

watsons

Türkiye



Sustainability Report 2023 - 2024

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About Our Report


At Watsons Türkiye, we position sustainability at the core of our business strategy. In 2019, we transformed our sustainability strategy into a business model called [#Watsons Goodness Movement](#) and we monitor our environmental and social impacts with indicators and targets, and we carry out improvement activities.

We have prepared our second sustainability report covering the years 2023-2024 in order to present our sustainability approach, our efforts and performance in environmental, social and economic areas to our valued stakeholders. The information in our report covers all activities carried out by Watsons Türkiye in Türkiye between 1 January 2023 and 31 December 2024. We have prepared our second report in accordance with GRI Standards. We have also included the United Nations Sustainable Development Goals to which we contribute.


We prepared our report covering the years 2023-2024 within the framework of the ‘[#WatsonsGoodness Movement](#)’ in line with the 3 main sustainability issues (planet, people, products) identified by AS Watson.

- 

In the "Planet" section,

we summarised our efforts to combat the climate crisis, greener store transformation practices and zero waste to landfill practices.
- 

In the "People" section,

we have described our approach to human rights, our relations with our suppliers, our employee welfare practices and our supports for the community.
- 

In the "Products" section,

we have included our product quality and safety practices and our sustainable living products.

In the "Governance" section we have summarised our corporate governance structure, our risk management and business ethics approach, and our supply chain management approach.



You can send us your comments and suggestions on the report at kurumsaliletisimvesurdurulebilirlik@watsons.com.tr



We are taking steps towards sustainable living with 6 projects that we are implementing under the umbrella of [#WatsonsİyilikHareketi](#) since 2019, involving all our stakeholders. We are carrying out projects that support our forests, women's labour, women's employment and our pawed friends, and aim to raise awareness of responsible production and consumption in society. As part of the [#Watsons-Goodness Movement](#), we offer sustainable and environmentally responsible alternatives in beauty and personal care products and aim to lead our industry in sustainability with projects that address environmental, social and economic sustainability.

1. **Watsons Goodness Movement**
Calls you for a Better Future

2. **Watsons Goodness Movement**
Calls you to Grow Our Forests

3. **Watsons Goodness Movement**
Calls you to Grow Love for Animal

4. **Watsons Goodness Movement**
Calls you to Support Women's Labor

5. **Watsons Goodness Movement**
Calls you to Increase Women Employment

6. **Watsons Goodness Movement**
Calls you to Prefer Sustainable Living Products

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A Message from our Change to Managing Director

Dear stakeholders,

On February 6, 2023, we share the deep sorrow of the earthquake disaster that devastated 11 provinces and killed and injured thousands of our citizens. We reiterate our condolences and best wishes to the entire country. We would like to thank all our employees and stakeholders for their support in the relief efforts.

At Watsons Türkiye, we consider sustainability to be an integral part of our business strategy and a fundamental component of our corporate culture. We approach sustainability not only as a business strategy, but also as one of the fundamental building blocks of our company. We integrate environmental, social and economic sustainability into every aspect of our business, thinking not only about today, but also about tomorrow, and aiming to add value to the future. In this context, we are pleased to present our second sustainability report, which reflects our goals, our sustainability roadmap and our efforts, to you, our valuable stakeholders.

It is our belief that a more sustainable future is possible not through individual efforts, but through a collective action. We therefore undertake many projects to support both the circular economy and an inclusive culture.

Reducing greenhouse gas emissions, switching to renewable energy and increasing our circular economy practices constitute our main environmental goals, while supporting women's labour and employment, increasing the welfare of our employees and creating a diverse and inclusive culture constitute our social goals.

With the support of our employees, customers and business partners, who are our greatest strength on this journey, we are creating sustainable change across our entire ecosystem. Through the #WatsonsGoodness Movement, we are making a difference in a wide range of areas, from protecting nature to promoting responsible consumption, from supporting women's work to promoting sustainable products.

For this reason, we encourage our suppliers to utilise more sustainable materials and packaging, and to integrate circularity into their production processes wherever possible. Inspired by the global principles of AS Watson Group, we aim to further advance our sustainability strategy in line with these principles and to lead significant change for our planet and society.

Our 2023-2024 Watsons Türkiye Sustainability Report reflects the significant steps we have taken in our sustainability journey, our goals for the future and our commitment to this endeavour. We recognise that a more sustainable world is a shared responsibility, and with the support of our stakeholders, we continue to make daily progress towards a sustainable future.

Thank you for joining us on our sustainability journey. Together, we are building a better future.

Yours sincerely,

Mete Yurddaş
Watsons Türkiye Managing Director



"We recognise that a sustainable world is a shared responsibility, and with the support of our stakeholders, we continue to make daily progress towards a sustainable future."

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Our Sustainability Manifesto

At Watsons Türkiye, we recognise our responsibility to the future of our world and society. We are committed to providing quality products to our customers while being environmentally and socially responsible. We aim to manage our environmental, social and economic impacts to serve a better world in every area we operate accordingly.

We have placed the principles of sustainability at the heart of our corporate culture and business processes to make the future a better place to live. We do business by living up to our responsibilities to people, nature and society. Through our Goodness Movement, we invite all our stakeholders to join us in building a better future. Every step of the way, we act with a sense of responsibility to our society and our planet, working together for a more just and better world by harnessing the power of goodness.

Reducing our environmental impact.

By 2030, we aim to reduce greenhouse gas emissions in our own operations and supply chain, and to use 100% renewable energy. We prefer recycled materials and equipment and aim to recycle or reuse all our waste.

We support the welfare of our employees and the community.

We take steps to ensure the welfare of our employees and the community. We encourage our suppliers to operate in accordance with social requirements and subject them to social compliance audits.

We support the community through long-term partnerships with non-governmental organisations and encourage our employees, customers and suppliers to support the community.

We support sustainable development.

We aim to provide safe, high quality and sustainable products. We support local economies.

We are committed to continuously improving our sustainability performance and ensuring the continuity and widespread adoption of our sustainability approach.

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About Us

AS Watson Group

Watsons is the flagship health and beauty brand of AS Watson Group. Founded in 1841, AS Watson Group is one of the world's oldest and best-known retailers, with its roots in Asia. Today, the company operates 17,000 stores with 12 retail brands in 30 markets and employs 130,000 people worldwide. This makes AS Watson Group the world's largest international health and beauty retailer.

AS Watson Group's technology-enabled O+O (Offline plus Online) platforms seamlessly integrate physical and digital retail experiences, serving more than 6 billion customers annually.

Watsons is Asia's leading O+O (offline and online) health and beauty retailer, operating 8,000 stores and more than 1,500 pharmacies in 16 markets across Asia, Europe and the Middle East.

Watsons Türkiye

As Watsons Türkiye, we are one of Türkiye's leading beauty and personal care retail chains with over 400 stores in 66 cities. Our core business is retailing all types of cosmetics, beauty and personal care products, beauty and personal care tools and accessories. We carry out distribution, sales and marketing activities in the field of beauty and personal care products. We have a total of 7 main categories and 34 sub-categories. We sell over 10,000 different products. We have 427 brands in total. With our number of stores, we have a 22% share of the perfumery market. Our goal is to make a positive difference in the lives of our customers through the products and services we offer. We operate with more than 3,500 employees.

Our Vision & Mission

Our vision is to be the world's leading health, beauty and lifestyle retailer. Our mission is to set the standard in the health and beauty market by enabling our customers to **Look Good, Do Good and Feel Great** every day through personalised health, beauty and personal care advice and a market-leading range of products.

Our Values

Together with our customers, we inspire holistic acts of wellbeing, positivity, care and kindness towards society and our planet. These actions are brought to life through the three pillars of our Asia-wide sustainability programme, based on our three core values.



Go Green:

Let's do good together to protect our planet.

Go Smile:

Let's spread smiles around the world and bring joy to millions of people.

Go Empower:

Empower each other to enrich lives.

Our Corporate Memberships



Foundation for the
Evaluation of Women's
Work (KEDV)



Turkish Foundation for Combating
Erosion, Reforestation and
Protection of Natural Habitats



Turkish Human Management
Association



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Our Awards

Our awards in 2023 / 16 awards

The ONE Awards
"Reputation of the Year" in the "Chain Cosmetics Store" category

A.C.E Awards
Diamond 1st Prize for the 3rd time in the "Cosmetics Store Chain" Category for the Brands with the Best Customer Satisfaction

ECHO Awards
"Brand Offering the Best E-commerce Experience" 1st prize in the "Loyalty Card" category

ECHO Awards
"Brand Offering the Best E-commerce Experience" 1st prize in the "Personal Care Category"

Outdoor Awards
"Sustainability Jury Special Award"

Brandverse Awards
"Social Responsibility and Sustainability" / "Animal Rights Category" Bronze Award

Brandverse Awards
"Socialbrandverse Data Analytics Awards" / "Stores" category Silver Award

Inbusiness
3. Being included in the "Women's Power at Work" Survey / List of Companies with the Highest Ratio of Women in Top Management, Companies with the Highest Ratio of Women in Middle Management and 100 Equality Pioneer Companies where Women can Rise

Capital
Being included in the Women Friendly Companies List for the 3rd time

Fast Company
1st prize in the "Personal Care / Cosmetics" category of Fast Company & Turkcell Global Bilgi Customer Experience Research

Marketing Türkiye E-Commerce Awards
"Personal Care Website of the Year"

Istanbul Marketing Awards
1st prize in the "Youth Communication" category with "Watsons Youth Festival"

Istanbul Marketing Awards
1st prize in the "Small Budget Digital Marketing Campaign" category with the "International Day of the Girl Child" project

AYD Awards
1st prize in the "Personal Care - Cosmetics" category in the "Most Popular and Preferred Retail Brands in Shopping Centres Survey"

The Hammers Awards
"Best E-commerce Team" Award

Secret CV
Star of HR Award



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Our Awards

Our awards in 2024 / 14 awards

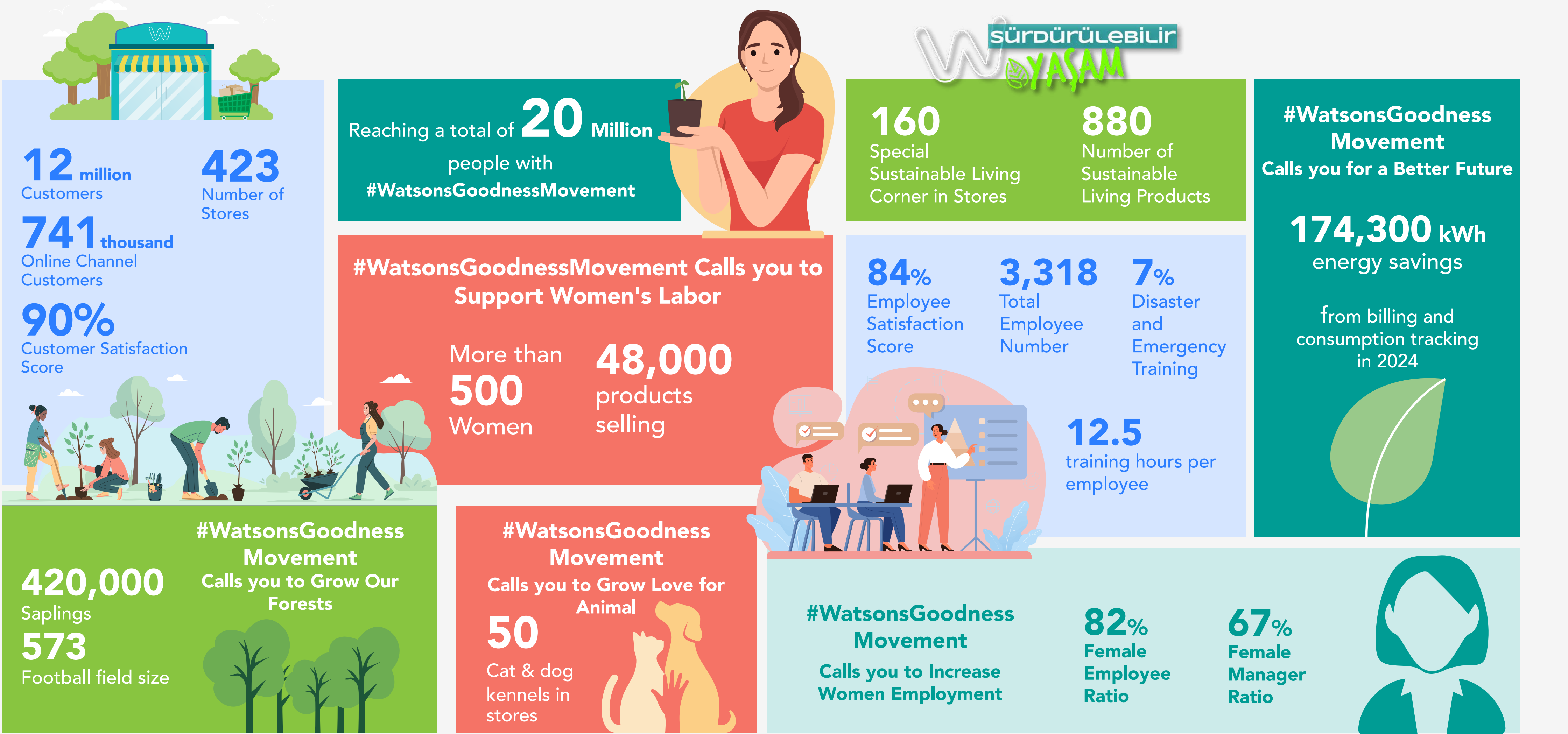


- The ONE Awards**
The ONE Awards / Watsons
'Reputation of the Year' in the 'Chain
Cosmetics Store' category
- Advantage Report**
Best Supply Chain Team
- Şikayetvar.com**
'The Brand with the Best Customer
Experience'
- Echo Awards**
The Best of E-Commerce-Personal
Care Category
- Retail Sun Award**
'Click and Collect Now' Project at
E-Commerce Success Awards

- Brandverse Awards**
Bronze award in the Stores category
- TEMA**
Award for the company that
donates the most trees by working
with TEMA Foundation
- Outdoor Awards**
Outdoor Awards: Personal Care
Products Brand Adding Value to
'Outdoor'
- ZMD**
Jury Special Award for Best
Technology Application in Retail
- The Hammers Awards**
Best CRM Team Bronze Award

- The Stevie Awards**
Stevie Awards: Mobile App
- Advantage Report**
Best Company in Health and Beauty
Channel
- AYD**
The Most Liked Personal Care and
Cosmetics Store in Shopping Malls
- Marketing Türkiye
E-Commerce Awards**
Personal Care Website of the Year - Gold
Best Integrated E-Commerce Site
with its Store - Silver
E-Commerce Website with the Best
Mobile Application - Bronze

2024 by Numbers




Our Sustainability Commitment



Our Sustainability Vision

We communicate our approach to sustainability to all our stakeholders through the 6 projects we run under the umbrella of our sustainability strategy, WatsonsGoodnessMovement, and we grow goodness with the support of our stakeholders.


Through our [#WatsonsGoodnessMovement](#) projects, we are embedding our commitment to our planet, society and products into our culture and calling on all our stakeholders to support our sustainability journey.



watsons

watsons
goodness movement
CALLS YOU FOR A
BETTER FUTURE!


We call for the protection of our environment by committing to reduce our greenhouse gas emissions by **50.4%** and our electricity consumption by **30%** by the year 2030.



watsons

watsons
goodness movement
CALLS YOU TO PREFER
SUSTAINABLE LIVING
PRODUCTS!


Watsons has created Sustainable Living sections in its stores and online channels, featuring thousands of sustainable products. The company is encouraging everyone to choose environmentally friendly products.



watsons

watsons
goodness movement
CALLS YOU TO
GROW OUR FORESTS!


We plant hundreds of thousands of saplings every year and are committed to planting a total of **1 million saplings** across our country by 2030.



watsons

watsons
goodness movement
CALLS YOU TO GROW
LOVE FOR ANIMAL!


Since 2019, through its Paw Friends Watsons project, Watsons has provided food, water bowls, and shelters at the front of its stores. Additionally, by offering treatment and food support to shelters and forests, Watsons is fostering a greater love for animals.



watsons

watsons
goodness movement
CALLS YOU TO SUPPORT
WOMEN'S LABOR!

Watsons, which connects customers with locally-made products crafted by women's cooperatives, supports the sale of thousands of products each year without pursuing a profit.



watsons

watsons
goodness movement
CALLS YOU TO INCREASE
WOMEN EMPLOYMENT!

Watsons, prioritizing women's participation in the workforce with **82%** female employees and **67%** of middle and upper management positions held by women, encourages its suppliers in this regard and annually rewards the top three producers with the highest rates.

Our sustainability journey is based on the principles of [AS Watson Group](#), of which we are a member. AS Watson Group has developed a comprehensive and long-term strategy by integrating the environmental, social and economic impacts of its activities throughout its value chain. As a Group, we have updated the 4 main pillars of sustainability (Our Community, Our People, Our Customers, Our Planet), which it has adopted since 2010, to 3 pillars: **Planet**, **People** and **Products** (economic), which are also included in the United Nations' definition of sustainability as of 2023. As Watsons Türkiye, we have defined our own sustainability strategy in line with the AS Watson strategy and in accordance with local needs and requirements. In line with our strategy, we have set environmental, social and economic targets and commitments in these areas. We manage all of our operations in a way that reduces our environmental impact and addresses the social and economic needs of the community. We will continue to work in line with our strategy to achieve our goals and meet our commitments.



Watsons Memorial Forests / Balıkesir

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Our goals and commitments in this area

Planet



- Implement practices that reduce our carbon footprint and water consumption in all our operations,
- Create a stronger culture and practice of sustainability in the design, construction, operation and maintenance of our stores,
- Enhance circular economy practices, such as reducing waste generation and increasing recycling rates, in our operations and supply chain,
- Promote energy savings in stores, headquarters and distribution centers,
- Contribute to reforestation efforts.

People



- Create lasting positive change in society by supporting women's work and employment,
- Uphold human rights and the highest ethical standards in all our business relationships; Promote fair labor practices, diversity and inclusion in our workforce and supply chain,
- Promote a diverse and inclusive workplace with equal opportunity, protect the health and well-being of our employees, and support the career development of young people,
- Promote volunteerism in areas such as empowerment, support, development, education and long-term interaction through a charitable organisation,
- Actively engage with our stakeholders and NGOs to address common sustainability challenges and drive positive change,
- Create sustainability awareness and consciousness among all our stakeholders through sustainability communication activities.

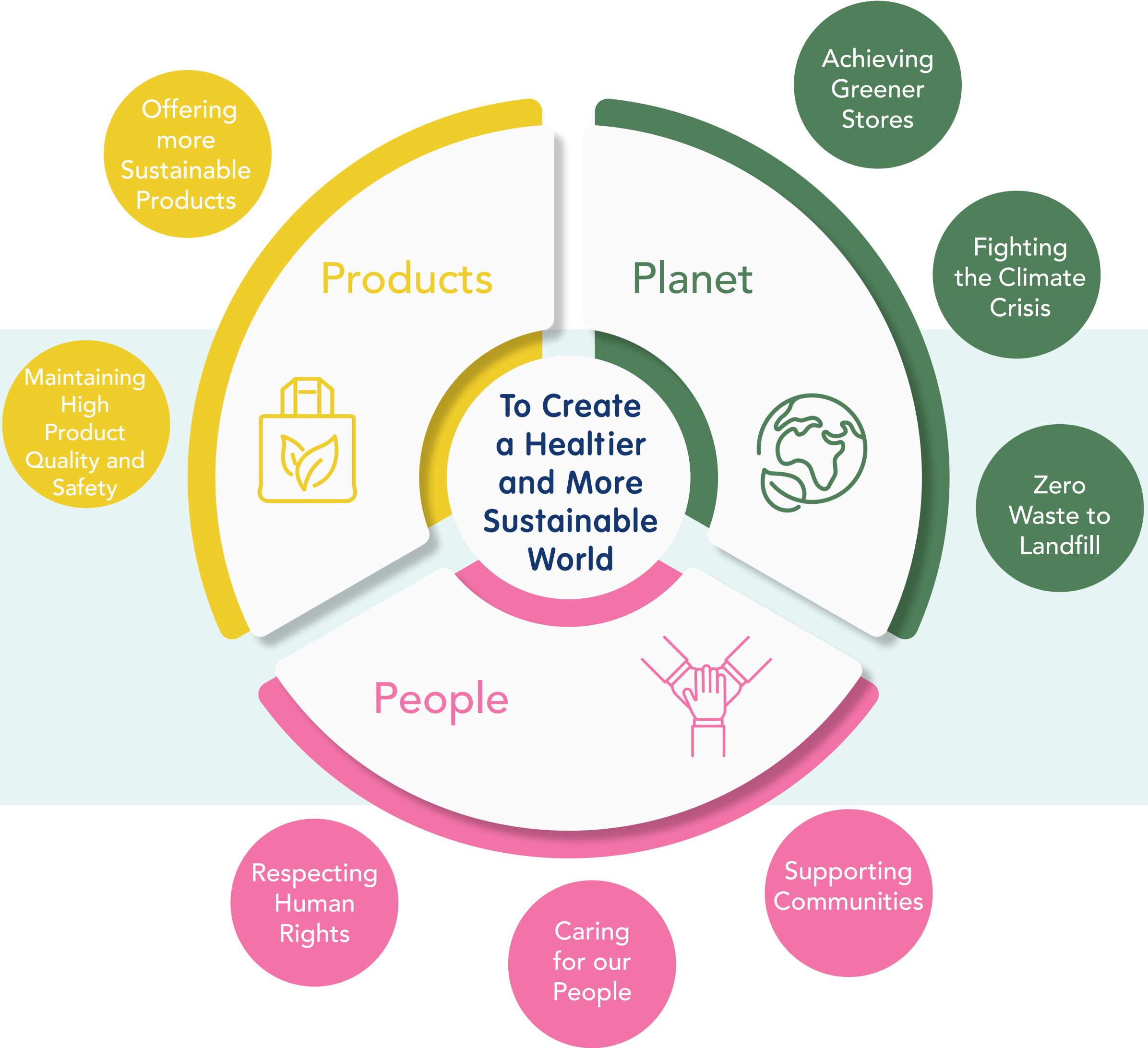
Products



- Provide safe and high-quality products,
- Provide information to our customers about sustainable consumption and promotion of sustainable lifestyles,
- Continually expand the assortment of Sustainable Choices products to provide customers with more sustainable options,
- Prefer sustainable materials in our products,
- Set measurable targets to continuously improve our sustainability performance and regularly assess and report on the results,
- Source and promote sustainable products.

By meeting these commitments, we aim to actively contribute to a more sustainable, just and prosperous world as a responsible corporate citizen. We are committed to evolving our sustainability practices to meet the ever-changing needs of our world and society.

We monitor compliance with our commitments with our roadmap created with 8 focus points in 3 main areas. Our roadmap guides us in reducing greenhouse gas emissions, sustainability-friendly store designs, store constructions and operations, zero waste, workplace well-being, social responsibility, high product quality and sustainability.



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AS Watson is a signatory to the United Nations Global Compact. AS Watson, as a signatory to the United Nations Global Compact, commits to aligning its business practices with the 10 core principles related to human rights, labor, environmental sustainability, and anti-corruption. It sets strategies and targets to meet these principles. At Watsons Türkiye, we embrace the principles of this Compact and the Sustainable Development Goals and support the achievement and exceeding of the targets set as part of our compliance with the United Nations Global Compact.



Our Sustainability Journey

As a responsible company, we integrate sustainability principles into all our activities and business values. With our sustainability strategy called #WatsonsGoodnessMovement, we monitor our environmental and social impacts throughout our value chain and carry out projects under 6 main headings. We make sustainable choices products and invite all our stakeholders to make sustainable choices. We act with the aim of becoming an organisation that adds positive value to the lives of our customers, preferred by employees and trusted by business partners.

Through our sustainability efforts, we localize AS Watson Group's sustainability mission in Türkiye and maintain our “love brand” perception. With these efforts, we aim to be the first choice of our customers as **“the leading retail cosmetics and personal care brand that embraces sustainability in all areas”** and strengthen our brand perception.

In order to increase the awareness and impact of the concept of sustainability, we implement studies and practices to raise sustainability awareness among our customers, suppliers and manufacturers. We incentivize our manufacturing companies with the highest proportion of female employees with awards, and require our suppliers to increase the proportion of female employees. To overcome the perception that sustainable products are expensive, we offer our sustainable choices products at affordable prices and special campaigns.

Every year, we declare one month as **“Sustainable Living Month”** and highlight our sustainable products with various campaigns and communication activities during that month.

880 Sustainable Choices Products

160 Stores with Special Sustainable Living Corner



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Sustainability Governance at Watsons Türkiye



In 2023, AS Watson Group updated its sustainability strategy to cover all business processes and adopted an approach aligned with the Science Based Targets (SBTi) initiative. This commitment involves setting science-based emission reduction targets. The Group and its representatives in all countries are committed to becoming solution partners in the fight against climate change by 2030. Together with its representatives in all countries, the Group is committed to being a partner in solving the climate crisis by 2030.

In 2024, we reviewed our sustainability governance structure to better meet our responsibilities at Watsons Türkiye. We have redesigned our sustainability governance structure to effectively manage our sustainability efforts. We created an effective management structure where governance units can work in coordination and sustainability goals are regularly monitored. Our sustainability governance structure at Watsons Türkiye provides clear roles for those who are responsible for achieving effective and sustainable results and brings a holistic approach to sustainability. Our new sustainability governance structure provides clear roles for those who are responsible for achieving effective and sustainable results and takes a holistic approach to sustainability.

Our Managing Director is the head of sustainability governance. Reporting to the Managing Director, our management team includes the directors of Information Technologies, Human Resources, Sales Operations and Supply Chain, Trade Marketing, Finance and Store Development. The management team sets strategy and direction.

The Sustainability Steering Committee is the focal point of Watsons Türkiye’s sustainability efforts. It is the key management body responsible for embedding sustainable practices into the company's culture, operations and strategic vision, and for achieving sustainability goals

The Sustainability Steering Committee is responsible for monitoring, guiding and overseeing the company's sustainability goals. It is planned that the Sustainability Steering Committee will meet in person once a month, report meeting results and action plans to the management team on a monthly basis, and report to the Managing Director in person on a quarterly basis.

The Role of the Sustainability Steering Committee: The committee's efforts are aimed at improving the company's reputation, more efficient use of resources, cost savings, and better compliance with increasing societal demands for environmental and social responsibility.

The Sustainability Steering Committee is the senior management body responsible for monitoring, guiding and overseeing compliance with Watsons Türkiye’s sustainability goals.

The Sustainability Steering Committee manages all these tasks under 3 pillars: Planet, People and Products. Each pillar carries out its activities under the leadership of a responsible Sustainability Champion.

Planet

Roles and Responsibilities

- ✔ Monitor the energy consumption and carbon emissions performance of all Watsons Türkiye operations; coordinate data collection, analysis and reporting processes,
- ✔ Track energy and emissions intensity reduction targets (KPIs),
- ✔ Improve energy efficiency practices and support the implementation of renewable energy solutions,
- ✔ Track and share industry best practices,
- ✔ Monitor and coordinate reporting on all waste categories defined in the sustainability KPIs,
- ✔ Create a waste inventory and reuse waste with a "circular economy" approach,
- ✔ Research and implement circular economy opportunities within the company,
- ✔ Ensure coordination with relevant stakeholders (our field employees, shopping centers, business partners, consultants, etc.),
- ✔ Calculate carbon emissions from Watsons Türkiye fleet and logistics activities and develop mitigation projects,
- ✔ Coordinate the implementation of energy efficient and low carbon solutions in all logistics processes.



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People

Roles and Responsibilities

- ✔ Support the coordinated implementation of Watsons Türkiye’s equal opportunities efforts and monitor national and international practices that can enhance these efforts,
- ✔ Take an active role in internal and external communication and representation of equal opportunity policies and practices,
- ✔ Implementing well-being practices, following best practices in this area and implementing them within the organisation,
- ✔ Collect and report data on the employee experience indicators included in the Sustainability Scorecard and conduct target compliance assessments,
- ✔ Manage training and information activities to raise awareness of sustainability issues,
- ✔ Support the career development of young talents by offering training and development programs.



Products

Roles and Responsibilities

- ✔ Evaluate sustainable packaging options in collaboration with business partners and suppliers,
- ✔ Conduct studies to improve product quality and safety,
- ✔ Monitor plastic consumption and develop projects to reduce it,
- ✔ Promote the use of sustainable raw materials in product ingredients and materials (sustainable paper, sustainable palm oil, etc.) and raise awareness within the company and commercial ecosystem,
- ✔ Conduct activities to raise awareness of Watsons Türkiye's sustainable product approach,
- ✔ Encourage our suppliers to operate in a sustainable manner and make supplier selection with a focus on sustainability,
- ✔ Increase the number and variety of assortment of sustainable choices campaign.

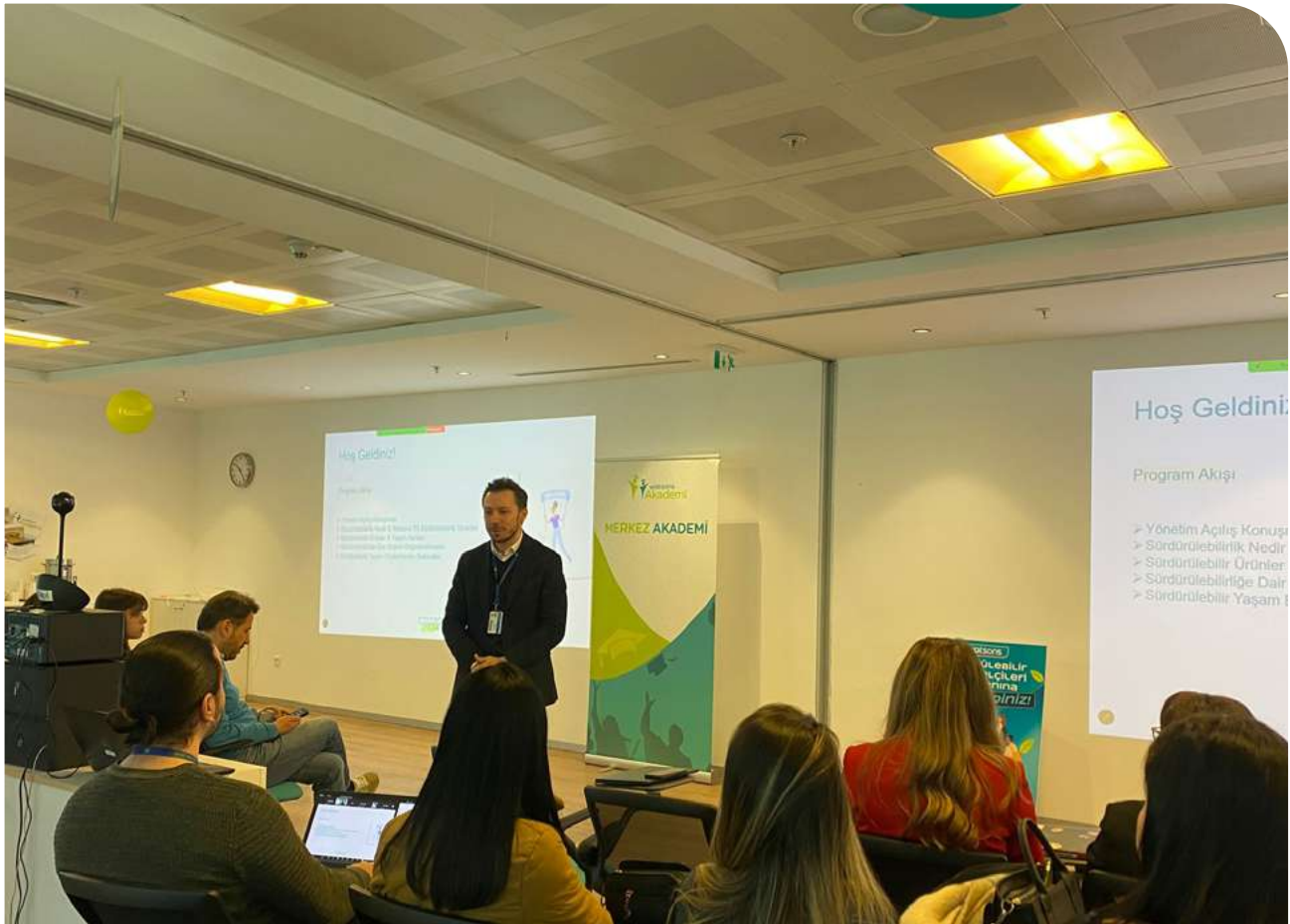


Sustainable Living Ambassadors

We have placed environmental, social and economic sustainability at the heart of our business in line with our sustainable living goals. To ensure that this understanding becomes an ingrained culture in each store, we have designated one of our colleagues as a Sustainable Living Ambassador in each store.

Our Sustainable Living Ambassadors are the store champions of our Sustainable Living Strategy, which we have created to leave a better world for future generations.

- Sustainable Living Ambassadors ensure that our sustainability strategy effectively permeates all of our stores,
- Participate in sustainability training and webinars to improve their sustainability skills,
- They educate the store team on sustainability issues shared by the corporate office and lead the way in reducing the use of resources such as water and paper,
- Communicate their sustainability ideas and suggestions to the corporate office and help save energy in the stores,
- Informs customers about sustainable products and helps increase the share of these products in sales,
- Contributes to customer sustainability awareness.



Launch of Sustainable Living Ambassadors at our Head Office



349 of our stores have Sustainable Living Ambassadors.

Our Material Issues

We use surveys and assessment studies to identify the material sustainability issues for our company and our stakeholders. In our 2023-2024 report, we revisited the material issues we identified through the materiality studies we conducted in 2022. We identified our material issues by evaluating them against the **top 8 material issues** identified by AS Watson.

Sources we used to set our sustainability priorities



Our material issues, which we have identified under 3 main headings: Planet, People, Products;

Planet

- Fighting the Climate Crisis
- Achieving Greener Stores
- Zero Waste to Landfill



People

- Respecting Human Rights
- Caring for our People
- Supporting Communities



Products

- Maintaining High Product Quality and Safety
- Offering more Sustainable Products



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Stakeholder Relations

Providing timely and accurate information to our stakeholders is the most important part of our corporate responsibility. We engage in two-way and transparent communication activities through various communication channels. We better understand the expectations of our stakeholders through the communication we establish, and we increase our corporate knowledge through the numerous non-governmental organisations, global and sectoral initiatives in which we participate and support.

We communicate with our stakeholders through online and offline communication methods such as surveys, satisfaction surveys, meetings and social media. We conduct regular annual customer satisfaction surveys and actively use social media channels.



Transformation and Communication of Sustainability

Sustainability and Innovation Summit

In 2023, we organized the Watsons Sustainability and Innovation Summit in collaboration with Boğaziçi University Innovation and Competitiveness Focused Development Studies Application and Research Center and Galatasaray University Entrepreneurship and Innovation Center.

The concept of sustainability was discussed in all aspects at the summit, which was organized under the theme **"Innovative Steps to a Sustainable Future"** and brought together participants from many sectors, young professionals, experts and academics. In addition to senior executives from companies that are doing important work in the field of sustainability, important names who are impacting the wider environment with their local work also shared their inspiring stories..

To raise awareness of carbon footprints, the carbon footprint of the event and of traveling to and from the event was measured throughout the Summit. To offset the total carbon footprint of the Summit, a total of 1,000 saplings were donated, one for each participant and audience member attending the Summit for two days. The number of saplings donated neutralized approximately 10 times the carbon dioxide emissions generated by the Summit.

Prior to the Summit, seminar and workshop programs were conducted for 3 weeks, 18 hours online and 4 hours physical, to share basic information on sustainability, expand the ecosystem and raise awareness among more people. As part of these programs, sustainability approaches in different categories were explained by academics and 238 people who successfully completed the program were awarded their certificates in a special ceremony.



A total of **1,000 saplings** were donated, one for each participant and audience member attending the Summit for two days. The number of saplings neutralized approximately **10 times** the carbon dioxide emissions generated by the Summit.



Watsons Türkiye Sustainability Bulletin

Through our Sustainability Bulletin, we communicate news about our company developments, our products, the awards we have received and the steps we have taken in the area of sustainability to all employees. In these bulletins, which we produce regularly every month, we aim to raise awareness of sustainability by addressing prominent sustainability issues such as climate change, circular economy and biodiversity, and by communicating both global and local developments.

In addition to our newsletters, we also send out short sustainability briefings to our employees every week.

DID YOU KNOW THESE

Did you know that 8 million metric tons of plastic enter the ocean every year, which is the equivalent of dumping a garbage truck full of plastic into the ocean every minute?

Plastic waste causes serious damage to marine ecosystems, threatens the life of marine species and causes microparticles to accumulate in the oceans. The use of single-use plastics is one of the main causes of this problem. Increasing the use of recyclable materials and limiting plastic consumption can be an important step in protecting our oceans. In addition, global waste management systems need to be improved to prevent plastics from entering the ocean.

click for source

watsons turkey SUSTAINABILITY newsletter 4. Issue | December 2024

WE LEFT 2024 BEHIND in our SUSTAINABILITY webinars!

In our sustainability webinars organized throughout 2024, we addressed many important issues by addressing different dimensions of sustainability and came together with inspiring speakers.

Let's take a look at our 2024 Sustainability Webinars;

We held a Sustainability 101 Webinar with Assoc. Prof. Dr. Murat Levent Demircan from Galatasaray University and learned the basic concepts of sustainability.

We held a webinar on Sustainability with Enviro Dimension Eda Karadağ Group Sustainability and Corp. Communication Manager, environment in depth.

Our activities throughout 2024 vision. Now we have set our to contribute to a sustainable

THANK YOU, TOGETHER WE ARE STRONGER

EVERY STEP WE HAVE TAKEN ON OUR SUSTAINABILITY JOURNEY HAS BEEN POSSIBLE THANKS TO YOU, OUR VALUED CUSTOMERS

ALL TOGETHER:

Every step closer to our goal of protecting the planet.

We expanded our kindness movement in social projects and touched more people.

We made a difference by supporting more conscious and sustainable consumption habits.

THANK YOU, WATSONS FAMILY!

As we move towards our 2025 goals, we are stronger with you.

watsons turkey SUSTAINABILITY newsletter 4. Issue | December 2024

watsons goodness movement CALLS ON US TO GROW OUR FORESTS

420.000

WE PROTECT NATURE AND OUR FUTURE WITH WATSONS GOODWILL MOVEMENT.

With the contributions of our valuable brands, we have so far planted 420,000 saplings.

Sustainable Living Month

Every year, we designate one month as Sustainable Living Month, during which we highlight our sustainable products with campaigns and communication activities.

During Sustainable Living Month, we invite everyone to be part of our Watsons Goodness Movement through in-store announcements. We share information about the Watsons Goodness Movement Movement and sustainability on social media. By increasing the awareness of our sustainable living products, we ensure that consumers are aware of these products and that their preferences are sustainability-oriented. Internally, we conduct awareness-raising activities and publish sustainability bulletins, webinars and interviews.



Sustainability Webinars

In 2023, we held a Watsons Goodness Movement webinar attracted 150 participants from head office, distribution centers and stores.

In 2024, we took this even further and launched a series of webinars covering different dimensions of sustainability each quarter of the year.

In 2024, we reached about
200 people with these webinars.

Planet



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At Watsons Türkiye, we believe that by working together with our stakeholders on environmental sustainability, we can have a positive impact on the planet and ensure a more sustainable future for ourselves and our customers. We conduct our operations in accordance with all relevant laws and regulations.

At Watsons Türkiye, we have adopted the AS Watson Group's targets of reduce scope 1 & 2 greenhouse gas emissions by 50.4% by 2030 from a 2018 base year, reduce scope 3 greenhouse gas emissions from purchased goods and services, upstream transportation and distribution, and use of sold products by 58% per Hong Kong dollar value added by 2030 from a 2018 base year.



As the first brand in beauty retail to embrace sustainability, take action and lead the industry, we invited our employees, customers, suppliers and manufacturers to join us in a sustainable future with the [#WatsonsGoodness Movement](#). We run our environmental projects under the umbrella of the [Watsons Goodness Movement Calls for a Better Future](#).





We monitor the environmental performance of all our operations and suppliers and make efforts to reduce our carbon footprint, water consumption and waste production.


We provide training to raise the environmental awareness of our employees. In 2023, 273 employees received 546 hours of environmental training; in 2024, 114 employees received 228 hours of environmental training.

In 2023, in addition to Distribution Centre employees, we also provided environmental training to our store managers to convey zero waste processes. In 2024, we did not provide this training in stores. For this reason, the number of employees who received environmental training in 2023 and the number of training hours were higher than in 2024.



Our Targets

Priorities	Group Targets	Watsons Türkiye Targets
<div><p>Fighting the Climate Crisis</p></div>	<ul style="list-style-type: none">• Reduce scope 1 GHG emissions by 50.4% by 2030 from a 2018 base year• Reduce scope 2 GHG emissions by 50.4% by 2030 from a 2018 base year• Achieve 100% renewable electricity by 2030.• Reduce energy intensity by 30% kWh/m2 by 2030, from a 2015 baseline• Reduce GHG Emissions from purchased goods and services, upstream transportation and distribution, and use of sold products by 58% per Hong Kong dollar value added by 2030, from a 2018 base year• Pledge that 33% of its suppliers by emissions covering purchased goods and services, upstream transportation and distribution will have science based targets (SBTs) by 2027.	<ul style="list-style-type: none">• Reduce Scope 1 greenhouse gas emissions by 50.4% by 2030 compared to 2018 base year, following the Group target.• Reduce by 30% in kWh/m2 by 2030 with electricity saving efforts by following the Group's target. To invest in 100% Renewable Energy.• By 2027, support Group targets by engaging local suppliers who have set their own Science Based targets.
<div><p>SDGs Contributed</p></div>	<div><div><p>7 AFFORDABLE AND CLEAN ENERGY</p></div><div><p>13 CLIMATE ACTION</p></div><div><p>17 PARTNERSHIPS FOR THE GOALS</p></div></div>	

Priorities	Group Targets	Watsons Türkiye Targets
<div><div>Building Greener Stores</div></div>	<ul style="list-style-type: none">To strengthen the Greener Store initiative, integrate the Greener Stores framework into store design guidelines, incorporate its environmental requirements into local store development guidelines, and increase the number of stores fulfilling greener store standards.	<ul style="list-style-type: none">Following, localising and disseminating the Greener Store guidelines specified by the Group.Use at least 20% reusable or recyclable equipment in the metal shelving, flooring and electrical categories in all new and refurbished stores.At least 20% of store non-electrical equipment CAPEX to be 85% recyclable and at least 20% of store non-electrical equipment CAPEX in efıt / renovation stores to come from recycled materials.Use electricity monitoring device in the electrical panel for energy saving and management, use recyclable bins for all green stores and equipment made entirely from recycled materials.
<div>SDGs Contributed</div>	<div><div><div>7</div><div>AFFORDABLE AND CLEAN ENERGY</div></div><div><div>12</div><div>RESPONSIBLE CONSUMPTION AND PRODUCTION</div></div><div><div>13</div><div>CLIMATE ACTION</div></div><div><div>17</div><div>PARTNERSHIPS FOR THE GOALS</div></div></div>	

Priorities	Group Targets	Watsons Türkiye Targets
<div><p>Achieving Zero Waste to Landfill</p></div>	<ul style="list-style-type: none">Divert 100% of operational waste, from warehouses, stores, and offices, away from landfill by 2030	<p>Progress is being made in parallel with the Group target. All operational waste from the head office, distribution centre and stores is separated at source and collected. Waste from the stores, head office and distribution centre is handed over to the local authorities and recycled.</p>
<div>SDGs Contributed</div>	<div><div><div>12</div><div>RESPONSIBLE CONSUMPTION AND PRODUCTION</div></div><div><div>13</div><div>CLIMATE ACTION</div></div><div><div>17</div><div>PARTNERSHIPS FOR THE GOALS</div></div></div>	



Fighting the Climate Crisis

We set targets to minimise the potential impact of environmental issues such as extreme weather events, water stress and water scarcity on our operations as the effects of global warming increase every day, and we manage our operations in line with these targets. As Watsons Türkiye, we are a brand operating in the beauty and personal care retail sector. Due to the nature of our business, our stores, logistics processes and office activities are our main sources of emissions. With this awareness, we are undertaking the necessary work to identify and reduce our greenhouse gas emissions.

Scope 1 emissions from our operations come from fleet fuel consumption and natural gas consumption. Our Scope 1 emissions in 2023 decreased by 14.9% compared to the 2018 base year. In 2024, our Scope 1 emissions decreased by 16.1% compared to the base year 2018.

Our Scope 2 emissions are caused by our electricity consumption. In 2023, we started purchasing renewable energy as part of our energy efficiency efforts. In 2023, renewable energy accounted for 5% of our total energy consumption.



As of 2024, we provide all our electricity needs from renewable sources. In January 2024, we invested in renewable energy through the purchase of International Renewable Energy Certificates (I-RECs). Each I-REC purchase certifies that a specific amount of electricity has been produced from a renewable energy source and added to the grid. This certification symbolizes our commitment to credible environmental claims.

The use of renewable resources reduces dependence on fossil fuels and lowers carbon emissions. We have zeroed our scope 2 emissions by using 100% of our electricity needs from renewable sources. Within the scope of this certification commitment, we aim to offset greenhouse gas (GHG) emissions equivalent to 18,000 megawatt-hours (MWh) of electricity consumption annually.

The majority of our total greenhouse gas emissions are scope 3 emissions from purchased goods and services, upstream transportation and distribution, and use of sold products. From 2021 to 2023, we see an increase in scope 3 emissions due to our increased activities. In 2024, our scope 3 emissions decreased by 26.5% compared to 2023. This is mainly driven by a mix of primary and proxy suppliers data in our calculations.

Our Scope 1
emissions in 2024
decreased by
16.1%
compared to the
base year 2018

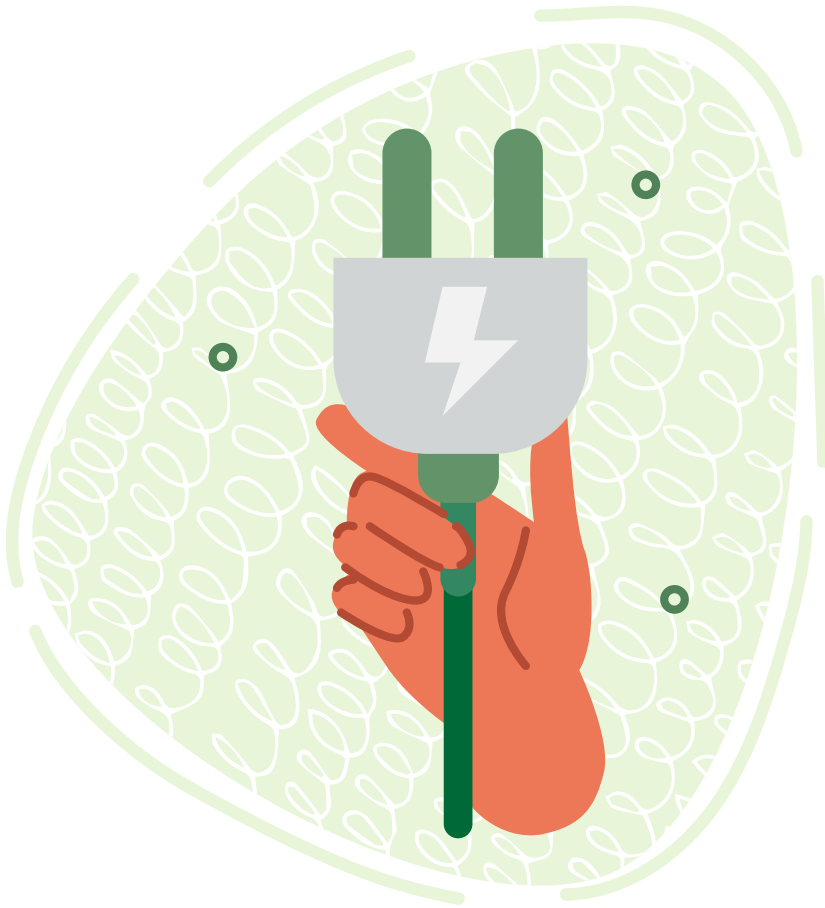


Achieving Greener Stores

We are accelerating our transformation to low impact stores by improving our energy efficiency and reducing emissions and waste in our stores. As part of our transformation to greener stores, we are taking steps to promote a culture of sustainability in all our stores. We are reducing the use of visuals in our stores and increasing the use of digital screens. We are increasing the use of in-store QR codes and informing customers by directing them to our website. We reuse our metal equipment that has reached the end of its useful life by maintaining it and repainting it in our current concept colour. We reuse our lighting elements by cleaning them and replacing the chips and bringing them up to our current usage values. We use high efficiency LED luminaires in all our stores (including warehouse areas). In the opening and renovation processes of our stores, we pay attention to the use of responsible materials and prefer more sustainable materials. We also reuse our equipment such as electrical panels, air conditioning and air curtains from our closed stores in other stores by completing the maintenance and repair processes. We ensure a longer lifespan by regularly maintaining our signage and logos. We encourage our customers to make more sustainable choices. We do this by highlighting our sustainable living products in-store and designing special areas. We provide brief information about the contents and packaging of the products and present them to our customers with visuals. To reduce the use of plastic bags by our customers and encourage them to use non-plastic bags, we display our bags at the checkout. At the same time, we encourage them to use their own bags when shopping.

We support energy efficiency and transition to renewable energy. We switch all our lighting to LEDs and use mechanical device with high energy class in our stores. We expand the use of smart meters in our stores and take action to increase the energy efficiency of the store by energy monitoring. Thanks to the alarms to be generated in connection with the meter, we provide consumption savings on the bills. We saved 671,903 kWh in 2023 and 963,745 kWh in 2024. We check bills from all stores on a monthly basis, create action plans based on consumption and price per square metre, and reduce consumption at the end of the year by monitoring these actions. In 234 stores, we use time-controlled sockets for beverage refrigerators. In this way, the refrigerators do not operate when the store is closed and we avoid wasting energy. We saved 48,240 kWh per year with the sockets used in our beverage refrigerator. In addition, monitoring devices built into electricity meters in 50 stores allow us to monitor consumption immediately and optimise energy use.

**In 234 stores,
we use time-controlled
sockets for beverage
refrigerators. In this way,
the refrigerators do not
operate when the store
is closed and we avoid
wasting energy.**



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Thanks to the alarms generated by this system, we achieved a total consumption saving of 147,000 kWh in 2024. We regularly analyse the electricity bills of all our stores, evaluate consumption per square metre and draw up action plans. As a result of the monitoring carried out throughout the year and the strategies developed, we were able to save 174,300 kWh of energy from bills and consumption in 2024.

We pay attention to work with a focus on sustainability at every stage, starting with the construction of the stores, including the process in which they are operated. In the design and planning stages of our stores, we pay attention to select sustainable materials. We use low-carbon, recyclable and reusable materials wherever possible in our store paints, flooring, wall coverings and furniture. We ensure that the materials we use are FSC, TSE, Formaldehyde E0, EMICODE EC1, EMICODE EC1 PLUS, EPD (Environmental Product Declaration) or Greenguard (Indoor Air Quality Certification, as a standard for indoor air quality) certified.

At our Emaar Square store in 2023, which we renovated as part of our Greener Stores initiative, we applied all of our material criteria to reduce our carbon footprint. By reducing the use of paper in the store, we brought the use of digital screens and QR codes to the forefront. In addition to the existing recycling bins in our store, we implemented our 'recycling device' application to increase our customers' environmental awareness and encourage them to recycle. This initiative is an important step to increase social awareness of sustainability.



Zero Waste to Landfill

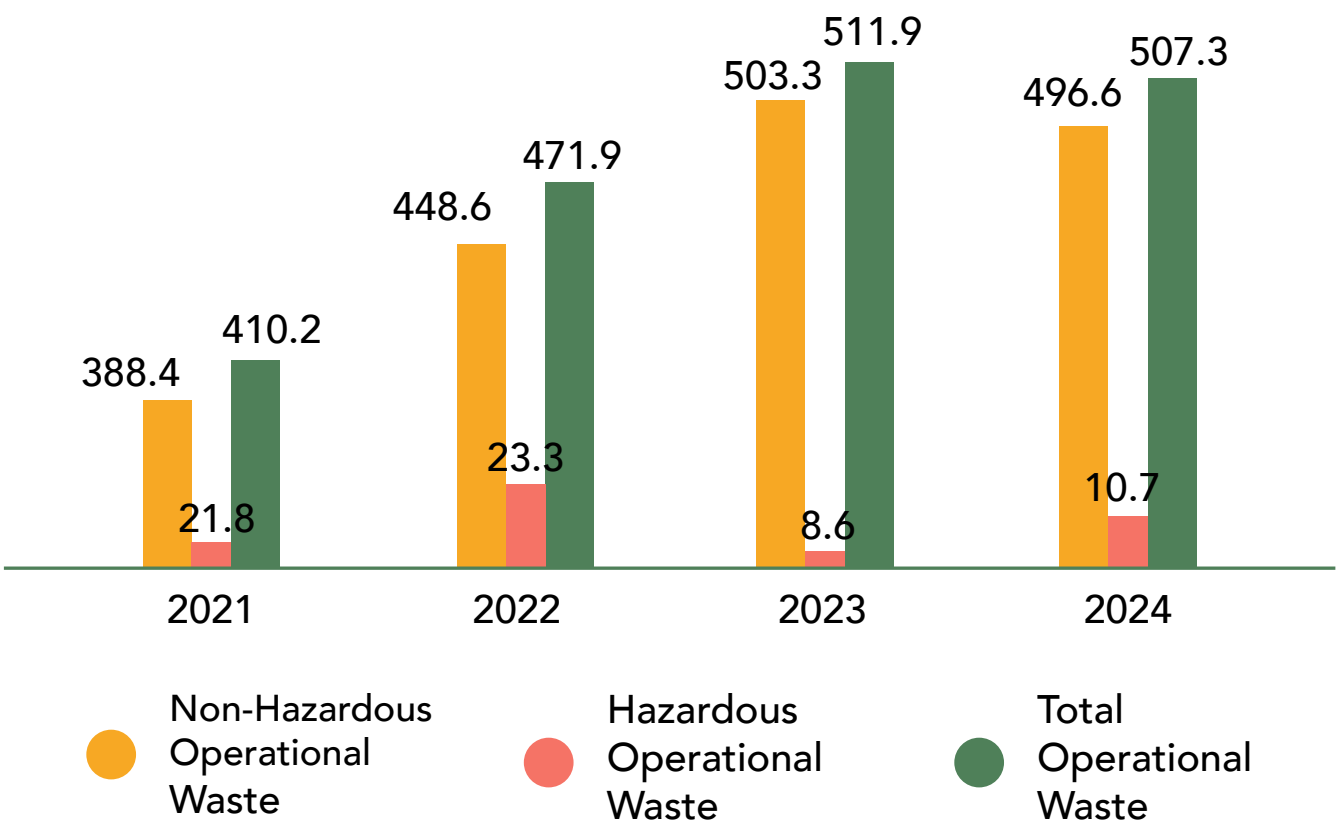
As Watsons Türkiye, we are committed to a sustainable business model, reducing waste at source, using resources more efficiently and implementing a waste management system that supports recycling with a circular economy approach.

Our waste is generated from our activities in our stores, Distribution Centre and Head Office. Accordingly, we support the circular economy model in our waste management processes. Through the circular economy model, we reduce, reuse and recycle our waste.

We monitor and manage our waste in accordance with legislation. We deliver recyclable waste from stores to the appropriate units for recycling. As part of our waste management processes, we deliver waste from high street stores to local authorities for recycling. In mall stores, as the mall and plaza management is responsible for the recycling process, we separate the waste and deliver it to the mall and plaza management. At the distribution centre, all waste is separated and recycled by the recycling company. We also recycle our electronic waste from our stores, head office and distribution centre in accordance with waste management. In 2023, 2,550 kg of electronic waste was generated and this waste was collected and delivered to our contracted recycling company for disposal.

As part of our contribution to zero waste to landfill approach, we have eliminated the use of disposable cups at our headquarters. As of 2023, we no longer distribute printed calendars and agendas. We prefer to use reusable packaging instead of single-use plastic packaging in shipping processes from distribution centers to stores. We dispose of our hazardous operational waste properly. Our total operational waste for 2023 is 511.8 tonnes. While our non-hazardous waste is 503.3 tonnes, our hazardous waste is 8.6 tonnes. Of our non-hazardous waste, 502.7 tonnes comes from the distribution center and 0.6 tonnes from stores and offices. In 2024, our total amount of operational waste is 589.9 tonnes. 544 tonnes of this consists of non-hazardous waste. Of the non-hazardous waste, 495 tonnes came from the Distribution Centre, 9 tonnes from the Head Office and 40 tonnes from the stores.

Our total operational waste in 2023 decreased by 37% compared to the 2018 baseline. Our total operational waste in 2024 decreased by 38% compared to the 2018 baseline. In 2024, approximately 40 tons of recyclable waste was collected from our high street stores and delivered to the local authority where the store is located. At the same time, as we closed the year 2024, 78 of our stores were awarded a zero-waste certificate.



People











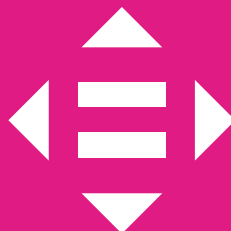
As Watsons Türkiye, we continue to make a difference with social responsibility projects for all segments of society by strengthening our commitment to social sustainability. With the aim of making the world a healthier and happier place for everyone, we respond to the needs of society and fulfil our social responsibilities in cooperation with our stakeholders.



Our Targets

Priorities	Initiatives	Group Targets	Watsons Türkiye Targets
<div><p>Respecting Human Rights</p></div>	<ul style="list-style-type: none">Upholding human rights and monitoring compliance with our suppliers	<ul style="list-style-type: none">At least 90 % of own-brand product manufacturers to undergo social compliance audits. This rate should not fall below 90 %.	<ul style="list-style-type: none">Progress is in line with the Group target. At least 90 % of the manufacturers of own-brand products will have a valid social compliance report. This process will be strictly monitored.
<div>SDGs Contributed</div>	<div><div><div>5</div><div>GENDER EQUALITY</div></div><div><div>8</div><div>DECENT WORK AND ECONOMIC GROWTH</div></div><div><div>10</div><div>REDUCED INEQUALITIES</div></div><div><div>16</div><div>PEACE, JUSTICE AND STRONG INSTITUTIONS</div></div><div><div>17</div><div>PARTNERSHIPS FOR THE GOALS</div></div></div>		



Priorities	Initiatives	Group Targets	Watsons Türkiye Targets
 Caring For Our People	<ul style="list-style-type: none">Promoting a diverse and inclusive workplace where everyone can grow and thriveEnsuring the health and wellbeing of our peopleSupporting career development for the youth	<ul style="list-style-type: none">Ensure the implementation of a meaningful diversity, equality and inclusion (DEI) programme in all Local Business Units.	<ul style="list-style-type: none">Align the diversity, equality and inclusion programme with local needs and ensure its adoption within the company. Ensure that a local guideline on diversity, equality and inclusion is prepared.
		<ul style="list-style-type: none">Ensure that a meaningful Employee Wellbeing programme is in place in all Local Business Units."	<ul style="list-style-type: none">Following global best practices by Watsons Türkiye's Wellbeing champion and implementing wellbeing activities for local needs.
		<ul style="list-style-type: none">Incorporating sustainability KPIs into existing performance evaluation.	<ul style="list-style-type: none">Sustainability KPIs will be integrated into performance evaluation systems.
		<ul style="list-style-type: none">To create job opportunities for 200,000 young people by 2030 by contributing to the career development of young people.	<ul style="list-style-type: none">To create opportunities for young people by supporting their career development. To develop the W-Generation Internship Programme every year and to increase the number of young people benefiting from the programme every year.
SDGs Contributed	<div><div><div>1</div><div>NO POVERTY</div></div><div><div>3</div><div>GOOD HEALTH AND WELL-BEING</div></div><div><div>4</div><div>QUALITY EDUCATION</div></div><div><div>5</div><div>GENDER EQUALITY</div></div><div><div>8</div><div>DECENT WORK AND ECONOMIC GROWTH</div></div><div><div>10</div><div>REDUCED INEQUALITIES</div></div></div>		

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Respecting Human Rights

We respect and promote human rights. We have adopted a Human Rights Policy that sets out our commitment to prevent, detect and address human rights violations that may arise from our activities. We conduct regular due diligence to assess and mitigate potential risks and provide human rights awareness training to our employees and stakeholders.



Supply Chain Management and Human Rights

We aim to extend our sustainability approach throughout our entire supply chain. We closely monitor the social compliance and environmental performances of the manufacturing companies that produce for our own brand. We maintain our sensitivities on human rights and sustainability in our supply chain and stand against all forms of discrimination, forced and compulsory labour and child labour. We demand social compliance certificates from local suppliers, and terminate our cooperation with suppliers whose behaviour is not tolerated.

Our product sustainability department actively works with our suppliers to identify products with less environmental impact in line with the Sustainable Choices-Suppliers guide published by AS Watson and to encourage suppliers to be sustainable in new projects. Our local manufacturers that produce Watsons branded products are subjected to regular social compliance audits on supplier working conditions and employee rights. Social compliance audits are conducted by 3rd party accredited organisations. If there is a finding that cannot be tolerated in these audits, we terminate our cooperation. Product safety audits are carried out by our Watsons Quality Assurance team.

We monitor the environmental and social impacts of our manufacturers through the Amfori platform. In addition, with Amfori, we aim for continuous improvement by enabling suppliers to make self-assessments on occupational safety and environmental issues. As of the end of 2024, the rate of suppliers conducting self-assessment through the platform was 66%. We encourage our manufacturing companies to make action plans and reduce their environmental impact. In order to measure and evaluate the responsible behaviour of our manufacturers, we require them to have valid certificates in areas such as quality management system certificates, product safety certificates, human rights, environment, health and safety, and ethical values. We monitor the continuity of responsible behaviour through on-site audits conducted by our own technical team. We reward and encourage gender equality and diversity.

Caring for our People

Employee Development and Satisfaction

At Watsons Türkiye, our priority is to provide a safe and supportive working environment based on the principles of diversity and inclusion. To this end, we organise various training programmes through the Watsons Academy to support the career development of our employees. By leveraging the global expertise of AS Watson Group, we contribute to the personal and professional development of all our employees at Head Office, Stores and Distribution Centre. Thus, we both increase employee satisfaction and approach our goal of becoming a preferred employer in the sector.

At our Head Office, we offer development plans and training programmes tailored to the individual goals and strengths of our employees. We provide a warm welcome to our new team members in our stores with the ‘Watsons Hello’ Orientation Programme. During the promotion processes of our employees, we support them to gain the necessary competencies for the next position with ‘Talent Camp Training Programmes’. Thus, we ensure that they add value to our company by supporting both their personal and professional development.

At our Distribution Centre, we organise leadership and team management oriented programmes for managers. We aim to contribute to the professional development of team members by offering awareness and personal development seminars.

In 2023,
we provided a total of
73,400
person*hours of training to
2,867
employees



In 2024,
we provided a total of
40,253
person*hours of training to
3,450
employees



Employee Development	2023	2024
Employee Trainings on Ethics		
Total Training Participants (person)	603	1,295
Total Training Hours (person*hour)	154.5	332
Anti-Bribery and Anti-Corruption Trainings		
Total Training Participants (person)	3,940	2,071
Total Training Hours (person*hour)	328	172

We attach great importance to the feedback of our employees. We receive feedback from our employees through regular satisfaction surveys, evaluate this data together with the management and take actions to improve the employee experience. In addition, we support the development of our employees through performance evaluation processes. Our aim is to create a pleasant and productive working environment for our employees and to provide them with opportunities to maximise their potential.

We monitor and resolve the demands and needs from the stores through the Ebiflow platform. Stores communicate their demands and needs to the relevant department through this platform and resolve their demands by talking directly with the departments through this platform without creating e-mail traffic. In addition, our store employees can also convey their ideas that will contribute to the business through the 'I have an idea' tab under Sales Operation within the same platform. We collect and evaluate the suggestions of store employees regarding our processes through 'I have an idea', and implement the applicable ones by transferring them to the entire field. We support the facilitation of field works under the guidance of ideas from the field. In 2023, we implemented 6 out of 162 ideas submitted, and in 2024, we implemented 6 out of 264 ideas submitted.



In 2024,
we implemented
6
out of
264 ideas
submitted.

We enable our employees to maintain their work-life balance by adopting new generation working methods. We aim to increase employee satisfaction with the opportunity to work from home one day a week. Our Head Office employees have the opportunity to work remotely for two weeks during the summer months.



Social Sustainability and Training at Watsons:

At Watsons, we prioritise providing a supportive, open communication and positive working environment for our employees. Through Watsons Academy, Leadership and Talent Management Programmes, internal newsletters and many events, we continue to support the personal and professional development of our employees.

Watsons Academy: We organize training to facilitate intergenerational cooperation and offer development programs to increase the potential and performance of our employees. These processes also include coaching support and special plans for the needs of the teams.

Leadership and Talent Management Programmes: We support the career development of employees through Talent Management, Leadership Development and Manager Development Programmes. Within the scope of 9 Box Talent Management Programmes, we provide special trainings for all our employees..

Internal Communication and Events: Employees come together with senior management through events such as 'Coffees from the Managing Director'. We regularly share company news and sustainability information through internal bulletins.

We establish direct communication with our employees through bimonthly town hall meetings and share company strategies and priorities. We increase motivation by recognising successful projects. At the conferences we organise throughout the year, we provide comprehensive information about company strategy and department targets.

While we offer regular training programs to enhance the skills of our employees, we also run special coaching programs for managers to strengthen their leadership skills. We help our employees achieve their long-term career goals by providing career development paths and opportunities for advancement. In 2023 and 2024, we will continue to have a young and dynamic team, with 63% of our employees under the age of 30.



Watsons Türkiye Employer Brand

At Watsons Türkiye, we implement various strategies to strengthen our employer brand and build a strong bond with current and potential employees. We aim to recruit talented individuals through the effective use of channels such as social media platforms, university collaborations, career fairs and job advertisements.

To communicate effectively with our current employees, we make regular internal announcements and share information through dedicated platforms. We also provide continuous training opportunities to contribute to the development of our employees.

We increase the sense of belonging and motivation of our employees and create a positive workplace culture through New Year's celebrations, annual team conferences, team events, snack hours and special day celebrations. To reach potential employees, we promote Watsons' dynamic and attractive work environment by sharing developments at our head office, stores and distribution center through social media.

Through our W-Generation Internship Program, we strengthen our ties with university students and develop potential future employees. We support our interns with training and development programs. For students not participating in the internship program, we offer the Watson experience through mock interviews and events.

Working with the AS Watson Group, we share our global perspective and offer our new hires integrated onboarding programs to help them quickly adapt to our organisation.



Employee Engagement

We aim to build a long-term and strong relationship with our employees. To this end, we offer training and development opportunities that support our employees in achieving their career goals, and provide programmes and resources that help them maintain their physical and mental health. Thus, we aim to make our employees happier both in their professional and private lives.



At Watsons Türkiye, we prioritise the financial, physical, mental and social wellbeing of our employees and offer the following services:

-  **Psychological Support:** In partnership with Avita, we provide free psychological counselling to our employees and their immediate family members. We also contribute to the personal and professional development of our employees by supporting their family life through training and webinars.
-  **Nutrition Consultancy:** We offer dietician services to our Distribution Centre and Head Office employees once a week.
-  **Health Agreements:** Our employees and their families can benefit from discounted health services (physical, eye, dental health) thanks to our agreements with health institutions.
-  **Healthy Life Activities:** We bring our employees together with healthy life and sports through activities such as International Corporate Games, Watsons Basketball Club, yoga days, walking and cycling events. These activities not only support the healthy lives of our employees, but also strengthen team spirit and co-operation.
-  **Awareness and Support Programmes:** We organise talks with expert speakers on psychological difficulties and meetings with expert psychologists for our parents.
-  **Weekly Health Content:** Our workplace physician and dietician inform our employees with healthy life suggestions, motivational articles and nutrition recipes.

In 2024, our
Employee
Satisfaction Score
was measured as
84%



Our 2023 Awards:

Secret CV
Star of HR

Capital
We were included in the Capital
Women Friendly Companies List for
the 3rd time.

Our 2024 Awards:

Capital
We took place in the Capital Women
Friendly Companies List for the 4th
time.

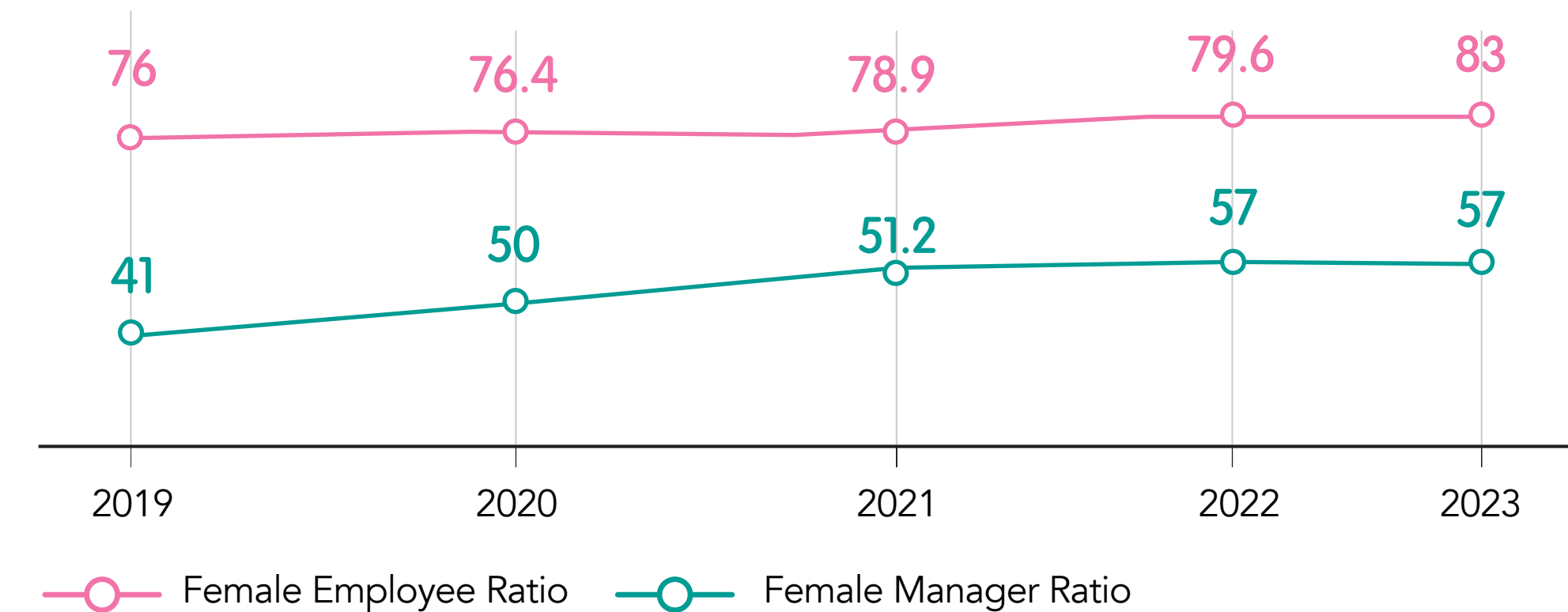
Nasıl Bir Ekonomi Gazetesi
Kadınlar için Eşitlikçi Şirketler
Araştırmasında yer aldık.

Gender Equality and Diversity

At Watsons, we consider gender equality and inclusion among our core values. We value the opinions of all our employees regardless of gender, ethnicity, age, etc. We contribute to a sustainable future by supporting women's employment as part of the [#WatsonsGoodnessMovement](#). In 2024, the ratio of female employees is 84% in our stores and over 82% throughout the company. Women make up 60% of middle and senior management positions.

In order to support gender equality, we attach great importance to providing equal and fair opportunities to female candidates in our recruitment processes. By developing strategies that encourage women's employment, we conduct an evaluation process that prioritises talent and aim to create an inclusive working environment.

Ratios of Female Employees and Managers





**Watsons Goodness Movement:
Calling to Support Women's Labour**

Since 2020, we have been focusing on women's economic empowerment and supporting local production as part of our collaboration with the Foundation for the Evaluation of Women's Labor (KEDV). Through our stores, watsons.com.tr and the Watsons mobile app, we offer our customers products handmade by women's cooperatives without any profit motive. To date, we have sold 48,000 products from 3 cooperatives and touched the lives of more than 500 women. We aim to touch the lives of +1,000 women by 2030 by enabling them to generate a total income of nearly TL 1 million. In addition to women's cooperatives, we also support entrepreneurial women who create cosmetics and personal care brands in Türkiye, and increase their brand awareness and sales by enabling these brands to take place in our stores and online platforms.

We aim to touch the
lives of **+1,000**
women by 2030.



**Watsons Goodness Movement:
Calling to Increase Women Employment**

As part of this project, which we initiated to promote the employment of women, we visit our manufacturing companies with less than 50% female employees and emphasize that the proportion of female employees is an important criterion in the selection of suppliers. In addition to maintaining a high proportion of women in our own organisation, we also encourage our business partners to increase the number of women they employ.



At the annual **Watsons Beauty and Personal Care Awards**, we have been raising awareness by rewarding our business partners with a female employee ratio of 65% or more since 2021.

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We Stand Against Discrimination

We take a clear stance against discrimination. We evaluate all our candidates only according to their work experience, knowledge and skills. We regularly monitor the number of employees with disabilities and cooperate with İŞKUR. As of 2023, we continue to support diversity with 78 employees with disabilities. We believe that different ideas brought by diversity and an egalitarian environment enrich us.

We are a member of a group that places importance on diversity and inclusion issues at a global level. We strive to follow and implement best practices in this area. We organize training on these issues to raise awareness among our employees. We have a zero-tolerance policy for discrimination, and we investigate cases carefully and apply disciplinary procedures fairly.

Employees can submit ethical reports anonymously through the Ethics Hotline, our whistleblowing application. The Ethics Hotline application is managed through an outsourced service that is completely impartial. Employees have direct access to the application via phone, email and the web. In 2024, all reports were rigorously investigated by the Ethics Committee and evaluated according to the findings. Necessary actions were taken by the members of the Ethics Committee according to the criticality of the situation.



Our store visits in 2023 and 2024 covered 100% of our stores.



As of 2023, we continue to support diversity with 78 employees with disabilities.

Our employees can also submit ethical complaints during the field visits of our Human Resources team. Our store visits in 2023 and 2024 covered 100% of our stores. Critical stores with a high number of employees will be visited more than once a year. If conditions are not conducive to physical visits, online visits or phone calls are made when necessary, and immediate communication with employees is established. In addition, we have a "How Are We This Week" application where we analyze the status and feedback of our employees on a weekly basis. Our employees can anonymously share their opinions through an online system. A different version of this application is also available for our distribution center employees.



During the reporting period,
a total of
2,737 employees received
10,218 person*hours
of OHS training.

Employee Health and Safety

Employee health and safety is one of our most prioritized and carefully managed core issues. We implement comprehensive procedures and provide regular training programs to ensure that all our employees work in a safe and healthy environment.

Our Occupational Health and Safety (OHS) Board actively develops projects to create and continuously improve safe working conditions at each location. As a result, our head office and store employees receive 3 hours of OHS training per year and our distribution center employees receive 6 hours of OHS training per year, both online and face-to-face.

During the reporting period, a total of 2,737 employees received 10,218 person x hours of OHS training, making a significant contribution to raising the safety awareness of our employees.

We prepare emergency plans and risk assessment reports for each site and provide detailed information on these issues to our employees. In addition, we conduct regular audits of our stores and distribution centers, communicate nonconformities to the appropriate managers, and ensure that necessary actions are taken. We carefully record occupational accidents and take necessary measures to prevent recurrence.

We organise five senses activities to increase our employees' awareness of occupational health and safety. In 2023, we organised five senses activities for head office and distribution centre employees as part of Health and Safety Week. In this activity, employees entered a special room set up with equipment that prevents them from using their senses such as sight, hearing and touch, and faced the obstacles and difficulties inside. Employees had the opportunity to better understand the risks in the workplace and the importance of safety measures by experiencing the difficulties they could face if they lost senses as a result of an accident at work. The aim of the activity was to encourage employees to work more carefully and safely. As a result of the event, we observed that our employees better understood the risks in the workplace and paid more attention to safety measures.

We provide a healthy and safe working environment with regular pest control, fire suppression system maintenance and other safety measures at all our sites.

Prioritizing the health and safety of our employees, we conduct regular inspections of electrical and mechanical equipment at all of our sites. At the same time, we provide a healthy working environment by measuring the adequacy of factors such as thermal comfort, dust, noise and lighting.

Supporting Communities

At Watsons Türkiye, together with our employees, we want to contribute to the society in which we operate to create a healthier and more sustainable world. We carry out projects to improve social welfare and cooperate with non-governmental organisations. We prepare our action plans against any disaster or emergency that may affect our country and ensure business continuity to build a healthy economy. We support the economic development of our country by giving preference to local suppliers. We carry out all our environmental, social and economic activities through our 6 projects under the umbrella of Watsons Goodness Movement. We provide direct social support through our Calls you for a Better Future, Calls you to Support Women's Labor and Calls you to Increase Women Employment projects under the umbrella of the [Watson's Goodness Movement](#).



Disaster and Emergency Preparedness

At Watsons Türkiye, we have developed comprehensive preparedness plans to ensure business continuity in the event of disasters and emergencies. These plans have been prepared specifically for all our workplaces such as stores, distribution center and head office and are regularly shared with relevant managers.

- ➔ Procedures to be followed in the event of an emergency, the authorities to be contacted and emergency exits are posted in areas that are easily visible to employees.
- ➔ All employees are informed of emergency procedures during OHS training and recruitment processes, and emergency exit routes specific to their location are introduced.
- ➔ Fire drills are conducted at the headquarters and distribution center on a regular basis.
- ➔ Our distribution center firefighting teams receive professional firefighting training, which is refreshed annually.
- ➔ Additional precautions are taken, especially in our stores and distribution center, for events that may have a negative impact, such as weather conditions (floods, snow).
- ➔ Gas masks against chemical gases are kept in our stores located in areas where social incidents are intense.
- ➔ To prepare for natural disasters such as earthquakes, training and content provided by public institutions, local governments and non-governmental organisations are regularly shared with our employees.

In 2023,
529
employees received a
total of
1,440
person x hours
of disaster and
emergency training.



In 2024,
233
employees received a
total of
226.5
person x hours
of disaster and
emergency training.

In 2023, in addition to the disaster and emergency trainings given to employees at the Distribution Centre and Head Office, we also provided first aid trainings to our store managers in Istanbul as part of a pilot study we conducted. Since these trainings were not continued in stores in 2024, the number of people trained and the number of training hours in 2023 was higher than in 2024.

Business Continuity and Robust Supply Chain at Watsons

In the event of a potential emergency, we implement our pre-planned measures to maintain our business operations and supply chain without interruption. This includes;



We update our inventory forecasts with our suppliers to quickly adapt to potential changes in demand after the incident.

This allows our suppliers and our business to continue operating uninterrupted in the event of an emergency.

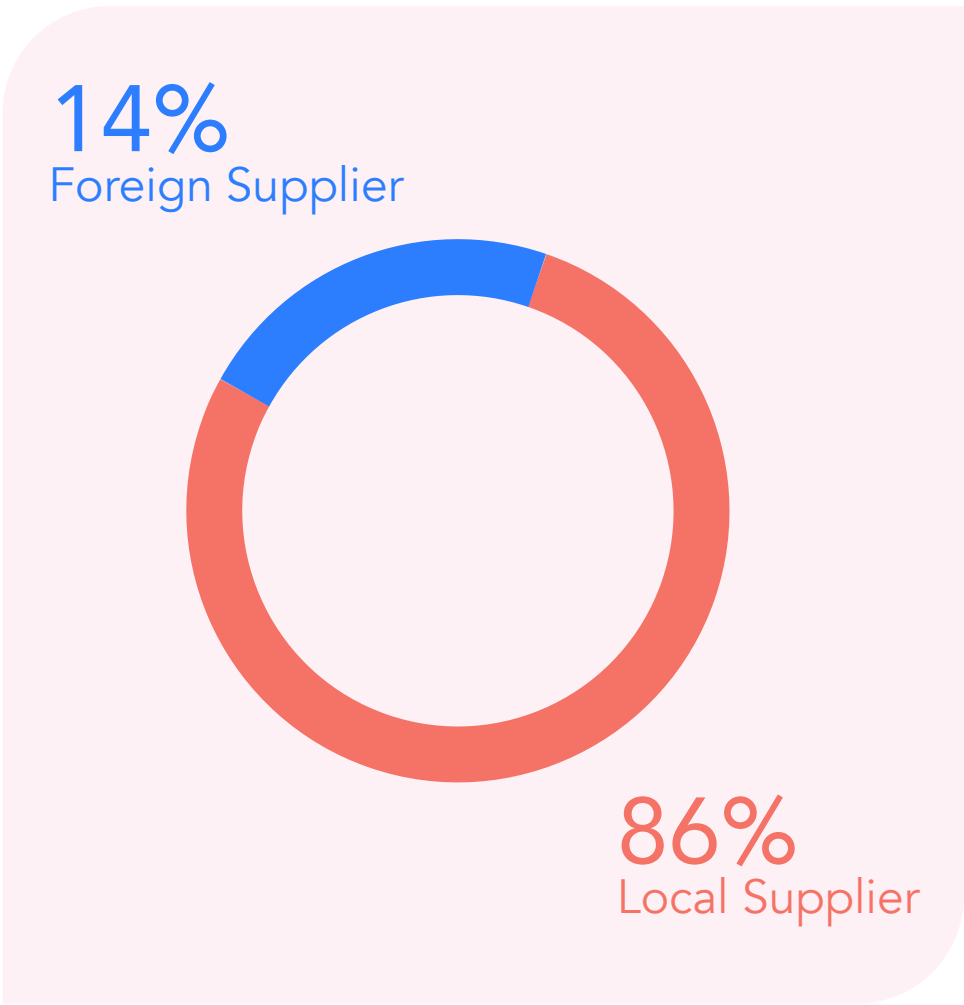


By optimizing our sourcing and shipping processes, we prevent disruptions in raw material supply and product distribution.

Support to Local Economy

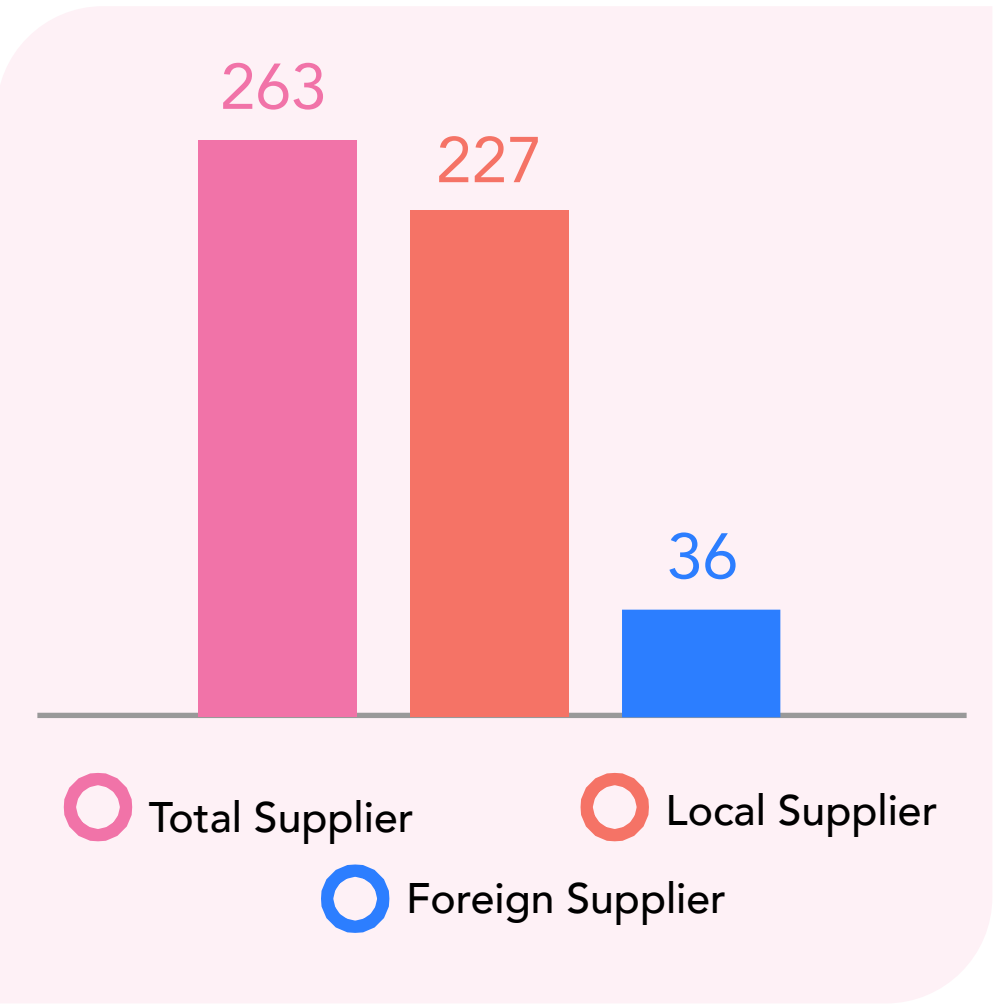
Our suppliers are divided into two groups as domestic and imported suppliers. For our exclusive brand products, we purchase imported products directly from AS Watson Group. In order to support economic development in Türkiye, we prioritise local producers in our own branded products. We support women entrepreneurs who produce in Türkiye. We indicate products with a production location in Türkiye as local producers on the shelf labels in the store. As an X-dock company, our first goal is to ensure maximum availability in our stores with optimal inventory levels.

Supplier Ratios (%)



As of 2024

Number of Suppliers



As of 2024

Products



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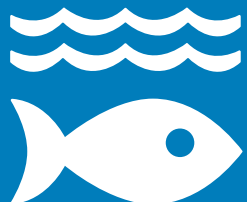




We continue to create sustainable value for all our stakeholders with our responsible production approach. We offer sustainable, high quality and safe products that meet customer expectations, and we implement practices to ensure sustainability in our supply chain. We continue our activities with a transparent management approach that are compatible with ethical principles.



Our Targets

Priorities	Initiatives	Group Targets	Watsons Türkiye Targets
<div><p>Maintaining High Product Quality and Safety</p></div>	<p>Providing safe and high quality products</p> <p>Conducting regular customer research to get feedback</p>	<ul style="list-style-type: none">Ensure that product quality and safety are prioritised and reduce complaints.	<ul style="list-style-type: none">To produce quality, reliable products that comply with the Global Team Retail Operation Standard, Guidelines and Türkiye LegislationTo obtain at least “basic minimum” score in ROS QA self-assessments.Regular reporting and improvement of complaints regarding products and services.
		<ul style="list-style-type: none">Conducting Customer Love Score (CLS) and Social Listening (SL) on a regular basis to understand customers' perceptions about the quality/safety of our products and the services offered offline and online.	<ul style="list-style-type: none">Perform regular CLS and achieve a higher CLS score than the base year (2018).Conduct social listening on a weekly basis to minimise negative impact.
<div><p>SDGs Contributed</p></div>	<div><div><p>16</p><p>PEACE, JUSTICE AND STRONG INSTITUTIONS</p></div><div><p>17</p><p>PARTNERSHIPS FOR THE GOALS</p></div></div>		

Priorities	Initiatives	Group Targets	Watsons Türkiye Targets
<div></div> <div>Offering More Sustainable Products</div>	<p>Offer customers offline and online a wider range of food and non-food products with more sustainable ingredients and packaging, encouraging them to adopt a more sustainable lifestyle.</p> <p>Develop packaging with less/better plastic</p> <p>Increase the supply of deforestation-free products.</p>	<ul style="list-style-type: none">Expanding the range of products with more sustainable content and packaging. Providing customers (offline and online) with products in the following formats:<ul style="list-style-type: none">- Refill pack for home use- Refill in stores- Reuse and/or replacement.	<ul style="list-style-type: none">To increase the number of Sustainable Choices Products. To follow the group targets within the scope of the regulations we are bound to.
		<ul style="list-style-type: none">Partner with suppliers in customer-focused environmental awareness activities.Eliminating problematic or unnecessary plastic packaging by 2025, use 20% postcustomer recycled content in plastic packaging by 2025,	<ul style="list-style-type: none">Group target applies.
		<ul style="list-style-type: none">Promote the use of cloth bags instead of plastic bags in the packaging of our private brand products, e-commerce/store packaging and in stores.	<ul style="list-style-type: none">Group target is applies. While achieving this goal, actions are followed through the following topics.<ul style="list-style-type: none">- Reducing the use of paper and plastic per order.- Reducing the use of plastic in packaging by evaluating plastic saving areas.- To popularise the use of cloth bags in stores instead of plastic shopping bags.
		<ul style="list-style-type: none">By 2030, 100% NIV from exclusive brand paper products is made exclusively from sustainable paper, and 100% of paper packaging used for exclusive brand products is made exclusively from sustainable paper.	<ul style="list-style-type: none">Group targets will be followed and plans will be shared.
		<ul style="list-style-type: none">By 2030, 100% of palm oil content in exclusive brand products to be RSPO (Roundtable on Sustainable Palm Oil)-certified.	<ul style="list-style-type: none">Group target applies.
SDGs Contributed	<div><div><div>12</div><div>RESPONSIBLE CONSUMPTION AND PRODUCTION</div><div></div></div><div><div>14</div><div>LIFE BELOW WATER</div><div></div></div><div><div>15</div><div>LIFE ON LAND</div><div></div></div><div><div>17</div><div>PARTNERSHIPS FOR THE GOALS</div><div></div></div></div>		

Maintaining High Product Quality and Safety

Our core business purpose is to add positive value to our customers' lives by offering products that comply with quality, health and safety standards. We ensure product quality and safety at the highest level through the processes we carry out until our products reach our shelves. We take our customers' feedback into account and take steps to improve our product processes.

We work with the world's leading experts and researchers to deliver product safety, transparency and quality with our exclusive brand product range. We monitor all components used in our exclusive brand products and their suppliers through various traceability tools, and routinely inspect our products during their time on the shelf.

No non-compliant or unsafe products were identified during the reporting period. We follow local and global developments and legislation and carry out all processes in a controlled manner to ensure that products are safe, compliant and of high quality.

We have a detailed Crisis Manual that defines and guides the relevant procedures and management responsibilities of each business unit for risky situations that may arise in relation to product safety and consumer health.



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Product Information

We present our products with accurate and realistic information so that our customers can meet the right product to meet their needs and expectations. In product labeling practices, we provide information in accordance with both the requirements set out in the AS Watson Group guidelines and local laws in Türkiye.

We ensure that the claims we make are accurate and verifiable, and we organize our processes accordingly. We share basic information with customers, such as product function, usage recommendations, storage conditions and warnings. We include all product-related information, logos and necessary explanations on product packaging.

We closely follow the Cosmetics Regulation and related guidelines on product labeling, the Department of Trade and Industry guidelines on environmental claims, and regulatory developments in European legislation.

During the reporting period, we were not subject to any criminal sanctions related to product information.

Customer Satisfaction

At Watsons Türkiye, we are committed to continuously improving the customer experience. In order to provide the best service to our customers, we evaluate customer feedback and complaints, perform root cause analysis and conduct process development activities. We support our customer representatives with training.

We are adapting to technology to respond to consumer expectations reshaped by digitalization and artificial intelligence, and we are using artificial intelligence to increase customer satisfaction. With services such as "Online Beauty Consultant" and "Online Skin Analysis," we are bringing personalized experiences to the digital world. Through these platforms, our customers can discover the products and skin care routines that best suit them without having to visit a physical store.

With the help of digitalization and artificial intelligence, we offer our customers a seamless online-to-offline shopping experience 24/7 by providing solutions centered around customer centricity and innovation.

In our Online Beauty Consultant application on our website, which offers special suggestions to our customers, we organize fun games on a monthly basis, allowing our customers to have a pleasant time and win surprise gifts while playing. To ensure the satisfaction of our foreign customers, we provide services in 8 different languages with the "Other Languages" menu. We have activated the "Recognize Me" field in the chatbot so that our customers can have a pleasant time.

We protect our customers' data with high technology solutions. During the reporting period, there was no breach of customer information confidentiality.

We follow the "ticket" system to take the necessary action by responding appropriately to our customers' requests/complaints. When our customers contact the Contact Center via phone or chat on any subject, a record called "ticket" is opened. The response time may vary depending on the nature of the request. We are committed to minimizing this response time. In 2023, our ticket response time was 12.1 hours and in 2024, it was 15.1 hours. Our customers can contact our company by phone, Şikayetvar.com, chatbot, WhatsApp, social media channels and the Consumer Arbitration Committee.

In the A.C.E. Awards organized by Şikayetvar.com, we won the Diamond 1st prize in the Cosmetic Store Chain category in 2023 and 2024.



In the **A.C.E Awards**
organized by **Şikayetvar.com**,
we won the
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category in **2023 and 2024**.

Offering More Sustainable Products

We want to raise our customers' awareness of sustainable shopping and support their responsible consumption habits. We want to be a brand that educates consumers who do not have sufficient knowledge about sustainability, responds to consumers' search for environmentally friendly products, and encourages the use of environmentally friendly products.

As the first retail brand in Türkiye to embrace sustainability in the beauty and personal care category, we promote our sustainable choices products through various channels and dedicate special areas called "Sustainable Coices Corners" in certain stores. With the help of our Sustainable Living Ambassadors in each of our stores, we educate our customers about sustainable living products and help them raise their sustainability awareness. Our goal is to be the consumer's first choice in the sustainable product category.

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Sustainability Research

Twice a year, we conduct surveys with 1,000 participants using the **WISE method** to learn consumers' perspectives on sustainability and examine their sustainable product consumption habits. These surveys help us understand consumer habits and improve our work on sustainable products in that direction.

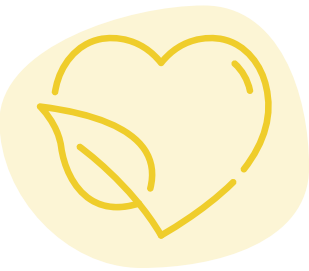
Sustainability Research Results



Considering all of Watsons' sustainability efforts, Watsons is most prominent in consumers' minds when it comes to "offering sustainable product alternatives". **78% of consumers said that Watsons offers consumers sustainable product alternatives.**



Among Watsons' sustainability efforts, the most well known is the "**Sustainable Living Requires Preferring Sustainable Living Products**" campaign as part of the Watsons Goodness Movement. **59%** of consumers are aware of this initiative.



Special areas dedicated to sustainable living products in Watsons stores have been noticed by **59%** of consumers.



98% of consumers say they buy sustainable products in the categories listed. The most purchased sustainable product category is skin care. This is followed by hair care.



When it comes to cosmetics and personal care products, **67%** of consumers cited "using environmentally friendly ingredients" and **65%** cited "using packaging that does not harm the environment".



The first reason that reduces consumption of sustainable products is the perception of high cost, at **58%**. The second reason, at **52%**, is "difficulty in finding sustainable products", which shows a significant increase compared to previous years.



81% of consumers consider it important to use environmentally friendly packaging. **63%** of consumers consider it important that packaging is refillable/reusable, a significant increase over previous years.

Based on the results of the research, we attach importance to developing products that meet the expectations of our customers and respond to the increasing demands on sustainability, increasing the visibility and promotion of these products. Through communication activities, we aim to increase the preference rate of these products. To strengthen the perception of our sustainable retail brand among consumers, we aim to further develop our sustainability-themed projects and organise events where consumers can also be involved in these projects.

6 out of 10 consumers state that the sustainable living sections in Watsons stores have attracted their attention before.

We have made offering products with a reduced environmental impact the focus of our product strategy, and all our approaches are guided by this goal. Our efforts in this area come under the umbrella of the Watsons Goodness Movement's Sustainable Living Products project. By adopting AS Watson Group's Sustainable Choices Guideline, we invest in products in the Sustainable Living Product category and highlight 880 Sustainable Living Products in our stores, on watsons.com.tr and the Watsons Mobile App. By 2030, we aim to increase the number of Sustainable Living Products to 3,000.

By the end of 2024, 160 of our stores will have dedicated areas highlighting Sustainable Living products (Sustainable Living Corner). In all our stores, we encourage our customers to make sustainable choices by differentiating Sustainable Living products from other products and brands through in-store visuals.





watsons

GOODNESS MOVEMENT

CALLS YOU TO PREFER SUSTAINABLE LIVING PRODUCTS!

Watsons has created Sustainable Living sections in its stores and online channels, featuring thousands of sustainable products. The company is encouraging everyone to shop sustainability.



In 2023
we managed to increase the share of
sustainable living products from
9.4 %
of our overall turnover to
13.4 %
in 2024.

Our Criteria for Sustainable Living Products;



Refill/Reuse/Replace

Products that can be refilled, reused or where the original packaging or part of the product is reused to reduce waste. When our customers prefer these products, they support reduced packaging waste.



Sustainable ingredients/materials

Products formulated with sustainable palm oil, products formulated with ingredients that protect biodiversity, products formulated with ingredients sourced according to reputable third-party standards, products with reduced non-recycled plastic content, products where the plastic component is replaced with a more sustainable alternative.



Better Packaging

This group includes products where the packaging portion of the product is made with a certain amount of post-consumer recycled content, products that contain bio-based plastics, products that use sustainable paper materials (FSC, PEFC certified) or no plastic at all.



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For all new projects, we evaluate which parts of the product can be sustainable based on the AS Watson Group Sustainable Choices guideline within the framework of cost effectiveness, and for our previous projects, we follow the sustainable product transformation within a certain plan. In this context;

- We provide information and follow-up to ensure RSPO certified raw materials for palm oil containing products.
- If there is an option of PCR (Post-Consumer Recycled) material (minimum 20%) in products such as bottles and aluminum, tin, we support the process to proceed in this way if there is no product safety risk.
- If the product is paper, we prefer the use of FSC, PEFC or recycled paper.
- If the use of primary or secondary packaging is mandatory, we ensure that it is FSC or PEFC certified.
- In product design, we evaluate projects in a plastic-free manner.
- We choose more easily recyclable materials to increase the recyclability of product packaging.
- In the future, we plan to offer products with a home refill option.
- We strive to avoid the use of PVC and oxodegradable plastics in our products.

In order to measure and evaluate the responsible behavior of the companies that produce on behalf of Watsons Türkiye, we require quality management system certificates, product safety certificates, valid certificates in the areas of human rights, environment, health and safety, ethical values, etc., and we monitor the continuity of compliance with these requirements through on-site audits by our own technical team or by reviewing the audit reports of third party organisations.



Governance

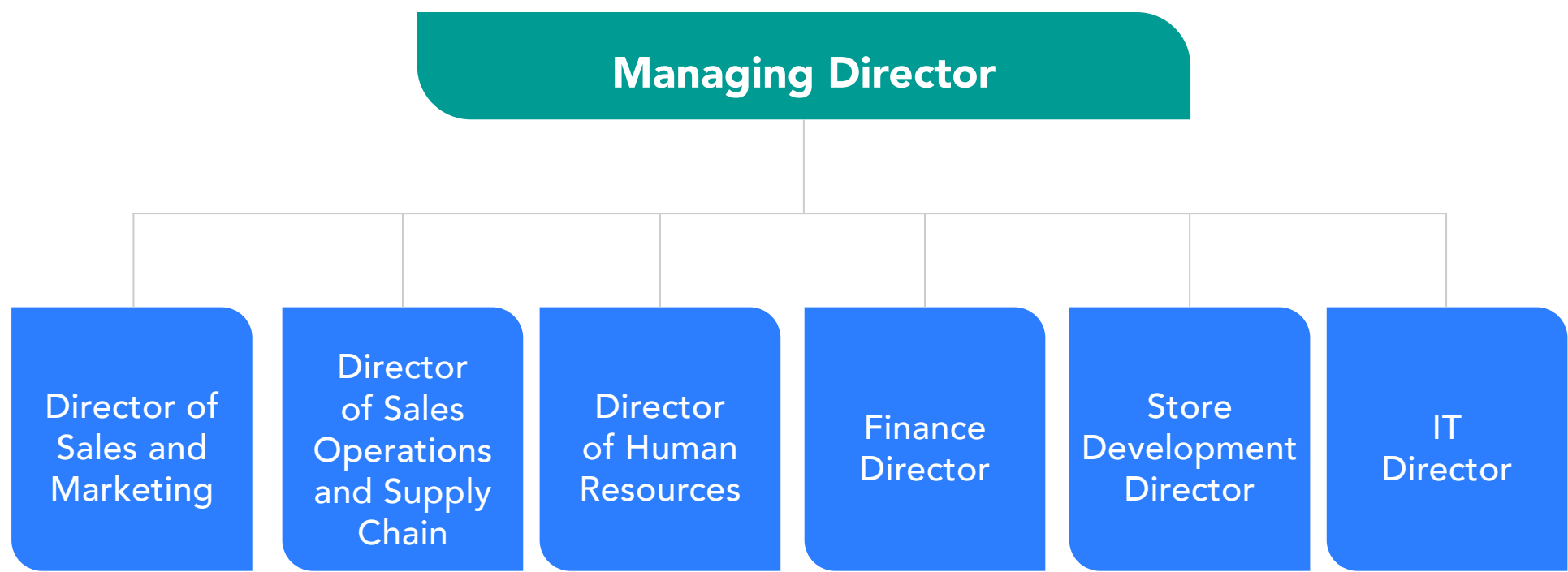


Management Structure

We have been working with an ethical and transparent management approach since the day we were founded. Watsons Türkiye is a business unit of AS Watson Group, a subsidiary of CK Hutchinson Holding, a Hong Kong-based company listed on the Hong Kong Stock Exchange. AS Watson Group is the sole shareholder of Watsons Türkiye. Watsons Türkiye's board of directors consists of individuals appointed by CK Hutchinson and AS Watson Group.

Watsons Türkiye is managed by a team of department directors.

Watsons Türkiye management structure;



Policies

We have a comprehensive set of policies that summarize our commitments to business ethics and sustainability and include guidelines for our day-to-day operations.

- | | |
|--|--|
| Group Legal Policy | Compliance with Competition Law |
| Group Intellectual Property Policy | Group Human Resources Policy |
| Retail Business Standards | ASW Code of Conduct |
| International Procurement Policy | Public Relations and Public Engagement Policy |
| Policy on the Supply of Own Branded Products | Social Media Usage Policy |
| "e-Commerce Controls Toolkit" | Policy on Escalation of High Risk Complaints by Customer Service Centers |
| Raising the Bar in Customer Delivery Experience Policy | Information Technology Resources Management Policy |
| Personal Data Governance Policy | Information Technology Usage Policy |
| Personal Data Breach Crisis Management Guidelines | AS Watson CSR Policy |
| Personal Data Retention and Erasure Policy | Electrical and Electronic Equipment Recycling Program Policy (applicable to HK Head Office only) |
| Policy on CCTV Use | Sustainable Packaging Policy |
| Policy on Employee Monitoring | CSR guidelines for Supply Chain |

Risk Management

Watsons Türkiye is a company with a moderate to below moderate risk appetite. Within the scope of risk management, we identify and evaluate all kinds of risks that may jeopardize the existence, development and continuity of the company and affect the decisions taken or to be taken by the company.

Among the risks we manage with sensitivity are damages that products may cause to customers, administrative sanctions that may be encountered, data theft cases that may occur in the field of information systems and software, violations of competition law and disputes with commercial partners.

Internal Audit and Control

We carry out internal audit and control activities to ensure compliance with the strategic goals set out in our corporate policies and principles.

All our processes are examined twice a year within the scope of self-assessment and the compliance of the processes carried out with the policies is reported to AS Watson Group. During these evaluations and audit activities throughout the year, when situations contrary to the company's ethical and operational policies, disciplinary regulations and codes of conduct are detected, referrals are made to our Human Resources, Internal Audit and Legal departments.

The risk of bribery and corruption is assessed and based on the assessment, we take actions such as training, control and reminding of policies. Legal compliance activities are also carried out through tools such as trainings and raid inspections.

(Not only internal risks, but also the risks of our external stakeholders are evaluated, and the risk level is monitored and necessary actions are taken in the process in which we continue to work).

Business Ethics

Adherence to business ethics is one of our top priorities. We support our employees in complying with laws and business ethics through the training we provide. We share our Code of Ethics with all employees in the employee handbook and during orientation processes.

Training activities within Watsons Türkiye are also supported by AS Watson Group and are conducted both globally and locally. We regularly deliver AS Watson Group training content on Business Ethics, Transparency and Anti-Corruption to all our employees through Watsons Academy as e-learning or face-to-face training as part of the orientation process according to specific calendars. All managers and employees are responsible for attending and completing this training upon joining the company.

36 managers in 2023 and 99 managers in 2024 received training on preventing harassment, mobbing, oppression and violence in the workplace.

2023		2024	
Employee Trainings on Ethics	Anti-Bribery and Anti-Corruption Trainings	Employee Trainings on Ethics	Anti-Bribery and Anti-Corruption Trainings
603 Total Training Participants (person)	3,940 Total Training Hours (personxhour)	1,295 Total Training Participants (person)	2,071 Total Training Hours (personxhour)
154.5 Total Training Participants (person)	328 Total Training Hours (personxhour)	332 Total Training Participants (person)	172 Total Training Hours (personxhour)

We monitor business ethics suggestions and complaints through the Ethics Reporting Line. Until 2024, our stakeholders reported situations that did not comply with business ethics and general rules of conduct to Human Resources through the Ethics Hotline. In 2024, we contracted with a completely impartial company to implement an Ethics Hotline application that allows employees, suppliers and other stakeholders to report anonymously. In 2023, the Ethics Hotline received 30 reports, all of which were resolved. In 2024, 161 reports were received on the Ethics Reporting Line, and 146 reports resulted in the necessary action being taken and the reported situations being resolved. Investigations were conducted and action taken within an average of 20 days. 15 reports are under investigation.

Our contracts with suppliers include an obligation to act in accordance with anti-bribery and anti-corruption principles. We attach the text of our ethical principles to commercial contracts. We provide regular management training on this issue.

We communicate our conflict of interest, bribery and corruption policies to all employees and provide training. We review the background and relationships of our suppliers from an ethical perspective. If necessary, we contact different companies and manage the process with the approval of the manager.

During the reporting period, there were no litigations or investigations related to bribery and corruption or anti-competitive behavior. There were no significant fines for non-compliance.



Watsons Türkiye Remuneration Policy

At Watsons Türkiye, we follow a fair remuneration policy that is in line with market conditions. We work with independent consulting companies and take into account inflation, economic outputs and market analysis in order to be in balance with market wages in remuneration processes.

We make remuneration according to job size and position. We do not discriminate based on age or gender in salaries and benefits. When setting new salaries or increasing salaries, the process is carried out with the approval of the director of the relevant function, the Human Resources Director and the Managing Director. Approval is obtained from AS Watson Group during the salary increase period.



Digitalization and Information Security Practices

We closely monitor digitization to ensure that our business processes are fast, easy, reliable and sustainable. The Digital Transformation Committee leads our efforts in this area.

The innovation, R&D, digitalization and IoT activities of our Information Technologies department contribute significantly to our company's sustainability and digital transformation goals. Through these efforts, we aim to maximize customer satisfaction while increasing our operational efficiency. During the reporting period;

- Access to information was facilitated and paper consumption reduced through the implementation of projects such as the digitization and manualization of documents and the Candidate Document Tracking System.
- The Supply Chain Portal project aims to facilitate the communication of all suppliers with Watsons and to digitize processes. Designed to manage supplier relationships, this portal has made processes more transparent and efficient.
- The Security Protocol Development project, which resulted from our R&D studies, developed new security protocols to increase our company's data security. The new protocols resulted in a 40% reduction in data breaches.
- To increase the efficiency of data center operations and reduce costs, certain servers were moved to the UK data center. The move resulted in a 20% reduction in data center costs and increased operational efficiency.
- An IoT-based Energy Management Head Office project is planned to monitor and optimize energy consumption. This project used IoT sensors to continuously monitor energy consumption and take action to improve efficiency.

Strengthening information privacy and cybersecurity is one of our primary goals. We aim to protect the data security and operational integrity of our company through various projects and practices in this area. We follow the ISO 27001 Information Security Guidelines for information privacy and cyber security. We implement measures such as clean desk policies, password awareness programs, device updates, leak detection and prevention (NDR), Vectra application implementation, and penetration testing to improve cybersecurity vulnerabilities.

We are developing new security protocols to improve our company's data security. We have developed and implemented various security protocols, such as data encryption, secure access control, and firewalls. To increase our employees' cybersecurity awareness and ensure that they are prepared for potential cyber threats, we regularly provide cybersecurity training and keep them informed of current threats.

Cyber security and information privacy trainings are conducted online via our Watsmart training platform and physically at the head office. In 2024, the completion rate for these trainings on the platform exceeded 90%.

Project	2023 Outcomes	2024 Outcomes
Access to information has been facilitated and the use of paper reduced through the implementation of projects such as the digitisation and manualisation of documents and the Candidate Document Tracking System.	50,400 pages of paper was saved.	52,220 pages of paper was saved.
Digitalisation of performance forms	360 pages of paper was saved.	212 pages of paper was saved.
Digitalisation of recruitment and termination processes	130 pages of paper was saved.	106 pages of paper was saved.
To improve the efficiency of data centre operations and reduce costs, certain servers have been relocated to the UK data centre.	To increase the efficiency of the data centre operations and reduce costs, the process of relocating certain servers to the UK data centre was initiated . The relocation was preceded by infrastructure analysis, workload assessment and capacity planning to determine the most appropriate migration strategy. Operational interruptions were improved by 20%.	With the completion of the relocation process, data centre costs were reduced by 20%. At the same time, operational efficiencies, system management and maintenance processes were improved. Energy consumption and physical infrastructure costs were reduced, creating a sustainable and scalable infrastructure. Integration with the UK data centre resulted in significant improvements in high availability, data security and business continuity.
New security protocols have been developed to increase the data security of our company with the Security Protocols Development project from our R&D studies.	As part of our R&D activities, the Security Protocols Development Project was initiated. Existing security systems were analysed, risk analyses were performed and the basic requirements for new protocols were defined. A 20% reduction in data security breaches was achieved.	New security protocols were implemented and a 40% reduction in data breaches was achieved. In addition, these protocols have strengthened compliance standards, minimised security vulnerabilities and made systems more resilient to attack.

Project	2023 Outcomes	2024 Outcomes
Secure Print: Requiring the employees who send printouts to printers to read their ID card to the printer in order to receive paper from the printer, thus preventing the waste of paper that is not received	With Secure Print, printing requests not received at the end of 24 hours are cancelled, preventing unnecessary paper use.	With Secure Print, printing requests not received at the end of 24 hours are cancelled, preventing unnecessary paper use.
IoT Based Energy Management Central Office Project is planned to monitor and optimise energy consumption.	Through this project, energy consumption was continuously monitored using IoT sensors and measures were taken to increase efficiency.	Through this project, energy consumption was continuously monitored using IoT sensors and measures were taken to increase efficiency.
Implementation of a meal card application suitable for virtual use	2,520 plastic card consumption was prevented.	2,611 plastic card consumption was prevented.
Digitalisation of human resources processes: Digitalisation of notifications such as salaries, payroll, bonuses, etc., which are personally delivered by letter	7,500 pages of paper was saved.	7,500 pages of paper was saved.
W-book Project: For the payroll department, all notifications previously distributed to the employees in printed form and documents that need to be signed can be published and approved in digital environment.	415,800 pages of paper was saved.	422,982 pages of paper was saved.
Digital sharing of responses to legal notifications through the system without the costs such as paper and cargo	In 2023, the average number of wage garnishments received was 800. For their replies, we also provided 800 pages of replies in an electronic form.	Previous year's outcomes continued.
	For case files, we send an average of 1,200 pages per year in electronic form only.	
	On average, we save 2,000-3,000 pages (including additional petitions) of paper per year.	

Project	2023 Outcomes	2024 Outcomes
Becoming a member of the state's digital system for the follow-up of litigation processes	We respond to incoming dunning notices through the state's digital system, not through a notary. This has saved us an average of TL 50,000 per year.	Previous year's outcomes continued.
Removing the wet-signed leave request form in the annual leave process, moving the system to an online environment and ending the paper process.	11,367 pages of paper was saved.	12,661 pages of paper was saved.
The aim of the Supply Chain Portal project is to make it easier for all suppliers to communicate with Watsons and to digitise processes. This portal, developed to manage supplier relationships, has made processes more transparent and efficient.	The portal was launched in 2024 with the PIF module and currently there is only one module.	While the processes were complex in the mail environment, process efficiency was ensured in the digital environment.
Use the system to approve orders instead of printed paper	20,317 pages of paper was saved.	19,406 pages of paper was saved.
Digital Archive Project: The aim was to be able to store PDF or visual formats of documents that are legally required to be kept for a certain period of time in a digital environment with the archive layout.	The Digital Archive was launched in 2024.	Outcomes will be monitored from 2025.

APPENDIX



Social Performance Indicators

Employee Demographics	2021	2022	2023	2024
Total workforce (Number)				
Direct Employment	2,815	3,027	3,145	3,318
Female	2,222	2,409	2,542	2,710
Male	593	618	603	608
Female Employee Ratio(%)	78.9	79.6	80.8	81.7
Direct Workforce (Number)				
Office Employee	279	291	306	310
Female	168	182	198	200
Male	111	109	108	110
Field Employee	2,536	2,736	2,839	3,008
Female	2,054	2,227	2,344	2,510
Male	482	509	495	498
Direct Workforce by Contract Type (Number)				
Indefinite Term Employment Contract	2,761	2,968	3,011	3,233
Female	2,172	2,356	2,422	2,638
Male	589	612	589	595
Temporary Employment Contract	54	59	134	85
Female	50	53	120	72
Male	4	6	14	13
Direct Workforce by Level of Education (Number)				
Uneducated	32	26	21	17
Primary education	117	96	84	84
High School	1,470	1,654	1,774	1,941
University and Above	1,196	1,251	1,266	1,276

Employee Demographics	2021	2022	2023	2024
Direct Workforce by Age Groups				
Female	2,222	2,409	2,542	2,710
18-30	1,513	1,611	1,681	1,790
30-45	672	746	795	836
45+	37	52	66	84
Male	593	618	603	608
18-30	276	296	285	281
30-45	281	281	274	279
45+	36	41	44	48
Senior Management Structure (Number)				
Female	3	3	3	3
18-30	0	0	0	0
30-45	1	1	1	1
45+	2	2	2	2
Male	6	5	5	4
18-30	0	0	0	0
30-45	2	2	2	2
45+	4	3	3	2
Mid-level Management Structure (Number)				
Female	18	27	28	30
18-30	0	0	0	0
30-45	17	27	27	27
45+	1	0	1	3
Male	14	18	18	38
18-30	0	0	0	19
30-45	13	17	15	14
45+	1	1	3	5
Ratio of Mid-level Female Executives(%)	56.3	60.0	60.9	44.1

Employee Demographics	2021	2022	2023	2024
Total Number of Executives	41	53	54	57
Female	21	30	31	33
Male	20	23	23	24
Ratio of Female Executives(%)	51.2	56.6	57.4	57.9
New Employee Hires (Number)	1,408	2,212	2,426	2,559
Female office employee	63	60	46	49
Male office employee	24	29	14	16
Female field employee	1,090	1,783	2,017	2,180
Male field employee	231	340	349	314
Employees Turnover (Number)	1382	1,997	2,307	2,385
Female office employee	68	54	33	46
Male office employee	35	29	16	15
Female field employee	999	1,602	1,896	2,013
Male field employee	280	312	362	311
Number of Employees on Maternity Leave	102	76	67	60
Number of Employees Returning from Maternity Leave	55	61	35	30
Number of Employees Not leaving the Job for the Last 12 Months After Returning from Maternity Leave	57	63	35	30
Total number of disabled employees	71	68	78	80
Female	36	34	38	40
Male	35	34	40	40

Occupational Health and Safety	2021	2022	2023	2024
Injury Rate	2.91%	2.64%	0.02%	0.01%
Lost Day Rate	0.01%	0.02%	0.01%	0.02%
Occupational Disease Rate	0.04%	0.10%	0.08%	0.08%
Number of Fatal Work Accidents	0	0	0	0

Occupational Health and Safety Trainings	2021	2022	2023	2024
OHS Trainings Provided to Employees - Number of Participants	2,815	3,027	2,737	2,998
OHS Trainings Provided to Employees - Total Hours (person*hour)	9,072	9,732	10,218	5,706
Number of participants in disaster and emergency trainings	488	508	529	233
Total hours of disaster and emergency trainings (person x hours)	976	1,096	1,140	226.5

Supply Chain Management	2021	2022	2023	2024
Number of Local Suppliers	239	207	240	227
Number of Abroad Suppliers	47	44	42	36
Total Number of Suppliers	286	251	282	263
Local Supplier Rate (%)	83.6	82.5	85	86
Abroad Supplier Rate (%)	16.4	17.5	15	14

Employee Development	2021	2022	2023	2024
Employee Trainings - Number of Participants (person)				
Female office employee	173	337	192	192
Female field employee	1,881	2,321	2,194	2,310
Male office employee	130	243	108	113
Male field employee	364	613	373	363
Employee Trainings - Total Hours (personxhour)				
Female office employee	2,683	7,534	5,975	4,359
Female field employee	10,867	20,503	55,127	28,289
Male office employee	1,623	2,854	3,618.5	2,214
Male field employee	4,378	4,956	8,680	4,096
Employee Trainings on Ethics				
Total Training Participants (per-son)	574	359	603	1.295
Total Training Hours (per-sonxhour)	96	29.5	154.5	332
Anti-Bribery and Anti-Corruption Trainings				
Total Training Participants (per-son)	617	1,558	3,940	208
Total Training Hours (per-sonxhour)	6,140	1,029.5	328	401

Environmental Performance Indicators

Environment	2021	2022	2023	2024
Total m2 (office+stores+warehouse)	71,061	73,611	77,325	82,415
Energy Management				
Natural Gas (kWh)	70,591.9	140,928.1	216,751.7	153,120.3
Diesel (kWh)	1,371,017.4	1,596,066.4	1,521,461.6	1,544,363.1
Electric Power (kWh)	10,300,005.4	16,139,134.7	18,984,239.9	18,054,276.1
Total Energy Consumption (kWh)	11,741,614.8	17,876,129.1	20,772,453.2	19,751,759.4
Energy Intensity (kWh/m2)	165.2	242.8	268.0	239.7
Total Renewable Energy Consumption (kWh)	-	-	1,030,000.0	18,054,276.1
Renewable Energy Consumption Rate (%)	-	-	5	100
Emissions				
Emissions				
Scope 1 (tCO2e)	384.3	458.1	421.5	415.7
Scope 2 (tCO2e)	4,459.1	6,675.9	7,560.5	0.0
Scope 3 (tCO2e)	68,350.8	101,188.4	213,480.0	156.861.8
Total				
Scope 1 & 2 (tCO2e)	4,843.4	7,134.0	7,982.0	415.7
Total Emissions(tCO2e)	73,194.2	108,322.3	221,462.0	157,277.4
Emission Intensity (tCO2e/m2)	1.0300	1.4716	2.8640	1.9084
Waste Management				
Total Non-Hazardous Operational Waste (tonne)	388.4	448.6	503.3	496.6
Total Hazardous Operational Waste (tonne)	21.8	23.3	8.6	10.7
Total Operational Waste (tonne)	410.2	471.9	511.9	507.3
Waste Intensity (tonne/m2)	0.0058	0.0064	0.0066	0.0062

* This includes other packaging waste (bags, OB packacing) on top of operational waste

Statement of Use
Use of GRI 1
Applicable GRI Sector Standard(s)

Watsons has reported in accordance with the GRI Standards for the period 1 January 2023-31 December 2024
GRI 1: Foundation 2021
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GRI Standard / Other Source	Disclosure	Location	Omission		
			Requirement (S) Omitted	Reason	Explanation
GRI 2: General Disclosures 2021	2-1 Organisational details	About Us, p.6			
	2-2 Entities included in the organisation’s sustainability reporting	About Our Report, p.3			
	2-3 Reporting period, frequency and contact point	About Our Report, p.3			
	2-4 Restatements of information	GRI Content Index: There is no restated information in the report.			
	2-5 External assurance	GRI Content Index: There is no external audit was received during the reporting period.			
	2-6 Activities, value chain and other business relationships	About Us, p.6			
	2-7 Employees	Social Performance Indicators, p.73			
	2-8 Workers who are not employees	GRI Content Index: The Distribution Centre and Head Office receive outsourcing support in line with their needs. An average of 105 people work in this context, and this number varies throughout the year. Companies can direct beauty experts to Watsons stores to increase sales of their own brands. In December 2024, the number of beauty experts from other companies working in Watsons stores was 306.			
	2-9 Governance structure and composition	Management Structure, p.65			
	2-10 Nomination and selection of the highest governance body	Management Structure, p.65			
	2-11 Chair of the highest governance body	Management Structure, p.65; A Message from our Managing Director p.4			
	2-12 Role of the highest governance body in overseeing the management of impacts	Sustainability Governance at Watsons Türkiye, p.18			
	2-13 Delegation of responsibility for managing impacts	Sustainability Governance at Watsons Türkiye, p.18			

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.

GRI Standard / Other Source	Disclosure	Location	Omission		
			Requirement (S) Omitted	Reason	Explanation
GRI 2: General Disclosures 2021	2-14 Role of the highest governance body in sustainability reporting	Sustainability Governance at Watsons Türkiye, p.18			
	2-15 Conflicts of interest	Business Ethics, p.66			
	2-16 Communication of critical concerns	About Our Report, p.3; Business Ethics, p.66			
	2-17 Collective knowledge of the highest governance body	Sustainability Governance at Watsons Türkiye, p.18			
	2-18 Evaluation of the performance of the highest governance body	Sustainability Governance at Watsons Türkiye, p.18			
	2-19 Remuneration policies	Watsons Türkiye Remuneration Policy, p.67			
	2-20 Process to determine remuneration	Watsons Türkiye Remuneration Policy, p.67			
	2-21 Annual total compensation ratio	GRI Content Index: It is not disclosed to the public as it may contain sensitive and confidential information.	2-21 a; 2-21 b; 2-21 c	Confidentiality constraints	Remuneration rates may contain sensitive and confidential information relating to personal informations, the company's business relationships, activities and/or operational information, and are therefore not publicly disclosed.
	2-22 Statement on sustainable development strategy	A Message from our Managing Director p.4; Sürdürülebilirlik Taahhüdümüz,s.15			
	2-23 Policy commitments	Our Sustainability Commitment, p.16			
	2-24 Embedding policy commitments	Our Sustainability Commitment, p.17-22			
	2-25 Processes to remediate negative impacts	Our Sustainability Commitment, p.17-22			
	2-26 Mechanisms for seeking advice and raising concerns	About Our Report, p.3; Business Ethics, p.66			
	2-27 Compliance with laws and regulations	Risk Management, p.66; Internal Audit and Control, p.66; Business Ethics, p.67			
	2-28 Membership associations	Our Corporate Memberships, p.7			
	2-29 Approach to stakeholder engagement	Stakeholder Relations, p.23			
	2-30 Collective bargaining agreements	GRI Content Index: We do not have any employees working under a collective bargaining agreement.			

GRI Standard / Other Source	Disclosure	Location	Omission		
			Requirement (S) Omitted	Reason	Explanation
Material Topics					
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Our Material Issues, p.22			
	3-2 List of material topics	Our Material Issues, p.22			
Planet					
Fighting The Climate Crisis					
GRI 3: Material Topics 2021	3-3 Management of material topics	Fighting The Climate Crisis, p.32			
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	Environmental Performance Indicators, p.77			
	302-3 Energy intensity	Environmental Performance Indicators, p.77			
	302-4 Reduction of energy consumption	Fighting The Climate Crisis,p.32, Achieving Greener Stores, p.33-34			
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Environmental Performance Indicators, p.77			
	305-2 Energy indirect (Scope 2) GHG emissions	Environmental Performance Indicators, p.77			
	305-3 Other indirect (Scope 3) GHG emissions	Environmental Performance Indicators, p.77			
	305-4 GHG emissions intensity	Environmental Performance Indicators, p.77			
	305-5 Reduction of GHG emissions	Fighting The Climate Crisis,p.32, Achieving Greener Stores, p.33-34			
Achieving Greener Stores					
GRI 3: Material Topics 2021	3-3 Management of material topics	Achieving Greener Stores, p.33-34			
Zero Waste to Landfill					
GRI 3: Material Topics 2021	3-3 Management of material topics	Zero Waste to Landfill, p.35			

GRI Standard / Other Source	Disclosure	Location	Omission		
			Requirement (S) Omitted	Reason	Explanation
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Zero Waste to Landfill, p.35			
	306-2 Management of significant waste-related impacts	Zero Waste to Landfill, p.35			
	306-3 Waste generated	Zero Waste to Landfill, p.35; Environmental Performance Indicators, p.77			
People					
Respecting Human Rights					
GRI 3: Material Topics 2021	3-3 Management of material topics	Respecting Human Rights, p.41			
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	Respecting Human Rights, p.41			
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Respecting Human Rights, p.41			
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	Respecting Human Rights, p.41			
	308-2 Negative environmental impacts in the supply chain and actions taken	Respecting Human Rights, p.41			
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	Respecting Human Rights, p.41			
	414-2 Negative social impacts in the supply chain and actions taken	Respecting Human Rights, p.41			

GRI Standard / Other Source	Disclosure	Location	Omission		
			Requirement (S) Omitted	Reason	Explanation
Caring for our People					
GRI 3: Material Topics 2021	3-3 Management of material topics	Caring for our People, p.42-50			
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Social Performance Indicators, p.75			
	401-3 Parental leave	Social Performance Indicators, p.75			
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Highlights, p.10			
	404-2 Programs for upgrading employee skills and transition assistance programs	Employee Development and Satisfaction, p. 42-45			
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Social Performance Indicators, p.73-75			
	405-2 Ratio of basic salary and remuneration of women to men	Watsons Türkiye Remuneration Policy, p.67			
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	We Stand Against Discrimination, p.49			
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Employee Health and Safety, p.50			
	403-2 Hazard identification, risk assessment, and incident investigation	Employee Health and Safety, p.50			
	403-3 Occupational health services	Employee Health and Safety, p.50			
	403-4 Worker participation, consultation, and communication on occupational health and safety	Employee Health and Safety, p.50			
	403-5 Worker training on occupational health and safety	Employee Health and Safety, p.50; Social Performance Indicators, p.76			
	403-6 Promotion of worker health	Employee Engagement, p.46; Employee Health and Safety, p.50			
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Employee Health and Safety, p.50			
	403-8 Workers covered by an occupational health and safety management system	Employee Health and Safety, p.50			

GRI Standard / Other Source	Disclosure	Location	Omission		
			Requirement (S) Omitted	Reason	Explanation
Supporting Communities					
GRI 3: Material Topics 2021	3-3 Management of material topics	Supporting Communities, p. 51-52			
Product					
Maintaining High Product Quality & Safety					
GRI 3: Material Topics 2021	3-3 Management of material topics	Maintaining High Product Quality & Safety, p.57-58			
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	Maintaining High Product Quality & Safety, p.57			
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Maintaining High Product Quality & Safety, p.57			
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	Product Information, p.58			
	417-2 Incidents of non-compliance concerning product and service information and labeling	Product Information, p.58			
Offering more Sustainable Products					
GRI 3: Material Topics 2021	3-3 Management of material topics	Offering more Sustainable Products, p.59-63			

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