# SDT Sustainability Approach November 2024

Sustainability Defending Technology.



### Disclaimer

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### Message from the Founder & Chairperson Mehmet Dora

In my 40+ year career in the Aerospace & Defence industry, it has been a privilege to witness the transformation of this sector in Türkiye and be part of its story of growth and innovation – crucial elements for sustainability.

Since I founded SDT Space & Defence Technologies, we have been committed to carrying **Turkish engineering capabilities to the global stage, investing in our people and business, and supporting our community as we grow.** With this document, we have now formally committed to taking care of our environment to the best of our abilities. As one of the few private Space & Defence companies to go public in Türkiye, we see this as our responsibility.

We are motivated that the technology we develop can build Turkish, NATO and other allied country **deterrence against war & resilience against climate change;** two significant threats that are man-made. The way we see it, formally integrating sustainability pillars to the way we do business is not an option, but **a must** for the benefit of our people, planet and prosperity.





## Message from the GM Ömer Korkut

SDT was established in 2005 with the ambition to become an important player in the fast-growing national defence industry. Since then, we have been taking on different challenging initiatives to contribute to our national security with our indigenous solutions and products while focusing on our own sustainable and steady growth in the sector as well.

Today, we all accept that our planet faces one of the biggest global challenges of all time; climate change. This is an era in which we all have common personal and institutional responsibilities to secure a sustainable future.

Being fully aware of this fact, at SDT we committed ourselves to be a part of the global effort to mitigate possible destructive results of this hard-to-avoid phenomenon. We integrate sustainability throughout our corporate strategy and keep taking actions in three principal categories-environmental, social and governance.

Even though the stakes have never been higher for the planet and the society, we keep the faith that we can overcome this great difficulty with a solid, collective and coordinated cooperation at a global scale.







## **About This Document**

This document has been prepared to communicate the sustainability approach of SDT Space & Defence **Technologies.** This is the inaugural document sharing SDT's commitment to sustainability with its stakeholders. This document highlights the actions we have taken to (1) craft a sustainability strategy & governance framework, (2) track sustainability data, (3) set sustainability targets, and (4) communicate the realization of these targets to our stakeholders. As reflected in our approach to preparing this document, as a technology company we value simplicity and succinctness.

SDT is primarily a software and electronic manufacturing company, operating out of leased offices of 4,500m. SDT is preparing to relocate to its owned 16,000m offices in 2025 at the HAB Aerospace Zone, and we expect our energy and utility consumption to increase in correlation. Given the importance of comparing data from year-to-year, we believe that 2026 will demonstrate to be our base year for communicating accurate and comparable environmental data. Nonetheless, we have taken the step to start tracking our environmental data to share with our stakeholders and gain valuable insight to set our course right for long-term sustainability. This document covers our sustainability strategy and indicates our contribution to the UN Sustainable Development Goals (SDGs). For questions about the report, you can reach out to info@sdt.com.tr. Comparable data refers to year end 2023 and any other corporate data is latest as of 3Q2024.







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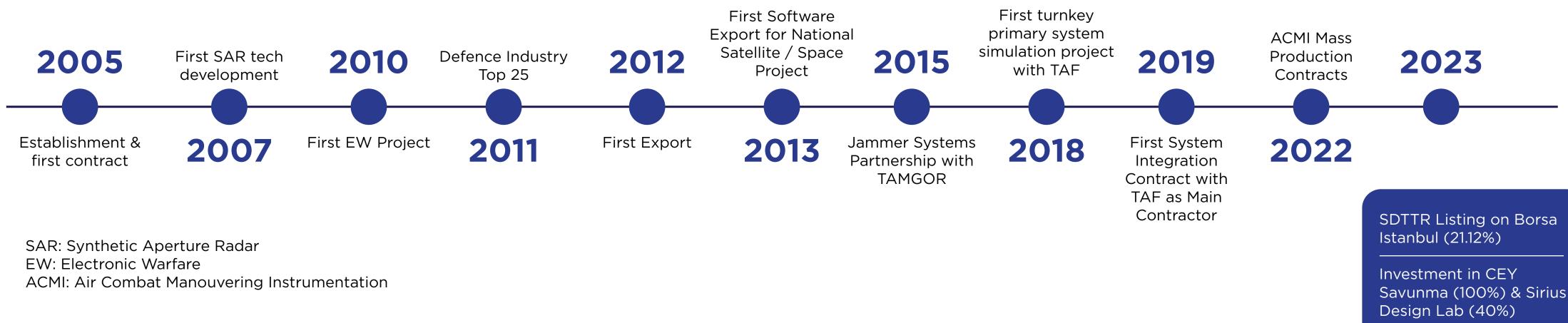


## About Us

### Who We Are & What We Do

that are transferred to other value-added sectors as well.

### Milestones





### SDT Space and Defence Technologies was founded in 2005 by Mehmet Dora & operates in ODTÜ Teknokent, Ankara. Since its founding, SDT develops competitive, innovative, comprehensive technological products. While SDT's specialties lie primarily in aerospace and defence systems design and production, we also focus on dual-use products







### Mission

To provide sustainable, competitive, and reliable Turkish products and engineering solutions both in national and international markets by respecting all stakeholders' interests.



### Vision

Being the preferred technology company both in national and international markets due to:

- sustainable, competitive and reliable products,
- agile and cooperative approach,
- value creation for all its stakeholders.











#### Innovative

Makes use of promising new technologies in the design and development of innovative products and implements innovative practices.

#### Agile

Makes quick and straightforward decisions, takes prompt action, and adapts to changing conditions without loss of progress.



Carries out all its activities in a way that leads to the added value generation and by optimizing resource use.



### $\sim$

#### Team Spirit

Implements and supports the principle of devoted collective work to achieve the common corporate goal.

#### **Solution - Oriented**

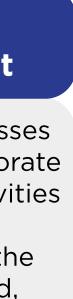
Carries out all kinds of activities with a perspective that is focused on the future, company objectives and results.



#### Continuous Improvement

Continuously assesses and improves corporate processes and activities based on the requirements of the prevailing period, sector, market and technologies.





### Products





### **Mission Systems**

- Platform Management Systems (eg. UAV Flight Control Computer)
- Data Recorder Systems
- Weapon Control Systems
- Mission Computers

### **Simulation Systems and Information Technologies**

- Land, Naval & Air Combat Simulation Systems
- Satellite Ground Station Solutions
- Al Supoorted Image Processing
- Energy Systems Solutions





### Radar, EW, Communication Systems

- Synthetic Aperture Radar
- RF Signal Analysis System
- Anti-Ship Missile Simulator
- DF Systems
- Data Link Systems

### **Production Programs**

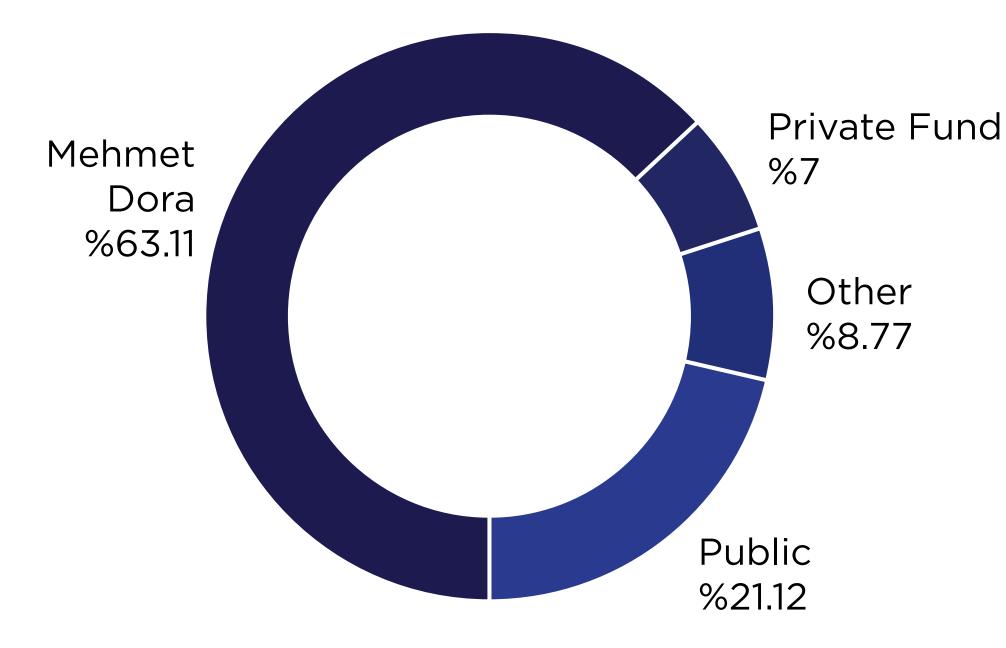
- RF Jammer Systems
- Precision Guidance Kit Electronics
- Aircraft & UAV Arresting Systems





# **Ownership & Group Companies**

### **Ownership Structure**



### **Group Companies & Partnerships**



50/50 JV for RF

Jammer Systems



40% owned: advanced technology R/P&D in defence systems



100% owned: naval simulation systems



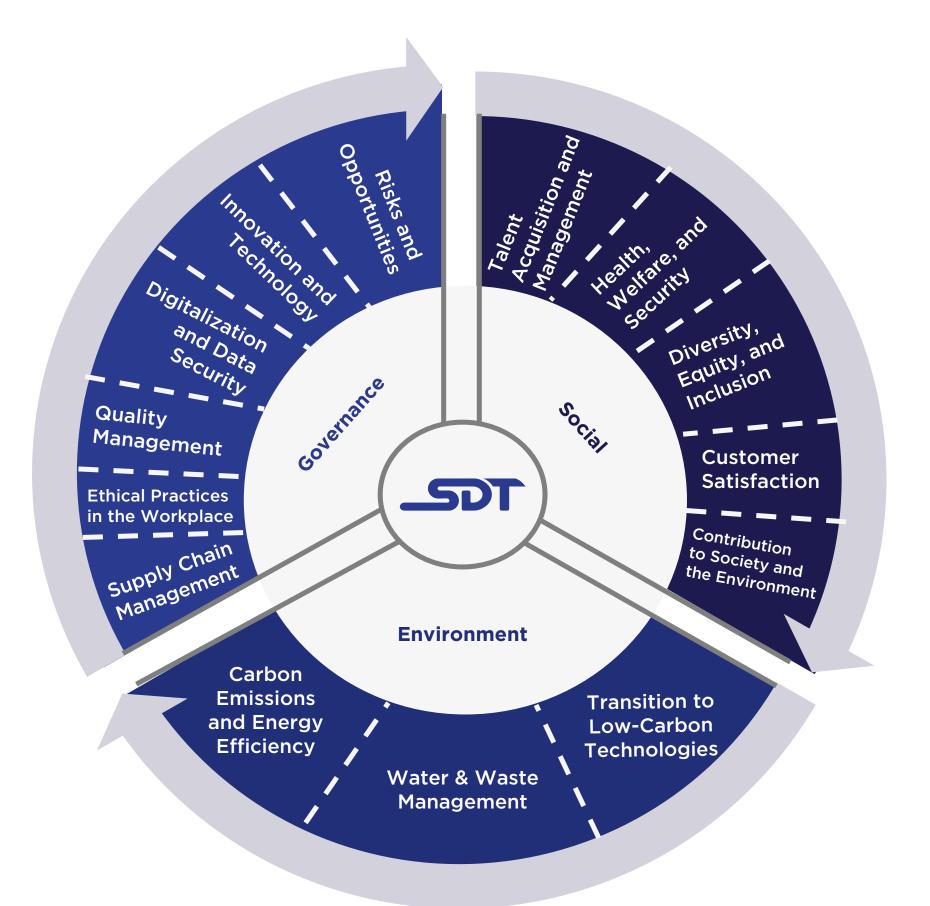
100% owned SDT company to lead operations in Azerbaijan



# Sustainability Approach

At SDT, sustainability is a **holistic** framework to view our company. This year, we have officially commenced our sustainability strategy and adopted "Sustainability, Defending Technology" as our motto to communicate our intent for the future. This employee suggested motto was selected by a company wide survey among others. We are mindful of respecting all our stakeholders in how we do business, more than ever. We are also conscious that sustainability is an active process that we must assess, nurture and improve upon on an ongoing basis.

Three pillars form the foundation of our sustainability approach; planet, people, and governance. Our work with PwC has helped us formally craft our sustainability approach: priorities and action based on stakeholder feedback, as well as diagnosis of risks and opportunities under these pillars. PwC also held a company-wide training session to align collective knowledge and action taking. Our sustainability strategy has been presented to and approved by the board.





# Sustainability Governance

### **Sustainability Coordinator**

**Beril DORA Board Member** 

### **Sustainability Committee**

Ömer KORKUT General Manager

Deniz ALTIN Business Development Director

Selda ÇAYAN HR Manager

Esen AKTÜRK Finance Manager **Erkan DORA** Deputy GM, Operations

**Burak ATAGÜN** Production **Program Director** 

**Aslı YAKAR** Acqusition Manager

Özkan YAZGAN Corporate Information Manager

Cüneyt KARACAN **Projcet Control** Office Manager

Kemal Semih DOĞU Quality Control Manager

Erkan KARAHANOĞULLLARI Administrative Manager

Sustainability Approach

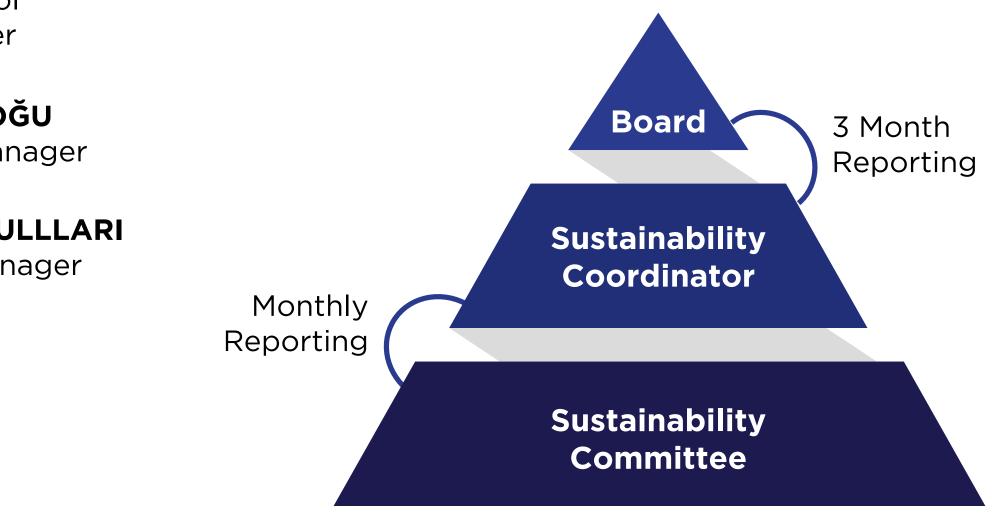
The Board of Directors have established a "Sustainability Committee" on February 2024.

Monthly Reporting consists of reviewing:

- Sustainability roadmap
- Improvements to data collection flows
- Policy improvements
- Suggestions

3-month report to the board consists of highlighting:

- Updates on sustainability target progress
- Yearly policy & reporting approval





In order to set our sustainability priorities, we through the following steps;

- Reviewed sector topics, as well as global risk sustainability trends reports,
- Identified topics and impacts relevant to our cor that relate to 15 material topics within our three p
- Assessed the significance of impacts through surviour stakeholders (employees, customers, sup operational and financial partners, board member management).

We identified short, medium and long-term goal each of these 15 material topics in our strategic m plan for sustainability. These 15 topics are inclusive SDGs. Our designated priority SDGs are climate a quality education, industry/innovation & infrastructure, respo consumption & production, decent work & economic growth.

		Governance	Planet	People
e went	1	Corporate Risk Management	Carbon Footprint & Energy Efficiency	Health, Wellbeir Safety
sk and	2	Innovation & Product	Waste Management	Talent Acquisitic Management
ompany pillars,	3	Digital Transformation &	Water Management	Customer Satisf
rveying		Data Security		
ppliers, ers and 4	4	Quality Management	Low Carbon Technology Transition	Diversity, Equali Inclusion
bals for master	5	Ethical Work Principle		Caring for the Community
ve of 11 e action, 6 ponsible		Supply Chain Management		







		<b>Short – Term</b> (2024)	<b>Medium Term</b> (2025 - 2029)	Long Term (2030)
16 BARRS ABALIT KURWARK SURWARK SURWARK SURVALRAR SURVAL SURVALRAR SURVALS SURVALSURVAL SURVALS SURVALS SURVALS SURVALS SURVALS SURVALS	Corporate Risk Management	<ul> <li>ESG committee and governance set-up</li> <li>Risk &amp; opportunities designation</li> <li>Updating policies</li> </ul>	<ul> <li>Sustainability Index</li> <li>GRI, TSRS 1 &amp; 2</li> <li>Compliant Reporting</li> </ul>	<ul> <li>Sustainability Index score improvement</li> <li>GRI, TSRS 1 &amp; 2 Compliant Reporting</li> </ul>
9 SA VANI, YENI INCH IN VEALTIVATI VEALTIVATI	Innovation & Product	<ul> <li>R&amp;D roadmap &amp; incentive set-up</li> </ul>	<ul> <li>Increase in R&amp;D spend based on % of revenue</li> </ul>	<ul> <li>Increase in R&amp;D spend based on % of revenue</li> </ul>
12 SORUMUU ÜRETIN VETÜKETIN VETÜKETIN 12 VETÜKETIN 14 MITELIKU 19 SANKNI, YEMI IKOLIK 19 VEALIYAPI 10 VEALIYAPI 10 VEALIYAPI 10 VEALIYAPI	Digital Transformation	<ul> <li>10% reduction in y-o-y paper use</li> </ul>	<ul> <li>20% reduction in y-o-y paper use</li> </ul>	<ul> <li>30% reduction in y-o-y paper use</li> </ul>
	& Data Security	<ul> <li>50% process digitalization</li> </ul>	<ul> <li>75% process digitalization</li> </ul>	<ul> <li>50% process digitalization</li> </ul>
		<ul> <li>Maintenance of ISO 27001</li> </ul>	<ul> <li>Maintenance of ISO 27001</li> </ul>	<ul> <li>Maintenance of ISO 27001</li> </ul>
13 EVILEM 8 INSAMA YANGSIRIS VEBRUTNOMICEUYUME	Quality Management	<ul> <li>ISO 14001 &amp; 45001 certificate prep</li> </ul>	• ISO 14001, ISO 45001	• ISO 50001
	<b>Business Ethics</b>	<ul> <li>Business Ethics training</li> </ul>	<ul> <li>Business Ethics training</li> </ul>	<ul> <li>Business Ethics training</li> </ul>
12 SORUMUU ÜRETIN VETÜKETIM SORUMUU ÜRETIN VEEKONOOMIK BÜYÜME	Supply Chain Management	<ul> <li>Supply chain formal mapping and diversification</li> </ul>	<ul> <li>Supply chain early risk identification system set up</li> </ul>	<ul> <li>Supply chain early risk identification system update</li> </ul>
		<ul> <li>Supplier Awards</li> </ul>		

Governance Approach

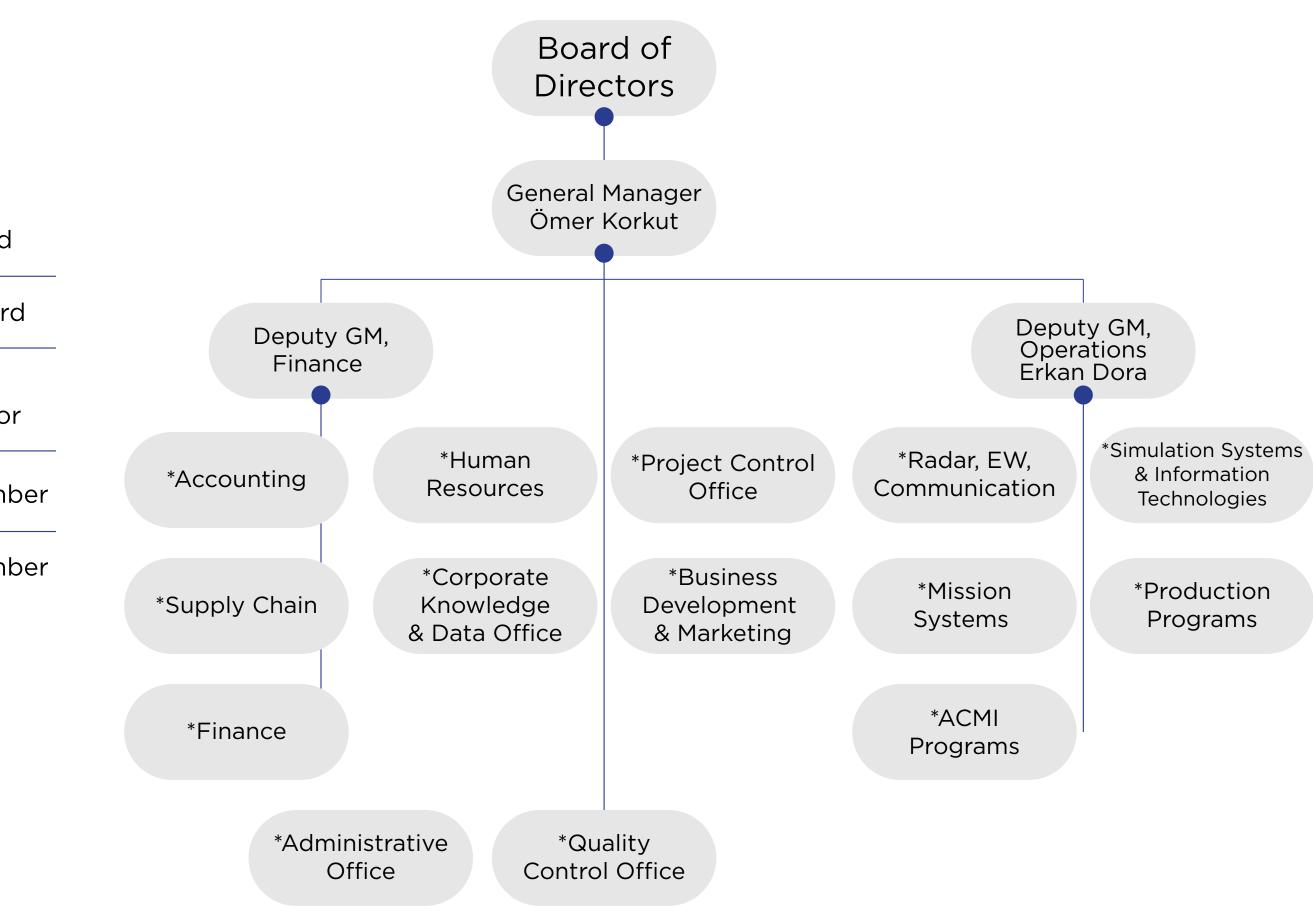
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# **Organizational Structure**

### **Board of Directors**

Name - Surname	Gender	<b>Corporate Role</b>
Mehmet DORA	Male	Chairperson of the Board
Mustafa Fatih ÜNAL	Male	Deputy Chair of the Board
Beril DORA	Female	Board Member, Sustainability Coordinator
Mehmet Veysel YAYAN	Male	Independent Board Memb
Necip Yalçın PEHLİVANTÜRK	Male	Independent Board Memb



\*100% of senior management is hired locally from Ankara.



# **Board Committees**

To ensure that the Board of Directors performs its duties and responsibilities effectively, three committees have been established in accordance with Article 4.5 of the Capital Markets Board's Corporate Governance Communiqué No. II-17.1.

Audit Committee: Oversees the company's accounting system, the public disclosure of financial information, independent auditing, and the functioning and effectiveness of the company's internal control and internal audit system.

Early Detection of Risk Committee: Responsible for the early identification of risks that may endanger the company's existence, development, and continuity, taking necessary measures regarding identified risks, and managing risk. Reviews the risk management systems at least once a year.

**Corporate Governance Committee:** Reviews the implementation of corporate governance principles and provides recommendations to the BoD to improve corporate governance practices. The duties of a "Remuneration Committee" are assumed by this committee. No reported incidents of corruption and actions taken.



Name - Surname	Gender	Corporate Role	<b>Committee Member</b>	Committee Ro
Mehmet Veysel YAYAN	Male	Independent Board Member	<ul><li>Audit Committee</li><li>Corporate</li></ul>	<ul> <li>Audit Comm Head</li> </ul>
			Management Committee	<ul> <li>Corporate Management Committee H</li> </ul>
Necip Yalçın PEHLİVANTÜRK	Male	Independent Board Member	<ul><li>Risk Committee</li><li>Audit Committee</li></ul>	<ul> <li>Risk Commit Head</li> <li>Audit Comm Member</li> </ul>
Mustafa Fatih ÜNAL	Male	Deputy Chair of the Board	<ul> <li>Corporate Management Committee</li> </ul>	<ul> <li>Corporate Management Committee M</li> </ul>
Beril DORA	Female	Board Member	• Risk Committee	<ul> <li>Risk Commit Member</li> </ul>
Emel KOÇAK	Female	Head of Investor Relations	<ul> <li>Corporate Management Committee</li> </ul>	<ul> <li>Corporate Management Committee M</li> </ul>







# **Corporate Policies**

- Our fast paced of growth also comes with the responsibility to set up the right processes and controls in place to make sure we have a good corporate governance structure.
- The policies we have in place allow us to ensure that the right processes are set up, and a periodic review is done to stay up to date with regulation and our growth.
- While our focus has been on governance and people policies, we are now also integrating planet related policies in our corporate governance such as Environmental Management Policy, and Natural Disaster & Emergency Response Policy.
- Our critical concern communication process (for anything in relation to our operations & supply chain) is governed via our Discipline Council, which will be governed by our Ethical Work policy in 2024.
- We always acknowledge that we're on a journey toward improvement and our policies reflect this constant iterative attitude we have.

### Governance

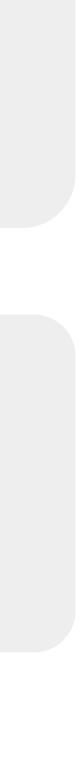
- Digital Transformation\*
- Quality Management\*
- Privacy & General Data Protection\*
- Information Security\*
- Information Sharing Policy\*
- Remuneration Policy\*
- Dividend Policy\*
- Whistleblowing
- Supply Chain

### People

- Human Rights
- Health & Safety
- Ethical Work
- Diversity, Equality & Inclusivity
- Donation & Community Care\*

\*published on SDT website, in development process or kept internal otherwise.





# Stakeholder Engagement

- Our stakeholders are very diverse, and we value the insight we gain from them. We also understand the value of transparent and direct communication with our ecosystem. We use various channels to build trust and to timely communicate with our stakeholders.
- In addition to our public channels listed in the first communication channel box, we also engage with various stakeholders via other listed channels necessary in the daily course of business.

#### Stakeholder

- Shareholders & Investors
- Operational Partners
- End-users
- Suppliers
- Public
- Board Members & Management
- Employees
- Customers
- Financial Organizations
- Media
- Sector & Civil Organizations
- Tech-clusters

#### **Communication Channel**

- Corporate Website
- Annual & Quarterly Reports
- Annual Sustainability Report
- KAP announcements
- Social Media Accounts
- General Assembly Meeting
- Media Announcements

<ul> <li>Board Members &amp; Management</li> </ul>	<ul> <li>Internal Meetings</li> <li>Monthly Board Meetings (monthly financials)</li> </ul>
• Employees	<ul> <li>Employee Surveys</li> <li>Trainings</li> <li>Human Resources Handbook</li> <li>Internal Portal</li> </ul>
<ul> <li>Customers</li> <li>Sector &amp; Civil Organizations</li> </ul>	<ul> <li>Sector Conference &amp; Exhibitions</li> <li>Bilateral Meetings</li> <li>Industry Committees &amp; Organizations</li> <li>Inspections</li> </ul>

• Financial Organizations

• Bilateral Meetings



# Memberships & Partnerships

- We understand that we need to foster collaboration to and take responsibility in our community to further our mission for a sustainable future. Therefore, we participate in sector specific, as well as economic associations and organizations. We see the value of supporting the growth of our ecosystem, as well as be part of platforms that can improve the efficiency of how business is done.
- We are now part of the sub-group focused on adapting the European Green Deal in the defence sector in SASAD committees.

Governance Approach

Ankara Chamber Institution to advocate for business efficiency, growth an of Commerce interests.	
Ankara Chamber To support industrial establishments in Ankara, to increase of Industry their competitiveness, and to ensure that production is contain an environmentally sensitive manner.	
SASAD <b>Technology &amp; Innovation committee &amp; Regulation &amp;</b> <b>International Relations Committee member</b> Turkish Defence and Aviation Industry advocate on dome and international platforms.	18.0 estic
SSI Aerospace & Defence service and product export organization.	07.0
Saha Istanbul University tech-cluster focused on defence, aviation, and space sectors and growing the ecosystem.	17.C
HIB Service export advocate institution, supporting Turkish companies navigate export related matters.	27.0
TSSK University tech-cluster focused on homeland security, de aviation, and cyber security by using R&D and innovative technologies to grow the ecosystem.	
IKMD Human Resources association for investing in and growin human capital.	ig 26.10
TESID Electronic Industry association to promote competitivene increase contribution to the economy.	ess, 28.0 <sup>°</sup>



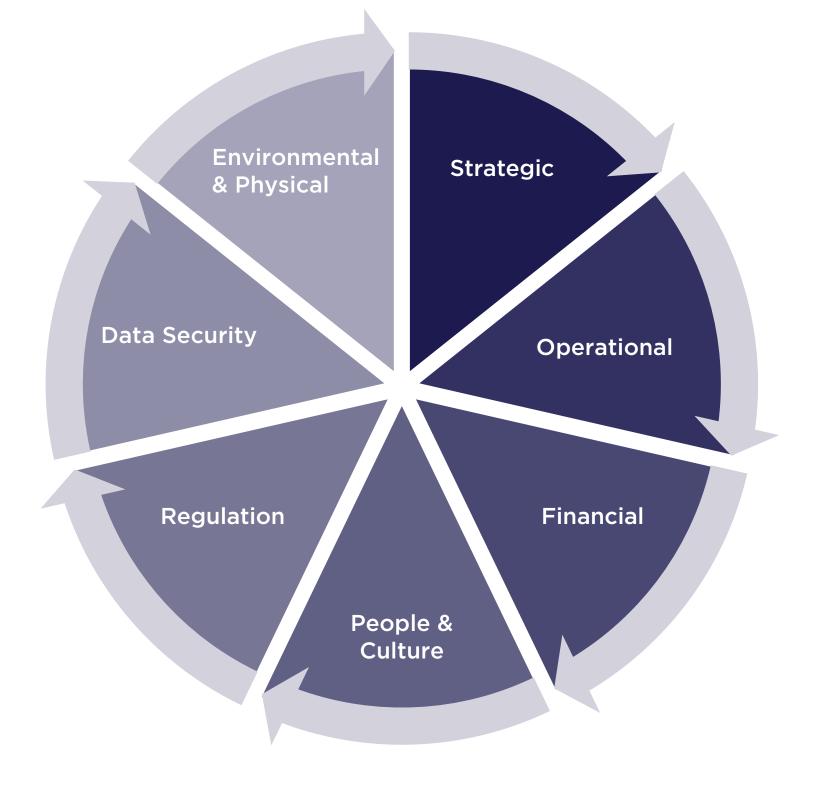


# **Risk & Opportunity** Management

- We take governance of risks and opportunities seriously as they are crucial for long-term sustainability. Our Executive Board periodically and monthly reviews process, project and corporate risks. The Executive Board designates an impact and probability level to identified risks and brings "high-risk" items to the Early Detection of Risk Committee every two months. After considering these "High-Risk" items in the committee these are presented to the Board of Directors on a quarterly basis. We maintain broad seven corporate risk categories, with the addition of "Environmental & Physical Risks" as a new category as part of our sustainability strategy where climate and physical security risks are identified.
- Similarly, opportunities are periodically reviewed and updated by the Executive Board according to the changing environment and circumstances-and brought to the BoD every three months.



### **Risk Classification**





# **Quality Management**

- In order to meet stakeholder needs in the most appropriate and competitive way through correct processes and applications, to ensure sustainable growth in external and internal markets through effective and competent teams, and to integrate strong partnerships we take quality management very seriously.
- In order to satisfy needs in an industry of critical importance it is important to install confidence to our stakeholders through globally recognized standards.
- In addition to our existing certificates, to achieve our sustainability goals we have committed to attaining the following certificates by 2026:
- ISO 14001: Environmental Management Systems
- ISO 45001: Occupational Health & Safety
- ISO 50001: Energy Management

### **Corporate Standards**

Standard/ Certificate	Purpose & Category	Valid Throu
ISO/IEC 27001	Information Security	28 July
AS 9100 ISO 9001 (TS/EN)	Aerospace, Defence & Space Quality Management System	24 October
NATO AQAP 2310	NATO Quality Management System	18 November
NATO AQAP 2210	NATO Specific Quality Management Security System	18 November
CMMI-DEV	Corporate Maturity - Level 3	21 December
CMMI-SPM	Supply Chain Maturity - Level 3	21 December
CMM DEV ML 3 @ APPRAISED Appraisal # 68235   Exp. Dec 21, 2026	CERTIFIED ISO 9001	

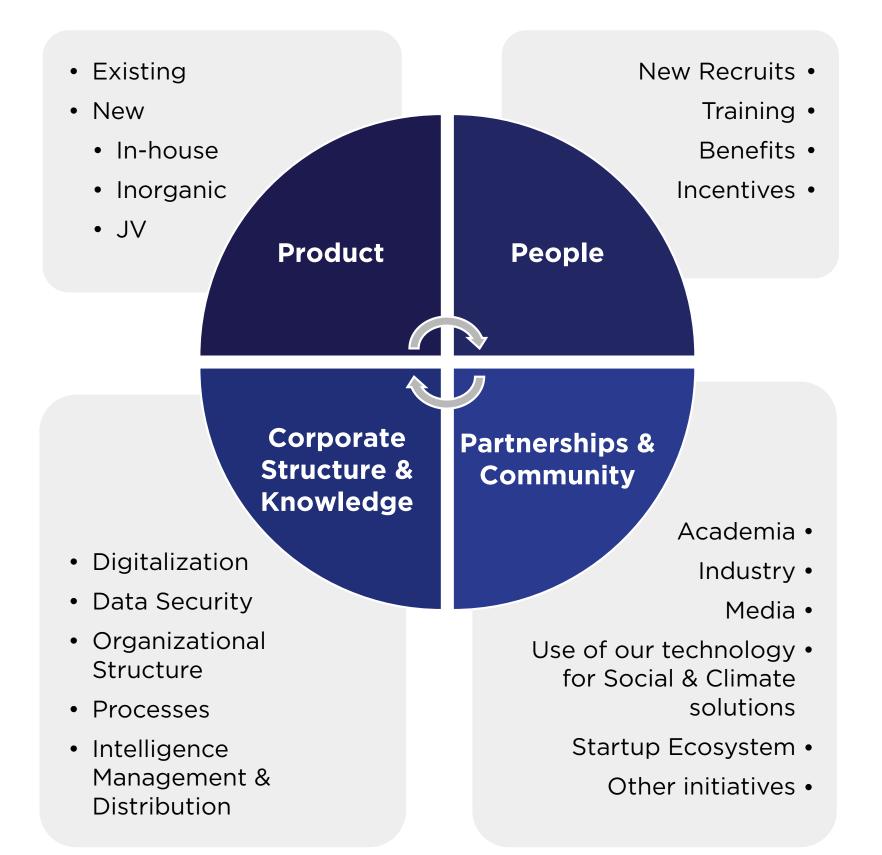




# **Innovation & Technology**

- Fundamentally as a technology company, we must constantly reinvent ourselves to stay relevant with our times and sector. We constantly look for how we can create innovative products, do what we do in a more innovative way in line with our corporate journey, and how we can perpetuate this way of being in our community.
- Our innovation & technology strategy touches different stakeholders and in 2024 we have framed our approach into a four-tier process that feeds each other.
- We roadmap into separate our medium-term and long-term. We populate our roadmap based on assessing existing resources & capabilities, sector & technology trends as well as outlook. Based on our assessment we organize our innovation wheel in a way that will allow us to achieve these goals.

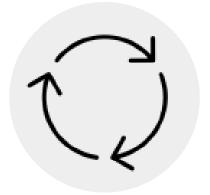
short-term,







# **Digital Transformation & Data Security**



### **Digital Transformation**

- Today's digital disruption has brought forward the need to adapt the way we conduct business as well as opened the way for efficiency gains through digital migration.
- At SDT our Digital Transformation strategy is led by our Digital Transformation Committee and governed by our Digital Transformation Policy.
- We completed the SDT ERP system integration in 2023 which had commenced in 2020.





### **Data Security**

- We are sensitive to customer and employee privacy & security of information. We carry out operations with this in mind with an information sharing at a "need-to-know" basis. We govern privacy and data protection in our Privacy & General Data Protection policy. We maintain ISO 27001 in this regard to make sure our practices are at a global standard.
- There have been no substantiated complaints concerning breaches of customer or employee privacy and losses. Our critical concern communication process is governed by the Discipline Council.







# Supply Chain Management

- At SDT Space & Defence technologies we are committed to competitive, high quality, timely and ethical procurement practices. Our supply chain policy and practice complies with all applicable laws and regulations and meets global standards. We are committed to a sustainable and resilient supply chain hence always seek ways to improve our supply chain management system. We have been categorized as Level 3 maturity by the CMMI Supply Chain evaluation.
- We work both with local and international suppliers, monitor any (potential) disruptions to our supply chain and value diversification.
- Our procurement process is digitized through our ERP system. We have policies in place to govern our practices as well as ongoing and onboarding "Supplier Evaluation" that ensure the quality, safety, sanction-proof and the ethics of our supply chain. We are now integrating ESG factors in these assessments and preparing actions to spread awareness in our supply chain. There have been no negative social or environmental impacts in the supply chain and actions taken.

### **Local & International Suppliers**

Suppliers	2023	2022	2021
Local (#)	334	266	386
Local (% of total)	<b>71</b> %	68%	57%
International (#)	135	123	290
International (% of total)	<b>29</b> %	<b>32</b> %	<b>43</b> %
Total	469	389	676
Local (% of total spending)	88.97%	-	-











Low Carbon Technology Transition

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Planet Approach

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Short – Term (2024)	<b>Medium Term</b> (2025 - 2029)	Long Term (2030)
Measuring carbon footprint (scope 1 & 2)	<ul> <li>LEED certificate</li> <li>High Energy Rating</li> <li>Measuring carbon footprint (scope 1 &amp; 2)</li> </ul>	<ul> <li>Measuring carbon footprint (scope 1, 2, 3)</li> <li>Carbon emission reductions</li> </ul>
Separation of waste, finding optimal recycling solutions Reduction of single use plastic	<ul> <li>Data collection on all waste, and reduction plan</li> <li>Elimination of single use plastic</li> <li>Climate friendly packaging solutions on products</li> </ul>	• Zero waste
Water usage data collection	<ul> <li>Climate friendly water armature usage</li> <li>Water collection system</li> </ul>	<ul> <li>Water usage data collection and efficiency measures</li> </ul>
Reviewing production processes under this scope	<ul> <li>Electric charging stations</li> <li>Transitioning company cars to electric</li> <li>Installing solar panels on the roof</li> </ul>	<ul> <li>Reviewing most up to d low-carbon technology relevant to SDT, &amp; applying feasible ones</li> </ul>



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# **Carbon Footprint & Energy Efficiency**

- footprint.
- data in 2026, we will make our reduction commitments.

• As the human population and activities have significantly increased in the last 150 years, our impact on our ecosystem has become unavoidable. While the planet is likely to endure this anthropocentric driven changes in the ecosystem and potential cataclysmic event, it is us humans who face the larger challenge of reducing, mitigating and adapting to the changing circumstances. This reality shines a light on the symbiotic relationship we have with the natural world around us and our responsibility as a business to reduce impact to the best of our abilities-our carbon

• We measure our carbon emissions from our operations based on GHG Protocol and ISO 14064. 2026 will be a better base year for us to start tracking and comparing our emissions as we will move to our owned office space. Energy efficiency is an important element in reducing our carbon footprint, as part of our sustainability strategy we aim to attain a LEED certificate that ensures that we operate in an energy efficient building, that drives electricity from installed roof solar panels, and where we can track our energy data more accurately. Once we attain our base year





### Water & Waste Management

- We are focused on raising stakeholder awareness • At the face of climate change risks, we trust that the most efficient way to reduction is through tech-enabled solutions. on responsible use of water and take measures in our new owned office space such as; While most ambitious and effective technologies are still in development, there is promise of future solutions.
- Efficient water use in sink and toilet systems,
- Our lower carbon technology transition strategy involves • Collection of rainwater & dry landscape four pillars: practice,
- Water usage monitor.
- Similar to water management, we are eager to space, spread awareness about waste management and Installing roof solar panels at our owned office space, the circular economy. We are separating and monitoring waste data. Our strategy is inclusive Analyzing our supply chain for sustainable options, of eliminating single-use plastic, rethinking Considering lifecycle analysis and improvements on packaging, and focusing upcycling on products. electronics.

### **Transitioning to Lower Carbon Technology**

- Switching our car fleet to electric & adding electric charging stations in the parking lot at our owned office







# People Approach

				<b>Short – Term</b> (2024)	<b>Medium Term</b> (2025 - 2029)	Long Term (2030)
		8 INSANA YAKISIRIS VEEKUNOMIK BUYUME	Employee Wellbeing & Health	<ul> <li>Employee Satisfaction Survey Improvement</li> <li>Expanding side benefits</li> <li>Natural disaster &amp; physical safety risk determination</li> </ul>	<ul> <li>Transport service provision</li> <li>Survey Improvement</li> <li>Reviewing Side Benefits</li> </ul>	<ul> <li>Survey Improvement</li> <li>Reviewing Side Benefits</li> </ul>
		4 NITELIKLI EGITIM	Talent Acquisition & Management	<ul> <li>Career training curriculum</li> <li>Improving Candidate Engineer and summer intern conversion rate</li> <li>Improving Performance Management System</li> </ul>	<ul> <li>Updating career training curriculum</li> <li>Expanding Candidate Engineer &amp; Summer Intern program</li> <li>Improving Performance Management System</li> </ul>	<ul> <li>Updating career training curriculum</li> <li>Expanding Candidate Engineer &amp; Summer Intern program</li> <li>Improving Performance Management System</li> </ul>
	8 INSANA YAKISIRIS VEEKONOMIK BÜYÜME	9 SANAVI YEMILIKÇILİK Vealtvapi	Customer Satisfaction	<ul> <li>Improving timely deliveries</li> <li>Improving post-sale customer experience</li> </ul>	<ul> <li>Improving timely deliveries</li> <li>Improving post-sale customer experience</li> </ul>	<ul> <li>Improving timely deliveries</li> <li>Improving post-sale customer experience</li> </ul>
" 	10 EŞİTSİZLİKLERİN AZALTILMASI	5 CINSIVET EŞITLIĞI	Diversity, Equality & Inclusion	<ul><li>DEI training integration</li><li>DEI Policy</li></ul>	<ul> <li>Inclusive building access</li> <li>Improving the ratio of women managers &amp; engineers</li> </ul>	<ul> <li>Improving the ratio of women managers &amp; engineers</li> </ul>
MLUÜRETİM Ketim	9 SANAYI YEMILIKÇILIK Ve Altiyam	4 NITELIKLI EGITIM	Community Care	<ul> <li>SDT Innovation Program design</li> <li>Participating in projects utilizing our technology</li> <li>Signature Community Project design</li> </ul>	<ul> <li>SDT Innovation Program start</li> <li>Participating in projects utilizing our technology</li> <li>Signature Community Project start</li> </ul>	<ul> <li>SDT Innovation Program 5-year</li> <li>Participating in projects utilizing our technology</li> <li>Signature Community Project 5 year</li> </ul>

People Approach

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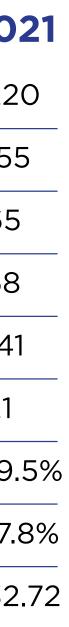


# **Talent Acquisition & Management**

- As a fast-growing technology company, it is important for us to create opportunities to attract the best talent in our field. Our recruitment process utilizes an objective selection process based on competencies and alignment with our values, especially being a team player.
- We also have a Candidate Engineer program that runs every year. Conversion to employment in these programs are steadily increasing, at a 28% rate for the 2023 cohort.
- Following recruitment, we value providing training opportunities to support skill enhancement so that our people can become the best versions of themselves at work; aligning their personal milestones with company objectives. Our training program includes both soft and technical skill development as well as special sessions for our management team.
- We have a year-end evaluation program where we craft a development plan and provide feedback to set our people up for success.

	2023	2022	20
Number of Employees	244	218	22
White-Collar Employees	rees244218byees176153byees6865I8565I127128I3225I10%16%Rate7%20.3%	15	
Blue -Collar Employees	68	65	65
Under 30 years old	85	65	58
30 – 50 years old	127	128	14 <sup>-</sup>
Over 50 years old	32	25	21
Turn-Over Rate	10%	16%	19.
Women Turn-Over Rate	7%	20.3%	17.
Training hours per employee	29.25	25.92	32
Other workers (intern, candidate engineer)	27	-	-





# **Diversity, Equality & Inclusion**

- Starting with our recruitment process, we focus on creating a work environment where each employee feels integrated to share their opinions and concerns.
- A sense of fairness and inclusion are crucial elements for a productive work environment. Our culture and evaluation processes focus on creating equal opportunities. Our Ethical Work policy will govern cases of discrimination in 2024.
- We value diverse representation and are especially proud of our women employment rate and representation of women in management positions in an industry with a limited talent pool. We strive to preserve and try to improve this ratio to the best of our abilities. Additionally, our remuneration is gender-blind and based on a set scale in accordance with the experience & achievements of the individual. To further support gender equality our new office will have lactation space to ease return from maternity leave.
- Our owned office space is being designed as a disability accessible building.

	2023	2022	2
% of Women Employees	29.1%	27.5%	
% of White-collar Women	35.8%	34.6%	3
% of Blue-collar Women	11.8%	10.8%	
% of Women in Management	34.4%	30.3%	2
Paternity Leave*	5 days	5 days	5
Maternity Leave*	16 weeks to 6 months	16 weeks to 6 months	16 wee 6 mc
Birthday Leave	0.5 day	0.5 day	0.5
International Women's Day Leave (for women only)	0.5 day	0.5 day	0.5
		_	
Marriage Leave	3 days	3 days	3





# **Employee Health, Wellbeing & Safety**

- no incidence of work-related injury or ill-health have been reported.
- and regional competitions.
- individual can also elect to privately save for retirement via the employers banking partner.

• At SDT Space & Defence Technologies we value the safety, wellness and health of our employees by upholding all laws and regulations while going beyond what is mandated by law with our wellness approach.

• Safety at work is fundamental to the way we do business. Health & Safety is governed by our internal Occupational health and Safety policy. All employees go through H&S training during onboarding and refresh their training every 2 years. Monthly committee meetings occur with an outside expert, and employee representatives present. In 2023

• We provide full-coverage private insurance with additional single general check-up, dental, mental and dietician session allowance per year. Our health coverage also contributes 20% to other family members' plans.

• We prioritize the team-spirit experience of our workforce and believe that creating opportunities for social bonding is important. Our employee initiative, the SDT Social Events Team, periodically plans company outings and competitions. We also support employee initiatives in sports, the SDT Running Club regularly participates in local

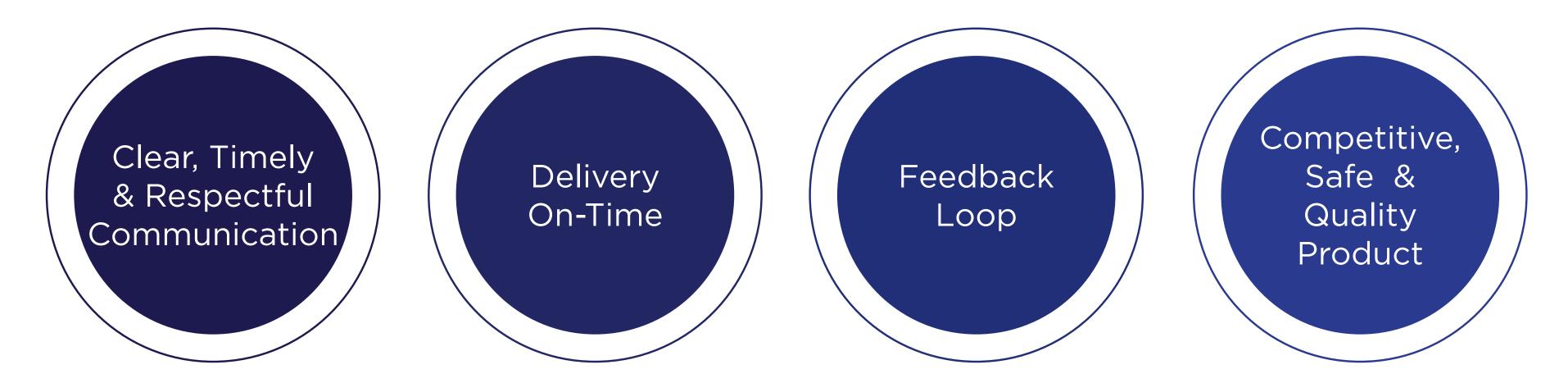
• Furthermore, our new office space at the HAB will also provide sports facilities such as fitness center, tennis/volleyball/basketball courts along with other socializing hubs such as an outdoor space to support decompression and enhance team bonding. As part of our sustainability strategy, we are constantly reviewing updates to best employee wellbeing practices to support our valuable workforce and provide a holistic framework.

• Once an individual is employed by SDT, their right to the Turkish government retirement system commences. The





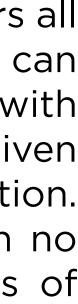
From the first point of contact to the delivery of our product and aftercare, our primary focus is keeping the needs of the customer at the center of our engagement. Our customer satisfaction rests on the below four pillars that we strive to constantly improve upon.



We make sure that we can add value by providing good quality, cost-effective and safe products to our customers all the while making sure we provide a courteous and timely customer care. To make sure we're doing everything we can in this regard we conduct surveys to seek feedback, advice and concerns. User manuals are prepared together with the products we deliver and delivered to customers. Scenarios that may harm the product and/or the user are given in these booklets. Each product has a label containing product identifying information and manufacturer information. Depending on the type of product, there are also labels on the product for product safety. There have been no substantiated complaints concerning incidents of non-compliance concerning the health and safety impacts of products and services.







# **Caring for Our Community**

We also take responsibility for the growth and prosperity within our community. We intend to increase our efforts in line with our own growth. Our new community care model consists of four pillars:

- The use of our technologies to solve societal and environmental problems, such as disaster preparedness, risk and damage reduction, waste management, and biodiversity conservation.
- Supporting the ecosystem we are part of by promoting STEM education (especially by taking equal opportunity into consideration), as well as startup programs that help attain more training and support for more innovation.
- Rapid response to disaster relief efforts in our country this is especially important in an earthquake prone geography. In 2023 our relief donation was made through the ASIL Foundation of ASELSAN in the aftermath of the devastating earthquake in the Southeast part of Türkiye.
- Donating and providing resources to initiatives by our employees. Our employees have formed SDT Running Club, which donates to a cause of their choice every year. In 2023, our running team chose to donate the proceeds they've raised to Cerebral Palsy Turkey Foundation.

#### **Technology for People & Planet**

Employing our technology for risk mapping, conservation, waste management, disaster support among others

#### **Employee Grassroot** Initiatives

Donations based on employee grassroot initiatives

**Scientific & Entrepreneurial** Ecosystem

**Promoting equal** opportunity through STEM education & related-industry startup support

#### **Disaster Relief**

Donations based on rapid disaster response

STEM: Science, Technology, Engineering and Mathematics





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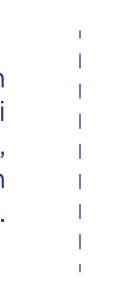


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