



KAMUYU AYDINLATMA PLATFORMU

DESA DERİ SANAYİ VE TİCARET A.Ş. Sustainability Compliance Report 2024 - Annual Notification

Summary

2024 Sustainability Principles Compliance Statement





Sustainability Compliance Report

Related Companies

Related Funds

	Company Compliance Status				Explanation	Report Information on Publicly Disclosed Information (Page number, menu name on the website)
	Yes	Partial	No	Not Applicable		
Sustainability Compliance Report						
A. GENERAL PRINCIPLES						
A1. Strategy, Policy and Goals						
A1.1. The prioritised environmental, social and corporate governance (ESG) issues, risks and opportunities have been determined by the Company's Board of Directors.	X				Priority environmental, social and corporate governance (ESG) issues were selected from among the 17 targets of the United Nations Sustainable Development Goals in line with business strategies .	
A1.1. The ESG policies (Environmental Policy, Energy Policy, Human Rights and Employee Policy etc.) have been created and disclosed to the public by the Company's Board of Directors.	X				DESA Deri has established and publicly disclosed its ESG policies.	
A1.2. The short and long-term targets set within the scope of ESG policies have been disclosed to the public.	X				Short and long-term targets have been determined and announced to the public in the 2024 Activity Report.	
A2. Implementation/Monitoring						
A2.1. The responsible committees and/or business units for the implementation of ESG policies and the senior officials related to ESG issues in the Company and their duties have been identified and disclosed to the public.	X				The "Sustainability Committee" responsible for carrying out ESG-related studies has been determined and shared on our website.	
A2.1. The activities carried out within the scope of policies by the responsible committee and/or unit have been reported to the Board of Directors at least once a year.	X				Board of Directors activities are reported four times a year.	
A2.2. In line with the ESG targets, the implementation and action plans have been formed and disclosed to the public.	X				The ESG targets determined by the United Nations Sustainable Development Goals were paired with business strategies and practices and announced in the 2024 Annual Report.	
A2.3. The Key ESG Performance Indicators (KPI) and the level of reaching these indicators have been disclosed to the public on yearly basis.	X				ESG related indicators have been determined, but have not yet been disclosed to the public in a comparable manner on a yearly basis.	
					Activities to improve sustainability performance in	

A2.4. The activities for improving the sustainability performance of the business processes or products and services have been disclosed to the public.	X				line with ESG targets are explained under the "sustainability" heading on the DESA website and in the published activity reports.	
A3. Reporting						
A3.1. The information about the sustainability performance, targets and actions have been given in annual reports of the Company an understandable, accurate and sufficient manner.	X				Information on sustainability performance, targets and actions is disclosed in activity reports and on the DESA Website under the heading " Sustainability".	
A3.2. The information about activities which are related to the United Nations (UN) 2030 Sustainable Development Goals have been disclosed to the public.	X				Those related to the United Nations 2030 Sustainable Development Goals and DESA activities are explained in the Sustainability section of the DESA website and in the content of the activity report we published.	
A3.3. The lawsuits filed and/or concluded against the Company about ESG issues which are material in terms of ESG policies and/or will significantly affect the Company's activities, have been disclosed to the public.				X	There are no lawsuits filed against us regarding ESG issues.	
A4. Verification						
A4.1. The Company's Key ESG Performance metrics have been verified by an independent third party and publicly disclosed.		X			Sustainability performance measurement tools regarding ESG issues are made by self-assessment and have not yet been verified by an independent third party. However, our factories receive third party audits. The Çorlu factory is certified with the highest degree of gold by the Leather Working Group. Our Sedex audits are carried out regularly every year.	
B. ENVIRONMENTAL PRINCIPLES						
B1. The policies and practices, action plans, environmental management systems (known by the ISO 14001 standard) and programs have been disclosed.	X				It has been determined by the strategic environment and sustainability policy in the field of environmental management and is implemented with the ISO 14001 standard. It is shared in the " Policies" section of the DESA website.	
B2. The environmental reports prepared to provide information on environmental management have been disclosed to the public which is inculding the scope, reporting period, reporting date and limitations about the reporting conditions.	X				In the activity reports where information regarding environmental reports is disclosed , the period dates prepared are	

				explained and the relevant details are shared.	
B4. The environmental targets within the scope of performance incentive systems which included in the rewarding criteria have been disclosed to the public on the basis of stakeholders (such as members of the Board of Directors, managers and employees).		X		There are no environmental targets included in the awarding criteria.	
B5. How the prioritised environmental issues have been integrated into business objectives and strategies has been disclosed.	X			The priority targets determined by the United Nations 2030 Sustainable Development Goals and how they are implemented into business strategies are explained in the DESA 2024 Activity Report.	
B7. The way of how environmental issues has been managed and integrated into business objectives and strategies throughout the Company's value chain, including the operational process, suppliers and customers has been disclosed.		X		DESA carries out business operations in parallel with its sustainability strategy in all areas where it operates. The contents of business partners and environmental targets have not yet been disclosed to the public.	
B8. Whether the Company have been involved to environmental related organizations and non-governmental organizations' policy making processes and collaborations with these organizations has been disclosed.		X		The institutions with which we cooperate in the field of environment and the non-governmental organizations with which we cooperate in the social field are disclosed on the DESA website. It has not been directly involved in policy-making processes.	
B9. In the light of environmental indicators (Greenhouse gas emissions (Scope-1 (Direct), Scope-2 (Energy indirect), Scope-3 (Other indirect), air quality, energy management, water and wastewater management, waste management, biodiversity impacts)), information on environmental impacts is periodically disclosed to the public in a comparable manner.			X	In the TSRS-compliant sustainability reporting planned to be published in 2025, information on scope-1 and scope-2 emissions will be disclosed to the public and will be converted into comparable data in the following periods.	
B10. Details of the standard, protocol, methodology, and baseline year used to collect and calculate data has been disclosed.			X	Standard, protocol , methodology and base year details will be shared in the TSRS compliant sustainability reporting, which is planned to be published in 2025.	
B11. The increase or decrease in Company's environmental indicators as of the reporting year has been comparatively disclosed with previous years.			X	After the base year is determined, comparable increase and decrease indicators will be publicly announced.	
B12. The short and long-term targets for reducing the environmental impacts have been determined and the		X		ESG short-term and long-term targets have been determined and disclosed to the	

progress compared to previous years' targets has been disclosed.				public without making comparisons over the years.	
B13. A strategy to combat the climate crisis has been created and the planned actions have been publicly disclosed.	X			The strategy to combat the climate crisis has been determined and the actions taken have been disclosed to the public. Details of the planned actions will be disclosed in the TSRS-compliant sustainability report planned to be published.	
B14. The programs/procedures to prevent or minimize the potential negative impact of products and/or services on the environment have been established and disclosed.	X			The studies carried out with the Environment and Sustainability Policy strategy in order to prevent or minimize the negative impact on the environment in production processes and services are explained in the DESA annual report and under the "sustainability" heading on the DESA website.	
B14. The actions to reduce greenhouse gas emissions of third parties (suppliers, subcontractors, dealers, etc.) have been carried out and disclosed.		X		There is no action taken to reduce greenhouse gas emissions from third parties.	
B15. The environmental benefits/gains and cost savings of initiatives/projects that aims reducing environmental impacts have been disclosed.			X	Projects to reduce environmental impacts have been publicly announced, but cost savings have not yet been disclosed.	
B16. The data related to energy consumption (natural gas, diesel, gasoline, LPG, coal, electricity, heating, cooling, etc.) has been disclosed as Scope-1 and Scope-2.			X	Calculation data in sustainability reporting compatible with TSRS will be disclosed to the public.	
B17. The information related to production of electricity, heat, steam and cooling as of the reporting year has been disclosed.	X			Renewable energy information produced in the reporting year is shared in the activity report.	
B18. The studies related to increase the use of renewable energy and transition to zero/low carbon electricity have been conducted and disclosed.	X			The Solar Power Plant projects established in Düzce & Çorlu factories within the framework of efforts to ensure efficient energy use by reducing the use of natural resources and increasing the use of renewable energy are explained in the DESA annual report and under the "sustainability" heading on the DESA website.	
B19. The renewable energy production and usage data has been publicly disclosed.	X			Renewable energy consumption and production information is disclosed to the	

				public in the 2024 Activity Report.	
B20. The Company conducted projects about energy efficiency and the amount of reduction on energy consumption and emission achieved through these projects have been disclosed.	X			DESA Deri has announced its energy efficiency projects in the "Sustainability" section of the DESA website. The amount of emission reductions related to energy consumption has not yet been disclosed to the public.	
B21. The water consumption, the amount, procedures and sources of recycled and discharged water from underground or above ground (if any), have been disclosed.	X			Water consumption, amount of recycled water, amount of discharged water and water resources are monitored and details will be shared in sustainability reporting compatible with TSRS.	
B22. The information related to whether Company's operations or activities are included in any carbon pricing system (Emissions Trading System, Cap & Trade or Carbon Tax).			X	DESA does not engage in any carbon pricing system (such as Emissions Trading System, Cap & Trade or Carbon Tax) for operations or areas of activity.	
B23. The information related to accumulated or purchased carbon credits within the reporting period has been disclosed.			X	DESA does not engage in any carbon pricing system (such as Emissions Trading System, Cap & Trade or Carbon Tax) for operations or areas of activity.	
B24. If carbon pricing is applied within the Company, the details have been disclosed.			X	DESA does not engage in any carbon pricing system (such as Emissions Trading System, Cap & Trade or Carbon Tax) for operations or areas of activity.	
B25. The platforms where the Company discloses its environmental information have been disclosed.	X			Policies and procedures prepared within the scope of sustainability compliance are published on the DESA website.	
C. SOCIAL PRINCIPLES					
C1. Human Rights and Employee Rights					
C1.1. The Institutional Human Rights and Employee Rights Policy has been established in the ligh of the Universal Declaration of Human Rights, ILO Conventions ratified by Turkey and other relevant legislation. The policy and the officals that responsible for the implementation of it have been determined and disclosed.	X			DESA operates in full compliance with all ILO conventions and relevant legislation ratified by Turkey within the scope of the Universal Declaration of Human Rights.	
C1.2. Considering the effects of supply and value chain, fair workforce, improvement of labor standards, women's employment and inclusion issues (gender, race , religion, language, marital status, ethnic identity, sexual orientation, gender identity, family				DESA attaches great importance to the inclusion of women in professional life and ensuring a fair workforce, and the work carried out in	

responsibilities, union activities, political opinion, disability, social and cultural differences, etc., such as non-discrimination) are included in its policy on employee rights.	X			accordance with the relevant article and the policies regarding anti-discrimination and full inclusiveness are explained on its website.	
C1.3. The measures taken for the minority rights/equality of opportunity or the ones who are sensitive about certain economic, environmental, social factors (low income groups, women, etc.) along the supply chain have been disclosed.	X			Projects carried out for the economic liberation of women, vocational training activities and providing equal opportunities for young people through quality education are explained under the "sustainability" heading on the DESA website.	
C1.4. The developments regarding preventive and corrective practices against discrimination, inequality, human rights violations, forced and child labor have been disclosed.	X			Under the "Policies " heading on the DESA Website, " Anti-Discrimination Policy", "Child and Youth Worker Policy", "Social Security Policy", " Ethics Policy" and "Human Resources Policy" are explained.	
C1.5. Investments in employees (education, development policies), compensation, fringe benefits, right to unionize, work/life balance solutions and talent management are included in the employee rights policy.	X			There is policy information regarding the items in question under the "Policies " heading on the DESA website.	
C1.5. The mechanism for employee complaints and resolution of disputes have been established and related solution processes have been determined.	X			A complaint system has been established with the Joint Working Board and dispute resolution processes are carried out. The process is supported by the Individual Suggestion Procedure.	
C1.5. The activities carried out within the reporting period which related to ensure employee satisfaction have been disclosed.			X	The report on ensuring employee satisfaction has not been made public.	
C1.6. The occupational health and safety policies have been established and disclosed.	X			It was shared on the DESA website as "Occupational Health and Safety Policy".	
C1.6. The measures taken for protecting health, preventing occupational accidents and related statistics have been disclosed.		X		With the DESA Occupational Health and Safety Policy, the strategy for preventing occupational accidents and protecting health has been determined, and accident statistics will be shared in the sustainability report compatible with TSRS.	
C1.7. The personal data protection and data security policies have been established and disclosed.	X			Our Personal Data Protection Law Information Text is available on our website desa.com.tr .	

C1.8. The ethics policy have been established and disclosed.	X			DESA Ethics Policy is explained under the "Policies" heading on our website.	
C1.9. The studies related to social investment, social responsibility, finansal inclusivity and access to finance have been explained.	X			Information on social investment, social responsibility and financial inclusion has been shared in DESA Activity reports and on the DESA website.	
C1.10. The informative meetings and training programs related to ESG policies and practices have been organized for employees.	X			Information and training sessions covering ESG Policies are organized.	
C2. Stakeholders, International Standards and Initiatives					
C2.1. The customer satisfaction policy regarding the management and resolution of customer complaints has been prepared and disclosed.	X			A Customer Satisfaction Policy prepared for the management of customer complaints is available and has been disclosed to the public.	
C2.2. The information about the communication with stakeholders (which stakeholder, subject and frequency) have been disclosed.			X	It is planned to conduct a study on communication information conducted with stakeholders.	
C2.3. The international reporting standards that adopted in reporting have been explained.		X		Information on standards will be shared in the TSRS-compliant Sustainability Reporting planned to be published in 2025.	
C2.4. The principles adopted regarding sustainability,the signatory or member international organizations, committees and principles have been disclosed.			X	It is planned to work on the principles adopted regarding sustainability, signatories, member organizations, committees and principles.	
C2.5. The improvements have been made and studies have been carried out in order to be included in the Borsa Istanbul sustainability indices and/or international index providers.	X			DESA is working to enter the Borsa Istanbul Sustainability Index.	
D. CORPORATE GOVERNANCE PRINCIPLES					
D1. The opinions of stakeholders have been sought in the determination of measures and strategies related to sustainability field.	X			Sustainability is carried out by the DESA Sustainability Committee, which also includes DESA Board members.	
D2. The social responsibility projects, awareness activities and trainings have been carried out to raise awareness about sustainability and its importance.	X			DESA social responsibility projects and awareness projects are explained under the heading “sustainability” on the DESA website.	