90%.
- Vitra is continuing to develop its touch-free technology and expand its touch-free product range to increase hygiene in public toilets and reduce excessive water use.
- Vitra's touch-free basin mixers are controlled by a built-in sensor which detects the user and contributes to water saving by stopping the flow as soon as the user moves away from the detection area.



Aquaheat Technology - Thermostatic Bath Mixers

- AquaHeat mixers are equipped with a thermostatic cartridge that ensures a constant temperature chosen by the user for a comfortable shower or bath experience.
- The thermostatic cartridge eliminates the need to adjust the temperature and the risk of scalding due to fluctuations in the water supply temperature. Additionally, it provides a constant temperature and prevents excess energy use.
- The SafeTemp technology, which prevents water temperature from exceeding 38°C, makes AquaHeat mixers ideal for children and elderly individuals.
- The flow control button helps regulate the flow rate, leading to water savings. SafeTouch technology ensures a safer and more enjoyable shower by preventing the body of mixer from getting too hot.



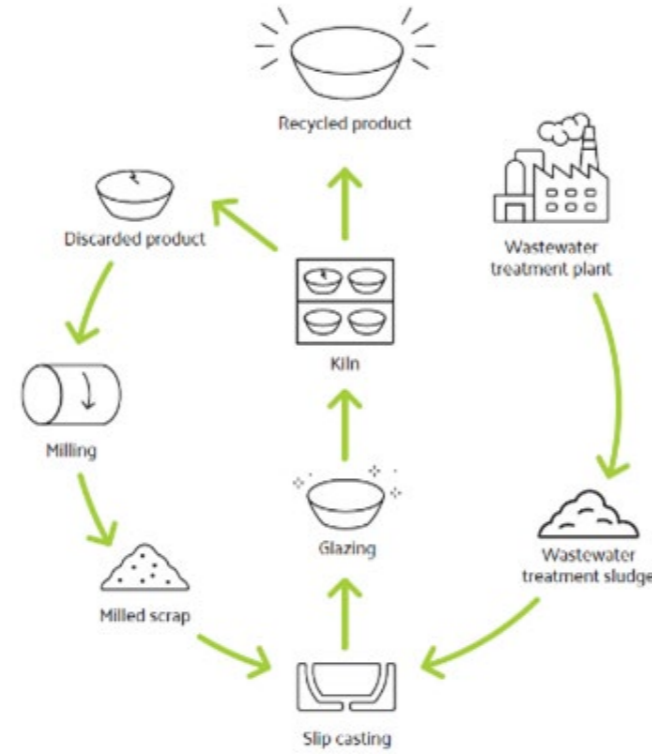
Eqio: certifiably sustainability

Eqio has proved itself as a universally compatible bathroom furniture collection of burgbad brand that is suitable for bathrooms of any size and blends in with a wide variety of styles while providing extremely good value for money. The collection satisfies high expectations in terms of customisability and function as well. It was certified with the Blue Angel in 2020. The range was recertified in 2023. Eqio is a universal talent and has become a top seller as a fast-delivery range thanks to numerous relaunches.

100% Recycled Ceramic Washbasin

Introducing the new Vitra 100% Recycled washbasin, designed with a strong commitment to sustainable living and environmental responsibility. This innovative product significantly reduces Vitra's environmental impact on global warming by 30% per product compared to ceramic washbasins produced without recycled content. Made from recyclable materials, Vitra's eco-friendly washbasin represents our commitment to minimizing waste, conserving resources, and maximizing our contribution to the circular economy. By focusing our production process on the principles of the circular economy, we take control of waste management and implement environmentally conscious designs. At every stage of production, we carefully consider the environmental impact and strive to maintain a positive ecological balance, promoting sustainable living. Designed with environmental sustainability at its core, the Vitra 100% Recycled washbasin marks a significant milestone as the world's first and only 100% Recycled ceramic washbasin. Designed according to circular design principles, this washbasin revolutionizes the circular economy as the first ceramic washbasin in its category to be made entirely from recycled production waste - without the addition of hygienic glaze.

The Vitra 100% Recycled washbasin, the first and only of its kind in the world, reflects our innovative vision and not only saves energy but also increases resource efficiency. These washbasins, born from a recycling journey, save around 5 kg of raw materials per unit and achieve a 38% improvement in electricity consumption. According to the results of internal Life Cycle Assessment by our innovation team carried out in accordance with the ISO 14040:2006 and 14044:2006 standards, the use of recycled materials in production reduces the global warming potential by 30%.



Did you know?



Through the recycling journey of these washbasins, we aim to achieve approximately **5 kg** of raw material savings per product and a **38%** improvement in electricity consumption.

Minimizing Our Environmental Impact On



Global Warming
by **30%**



Fossil Fuels
by **30%**



Ozone Layer Depletion
by **16%**



Human Toxicity
by **27%**



Perspective of Our Stakeholders



Halil Durgut
EBPB
Labourant

While billions of dollars are spent to improve the world, trillions of dollars are spent to pollute it. Eczacıbaşı aims to reduce its environmental impact with zero waste target in all sectors. Our 100% recycled washbasin project developed in this context is the first and only one in the world. This project, one of the world's leading projects in its field, was realised with the devoted efforts of the entire team.

R&D processes at Eczacıbaşı involve an unlimited development process for the employees, each project adds new knowledge and vision to the employees, and the importance attached to the ideas of each unit makes our excitement to work continuous. The dissemination of forward-looking technologies that we can ensure resource efficiency and the increase in continuity projects make a significant contribution to our journey towards transition to a low-carbon economy.

VitrA launches new collections at its 20th stand at ISH Fair

This fair marked a pioneering step for VitrA as the first fair to dedicate a specific area to sustainability. We presented our nine pillars of sustainability approach, accompanied by a film that focused on sustainability. We've focused on defining what constitutes a sustainable bathroom. Comprehensive breakdown of the sustainable bathroom definition from ISH:

- Natural / recycled materials
- Certified supply chain
- Long-lasting design
- Zero waste bathroom
- Products to use less paper, water, energy, and detergent such as Water saving taps and fittings, Dual flush toilets, Touchless taps, Water-saving flush
- Hygienic benefits



Inclusive Design and Products

Each year, we proudly deliver a multitude of products to customers worldwide. We recognize the significance of creating a bathroom experience that caters to the hygiene and wellbeing of all individuals, regardless of age, gender, ability, or condition. At the heart of our philosophy is the belief that every user deserves equal levels of comfort in the bathroom. This is why we wholeheartedly embrace the principles of Design for All in our design process, ensuring that our bathrooms adapt to people's evolving needs throughout their lives. Our approach centers around accessible, safe, functional, and respectful bathroom design.

To further advance our commitment to inclusive design, we collaborated with the Art & Design and Health & Social Care Research Centers at Sheffield Hallam University's Lab4living. Together, we conducted research involving older individuals from local communities in Sheffield. The objective was to identify the challenges associated with bathroom use in later life and shape the design of our bathroom products to create a better bathroom experience for everyone.

The outcomes of this research serve to address these complex issues while highlighting the benefits of inclusive bathroom space design. The research provides valuable insights into key cognitive, physical, and technical considerations that should be considered when designing, remodeling, or redecorating bathrooms.

As society continues to age, the importance of designing inclusively to support the concept of 'aging-in-place' becomes even more apparent, presenting a compelling case for adopting inclusive design principles. The guide we have developed offers inclusive and aesthetically pleasing solutions that cater to specific needs without stigmatizing anyone.

For more information, please refer to our guide on [Inclusive Bathroom Design](#).



At ISH, VitrA also launched QuantumFlush, a new flushing technology for toilets based on the principle of laminar flow. QuantumFlush, a revolutionary flushing technology based on the principle of laminar flow, optimizes water energy for superior cleaning performance. The design features a high momentum manifold with 3 outlets that convert turbulent water flow into smooth laminar flow, minimizing energy loss and enhancing performance. This results in a 120% improvement in flush performance, reduces turbulence and splashing, and provides 2x more hygienic and 7x more silent toilet experience. Certified by Quiet Mark.



Waste Management

As the global population continues to grow, the consumption of materials and the generation of waste have witnessed a significant surge, making waste management an increasingly complex global challenge. Over two billion tons of municipal solid waste are produced globally every year. Projections suggest that the rate of waste generation will increase at more than twice the pace of population growth, highlighting the urgent need for intervention.⁷

We are committed to extracting the maximum value from our production outputs and preventing them from becoming waste at the end of their life cycle. We continued to focus on waste recovery and exploring new avenues for repurposing our manufacturing waste such as reusing our hazardous waste to better our impact on the environment.

Recognizing the environmental risks associated with landfilling waste, we are dedicated to managing the disposal of our waste streams and strive to enhance the circularity of our material flows. Embracing the concept of “nothing goes to waste,” we define waste as valuable materials that are simply located in the wrong place. With this perspective, we are committed to extracting the maximum value from our production outputs and preventing them from becoming waste at the end of their life cycle.

Our ultimate goal is to send zero waste to landfills. Towards this end, our approach centers around establishing closed-loop systems that maximize the value extracted from materials during their use,

followed by recovering and reusing through internal or external industrial symbiosis initiatives, and recycling them as a final resort.

The waste streams during our operations include industrial outputs, metals, cardboards, and other materials, consisting of both non-hazardous and potentially harmful waste. We employ a wide variety of technologies to make sure our wastes are handled and managed responsibly. Meanwhile, we carry out various projects and collaborations to ensure that our waste use is constantly compatible with the environment in a way that causes the least harm to the environment. Our waste management system is comprehensive, encompassing efficient implementation, monitoring, information flow, and reporting. Throughout 2023, we continued to focus on waste recovery and exploring new avenues for repurposing our manufacturing waste such as reusing our hazardous waste to better our impact on the environment. A total of **83,034 tons** of waste were generated this year, with 90% ✓ recovered and recycled. In accordance with this information, we are pleased to report that our recycled waste ratio has increased by **6.24%** compared to the previous year.

90% ✓ of generated waste was recovered and recycled.



Industrial Symbiosis

We continued to utilize our output in both internal and external symbiosis activities. This year, we reused 2,367 tons of waste Fine Fire Clay (FFC) product scraps in our production processes. As part of our external symbiosis initiatives, we sent **27,180 tons** of industrial sludge, generated in the wastewater treatment plant at our Bozüyük facility, to our adjacent tiles facility for utilization as an alternative raw material in tile production. We also engage in collaborations with partners from the cement industry. In 2023, we contributed **8,858 tons** of waste plaster molds, **33,339 tons** of waste ceramic products, **1,100 tons** of core sand for reuse in cement production.

Reuse of Hazardous Waste

We collaborate with waste management companies to responsibly dispose of hazardous waste generated in our factories. In 2022, we commenced recycling and reusing certain types of waste, and this initiative continued with the sale of four different waste materials in 2023. Furthermore, we are investigating the potential for refining hydraulic oil through specialized facilities. Sustainable waste management aligns with the green growth objectives of many countries and is centered around the efficient utilization of resources and waste disposal that considers both economic and environmental benefits.

This initiative enables us to identify and segregate hazardous waste materials such as electronic waste, contaminated packaging, hydraulic oil, and polishing/sanding brushes. Instead of disposing of these materials, we process them for sale and reuse. As a result of this project, we have successfully achieved a total cost saving of €3,574. Our objective is to achieve a further increase in this cost saving to €5,843 in the coming period.

We contributed **8,858 tons** of waste plaster molds, **33,339 tons** of waste ceramic products and **1,100 tons** of core sand for reuse in cement production.



Reuse of MDF Scraps

We launched a project to reuse **Medium-Density Fiberboard (MDF)** scraps in our production processes. With this project, we utilized the MDF waste generated in the production of our Bathroom Furniture factory as a sub-support material for bathtub production in our Washing Areas factory. Thanks to this approach, reuse of waste was ensured by enabling more efficient use of resources. We achieved cost savings of €11,685 and conserved 9,169 m² of MDF material.

9,169 m² of MDF material was conserved by utilizing MDF waste.

Minimizing Waste in our Showrooms

We have implemented multiple projects in our Intema stores throughout the year to reduce resource usage and minimize waste generation. Specifically, we prioritized the digitalization of our processes to reduce paper consumption. This involved implementing digital order outputs with electronic signatures, using digital price tags, and utilizing the Octet system for payments to reduce the need for paper receipts and photocopies. Additionally, we have implemented waste management practices in our stores by segregating PET bottles, paper, and other waste materials in recycling bins. Furthermore, we are actively sending recyclable display materials to recycling facilities.

⁷ [Global Waste Management Outlook 2024](#)



5

Investing in People

As we embark on our sustainability journey, we understand that inspiring our workforce is a vital starting point. We strongly believe that investing in our employees is essential for both our economic success and sustainability goals, allowing our business to flourish.

At Eczacıbaşı Building Products-EBPB, our aim is to attract, develop, and retain talented individuals. By doing so, we not only build a skilled workforce critical for our success, but also empower employees in their career journeys. Our comprehensive upskilling and reskilling programs ensure continuous development, as EBPB prioritizes the personal growth of every team member.

Our commitment to investing in people goes beyond our internal operations. We actively extend this commitment to the communities in which we operate, working to create sustainable and meaningful change by promoting economic growth and development. We strive to raise awareness and develop solutions for global challenges such as sanitation, hygiene, water conservation, and climate action.

Equal Opportunity	130
Equal, Diverse and Inclusive Workplace	132
Attracting, Developing and Retaining Talent	138
Health & Wellbeing	154
Health, Safety and Wellbeing	155
Corporate Wellbeing	156
Wellbeing and Hygiene	158
Community and Social Vitality	160
Social Investment	160

Investing in People 2023 Highlights



Equal Opportunity

We place a strong emphasis to monitor our equal, diverse, and inclusive workplace objectives to create an environment where every employee has the opportunity to reach their full potential, and achieve personal and professional success, regardless of gender.

55.6%

women among new recruits ✓

38.9%

total share of women in employment ✓

20 women employees in STEM positions

75 women in revenue generating positions

41.9%

share of women in management positions ✓

Scholarship for Women Engineers

At EBPB, we are committed to supporting both our current and future female employees through various projects, one of which is the Vitra Scholarship Program. This program enables us to reach out to economically disadvantaged communities and address the unique educational and professional challenges that women face in STEM fields.

Attracting, Developing and Retaining Talent

It is crucial for us to inspire and enable our global employees to develop the necessary skills for both the present and the future.

Eczacıbaşı Group embraced **Leadership Behaviors** aligned with Group strategies, foundational and transformative values, strengths that contributed to its achievements, competencies required for the future, and universal leadership principles.

We provided each of our employees with an average of **35 hours**, with the average training hours per talented employee were **26 hours**. In 2023, **39.7%** of our training sessions were technical, while **39,1%** focused on behavioral training.



Health and Wellbeing

At EBPB, Eczacıbaşı Building Products - Bathroom (EBPB) is deeply committed to prioritizing the safety, health, and wellbeing of its employees, their families, the social environment, and stakeholders.

0.86

Lost Time Incident Rate ✓

2.21

Total Recordable Incident Rate ✓

24.33

Total training hours given to employees in OHS

12.69

Average training hours per employee in OHS

Our commitment to occupational health and safety is evident through our substantial investment of more than **€1.5 million** focused on behavioral training.

We launched the **Small Matter of Balance** program in partnership with Wellbees, to enhance employee wellbeing by addressing their health, wellness, and overall happiness. **431 active users** benefiting from its wide range of modules and services.



Community and Social Vitality

We commit to conducting research to identify the critical issues facing communities and develop solutions to address these challenges, actively participating in events and projects that contribute to social and cultural development.

€14,335

investments in volunteering activities



31 young people completed **320 hours** of training of **Climate Champions**.



Our Volunteer Pool initiative aims to foster a sense of community and social responsibility among our employees by providing them with opportunities to volunteer with civil society organizations.



Equal Opportunity

At EBPB, we recognize that effectively addressing sustainability challenges requires the inclusion of diverse perspectives from high-skilled, healthy, safe, and innovative individuals on board. Recognizing the importance of humancentric frameworks that foster enduring sustainable value, we are dedicated to empowering our employees and fostering a culture of diversity and inclusion. We are committed to providing equal opportunities for all individuals, irrespective of their gender, physical attributes, political affiliations, or religious beliefs.

At EBPB, we place a strong emphasis on the power of diversity and have a strong commitment to fostering a culture that embraces diversity and inclusion across our organization. We are committed to ensuring balanced gender representation within our governance bodies.

Eczacıbaşı Group places great importance on global inclusion and diversity and is deeply committed to developing human resource strategies and practices that align with internationally recognized standards. To demonstrate this commitment, the Group became a signatory of the United Nations Global Compact (UNGC) in 2006 and the Women's Empowerment Principles (WEPs) in 2013. In line with these principles, we evaluate all our projects, operations, and practices through a gender-balanced perspective and actively support the integration of women in all aspects of our company through various initiatives.



EBPB Ceramic Sanitary Ware Factory



At EBPB, the "ALLforALL" Equal Opportunities Committee, operating under

the umbrella of the Eczacıbaşı Group's Sustainability Working Groups, is led by our CEO as co-chairman and consists of human resources representatives from companies within the Group, is responsible for our endeavors in execution of initiatives. This committee is instrumental in implementing and executing our approach to equal opportunity processes and initiatives. Through adherence to international and national standards, the Committee plays a pivotal role in advancing our overall objectives and enhancing our human resources management practices.

Our commitment to providing equal opportunities is reinforced by the Group's [Gender Equality and Equal Opportunities Policy](#), which was approved by our Board of Directors and guides our approach and strengthens our dedication. The Group's success depends on directing innovative thinking and creativity towards the right objective. We believe this can only be achieved in an environment where diverse ideas are presented, openly discussed, and implemented. In 2023, our policy was reviewed and evaluated by the Equal Opportunity Committee.

In line with this, we maintained our commitment to our pledges. With our unwavering determination, we align our efforts with the strategic framework established by the Group, ensuring that our suppliers and business partners also adhere to the comprehensive guidelines outlined in the policy.

Equal, Diverse and Inclusive Workplace

We firmly believe that by cultivating an environment where equality, diversity, and inclusivity flourish, we are better equipped to address complex challenges and seize emerging opportunities. Through actively promoting diversity in all its forms, we harness the collective strength of diverse perspectives, experiences, and backgrounds, which fuels innovation, creativity, and sustainability within our company.

We guarantee equal opportunities throughout all human resources processes, including performance measurement and evaluation, career planning, performance rewards and promotions, training and development programs, and dismissals. We understand that achieving a sustainable future requires enabling women to participate as equals in all spheres of life. Therefore, in recruitment and promotion decisions, we evaluate the suitability of candidates' qualifications for the position. To enhance employment opportunities for women, we are proactively collaborating with various women-related associations, official institutions, İş-Kur, and NGOs. Our initiatives include directing vocational high school interns towards female employment, ensuring female candidates are considered in all applicant pools, and closely monitoring monthly female recruitment proportions. Each department within our organization has set specific targets for increasing the number of female employees, reflecting our commitment to gender diversity.

We have aimed specific initiatives and program aimed at fostering the professional growth and advancement of women within our organization. Our objective is to increase the representation of women in employment to 41%, with new recruits comprising 53% women, and women in management positions to 43% by the end of 2025. Through our dedicated efforts, we have already made significant progress towards these goals. We have increased the share of

women among new recruits from 50% to **55.6%** ✓, the total share of women in employment² from 38% to **38.9%** ✓, and the share of women in management positions³ from 40.3% to **41.9%** ✓, compared to 2022.

Moreover, having women in STEM and revenue-generating positions is a significant step towards gender equality. Providing equal opportunities reduces gender-based discrimination and creates a fairer work environment. Successful women in STEM and revenue-generating roles act as role models for young women, inspire more women to pursue careers in these fields and set their career goals accordingly.

In line with this commitment, at EBPB employed **20 women** in STEM positions, representing a **14.29% increase** compared to the previous year and **75 women** in revenue-generating positions, representing a **3% increase** compared to the previous year.

We conducted recruitment campaigns in our region to offer job opportunities to citizens affected by the disaster, who lost their jobs and relocated to our area.

Women are offered every opportunity to take on decision-making executive roles at senior levels of our management structure, supported by development and support programs. Furthermore, we empower blue-collar employment by fostering a structured career trajectory for our blue-collar workforce while ensuring their seamless integration into their roles with comprehensive onboarding training program of newly hired employees and developing a pool of skilled team leaders equipped with both technical and behavioral competencies. Additionally, reflecting our commitment to gender equality and supporting women in the workforce, we conducted recruitment campaigns in our region to offer job opportunities to citizens affected by the disaster, who lost their jobs and relocated to our area. In collaboration with İş-Kur, private employment offices, and other public institutions, we facilitated employment for earthquake victims. Notably, **38% of these employment opportunities** were provided to women.

² Includes white collar employees with fixed and indefinite term contracts.

³ Includes managers and higher management positions, board members are excluded.



Promote the empowerment of women

In our unwavering commitment to the empowerment of women in the region, we prioritize investing in the skill development of our community. To ensure the sustainability and success of community organizations, we enhance women's roles by investing in their academic skills, thereby contributing to the region's long-term sustainable development. By doing so, we regularly conduct training sessions for women.

Inclusive Work Environment

As part of our commitment inclusive work environment, we have taken significant steps to address the specific needs of our women employees:

- We improved transportation routes at our Eskişehir location, tailoring services to better suit the needs of our women employees. Additionally, recognizing the importance of supporting new mothers, we have established breastfeeding rooms.
- We initiated efforts to improve conditions in sections predominantly staffed by women, focusing on the preparation of load-lightening equipment for pressurized and classic casting sections. Furthermore, we have begun comprehensive ergonomic studies, created a risk map and score system for workstations across the factory to identify and mitigate ergonomic risks.

Did you know?



The Vitra Scholarship Program has granted scholarships to 39 female engineers since it began, highlighting our commitment to supporting and empowering the next generation of women in engineering.

Scholarship for Women Engineers

At EBPB, we are committed to supporting both our current and future female employees through various projects, one of which is the Vitra Scholarship Program. This program enables us to reach out to economically disadvantaged communities and address the unique educational and professional challenges that women face in STEM fields.

Since its launch in 2019, the Vitra Scholarship Program has provided valuable scholarship opportunities to female engineering students enrolled in specific departments at selected universities. In addition to financial support, fourth-year students in the program receive mentorship from experienced female administrators within our organization.

As part of our ongoing efforts, we prioritize scholars from the program in both our internship processes and recruitment activities. By giving them preferential consideration, we ensure that they have access to promising career opportunities within our company. Moreover, we provide them with invaluable feedback on the hiring process, helping them identify areas for improvement and further enhancing their skills and capabilities.





Human Rights and Union Rights

At EBPB, we prioritize the wellbeing and rights of our employees by strictly adhering to Eczacıbaşı Group's [Human Rights Policy](#), which is in line with international and national standards. Our commitment is to create a work environment that is peaceful, safe, transparent, equitable, honest, fair, and dignified. We aim to foster high employee engagement and provide equal opportunities for all. Consistent with our Group's values, we maintain a non-discrimination policy throughout the recruitment process and subsequent human resources procedures, ensuring that no individual is subjected to discrimination based on race, color, sex, religion or denomination, marital status, sexual orientation, sexual identity, political views or membership, ethnic identity, health status, familial obligations, domestic violence, economic status, union activities or membership, physical disabilities or age.

We have a zero-tolerance policy towards child labor, forced labor, and compulsory labor, actively working to prevent and eradicate such practices within our company and with our business partners. Furthermore, the Group's core principles emphasize ethical standards and the protection of human rights, influencing every aspect of our employees' journey, from recruitment to career development. Aligned with the Eczacıbaşı Group, we offer a comprehensive range of benefits to our employees, including support for marriages, assistance with meals, transportation allowances, pre-primary education fee, health insurance with birth coverage and generous maternity/paternity leave.

We value and respect the rights of our employees to unionize and organize, recognizing their freedom to exercise their union rights. We actively cultivate positive and productive relationships with labor unions, understanding the importance of collaborative engagement. As a member of the Turkish Employers' Association of Metal Industries (MESS) and the Glass, Cement, Ceramic, and Soil Industries Workers' Union of Türkiye (ÇİMSE), authorized labor unions representing workers in our industry, we strive to ensure that the voices and interests of our employees are effectively heard and represented.

Additionally, political activism is not only a constitutional right but also an internationally recognized human right. At Eczacıbaşı Group companies, we uphold our employees' constitutional right to engage in legal political activities individually and voluntarily. We maintain neutrality regarding political views or ideologies and prohibit the use of company resources to support political parties, candidates, or movements. Activities such as promotions and donations cannot be utilized for political purposes, and political propaganda or endorsements of party candidates are strictly prohibited on company premises. Our Code of Conduct emphasizes that employees refrain from involvement in managing any political party. For more information, please refer to [Ethics and Compliance](#). Furthermore, the Group does not tolerate any human rights violations. We ensure that no such violations occur, and in line with our efforts in 2023, **there were no instances of human rights violations** at EBPB.

Literacy Mobilization – Public Education

Our commitment to gender equality extends to the communities we serve. To enhance employment opportunities for women, last year we partnered with the Bozüyük Public Education Center under a three-year protocol supported by the Bilecik Governor and District Governor. Initially, we raised awareness by displaying engaging posters throughout Bozüyük, encouraging illiterate women to enroll in literacy courses. These courses empower women by providing essential skills and knowledge. Upon completing the courses, we offer employment opportunities to graduates who meet our basic recruitment criteria. Since the protocol's signing, **21 women** successfully completed the courses. This initiative creates a supportive environment, addressing the needs of our female workforce while promoting education and employment.

Our Remuneration Approach

As part of the Eczacıbaşı Group, we are firmly dedicated to promoting the principle of "equal pay for equal work." This commitment is deeply rooted in our core values and is supported by a comprehensive assessment of several factors, including business volume, performance, contribution to activities, knowledge/skills, and competencies.

Did you know?

We have improved working conditions for women by appointing female representatives through union negotiations, ensuring our female employees can voice their concerns and needs.

Our remuneration policy has been developed with the objective of attracting and retaining talent with the desired qualifications. In order to achieve this, we have implemented strategies that promote intra-company and inter-company salary balance, while maintaining market competitiveness.

Our remuneration policy directly supports the achievement of our company's objectives by motivating employees and enhancing their loyalty. This approach ensures fairness and equality in the workplace, which appeals to talented individuals who prioritize these principles.

Eczacıbaşı Group's Human Rights Policy address the following areas:

- Prevention of Child Labor and Forced Labor
- Zero Tolerance for Violence, Discrimination and Harassment
- Equity, Diversity and Inclusion
- Healthy and Safe Working Environment
- Work Conditions
- Supporting Employee Development
- Protection of Privacy
- Right of Organization and Collective Bargaining
- Taking part in Political Activities

Attracting, Developing and Retaining Talent

With a workforce spanning across more than 5000 individuals in over 10 countries, it is crucial for us to inspire and enable our global employees to develop the necessary skills for both the present and the future. We firmly believe in providing all our employees with ample opportunities for continuous learning and growth, ensuring that they can unleash their unique potential.

Our primary focus lies in attracting, nurturing, and retaining exceptionally talented individuals. By doing so, we not only cultivate a skilled workforce but also empower our people to contribute to our business success. To accomplish this, we remain proactive in anticipating and addressing the evolving needs of both society and our industry. At EBPB, we prioritize the personal development of each employee, implementing comprehensive upskilling and reskilling initiatives. These programs aim to equip our employees with new and relevant skills that are essential for adapting to our dynamic needs and expectations. By continuously learning and developing, our employees not only enhance their sense of belonging within the EBPB community but also maximize their impact in their respective or potential roles.

We recognize that a constantly evolving environment necessitates proactive measures to nurture the potential of our workforce. By investing in their growth and providing them with the necessary tools and resources, we ensure that our employees are well-equipped to navigate the challenges and opportunities that lie ahead.

Recruiting and Retaining Talent

In line with the principles of the Eczacıbaşı Group, we maintain a rigorous and standardized recruitment process. We utilize a range of selection tools that have been scientifically validated, ensuring their reliability and accuracy in assessing candidates. Our recruitment team meticulously applies and interprets assessment data to ensure fairness and objectivity throughout the process. We believe in providing a level playing field for all candidates, free from any form of discrimination or bias. Our selection criteria are solely based on the competencies and values that align with our organization and position, ensuring that every candidate is evaluated fairly and consistently. By upholding these recruitment

Future of Work

In response to evolving workforce expectations and to attract a diverse range of talents, we have redesigned our working models to maximize flexibility. After a detailed assessment of job roles across our organization, we introduced tailored working arrangements, including office-based, hybrid, and fully remote options. To ensure a seamless transition and ongoing support, we provide our remote employees and their managers with essential resources, such as ergonomic support and financial assistance for communication expenses, alongside comprehensive health, and safety guidelines. This approach is designed to maintain high engagement and productivity levels, regardless of the working environment.

We have **redesigned our working models** to **maximize flexibility.**



practices, we aim to attract and identify the most qualified individuals who will contribute to our organization's success while promoting diversity and inclusivity in our workforce.

In 2023, the ratio of employees who left voluntarily remained at 8%, even though our overall turnover rate was recorded 13% that showed insignificantly increased from the previous year. While we recognize the value of attracting external talent to meet evolving needs, our primary focus remains on fostering internal mobility and advancing opportunities within our existing workforce. Through our internal career's portal, we prioritize transparency and provide convenient access to growth opportunities for all employees. Encouraging exploration of new roles and career paths within the organization is central to our strategy, allowing us to leverage the diverse talents and skills

present within our workforce. Similarly, our intern talent pool initiative aims to fill entry-level positions with talent from across the Group, enhancing both professional development and organizational agility. These initiatives not only support employee satisfaction but also enable us to effectively mobilize internal talent across various areas of our organization.

Following our annual tradition, we collaborated with several universities to plan activities that draw in young talent. Moreover, in 2023, as part of our initiative to promote recognition and appreciation, we organized the "How About Making a Friend Happy?" event. During this event, we wrote challenge sentences on slips of paper and placed them in a jar. Participating employees enjoyed a pleasant time and prizes were awarded to the winners.





Performance Management and Employee Engagement

Performance evaluations and career progression assessments are crucial for fostering the personal growth of our employees and optimizing EBPB's human resources. We recognize the critical role that employee involvement plays in achieving our company's goals and sustainable success. Consequently, we view employee engagement and performance evaluation as related components and take steps to strengthen their feeling of identity within the company.

As a company committed to prioritizing motivation, we support our employees to participate in management mechanisms through activities such as performance evaluations, direct access to management, strategy meetings, innovation and entrepreneurship teams and the suggestion system implemented within the company.

We know that creating an engaged work environment is one of the cornerstones in improving our success. In order to increase the engagement of our employees, we emphasize the importance of transparent and regular communication between senior management and our employees. Based on the feedback we receive from our employees, we aim to continuously improve our communication and information sharing using the Caring Communication approach. We systematically track this with a structured communication plan. In this way, we aim to increase both employee satisfaction and the overall performance of our business. In this context, we ensured the interaction of our company with our employees through various incentive programs in the reporting period.

In 2023, the Eczacıbaşı Group embraced **Leadership Behaviors** aligned with Group strategies, foundational and transformative values, strengths that contributed to its achievements, competencies required for the future, and universal leadership principles.

Crafted with the collective wisdom of Eczacıbaşı leaders, these behaviors will shape every Eczacıbaşı Group employee's approach to themselves, their team, and their business. The roll-out process of Leadership Behaviors, anchored in a feedback culture, entailed comprehensive training sessions on effective feedback for all management teams. Within the 360-degree and competency evaluation processes, which integrate leadership behaviors. The launch of the Leadership Behaviors for the Eczacıbaşı Building Products management team took place on October 2023, during the "Future Summit", with a presentation by the CEO of the Bathroom Group, Özgen Özkan. The launch for employees in Türkiye occurred on November 2023, while for international employees, it took place on January 2024, moderated by MCT Consultant Gözde Berber Özbabalaban and presented by CEO Özgen Özkan.

Eczacıbaşı is in the process of redesigning its human resources systems to cater to specific needs, promote integration, and enhance the employee experience. Ensuring seamless connectivity, the Group has interconnected career, development, performance, and feedback processes, harnessing cutting-edge technologies. Aligned with this vision, the Eczacıbaşı Talent Hub digital platform has been introduced, offering employees a unified platform for accessing their career and development pathways. This platform is equipped with multilingual support and is accessible across all geographical regions where Eczacıbaşı operates.

Furthermore, we provide performance-based incentives, including the "First Level Rewarding Project," which specifically targets white-collar employees at the first level managerial positions (e.g., team leaders, group leaders). Under this initiative, teams set objectives, and measurements are conducted using key performance indicators (KPIs) that contribute to value creation within the organization. Departments that meet their targets receive monthly success bonuses in accordance with the principles outlined in the program.

Talent Development

The core of our talent management approach revolves around building a cohesive, motivated, and skilled workforce that embraces teamwork and takes on leadership responsibilities to achieve our company's goals. At EBPB, we recognize the importance of providing current employees with opportunities to upskill, re-skill, and gain new experiences. Much of this employee development occurs through on-the-job learning and participation in projects alongside their regular responsibilities. To unlock our employees' potential, we offer effective training and personal development initiatives.

In 2023, we provided each of our employees with an average of **35 hours**, with the average training hours per talented employee were **26 hours**. In 2023, **39.7%** of our training sessions were technical, while **39.1%** focused on behavioral training. Of the total training provided, **79.3%** was delivered synchronously, either in physical or virtual classrooms, and **20.7%** was asynchronous, utilizing online platforms. This year, we integrated development plans and competency assessments into our training processes, enhancing the impact of our educational initiatives. We have also introduced an extensive training catalog with nearly 258 different courses. Through these training programs, we are committed to promoting the professional development of our employees and ensuring that they are well-prepared to succeed in their current or future roles.



• Leaders of Future

This program focuses on employees in the initial stages of their careers, specifically those within the first two years and holding junior specialist roles. The program is designed to prepare these emerging leaders with essential skills, blending technical knowledge with behavioral competencies, to foster their development as future leaders of the organization. In 2023, as part of the training series, our early-career employees had the opportunity to learn from both expert directors and managers within Eczacıbaşı Building Products. They not only listened to the processes of EBPB but also learned about the technical aspects of our business from specialists in areas such as design and sustainability.

• Language Classes

Our company is committed to fostering a globally competent workforce as we expand internationally. Hence, we provide extensive support for our employees to enhance their foreign language proficiency. We offer structured English and German language courses, along with continuous practice sessions and access to language learning platforms like Busuu.

• First 90 Days Program

Our 90-day training program, tailored for newly appointed senior managers and directors, begins, and ends with 15 days (about 2 weeks) of comprehensive company orientation. The intervening two months focus on advanced business education at renowned institutions such as Columbia, MIT, or Tuck Universities. This program is designed to equip participants with essential leadership skills and a thorough understanding of our organizational culture and strategic goals, ensuring they are well-prepared for their roles.

• Operations Leaders Development Program

Developed in collaboration with Sabancı University, this year-long program offers mini-MBA training to department and operations managers. It features eight modules designed to enhance technical, behavioral, and managerial competencies. Participants engage in projects, a final exam, personal consultancy, reflection sessions, Capsim simulation, sustainability simulation, and webinars on current issues. The program aims to provide a comprehensive learning experience, fostering both personal and professional growth.

• Manage To Be Leadership Program

This extensive learning and development initiative aims to encourage Eczacıbaşı's leadership pipeline, ensuring the organization's sustainability. It prepares leaders for management roles, either prior to or shortly after their appointment. Utilizing a blend of synchronous and asynchronous learning techniques, this program helps participants refine their leadership abilities, equipping them with the necessary skills to thrive in their new positions.

• Retail Academy

This talent development program specifically aimed to enhance the technical and personal competencies of our retail store teams, aligning with the company's strategic vision. Through this initiative, participants gain essential knowledge and skills that empower them to excel in their roles, fostering both their professional growth and their capacity to contribute to the company's overall success.

• Vitra Sales School

This intensive one-year training program is designed specifically for the Sales Department, aiming to equip sales teams with the essential skills and mindset needed to drive business growth and enhance personal development. The program aims to empower participants to excel in their roles and make a significant impact in the sales field, all while maintaining a strategic and innovative approach that aligns with the company's values.

• Agile Awareness Program

This program, designed for all non-managerial employees, focuses on improving digital competencies and fostering awareness of digital transformation. Participants will gain a comprehensive understanding of agile methodologies and acquire the essential skills to thrive in a digital workplace.

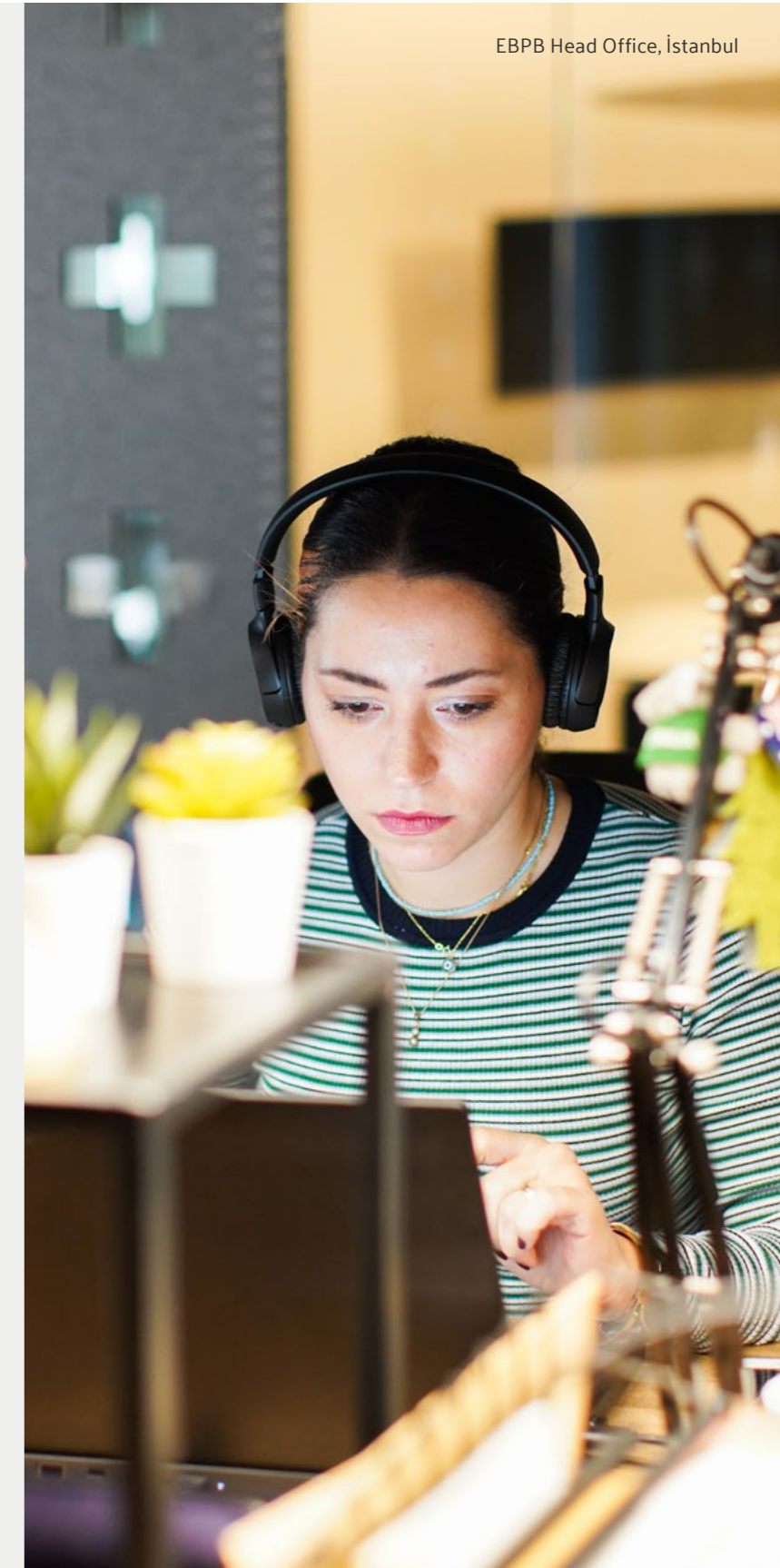
• Purchasing Certification Program

This program is specifically designed to enhance the professional development of purchasing employees by updating their knowledge and transforming the purchasing function into a more specialized expertise. Participants will acquire the necessary skills and knowledge to excel in their roles and contribute to the advancement of the purchasing function within the organization.

• Parakademi

This year-long multidimensional training program is specially designed for the Finance Department, with a focus on developing finance teams capable of driving impactful outcomes through continuous improvement and strategic innovation. The program aims to cultivate a strategic and innovative mindset that aligns with the company's values, empowering participants to create a substantial impact on both business and personal growth.

EBPB Head Office, İstanbul





• Master of Marketing

This year-long comprehensive training program is specifically designed for the Marketing Department, focusing on equipping all marketing teams with the skills and knowledge needed to drive business growth and foster continuous personal and professional development. The program emphasizes cultivating a strategic and innovative mindset aligned with the company's core values, empowering participants to make a significant impact in their roles.

• Leader in the Field

This program is designed to enhance the Business Management, Team Management, and Self-Management competencies of technical operations and business support employees who oversee blue-collar teams. Participants will develop essential leadership skills, including resource allocation, project planning, and decision-making. The program focuses on team management, communication, conflict resolution, and self-management to empower participants to become effective and confident leaders in their field.

• Project Management

This program is designed to provide participants with comprehensive knowledge and expertise in project management, utilizing computer-aided techniques such as MS Project. Through practical examples and exercises, participants will develop a deep understanding of project management processes, tools, techniques, and industry standards.

The program is designed to specialize individuals in project management and prepare them for international project management certifications. It covers project management principles according to the Project Management Institute (PMI) and includes guidance for the Project Management Professional (PMP) exam, along with sample question solutions to assist in exam preparation.

• Effective Communication and Presentation Techniques

These online seminar series are specifically tailored for professionals working in Operations Departments, aiming to enhance their communication skills, mitigate communication mishaps, and improve their ability to deliver professional presentations. The series covers various aspects of effective communication, including verbal and non-verbal communication techniques, active listening, structuring, and delivering presentations, and handling Q&A sessions effectively.

• NX Training Program

With the goal of equipping design and engineering employees with the necessary skills to develop products efficiently and cost-effectively, this program focuses on utilizing NX CAD/CAM/CAE software. Designed specifically for design and R&D employees, the program aims to enhance proficiency in product design, engineering analysis, and manufacturing processes using advanced computer-aided design, manufacturing, and engineering tools. Participants will gain hands-on experience in designing, simulating, and optimizing product models, ensuring they can deliver high-quality products that meet industry standards and customer requirements.

• Business Technologist Program

Business Technologist Program, tailored for 27 participants who were colleagues from various business areas outside the IT department. This initiative was designed to empower individuals who may not necessarily have had an IT background but possessed a keen willingness and ambition to learn and integrate technology into their respective domains. The program encompassed a comprehensive range of activities aimed at fostering a deeper understanding of technology and its application within diverse business contexts. Participants engaged in use case analyses, presentations, and specialized training sessions, including immersive workshops on Power BI, aimed at equipping them with the necessary skills and knowledge to leverage technology effectively within their functional roles. Our approach recognized the importance of versatility, blending functional expertise with technological proficiency to drive innovation and efficiency across the organization. Through the Business Technologist Program, participants not only expanded their technical acumen but also enhanced their ability to contribute meaningfully to the digital transformation journey of their respective business areas.

• VitrA Academy - New Joiner

New technical training module was introduced with our technical internal trainers. The training sessions were completed from November to December 2023. All white-collar employees who started working at the CSW Bozüyük campus until October 2023 were included in the training program.

Sustainability Academy

The Sustainability Academy, designed in collaboration with **Yuvam Dünya**, aims to elevate sustainability awareness among all our employees. This six-month program features monthly modules focused on key sustainability topics, ensuring comprehensive education and engagement. By participating in the academy, employees will gain valuable insights into sustainable practices, empowering them to contribute effectively to our overall sustainability goals. Within the program, a total of **904** employees participated across 6 modules. The program achieved an **85%** participation rate.

In addition to our ongoing activities, we have developed various projects at our burghad location this year:

• Restructuring of the Apprenticeship Program

Germany's apprenticeship program started a significant restructuring, marked by the establishment of collaborative efforts between HR departments and divisions responsible for apprentice supervision. This cooperative framework aims to enhance the support and guidance provided to apprentices throughout their training. A notable aspect of this approach was the introduction of individual projects tailored to bolster the development and motivation of apprentices. These projects were designed to offer apprentices unique opportunities for growth, aligning with their interests, skills, and career aspirations. By tailoring experiences to individual needs, the program aims to foster a more engaging and enriching learning environment, empowering apprentices to thrive in their chosen fields.

• Structured Development Discussions

Since 2023, all employees have participated in annual development discussions, a practice set to expand to include the industrial sector starting in 2024. These discussions serve as a platform for organizing central training programs implemented since 2023.

• Training and Development Initiatives in burghad

In 2023, the introduction of the self-learning platform “Masterplan” revolutionized our approach to professional development. Additionally, complimentary access to the language learning platform “Babbel” was provided, aimed at enhancing language proficiency across the organization. For specialized roles such as “Fachwirt,” rigorous monitoring of training effectiveness was implemented, with a focus on promoting targeted further training opportunities.



EBPB Concealed Cistern Factory

• Onboarding and Offboarding Process

Optimizing employee transitions became a priority with the development of streamlined recruitment and dismissal processes. Furthermore, we have prioritized comprehensive knowledge transfer initiatives for retiring employees, recognizing the invaluable expertise they carry and ensuring its continuity within our organization.

• Employee Benefits and Environmental Initiatives in burghad

Since 2020, we have provided personal bicycles for our workforce, well-received for promoting sustainable commuting. Furthermore, we have adopted beekeeping initiatives in our facility for years, and we give honey as a gift to our customers. Tree planting efforts in 2022-2023 rejuvenated forests, and since 2023, we have worked on a reforestation network, becoming members of the “WaldLokal” initiative.

#VitrAile Success Sharing Meetings

In 2023, during the quarterly #VitrAile Success Sharing Meetings led by the CEO of the Bathroom Group, Özgen Özkan, we gathered with both our employees in Türkiye and abroad. Throughout the year, in these CEO Sharing Meetings, we not only listened to the progress and developments regarding our strategic business objectives but also discussed insights related to our culture and values.

Orientation Training

Orientation visits to the CSW factory and product training sessions were organized for SKA Art & Hogart, one of our key business partners in Russia. During the visits, the production line, testing laboratory, and quality department were toured, providing insights into ceramic sanitaryware, fixtures, and bathroom furniture.

Attracting and Developing Young Talent

EnGenius



EnGenius is a recruitment-oriented competition program specifically designed for engineering students and graduates, with a strong focus on recruitment. The program provides participants with a platform to showcase their innovative thinking, analytical skills, and creative approach while gaining insights into various business processes across Eczacıbaşı Group companies. Participants engage in a case study where they analyze predetermined issues and present their solution suggestions. At the conclusion of the program, winning teams are recognized and rewarded, with the potential for career opportunities within Eczacıbaşı Group. EnGenius aims to foster talent and attract skilled individuals who can contribute to the company's growth and innovation.

As part of our approach to fostering new talents empowerment, we launched EnGenius'23 - Metaverse edition. This special edition of the competition took place in a virtual environment, allowing participants to navigate and complete their tasks in the metaverse. The theme for this edition was 'Digital Transformation,' challenging participants to develop the most innovative and practical solutions in that domain. We successfully reached out to over **27,000 students** from **168 universities**, providing mentoring support for **108 hours** to **36 selected candidates**.

Furthermore, organizing events on the metaverse platform had a positive impact on the environment. By eliminating the need for transportation associated with face-to-face events, we effectively prevented approximately 2869 tons of carbon emissions, making a significant contribution to reducing our carbon footprint. Additionally, our efforts saved the equivalent of seven trees, further emphasizing our commitment to sustainability.

As a company aware of the potential of young talents' inspiring ideas, we continue to offer them numerous opportunities to express themselves and implement their creativity and ideas that will direct the future. In the reporting period, we are pleased to engage with young talent through universities and our several activities and welcome young talents into our company.

Bootcamp

The Bootcamp project was launched to help our company adapt to an increasingly digital world and enhance our data interpretation skills. We offer seven-week training sessions on Python, SQL, and Data Science/Statistics/Mathematics to employees aiming to improve their analytics, coding, software, and data science capabilities. This initiative is vital for strengthening our internal expertise in data analytics.

Additionally, the program targets young talents and recent graduates aspiring to specialize in data analytics. After completing the seven-week training, participants work on real-world data projects, which are then assessed. Those who successfully complete the projects are not only recognized for their achievements but are also offered the opportunity to be recruited for suitable positions within our company or the broader Eczacıbaşı Group. This pathway provides a seamless transition from training to employment, fostering a culture of continuous learning and professional development.

By investing in the Bootcamp project, we aim to build a robust pipeline of data-savvy professionals who can drive innovation and efficiency across our operations. This initiative underscores our commitment to nurturing talent and equipping our workforce with the skills needed to thrive in an era of rapid technological advancement.



VBenzeri

At EBPB, we recognize the critical role of education and actively support it through various initiatives. One such initiative is the VBenzeri project, which has been providing original insights into architecture, interior design, and other creative disciplines since 2013. VBenzeri continues to serve as an inspirational platform, producing diverse and up-to-date content that fosters creativity and innovation within these fields.

VBenzeri Mekan

VBenzeri Mekan, opened on the 7th floor of VitrA Nişantaşı Store on June 20, 2019, is a social, free and creative event space that brings together the world of architecture and design with different activities and working practices. It covers the events organized by VitrA as well as the events planned within the architectural ecosystem.

Between Design Platform and VitrA Design Director Erdem Akan made his presentation on "Rising Trends in the Global World" Architecture and Design scene" for architects in the VBenzeri Mekan was in Istanbul on October 13th.

VBenzeri Campus

The VBenzeri Campus project by VBenzeri visits universities as part of its commitment to education and innovation. This event gathers students from architecture, interior architecture, and industrial product design departments to explore cutting-edge applications that streamline construction processes and reduce costs. By transforming architectural projects into collaborative models, VBenzeri Campus highlights the advantages of new-generation technologies.



Architects, serving as guest speakers, delve into the use of Building Information Modeling (BIM) in architecture, providing practical examples from their projects. This hands-on approach helps students grasp the tangible benefits of BIM, such as improved efficiency and coordination. Since May 2020, the event has been held online, ensuring that students continue to benefit from these valuable insights and interactions despite any physical limitations.

VBenzeri Interviews

With the V+more event series, VitrA sought to provide more than the usual content in architecture, offering a progressive approach to design, innovation, and sustainability, core elements of the VitrA brand's DNA.

In May 2020, on behalf of VBenzeri Meetings, the event transitioned to an online format, ensuring continued engagement and accessibility. These sessions were broadcast live on the [VBenzeri Blog's YouTube account](#), allowing a wider audience to benefit from the advanced insights and inspired discussions characteristic of V+more.

Within the scope of VBenzeri Meetings, we talked about architectural practices, projects and design processes with Gökhan Avcıoğlu, Tuğçe Güleş, Onur Özkoç, Güray Oskay, MAS co-founder Kerim Miskavi and his partner Derya Tezel.

We interviewed House of Geo founder Mahmut Anlar, Geo-ID co-founder Tuğçe Rizeli Bilgi, Geohome co-founders Tuğçe Örtmen Güven and Sinan Bora Özışık, and Geomim co-founder Ali Çalışkan.

University and NGO Collaborations

University activities serve as a crucial platform for connecting young talent with potential employers, offering opportunities to explore career paths and gain valuable insights into the business landscape.

At Eczacıbaşı Building Products - Bathroom (EBPB), we actively engage with universities to strengthen our employer brand, increase awareness of our company, and cultivate a talented pool of candidates for our internship and new graduate programs. These collaborations also provide valuable career guidance and social engagement opportunities to young individuals, empowering them to develop both professionally and personally. As part of our university collaboration activities, we continued to organize technical workshops, guest conferences and career events throughout the year, increasing the number of participants. Experiencing the increase in the young people we touch and incorporate day by day is among our sources of motivation.

These activities aimed to engage students, enhance their understanding of our products and technologies, and introduce them to career opportunities at Eczacıbaşı Building Products - Bathroom (EBPB). Here are some examples of these collaborative activities:



- Vitra Dubai Showroom recently hosted a university challenge in the UAE focused on innovative bathroom design. The event featured presentations of the top projects, which were evaluated by designers from the advisory board. The winning students, selected by design firms, were awarded internships where they will be mentored by design directors or partners starting March 20th. The competition theme centered around designing bathrooms for celebrities, incorporating both wet and dry areas, and emphasizing a fun, imaginative, innovative, and creative approach to bathroom design.
- On November 21, 2023, we had the pleasure of being invited as guests to the ITU Department of Materials and Metallurgical Engineering for the Ceramic Manufacturing course. Additionally, on December 6, 2023, we participated in the Introduction to Metallurgical and Materials Engineering course. During these sessions, we engaged with students, sharing our technical expertise, insights into technological applications, and real-world experiences. It was a valuable opportunity for us to connect with the future generation of engineers and contribute to their educational journey.

- We conducted basic product information training on ceramic sanitary ware and Vitra hygienic bathroom solutions for 50 architecture students at Izmir High Technology University. The session aimed to enhance their understanding of these products, their applications in architectural design, and their impact on modern living spaces.
- Technical product training sessions were conducted for 70 students from Kırıkkale University's Faculty of Architecture, focusing on ceramic sanitary ware, bathroom areas, contactless technologies, and hygiene. The training aimed to provide students with comprehensive knowledge of these products, emphasizing their technical specifications, design considerations, and their role in promoting hygiene and sustainability in architectural projects. The sessions also covered innovative contactless technologies that are transforming bathroom design, aligning with modern architectural trends and user preferences.



EBPB Ceramic Sanitary Ware Factory





ESTÜ and İTÜ Vitra Academy

Vitra Academy serves as an opportunity to identify and engage with future talents at an early stage, aiming to enhance students' sectoral and technical knowledge in the field of CSW – WSS and facilitate the transfer of valuable experiences by integrating it into university curricula.

We have developed a set of initiatives to achieve our gender diversity targets, actively improving our work environments and aligning our hiring practices with our specific goals. As part of these efforts, we have established collaborations with universities to attract top talent and promote our industry. Furthermore, our objective is to prepare these talents for the future by providing insights into business processes and increasing their awareness of upcoming expectations and required competencies. Our ultimate objective is to cultivate highly skilled individuals who will contribute to the future workforce. Additionally, this initiative offers a competitive advantage in terms of talent acquisition and helps raise awareness of our company among students, strengthening our corporate presence and reputation.

Did you know?

298 young people participated in the ESTU & İTÜ Academies in 2022-2023 academic year.

The ESTÜ-Vitra Academy program was attended by 220 students, of which **152** were **women** and **68** were **men**. In addition, **78 undergraduate and graduate students, 37 women and 41 men**, participated in the İTÜ-Vitra Academy program. We are currently in the protocol phase with Porsuk Vocational School for our long-term internship and training program aimed at acquiring qualified technical personnel. We plan to launch the Technical Academy-101 training program in 2024. In the academic year 2022-2023, a total of 298 people participated in the ESTÜ & İTÜ Academies. As part of our talent acquisition strategy, 4 people (2 women, 2 men) were hired, 10 interns (6 women, 4 men) and 2 graduate students joined our team.



Career Test / Experience Drive for Young Talents

Since its inception in 2009, the Career Test Drive (CTD) Program has been pivotal in attracting young talent to our Group companies. This program offers university students the chance to engage in full-time or part-time internships across various positions, each lasting at least two months. During their internship tenure, students benefit from valuable mentorship, personal development training, and coaching.

In 2023, 18 Career Test Drive (KTS) interns from 4 separate groups presented their projects to EBPB employees in September. Following evaluations by 4 juries, the top project from each group advanced to the final stage. The project that emerged as the "Inspiring Project" in the final stage was selected. These inspiring projects, chosen from each establishment within the Group, were presented to participants by the project owners during a graduation ceremony held at the Holding at the end of September.

Health and Wellbeing

At Eczacıbaşı Building Products – Bathroom (EBPB), safety, health, and wellbeing of our people always comes first. We incorporate clearly defined methodologies, procedures, and robust controls to ensure the wellbeing not only of our employees but also of their families, our social environment, and our stakeholders.

Our commitment is demonstrated through the implementation of clearly defined methodologies, procedures, and robust controls aimed at ensuring a safe and healthy work environment.

EBPB collaborates closely with the Eczacıbaşı Group's Occupational Health and Safety Committee

to report Occupational Health and Safety (OHS) statistics and share best practices, ensuring a cohesive approach to health and safety across the organization.

To ensure a systematic and tangible approach to safety, we have implemented the ISO 45001 Health and Safety Management System at our Bozüyük manufacturing plants. This system ensures that rules, training, information, and technical aspects are given utmost importance in identifying and managing risks while preventing injuries.

We have established a dedicated safety committee consisting of 50 employees to ensure the effectiveness of our company-wide health and safety protocols. This committee is actively engaged in reducing workplace accidents, adhering closely to our extensive [Health and Safety Policy](#). Moreover, our committee is committed to ensuring the ongoing effectiveness of our occupational health and safety management system while continuously enhancing it through the integration of innovative technology, best practices both internally and externally, feedback from relevant stakeholders, and the latest knowledge and insights in the field of occupational health and safety.

Health, Safety and Wellbeing

Safety is of utmost importance to us, as it encompasses not only the prevention of injuries and accidents but also the overall wellbeing of our employees. We strongly believe in providing comprehensive support for both their physical and mental health care needs. This comprehensive approach to safety is a fundamental aspect of our commitment to sustainability.

The safety and wellbeing of not only our employees but also our families, social environment, and stakeholders is of utmost importance to us. We have established a comprehensive service security model that encompasses all our stakeholders. Through various initiatives, we aim to extend our culture of protection and care to include our stakeholders in the journey towards enhanced safety.

In our facilities, we prioritize the creation of a safe and secure work environment, aligned with the United Nations Sustainable Development Goals (SDGs), especially SDG 3 and SDG 8, we embrace a “Zero Accident” philosophy. This involves implementing stringent safety regulations and procedures to reduce any potential dangers and risks. We ensure that relevant information is promptly communicated to all stakeholders, fostering open and transparent communication, and involving them in maintaining a safe workplace.

In our commitment to maintaining a safe workplace, we established the OHS Control Unit in 2022 at the VitrA Ceramic Sanitaryware Factory in Bozüyük. The OHS Control Unit plays a crucial role in ensuring the implementation of occupational safety measures and controls, specifically during work carried out by contractors. It conducts a verification process on contractors before they commence their work. Additionally, the unit provides comprehensive training to contractors, informing them about the potential risks present in our factory. In addition to contractor controls, the OHS Control Unit also conducts regular

inspections of the work areas. At the end of each day, the unit compiles a detailed report summarizing its observations and findings, which is then shared with the relevant managers.

Our commitment to occupational health and safety is evident through our substantial investment of more than **€1.5 million** in 2023. These investments encompass new technologies, improvements in occupational health and safety processes in production, employee health and safety training, and initiatives designed to mitigate and eliminate safety risks. By leveraging these resources, our aim is to instill a culture of safety consciousness and achieve world-class safety performance. To ensure continuous improvement, we measure safety performance to assess the effectiveness of our approach and identify areas for improvement. In doing so, we monitor two important metrics that help us understand our safety performance, Lost Time Incident Rate (LTIR) and Total Recordable Incident Rate (TRIR)*. Through the dedicated efforts of our employees, who have collectively contributed over nine million working hours, we take immense pride in announcing a significant reduction of 13% in our LTIR compared to the previous year, from 0.99 to 0.86 ✓. Furthermore, our TRIR was 2.21 ✓ in the reporting period.

To enhance safety culture and provide continuous awareness in the production area, we implement Safety Dojo area which provides simulations related to machine equipment to increase employees' awareness of hazards and risks. One of the key advantages of the ability to effectively train both existing and new employees is that it allows for the development of a safer and more productive workforce. By gaining hands-on experience in identifying and mitigating potential hazards, employees can develop a better understanding of safety protocols and procedures. Moreover, this continuous awareness-building effort fosters a proactive approach to safety among our workforce, leading to a safer and more productive work environment.

* The relevant indicator has officially been tracked starting from 2024. Data from 2023 is being shared in this year's report. Moving forward, we will continue to monitor the TRIR and share it through our reports.



EBPB Ceramic Sanitary Ware Factory

Our commitment to safety extends beyond mere compliance; it's about fostering a culture where every individual takes proactive ownership of their wellbeing. Through our comprehensive safety training programs, we empower employees to become active participants in ensuring their own safety and that of their colleagues and cultivate a culture of safety and heightened awareness across our entire organization. In 2023, an average of **24.33 hours** of OHS training was given to our dedicated workforce of **1,917** employees. These initiatives provide our employees with the knowledge and skills necessary to prioritize safety in their daily tasks and contribute to maintaining a hazard-free workplace. Additionally, head office staff at Levent Office are required to complete online OHS courses provided by Eczacıbaşı Academy.

Did you know?



AKUT Foundation provided support to our 13 Search and Rescue personnel by offering an eight-day theoretical and practical training program. This comprehensive training is designed to equip our team with the necessary skills and knowledge to handle emergency and natural disaster situations effectively.

OHS Initiatives

By proactively addressing these safety concerns and implementing innovative solutions, we continuously strive to enhance workplace safety and create a secure environment for our employees. We are actively working to prevent work accidents caused by pinching. Pinch points, areas where workers might accidentally get their fingers or hands caught, pose a significant risk. To mitigate this hazard, we have conducted thorough assessments to identify these pinch points and have taken corrective actions such as redesigning equipment, installing protective guards, and providing comprehensive training to our employees on safe operating procedures.

These detailed and proactive measures are part of our ongoing commitment to eliminate high-level risks and ensure a safe and secure working environment for all our employees. By continuously improving our safety protocols and addressing potential hazards, we aim to foster a culture of safety and wellbeing throughout our organization. As part of the ongoing projects, we are planning further ergonomic improvements to enhance the safety and wellbeing of our workers. At the furniture palletizing site, we have focused on reducing sink payload and off-cut payload, aiming to improve operational efficiency and ergonomic conditions. To achieve this, we conducted ergonomic calculations at workstations using the NIOSH equation. This allowed us to assess the ergonomic risks associated with the tasks and make informed decisions on workload adjustments and ergonomic improvements. The transformative role of innovation in the OHS makes significant contributions to the development of safety culture in workplaces and the creation of a sustainable work environment. Therefore, focusing on innovation when formulating and implementing OHS strategies is crucial for long-term success and the wellbeing of employees. We continue to leverage the positive impact of digital transformation in our operations.

OHS-Compliance Tracking with Artificial Intelligence

At our VitrA CSW and Artema - Bozüyük facilities, we implemented a monitoring system in 2022 that harnesses artificial intelligence (AI) technology. This system is designed to track and analyze workplace safety regulations, aiming to prevent unsafe behaviors and promote a culture of safety.

Through this advanced technological monitoring system, work zones are continuously monitored, and alerts are promptly sent via SMS and email whenever violations are detected. In the event of non-compliance, immediate action is taken by establishing a communication network, enabling swift intervention to address unsafe behaviors.

A total of six "Occupational Health and Safety Eyes," supported by artificial intelligence, have been deployed, with five located in our VitrA CSW factory and one in our Artema factory. Each workplace is equipped with 20 CCTV monitoring points, which are tracked using web-based software. Several factors that could pose a danger, such as the use of personal protective equipment, unauthorized entry into restricted areas, proximity to moving equipment, climbing, and more, are considered in the monitoring process.

Thanks to this robust technological infrastructure, we strengthen our employees' awareness of OHS by swiftly responding to non-conformities. In the second phase of this project, our aim is to enhance safety measures further by implementing immediate machine shutdowns upon receiving warnings and introducing audible and visual alarms that will operate simultaneously with non-compliant situations. These measures will facilitate even faster reactions to ensure a safer work environment.

Reducing Occupational Accidents by Supporting with VR Glasses in Forklift Training

As part of our OHS training program, we implement "Forklift Virtual Reality Simulation" in our VitrA CSW - Bozüyük factory.

This virtual reality simulation provides a learning-by-experience model that reinforces occupational safety rules for forklift operators. Specific to our CSW factory, the scenario includes 3D models guiding operators on autonomous forklift maintenance and over 10 essential occupational safety rules.

Furthermore, operators are first presented with the choice to select between training and test mode when utilizing the simulation. When in training mode, users are given particular tasks to complete. In the test mode, operators are assessed without guidance, reinforcing what they have learned during the training.



EBPB Ceramic Sanitary Ware Factory



Wellbeing in the Workplace

At EBPB, we are dedicated to cultivating a performance-driven workforce and are committed to helping employees maintain their wellbeing. Our goal is to create a flexible and comfortable work environment that increases employee satisfaction and promotes good health. We firmly believe that an engaged and resilient workforce is essential for achieving our future goals.

Developing a Flexible Work Framework

At Eczacıbaşı Group, we have embraced flexible working arrangements since 2013, followed by the introduction of remote working options in 2016, under the motto "Different Address, Same Company." Initially, remote work was not universally practiced across all departments, but with the onset of the COVID-19 pandemic, we swiftly transitioned to a home-office culture. As the situation improved, we adopted a hybrid work model that combines remote and on-site work. Currently, depending on their location and job requirements, employees have the flexibility to work remotely for up to two days per week.

Looking ahead, our primary focus remains on the mental and physical wellbeing of our employees. We are committed to creating a holistic state of health and happiness that encompasses various aspects, ensuring that employees are content in both their physical and mental realms, among others. Our wellbeing and happiness program includes a range of initiatives aimed at enhancing physical, mental, and emotional resilience. Additionally, it provides solutions to help manage stress and boost employee engagement and happiness.

Small Matter of Balance

Bir Küçük Denge Meselesi

We launched the Small Matter of Balance program in partnership with Wellbees, to enhance employee wellbeing by addressing their health, wellness, and overall happiness. This initiative reflects our commitment to creating a supportive and thriving work environment, ensuring that employees feel valued and cared for, which in turn promotes productivity and job satisfaction. To ensure continuous assistance for our employees, we offer a 24/7 online health line and platform accessible to all members of the Eczacıbaşı Group. This platform provides a wide range of services including comprehensive health assistance, psychological therapy, financial and legal counseling, medical information and advice, guidance on healthy eating, ergonomics consulting, support for infant care, technology counseling, and veterinary consultation. We achieved significant milestones, including the introduction of services such as access to nutritionists, trainers, and psychologists, and wellbeing challenges and tips. In November, the number of steps taken in the **Wellbees Challenge** was used to fulfill the winter clothing needs of children in earthquake-affected areas.

Did you know?



In 2023, Small Matter of Balance initiated to support employees physical, financial, intellectual, environmental, social, and emotional wellbeing through an online app with diverse modules. 431 active users benefiting from its wide range of modules and services.

Community and Social Vitality

Since its establishment, the Eczacıbaşı Group has been committed to not only delivering exceptional products and services, but also actively improving the welfare of the communities it serves. Good corporate citizenship is a fundamental aspect of the Eczacıbaşı Group's identity, and Eczacıbaşı Building Products - Bathroom (EBPB) has always been an integral participant in the Group's social and cultural initiatives.

At EBPB, we commit to conducting research to identify the critical issues facing communities and develop solutions to address these challenges, actively participating in events and projects that contribute to social and cultural development and collaborating with stakeholders to create a positive impact on communities.

At the core of our values and Eczacıbaşı's heritage is the aim to create a lasting impact on the societies we engage with. We recognize the importance of addressing critical societal issues, developing solutions, and contributing to the wellbeing of communities. This commitment extends to collaborating with a diverse range of stakeholders, including professionals, students, investors, and academicians.

Through our collaborative efforts, we strive to make a meaningful difference and positively shape the communities we serve. By leveraging our expertise and resources, we actively participate in projects that promote social progress, cultural enrichment, and sustainable development.

For more detailed information, please refer to [our website](#).

Social Investment

At EBPB, we believe in our capacity to foster positive social impact and drive future developments through strategic partnerships and collaborations that resonate with our shared objectives. Aligned with our group's overarching mission to enrich culture, art, sports, education, technical advancements, women's empowerment, and local development, our aim is to cultivate sustainable and inclusive communities where individuals can flourish. By actively engaging with foundations and non-governmental organizations, we are committed to leveraging our collective efforts to create meaningful change that extends far beyond the confines of our business operations.

Culture & Art

Culture and art play a vital role in fostering social cohesion, facilitating dialogue, and promoting understanding among diverse communities. They enrich lives and serve as powerful vehicles for creative expression, heritage preservation, and the cultivation of identity.

At EBPB, we passionately believe that investing in and supporting culture and art is essential for the growth, wellbeing, and flourishing of our communities.

The Eczacıbaşı Group is the founding sponsor of the Istanbul Foundation for Culture and Arts (IKSV), established in 1973 under the initiative of Dr. Nejat F. Eczacıbaşı. As a non-profit cultural institution, IKSV organizes a variety of prestigious events throughout the year, including the Istanbul Festivals of Music, Film, Theatre, and Jazz, the Istanbul Biennial, the Leyla Gencer Voice Competition, autumn film week Filmekimi, and numerous one-off events.

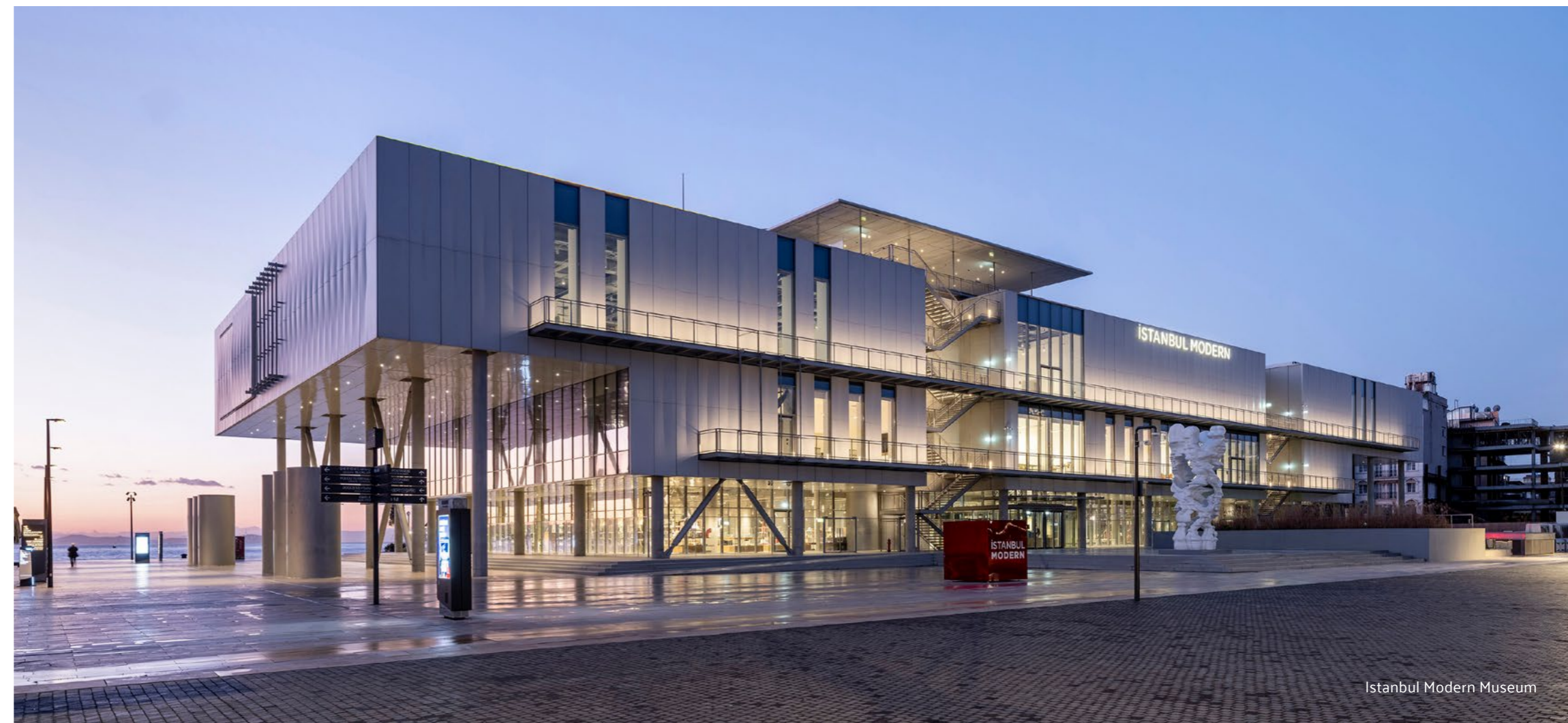
IKSV offers a program of creative events designed for children and youth. Beyond and above its function of hosting festivals and other events, IKSV is actively involved in the production of arts and culture in Türkiye and plays an active role in the development and promotion of participatory and consistent cultural policies.

IKSV organized the Pavilion of Türkiye at the International Art and Architecture Exhibitions of Venice Biennale, features the project "Ghost Stories: The Carrier Bag Theory of Architecture" curated by Sevince Bayrak and Oral Göktaş.

As part of the 18th International Architecture Exhibition of the Venice Biennale, a press trip organized by IKSV took place from May 17th to 19th, with the participation of 16 journalists from various media channels.

Furthermore, the Eczacıbaşı Group is the main sponsor of the Istanbul Design Biennial. We strongly believe in the influential potential of design, and we support the notion that design serves as a powerful tool to understand humanity's complex role in contemporary society. As a part of Istanbul Biennial, we visited the biennial venues Barın Han, Çinili Hamam and Küçük Mustafa Paşa Hamam with architects.

In 2023, The new building of Istanbul Modern was designed by Renzo Piano Building Workshop (RPBW), founded by renowned architect Renzo Piano, who has left his mark on iconic cultural and art institutions and museums worldwide. As Renzo Piano's first project in Türkiye, the new building is planned with a focus on visitors, aiming to provide Istanbul with a high-quality space that accommodates all kinds of cultural, artistic, and educational activities.





The Illustrated History of Modern Turkish Architecture



In 2022, the “Lines in Modern Turkish Architecture” series was introduced through a collaboration between Vitra and Arkitera. This series was developed specifically to commemorate the centenary of the Turkish Republic and aims to highlight the drawings of pioneering architects and iconic structures that have played a significant role in shaping modern Türkiye.

The coordination of this project is entrusted to the Vitra Architectural Relations Team and the Arkitera Architecture Center. The plan for 2023 includes the release four graphic novels, each depicting the stories of different architects and their works. In 2023, the first two books were published, showcasing the stories of architects and buildings pivotal in shaping modern Türkiye through graphic novels. The first book was “The Stairs of Ankara Palas,” and the second, “The Phantom of the Opera,” focuses on the Exhibition House designed by Şevki Balmumcu. The project features illustrations by Onur Kutluoğlu, Bahadır Yazıcı, and Kayahan Kaya, with scripts by Cem Dedekargınoğlu and Umut Şumnu, and is supported by animation films.



Respect for the Masters



The Istanbul Association of Freelance Architects (IstanbulSMD) marked its twentieth anniversary with a gala event at the Pera Palace Hotel on October 25th. Sponsored primarily by Vitra, the celebration featured the presentation of IstanbulSMD's Honorary Awards and the 20th Anniversary Special Awards. Cafer Bozkurt and Hayzuran Hasol were each honored with an IstanbulSMD Honorary Award, while Pelin Derviş, Esen Karol, Ömer Madra, IKSv, and SALT received the 20th Anniversary Special Awards. Additionally, a documentary series titled “Respect for the Masters,” sponsored by Vitra, premiered at the event. The “Respect for the Masters” series can be viewed on our VBenzeri YouTube channel.

Additionally, Vitra Russia participated as a sponsor alongside other brands in the summer cinema events held in the center of Moscow on July 26th and August 10th.



Eczacıbaşı Volunteers

Eczacıbaşı Volunteers step forward at times of need or to make a positive difference in their communities or environment. In 2023, the February 6 earthquakes offered the strongest demonstration of Eczacıbaşı Volunteers' power and impact. Less than 24 hours after the catastrophe, the first team of volunteers put their daily lives on hold to join search and rescue efforts. Other volunteers immediately initiated a donation campaign that quickly raised more than €38.955. A number of Eczacıbaşı Volunteers went to Hatay, the city most affected by the disaster, to support relief efforts in the field.

Eczacıbaşı Volunteers ran the 2023 Istanbul Marathon to raise money for scholarships for female university students. They raised €5.648 for the GeleceğizBiz [FutureIsUs] Scholarship Fund established by the Eczacıbaşı Group in collaboration with the Turkish Education Foundation (TEV). This amount will provide a full year's scholarship to seven university students. During the year, Eczacıbaşı Volunteers filled the bookshelves of the two primary schools in Bozüyük and Adıyaman built and inaugurated by the Group and mobilized donations for science sets and books for two secondary schools in Adıyaman and Hatay.

They also organized a campaign to meet the winter needs of girls in the care of the Koruncuk Foundation and motivational meetings with children in the care of the Ministry of Family, Labor and Social Services' “Child Homes” Coordination Center. On World Animal Day, Eczacıbaşı Volunteers collected donations for an animal shelter, then went to the shelter to visit with their four-legged friends.

Volunteer Pool

Our Volunteer Pool initiative aims to foster a sense of community and social responsibility among our employees by providing them with opportunities to volunteer with civil society organizations. Target group identified Türkiye white collar employees and 50 people has applied. We have also started contacting non-governmental organizations (NGOs) to invite speakers for collaboration and joint project development, with plans to extend these invitations moving forward.

Currently, we have established connections with:

- UNICEF
- Paydaş Platformu
- WWF
- Yuvam Dünya

Communication and Raising Awareness

At EBPB, engaging in social issues and raising awareness are fundamental pillars of our mission. We are committed to driving societal change and increasing awareness regarding the use of more sustainable bathroom products that reduce water and resource consumption while meeting the needs of all individuals inclusively. Throughout the year, we orchestrated a wide array of events and campaigns to actively pursue this objective. We demonstrate our leadership and commitment to sustainability by participating in key events such as the HBR Sustainability Summit 2023, Sustainable Brands, United Nations Global Compact (UNGC) UK Annual Summit, World Circular Economy Forum 2023, Sustainability LIVE 2023, World Water Week 2023, and WRI Türkiye Ross Center and The Zero Carbon Building Accelerator (ZCBA). Our presence at these events reinforces our dedication to sustainability and contributes to its goal of creating a positive impact in the business world and society by sharing innovative approaches within the industry.

World Architecture Festival (WAF)

As part of WAF23, our architect relations team explored the captivating architectural structures of Singapore. We had the opportunity to discover remarkable works such as Jonathan Quek's "House of Art Collector" and Rene Tan's "Spice Terrace." Additionally, we explored the contemporary architecture of the Apple Store at Marina Bay Sands and Nanyang Technological University. In 2023, the announced theme for WAD was Architecture for wellbeing. Vitra invited 5 architecture and design students into showroom in Türkiye and in London. The students created an artwork within this year's theme and drew it on our showroom windows.

Global Impacts

VitrA's global impact is evident through its active participation and engagement in prominent international events. At the highly anticipated INDEX Fair, held at the Dubai World Trade Centre, Vitra showcased its innovative bathroom collections, drawing attention from a diverse range of industry professionals and enthusiasts. Additionally, Vitra's presence in the Volga region, through collaborative events with Lunda in Krasnodar, Sochi, and Samara, underscores its commitment to regional engagement and professional development. Furthermore, Vitra Russia's efforts in organizing events at the prestigious Hogart luxury products showroom demonstrate its focus on cultural expression and historical appreciation. By showcasing the Signature collection and hosting presentations on Ottoman architecture, Vitra connects its modern designs with rich cultural heritage, thus broadening its influence and appeal in the global market.

FECS - Cerame Unie

At EBPB, we are a member of **FECS - CERAME UNIE** to support initiatives aimed at **achieving sustainability goals and improving our environmental performance**. We collaborate with other key players in the industry to explore new business opportunities. We participate in online seminars, workshops, panels, and conferences organized by FECS - CERAME UNIE, addressing the latest developments, technological innovations, sustainability practices, and market trends in the industry.



Climate Champions

During COP28, as the global conversation on climate change intensified, we took proactive steps to engage young people through the Climate Champions project in partnership with the [Yuvam Dünya Association](#) in Bozüyük. A notable aspect of this initiative was the enthusiastic **participation of children aged 13-18**, who are family members of our employees in Bozüyük. They eagerly participated in the interactive climate and environmental awareness training sessions held at the Vitra Innovation Center.

Under the Climate Champions program, a four-day training program on sustainability and the climate crisis was designed for the teenage children of our employees. Equipped with knowledge and enthusiasm, they actively contributed to raising awareness of climate change in their community. In particular, they took on the responsibility of sharing their knowledge with younger students at Nejat F. Eczacıbaşı Primary School, thereby extending the impact of the training beyond their own cohort. Through their efforts, they played a key role in fostering a culture of environmental awareness and action among their peers, setting a commendable example for future generations.

Over the course of two weekends, a total of **31 young people completed 320 hours of training**, demonstrating a great interest in learning about climate issues and earning the prestigious title of **Climate Champions**.

Perspective of Our Stakeholders



Kivılcım Pınar Kocabıyık
Yuvam Dünya Association
Chairman of the Board


We carried out two works with Eczacıbaşı Building Products: "Yuvam Dünya Corporate Culture Transformation Program" and "Climate Champions Training". In the Culture Transformation Program designed as six modules, trainings were organized for employees under the titles: Causes and Consequences of the Climate Crisis, Boundaries of the Planet and Global Thresholds, Our Forests, Aquatic Ecosystems, Waste-Free Life and Individual Adaptation in the Fight against the Climate Crisis. With Climate Champions, primary and high school age children of Vitra Bozüyük Factory employees were trained on climate change and sustainability.

In both projects, the ownership of the projects by the employees and management and their participation in all processes ensured the highest level of participation. The organization's level of participation and individual volunteer support in both these projects and other work we carry out as Yuvam Dünya is an evidence that they are pursuing change as a culture.

RIBA @ Aviva Studios: Ellen van Loon, OMA
 Architecture for expression


RIBA Welcome **Joanna Bacon** – Council and Board Member
 Chair **John McGrath** – Artistic Director and Chief Executive,
 Factory International
 Keynote **Ellen van Loon** – Partner, OMA
 Performance **Faz Barber** – Factory International Trustee and Poet

Tag us @RIBA #RIBAVitrA
 FORMS OF EXCHANGE RIBA # Vitra Architecture.com



RIBA + Vitra Talks

As of 2023, Vitra + RIBA (Royal Institute of British Architects) talks has successfully completed its fifth year and has evolved into a renowned series that provides a platform for esteemed international architects to showcase their expertise and share their unique perspectives. We kicked off the new talk series “Forms of Exchange: Exploring the spaces”, with a panel talk from Pooja Agrawal, Clementine Blakemore, and Jas Bhalla. During this talk Pooja, Clementine and Jas discussed the importance of creating spaces that are diverse, inclusive, supportive, and enriching to those that use these places. RIBA + Vitra Talks can be watched at our [YouTube account](#).




Reuters Impact

Reuters Impact 2023 stood out for its inclusive gathering of various stakeholders, ranging from top executives of prominent corporations to government officials, scholars, and nonprofit representatives. The conference unfolded across four stages, each focusing on critical aspects: “The Road to COP” at Reuters Global Broadcast Stage, Sustainability Reporting, ESG Investment, and Net Zero initiatives. Boasting over 200 expert speakers, 80 sessions, and 30 interactive workshops and roundtables, the event offered a rich tapestry of knowledge exchange. Esteemed speakers delivered compelling keynote addresses, while panel discussions delved into nuanced explorations of emerging trends and pioneering solutions. Throughout, the conference emphasized the paramount importance of cross-sector collaboration and unified action as indispensable tools in confronting the intricate challenges that transcend borders and disciplines.

Impact Management and Measurement Summit

At the summit, various standards and frameworks in impact measurement and management, social value, social return on investment (SROI), SDG Impact standards in impact management, and providing insight from data for impact were discussed in general. It was stated that for social impact, what should be prioritized with stakeholders can be discussed. Reporting strategies of organizations can be determined accordingly, and double materiality has gained importance in determining.

Vitra Secures Three Red Dot Awards for Design Excellence

Vitra has solidified its reputation for design excellence by clinching three Red Dot awards, underscoring its commitment to innovation and quality in product design. For the award-winning Liquid Collection, Tom Dixon, who was recently named “Designer of the Year” by Elle Decoration UK magazine, and Vitra have come together to present their signature Liquid Collection which reflects Vitra’s all-encompassing approach to hygiene, ergonomics and safety, performance and quality as well as aesthetics. The Vitra Design Team’s creativity and craftsmanship were pivotal in developing the Liquid Collection.

These accolades at the Red Dot awards reinforce Vitra’s leadership in the design sector. With ongoing innovation and a dedication to exceptional design, Vitra continues to set higher benchmarks in bathroom globally.

London Design Week 2023

We made our debut at this year’s London Design Week, a UK based interior exhibition between the 13-17 March, located at The Design Centre, Chelsea. The Design Centre is home to 120 showrooms year-round as well as pop-up showrooms. Throughout the Design Week there were talks, discussions, workshops, and insights into the world of fashion, design, and art. During the final weeks of September, Vitra London became a hub of activity for the London Design Festival and Clerkenwell Design Trail, welcoming numerous architects, and designers. To commemorate these events, a whimsical, sci-fi-themed installation named “Playscape” was crafted. Designed in partnership with 2LG Studio, Playscape celebrated the organic contours of the Istanbul range alongside the vibrant hues of Pro Color.

Clerkenwell Design Week

Vitra London once more participated in this year’s Clerkenwell Design Week, which showcased 11 exhibition venues and saw the participation of over 300 brands and manufacturers. In our showroom, we embraced an ‘open door policy’ from 9 am to 6 pm, hosting four exciting events from May 23rd to May 25th.




EBPB Ceramic Sanitary Ware

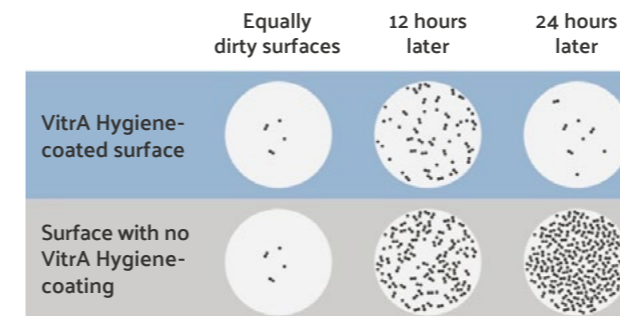


Wellbeing and Hygiene

Hygiene is an essential aspect of maintaining people's health, and we have come to realize its significance even more clearly in the wake of the pandemic. At Eczacıbaşı Building Products - Bathroom (EBPB), we consider hygiene to be a crucial material issue, and we take pride in setting the standards for public hygiene in the new normal. Our priority has always been human health, which is why we have been at the forefront of providing the most hygienic bathrooms in various settings such as homes, workplaces, hotels, restaurants, and public areas. Our aim is to offer innovative solutions that transform lifestyle habits for the good of all.



To ensure exceptional hygiene, we utilize an innovative glazing technology known as "VitrA Hygiene" in all our ceramic products. This technology is based on ion-rich technology, which effectively hinders the growth of harmful bacteria on surfaces by disrupting their cellular structure. Our products undergo a high-temperature firing process after being coated with the VitrA Hygiene glaze on both the inner and outer surfaces. This integration of the glazing layer with the entire product guarantees continuous and comprehensive hygienic protection, even in the most demanding usage conditions. Tests in accordance with the national and universal ISO 22196, JIS Z 2801, ASTM E 3031-15, and TSE 13420 protocols have verified the efficacy of VitrA Hygiene against gram negative (*Escherichia coli*) and gram positive (*Staphylococcus aureus*) strains.



Creating a completely touch-free environment is paramount to ensuring optimal hygienic conditions. At VitrA, our leading brand, we prioritize offering a touch-free toilet experience that sets us apart from the rest. Our innovative solutions encompass various features designed to eliminate the need for physical contact, thereby reducing the risk of cross-contamination.

Our **Touch-free Auto and Periodic Flush system** offers advanced technology that eliminates the need to physically interact with the flush panel, significantly reducing the spread of pathogens and enhancing restroom hygiene. Complementing this, our **Touch-free Toilet Seat** automatically opens and closes, minimizing contact and further lowering the risk of cross-contamination.

Additionally, our **Touch-free Bidet** features a built-in sensor for hands-free operation, improving both convenience and personal hygiene in restroom facilities. We are committed to expanding our touch-free product range, including basin mixers controlled by built-in sensors that contribute to water saving and reduce excessive water use by up to **90%**.



Approach

The V-Care Smart Panel drop shape lights on when the V-Care Smart Panel sensor has detected the user.

The WC is ready for use without the need to touch any surface.



Flushing

The VitrA Touch-free WC Seat closes automatically when the user stands up and moves away, and the toilet flushes only after the lid is shut.

This prevents the risk of bioaerosol contamination via inhalation or contact with surfaces. It also guarantees a clean WC pan.



How it works

The VitrA Touch-free Bidet starts the wash when the sensor detects the user's hand, and stops when it detects the hand a second time.

This means there is no need to worry about who may have used the QC before you.



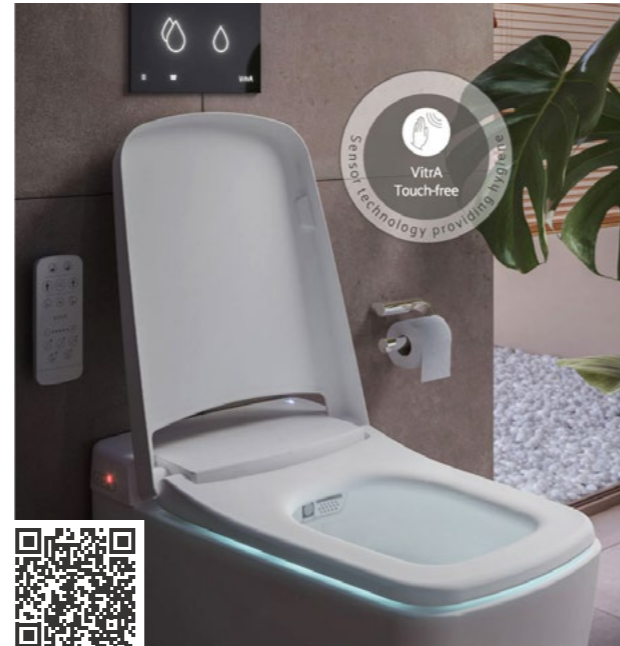
After flushing

After the toilet is flushed, the toilet lid opens again and is ready for the next user.

Our Contribution to Global Hygiene



We are advancing our **Touch Free Hand Wash Technology** and broadening our range of touch-free products to enhance sanitation in public restrooms while also reducing water consumption. Vitra's touch-free basin mixers, which are equipped with built-in sensors, automatically detect user presence and cut water flow when no longer needed, conserving water significantly. These devices are designed for safety, featuring waterproof wiring that meets IP 68 standards, allowing them to operate via mains or batteries. Impressively, our touch-free mixers use just 1.3 liters of water per minute and can reduce water usage by up to 90%, demonstrating our commitment to environmental sustainability alongside improved hygiene.



The **V-Care Smart Toilet** incorporates advanced technologies, such as modifiable water usage, drying functionalities, and air purification systems, offering users a superior restroom experience. It boasts a range of customizable options including voice activation, smartphone connectivity, and a special mode for children, catering to the needs of all family members. For added convenience and sanitation, it includes a remote control for touch-free operation. The smart toilet also features an intelligent panel that identifies users and adjusts settings to maintain personalized hygiene standards, ensuring maximum comfort and cleanliness.

 YouTube



Vitra Rim-Ex is an innovative toilet designed to enhance hygiene standards significantly. The toilet is designed with a frameless rim, which eliminates potential breeding grounds for harmful bacteria and microorganisms that are commonly found in traditional toilet rims. This design not only enhances hygiene but also makes cleaning easier and more effective. The toilet includes a water diverter that optimizes water flow, providing a **25% better flush** compared to industry standards. It leaves only a 65 mm unwashed area from the top of the bowl, ensuring a **95% improvement** in cleanliness and ease of cleaning. Overall, Vitra Rim-Ex offers superior hygiene and efficiency, setting new benchmarks for toilet design.

 YouTube



Furthermore, our washbasins are equipped with a **Vitra Fresh** detergent dispenser and sensor. The sensor automatically dispenses a predetermined amount of detergent into the flowing water each time it is activated. This proactive measure is designed to reduce the risk of cross-contamination by preventing the proliferation of pathogens in public areas where the washbasins are used. It ensures that users have access to clean, hygienic washing facilities, promoting a safer environment overall.

 YouTube

Inventors of the Future

On World Handwashing Day, the Vitra Innovation Center hosted the 7th edition of the "Inventors of the Future" gathering, involving the children of our innovation team members. The event focused on promoting hand hygiene and commenced with a child-friendly presentation on hygiene and care delivered by Prof. Dr. Rasime Demirel, a faculty member at Eskişehir Technical University. Throughout the day, the participants actively participated in exciting activities including soap workshops, finger painting, the pepper-soap experiment, and a visit to the laboratories of the Vitra Innovation Center.



6

Investing in Future

Achieving economic empowerment is a matter of meeting the demand for our products through the efficient use of resources. We aim to achieve this by creating more sustainable products and making them easier to afford. To achieve this, we are prioritizing the development of innovative designs and the implementation of streamlined, digitalized production processes. Our innovation and digitalization agenda is central to the realization of these goals. By continually seeking innovative approaches, we strive to create products that meet the evolving needs and desires of our users. Through in-depth research and analysis, we gain invaluable insight into emerging trends, user preferences and environmental factors.

Innovation and Entrepreneurship	176
R&D and Innovation	176
Digital Transformation	184
Digital Transformation	186

Investing in Future 2023 Highlights

R&D and Innovation

We prioritize human-centric designs that enhance the overall experience and lifestyle of individuals while ensuring sustainability remains at the core of our development process.

Digital Transformation

We are committed to solidifying our position as a data and technology-driven organization by delivering unique and seamless experiences to all our stakeholders.



With our devoted **73 R&D employees**, which is **increased by 35%** compared to previous year.



We invested **€4.5 million** in digital initiatives in 2023. Throughout the year, we completed 6 value-added digital projects as part of our digital transformation roadmaps.



8 sustainability related R&D projects.



We ranked **8th** in Turkishtime's R&D 250 list based on the number of national patents received.



Provided **1,104 hours** of training on digital transformation.



Eczacıbaşı Smart Connected Technologies Lab located in İstanbul Teknopark as a separate branch of Vitra Innovation Center, focused on studies and innovative products to reduce water consumption, especially in bathrooms.

Total 73 of patent applications realized and our **cumulative patent registrations** stand at **150**.



Innovation and Entrepreneurship

Innovation is central to our commitment to sustainability and reflects the values of the Eczacıbaşı Group. At EBPB, we understand that effective innovation can transform lifestyle habits for the benefit of everyone. By focusing on functionality, hygiene, and aesthetics, we leverage innovation, research, and technology to create high-quality, sustainable, and smart bathroom products that provide maximum value to our users.

Our dedication to innovation and creativity drives us to continually improve comfort, sustainability, and the visual appeal of bathrooms. We prioritize human-centric designs that enhance individual experiences and lifestyles, ensuring that sustainability is integral to our development process.

R&D and Innovation

At Eczacıbaşı, our approach to innovation is grounded in the core values that have shaped our journey and our collective vision for a brighter future. Our dedication to innovation drives us to constantly explore new possibilities and push the boundaries of what is possible. Research and technology play integral roles in our pursuit of innovation. Through extensive research and analysis, we gain valuable insights into emerging trends, user preferences, and environmental considerations. These insights guide our product development process, enabling us to incorporate the latest technological advancements and sustainable practices into our designs.

At Eczacıbaşı Group regularly evaluates the innovation climate, competencies, and capacities of its Group. Based on these evaluations, the innovation strategies and roadmaps of each company are reviewed. Moreover, after assessing the innovation strategies of Group's, five thematic categories were identified where synergies could be realized through intercompany collaboration including healthy lifestyles, healthy aging, ecological sustainability, water, materials.

In line with this, at EBPB, we emphasize sustainability in our innovation efforts, aiming to minimize the ecological footprint of our products and promote responsible consumption. We carefully consider the materials we use, the production processes we employ, and the life cycle of our products, ensuring that each step contributes to a more sustainable future.



Eczacıbaşı Group embarked on a transformational journey by implementing the Design Thinking approach and the "Double Diamond" model, which developed in parallel with this approach, in their innovation project management processes.

At EBPB, we implement the proposed methodologies for two project ideas in 2023. These projects were led by interdisciplinary project teams, including participants from the design, intellectual property, and marketing departments. The teams started with a comprehensive problem analysis through stakeholder mapping, one-on-one interviews, field visits and observational studies. Based on the findings, a needs problem pool was created to identify and prioritize the most critical and valuable problems and needs, and business model canvas documents were prepared.

Our Innovation Approach



Creating accessible and transformative solutions to improve the lives of all stakeholders through social sensitivity, a people-focused approach and entrepreneurial confidence.



Becoming aware that new ideas originate from new questions and listening with an open mind; avoiding making assumptions and discovering new perspectives.



Looking beyond solutions to expand our creative horizons, focusing on the inherent causes of problems and relying on creativity to unmask them.



Always acting in collaborative unity, bringing together stakeholders, different areas of expertise and lines of approach.



Attaching equal importance to processes and results and generating a comfort zone within the ambiguity that sometimes defines the innovation journey.

VitrA Innovation Center

The VitrA Innovation Center stands as the cornerstone of our extensive R&D investments, spearheading the advancement of our material, process, product, and technology development endeavors. With a highly skilled and dedicated team, this state-of-the-art facility, operational since 2011, serves as the central hub for our innovative research and development initiatives. This Innovation Center, consist of three unit: In addition to the VitrA Innovation Center located in Bilecik, Bozüyük, which is the main headquarters, teams work at the Smart Connected Technologies Laboratory (SCT Lab) in Teknopark Istanbul and a product development unit in Tuzla.

VitrA Innovation Center's Innovation Competence is Certified

Following the audit carried out by the Turkish Standards Institute (TSE), VitrA Innovation Center was entitled to receive the TS EN ISO 56002 Innovation Management System certificate. VitrA Innovation Center became the first institution in its sector and the 4th in Türkiye to receive the certificate and certified its competence in the field of innovation, which it has adopted as a corporate culture.

At the VitrA Innovation Center, we channel our efforts into three innovation fields: sustainable bathroom, healthy living bathroom, and smart bathroom. These fundamental concepts act as guiding principles as we pave the way for the bathroom of the future. To ensure that our solutions remain cutting-edge, we collaborate with esteemed universities and industrial partners, delving into diverse areas ranging from fluid dynamics to electronics to nanotechnology. By exploring various branches of science and industry, we constantly seek novel discoveries and breakthrough innovations within the VitrA Innovation Center.

73 R&D employees, which is increased by 35% compared to previous year.

As a result of our efforts, the VitrA Innovation Center, with our devoted **73 R&D employees**, which is **increased by 35%** compared to previous year. We were honored with the distinction of being selected as the best performing Research and Development (R&D) center at the Technology Development with R&D and Design Centers initiative, organized by the Ministry of Industry and Technology. This recognition validates our commitment to pushing the boundaries of technological advancement and fostering a culture of innovation.

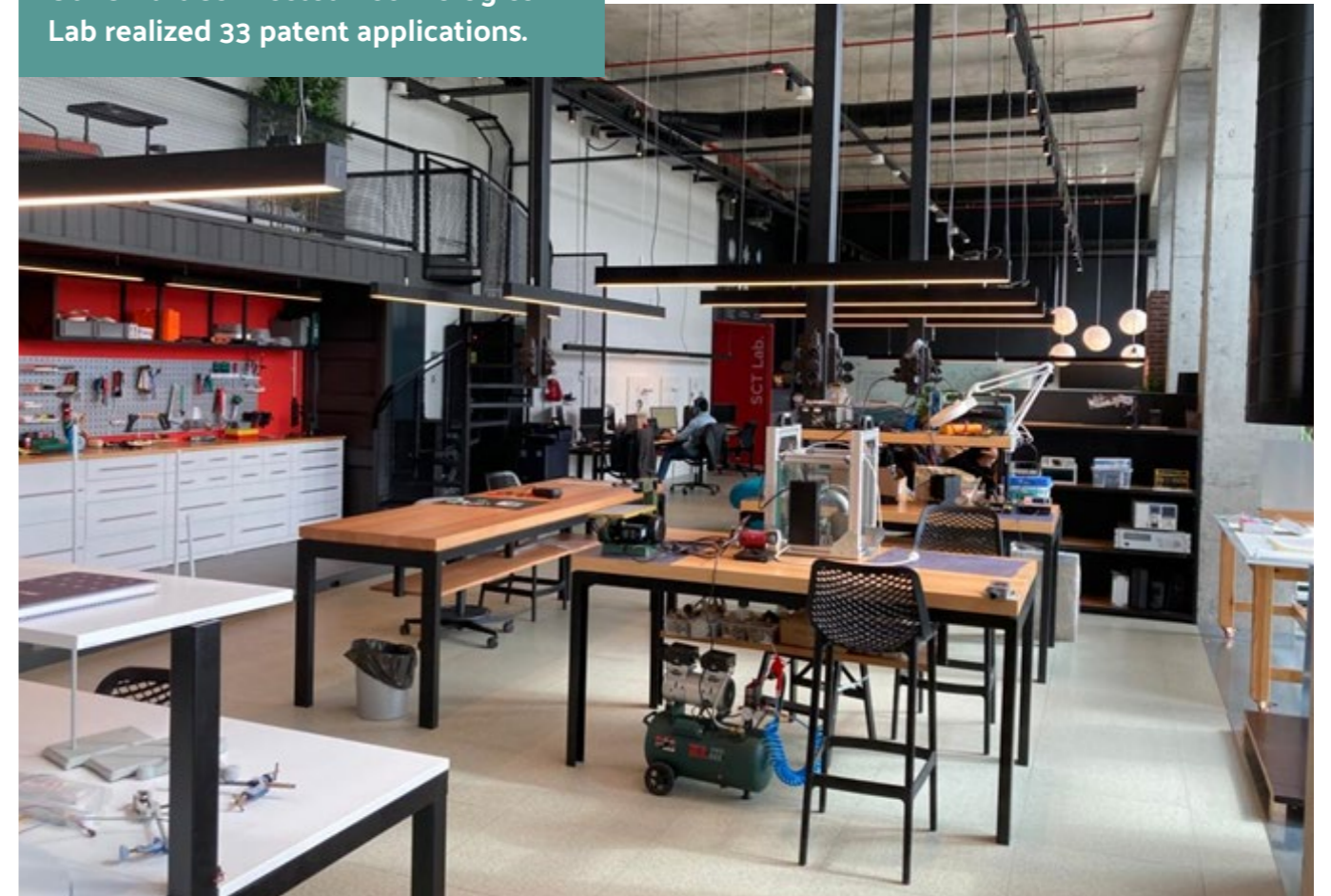
Collaboration with more than 200 institutions and organizations from the past to the present.

Furthermore, we maintain close collaborations with the R&D centers of other companies within the Eczacıbaşı Group. In 2023, two meetings were held to evaluate opportunities for collaboration, identify common aspects to be improved and propose solutions for the R&D Centers operating under the Eczacıbaşı Group. Effective problem-solving through collaboration with different stakeholders is of great importance for the Innovation Center. One of the main objectives is to enhance the ecosystem by adding new partners to the network. The VitrA Innovation Center continuously interacts with universities, public institutions, and private organizations to expand its collaboration network. Teams establish consultancy

and partnership relationships with experts in their field, enhancing their own expertise and generating productive projects. As of 2023, the VitrA Innovation Center is collaborating with **15 universities, 33 private sector**, and public institutions. **The number of institutions collaborated with from past to present exceeds 200.** As an active participant, we have joined the Supervisory Board of Argemip, a platform dedicated to fostering communication and cooperation among R&D centers. Argemip plays a vital role in expediting R&D and design activities in Türkiye, enabling us to contribute to the acceleration of technological advancements in the country.

Sustainability is a core focus at the VitrA Innovation Center, and it permeates all aspects of our work. We place significant importance on conducting thorough life-cycle analyses for our products, particularly in our exploration of new and innovative materials. Moreover, we ranked **8th** in Turkishtime's **R&D 250 list** based on the number of national patents received.

Our Smart Connected Technologies Lab realized 33 patent applications.



VitrA Innovation Center

Life Cycle Assessment (LCA)

Last year, the Vitra Innovation Center initiated Life Cycle Assessment (LCA) studies to advance our sustainability efforts. Our teams received LCA training from the Environmental Engineering Department of Eskişehir Technical University and MIT Professional Education, enabling us to conduct thorough assessments. In addition, our ViTeach and ViLearn programme continued to reflect our core value of continuous curiosity and discovery. Equipped with this knowledge, we conducted life-cycle assessments for packaging materials used in ceramic sanitaryware products, furniture products, and shower spirals. The Innovation Team conducted

various training sessions, including LCA, to share knowledge and promote open innovation in 2023.

This year, we partnered with Brika Sustainability and Boğaziçi University for our LCA practices and expanded our LCA efforts to include a comprehensive assessment of our **“Whole Bathroom”** product line and **“Packaging LCA”**. Additionally, we conducted three cradle-to-gate LCAs to evaluate the environmental impacts of our packaging practices. These analyses have provided valuable insights into the environmental and human health impacts of our materials, guiding us in further integrating sustainability principles into our products and identifying areas for improvement. For more information, please refer to [Product Responsibility](#).

Smart Connected Technologies Lab (SCT Lab)

In 2023, Eczacıbaşı Smart Connected Technologies Lab located in Istanbul Teknopark as a separate branch of Vitra Innovation Center, focused on studies and innovative products to reduce water consumption, especially in bathrooms. In addition, with the projects carried out under the scope of the ongoing Tübitak Industry Innovation Network Mechanism (SAYEM) and Tübitak 1004 (Center of Excellence Support Program) program, technology and product development studies were carried out to increase individual and public hygiene by developing collaborations outside the sector.

Furthermore, the web based Vitra Monitoring Dashboard application was commissioned in the pilot phase to remotely monitor and manage bathroom products in public areas. This application pioneered the way for monitoring water consumption amounts and usage statistics in public areas.

Smart Connected Technologies Lab played an important role in the development of our digital transformation and advanced technology product portfolio. Demonstrating our commitment to innovation, in 2023 we realized 73 patent applications as EBPB and **33 patent applications** were from our SCT Lab, as a result of the products and technologies developed after R&D studies.

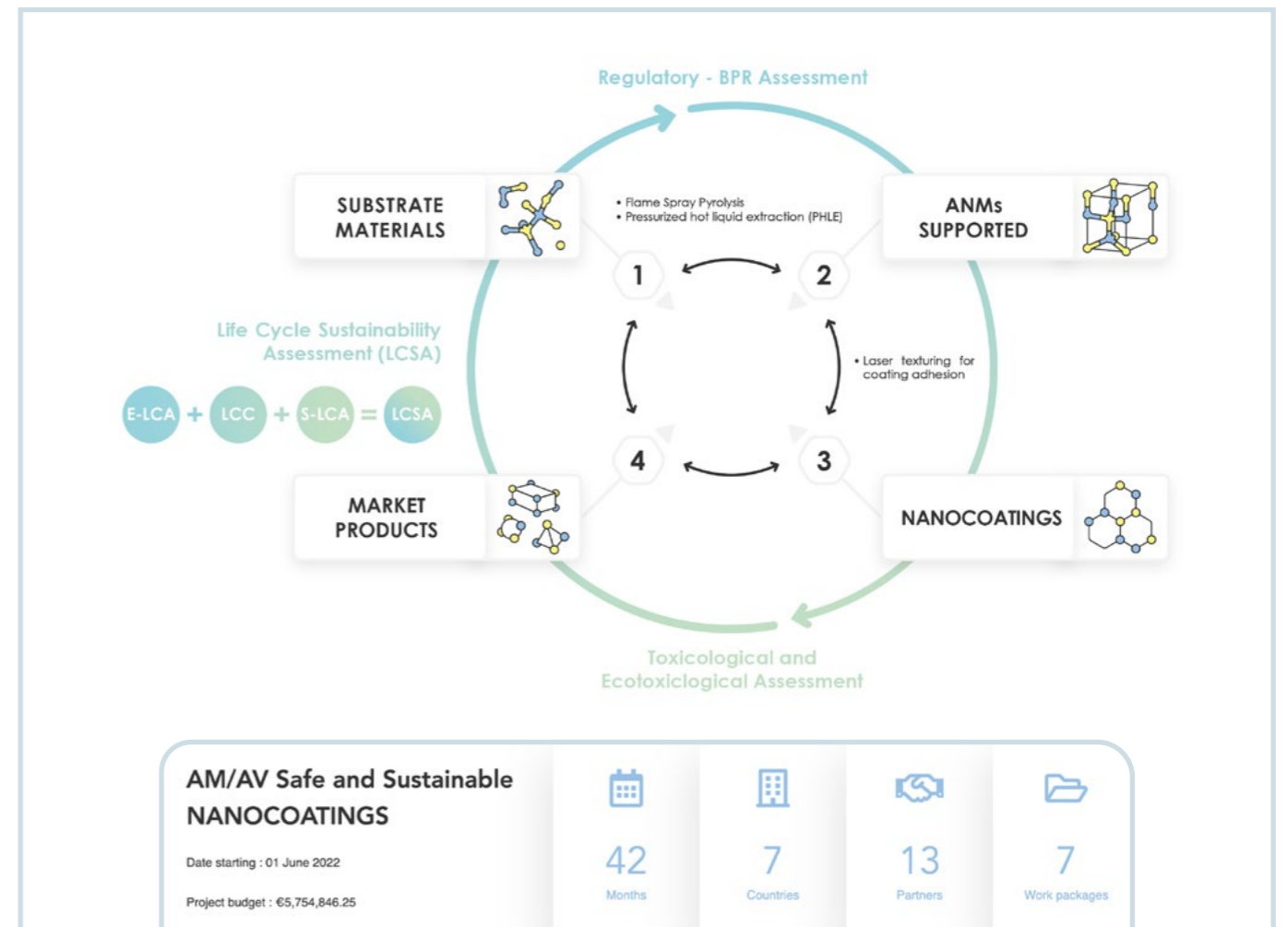
The 2023 version of the Technology and Trend Report, which is published annually to stay abreast of global innovation advancements and to help the teams determine their goals, has been published. The report, which serves as a guide for the development of projects and research at the Innovation Centre, is shared with the entire team and plays an important role in the creation of innovative ideas. We continually evaluate how we operate to address key challenges and explore how to collaborate. By taking a proactive approach, we aim to stay ahead of industry trends and drive innovation in all facets of our business.

Our team has achieved a significant milestone with the publication of their research paper, “Comparison of Two Toilet Bowls with the Use of CFD,” in the esteemed Journal of Fluid Flow, Heat and Mass Transfer (JFFHMT). Toilet bowl design has a major role on cleanliness and hygiene. In the last decade, rimless toilet bowls had an important place in ceramic sanitary ware industry due to their rim free structure. Within this context, our analysis focused on key performance indicators such as water distribution, flush velocity, and residue removal efficiency.


SUStainable Antimicrobial and Antiviral Nanocoating (SUSAAN) Project

The [SUSAAN](#) project, which we conducted as Vitra Innovation Center as part of the European Union’s Horizon Europe research and innovation framework programme, has successfully completed its first year of activities. The Development of Antimicrobial and Antiviral Nanocoating using Sustainable Materials project, SUSAAN for short, involves the collaboration of 13 partners and an interdisciplinary team from Germany, Belgium, France, Spain, Italy, Türkiye, and Greece. The project, which will run for 42 months, and has completed its first 18 months at the end of 2023, aims to develop an antimicrobial and antiviral nanocoating that can be applied to various surfaces such as bathroom products, textiles, switches, and sockets that are frequently in contact with people.

The main objective of the SUSAAN project is to create a sustainable nanocoating that can be used on different materials such as metal, plastic, and fabric. These coatings will be designed to provide products with antiviral and antimicrobial properties, thus reducing the risk of transmission of infections caused by pathogens during routine human activities. The project aims to provide comprehensive solutions for a healthier living environment, and EBP is working to apply this type of antimicrobial and antiviral coating on cistern panels to reduce the potential for contamination through direct contact. Furthermore, the Vitra Innovation Center is contributing its expertise in the design, development, and application of new coating materials.



In addition to our ongoing studies, we received numerous awards with our core innovation approach.

- We recognized by Fast Company Türkiye as one of the top **50 most innovative companies** in Türkiye. This recognition came as a result of our groundbreaking product, **QuantumFlush**, a silent, high performance, splash-free toilet. The water inside the toilet is **31% more efficient** compared to standard rimless toilets and has better flow and cleaning properties. 
- According to "Türkiye's Patent Report 2022" published by Patent Effect in 2023, we ranked among the top 10 in the "Türkiye Patent Champion Companies" rankings. Additionally, we secured the 5th position in the "Advanced Technologies" category and the 3rd position in the "Green Technologies" category. Once again, in 2022, we remained the leader in the sector in terms of the total number of patent and utility model applications filed from Türkiye over the past decade, as well as in previous years.

TUBITAK BIGG

BIGG Team was established through a partnership with the technology transfer offices of Anadolu University, Bursa Uludağ University, and Eskişehir Osmangazi University. Eczacıbaşı Building Products -Bathroom (EBPB) has actively participated in this consortium as a project partner. Under the TÜBİTAK 1512 Entrepreneurship Support Program, in collaboration with the BIGG Team, we aim to evaluate technology and innovation-oriented business ideas proposed by entrepreneurs. This project received support from TÜBİTAK in December 2022 and it was scheduled to be carried out between 2023 and 2025.



VitrA Logistics Center

In addition to our ongoing projects and studies, we actively engage in various events and meetings to share our unique perspective on innovation.

The VitrA Innovation Center participated in the Horizon Europe Brokerage Event for Cluster 6. This event brought together private companies and public institutions interested in collaborative projects on food, bioeconomy, natural resources, agriculture, and the environment. During the event, we engaged with numerous international firms and university representatives, discussing potential contributions, and exploring collaboration opportunities for Horizon Europe projects. By participating in and organizing such events, we aim to contribute to the broader conversation surrounding innovation and inspire others to embrace a forward-thinking mindset. We believe that by sharing our insights and experiences, we can foster a greater understanding of the transformative power of innovation and its role in driving sustainable growth and success.

VitrA Innovation Center Campus Ambassadors organized events at Eskişehir Technical University, Osmangazi University, and Yıldız Technical University. These events introduced young people to innovation and product development while showcasing our work at the Innovation Center.

Intellectual Property Rights Day, held for the first time at the VitrA Innovation Center. The event recognized the team members who filed the most patents in 2022. In 2023, the number of patent applications per person at the Innovation Center was 1.00, while 51 national patent applications were filed.

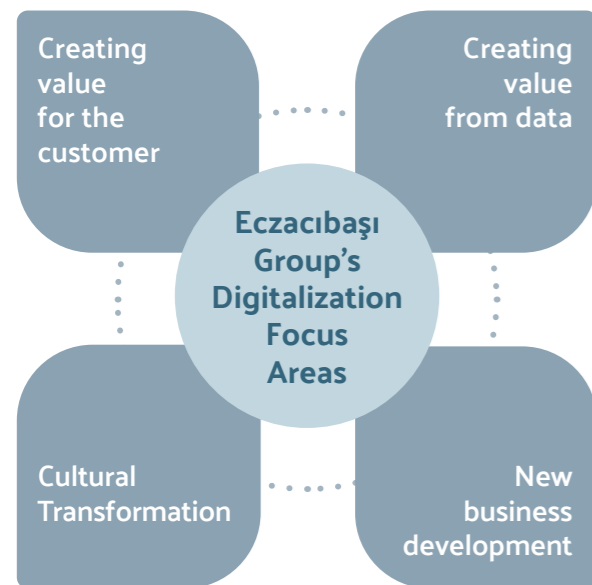
Moreover, Eczacıbaşı Group developed the PatWay software in partnership with us. This software ensures that patent applications are managed systematically, efficiently, and in compliance with relevant legislation. It offers a traceable, archivable, environmentally friendly, and sustainable solution for invention management. PatWay stands out as the first program within the sector and among Eczacıbaşı Group companies to digitalize the invention application processes, setting a new benchmark for innovation management.

Digital Transformation

The rapid transformation of the digital world has brought about significant changes in how we conduct business and interact with the world. We continue to witness how the integration of digital technologies has become a critical factor in maintaining competitiveness and ensuring the sustainability of businesses. Technology now permeates every aspect of business, influencing communication methods, information retrieval, and decision-making processes. Furthermore, technological advancements have led to increased efficiency and productivity within the business environment.



EBPB Ceramic Sanitary Ware Factory



By aligning Eczacıbaşı Group digitalization approach, at EBPB, we embrace the challenges presented by the digital age and turn them into promising opportunities through the implementation of innovative digital systems and tools. We are committed to solidifying our position as a data and technology-driven organization by delivering unique and seamless experiences to all our stakeholders.

By embracing digital technologies, data, and new ways of doing business, we are shaping the future of our business. In line with this, data integration gives us valuable insights, allowing us to better understand user preferences and tailor products and services accordingly. This not only increases user satisfaction, but also ensures that we stay ahead of the competition in a rapidly changing business environment. In 2023, by raising employee awareness of digital transformation, we have made significant progress in accelerating the digitalization of our business processes. As part of this initiative, we provided **1,104 hours** of training on digital

transformation. By doing so, our training hours **increased by 61%** compared to the previous year.

In addition, our digital initiatives are designed to drive operational efficiencies across our organization. We are streamlining processes by digitizing and automating to reduce manual errors and increase productivity. As part of our digital strategy, we have successfully achieved end-to-end instant traceability, implemented a visual management infrastructure, and conducted digital reporting studies. For instance, through ArMax Smart project, we digitized production control forms and part information sheets, taking a crucial step towards eliminating paper-based processes within the factory. By focusing on efficiency and quality improvement, as well as the elimination of manual and non-value-added work, we contribute to our strategic goal of cost leadership. Moreover, the PaperZero initiative is focused on reducing the use of hard-copy documents and processing time by implementing the digital signature and bank order projects. The main objective of this initiative is to

increase engagement with digital processes and encourage the use of bank orders within our system.

1,104 hours of training on digital transformation, which is increased by 61% compared to previous year.

In today's increasingly competitive business environment, the importance of digital transformation is becoming ever more apparent. With the rapid technological advances that we are witnessing, it is inevitable for businesses to embrace and adapt to digital transformation. As part of our future plan, we aim to create a 3D digital twin supported by live data to perform simulation analysis for statistical studies. This digital twin can be instantly monitored using virtual reality and plant process modeling. The primary goal of this initiative is to save time and energy by identifying potential errors through simulation applications before implementing new production processes. By addressing these errors in the virtual environment, we aim to minimize disruptions and enhance efficiency in the real production environment. Our aim is to realize a key component of Industry 4.0 by conducting simulation studies and creating a digital twin of our factory.

During the year, we completed 6 digital projects within the scope of our digital transformation roadmaps and invested €4.510 million.

As we dedicate more resources to implement digital and innovative solutions, we invested **€4.510 million** in digital initiatives in 2023. Throughout the year, we completed 6 value-added digital projects as part of our digital transformation roadmaps.

Increasing Customer Experience and Digital Processes with our Dealers

Maintaining a strong connection with our users plays a pivotal role in meeting their changing expectations and enhancing satisfaction. Incorporating digital transformation perspective into our operations more than just adopting new technology, it requires reimagining processes, workflows, and business models to leverage the full potential of digital tools. Within the framework of the e-tender project, which aims to improve profitability and cash flow by leveraging SAP and Salesforce systems, we are instilling a digital transformation perspective across all our operations. As part of our business sustainability approach, we have upgraded our existing system to a more advanced version, aimed at digitizing the production systems, ensuring real time data flow, increasing production visibility, and providing efficiency gains. Furthermore, we are in the process of implementing ERP system across our operations at burghad and Vitra Italy.

Our sales activities are an integral part of our value chain, and we strive to enhance the efficiency of our sales operations. By harnessing the power of digitalization, we have significantly optimized our sales processes, improved communication with dealers, and enhanced monitoring capabilities, ultimately leading to increased efficiency and effectiveness in our sales activities. Within the scope of the Digitalize Sales Channels, in order to maintain business continuity and adapt to changing market dynamics, we are implementing a series of projects such as Omnichannel Türkiye, E-commerce Europe, Emarsys, Various Artificial Intelligence Projects, RPA Projects.

The following are the initiatives we will work on as part of our omnichannel approach:

Dealer as a Warehouse

Through our Commerce Cloud system, we will enable our dealers to open their inventory and make sales. This will allow us to respond more quickly to customer requests and increase our dealers' sales potential.

Display Product Store Locator

The Vitra Online platform is designed to show the availability of products at showrooms and points of sale. The aim is to increase customer satisfaction and business performance by making the shopping experience more powerful and effective.

Build a Bridge

In order to improve the purchasing experience of the end customer, we are designing a system that will allow them to create a personal collection to buy, browse, share and follow the products that they like. This collection will be able to receive instant updates on the promotions, the stock status, the prices and other features of the products that are preferred. In addition, by ensuring that products liked in the online shopping channel are also visible at offline points of sale, we will enable customers to integrate their online and offline shopping experience. Throughout the shopping process, we aim to provide the best possible service to our customers.

Unified & Visible Inventory Management

In order to have long production times and to provide flexibility to the demands of the end customers, we aim to increase the availability of the products and, as a result, increase the sales by displaying the stocks of the products as available/not available or in quantity to the sales points throughout Türkiye within the framework of the legal/commercial regulations.

Do it All for Them

A comprehensive tender management system will be developed to systematically manage and record the tender, process monitoring and evaluation stages of approved work on a project-by-project basis through designated sales channels. This system will provide a transparent and effective process that maintains competition between services and allows for the emergence of the best tender.

Click&Collect

For end-customers who require a faster or more immediate delivery of purchased products, we will offer a choice of delivery methods from within the store. This reduces the overall cost of the order by eliminating shipping charges, creating a more efficient and secure delivery process. Additionally, companies utilizing the Click & Collect application have reported a reduction in returns and negative experiences related to shipping or logistics.

RPA (Robotic Process Automation)

We have initiated a process of comparing reports from our sales development team, which are received from dealers utilizing disparate systems, by automated robotic solutions. This project is currently in the testing phase and will ensure the expeditious and error-free completion of processes.

Emarsys Project

For end-customers who require a faster or more immediate delivery of purchased products, we will offer a choice of delivery methods from within the store. This reduces the overall cost of the order by eliminating shipping charges, creating a more efficient and secure delivery process. Additionally, companies utilizing the Click & Collect application have reported a reduction in returns and negative experiences related to shipping or logistics.



Vitra Liquid Collection
by Tom Dixon



As a part of our efforts, we have implemented the VSN (VitrA Sales Point) Portal as a crucial component of our sales digitization initiatives. Our sub-dealers are the sales points of our company. In our previous sales channel, our access to order information was limited to what the dealer reported, or our team had to exert considerable effort to obtain the data. With the implementation of the VSN Portal, sub-dealers now have the capability to place orders directly with the dealerships, while our teams can effortlessly manage the data. This enables us to have better control over the data and expands the VitrA ecosystem. Additionally, dealers can conveniently view real-time stock information for our VitrA+ -luxury and hard-to-find- products, all from a single platform. Notably, the opening of a new storage area specially VitrA+ products has further contributed to this improvement. This streamlined process enables them to place orders instantly, facilitating prompt delivery.

Furthermore, the successful VitrA price catalogue, has become digitized. Published under 7 categories which are sanitary ware, bathroom furniture, fixtures, shower systems, washing areas, cistern, and bathroom accessories the price catalogue can now be accessed at list. VitrAnext.com.

Our communication with dealers has been significantly simplified through the implementation of Dealer Hub. We had to contact sales consultants to inquire about product stock at different dealerships, requiring them to reach out to multiple dealers in their respective regions, and this process was time-consuming and cumbersome. However, a single click provides us with access to comprehensive product stock information with the establishment of Dealer Hub.

Dijitaliz 2023



Eczacıbaşı Group, which prioritizes digital transformation in its business strategies, hosted its sixth [Dijitaliz](#) event. In 2023, Dijitaliz event held under the theme of "Rise". We are proud to announce that we have been awarded "Best Digital Operation - Supply Chain" category for our ConneXion project, which enables us to manage the strategic procurement process with direct and indirect suppliers through a single platform.



7

Annexes

List of Associations, Initiatives and Memberships	192
GRI Content Index	194
WEF Stakeholder Capitalism Metrics	202
Independent Assurance Report	206
Reporting Principals	210
Product TSE Certificates	215
Info	216

List of Associations, Initiatives and Memberships

Institution	Status
Turkish Employers' Association of Metal Industries (MESS)	Chairmanship of the Board
Glass, Cement, Ceramic and Soil Industries Workers' Union of Türkiye (ÇİMSE)	Membership
Association of Turkish Construction Material Producers (İMSAD)	Membership
Turkish Ceramic Federation (SERFED)	General Secretary
Ceramic Sanitary Ware Manufacturers Association (SERSA)	Board Member, Board Substitute Member, Audit Board Member, Disciplinary Committee
Ceramics Research Center	Membership
Kitchen and Bathroom Furniture Industrialists and Importers Association	Membership
Chain Stores Association	Board Membership
Eskişehir Bilecik Kütahya Ceramic Business Cluster Association	Vice-Chairmanship

Institution	Status
Yanıdayız Association	Partnership
Sales Network Platform	Membership
R&D and Design Centers Communication and Cooperation Platform (ARGEMIP)	Membership
University & Industry Cooperation Centers Platform (USIMP)	Membership
Istanbul Chamber of Industry (ISO)	Membership
Turkish Land Employers Union	Board Membership
Central Anatolian Exporters' Union	Board Membership
Türkiye Ceramics Federation	Board Membership, General Secretary
Mess / Artema Faucet Group	

GRI Content Index



For the Content Index – Essentials Service, GRI Services reviewed that the GRI content index has been presented in a way consistent with the requirements for reporting in accordance with the GRI Standards, and that the information in the index is clearly presented and accessible to the stakeholders.

The service was performed on the English version of the report.

Statement of Use:	Eczacıbaşı Building Products – Bathroom has reported in accordance with GRI Standards for the period 1 January 2023 and 31 December 2023.	
GRI 1 Use:	GRI 1: Foundation 2021	
Applicable GRI Sector Standard(s):	-	
GRI STANDARD	DISCLOSURE	LOCATION
GRI 2: General Disclosures 2021	2-1 Organizational details	Overview of Eczacıbaşı Building Products – Bathroom (EBPB), page 10; Organizational Structure, Brands and Products, page 12, page 15
	2-2 Entities included in the organization's sustainability reporting	About the Report, page 5
	2-3 Reporting period, frequency and contact point	About the Report, page 5; Info, page 215
	2-4 Restatements of information	About the Report, page 5; Info, page 215
	2-5 External assurance	Limited Assurance Report, page 206, page 207, page 208, page 209
	2-6 Activities, value chain and other business relationships	Organizational Structure, Brands and Products, page 12; Our Value-Creating Business Model, page 30
	2-7 Employees	Equal, Diverse and Inclusive Workplace, page 132
	2-8 Workers who are not employees	Equal, Diverse and Inclusive Workplace, page 132
	2-9 Governance structure and composition	Governance Approach, page 56
	2-10 Nomination and selection of the highest governance body	Governance Approach, page 56
	2-11 Chair of the highest governance body	Governance Approach, page 56
	2-12 Role of the highest governance body in overseeing the management of impacts	Governance Approach, page 56
	2-13 Delegation of responsibility for managing impacts	Governance Approach, page 56

GRI 2: General Disclosures 2021	2-14 Role of the highest governance body in sustainability reporting	Sustainability Governance, page 62
	2-15 Conflicts of interest	Governance Approach, page 56
	2-16 Communication of critical concerns	Governance Approach, page 56
	2-17 Collective knowledge of the highest governance body	Governance Approach, page 56
	2-18 Evaluation of the performance of the highest governance body	Governance Approach, page 56
	2-19 Remuneration policies	Governance Approach, page 56 Equal, Diverse and Inclusive Workplace, page 132
	2-20 Process to determine remuneration	Equal, Diverse and Inclusive Workplace, page 132
	2-21 Annual total compensation ratio	Equal, Diverse and Inclusive Workplace, page 132
	2-22 Statement on sustainable development strategy	Sustainability Governance, page 62
	2-23 Policy commitments	Message from the CEO, page 6; Sustainability at Eczacıbaşı Building Products – Bathroom (EBPB), page 34
	2-24 Embedding policy commitments	Ethics and Compliance, page 68
	2-25 Processes to remediate negative impacts	Ethics and Compliance, page 68
	2-26 Mechanisms for seeking advice and raising concerns	Ethics and Compliance, page 68
2-27 Compliance with laws and regulations	Ethics and Compliance, page 68	
2-28 Membership associations	List of Associations, Initiatives and Memberships, page 192	
2-29 Approach to stakeholder engagement	Stakeholder Relations, page 46	
2-30 Collective bargaining agreements	Equal, Diverse and Inclusive Workplace, page 132	
Material Topics		
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Eczacıbaşı Building Products – Bathroom (EBPB)'s Materiality, page 38, page 39, page 40
	3-2 List of material topics	Eczacıbaşı Building Products – Bathroom (EBPB)'s Materiality, page 38, page 39, page 40

Economic and Financial Performance		
GRI 3: Material Topics 2021	3-3 Management of material topics	Eczacıbaşı Building Products – Bathroom (EBPB)'s Materiality, page 38; Economic and Financial Performance, page 83
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Overview of Eczacıbaşı Building Products – Bathroom (EBPB), page 10; Year in Review, page 26; Economic and Financial Performance, page 83; Our Value-Creating Business Model, page 30
	201-2 Financial implications and other risks and opportunities due to climate change	Operating Environment, page 18; Risk Management, page 64
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	Community and Social Vitality, page 160; Social Investment, page 160
	203-2 Significant indirect economic impacts	Community and Social Vitality, page 160; Social Investment, page 160
Business Ethics and Legal Compliance		
GRI 3: Material Topics 2021	3-3 Management of material topics	Eczacıbaşı Building Products – Bathroom (EBPB)'s Materiality, page 38; Business Ethics and Legal Compliance, page 69
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	Eczacıbaşı Code of Conduct: https://storage-vitraglobal.mncdn.com/vitra/global/Sustainability/documents/Eczacibasi-Group-Code-Of-Conduct.pdf , page 70
	205-2 Communication and training about anti-corruption policies and procedures	Business Ethics and Legal Compliance, page 69
Supply Chain Management		
GRI 3: Material Topics 2021	3-3 Management of material topics	Eczacıbaşı Building Products – Bathroom (EBPB)'s Materiality, page 38; Supply Chain Management, page 74
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	Supply Chain Management, page 74
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	Supply Chain Management, page 74
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	Supply Chain Management, page 74

Energy Management and Carbon Emission		
GRI 3: Material Topics 2021	3-3 Management of material topics	Eczacıbaşı Building Products – Bathroom (EBPB)'s Materiality, page 38; Energy Management and Carbon Emission, page 91 Energy Policy: https://storage-vitraglobal.mncdn.com/vitra/global/Kataloglar/Energy_Policy.pdf
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Energy Management and Carbon Emission, page 91
	302-2 Energy consumption outside of the organization	Energy Management and Carbon Emission, page 91
	302-3 Energy intensity	Sustainability Objectives, page 41; Energy Management and Carbon Emission, page 91
	302-4 Reduction of energy consumption	Energy Management and Carbon Emission, page 91
	302-5 Reductions in energy requirements of products and services	Energy Management and Carbon Emission, page 91
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Energy Management and Carbon Emission, page 91
	305-2 Energy indirect (Scope 2) GHG emissions	Energy Management and Carbon Emission, page 91
	305-4 GHG emissions intensity	Energy Management and Carbon Emission, page 91
	305-5 Reduction of GHG emissions	Energy Management and Carbon Emission, page 91
Water Management		
GRI 3: Material Topics 2021	3-3 Management of material topics	Eczacıbaşı Building Products – Bathroom (EBPB)'s Materiality, page 38; Water Management, page 98
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	Water Management, page 98
	303-2 Management of water discharge-related impacts	Water Management, page 98
	303-3 Water withdrawal	Water Management, page 98

Resource Management and Responsible Procurement		
GRI 3: Material Topics 2021	3-3 Management of material topics	Eczacıbaşı Building Products - Bathroom (EBPB)'s Materiality, page 38; Resource Management and Responsible Procurement, page 103
GRI 301: Materials 2016	301-1 Materials used by weight or volume	Resource Management and Responsible Procurement, page 103
Product Responsibility		
GRI 3: Material Topics 2021	3-3 Management of material topics	Eczacıbaşı Building Products - Bathroom (EBPB)'s Materiality, page 38; Product Responsibility, page 108
Waste Management		
GRI 3: Material Topics 2021	3-3 Management of material topics	Eczacıbaşı Building Products - Bathroom (EBPB)'s Materiality, page 38; Waste Management, page 124
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Waste Management, page 124
	306-2 Management of significant waste-related impacts	Waste Management, page 124
	306-3 Waste generated	Waste Management, page 124
	306-4 Waste diverted from disposal	Waste Management, page 124
	306-5 Waste directed to disposal	Waste Management, page 124

Equal, Diverse and Inclusive Workplace		
GRI 3: Material Topics 2021	3-3 Management of material topics	Eczacıbaşı Building Products - Bathroom (EBPB)'s Materiality, page 38; Equal, Diverse and Inclusive Workplace, page 132
GRI 402: Labor/ Management Relations 2016	402-1 Minimum notice periods regarding operational changes	Business Ethics and Legal Compliance, page 69; Equal, Diverse and Inclusive Workplace, page 132
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Governance Approach, page 56
	405-2 Ratio of basic salary and remuneration of women to men	Equal, Diverse and Inclusive Workplace, page 132
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Business Ethics and Legal Compliance, page 69; Equal, Diverse and Inclusive Workplace, page 132
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Business Ethics and Legal Compliance, page 69; Equal, Diverse and Inclusive Workplace, page 132
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	Business Ethics and Legal Compliance, page 69; Equal, Diverse and Inclusive Workplace, page 132
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Business Ethics and Legal Compliance, page 69; Equal, Diverse and Inclusive Workplace, page 132
Attracting, Developing and Retaining Talent		
GRI 3: Material Topics 2021	3-3 Management of material topics	Eczacıbaşı Building Products - Bathroom (EBPB)'s Materiality, page 38; Attracting, Developing and Retaining Talent, page 138
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Attracting, Developing and Retaining Talent, page 138
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Attracting, Developing and Retaining Talent, page 138
	404-2 Programs for upgrading employee skills and transition assistance programs	Attracting, Developing and Retaining Talent, page 138
	404-3 Percentage of employees receiving regular performance and career development reviews	Attracting, Developing and Retaining Talent, page 138

Health, Safety and Wellbeing		
GRI 3: Material Topics 2021	3-3 Management of material topics	Eczacıbaşı Building Products – Bathroom (EBPB)'s Materiality, page 38; Health, Safety and Wellbeing, page 155
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Health, Safety and Wellbeing, page 155 Occupational Health and Safety Policy: https://www.eczacibasi.com.tr/assets/Eczacibasi_Group_Occupational_Health_Safety_Policy_rev01.pdf
	403-2 Hazard identification, risk assessment, and incident investigation	Health, Safety and Wellbeing, page 155 Occupational Health and Safety Policy: https://www.eczacibasi.com.tr/assets/Eczacibasi_Group_Occupational_Health_Safety_Policy_rev01.pdf
	403-4 Worker participation, consultation, and communication on occupational health and safety	Health, Safety and Wellbeing, page 155 Occupational Health and Safety Policy: https://www.eczacibasi.com.tr/assets/Eczacibasi_Group_Occupational_Health_Safety_Policy_rev01.pdf
	403-5 Worker training on occupational health and safety	Health, Safety and Wellbeing, page 155 Occupational Health and Safety Policy: https://www.eczacibasi.com.tr/assets/Eczacibasi_Group_Occupational_Health_Safety_Policy_rev01.pdf
	403-6 Promotion of worker health	Health, Safety and Wellbeing, page 155 Occupational Health and Safety Policy: https://www.eczacibasi.com.tr/assets/Eczacibasi_Group_Occupational_Health_Safety_Policy_rev01.pdf
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Health, Safety and Wellbeing, page 155 Occupational Health and Safety Policy: https://www.eczacibasi.com.tr/assets/Eczacibasi_Group_Occupational_Health_Safety_Policy_rev01.pdf
	403-8 Workers covered by an occupational health and safety management system	Health, Safety and Wellbeing, page 155 Occupational Health and Safety Policy: https://www.eczacibasi.com.tr/assets/Eczacibasi_Group_Occupational_Health_Safety_Policy_rev01.pdf
	403-9 Work-related injuries	Health, Safety and Wellbeing, page 155 Occupational Health and Safety Policy: https://www.eczacibasi.com.tr/assets/Eczacibasi_Group_Occupational_Health_Safety_Policy_rev01.pdf

Social Investment		
GRI 3: Material Topics 2021	3-3 Management of material topics	Eczacıbaşı Building Products – Bathroom (EBPB)'s Materiality, page 38; Community and Social Vitality, page 160; Social Investment, page 160
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Community and Social Vitality, page 160; Social Investment, page 160
	413-2 Operations with significant actual and potential negative impacts on local communities	Community and Social Vitality, page 160; Social Investment, page 160
Wellbeing & Hygiene		
GRI 3: Material Topics 2021	3-3 Management of material topics	Eczacıbaşı Building Products – Bathroom (EBPB)'s Materiality, page 38; Wellbeing & Hygiene, page 168
R&D and Innovation		
GRI 3: Material Topics 2021	3-3 Management of material topics	Eczacıbaşı Building Products – Bathroom (EBPB)'s Materiality, page 38; R&D and Innovation, page 176
Digital Transformation		
GRI 3: Material Topics 2021	3-3 Management of material topics	Eczacıbaşı Building Products – Bathroom (EBPB)'s Materiality, page 38; Digital Transformation, page 184

WEF Stakeholder Capitalism Metrics

Principles of Governance			
Pillar	Core Metrics and Disclosures	Description	References
Governing purpose	Setting purpose	The company's stated purpose, as the expression of the means by which a business proposes solutions to economic, environmental and social issues. Corporate purpose should create value for all stakeholders, including shareholders.	Message from the CEO, page 6
Quality of governing body	Governance body composition	Composition of the highest governance body and its committees by: competencies relating to economic, environmental, and social topics; executive or non-executive; independence; tenure on the governance body; number of each individual's other significant positions and commitments, and the nature of the commitments; gender; membership of under-represented social groups; stakeholder representation	Governance Approach, page 56
Stakeholder engagement	Material issues impacting stakeholders	A list of the topics that are material to key stakeholders and the company, how the topics were identified and how the stakeholders were engaged.	Eczacıbaşı Building Products - Bathroom (EBPB)'s Materiality, page 38
Ethical behavior	Anti-Corruption	1. Total percentage of governance body members, employees and business partners who have received training on the organization's anti-corruption policies and procedures	Business Ethics and Legal Compliance, page 69
		a) Total number and nature of incidents of corruption confirmed during the current year, but related to previous years; and	
		b) Total number and nature of incidents of corruption confirmed during the current year, related to this year.	
	2. Discussion of initiatives and stakeholder engagement to improve the broader operating environment and culture, in order to combat corruption		
Protected ethics advice and reporting mechanisms	A description of internal and external mechanisms for:	Business Ethics and Legal Compliance, page 69	
	1. Seeking advice about ethical and lawful behaviour and organizational integrity; and		
	2. Reporting concerns about unethical or unlawful behaviour and lack of organizational integrity.		

Risk and opportunity oversight	Integrating Risk and Opportunity into Business Process	Company risk factor and opportunity disclosures that clearly identify the principal material risks and opportunities facing the company specifically (as opposed to generic sector risks), the company appetite in respect of these risks, how these risks and opportunities have moved over time and the response to those changes. These opportunities and risks should integrate material economic, environmental and social issues, including climate change and data stewardship.	Risk Management, page 64
Planet			
Climate Change	Greenhouse Gas (GHG) emissions	For all relevant greenhouse gases (e.g. carbon dioxide, methane, nitrous oxide, F-gases etc.), report in metric tonnes of carbon dioxide equivalent (tCO ₂ e) GHG Protocol Scope 1 and Scope 2 emissions.	Facts about Our Actions report , Energy Management and Carbon Emissions, page 91
		Estimate and report material upstream and downstream (GHG Protocol Scope 3) emissions where appropriate.	Scope 1 and Scope 2 emissions are calculated and reported annually. We aim to calculate Scope 3 emissions.
	TCFD implementation	Fully implement the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). If necessary, disclose a timeline of at most three years for full implementation. Disclose whether you have set, or have committed to set, GHG emissions targets that are in line with the goals of the Paris Agreement – to limit global warming to well below 2°C above pre-industrial levels and pursue efforts to limit warming to 1.5°C – and to achieve net-zero emissions before 2050	We initiated detailed studies for climate risk assessment. In this context, efforts to comply with TCFD are planned.
Nature Loss	Land use and ecological sensitivity	Report the number and area (in hectares) of sites owned, leased or managed in/or adjacent to protected areas and/or key biodiversity areas (KBA).	We do not have an operational center located in protected areas, especially RAMSAR areas.
Freshwater Availability	Water consumption and withdrawal in water-stressed areas	Report for operations where material: megalitres of water withdrawn, megalitres of water consumed and the percentage of each in regions with high or extremely high baseline water stress, according to WRI Aqueduct water risk atlas tool.	Water Management, page 98
		Estimate and report the same information for the full value chain (upstream and downstream) where appropriate.	

People			
Dignity and Equality	Diversity and inclusion (%)	Percentage of employees per employee category, by age group, gender and other indicators of diversity	Facts about Our Actions report , Equal, Diverse and Inclusive Workplace, page 132
	Pay equality (%)	Ratio of the basic salary and remuneration for each employee category by significant locations of operation for priority areas of equality: women to men, minor to major ethnic groups, and other relevant equality areas.	Equal, Diverse and Inclusive Workplace, page 132
	Wage level (%)	Ratios of standard entry level wage by gender compared to local minimum wage.	Equal, Diverse and Inclusive Workplace, page 132
		Ratio of the annual total compensation of the CEO to the median of the annual total compensation of all its employees, except the CEO	
Risk for incidents of child, forced or compulsory labor	An explanation of the operations and suppliers considered to have significant risk for incidents of child labour, forced or compulsory labour. Such risks could emerge in relation to: a) type of operation (such as manufacturing plant) and type of supplier; and b) countries or geographic areas with operations and suppliers considered at risk.	Risk Management, page 64; Supply Chain Management, page 74	
Skills for the future	Training provided	Average hours of training per person that the organization's employees have undertaken during the reporting period, by gender and employee category (total number of hours of training provided to employees divided by the number of employees).	Facts about Our Actions report Attracting, Developing and Retaining Talent, page 138
		Average training and development expenditure per full time employee (total cost of training provided to employees divided by the number of employees).	Facts about Our Actions report , Health, Safety and Wellbeing, page 155
Health and Wellbeing	Health and safety (%)	The number and rate of fatalities as a result of work-related injury; high-consequence work-related injuries (excluding fatalities); recordable work-related injuries; main types of work-related injury; and the number of hours worked.	Health, Safety and Wellbeing, page 155 Occupational Health and Safety Policy: https://storage-vitraglobal.mncdn.com/vitra/global/Kataloglar/Occupational_Health_and_Safety_Policy.pdf
		An explanation of how the organization facilitates workers' access to non-occupational medical and healthcare services, and the scope of access provided for employees and workers.	

Prosperity			
Employment and wealth generation	Absolute number and rate of employment	1. Total number and rate of new employee hires during the reporting period, by age group, gender, other indicators of diversity and region.	Facts about Our Actions report , Attracting, Developing and Retaining Talent, page 138
		2. Total number and rate of employee turnover during the reporting period, by age group, gender, other indicators of diversity and region.	Facts about Our Actions report , Attracting, Developing and Retaining Talent, page 138
	Economic Contribution	1. Direct economic value generated and distributed (EVG&D), on an accruals basis, covering the basic components for the organisation's global operations, ideally split out by: - Revenues - Operating costs - Employee wages and benefits - Payments to providers of capital - Payments to government - Community investment	Facts about Our Actions report , Economic and Financial Performance, page 83
		2. Financial assistance received from the government: total monetary value of financial assistance received by the organisation from any government during the reporting period.	We received financial assistance within the scope of Investment Incentive Certificates, Inward Processing Permit, Turquality and R&D incentives.
Financial investment contribution		1. Total capital expenditures (CapEx) minus depreciation, supported by narrative to describe the company's investment strategy.	Economic and Financial Performance, page 83
		2. Share buybacks plus dividend payments, supported by narrative to describe the company's strategy for returns of capital to shareholders.	
Innovation of better products and services	Total R&D expenses (\$)	Total costs related to research and development.	Our Value-Creating Business Model, page 30
Community and social vitality	Total tax paid	The total global tax borne by the company, including corporate income taxes, property taxes, non-creditable VAT and other sales taxes, employer-paid payroll taxes, and other taxes that constitute costs to the company, by category of taxes.	Our Value-Creating Business Model, page 30

Independent Assurance Report

GRI 2-5

GRI 2-5

DRT Bağımsız Denetim ve SMMM A.Ş. ("Deloitte") independent auditor's limited assurance report to the Board of Directors of Eczacıbaşı Yapı Gereçleri Sanayi ve Ticaret A.Ş. ("Company") on the Integrated Sustainability Report 2023: Facts about Our Actions and Integrated Sustainability Report 2023: Story of Our Ambition ("Integrated Sustainability Report") for the year ended 31 December 2023.

Scope of Limited Assurance Engagement

We have been engaged to perform a limited assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised) on whether the Selected Sustainability Information listed below (the "Selected Information") in the Company's Integrated Sustainability Report for the year ended 31 December 2023 (the "2023 Sustainability Report") has been prepared in accordance with the principles set out in the Reporting Guidance section of the Integrated Sustainability Report.

Selected non-financial performance data for limited assurance

We have been engaged by the Company to perform limited assurance procedures on the accuracy of the following key performance indicators included in the 2023 Integrated Sustainability Report for the year ended 31 December 2023. The scope of the indicators subject to limited assurance procedures and marked with an ✓ of the 2023 Integrated Sustainability Report for the year ended 31 December 2023 is as follows:

Social Indicators

- Loss time incident rate
- Total recordable incident rate
- Women among new recruits (%)
- Total share of women professionals (%)
- Women in management positions (%)
- Training hours per employee (#)
- Training hours per talent (#)

Environmental Indicators

- Total energy consumption (MWh)
- Share of renewable energy consumed (%)
- Share of renewable electricity consumed (%)
- Share of recycled waste (%)
- Total disposed waste (Ton)
- Total recycled waste (Ton)
- Total freshwater withdrawal (thousand m³)
- Energy intensity (MWh/ton)
- Water intensity (m³/ton)

Structural constraints

All assurance engagements have inherent limitations due to the selective testing of the information under review. Fraud, error or non-compliance may therefore occur and not be detected. In addition, non-financial information, such as non-financial information contained in reporting documents, is subject to more structural limitations than financial information, given the nature and methods used to identify, calculate and sample or estimate such information.

Our audit provides limited assurance as defined in ISAE 3000 (Revised). The procedures performed as part of a limited assurance engagement differ in nature and timing - and to a lesser extent - from a reasonable assurance engagement. The level of assurance obtained in a limited assurance engagement is therefore significantly narrower than the scope of a reasonable assurance engagement.

Special Purpose

Our work has been undertaken to inform the Company's Board of Directors of the matters we are required to report in this report and for no other purpose. To the extent permitted by law, we accept no responsibility to any person or entity other than the Company's Board of Directors for the assurance audit we have conducted or the conclusion we have reached.

Our Independence and Competence

We comply with the independence and other ethical provisions of the Code of Ethics for Accounting Professionals published by the International Ethics Standards Board for Accounting Professionals, which sets out the basic principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

We apply the International Standard for Quality Management 1 (ISQM 1) and accordingly maintain a robust system of quality control, including policies and procedures that document compliance with relevant ethical and professional standards and requirements in laws or regulations.

Responsibilities of Management

The Company Executives are responsible for the preparation, accuracy and completeness of the sustainability information and statements in the report. The Company Managers are responsible for setting the Company's sustainability goals, establishing and maintaining appropriate performance management and internal control systems from which the reported information is derived.

Responsibilities of the Auditor

Our responsibility is to reach a conclusion on the Selected Information based on our procedures. We conducted our limited assurance engagement in accordance with International Standards on Assurance Engagements and, in particular, International Standard on Assurance Engagements (ISAE 3000) (Revised) on Assurance Engagements Other than Independent Audits.

The assurance audit performed represents a limited assurance audit. The nature, timing and extent of the procedures performed in a limited assurance audit are limited compared to those required in a reasonable assurance audit. As a result, the level of assurance obtained in a limited assurance audit is lower.

Independent Assurance Report

GRI 2-5

GRI 2-5

Our Key Assurance Procedures

We carried out limited assurance on the accuracy of the selected key performance indicators specified below in the section “Selected non-financial performance data for limited assurance” related to 2023 year and included into the Report.

To achieve limited assurance, the ISAE 3000 (Revised) requires that we review the processes, systems and competencies used to compile the areas on which we provide our assurance. Considering the risk of material error, we planned and performed our work to obtain all of the information and explanations we considered necessary to provide sufficient evidence to support our assurance conclusion.

To form our conclusions, we undertook the following procedures:

Analyzed on a sample basis the key systems, processes, policies and controls relating to the collation, aggregation, validation and reporting processes of the selected sustainability performance indicators;

- Conducted interviews with employees of the Company responsible for sustainability performance, policies and corresponding reporting;
- Conducted selective substantive testing to confirm the accuracy of received data to the selected key performance indicators;
- Made enquiries of management and senior executives to obtain an understanding of the overall governance and internal control environment, risk management, materiality assessment and stakeholder engagement processes relevant to the identification, management and reporting of sustainability issues; and

We believe that our evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusion.

Limited assurance conclusion

Based on our work and the assurance procedures performed, nothing has come to our attention that causes us to believe, in our opinion, that the Selected Information referred to above in the Company’s 2023 Integrated Sustainability Report for the year ended 31 December 2023, for which we were engaged to provide limited assurance, has not been prepared, in all material respects, in accordance with the Reporting Manual, as described in the “Auditor’s Responsibilities” section above.

DRT BAĞIMSIZ DENETİM VE SERBEST MUHASEBECİ MALİ MÜŞAVİRLİK A.Ş.
Member of **DELOITTE TOUCHE TOHMATSU LIMITED**

Tolga Sirkecioğlu
Partner

İstanbul, 19 August 2024

Reporting Principles

Eczacıbaşı Building Products - Bathroom Integrated Sustainability Report 2023: Story on our Ambition Report and Fact on our Action Report – Reporting Principles

This reporting principles (the “Reporting Principles”) provides information on the data preparation and reporting methodologies of indicators within the scope of the limited assurance in the Eczacıbaşı Building Products - Bathroom (EBPB)’s Eczacıbaşı Building Products - Bathroom (EBPB) Integrated Sustainability Report 2023: Story of Our Ambition Report and Facts about Our Actions Report (the “Integrated Sustainability Report 2023”). The indicators include social indicators and environmental indicators. It is the responsibility of the Company’s management to ensure that appropriate procedures are in place to prepare the indicators mentioned above in line with, in all material respects, the Principles.

The information contained in these principles covers the financial year ending December 31, 2023 and the relevant operations in Türkiye and abroad (Germany, France, Russia) for which Company is responsible, as detailed in the “Key Definitions and Scope of Reporting” section.

- Blue collar employees are not included in the social indicators’ calculations.
- Share of women among new recruits, share of women in management positions, share of women in employment, and training hours per talent only include the Türkiye locations of Group.

General Reporting Principles

The following principles have been considered in the preparation of this principles document:

- In the preparation of information - to emphasize to users of information the basic principles of relevance and reliability of information,
- In reporting information - emphasizing the principles of comparability/consistency of information with other data, including previous year, and the principles of understandability/transparency providing clarity to users.

Key Definitions and Scope of Reporting

For the purpose of this report, the Company makes the following definitions:

Type	Indicator	Scope
Environmental	Total energy consumption (MWh)	In the reporting period, it refers to the total amount of energy consumption by the Company which is monitored monthly and invoiced by the service provider institutions. Energy consumption data includes electricity, natural gas, diesel, fuel oil and LPG consumption.
Environmental	Share of renewable energy consumed (%)	In the reporting period, it refers to the ratio of renewable electricity that was produced and procured, as well as renewable energy that was produced to the total amount of energy consumption.
Environmental	Share of renewable electricity consumed (%)	In the reporting period, it refers the ratio of produced and procured renewable electricity to the total amount of electricity consumption.
Environmental	Share of recycled waste (%)	In the reporting period, it refers the ratio of the waste that is recovered and recycled by the Company, followed up with the waste declarations and declared to the State, to the total amount of waste.
Environmental	Total disposed waste (Ton)	In the reporting period, it refers to the amount of waste disposed by the Company, tracked by waste declarations and declared to the Government.
Environmental	Total recycled waste (Ton)	In the reporting period, it refers to the amount of waste recycled by the Company, tracked by waste declarations and declared to the Government.
Environmental	Total freshwater withdrawal (thousand m ³)	In the reporting period, it refers to the total amount of municipal water withdrawn, as monitored from the invoices received from service provider institutions, and ground water withdrawn, as monitored by meters.
Environmental	Energy intensity (MWh/ton)	In the reporting period, it refers to the ratio of the Company’s total energy consumption to total production volume (in tons).
Environmental	Water intensity (m ³ /ton)	In the reporting period, it refers to the ratio of the Company’s total water withdrawal to total production volume (in tons).

Social	Loss time incident rate	In the reporting period, it refers to frequency of work-related injuries that result in the employee being unable to work for a full calendar day or more following the incident.
Social	Total recordable incident rate	In the reporting period, it refers to the total of all incidents resulting in Fatal Incident, Lost Time Injury (LTI), Medical Treatment Injury (MTI), Occupational Illness (Confirmed) (OOI), and Restricted Work Injury (RWI).
Social	Women among new recruits (%)	In the reporting period, it refers to ratio of women to total employee number hired by the Company and declared to the Social Security Institution with the Employment Declaration.
Social	Total share of women professionals (%)	In the reporting period, it refers to the ratio of women to total employee number, who were monitored through Eczacıbaşı Holding A.Ş. Human Resources data platform and who were reported to the Social Security Institution.
Social	Women in management positions (%)	In the reporting period, the ratio of the number of women employees at the managerial levels of the Company, including Manager, Director, Senior Management managers to the Total Number of Employees.
Social	Training hours per employee (#)	In the reporting period, it refers the ratio of the leadership trainings attended by the employees and followed through the Eczacıbaşı Holding A.Ş. training platform, to the number of people who received the training.
Social	Training hours per talent (#)	In the reporting period, it refers the ratio of the leadership trainings attended by the employees and followed through the Eczacıbaşı Holding A.Ş. training platform, to the number of people who received the training.

Preparation of the Data

1. Environmental Indicators

Total energy consumption (MWh)

Formula: Total electricity + natural gas + diesel + fuel oil + LPG / LNG consumption

Share of renewable energy consumed (%)

Formula: Total renewable electricity produced from own resources + renewable heat produced from own resources + purchased renewable electricity / Total energy consumption

Share of renewable electricity consumed (%)

Formula: Total renewable electricity produced from own resources + purchased renewable electricity / Total electricity consumption

Share of recycled waste (%)

Formula: Total recycled waste (ton) / Total amount of waste (ton)

Total disposed waste (Ton)

Formula: Total amount of disposal waste

Total recycled waste (Ton)

Formula: Total amount of recycled waste

Total freshwater withdrawal (thousand m³)

Formula: Total municipal water withdrawal + total ground water withdrawal

Energy intensity (MWh/ton)

Formula: Total energy consumption / Total production amount

Water intensity (m³/ton)

Formula: Total water withdrawal / Total production amount

2. Social Indicators

Loss time incident rate

Formula: (Lost Time Incident Quantity) x 200.000 / Total Manhours

Total recordable incident rate

Formula: (Total Recordable Incident Quantity) x 200.000 / Total Manhours

Women among new recruits (%)

Formula: Number of Women Hires / Total Number of Hires

Total share of women professionals (%)

Formula: Number of Women Employees / Total number of employees

Women in management positions (%)

Formula: Number of women in managerial position / Total number of employees in managerial position

Training hours per Employee (#)

Formula: Total training hours / Average number of employees per year

Training hours per Talent (#)

Formula: Total hours of leadership trainings (hours) / Total number of people who completed leadership trainings (number)

Restatements

The measuring and reporting of data inevitably involves a degree of estimation. Restatements are considered where there is a change in the data of greater than 5 percent at the Group level.

Product TSE Certificates



- **TS 13865** (Bathroom Accessories)
- **TS EN 200** (Sanitary tapware - Single taps and combination taps)
- **TS EN 274-1** (Sanitary appliances - Waste connection parts)
- **TS EN 817** (Sanitary tapware - Mechanical mixing valves)
- **TS EN 1111** (Sanitary tapware - Thermostatic mixing valves)
- **TS EN 1112** (Sanitary tapware - Shower outlets for sanitary tapware for water supply systems)
- **TS EN 1113** (Sanitary tapware - Shower hoses for sanitary tapware for water supply systems)
- **TS EN 15091** (Sanitary tapware - Electronic opening and closing sanitary tapware)
- **TS EN 14055** (WC and urinal flushing cisterns)
- **TS-EN 14749** (Domestic and kitchen storage units and worktops)
- **TS-EN 198** (Sanitary appliances - Baths made from crosslinked cast acrylic sheets)
- **TS-EN 249** (Sanitary appliances - Shower trays made from crosslinked cast acrylic sheets)
- **TS 13420** (Antibacterial surfaced ceramic tiles and ceramic sanitary appliances)
- **TS EN 14688*** (Sanitary appliances - Wash basins)
- **TS EN 997*** (WC pans and WC suites)
- **TS EN 13310** (Kitchen sinks)
- **TS EN 13407** (Wall-hung urinals)
- **TS EN 14528** (Bidets)
- **TS 799** (Squatting pans)
- **TS EN 14527** (Shower trays for domestic purposes)

* It has the Turkish Standards Institute Certificate of Conformity Double Star Criteria

Info

GRI 2-3, GRI 2-4

Eczacıbaşı Building Products
Büyükdere Cad. Ali Kaya Sok. No:5
Levent 34394, İstanbul
Phone: +(90 212) 350 80 00
Fax: +(90 212) 350 85 58
www.VitrAglobal.com

For more information contact
[https://www.VitrAglobal.com/
about-us/sustainability/](https://www.VitrAglobal.com/about-us/sustainability/)

In this report, “Eczacıbaşı Building Products”, “Eczacıbaşı Bathroom”, “the Company”, “we”, “us” and “our” refers to Eczacıbaşı Building Products - Bathroom (EBPB) unless otherwise stated.

Disclaimer

Eczacıbaşı Building Products - Bathroom (EBPB) has acted in good faith and has made every reasonable effort to ensure the accuracy and completeness of the information contained in this document. This Report is prepared only for information purposes and should not be taken as a basis for any investment decision. Eczacıbaşı Building Products - Bathroom (EBPB) and its BoD and employees contributing to the preparation of the Report shall not be liable for any direct or indirect damage resulting from the use of the information contained in this report. All information in this document is provided by Eczacıbaşı Building Products - Bathroom (EBPB) reserves all rights to the report.



ECZACIBAŞI
BUILDING PRODUCTS