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## Letter from the Chairman of the Board

### Dear Stakeholders,

The year 2020 has shown that prosperity and development will not be achieved by financial performance alone. Consumers, society, customers and investors now prefer companies that provide environmental and social benefits along with economic value. We are observing that a brand-new understanding has emerged with the new generations, and multi-stakeholder holistic perspectives have replaced the one-dimensional and single-stakeholder system of thought and that companies are expected to be transparent, accountable, responsible and consistent in environmental, social and governance issues.

In this context, we are in a period where the critical importance of the 17 Sustainable Development Goals, which are the United Nations' global call to action, is being emphasized. Our industry has a key role in achieving the Sustainable Development Goals through digital transformation and innovation. As a corporate business software company, we inherently support economic and social development, and in addition, we play a significant role in increasing the competitiveness and sustainability of the business world and in reducing its environmental impact.

With the value we create in our ecosystem as a result of our activities and through our social investments, we contribute mainly to the following Sustainability Development Goals; Industry, Innovation and Infrastructure (SDG9), Decent Work and Economic Growth (SDG8), Quality Education (SDG4), Gender Equality (SDG5), Reduced Inequalities (SDG10) and Partnerships for the Goals (SDG17).

As a signatory of the United Nations Global Compact (UNGC) and the United Nations Women's Empowerment Principles (UNWEPs), which serve as a guide and tool to achieving the Sustainable Development Goals, we shape our actions in line with these principles. We see environmental, social and corporate governance dimensions as an integral part of our strategy and operations. We are positioned as an important stakeholder in addressing social and environmental problems, while managing our own performance in the most ideal way through the integrated thinking approach, which enables us to address these dimensions in a holistic way with our financial performance.

As one of the leading companies in digital transformation in Turkey, we will continue to seize the opportunities brought by this new era in which the need for enterprise software is ever growing. While transforming these opportunities into competitive advantages, as always our approach will be creating value for all our stakeholders with a focus on growth and profitability. We believe in the transformative power of the value we create for our customers in the environmental, social and governance dimensions through our technology and R&D power-our highest priorities, and we believe that resources are used more efficiently and that it facilitates responsible production and consumption. We see that decent work and economic growth will happen through digital transformation, and we act with the awareness of our responsibility.

With this awareness of responsibility, Logo has been contributing to the business world's development of a sustainable economic model since its establishment in 1984. Logo was the first successful example of the chimney-free industry and the start-up world in our country and became the first IT company to go public in 2000. For a company whose entire assets are intellectual property to go public was a pioneering step for the sector. Believing in the importance of a reliable, honest and transparent management in gaining the trust of investors and all stakeholders, Logo entered Borsa Istanbul's Corporate Governance Index at a high level in 2009 and was included in the Sustainability Index voluntarily in 2017.

Continuing its successful performance by transforming through its entrepreneurial culture for 36 years, Logo has spearheaded the Turkish software industry by triggering entrepreneurship and innovation in its ecosystem consisting of a wide business partner network. Job creation and talent development of the Logo ecosystem have played a major role in the enhancement of the domestic software industry. We also witness an entrepreneurial culture drawing attention from the business world along with the pandemic. The first successful Covid-19 vaccine was developed by a "start-up" established by two scientists of Turkish descent. Small start-ups can achieve innovations in a much shorter time and with a lower budget in comparison to larger enterprises. This signals the new dynamics of the future corporate world. While giving us signs of the new dynamics of the future business world, it also shows the importance of preserving Logo's entrepreneurial culture. The collaborations we materialise through sharing experience and providing resources, have a very important place in our successful transformation. We attach great importance to exchanging ideas, experience and knowledge with universities and non-governmental organizations, and especially with our business partners and suppliers in our value chain.

As a responsible company that has set foot on the world stage, Logo is accelerating its social investments. Our investments focused on education in 2020 as in previous years. In addition to our ongoing scholarships, the "Future Coders Lab", which we are trying to expand across the country so that children can learn to code through fun methods and develop their analytical thinking skills, continued with remote education during the pandemic. I am incredibly happy that we inspire and support our children, especially those from disadvantaged groups. We think that education is the most effective way to solve income inequality in the digital age, and we believe that all our work on education will provide equal opportunities for disadvantaged people.

I am delighted to present our Integrated Sustainability Report to all our stakeholders, which we believe carries us forward in reporting our sustainability performance with an integrated thinking approach. I would like to thank all our stakeholders, investors, customers, business partners and employees who contributed to Logo during this process.

Yours sincerely,



**M. Tuğrul Tekbulut**  
Chairman of the Board



## Letter from the Vice Chairman & Logo Group CEO

### Dear Stakeholders,

The software industry has a strategic role as it has transformative power that affects financial and non-financial performance in all sectors. The industry is rapidly evolving towards an integrative understanding of value that requires uninterrupted and high-quality services. Our aim is to offer software and technology solutions as a service. We believe that it has become even more meaningful to guide our stakeholders with our solutions in this ever-growing sphere of influence. If we want to leave a habitable world and a beautiful country to future generations, we must be able to both develop and compete in the field of technology. Technology has become the most important leverage of the growing world and is the protector of our industries, large companies, and the value we have generated with much effort over long years. We must continue to invest in education, technology and our competitiveness in order to be positioned not as a follower of change but as a pioneer of change in the geography where we operate.

COVID-19 global pandemic, which affected 2020, created uncertainty and has radically impacted and continues to impact many areas of our lives. COVID-19 period made it necessary for all industries to reconfigure their business processes. We have seen that companies that manage crises through focusing on technology, digital transformation, talent management and customer relations are more resilient and competitively positioned. In this respect, 2020 has been a year in which we, as Logo, have adapted to changing conditions with agility, have frequently reviewed our targets and have continued to transform our business processes.

In 2020, we continued providing integrated solutions to our customers' digital transformation journey. Demand for technology solutions has increased in the new era, where the way of doing business has transformed and hybrid and flexible work conditions have been created with acceleration in digital transformation. In line with this transformation, we have continued to develop our cloud computing service model. Our development continued for Logo PaaS enabling the development of a software ecosystem platform for a cloud-based ERP application, that was launched in 2015. We continued to offer solutions that increase efficiency in business processes, facilitate data-based management, reduce environmental impact with effective resource management and provide cost advantages.

Our success as result of our solution and service offerings is certified by local and international organizations. In 2020, we achieved 23 awards and successes in 12 different award programs through our work in the sector.

Based on our vision of coding the future together, we have created a integrated management approach based on the elements of enhancing stakeholder experience; especially our employees, business partners and customers, continuous improvement through R&D and innovation, increasing creativity, and positioning as an enterprise solution leader in targeted areas. With this approach, we define the value we create through our stakeholders. We are focusing on environmental, social and governance (ESG) issues that are highly capable of creating value in the short, medium and long term through an integrated business model. Sources that are inputs in the value creation process, Innovation and R&D strength, Digital competencies, Intellectual property, Financial resources, Talent capital, Stakeholder communication, Logo ecosystem and Natural resources. All these inputs feed into the business model, which consists of three phases: identification of customer needs and expectations, software and service development, and after-sales services. We have an impact on an extensive shareholder ecosystem comprising of our customers, business partners, employees, shareholders and the society with the value we create with this model.

We are improving our corporate reputation by bettering the experience of our customers and all of our stakeholders, thus strengthening the trust in our brand. We continue to work to create an ecosystem that will trigger innovation and creativity, and strengthen our innovation and idea generation reflex through our culture of continuous improvement and R&D activities. Enhancing employee experience in our ecosystem was again among our priorities in 2020 to achieve our goals. The most important factor in managing adaptation to change in 2020 was to plan the talent acquisition processes at Logo in a way that would enable us to find the most suitable teammates based on corporate culture, goals and position-specific competencies, as well as the suitability of our work culture and ways of doing business. With a focus on gender equality, we consider women employees being in decision-making positions and having important roles in Logo's workforce as one of the critical factors in our success. As of 2020, 44% of our employees and 45% of executive management are women. Another important aspect in our adaptation was Logo Grow, our learning-oriented career development model, with performance management, learning, development and succession dimensions.

In 2020, we were successful in all our efforts to invest in society, the environment and the future, and in our goal of contributing to the sustainable transformation of our ecosystem through our innovative products and services. I would like to thank our stakeholders, shareholders, employees, business partners and customers who stood by us through all these efforts. I am happy to present our Integrated Sustainability Report to our stakeholders, in which we explain our environmental, social, corporate governance and economic performance transparently.

Yours sincerely,



**M. Buğra Koyuncu**  
Vice Chairman and Logo Group CEO



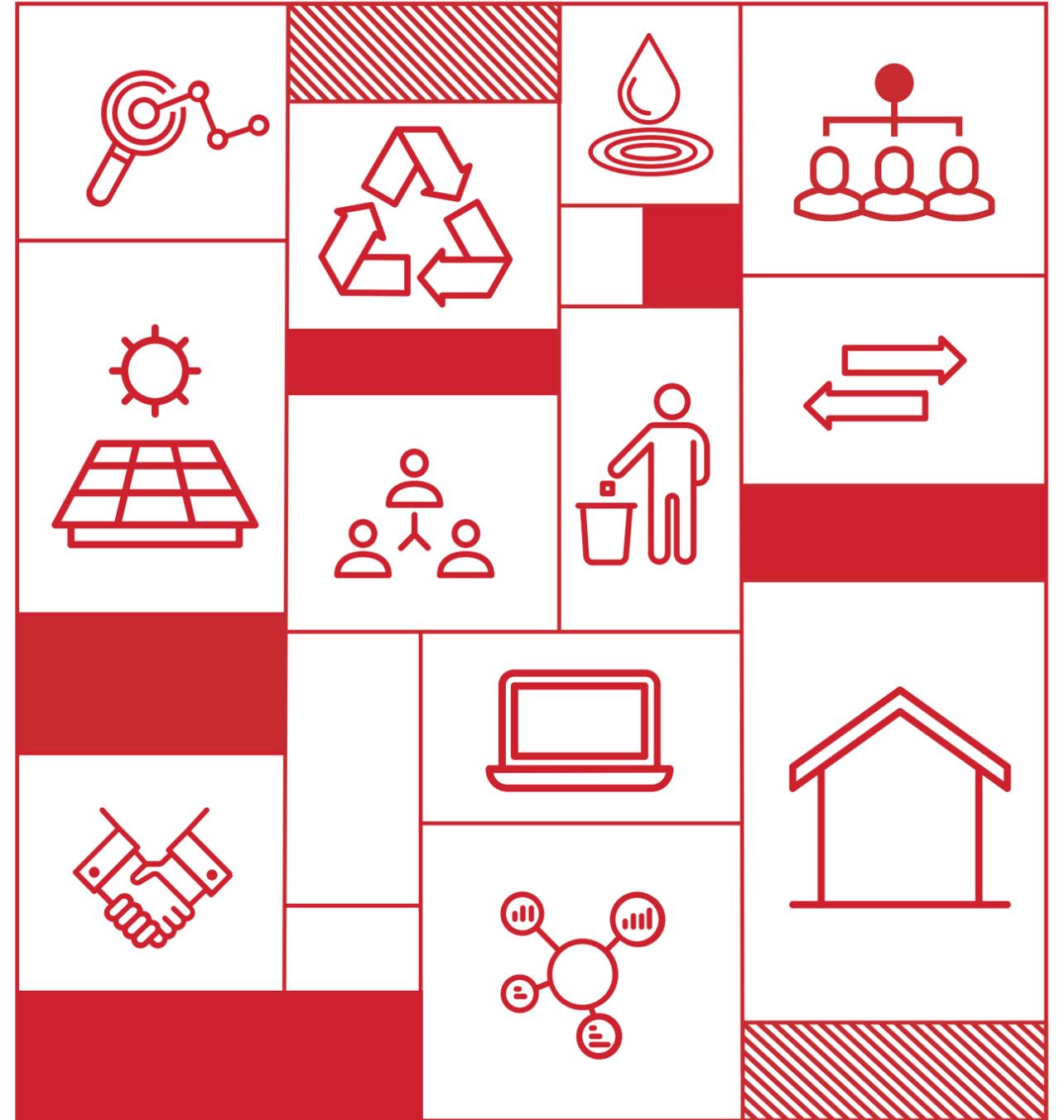
## About the report

As Logo Yazılım Sanayi ve Ticaret A.Ş. (Logo), this year, we have included our Environmental, Social, Governance (ESG) performance, that we have shared through sustainability reports since 2017, in our first Integrated Sustainability Report with the Integrated Management Model.

We have prepared this report, in which we have determined the focal points through materiality analysis, in accordance with the Global Reporting Initiative (GRI) Standards 'Basic: Core' option. In addition, we referenced prominent international frameworks such as the International Integrated Reporting Council (IIRC) and the Sustainability Accounting Standards Board (SASB). We also share in the report, the Global Goals to which we contribute to through our operations.

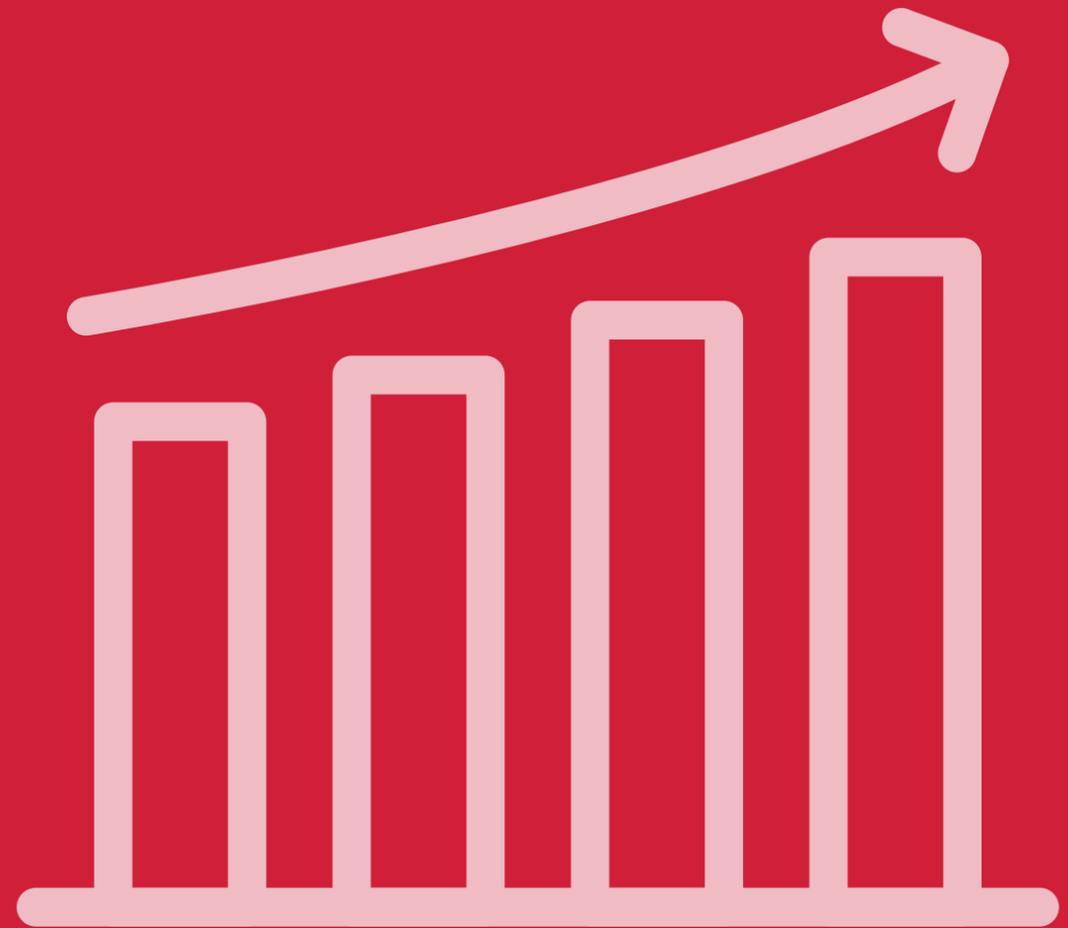
The data shared in the report covers the period January 1<sup>st</sup> – December 31<sup>st</sup> 2020.

You can forward any questions, comments and suggestions regarding the report to [sustainability@logo.com.tr](mailto:sustainability@logo.com.tr)



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## Vission

We are coding the future together.

## Mission

We create value for our customers through passion and agility in collaboration.

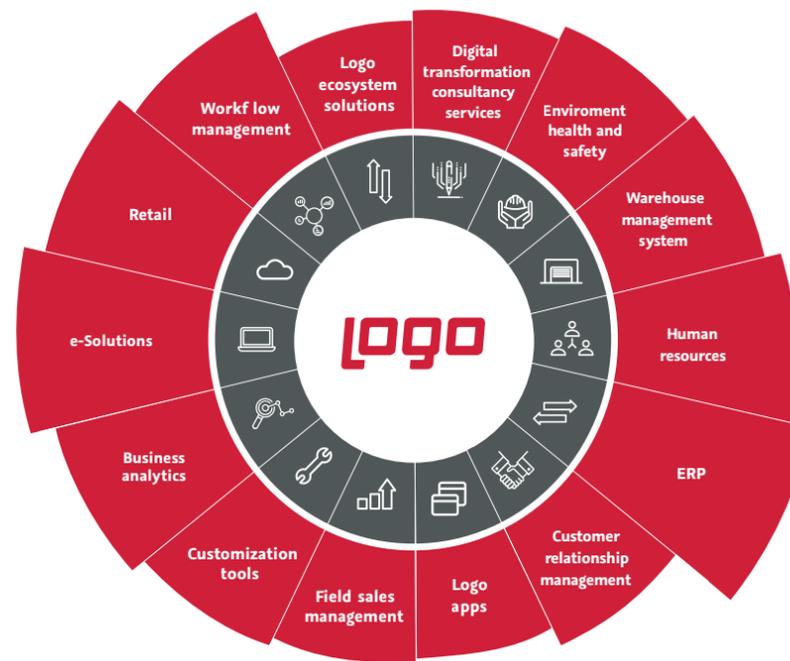
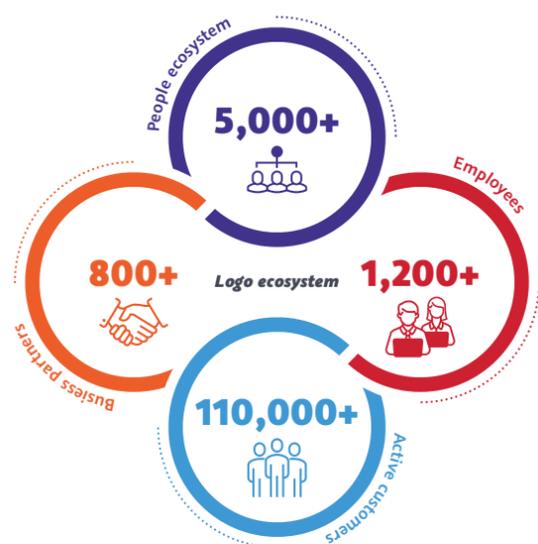
As Turkey's largest publicly traded software company and the largest local business software company that develops enterprise software for our customers to increase efficiency and profitability; we continue to operate as one of the leading companies in the sector. Whilst we started our journey as a small company in 1984, today we continue on our way with confident and strong steps with more than 1,200 employees and more than 800 business partners in 4 different countries and 7 different locations. In 2000, we became the first software company to go public in Turkey. Currently, our free-float is 66%.

With the products we provide such as Enterprise Resource Planning (ERP), Customer Relationship Management, Human Resources Management, Workflow Management, Warehouse Management Systems, Business Analytics Solutions and Retail Solutions, we are a solution partner to companies in our wide customer network. Logo has maintained its leading position for many years in terms of customer numbers, especially in the Enterprise Resource Planning sector.

We have been investing in different businesses and technologies since our foundation, and we have been leading the digital transformation of Turkey through our products, services and business processes in the software industry. Logo, which has a large and dynamic ecosystem extending from business partners to Logo users, from academics to students and industry professionals, carries out its activities with the vision of creating value and coding Turkey's future by growing and developing with the strength and confidence it receives from this ecosystem.

- Logo has been ranked 15<sup>th</sup> in the list of "The 250 largest companies in 2019 according to R&D expenditures" prepared by Turkishtime Magazine. In addition, according to the number of women personnel working in the R&D centre, it ranks 4<sup>th</sup> in the "Top 50" list with 334 women employees and ranks 7<sup>th</sup> with its 787 personnel consisting of both undergraduate and graduate level employees in the R&D centre, and the number of brands registered in the R&D centre is ranked 16<sup>th</sup> with 18 brands.
- Logo ranked 83<sup>rd</sup> in the "Turkey's 100 Most Valuable Brands – Turkey 100" list prepared by the international independent brand valuation organization Brand Finance.

After a series of strategic investments aiming at transferring the know-how and experience gained in the Turkish market to abroad, it continues on the path towards becoming a regional player as one of the industry's leading companies. Logo has been pursuing its firm growth with 39% revenue CAGR (compound annual growth rate) in the last 10 years.



### ERP solutions

- Logo j-Platform
- Logo Tiger Wings Enterprise
- Logo Tiger 3 Enterprise
- Logo Tiger Wings
- Logo Tiger 3
- Logo Netsis Wings Enterprise
- Logo Netsis 3 Enterprise
- Logo Netsis Wings
- Logo Netsis 3 Standard

### SME solutions

- Logo İşbaşı
- Logo Start 3
- Logo GO Wings
- Logo GO 3
- Logo Netsis Wings Entegre
- Logo Netsis 3 Entegre
- Logo Mali Müşavir 3

### Human resources solutions

- Logo j-HR
- Logo Tiger 3 HR
- Logo Bordro Plus
- Logo Netsis 3 HR
- Logo Netsis 3 Bordro
- Logo Payroll

### CRM solutions

- Logo CRM

### Project solutions

- Logo Treasury Wizard
- Logo B2B

### Business analytics solutions

- Logo Mind Insight
- Logo Mind Navigator
- Logo Mind Budget

### Warehouse management system

- Logo WMS Platform
- Logo WMS

### Field sales management solutions

- Logo Mobile Sales

### Retail solutions

- Logo Diva Retail
- Logo Diva Service
- Logo Diva Channel
- Logo Diva Shop

### Ecosystem solutions approved by Logo

### Work flow management solutions

- Logo Flow

### Occupational health and safety

- eLogo İSG

### e-Solutions

- e-Invoice
- e-Archive invoice
- e-Ledger
- e-Dispatch
- e-Producer Receipt
- e-Reconciliation
- e-Extract
- Connect Banka
- Connect B2b
- eLogo e-Tahsilat
- e-Self-Employment Invoice

### Logo Total Soft products

- Logo Charisma ERP
- Logo Charisma HCM
- Logo Charisma Analyzer
- Logo Charisma Medical Software
- Logo Charisma Leasing

### Logo Infosoft products

- Logo Jugnu - ERP
- Logo SMART DMS & SFA
- Logo CaptainBiz

### Digital transformation services

- Digital transformation consultancy
- Project management
- Project implementation
- Custom software development
- Customization and integration
- Post-Project support services
- System management



Million TL	Domestic sales	International sales	Total sales
2020	359,0	186,0	545,0
2019	275,1	147,0	422,1
2018	206,5	114,6	321,1
2017	177,2	79,0	256,2



	Geographical breakdown of sales (%)		EBITDA (million TL)	Net profit (million TL)
	Domestic sales	International sales		
2020	%66	%34	177,2	114,5
2019	%65	%35	142,3	86,3
2018	%64	%36	101,3	67,7
2017	%69	%31	82,6	50,8

## 2020 at a glance

- Logo increased its consolidated sales revenues by 29% in an unprecedented year.
- Logo won 23 awards in 12 different award programs as a recognition for its contributions to the industry.
- During COVID-19 Pandemic in 2020, Logo continued its operations by adopting remote-work model.
- In 2020, and the employee loyalty score increased 8 points to 79% compared to 2018.
- Training hours per employee increased by 37% compared to the previous year and reached 33,6 hours. 102 students made 382 inventions such as smart walking sticks and smart flowerpots at the Future Coders Lab, which was held through remote education.
- Logo employees' children at high school age were included in the Logo Future Coders Lab project, and 15 students received the necessary training to become volunteer trainers.
- Collaborations were made with three universities, six vocational schools and four private education institutions.
- The number of those who received training from Logo increased to over 8,000. While more than 2,500 students who received training found employment opportunities in the IT sector, the number of individual certificates reached 8,775 as of 2020.
- Logo became the first company to receive the highest-level certification in Turkey within the scope of TS ISO IEC 15504 SPICE Maturity Assessment.
- We received ISO 14001 Environmental Management System and ISO 45001 Occupational Health and Safety Management System certificates for our Turkey operations.
- We recycled 88% of non-hazardous waste.

I n t e g r a t e d  
M a n a g e m e n t  
A p p r o a c h :

**W e a r e c o d i n g t h e  
f u t u r e t o g e t h e r**



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# We are coding the future together



- INNOVATION AND R&D STRENGTH
- DIGITAL COMPETENCIES
- LOGO ECOSYSTEM
- FINANCIAL RESOURCES
- STAKEHOLDER COMMUNICATION
- TALENT CAPITAL
- INTELLECTUAL PROPERTY
- NATURAL CAPITAL

**Customers** We are partners of the future with our stakeholders

We empower our customers with our solutions that provide efficiency and competitive advantage in their businesses and reduce their environmental footprint.

**Business Partners** We spread the culture of innovation and development to our business partners.

We spread the culture that aims for enhancement with a focus on innovation to our business partners, and we support development.

**Employees** We invest in the future of our employees

Who are the catalysts of digital transformation and invest in the future of young talents in the sector. We prioritise equal opportunity and diversity.

**Investors** We grow together with our investors through our strong financials.

We grow together with our investors by ensuring sustainable and profitable growth.

**Society** We contribute to the economy of the future.

We invest in the future of the industry and provide tools for the development of society's digital skills. We support the development of society through equal opportunity in education.

Technology and Innovation

Climate Crisis

New Generation Talent Management

Depletion of Natural Resources

Digital Transformation



## Integrated Management Approach: We are coding the future together

It is stated that the new norm that came with the COVID-19 global pandemic pushed the digital transformation of companies forward a few years.<sup>2</sup> The need for technology solutions is growing in the new era, where the way of doing business is transformed and hybrid and flexible working conditions are created. On the other hand, solutions that increase efficiency in business processes, facilitate data-based management, reduce environmental impact with effective resource management and provide cost advantages which make it easier for companies to respond to global trends and adapt to contemporary conditions.

The software industry has a transformative power that affects financial and non-financial performance across all industries. In such a comprehensive sphere of influence, responding to customer expectations through products and the integration of Environment-Social-Governance (ESG) in all operations, contributes to multiplying the value created.

At Logo, we focus on ESG issues with a high ability to create value in the short, medium and long term through an integrated business model. Capitals that are inputs in the value creation process consist of Innovation and R&D strength, Digital competencies, Intellectual property, Financial resources, Talent capital, Stakeholder communication, Logo ecosystem and Natural resources. All these inputs feed into the business model, which consists of three phases: identification of customer needs and expectations, software and service development, and after-sales services.

Based on our vision of coding the future together, we have created an integrated management approach based on developing stakeholder experience, especially for customers and employees, continuous progress by taking strength from R&D and innovation, increasing innovation and creativity in business, and positioning as a corporate solution leader in targeted areas. Our collaborations and agile structure are critical facilitators in achieving our goals, contribute to Global Goals, and create shared value for all stakeholders. We have an impact on a broad ecosystem of stakeholders, including our customers, business partners, employees, investors and the community. The focus of the integrated approach is to invest in society, the environment and the future of our company, and to contribute to the sustainable transformation of our ecosystem through innovative products and services. We define the value we create through our stakeholders.

**Customers:** Developed technology solutions (products and services) that provide efficiency and competitive advantage to customers in the age of digitalization and reduce their environmental footprint in today's world where environmental problems are getting deeper. We transform our customers through our solutions and services; we create multidimensional value for them.

**Business partners:** We see our business partners as part of our culture of continuous improvement. We aim to get stronger together by investing in their development. Through the actions we take to support the digital transformation of our business partners, we create value for both the future of their business and the sustainability of our ecosystem.

**Employees:** In the digital transformation process, contribution of qualified and talented human capital, as an important stakeholder in the position of providing solutions, is of key importance. By investing in the skills of our employees, we create value primarily for our own workforce and, in the long run, for the talent capital of the software industry.

**Investors:** We provide economic benefits for our investors through our strong financial performance, and sustainable and profitable growth. We create sustainable value for responsible investors through our 360-degree approach in which we integrate ESG and manage our impact on ESG issues.

**Society:** We position every individual in society as our stakeholder. We aim to spread our digital competencies into society. With the investments we make in the development of society's digital skills, we contribute to the long-term digital transformation of large audiences and create value for all segments of society.

<sup>2</sup> [How COVID-19 has pushed companies over the technology tipping point—and transformed business forever, Mckinsey, 2020](#)



## ESG management

ESG issues are managed at a high level at Logo. The Sustainability Committee is responsible for determining the requirements for setting, reviewing, implementing, communicating and auditing ESG targets. The Working Group, consisting of team members from Investor Relations, Marketing & Corporate Brand and Communication, People & Organizational Transformation, and Information Technologies & Business Processes departments, supports the Committee in the implementation of decisions regarding ESG. Reporting the findings and recommendations regarding the compliance of company activities with legislation and internal regulations, the audit committee also reports to the board of directors on ESG issues. Issues that require the knowledge or approval of the board of directors are presented by the Logo Group Committee, and the issues approved by the board of directors are completed within the specified authorities and duties. All these responsibilities are implemented in accordance with the rules covering the distribution of authority and duties on occupational health and safety, business ethics and environment, and process management.

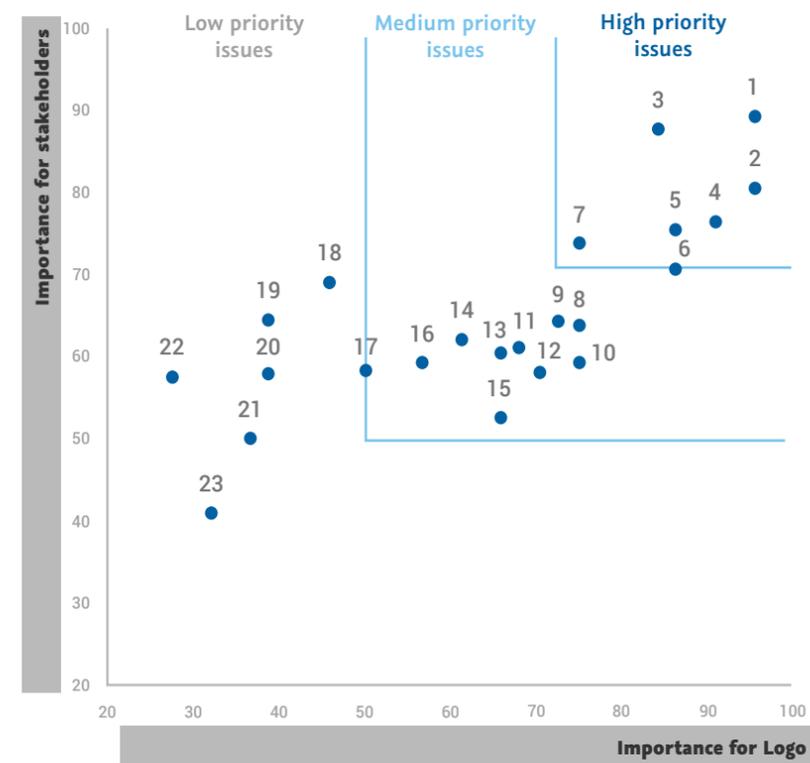
As a result of our ESG performance, we have voluntarily taken part in the Borsa Istanbul Sustainability Index since 2017.

### Material issues

We conducted a materiality analysis based on the sector-specific assessments of organizations such as the United Nations Sustainable Development Goals, the Sustainability Accounting Board Standards (SASB), Digital Europe and the World Economic Forum (WEF) and the AA1000 Stakeholder Engagement Standard. We manage emerging material issues to create the highest impact for our stakeholders and our business, taking into account our economic and ESG impact.

In the materiality matrix, topics of high importance for both stakeholders and Logo emerged as, Technology and R&D, Digital Transformation, Customer Confidentiality and Data Security, Customer Centricity, Talent Management, Responsible Products and Services, and Intellectual Property.

## Material issues matrix



#### High priority issues

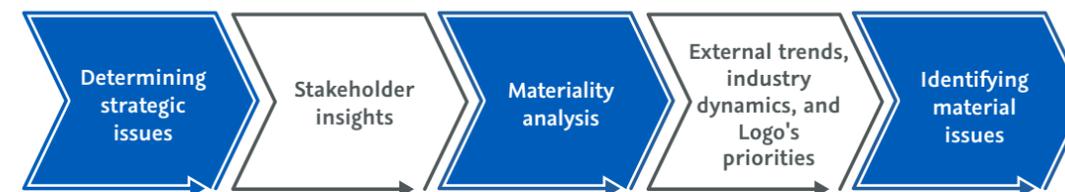
- 1- Technology and R&D
- 2- Digital transformation
- 3- Customer confidentiality and data security
- 4- Customer centricity
- 5- Talent management
- 6- Responsible products and services
- 7- Intellectual property

#### Medium priority issues

- 8- Business ethics
- 9- Profitability
- 10- Transparency
- 11- Employee well-being and loyalty
- 12- Supporting entrepreneurship
- 13- Community investment programs
- 14- Risk management
- 15- Occupational health and safety
- 16- Communication with stakeholders and collaborations
- 17- Gender equality and women empowerment

#### Low priority issues

- 18- Climate change and energy
- 19- Diversity and equality in opportunity
- 20- Contribution to the local economy
- 21- Waste management
- 22- Sustainability in supply chain
- 23- Water management



Contribution to Sustainable Development Goals	High priority issues	How do we manage?
<p><b>9</b> INDUSTRY, INNOVATION AND INFRASTRUCTURE</p> <p>9.4. By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities</p>	<p><i>Technology and R&amp;D</i></p> <p><i>Digital transformation</i></p>	<p>By allocating significant financial resources for R&amp;D and innovation every year, we offer technology solutions that increase efficiency in customers' competitiveness and businesses, ensure data security and reduce their environmental impact.</p> <p>While supporting the digital transformation of our customers, we shape the future of the business world by changing the way they do business through the innovative solutions we have developed.</p>
<p><b>12</b> RESPONSIBLE CONSUMPTION AND PRODUCTION</p> <p>12.2. By 2030, achieve the sustainable management and efficient use of natural resources</p> <p>12.5. By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse</p>		
<p><b>17</b> PARTNERSHIPS FOR THE GOALS</p> <p>17.17. Encourage and promote effective public, public-private and civil society partnerships, building on the experience and resourcing strategies of partnerships</p>	<p><i>Customer confidentiality and data security</i></p>	<p>With the strength we derive from R&amp;D and innovation, we develop products and services that protect the confidentiality and data security of customers.</p> <p>We have ISO27001 Information Security Management and ISO 22301 Continuity Management System.</p>
<p><b>8</b> DECENT WORK AND ECONOMIC GROWTH</p> <p>8.2. Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high-value added and labour-intensive sectors</p>		

Contribution to Sustainable Development Goals	High priority issues	How do we manage?
<p><b>8</b> DECENT WORK AND ECONOMIC GROWTH</p> <p>8.5. By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value</p>	<p><i>Talent management</i></p>	<p>We design learning and development programs to offer best development conditions to our employees the. We support the career development of employees and offer exchange and rotation programs between countries and functions. We prioritize equal opportunity and diversity.</p>
<p><b>5</b> GENDER EQUALITY</p> <p>5.5. Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life</p>		
<p><b>12</b> RESPONSIBLE CONSUMPTION AND PRODUCTION</p> <p>12.2. By 2030, achieve the sustainable management and efficient use of natural resources</p> <p>12.5. By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse</p>	<p><i>Responsible products and services</i></p>	<p>Our solutions empower our customers by providing efficiency and agility in their business. It reduces the environmental impact from carbon footprint to natural resource consumption.</p>
<p><b>13</b> CLIMATE ACTION</p> <p>13.3. Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning</p>		
<p><b>9</b> INDUSTRY, INNOVATION AND INFRASTRUCTURE</p> <p>9.4. By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities</p>	<p><i>Intellectual property</i></p>	<p>Our solutions comprise of Enterprise Resource Planning (ERP), Customer Relationship Management, Human Resources Management, Workflow Management, Warehouse Management Systems, Business Analytics Solutions and Retail Solutions.</p>

## Communication with stakeholders

We establish strong and two-way communication with our stakeholders. We create strategic communication channels specific to each stakeholder group. With stakeholder analysis, we reach our stakeholders, including employees, business partners, customers, investors and analysts, the media and universities, through the online questionnaire and seek their opinions on our strategic priorities.



Stakeholder group	Communication channels
<b>Customers</b>	<ul style="list-style-type: none"> <li>Traditional channels (TV, radio, cinema, open air, magazine)</li> <li>Digital media and internet websites (logo.com.tr, blog. logo.com.tr, logoakademi.com.tr etc.)</li> <li>Social media</li> <li>Events and sponsorships (Business partner meetings, Logo events, third party events)</li> <li>Mailing</li> <li>Call centre (444 56 46- 444 LO GO)</li> <li>Direct communication (through customer visits, customer relationship management)</li> <li>Annual Report and sustainability report</li> </ul>

Stakeholder group	Communication channels
<b>Business partners</b>	<ul style="list-style-type: none"> <li>Traditional channels (TV, radio, cinema, open air, magazine)</li> <li>Digital media and internet websites (logo.com.tr, blog. logo.com.tr, logoakademi.com.tr etc.)</li> <li>Social media</li> <li>Events and sponsorships (Business partner meetings, third party events)</li> <li>e-Mail</li> <li>Direct communication (Customer and business partner visits, communication through customer relations management)</li> <li>Customer services, communication through sales teams</li> </ul>
<b>Employees</b>	<ul style="list-style-type: none"> <li>Traditional channels (TV, radio, cinema, open air, magazine)</li> <li>Digital media and internet websites (logo.com.tr, blog. logo.com.tr, logoakademi.com.tr etc.),</li> <li>Social media</li> <li>Human resources events</li> <li>Annual Report and sustainability report</li> </ul>
<b>Investors</b>	<ul style="list-style-type: none"> <li>Boardroom meeting</li> <li>Investor meetings and presentations</li> <li>Teleconferences</li> <li>Internet websites, e-Mail, bulletins and blogs</li> <li>Public Disclosure Platform notices</li> <li>Annual Report and sustainability report</li> <li>Call centre (444 56 46- 444 LO GO)</li> </ul>
<b>Non-governmental organisations</b>	<ul style="list-style-type: none"> <li>Meetings</li> <li>e-Mail, internet websites and blogs</li> <li>Sponsorship, events</li> </ul>
<b>Public institutions</b>	<ul style="list-style-type: none"> <li>e-Mail</li> <li>Events and training</li> </ul>
<b>Universities</b>	<ul style="list-style-type: none"> <li>Joint projects</li> <li>Events and training</li> <li>e-Mail</li> </ul>

We communicate with our stakeholders in order to develop a common language and find solutions to social and environmental problems together through collaborations and memberships on different platforms.

- |  |  |
|--|--|
| <ul style="list-style-type: none"> <li>• Istanbul Chamber of Commerce ITO</li> <li>• TÜBİSAD – Turkish Informatics Industry Association</li> <li>• Blockchain Platform</li> <li>• All Children are Ours Association</li> <li>• Spastic Children’s Foundation of Turkey – Cerebral Palsy Turkey</li> <li>• Integrated Reporting Türkiye</li> <li>• Türkkonfed – Turkish Enterprise and Business Confederation</li> <li>• Corporate Governance Association of Turkey</li> <li>• KOTEDER – Association of Listed Partnership Managers</li> <li>• BÜMED – Bogazici University Alumni Association</li> <li>• Darüşşafaka Society</li> <li>• TAYSAD – Automotive Suppliers Association of Turkey</li> <li>• TOSYÖV – Turkish Foundation for Small and Medium Businesses</li> </ul> | <ul style="list-style-type: none"> <li>• TurkishWin</li> <li>• Turkish Informatics Association</li> <li>• TÜYİD – Turkish Investor Relations Society</li> <li>• WTech Association of Women in Technology</li> <li>• YASAD – Software Industrialists Association</li> <li>• TOBB - The Union of OF Chambers and Commodity Exchanges of Turkey</li> <li>• BİYESAM – Association of the Information and Software Works Owners</li> <li>• FINTR -Fintech Association Turkey</li> <li>• Turkey Open Source Platform</li> <li>• Presidency of Defence Industries – Corporate Management Software Office</li> </ul> |
|--|--|

## Corporate governance and work ethics

We believe that fair, transparent, accountable and responsible management is essential in order to maintain the trust of all our stakeholders, and we base our management approach on these principles. The Board of Directors, the highest governing body of the company, has a total of six members, three of which are independent. Chairman of the Board of Directors and Chief Executive Officer (Group CEO) functions are separated.

Audit Committee, Corporate Governance Committee, Early Detection of Risk Committee, Remuneration Committee and Nomination Committee operate under the Board of Directors. We comply with the mandatory provisions of the Capital Markets Board (CMB) Corporate Governance Principles Communiqué, and we take special care to comply with the non-mandatory principles to the maximum extent. We continue to work towards full compliance with the Sustainability Principles Harmonization Framework published by the CMB in 2020.

You can find detailed information on corporate governance on page 104 of the [Annual Report](#).



Our Corporate Governance Rating Score has increased from 8.05 to 9.22 with the improvements we have made since the first evaluation in 2009

### Ethical principles

Logo's Code of Business Ethics forms the basis of our ethical business approach. Ethical rules regulate our relations with employees, suppliers, customers, shareholders, other stakeholders and the public. The Board of Directors is responsible for the implementation, supervision and review of the ethical rules.

Internal stakeholders can report non-compliant behaviours with business ethics rules through the Ethics Line. Processes and policies are available to all employees on the employee platform. Incoming notifications are handled by the Ethics Committee. In case of a violation, it is evaluated, and action is taken in accordance with the disciplinary regulation when necessary. In 2020, there was only one notification to the ethics line and it was resolved. There has been no notification or case detected within the scope of the fight against corruption. In the upcoming period, providing training to employees within the scope of ethical rules and ethics lines is being planned.

You can access the Code of Business Ethics [here](#).

You can access the Ethics Committee Working Regulations [here](#).

## Sectoral outlook: Global & local risks and opportunities

Between 2011 and 2018, the market value of the global information and communications industry grew two times of the whole markets.<sup>3</sup> It has reached 152.7 billion TL in Turkey. 23.4 Billion TL of this value is created by the software industry.<sup>4</sup> Adapting to the transformation shaped around servitization and SaaS in the software industry requires understanding the expectations of customers correctly and responding to these expectations in an agile manner. As customers' demand for SaaS products and experience increases, on the other hand, designing end-to-end user-friendly experiences that meet the needs brings competitive advantage.

The software industry in Turkey harbours many opportunities with its competitive cost of living, geographical and cultural proximity to European countries, mid-advanced information technology market, and medium-advanced start-up ecosystem elements. The fact that the Turkish Information Technologies (IT) market has reached a certain maturity attracts the attention of foreign investors and indicates that local companies are building capacity against their global competitors.<sup>5</sup>



In line with the development of cloud technologies and changing customer expectations and needs, servitization (SaaS and hybrid solutions) stands out as an important trend.

In line with the development of cloud technologies and changing customer expectations and needs, servitization (SaaS or hybrid solutions) stands out as an important trend. As a result of COVID-19, software suitable for remote working, e-government solutions, and web-enabled infrastructures and SaaS solutions has gained momentum. From this point of view, providing instant access to information makes business processes more efficient while achieving cost and time savings. On the other hand, with deep learning, the one-way communication between human and machine has now become two-way with machine learning, triggering operational transformation in the business world.

<sup>3</sup> *Next Software Disruption: How vendors must adopt to a new era*, McKinsey, 2020

<sup>4</sup> *Information and Communications Technology Sector: 2019 market data*, Deloitte @TUBISAD, 2019

<sup>5</sup> *Future of software ecosystem in Turkey*, Deloitte, TUSIAD, 2021

One-way communication between human and machine has now become two-way with machine learning, triggering operational transformation in the business world.

The current COVID-19 global pandemic has accelerated the digital transformation process with companies adapting to agility and flexibility. In addition, there are many opportunities for software companies to respond to developing needs with the right solutions. As these developments require IT units to become much more agile, attracting and retaining talent has become a critical trend in the software industry. According to the most up to date research in Turkey, as of 2019, 147 thousand people are employed in the software industry. Research shows that as a result of the digitalization trend, between 400 and 800 million people will lose their jobs by 2030; and that between 75 and 375 million people will be able to do different jobs by gaining new skills and competencies in line with the requirements of the age.<sup>6</sup> When considering the anticipated employment power of the software industry, attracting and retaining a new generation of talent holds important opportunities, yet strengthening those talents with upskill and reskill programs is among the important tools in responding to global and local, risks and opportunities.

In the digitalizing world, data security is also gaining more and more importance as an important risk factor.<sup>7</sup> In addition, the climate crisis appears to be one of the most important effects of the technology sector, with the increase in the need for energy consumption in the triangle of data production, storage and consumption. Reducing the effects of the climate crisis through R&D and innovation is among the critical investments of technology companies; large software companies manage their effects with energy efficiency studies.<sup>8</sup> At the same time, SaaS is positioned as a solution that also responds to the climate crisis by providing energy efficiency.

In light of all these sectorial trends, as one of the software companies that reach the largest number of SMEs in Turkey, we are positioned as the solution partner of all our customers, from SMEs to large corporate enterprises, in their digital transformation journeys. While we are in a strategic position in preparing the business world for the future, we build our strategy on servitization, verticalization and internationalization in order to maintain our sustainable and profitable growth and increase the value we create for investors. The software industry is moving away from being product-oriented with servitization and towards a service approach that requires continuity. We are expanding our SaaS solution portfolio and offering sales models such as membership and subscription, and aim to make it easier for all Logo stakeholders to benefit from the advances in technology. With verticalization, which is

<sup>6</sup> *Türkiye'nin Sanayi Devrimi, Dijital Türkiye Yol Haritası, T.C. Bilim, Sanayi ve Teknoloji Bakanlığı*

<sup>7</sup> *The recovery will be digital, McKinsey, 2020*

<sup>8</sup> *Why Software companies should care about global warming, Forbes, 2019*

specialization in the fields of an industry or function, we aim to make Logo solutions the world leader in the specific fields. In addition to the long-standing verticalization in the retail industry and e-services, we launched Logo j-Construction, as one of the actions of this strategy. As part of the functional verticalization strategy, in 2020 we acquired Peoplise, an integrated and video-enabled digital human resources management platform designed for all the recruitment needs of corporate companies. In line with our internationalization strategy, we have become a software company that competes on a global scale with investments in Romania and India. With our subsidiary in Romania, Logo Total Soft, we aim to expand our footprint in the Romanian domestic market and the European market. With the investment in India, our product development and market-fit activities, marketing efforts for the Indian market continue.

We are increasing our employee engagement score as a result of our investments in the employment and talent management trends in our sector. Details of our human resources strategy can be found in the **"We are transforming the next generation workforce"** section of this report. Working with Turkey's leading Data Centre providers, Logo's direct environmental impact is relatively low. We aim to reduce the (Scope 1-2-3) emissions caused by our operations in our offices and our business trips. In addition, the solutions we provide to our customers reduce their natural resource consumption and improve their climate performance. Especially cloud-based, SaaS and hybrid solutions are positioned as solutions that provide energy efficiency with their flexible structure and therefore respond to the climate crisis. We expect to start detailed assessment of the risks related to the climate crisis in 2021 within the framework of TCFD (Task Force on Climate Related Financial Disclosures).

## Risk management

The environment of uncertainty that came with the global pandemic has increased the importance of risk management. At Logo, we work to transform increasing risks into opportunities through effective risk management.

We carry out risk management under the leadership of the Early Detection of Risk Committee. Identifying the risks that may endanger the existence, development and sustainability of Logo, implementing the measures related to the identified risks, conducting studies on risk management and reviewing the risk management systems at least once a year are among the duties of the Committee.

The Early Detection of Risk Committee, whose chairman is an independent member, consists of two members and reports its work to the Board of Directors. Risk analyses carried out at least once a year are based on ISO 27005 Information Technologies Risk Management and ISO 31000 Enterprise Risk Management System standards. We conduct risk analysis in two basic categories: corporate risk analysis and risk analysis for information assets.

Within the scope of **corporate risk analysis**, we monitor major financial and operational risks such as technological change, talent management, competition, capital risk, debt and collection management, currency risk, market risk, credit risk management, liquidity risk management and interest rate risk.

Within the scope of **risk analysis for information assets**, we evaluate all assets from real estate to software licenses, according to the environment, hardware, people with good or bad intentions, malicious code, message or information leakage, process planning, third parties and software-based threats, and we take action depending on the output.

Environmental and OHS risks are among the non-financial risks we follow. Business continuity, which is one of the important risk areas, is managed in accordance with the ISO 22301 Business Continuity Management System. A Risk Processing Plan is prepared for the risks identified in the risk analysis. By analyzing the identified risks, the probabilities of the occurrence of these risks and their possible effects are classified and a Risk Level is obtained for each risk. All identified risks are evaluated in the risk table according to their probability, impact and risk values. Every year, risks are reviewed at Management Review Meetings and revised when necessary.

You can find detailed information on risk management on page 100 of the [Annual Report](#).

We are partners  
of the future  
with our  
stakeholders



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With Industry 4.0, which covers the modern automation system, data exchanges, production technologies and the integration of all kinds of business processes into digital ecosystems, transformation is taking place in all sectors around the world. Concepts such as the Internet of Things (IoT), artificial intelligence, autonomous machinery and cloud computing that stand out in this process, save resources and positively affect productivity and profit.<sup>9</sup> At the same time, the analysis and communication of information and the actions taken within this framework support the digital transformation of societies. According to a study, Industry 4.0 enables organizations, consumers and society to make more flexible, agile and data-driven decisions with a holistic approach.<sup>10</sup>

We respond to the transition to cloud-based or hybrid systems, big data analysis, machine learning, digital transformation and experience trends that stand out in next generation business software with our service-oriented approach. As Turkey's largest public software company, we have been developing corporate software to increase the efficiency and profitability of small and large enterprises for 36 years, and we lead the transformation of different sectors as well as our own, affecting all business processes from the root. The resource planning, business analytics, Human Resources management, e-transformation-oriented applications that we have developed provide our customers with a competitive advantage through efficient use of resources and also reduces the environmental impact.

## R&D, innovation and digital transformation

The restrictions brought by the COVID-19 pandemic have devastatingly impacted industries and business models. Digital environments have gained importance in the face of the global pandemic that is directly affecting work life. Investments in digitalization and R&D to ensure the continuity of business processes and analytical resource planning have provided companies flexibility and agility. A study shows that the pandemic is pushing companies' digitalization transformation forward by three to four years. These developments make digital transformation, which is already a global trend, a megatrend. While the operations of companies that adapt to the transformation process and transform rapidly are minimally affected, companies that respond more slowly appear to be deeply affected.<sup>11</sup> With the increasing importance of digital transformation, the increase in the demand for technology solutions directly affects the Logo ecosystem. In this context, we develop solutions that can meet different needs.

We aim to renew ourselves in the light of global trends and transform the ecosystem by taking advantage of the leverage effect of new technological developments. In this context, our developments for Logo PaaS, which we launched in 2015, enables the development of a software ecosystem platform for a cloud-based ERP application, continued this year as well. In addition, we are accelerating R&D investments in blockchain, machine learning, big data and artificial intelligence, which are at the top of the agenda. With the internalization of these technologies, we aim to enhance our service quality. Our investments, which form the basis of our business continuity and competitiveness, support the digital transformation of our customers and enable us to shape the future of the business world by radically changing the way they do business.

We allocated 146 million TL to R&D spending in 2020 which constituted 24% of our total revenue. While the budget allocated for R&D and innovation increased by 19% compared to the previous year, the number of employees in these units increased by approximately 6% compared to 2019 and reached 627.

<sup>9</sup> *Industry 4.0: Building the Digital Enterprise, PwC*

<sup>10</sup> *The Fourth Industrial Revolution, Deloitte, 2020*

<sup>11</sup> *COVID-19 digital transformation and technology, McKinsey, 2020*

We allocated 146 million TL to R&D spending in 2020 which constituted 24% of our total revenue.

We manage R&D activities and budget within the scope of three "Time Horizons" based on short, medium and long-term classification. We allocate 60% of the R&D budget to Horizon 1. In this context, we make necessary developments and improvements in existing products in line with the guidance from customers, from business partners and from within the company. We define the company's R&D efforts for the medium and long term with Horizon 2 and Horizon 3. Horizon 2 includes developments in new products and products for sectorial needs covering 1.5-2 years. Horizon 3, on the other hand, consists of innovation and R&D in the field of cloud, big data and machine learning, which are the focus of digital transformation. These correspond to approximately 30% and 10% of the R&D budget, respectively.

### R&D and innovation developments in 2020

- With the COVID-19 outbreak, issues such as flexible and remote working, effective time management, and remote working experience of teams gain importance. In this context, we have made LAPIS include non-IT teams as well. Roles and responsibilities in the organization are distributed according to LAPIS; We use common tools such as Jira, Confluence, Git in LAPIS processes. With remote working, "Daily Scrum" meetings are held through the communication platform used within the company.
- To create a culture of collaborative work and product development, we formed single-task-oriented teams from different companies within the Group. With Technology Guilds, we support both corporate culture and innovation in areas such as Machine Learning, Blockchain, Dev-Ops (Development and Operations).
- We include new companies in our ecosystem through acquisitions and mergers, and we incorporate the knowledge and experience of these companies in the field of technology. Within the scope of R&D activities, we adapt the products of these companies in accordance with their own standards to provide more efficient and high-quality results. We have made Logo PaaS (Platform-as-a-Service), a service that provides hardware and software layers to application developers, available to all group companies.

- As data security has become more critical as a result of cloud transformation, we perform Application Penetration and Vulnerability Tests with the “Data Security” unit established under Software Architecture. We are also planning to add “Static Application Security Testing” (SAST) processes to “Continuous Integration/Continuous Deployment” (CI/CD) processes.
- The software architecture unit identifies thematic digital transformation needs in the services we provide, as well as building capacity in new technology areas by following global digital trends and technological developments. With the vision of developing solutions with original and innovative approaches, the unit has implemented various projects in 2020:
  - We implemented the “**Smart Convert**” infrastructure to make cloud conversion processes easier. To support SaaS ERP product proposition, we are releasing 100% HTML, responsive and multi-tenant ERP from Logo j-Platform roots to beta. We are also launching the Internet of Things (IoT) service to collect data from the field.
  - Through the Logo Data Catalog project, we take the Machine Learning experience internalized with the Logo.us platform one step further. With the development of new generation chat agents, online help and documentation processes are managed by machine learning. As a result of an innovative approach, we support the need for multilingual support for international competitiveness with a machine learning supported translation service.
- We develop and integrate mobile signature services, which have become mandatory with changing business models.
- We developed the “Low Code” platform to support digital transformation and to be used in our ecosystem. “Low code” platform, unlike traditional programming, enables rapid application development with visual modelling and drag-and-drop structure. With this approach, faster and more reliable applications can be developed without writing any or limited code. With “Low Code”, field experts can focus on development directly without wasting time on infrastructure, system and implementation issues.
- In 2020, we launched our IoT hub service (beta) in order to support our Turkish-supported optical character service in beta phase and with the Internet of Things as a complementary service and are integrating it with our ERP applications. In addition, we aim to make the Personal Data Protection Law (PDPL) compliant Document Management Service operational in 2021 in order to support the digital transformation journey of both Logo and our ecosystem.

### Machine learning supported knowledge platform

With the machine learning supported knowledge platform project, we offer the user and support documents to the ecosystem through smart agents through products and docs.logo.com.tr. In this way, we aim to expand the scope of Level 1 support services and provide a better use experience. In addition, we are working to automate the multilingual support of our products by integrating them with ML (Machine Learning) supported translation services. With the completion of this project, Logo products will be put into service in the local language in all countries that comply with the legislation.

### Open-source code implementation

As Logo, we believe in the transformative power of open source and support open-source ERP migration processes by participating in SSB Corporate Management Software Studies. We share the improvements and developments that we have made regarding the open-source libraries to increase the ecosystem capacity.

### Logo Agile Process Improvement System (LAPIS)

The core of the Logo Agile Process Improvement System (LAPIS), which is among the most important tools in the realization of the R&D and innovation strategy, and is developed with a lean production approach, and the period specific to each product group is expressed as the pulse of Logo. In these periods, we develop new versions for each product. In 2020, we released 359 versions. 3,896 new features have been added to these versions by the Product Development team alone.

We are expanding LAPIS to include non-IT Logo teams, in order to better manage remote working and time management issues, which gained importance and momentum due to the pandemic. In this way, by making it possible to work efficiently and effectively from home, we prioritize the health of our employees and prevent the R&D and production capacity from being adversely affected. We distribute the roles and responsibilities in the organization based on LAPIS. In this process, common tools such as Jira, Confluence, Git are used, and remote working and “Daily Scrum” meetings are held through the communication platform used in the company.

In order to create a collaborative work and product development culture, we are establishing single-focused teams from different business units in the Logo Group. The dissemination of knowledge in innovative fields such as Machine Learning, Blockchain, Dev-Ops (Development and Operations) contributes to both corporate culture and innovation capacity, thanks to the Technology Guilds formed by employees from different departments within the company working together on a project basis.

## Digital transformation solution partner eLogo

eLogo, which started out as a system that integrates processes to guide the digital transformation processes of companies, continues its activities as an e-service company that offers end-to-end technology solutions for the needs of different sectors and customers. With these solutions, we ensure that paper, printing, archiving, labour and distribution costs are reduced, financial processes are accelerated with the reduction of operational burden and data security is ensured.

eLogo, which provides e-Invoice, e-Archive, e-Ledger, e-Dispatch and storage services approved by the Revenue Administration (GIB), provides services to businesses that use our company's solutions as well as different enterprise application software. We strengthen these services with different value-added services such as e-Collection, e-Statement, e-Reconciliation, e-Dispatch, e-Commerce portal, e-Producer Receipt and Occupational health and safety solution.

As a result of the new communiqué of the Revenue Administration, many changes were made in the rules of using e-Invoice, e-Dispatch and e-Self-Employment Invoice in 2020. With eLogo, we aim to maintain our market leadership by offering the best experience to our customers based on new changes. Within the framework of this purpose, we increase the number of software that provides integration is increasing day by day. For example, with solutions integrated into the cash register and e-Commerce software of cafes and restaurants operating in the service sector, we offer these businesses the opportunity to create their invoices through their existing systems.

You can find more detailed information about eLogo's 2020 operations in [Logo 2020 Annual Report](#).

## Our new technology solutions

With our R&D and innovation investments, we offer our customers technological solutions in different fields, and with these applications, we increase efficiency in business processes, reduce environmental impact, and manage risks and resources more effectively. In this framework, applications we have developed such as Enterprise Resource Planning-ERP, Customer Relationship Management (CRM), Human Resources Management, Workflow Management, Warehouse Management System (WMS), Business Intelligence (BI) are at the forefront of software solutions.

New product	Prominent features for a more powerful user experience
<p><b>Logo WMS</b></p>	<p>The Logo WMS solution has been redeveloped with new generation technologies and aims to enable small and medium-sized warehouses to quickly use all the features they need. Logo WMS supports digital transformation in warehouse management and customer operations. From start to finish, all warehouse movements are carried out on devices with Android operating system, and it helps to increase financial profitability by accelerating processes through its many improved functions. At the same time, it improves warehouse processes by controlling all the points that may need improvement or that may be overlooked in any operations carried out by hand.</p>
<p><b>Logo j-Construction</b></p>	<p>In 2020, we launched the Logo j-Construction module, which is included in the Logo j-Platform ERP solution. j-Construction enables construction companies to manage their field activities, projects, and all financial and operational processes in the most efficient way. Launched in September, Logo j-Construction digitizes and simplifies complex construction site processes and enables easy management of cooperative processes between parties.</p>
<p><b>Logo Payroll</b></p>	<p><b>Cloud transformation and the new Payroll-HR product range: Logo Payroll</b></p> <p>Logo has developed the cloud-based Logo Payroll, taking into account all human resources processes that will be transferred to the digital environment under the "new norm" conditions with the global pandemic, and the widespread use of SaaS in global payroll and human resources software. Launched in 2020, Logo Payroll ensures that human resources processes are managed uninterruptedly and independently of time and space. In addition, the application, which will respond to data storage and flexibility needs, includes features such as personnel management, leave management and organization management used by human resources units of all sizes in addition to payroll functions.</p>
<p><b>Logo Flow mobile application</b></p>	<p>Logo Flow enables paper-based work processes to run smoothly by transferring them to the electronic environment and help users save time, labour and paper. Thanks to e-Signature integration, eLogo integration and Docplace integration in the newly developed mobile application of Logo Flow in 2020, our customers can easily and quickly carry out all their workflows regardless of time and place.</p>

**New product - ecosystem solutions**

**Prominent features for a more powerful user experience**

**Gastropos**

With Gastropos, developed by the Logo solution development business partner Zensoft, all order processes are managed online in businesses that provide table and takeaway services; sales and employee performances can also be checked instantly. With Gastropos, fast, contactless order and payment transactions can be made easily.

**Fixidesk**

In the ecosystem solutions category, we developed Fixidesk with our business partner İmgesoft so that our customers can manage their technical service processes. With Fixidesk, which is integrated with all cloud-based structures of Logo as an after-sales service solution, services can be recorded, and after-sales services can be started. Thus, assembly, service and maintenance processes can be easily managed.

**Online Bank Statement Transfer**

Online Bank Statement Transfer, one of the logo-approved ecosystem solutions, provides instant transfer of statements. Credit card POS and account statements are instantly transmitted to Logo ERP as bank or deduction slips. Online bank statement transfer can work integrated with all banks in Turkey.

**Prominent digital transformation projects**

We aim to develop our ecosystem by offering end-to-end solutions tailored to customers' requests through digital transformation consultancy works. Accordingly, in 2020, we have collaborated on many topics such as IoT (Internet of Things), RPA (Robotic Process Automation), PDKS (Personnel Attendance Control Systems), factory and logistics sensor technologies, machine vision and machine learning.

In 2020, with the impact of COVID-19, we started to implement the remote project process and redesigned the processes to be implemented remotely without going to the customer's location. In this context, we completed approximately 5 projects and more than 2,500 customer activities. Within the framework of the redesigned process, standard templates were created for the projects; We contributed to the project and sales processes by revising the service and effort periods of the projects. We also saved time by creating system topology designs in order to direct the pre-sales and sales processes of the projects more effectively in terms of customers.

- In 2020, we built a Campaign Module on the DAS (Dealer Automation System) structure so that a company producing automobile tires could sell tires to its end users. While this project stands out by providing the company with the opportunity to directly reach its end consumers outside the dealer network, the latest statistics show that 60% of tire sales are made through this system.
- In 2020, the project of disseminating a special application in the MEA (Middle East Africa-Middle East and Africa) Region was implemented. The transition of a special application offered to its users by an international company operating in the chemical industry has been completed in 8 countries in the MEA Region. The application provides the entry of the contracts that authorized users will prepare for their customers and the preparation of output according to the calculations that change during this process. The average profit period can be calculated according to the master definitions determined in the system.
- Logo j-Platform ERP (Enterprise Resource Planning) application was started in 63 dealerships of a customer operating in the automotive industry, and the project and certification processes were completed in 3 pilot dealerships. End-to-end processes were completed with the modules of Logo j-Platform such as Purchasing, Sales, Finance, Accounting, e-Transformation in brand new, second hand and rental services at pilot dealerships where the dealer automation project was completed.
- As Logo, we carry out various activities regarding digital agriculture applications. In this context, we have developed the Producer Module, which is the first solution in digital agriculture, and which enables the production of progress payment calculations and accounting transactions, by taking the products into operation from the collection centres and passing them through control processes such as scales and laboratories in the enterprise. Through the Producer Module, which we aim to use in the second phase of the transformation project we started with a company engaged in agricultural production, our customers can quickly perform e-Government transactions such as e-Dispatch, e-Producer receipt and Social Security premium debt inquiry. In addition to the Producer Module, we are also working on creating an end-to-end digital agriculture solution set by collaborating with specialist suppliers. Examples of these activities include good agricultural practices such as spraying and fertilizing with drone technology; satellite-assisted agricultural practices such as yield forecasting and sowing-harvest recommendation; There are also IoT (Internet of Things) applications such as soil analysis, temperature-humidity based automations, and FinTech applications for integrating financial systems with agriculture.

## Our international operations

In Romania, we are developing business software solutions under the Logo Charisma brand umbrella within our subsidiary **Logo Total Soft**. Logo Charisma ERP, one of the most preferred products of the company, has been structured as a universal solution that includes modules specific to various industries such as financial services, retail, distribution, manufacturing, construction, agriculture, energy, healthcare and services. Whilst we are the local leader in ERP, leasing, human resources, payroll software solutions and healthcare applications in Romania, we are among the top 10 ERP & HCM providers in Europe.

In 2020, Logo Total Soft continued to invest in the existing products to improve performance, adopt new technologies, and recode old modules. R&D efforts focused on development of new products, fully automated decision support systems, and the adoption of new technologies by moving solutions to cloud. Chatbot and electronic signature solutions support the digitalization of customers and have positive aspects such as effective time management, increased performance and financial savings. Total Soft developed HR Reporting Tool and Continuous Feedback solutions for its customers to adapt to rapidly changing economic conditions. Charisma EveryWare has been expanded to make all business solutions more accessible and open to third-party integration.

With **Logo Infosoft**, our joint venture with GSF Software Labs LLC in India, we aim to improve the basic operations of SMEs with technological solutions. India has a vibrant economy with approximately 60 million SMEs that have entered the path of digitalization with the mandatory Goods and Services Tax (GST) legislation. Logo Infosoft's product portfolio contains; Goods and Services Tax compliant JUGNU ERP, Distribution Management Systems and Sales Force Automation solutions SMART DMS & SFA (DMS: Distribution Management Systems & SFA: Sales Force Automation) and mobile phone compatible CaptainBiz (formerly Vyapari) aimed at facilitating business operations of mobile customers.

Logo CaptainBiz, a cloud-based product developed by Logo Infosoft, is a pre-accounting software designed for SMEs and retailers who need real-time inventory information and purchasing and sales processes that comply with Goods and Services Tax regulation. In 2020, product strengthening, stabilization and scale-up processes were completed for CaptainBiz. In addition, in 2020, a major European olive oil company went live with DMS Solutions in its modern trade distribution operations in India. Thanks to its delivery excellence and effective solution hardware, Logo Infosoft expanded its service scope by undertaking the automation of the customer's general commercial activities in India.

You can find more detailed information about Logo Total Soft and Logo Infosoft's 2020 operations in the [Logo 2020 Annual Report](#).

Logo Total Soft is among the top 10 ERP & HCM solution providers in Europe.

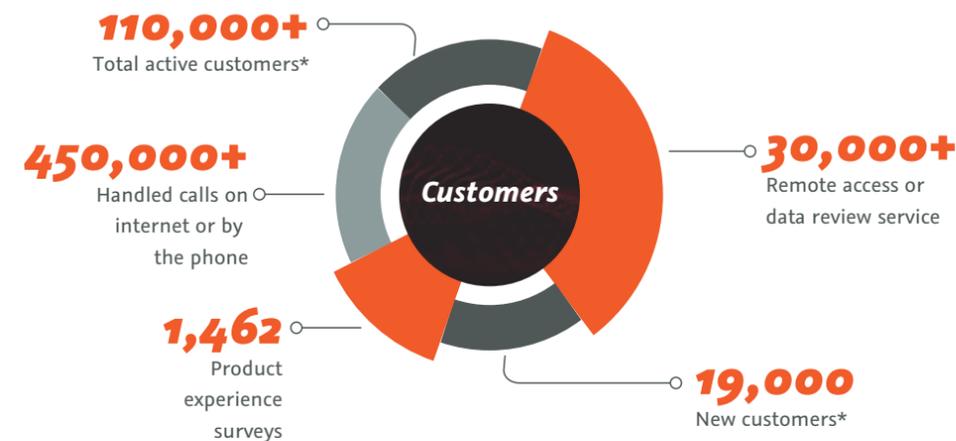
## Customer experience

As Logo, we aim to be the solution partner of our customers with the innovative products we have developed in the light of global trends and technological developments. While we enable our customers to create economic and social value by increasing their performance in business processes, we help reduce their environmental impact by reducing their natural resource consumption. As of 2020, we produce solutions for more than 110 thousand active customers from large companies to SMEs and micro-enterprises. As the ERP leader in Turkey, we play a role in the transformation of the sector, and we facilitate the rapid adaptation of customers to this transformation with innovative technologies and the power of digitalization.

With **Logo Wings ERP solutions** that support remote working, users can manage their work from anywhere, anytime, without being tied to a place. The solution, which removes the necessity of going to the office, not only saves time for users, but also prevents carbon emissions by eliminating the need for travel.

We use international certifications to manage our relationship with our customers. At the centre of our understanding of customer focus is the ISO 10002 Customer Satisfaction Management System, which enables us to effectively manage customer satisfaction. With this system, we evaluate the requests and notifications from customers by taking into account the legal regulations, and take action focused on continuous improvement by measuring customer satisfaction. In this context, we conducted satisfaction surveys with over 450 thousand support calls, 373 customers in SME products, 722 customers in ERP products, and 278 customers in Payroll solutions in 2020, and held welcome and thank you meetings with 19 thousand customers.

Our customers and businesses in need of enterprise application software can reach our company from the call centre at 444 56 46 (444 LO GO) or from the corporate website [www.logo.com.tr](http://www.logo.com.tr). We resolve customer feedback in line with customer satisfaction principles. In 2020, as per Logo Turkey and eLogo's activities we followed up 275 negative feedbacks in line with customer satisfaction principles and resolved 271 of them.



\*Represents Logo Group figures. 24% of active customers and 69% of new customers belong to MicroSME segment. Other figures represent Turkey operations.

### Business partner development project

As Logo, we run the Business Partners Development Project in order for our business partners to continuously develop, grow and complete their corporate transformation. In order to design company materials in accordance with corporate identity and increase communication efficiency in digital media with the use of Corporate Transformation Packages, we provide services under the headings; Basic Design, Digital Transformation, Corporate Film Shooting, Digital Advertising Consultancy, Website and SEO (Search Engine Optimization) Consultancy and Social Media Management Consultancy.

### Data security

The expansion of the online world, accelerating technological developments and the rise of digitalization, especially with COVID-19, is causing an increase in cyber risk factors. Therefore, the need to adopt a more effective data security management arises. According to Forbes' research, 2020 broke a record in terms of the number of cyber-attacks and data breaches.<sup>12</sup> In today's rapidly digitalizing and increasing global cyber risks, we, as Logo, invest in R&D and innovation to develop effective applications that will data security of our customers.

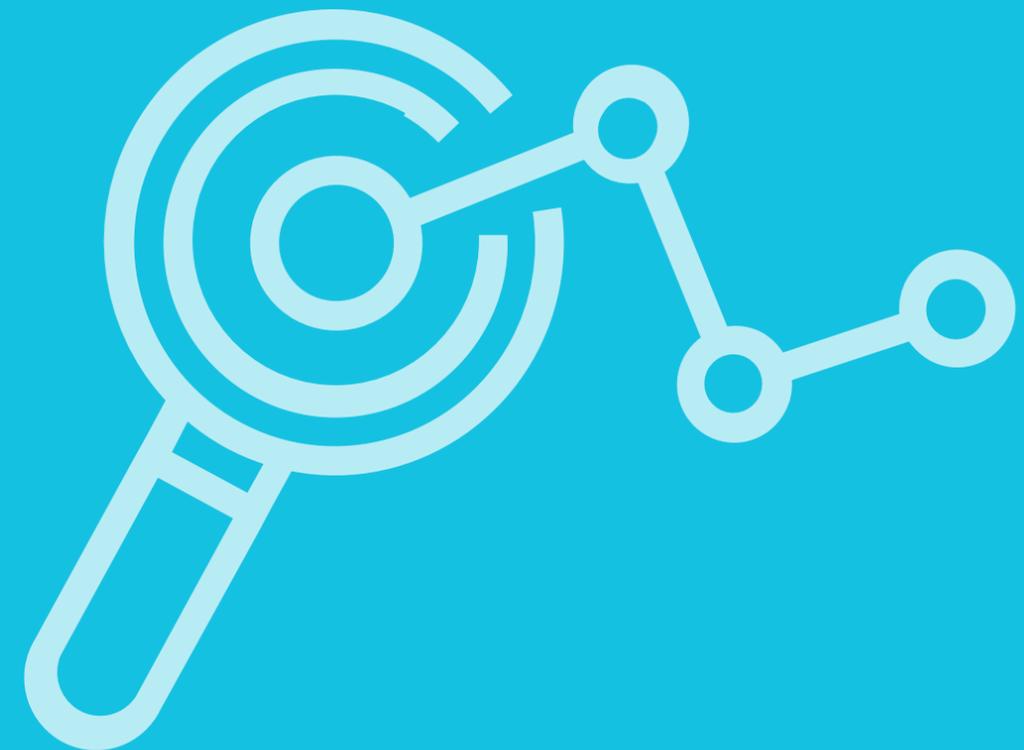
We benefit from international management systems to manage cyber security and business continuity within the company. With the ISO 27001 Information Security Management System, which is the first of these, we aim to ensure business continuity, minimize the damages and risks arising from security breaches, manage the risks against the information created, processed and stored on the technology infrastructure, and take measures to protect all physical and electronic information assets and continuously improve them. With the ISO 22301 Business Continuity Management System, in events that may occur outside of our control (disaster and emergency); we primarily ensure the safety of life of employees and guests in all offices, meet the expectations and needs of customers and investors uninterruptedly, take quick and correct action in case of a possible interruption, and prevent financial losses and damage to the company's reputation.

<sup>12</sup> [Alarming Cybersecurity Stats: 2021, Forbes](#)

A hand is shown typing on a laptop keyboard. Overlaid on the image is a network diagram consisting of several circular nodes connected by lines, representing a digital or data network. The text is overlaid on this background.

**We invest  
in R&D and  
innovation to  
develop effective  
applications  
that will ensure  
data security of  
our customers.**

We are  
transforming  
the new  
generation  
workforce



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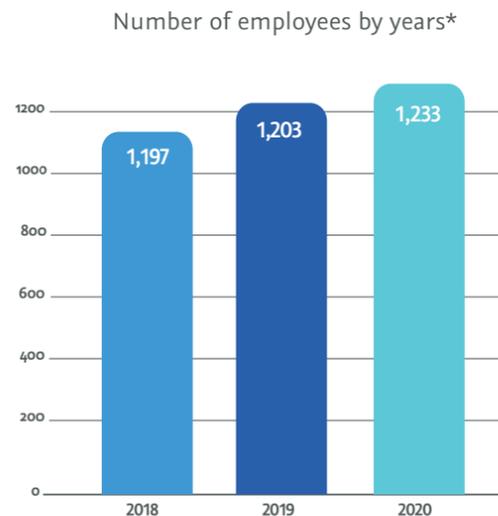
Advances in technology and digitalization are changing industries and workforce needs on a global scale. It has been predicted that by 2025, 85 million jobs will have been displaced by machines, and 97 million new jobs will be created for humans.<sup>13</sup> According to research, while 38% of companies have accelerated digitalization and automation in their business processes due to the Covid-19 outbreak, 86% plan to increase or maintain their number of employees.<sup>14</sup> This table reveals the need companies have for human resources applications that include their existing and new employees in the digital transformation, in order for them to be proactive against the risk of a shortage of talent.

As Turkey's largest local enterprise application software company, we focus on transforming our human resources and new generation workforce to lead the digital transformation of industries. We invest in the future of our employees and young talents of the industry, who are the catalysts of digital transformation. By prioritizing equal opportunity and diversity, we offer a work environment where all employees work happily and with loyalty.

### Investment in talent

Digitalization affects professions in all sectors and makes transformation inevitable. With the introduction of technologies such as robotics, artificial intelligence, and the internet of things (IoT) into business processes, existing employees need to develop their professional competencies in line with digitalization. Failure to meet the required competencies causes a talent gap, while at the same time it results in companies having trouble hiring the right talent. According to research, 44% of companies will have problems in reaching talent in the next five years; 43% state that they have already encountered this problem.<sup>15</sup>

At Logo, we work with the right talents in order to do our job in the best way, and we invest in talent in this way. We are improving the employee experience by making use of digitalization in order to retain the existing talents in our team, which reached 1,233\* people by the end of 2020, and to ensure that new talents join Logo. For our company to achieve its strategic goals, we ensure that our employees gain competencies that meet the requirements of the age throughout their career journeys at Logo. We monitor the performance of our employees and design training sessions that will develop the personal and professional competencies they need to advance in their careers.



\*The number of employees by year represents the number of employees at the end of the period, including India operations

<sup>13</sup> World Economic Forum, The Future of Jobs Report 2020

<sup>14</sup> Manpower Group, 2021: Skills Revolution Series

<sup>15</sup> McKinsey & Company, Beyond hiring: How companies are reskilling to address talent gaps

### Diversity and inclusion

Providing diverse and inclusive work environment, including gender equality in the business world, contributes to socio-economic development and provides development opportunities for employees. Research shows that teams with diversity and inclusion make 87% better business decisions, and the implemented decisions yield 60% better results.<sup>16</sup>

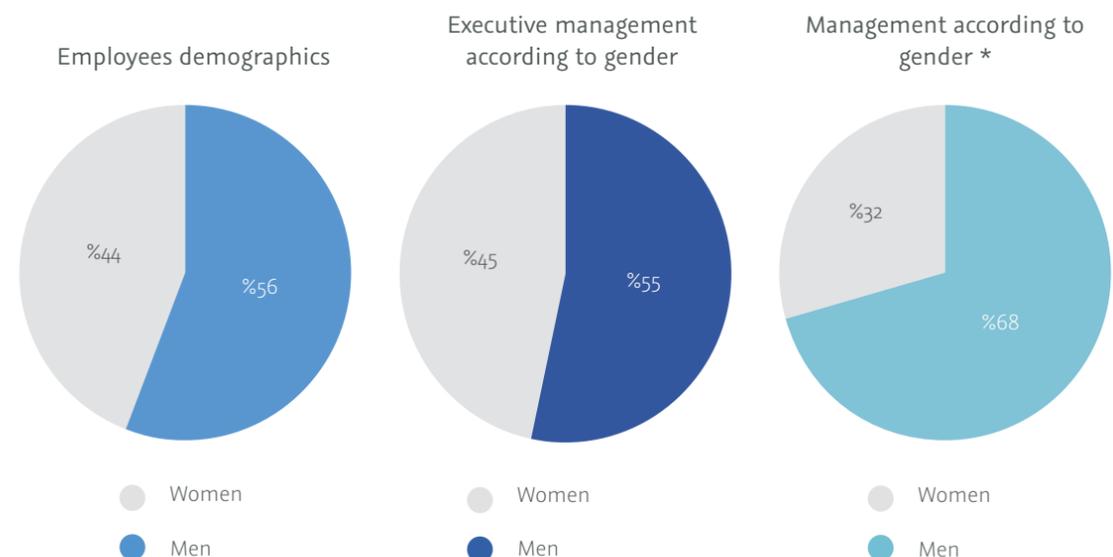
At Logo, we do not tolerate discrimination against employees on any subject such as gender, race, language, religion, sexual orientation. We believe that diversity of employees enriches the work environment, and we offer equal opportunity to all employees. We provide decent work conditions by observing the Universal Declaration of Human Rights and the International Labour Organization (ILO) Declaration of Fundamental Principles and Rights at Work.

In 2020, we created an agile team under People and Organizational Transformation (iOD) department. We aim for the relevant team to first examine the studies on gender equality and make suggestions. As a result of our analysis, we have created an empathy map that reveals the problems that employees may experience in business and in private life. Thus, we plan to seek solutions to the problems experienced by employees. We are evaluating the inclusion of studies in this field in the internal learning system.

We support gender equality in order to remove barriers to women's participation in business life on equal terms. In 2020, we became a signatory to the UN Women Empowerment Principles (WEP). We held an awareness webinar on violence against women within the company to raise awareness on November 25, International Day for the Elimination of Violence Against Women.

In addition, we participated in the Senior Mentoring Program in cooperation with TurkishWIN. Within the scope of the program, women managers who mentored on behalf of Logo supported women students to find answers to their questions about business life and their future careers. Since 2019, we have been a participant in the Business World Against Domestic Violence Project organized by Sabancı University. In-house presentation and awareness-raising activities continue with internal trainers trained in this field.

We aim to increase the representation of women among employees and managers in our company. In 2020, 44% of employees, 45% of executive management and 32% of all managers\* were women.



<sup>16</sup> Cloverpop, White Paper: Hacking Diversity with Inclusive Decision-Making

\* Includes Turkey and Romania operations only. does not include India and Elba HR (Peoplise)

**44% of employees and 45% of executive management are women.**

## Digital employee experience

We have redesigned our human resources practices within the scope of the Human and Organizational Transformation (IOD) strategy. We have positioned the strategy on being an employer brand that embraces agility, creativity, innovation, efficiency and a culture of continuous improvement, focusing on employee experience and developing teams with exemplary leaders that have a coaching approach.

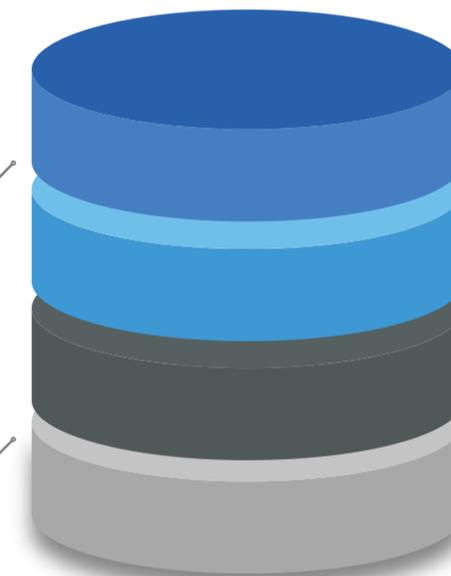
We initiated the digital transformation that will support the IOD strategy with **Logo Digital**. We have positioned the digital transformation parameters into a model with four focal points.

### 1. Perspective and skills:

Increasing digital literacy by focusing on social and emotional intelligence to develop digital thinking and perspectives is the first focal point of the digital transformation model.

### 2. Knowledge:

Dijital It consists of developing digital business competencies and providing development and increasing the level of knowledge on issues such as data security, technological infrastructure, cyber security and detailed information about Logo products.



**3. Agility:** It consists of facilitating adaptation to remote-work model, developing agile software, project management and gaining the ability to establish an organization.

### 4. Processes:

The final focal point, which consists of understanding what has changed, from customer processes to Logo's processes, adapting them according to new needs and providing employees with an efficient working experience during the on-going remote work process.

The Logo Agile Process Improvement System (LAPIS), which we developed based on lean production philosophy and agile methodologies, has been used by product development units since 2008. LAPIS has been adapted for non-IT teams with the same principles to be used in different units of the company. With the process designed as LAPIS for non-IT, we aimed to make the uncertain, complex and variable parameters more clear, simple and suitable for planning with basic principles. These principles include time management, transparency, adaptation and continuous improvement. As of 2020, all units within IOD became LAPIS for non-IT users.

Corporate Governance, Quality Management, Measurement, Process Definition, Process Evaluation, Process Improvement, Human Resources Management, Training, Information Management, Infrastructure, Audit processes in the area of responsibility of the IOD unit were audited by an accredited independent audit company; Successfully passed the TS ISO IEC 15504 SPICE Maturity Assessment audit and was certified to be at Level 5 Maturity Level. We became the first company in Turkey to receive the highest-level certificate in this field.



Logo became the first company in Turkey that received the highest-level certificate within the scope of TS ISO IEC 15504 SPICE Maturity Assessment.

### Remote work and adaptation to COVID-19

With the World Health Organization raising the pandemic risk to the highest level for the whole world on February 28, 2020, we established an Employee Health, Safety and Business Continuity Desk (ÇSGIS) at Logo at a time when no coronavirus cases were confirmed in our country. ÇSGIS Desk started to act together with the OHS (Occupational Health and Safety) Board on Global Outbreak Measures. ÇSGIS Desk, which took regular actions as of March 3, decided to work remotely for all offices as of March 17. Emergency Outbreak Plans have been prepared and are constantly updated according to legal changes. Measures taken accordingly:

- We have prepared the Antivirus Program for Logo employees who need to come to the office within the scope of business continuity.
- We prepared an Office Capacity Report and completed the necessary studies for the compliance of the infrastructure, including the common areas, with legal standards by making visual applications.
- We regularly perform PCR tests on employees who come to the office.
- We have determined the measures to be taken for the employees who need to visit customers and we follow them with the Customer Visit Form.
- We sent office chairs, monitors and office equipment to the homes of the employees (350 Logo team members in total) who requested it to ensure the ergonomics of working at home.
- We carried out the maintenance and cleaning work of the ventilation systems in all our offices and provided disinfectant supplies.
- We established the “We are at Home” platform in order to maintain communication with employees through the remote working process and to keep them informed on social and company-related issues. We aimed to regularly inform employees about in-company work, to support employees in accessing the information and support they need during the remote work period, and to communicate one-on-one with leaders within the scope of corporate leadership.
- IOD units organized webinars on topics such as anxiety and stress in case of uncertainty, healthy nutrition, ergonomics and eye health in order to help employees adapt to the remote working process. A Working with Children Guide for parents working at home was also prepared.
- Biz Bize (JustUs) webinars were organized by IOD with Logo Leaders. Through the webinars, the leaders in the Logo Leaders Platform can come together with all employees to share information about the sector, the unit they are responsible for and social issues, and can directly answer the questions of employees.

During the remote work period, we conducted a survey to listen to any personal problems employees may have relating to the pandemic and to measure general satisfaction. The results of the survey showed that general satisfaction with Logo's actions is 99%, those who find communication with Logo sufficient 99%, 96% of employees did not lose their team spirit, and 87% think that productivity in the office can also be achieved from home.

## Performance and career management

Performance and career management play an important role in the workforce transformation that companies need in order to achieve their strategic goals. Within the scope of the performance management system we run at Logo, we monitor the performance of employees throughout their career journeys, starting from the first working day, and invest in development areas.

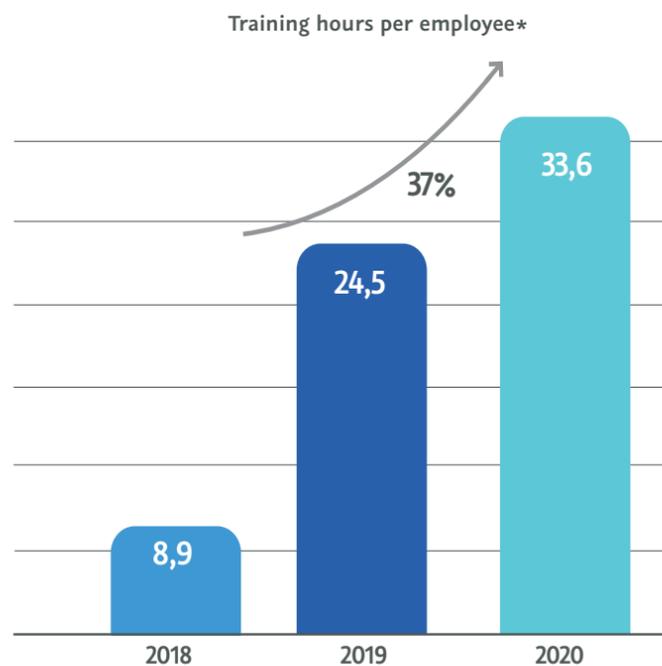
In 2020, we subjected 97% of our employees in Turkey and Romania to performance and career development evaluations. 95% of the employees in Turkey passed the evaluation based on multidimensional, formal benchmarks and measurable targets.

### Logo GROW: Learning focused career development model

The outputs of the performance management system constitute the input for the Logo GROW Learning-Oriented Career Development Model. Logo GROW, which we launched in January 2020, consists of four basic dimensions: performance management, career development, learning and development, and backup. We have defined a total of 527 horizontal and vertical career transition alternatives and the minimum requirements for these transitions for 134 different roles at various levels up to director level. We made the career matrix work accessible to all employees on Logo's corporate intranet portal Sosyalogo in July.

Thanks to the internal recruitment process carried out under the roof of Logo GROW, the rate of filling vacant positions with internal candidates increased to 32%. We also prepared backup plans by conducting potential assessments for 42 different managerial roles.

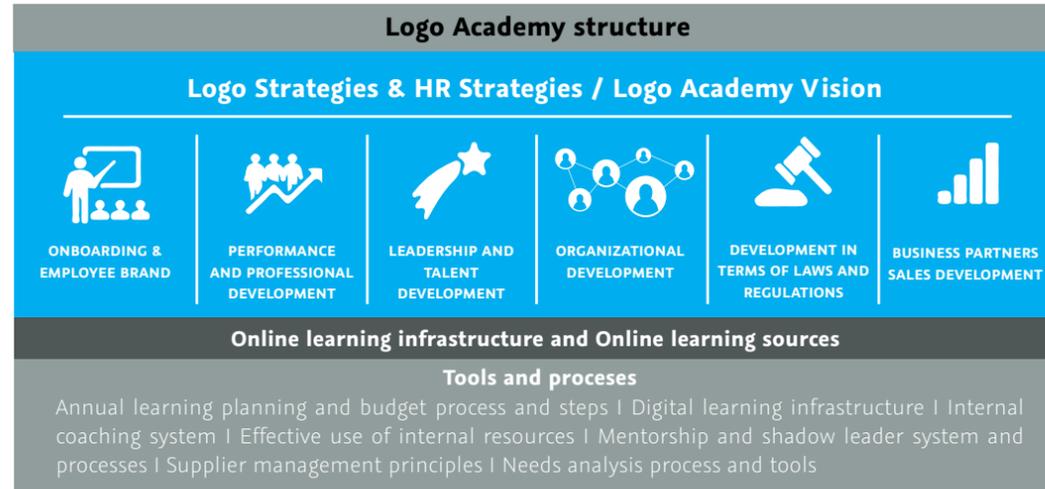
The outputs of the performance and career management process reveal the personal and professional development needs of employees. In this direction, we provide trainings that support the development of employees with a focus on digitalization, strengthen the leadership competencies of managers, and provide digital training resources. The average training hours per employee in 2020 increased by 37% compared to 2019 and reached 33,6 hours.



\*Data for 2018 covers only Turkey operations.

# Trainings per employee increased by 37% to 33.6 hours.

We have redefined the Logo Academy architecture in order to carry out Logo Group training and development activities under one roof and to integrate these activities with human resources processes. We provided membership and access to national and international online learning platforms to increase digital learning opportunities with Logo Academy, which covers only Turkey operations. Using these platforms, 63% of employees attended at least four online trainings.



Logo Academy trainings	Scope
<b>Internal trainers</b>	The Internal Trainer Project, which we launched in 2019 in order to transfer the knowledge within the organization between the teams and to develop the culture of learning from each other among the employees, continued in 2020 as well. At the end of the initial evaluations, 12 internal trainers who participated in the Train the Trainer program had graduated and started to give trainings within Logo. The second group of trainers started the training program as of November 2020. We are planning to train internal trainers, who provide training on Logo products and solutions, to become competent in different subjects.
<b>Sales and support academy</b>	In 2020, we started the Sales and Support Academy project for the development of Logo Group Sales and Support functions employees and business partners. As of 2021, we will implement training programs for Sales and Support employees and Business Partners completely digitally on mobile platforms.
<b>Technical training</b>	In order not to interrupt technical training needs during the remote work period, we opened 11 classroom trainings on six topics (Software Testing Processes, Business and System Analysis, MS Excel, MS SQL, Basic Accounting and Financial Approach, Test Automation) and 110 employees received training.
<b>Stress management and emotional mindfulness for support teams</b>	Before the pandemic, we planned Stress Management and Emotional Awareness training for Support Teams to enable Customer Relations and Support teams to manage their stress levels. 120 Logo employees participated in this program, which was opened as six classes.
<b>Maintaining emotional balance when anxious</b>	In order to meet the emotional support needs brought by the pandemic process, the Protection of Emotional Balance when Anxious training program was launched, and 30 employees participated in this training, which continued in three sessions.

Logo Academy trainings	Scope
<b>Digital performance development workshops</b>	In order to improve the learning journey of both leaders and employees, we implemented Digital Performance Development Workshops, all of which were prepared by Logo Academy. The workshops were transformed into a learning journey supported by seven main modules, 32 topics, eight e-learning modules as well as webinars and articles. Through the Performance Development Workshops, Logo team members gain in-depth information on performance management, feedback, performance interviews, competencies, performance evaluation, the connection between performance and development and the new dynamics brought by the remote working model.

Leadership is an essential part of the employee experience in our company. We offer training programs for the development of leadership competencies of managers and employees in the classroom and/or online platforms. During the pandemic, trainings were mostly held online.

Leadership trainings	Scope
<b>Three phase leadership development program</b>	We designed a three-phase Leadership Development Program, namely Self-Leadership, Team Leadership, and Business Leadership, in order to improve the leadership competencies of managers, and approximately 125 senior and middle-level managers participated. In addition, a Feedback Training Program was held to contribute to the performance evaluation process. A total of 15 managers at the level of Director and Manager were included in the Development Centre Program and Individual Development Agendas were prepared for these managers.  The three-phase leadership program was designed completely online for new leaders during the pandemic process.
<b>Remote leadership</b>	In the first week of the pandemic process, we provided Remote Leadership training through a digital learning platform to 135 leaders working with a team affiliated to them.
<b>Exceptional leadership in difficult situations</b>	Exceptional Leadership in Difficult Situations, the Basic Leadership program of Logo Leaders Academy started in 2020. The 11-week program consisted of strategic agility, high-performance team leadership and energy-inducing phases. A total of 28 administrators are currently in this program.
<b>Performance development workshops - Special module for leaders</b>	As an extension of the Performance Development Workshop, a second development journey including modules exclusively for leaders was designed and made available on the digital learning platform.
<b>Online coaching</b>	As an extension of the Performance Development Workshops, we have prepared a module for Logo Leaders team members on topics such as feedback, management fundamentals, and remote working culture. Online coaching training was provided by creating individual development agendas for 50 leaders. With this program, we aim to enable leaders to support their teams by not only managing them but also coaching them in their career paths.

## New talent acquisition

Talent acquisition processes at Logo are planned in such a way as to enable finding the most suitable teammates based on corporate culture, company goals and position-specific competencies. We observe the principle of equal opportunity in recruitment and make evaluations based on knowledge, experience and Logo competencies. During the selection process, we aim to recruit the most qualified young talents and experienced professionals who will take Logo forward, as a result of a fair and objective selection. In this direction, we use General Ability Test and Personality Inventory applications developed by professional companies that are experts in their fields.

We are updating the talent acquisition and candidate evaluation stages as part of the continuous improvement and digitalization process. Since the beginning of 2020, the recruitment process continues end-to-end, digitally. New Logo employees go through onboarding and orientation processes.

We continued our efforts in 2020 to increase the awareness of Logo especially among young talents and to be in constant communication with the youth:

- As part of Career Days, we set up stands at the campuses of Bilkent, Istanbul Technical University, Gebze Technical University and Izmir University of Economics and met with students.
- We shifted activities where Logo worked together with young talents, to completely digital environments. We attended digital career days.
- We collaborated with many universities and career platforms to conduct interview simulations, speeches and company presentations. We participated in virtual career fairs.
- 13 Logo leader team members spoke at university events. The leaders took part as speakers on 18 different platforms in total.

We carried out the LOG-in internship program, which we organize every year to reach young talents, on digital platforms in 2020. Nearly 4,000 trainee candidates, 45% of whom were women, applied to the program. Among the candidates who passed various tests, 79 young people, equal numbers of men and women, participated in the internship program at Logo. 22 of the interns (equal number of men and women) continue their careers at Logo. By supporting the interns in the field of work and education throughout the distance working process, we concluded this program with 97% intern satisfaction according to the survey results.

## Loyal employees

There is a strong and positive relationship between employee engagement and company success. For this reason, employee satisfaction is at the top of the agenda of the business world. We aim to keep employee satisfaction and loyalty at the highest level and to increase it continuously. In this direction, we organize an employee engagement survey every two years to measure the satisfaction of our employees and to get feedback from them. 86% of Logo Turkey employees participated in the survey we held in 2020, and the employee loyalty score rose 8 points to 79% compared to the previous period. In the same survey, the score of the question "I am proud to work for Logo Group", which indicates employee satisfaction, increased by 5 points to 93%. In Romania, 66% of the employees participated and the loyalty score was measured as 68%.

Mixed groups were created across Logo to evaluate the survey results and the feedback we received from the employees, and to define improvement actions. These groups presented their development action proposals, prepared under the coordination of IOD, to the senior management. We are planning to implement positive actions as of 2021.

## Flexible working and fringe benefits

We launched flexible working hours in 2020 to improve the employee experience. Accordingly, we have switched to a system in which all Logo employees will work actively between 10:00 and 16:00, and that they can use the start and end times flexibly to meet the daily working limits. We have implemented Logo Flexible Hour System so that employees can convey their requests to their managers, and we have made it accessible over the intranet. Employees determine their schedules on a daily, weekly and monthly basis.

With the transition to remote work during the pandemic, we provided employees with the office equipment they needed such as monitors and keyboards. In order to provide equal conditions to employees who previously received cafeteria services, we launched a meal card application for everyone.

In terms of fringe benefits, we offer private health insurance with various packages to every employee as of the date of employment, regardless of trial period. In addition, depending on the grade, we provide benefits such as private health insurance, company vehicle and fuel assistance, company mobile phone and line, individual Pension System support, performance bonus, transportation and roadside assistance, meals, advances in instalments. We have applications such as gift vouchers on special days within the reward system. Logo users benefit from shopping discounts at selected institutions through the LogExtra platform.

## Reward platform VAY BE!

As of 2020, we launched the reward and recognition platform VAY BE! to strengthen the employee experience. The platform consisting of three categories: Instant Appreciation, This is it Award and Value Award, is user-friendly and easily accessible. During 2020, 102 executives presented 586 employees with 2,391 Instant Appreciation awards, while 6 people received the This is it Award and 11 people received Value Awards as a result of the Logo Leaders Platform's evaluation.

We apply the Korn Ferry-Hay wage system for the remuneration within the scope of performance management. In this context, we moved from a title-oriented structure to a grade-oriented structure. By clarifying the definitions of narrow and wide level structure, we made career paths such that they can be mapped on horizontal-vertical movements. We have completed the grading structure of India in 2020 by continuing the work we started in 2019 to expand the system into our subsidiaries in Romania and India. In this way, we aim to establish equivalences in different organizations, to make transfers and rotations between different functions and countries more fluent.

## LEAP Employee Support Program

The LEAP Employee Support Program we developed specifically for Logo employees, provides employees and their families with 24/7 expert support over the phone and six times a year face-to-face, for various difficulties they encounter in their professional and private lives. The LEAP program, which provides support in various fields such as psychological counselling, medical counselling, marriage, family, child and adolescent counselling, mother and baby program, legal, financial and legislative counselling, educational counselling, wellness program (nutrition, exercise, sleep health, as expert opinion on stress management and ergonomics), concierge consultancy (directions for information and reservation needs, flight tickets, events, holiday organization service), continues its activities diligently.

### Logo Ethics Line

Focusing on the principles of transparency and trust within the organization for employees, the Logo Ethics Line operates as a 24/7 open support line where Logo employees can share ethical inconsistencies that they detect regarding corporate business principles and raise their concerns. The system is managed by an independent company..

### Logo All Digital

We organize a Logo All Digital meeting every year in order to ensure that Logo employees internalize the long-term vision and strategies, to be aware of large-scale changes, and to strengthen internal communication. At this year's Logo All Digital meeting, the general managers of the business units announced their 2020 targets ensuring that the employees are aware of the common targets and the new approaches.

### Volunteering

Volunteering approach at Logo has been adopted by employees and business partners as part of the corporate culture of the company, which has been formed over 36 years. We ensure that this culture becomes more widespread through incentive and rewarding mechanisms. We attach importance to announcing every project that our employees volunteer for, sharing their contributions and encouraging similar initiatives. To this end, we encourage teamwork and friendly competition, and plan inclusive and fun activities where employees can also contribute individually. Such events strengthen the communication between the departments and units within the organization and increase the happiness and motivation of employees by ensuring that they are in good deeds.

### Occupational health and safety

In addition to being a company that offers digital occupational health and safety (OHS) solutions to many sectors, we consider it among our main responsibilities to protect the health and safety of employees and to eliminate risks in this regard. We carry out OHS management in accordance with legal regulations, and we create a corporate culture that attaches importance to OHS throughout the company, especially senior management. Our company's Occupational Health and Safety Policy can be accessed [here](#).

People and Organizational Transformation Group President, the top executive in charge of OHS, reports directly to the Board of Directors. The Occupational Health and Safety Coordination Board, which includes employees, undertakes work to create a safe working environment.

The biggest threat to occupational health and safety in 2020 was the COVID-19 outbreak for all sectors and companies. During this period, we established the Employee Health, Safety and Business Continuity Desk (ÇŞGIS), which cooperates with the Occupational Health and Safety Board. We prepared Emergency Pandemic Plans separately for each office area with OHS experts and workplace physicians and made updates according to legal changes. Measures taken and changes made in this context can be found in the **Digital Employee Experience** section of the report.

We established the Employee Health, Safety and Business Continuity Desk in order to protect the health of employees under pandemic conditions.

We map OHS risks as risks arising from office ergonomics such as back and neck problems, visual impairments, building-related risks such as slips and falls, and traffic-related risks such as vehicle and service use. Thus, we take precautions against risks and manage risks effectively by grouping them. In addition to the measures taken against risks, it is also important to increase the OHS awareness among employees in creating a safe and healthy working environment. In this direction, we provide OHS trainings to our employees. 24% of employees in Turkey were given 4,3 hours of OHS training per person, 18% received 3,6 hours of COVID-19 related briefing trainings per person and 64% received 1 hour of OHS precautions in remote-work and Protection against accidents at home training per person. | In Romania 98% of workforce was given 6 hours of OHS training per person. There were no fatalities or work accidents at Logo in 2020.

In our Gebze and Ankara offices, we have fulfilled the requirements for the international standard ISO 45001, which replaces OHSAS 18001 and includes management commitment, employee participation and risk control scopes, and completed the certification process and switched to the ISO 45001:2018 version update.

We contribute  
to the future  
economy



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The software and technology sector is developing dynamically and this development has a positive impact on different sectors. Products and services are offered for the basic management functions of different sectors in many areas, especially in infrastructure, communication, financial management, operational services, automation and security. While the total size of the software industry and the digital industries it interacts with was 2.5 trillion in 2019, the industry is expected to grow by 60% in the next 5 years to reach 4 trillion dollars.<sup>17</sup> On the other hand, as a reflection of this growth potential, the employment that the sector will create and its capacity to respond to technology needs have a significant impact on social development and progress. At this point, training the workforce with the competencies needed by the software industry is a priority.

Today, as a software company competing on a global scale, we are Turkey's largest local business software brand. We have an important role in the development of the technology sector, which shapes the business world and economy of the future. In this context, we invest in the future of the industry and use our digital competencies to develop those of young people and entrepreneurs. Thus, we contribute to the development of the technology business line in Turkey, making it possible to evaluate the transformation that the software industry will create and the opportunities that this transformation will bring into our country.

### Logo product and solution training unit

As Logo, we provide trainings to develop digital competencies in society and invest in training experts in digital technologies and software. We aim to train experts on Logo Solutions, to increase the competence of the employees of companies using Logo and to reflect these competencies gained by employees to their business processes. In this direction, we prepare trainings for all Logo users, Logo Business Partners and Logo Expert candidates who want to improve themselves. We offer Logo Solutions and personal development opportunities to participants with trainings given by expert and experienced staff.

Logo product and solution training unit, which was established in 2012 with the aim of bringing qualified human resources to the IT sector, provides training to university, high school and vocational school students in addition to Logo business partners and customers. In this context, we ensured that a total of 2,729 people received training in 2020. Thus, since the day it was founded, the number of those trained in the academy has increased to over 8,000. While more than 2,500 students who received training from Logo found employment opportunities in the IT sector, the number of individuals with certificates reached 8,775 as of 2020.

Corporate and individual trainings were carried out completely digitally in 2020 due to the COVID-19 pandemic measures. In this context, training webinars were organized for 24 products. All webinar trainings were offered free of charge between April 1, 2020 and June 15, 2020. 359 business partners participated in these trainings. At the end of the trainings, 1,316 of business partner employees received Logo product certificate.

<sup>17</sup> The future of software ecosystem in Turkey, 2021, Deloitte - TUSIAD



While more than 2,500 students who received training from Logo found employment opportunities in the IT sector, the number of individual certificates reached 8,775 as of 2020.

### Collaborations with educational institutions

Logo Academy, which cooperates with universities, vocational schools and private education institutions, continues to support the Qualified Information Technology Specialist Training Program project of İŞKUR (Turkish Employment Agency) under the T.R. Ministry of Family, Labor and Social Services. In 2020, an increase was recorded in the number of universities and vocational schools that offer courses with Logo ERP products within the scope of course centres and academic collaborations. In 2020, cooperation was made with three universities, six vocational schools and four private education institutions.

Number of product trainings open to business partners	118
Business partner training participants	3736
Number of people certified as business partners	2116
Number of Authorized Training Centres across Turkey	18
Authorized Training Centre - student participants*	60
Trainee's Certified at Authorized Training Centres	60
Person placed in job with the support of İŞKUR**	25
University and Vocational Schools offering courses with Logo ERP Product Packages	122
Number of University/Vocational School students participating in trainings ***	450

\* Due to course centres closing down during the pandemic period, the number of trainees decreased as the training activities were interrupted.

\*\* The number of job placements decreased because training activities were interrupted as a result of course centres closing down during the pandemic period and economic problems.

\*\*\* Due to distance education in schools during the pandemic period, students had difficulty in taking lessons as schools could not use their laboratories in applied lessons. In order to encourage and help students to study lessons on their personal computers, Trial Licenses of our products were sent and demo installations were carried out on their computers.

## Entrepreneurship

The entrepreneurship ecosystem in Turkey has gained significant momentum in recent years. Increasing techno-town investments, public incentives, private sector and foreign venture capital investments have had a significant impact on the establishment of an active and growing entrepreneurship ecosystem.<sup>18</sup> The entrepreneurial ecosystem can dynamically realize the progress that conventional companies can achieve only at high cost. From this point of view, as Logo, we support entrepreneurial culture and innovative ideas, and play a role in the growth of the information technology business by ensuring the maturation of start-ups.

### Logo Ventures

We contribute to the future economy and the development of Turkey's entrepreneurial ecosystem with our corporate venture fund, Logo Ventures. Established in the second half of 2017 with a 20% partnership share of Logo and an investment target of 10 million TL, Actus Portfolio Management A.Ş. Logo Ventures Venture Capital Investment Fund makes high-risk venture capital investments through debt, capital, debt capital mix and similar means to venture companies that are in the incubation period and operating in the field of technology, have not yet proven their technology or business model, and have high growth potential; By providing strategic support to these companies, it aims to achieve their growth targets and create long-term value. Strategic aids that will be made by giving and receiving corporate commercial contributions have a valuable role in financially supporting enterprises with technological depth, especially in the B2B (business-to-business) field, with 7-digit numbers, in closing an important gap in this ecosystem. In 2017, Logo Ventures invested in Vispera, which develops image recognition-oriented technologies, and in 2018 invested in V-Count, a venture that produces hardware and software such as people counting, 'heatmap' analysis and cashier queue analysis for retail companies that can be used in many sectors from retail to trade fairs and airports to libraries. Logo Ventures will continue to support entrepreneurs to realize and strengthen different ideas.

## Social impact

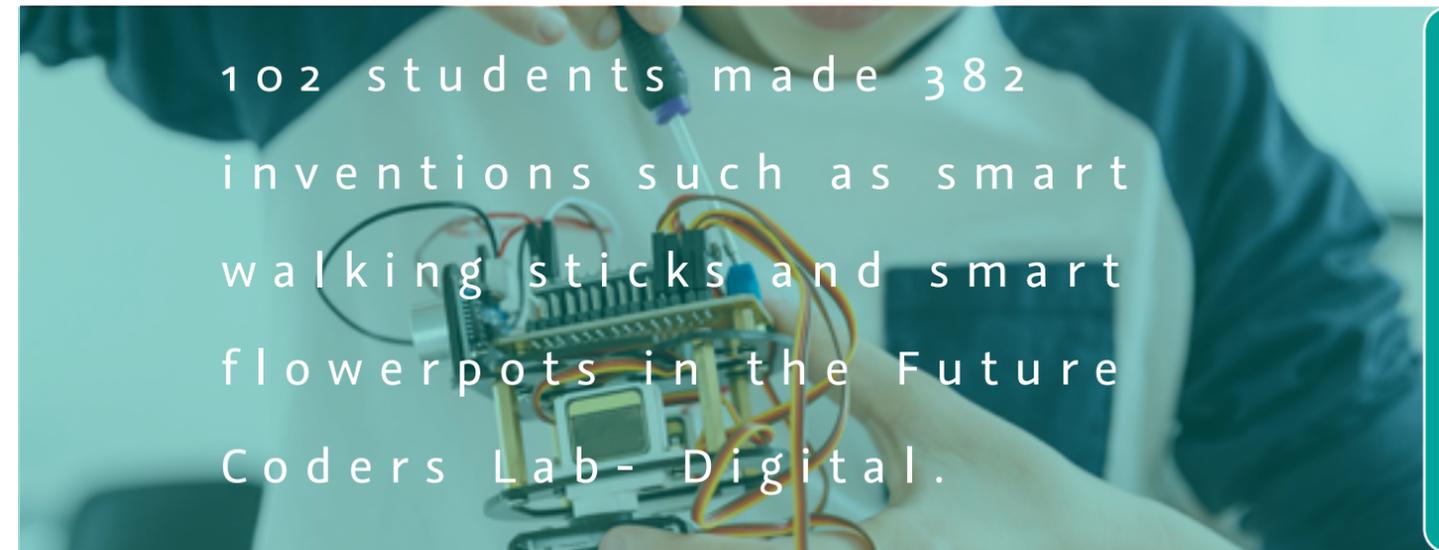
### Future Coders Lab

With the Future Coders Lab, which we started in 2019, we aim to inspire the software developers of the future by teaching robotic coding to children. This initiative, which aims to inspire the software developers of the future today, is carried out with the contributions of Bütün Çocuklar Bizim Derneği (BÇBD) and Atölye Vizyon. Our initiative, which teaches children to code with fun methods and in teamwork, also prepares them for the future by developing their imagination, mechanical abilities and analytical skills. With the lessons given in the workshop, we aim for children to learn how to code through fun methods today and develop their 21st century competencies. 3D design, different drawing methods, creating algorithms, organizing 3D materials, producing robots using sensors, comprehending the "if... if so" logic using control expressions, creating interactive games and stories, in robotic coding training given to children aged 8-10 for 32 weeks, Practical studies are carried out on subjects such as using graphical programming blocks.

In 2020, high school children of Logo employees were included in the Logo Future Coders Lab project, and 15 students received the necessary training to become volunteer trainers. In the future, the youth of the Logo family will be able to support the project voluntarily.

<sup>18</sup> Future of software ecosystem in Turkey, 2021, Deloitte- TUSIAD

During the global pandemic, we made the curriculum of the in-class trainings in the Future Coders Lab suitable for remote education in cooperation with Atölye Vizyon and implemented the LogoFuture Coders Lab - Digital project. We sent a Maker Set to each student, consisting of computer, internet package, pinoo card, light sensor, buzzer module, sensors such as RJ-11 cable and modules, and consumables such as cardboard, craft paper, silicone. The lessons, which started with six students from a primary school in Kocaeli's Gebze district, where Logo's headquarters is also located, were expanded to reach schools in Elazığ and Antalya. 102 students made 382 inventions such as traffic light application, light robot, barrier application, hand waving robot, burglar alarm, parking sensor, smart flowerpot, smart walking stick, and tumble dryer application in the workshops held with four-week remote education. In addition, in every school where theFuture Coders Lab was implemented, Logo employees and business partners came together with students and teachers of theFuture Coders Lab. We aim to reach 200 children with this project in 2021.



At the 2020 Business Partners Meeting, we held awareness activities to receive business partners' contributions to the project. By creating an interaction area, we enabled business partners to try devices such as 3D Printers, VR glasses, 3D pens in the workshop. At the Business Partners Meeting, we awarded the Volunteering and Corporate Social Responsibility Award to the business partners who contributed to the workshop in order to spread and encourage the awareness of volunteering.

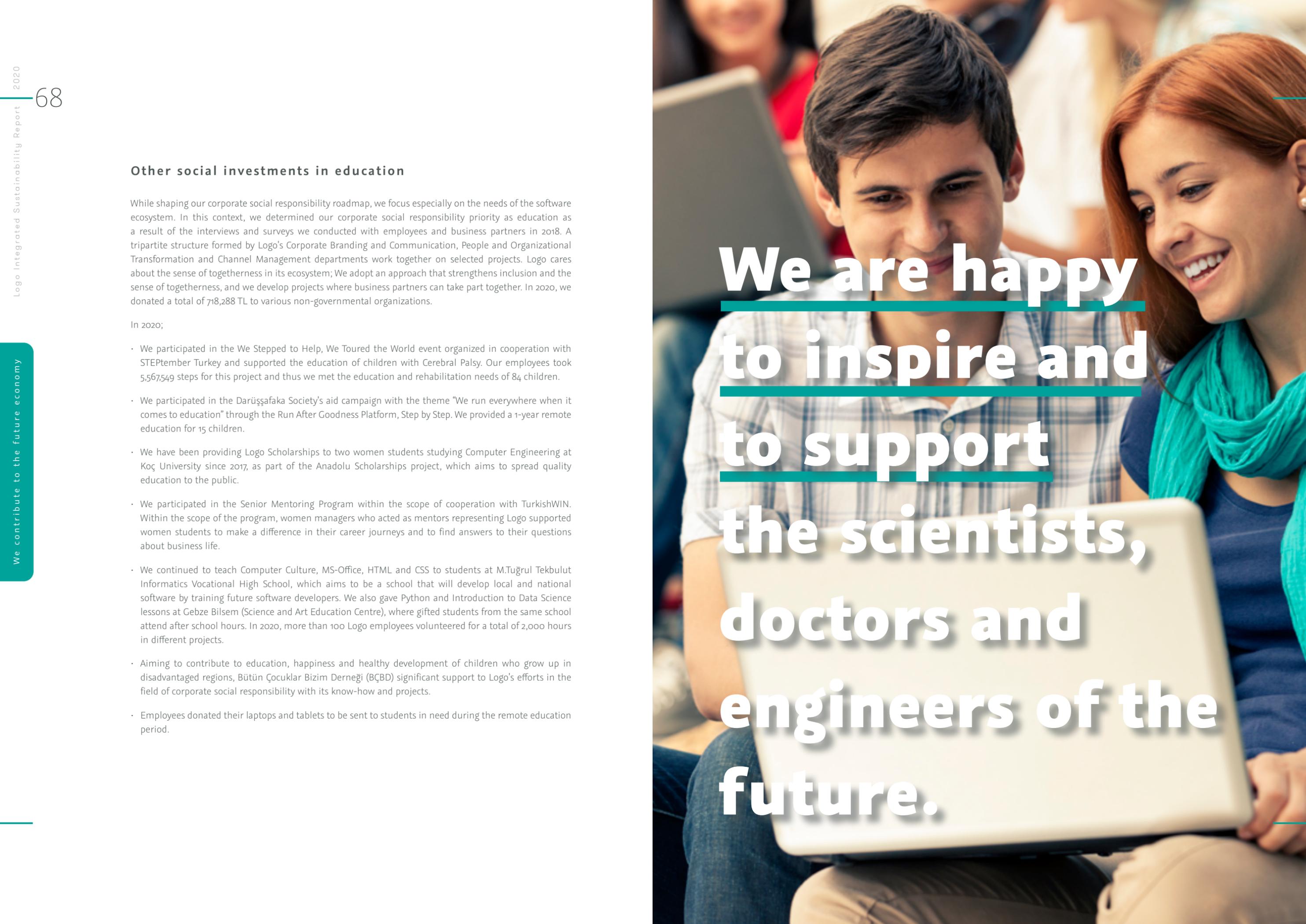
We are aware of our responsibilities towards our society. We aim to increase our support for education in order to inspire and support future coders; therefore, expand our contribution to Quality Education (SDG4) goal of the Sustainable Development Goals.

## Other social investments in education

While shaping our corporate social responsibility roadmap, we focus especially on the needs of the software ecosystem. In this context, we determined our corporate social responsibility priority as education as a result of the interviews and surveys we conducted with employees and business partners in 2018. A tripartite structure formed by Logo's Corporate Branding and Communication, People and Organizational Transformation and Channel Management departments work together on selected projects. Logo cares about the sense of togetherness in its ecosystem; We adopt an approach that strengthens inclusion and the sense of togetherness, and we develop projects where business partners can take part together. In 2020, we donated a total of 718,288 TL to various non-governmental organizations.

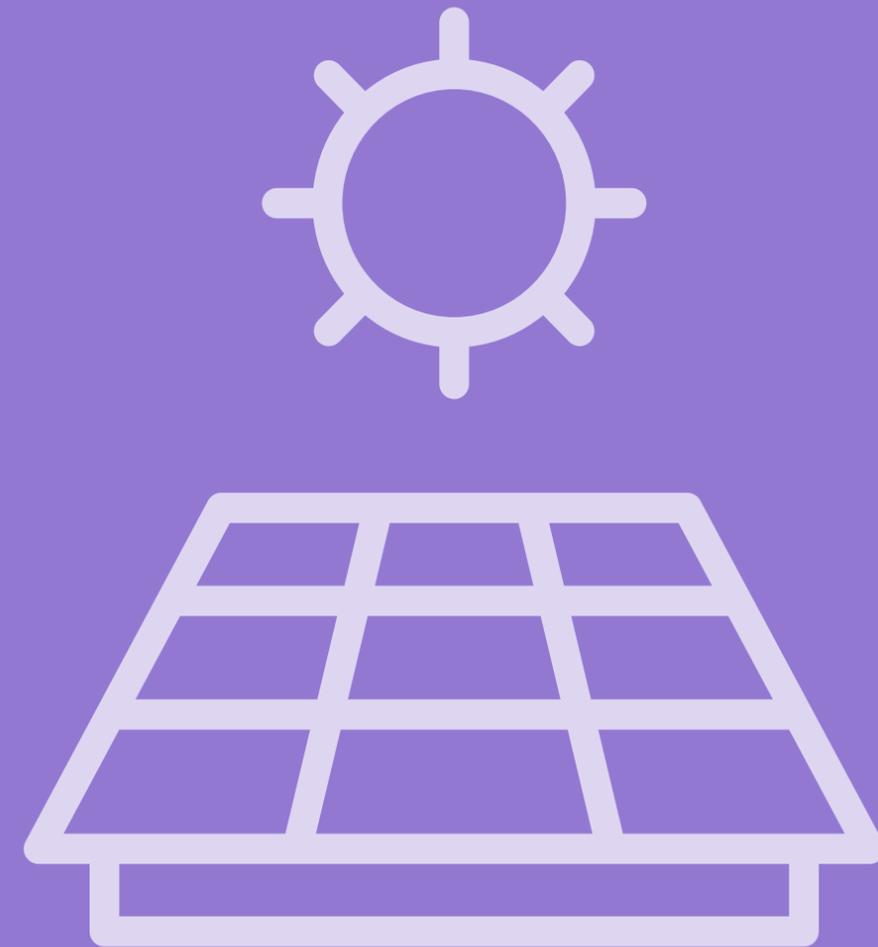
In 2020;

- We participated in the We Stepped to Help, We Toured the World event organized in cooperation with STEPtember Turkey and supported the education of children with Cerebral Palsy. Our employees took 5,567,549 steps for this project and thus we met the education and rehabilitation needs of 84 children.
- We participated in the Darüşşafaka Society's aid campaign with the theme "We run everywhere when it comes to education" through the Run After Goodness Platform, Step by Step. We provided a 1-year remote education for 15 children.
- We have been providing Logo Scholarships to two women students studying Computer Engineering at Koç University since 2017, as part of the Anadolu Scholarships project, which aims to spread quality education to the public.
- We participated in the Senior Mentoring Program within the scope of cooperation with TurkishWIN. Within the scope of the program, women managers who acted as mentors representing Logo supported women students to make a difference in their career journeys and to find answers to their questions about business life.
- We continued to teach Computer Culture, MS-Office, HTML and CSS to students at M.Tuğrul Tekbulut Informatics Vocational High School, which aims to be a school that will develop local and national software by training future software developers. We also gave Python and Introduction to Data Science lessons at Gebze Bilsen (Science and Art Education Centre), where gifted students from the same school attend after school hours. In 2020, more than 100 Logo employees volunteered for a total of 2,000 hours in different projects.
- Aiming to contribute to education, happiness and healthy development of children who grow up in disadvantaged regions, Bütün Çocuklar Bizim Derneği (BÇBD) significant support to Logo's efforts in the field of corporate social responsibility with its know-how and projects.
- Employees donated their laptops and tablets to be sent to students in need during the remote education period.



**We are happy  
to inspire and  
to support  
the scientists,  
doctors and  
engineers of the  
future.**

We are coding  
environmental  
sustainability



The climate crisis and energy ..... 7 2  
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Problems such as the climate crisis and environmental pollution pose a threat to the continuity of life and sectors in the world. Recent research reveals that many of the main causes of the climate crisis also increase the risk of pandemics,<sup>19</sup> while extreme weather events and environmental crises cause disruptions in supply chains and production.

The technology sector plays a major role in the future business world's transition to a zero-carbon economy.<sup>20</sup> While technological solutions support the sustainability goals of sectors such as energy, transportation, agriculture and construction, they also support the construction of an innovative and inclusive society. Digitalization is seen as the most important facilitator and accelerator for the European Union to reach its goal of being the first carbon neutral continent by 2050. For this transformation, the European Green Consensus calls for companies to use digital technologies in a smarter and greener way.<sup>21</sup>

Due to the increasing use of data and technological devices, the main environmental effects of the technology sector are listed as electronic waste, energy consumption and water use. As Logo, we not only reduce the environmental impact of our operations, but also help our customers reduce their environmental footprints thanks to our innovative technology solutions and services.

We manage our operations within the framework of Logo Environmental Policy. The policy is formulated, implemented and supervised under the leadership of the Board of Directors. In 2020, we received ISO 14001 certification for our Turkey operations. Our subsidiary in Romania, Logo Total Soft, also has ISO 14001 certification and carries out environmental management within this scope.

You can access the Logo Software Environmental Policy [here](#).

## The climate crisis and energy

As Logo, we are aware of our role in the fight against the climate crisis and the transition to a zero-carbon economy. In this direction, in 2021, we plan to launch TCFD (Task Force on Climate Related Financial Disclosures) based climate crisis assessments for the transition to a zero-carbon economy and effective management of climate risks, short and long-term target setting studies to reduce environmental impacts, and integration of environmental problems into business goals and strategies.

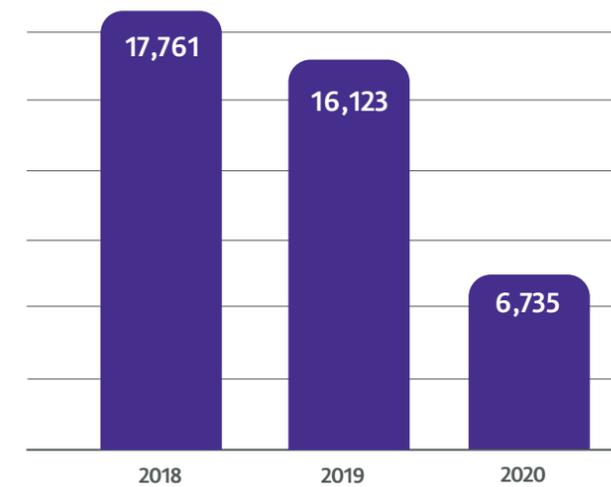
In our current operations, energy consumption in offices and R&D centres and emissions during transportation are the main areas where we have an impact. We produce our own energy with solar panels with a capacity of 20 kW installed on the roof of our Gebze campus.

<sup>19</sup> Corona virus and the climate change, Harvard School of Public Health, 2020

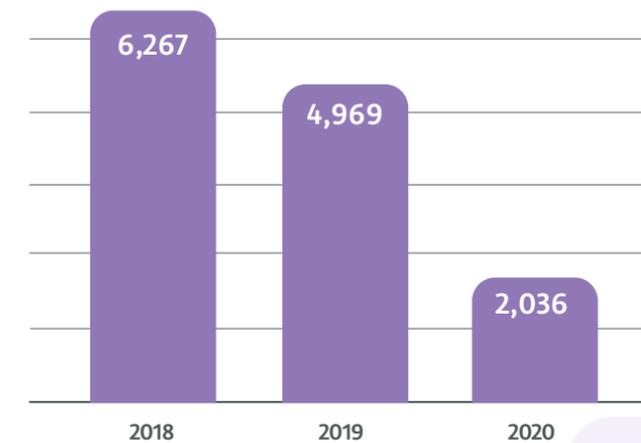
<sup>20</sup> Tech for impact, Deloitte, 2020

<sup>21</sup> EU countries commit to leading the green digital transformation, European Commission, 2021

Energy density (MWh/turnover-Billion TL)



Greenhouse gas density (CO<sub>2</sub>-tonne/turnover Billion TL)



\*Greenhouse gas density only covers scopes 1 and 2.

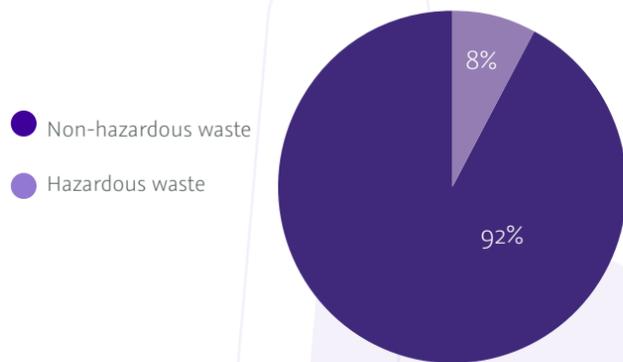
## Waste

Population growth and changes in living standards in the world cause an increase in consumption. This situation increases the pressure on limited and dwindling natural resources. Waste, which is a critical global problem today, poses a great danger to life on water and on land. With the global pandemic, a serious increase has been observed in electronic waste (e-waste), which is hazardous waste, as well as single-use plastics<sup>22</sup> Considering this situation, circular economy models for the recycling and recovery of wastes are at the forefront in order to use natural resources efficiently and reduce resource losses. It is predicted that the circular economy can create an economic opportunity of over 62.5 billion dollars a year worldwide for e-waste, along with environmental and social benefits for the entire ecosystem. On the other hand, the European Commission estimates that the total amount of e-waste in Turkey will reach 672 thousand tons by 2024.<sup>23</sup>

As Logo, we focus on recycling our waste with a circular economy approach, especially recycling e-waste, which also has economic value. 92% of our waste is non-hazardous- household waste, and 8% is hazardous waste-e-waste. In 2020, we recycled 88% of non-hazardous waste.

In 2020, we recycled 88% of our total non-hazardous waste, and all of our e-waste in Turkey operations.

Waste (tonne)



Our e-waste mainly consists of computers and phones that have expired. In addition, we also evaluate and recycle our other various e-waste. In 2020, we recycled a total of 275 kg of e-waste corresponding to all the e-waste in our Turkey operations. By increasing the lifetime of electronic devices, we are gradually reducing the amount of our e-waste. Hazardous wastes decreased by 2% in 2020 compared to last year.

<sup>22</sup>The Plastic Pandemic, Reuters, 2020

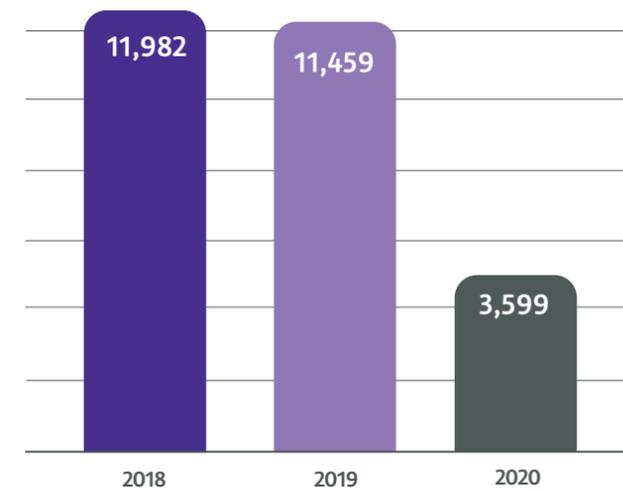
<sup>23</sup>Beyond waste-Research report on e-waste in the world and in Turkey, REC, Vodafone, S360, 2020

## Water

In addition to the increase in droughts due to the climate crisis and the imbalances in precipitation regimes, rapid population growth increases the pressure on water resources. The United Nations states that over two billion people are experiencing water stress today, and by 2030, the world's water demand will exceed 40%.<sup>24</sup> In this regard, it is necessary to provide accessible water for all, protect all water resources and ecosystems, and effectively manage wastewater.

The main water use in Logo operations arises from water consumption in offices and R&D centres. In 2020, we switched to the remote work model due to the global pandemic and our water use decreased by 69%.

Water usage (m<sup>3</sup>)



<sup>24</sup> UN World Water Development Report 2021



## Social performance indicators

	2018		2019		2020	
	Women	Men	Women	Men	Women	Men
Total number of employees*	530	628	532	644	539	667
	1.158		1.176		1.206	
Employees covered by collective bargaining agreements	0	0	0	0	0	0
Number of employees with disabilities	4	13	3	14	4	14

\* Includes data from Turkey and Romania operations. Total number of end-of-period employees including India operations; 2018: 1.197, 2019: 1.203 and 2020: 1.233. Detailed data excluding the total number of employees does not include Elba HR (Peoplise).

	2018	2019	2020
Number of employees subject to regular performance evaluation	675	1.068	1.157

	2018		2019		2020	
	Women	Men	Women	Men	Women	Men
<b>Management</b>						
Under 30 years old	4	7	2	4	1	1
Between 30 and 50	52	99	43	101	48	104
Over 50	4	12	4	10	5	9
<b>Board members</b>	1	5	0	6	0	6

	2018		2019		2020	
	Women	Men	Women	Men	Women	Men
<b>Parental leave</b>						
Number of employees granted birth/parental leave	5	22	25	21	35	22
Number of employees returning to work after birth/parental leave	3	22	20	21	21	22

	2018		2019		2020	
	Women	Men	Women	Men	Women	Men
<b>Subcontractors</b>						
Number of subcontractors by gender	21	18	21	22	22	27
	<b>Full-Time</b>	<b>Part-Time</b>	<b>Full-Time</b>	<b>Part-Time</b>	<b>Full-Time</b>	<b>Part-Time</b>
Number of subcontractors by working hours	37	2	43	0	49	0

## Environmental performance indicators

Energy consumption (MWh)	2018	2019	2020
<b>Electricity</b>	1.334	1.371	821
Electricity purchased	1.334	1.371	821
<b>Fixed burning</b>	651	1.126	847
Natural gas	651	1.126	847
Fuel Oil	0	0	0
Diesel	0	0	0
Coal	0	0	0
Generator (Diesel)	0	0	0
<b>Vehicle fuel</b>	3.685	4.261	1.988
Diesel	3.243	3.320	1.512
Gasoline	442	941	472
<b>Renewable Energy</b>	14	14	14
Solar	14	14	14
<b>Total</b>	5.684	6.772	3.671

Greenhouse Gas Emissions (ton CO <sub>2</sub> )	2018	2019	2020
<b>Scope 1</b>	1.370	1.427	742
Vehicles	993	1.144	533
F-gases	244	54	37
Fuel consumption in buildings	132	228	172
SF6	1	1	0
Generators (diesel)	0	0	0
<b>Scope 2</b>	636	660	368
Electricity	636	660	368
<b>Total</b>	2.006	2.087	1.110
<b>Scope 3</b>	-	454,6*	31*

\*Scope 3 data only covers operations in Turkey.

Water consumption (m <sup>3</sup> )	2018	2019	2020
Municipal Water	11.982	11.459	3.599
Waste water	5.027	5.816	1.818

Waste (tonne)	2018	2019	2020
Hazardous waste	1,32	0,7	0,275
Non-hazardous waste	4,5	10,3	3,3
Recycled waste	5,82	10,8	3,18

<b>Trainings*</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
Total training hours	5.916	28.821	40.123
Average training hours per employee	8,9	24,5	33,6

\*Only Turkey operations are included in 2018 data. Data for 2019 and 2020 include Turkey and Romania operations.

<b>OHS Data</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
Number of accidents	6	0	0
Number of fatal cases	0	0	0
Number of occupational diseases	70	78	119
Incident rate (IR)	0,57	0	0
Occupational disease rate (ODR)	6,56	7,02	10,73
Lost days rate (LDR)	0,47	0	0
Absenteeism rate (AR)	0	0	0
<b>OHS Trainings</b>			
Total OHS training hours	4.330	4.088	4.630

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