



LOGO

**Logo 2019
sustainability report**

Contents

<i>Letter from the chairman</i>	02
<i>Letter from the vice chairman and Logo Group CEO</i>	03
<i>About the report</i>	04
<i>About us</i>	06
<i>Financial indicators</i>	11
<i>Logo in 2019</i>	13
<i>Sustainability approach and management – Coding the future together</i>	14
<i>Sustainability management</i>	16
<i>Material issues</i>	16
<i>We are the future partner of our stakeholders</i>	22
<i>R&D, innovation and digital transformation</i>	24
<i>Our technology solutions</i>	26
<i>Customer experience</i>	31
<i>Business partners development project</i>	32
<i>Data security</i>	33
<i>We transform the new generation of workforce</i>	34
<i>Investing in talent</i>	36
<i>Employee experience</i>	37
<i>Learning and development</i>	39

Talent acquisition	40
Loyal employees	41
We contribute to the economy of the future	44
Investment in the industry's future	46
Entrepreneurship.....	48
Logo ventures	48
Future Coders Lab.....	49
Other corporate social responsibility (CSR) projects by Logo..	49
We are coding environmental sustainability.....	50
Climate crisis and energy	52
Waste	54
Water	55
Corporate governance and business ethics.....	56
Ethical rules.....	58
Risk management.....	59
Appendices	60
Environmental Performance Indicators.....	62
Social Performance Indicators.....	63
GRI Content Index.....	64

Letter from the Chairman

Dear Stakeholders,

The new coronavirus pandemic that started in early 2020 has been radically affecting our lives in many areas, particularly the healthcare industry and major economic activities. On top of global crises such as the climate crisis and environmental pollution, now economic and social problems caused by the pandemic are also added. We are faced with the severity of social inequalities once again, with low-income and disadvantaged citizens—already predicted to be the most affected by the climate crisis—becoming the group of people most affected by the pandemic as well.

Last year, it was discussed that economic progress and development could not be achieved through economic growth alone. Today, companies that adopt an inclusive business model, creating environmental and social benefits in addition to economic value, have a competitive advantage and, as a result, are more favorable to consumers, customers and investors compared to companies that focus only on profit. Companies that have an integrated management approach to environmental, social and governance (ESG) issues with a risk management system covering these matters attract more investors.

The stakeholder capitalism manifesto announced at the 2019 World Economic Forum points out that under the current conditions, a business world that targets only financial profitability and value is no longer sustainable, and that the value created by companies should include its employees, the society affected by its activities and the environment. For this reason, companies should adopt a holistic business model that treats progress and development as something beyond growth while meeting the needs of consumers in a sustainable manner. It is necessary to be a part of the transforming economies and not the consuming ones.

Addressing and adopting the global Sustainable Development Goals, a call for action on issues such as creating inclusive social development, establishing cooperation to combat the consequences of natural disasters such as this pandemic, protecting the planet, and ensuring peace and prosperity for all humanity, have gained great significance today. Studies suggest that companies with high ESG performance are resilient and flexible in crisis thanks to their comprehensive risk management capabilities and adaptive capacities. We are committed to abiding by the Global Goals and the ESG approach as an integral part of our strategy and operations.

We have made progress and set higher targets in the social, environmental and governance areas every year thanks to our corporate culture and values, which are in line with the Corporate Governance Principles. We have been listed in the Borsa Istanbul Corporate Governance Index since 2009 and the Sustainability Index since 2017. In our Sustainability Report, we publish a summary of our activities in these fields every year.

As a company that aims to create value in non-financial indicators in addition to achieving financial success and that has set its principles with this approach, we prioritize creating benefit while executing our operations. We provide digital transformation in our stakeholder ecosystem through our products and services, offering efficiency to businesses, especially to SMEs. Mindful of the price-performance ratio of our product and service portfolio, we offer companies of all sizes digitalization to stand out among the competition. Our solutions that support the digitalization of our customers also reduces their environmental impact due to decreased consumption of natural resources. And we reduce our environmental impact by using digital platforms in our business processes, decreasing resource consumption with improvements in our IT infrastructure, and recycling waste from our offices.

We prioritize the social impact of our activities and strive to ensure diversity and gender equality in our society starting with our workforce. In 2019, 44 percent of our employees and 40 percent of our senior management team consisted of women. But our goal has always been to take gender equality beyond metrics. Equal opportunities, representation and rights have been a part of our business processes for many years.

We also focused on education with various projects in 2019. In addition to our ongoing scholarships for secondary and higher education, we aim to create opportunities for children to learn coding and develop their technical know-how as well as their analytical thinking skills through fun methods, with the "Future Coders Lab" project launched in our Gebze campus and three disadvantaged regions of Istanbul. We aim to expand this project to the rest of Turkey. Additionally, Logo employees volunteered again this year to give MTT IT Technical Vocational High School students computer culture, MS-Office, HTML and CSS classes out of school hours. They also taught gifted and talented students Python and Introduction to Data Science at the Gebze Science and Art Education Center during after-school hours. We aim to keep increasing our positive social impact each year through projects designed to improve the technological and software skills of children and young people. We believe that education is the most effective way to fix income inequality in the digital age, and the work we do in schools will provide equal opportunities to disadvantaged groups. Our projects that aim to contribute to our industry's future and to our country's competitiveness also contribute to the Quality Education, Gender Equality, and Decent Work and Economic Growth of the Sustainable Development Goals.

Through this report, reflecting our performance in environmental, social, governance and economy fields, we track each year's progress and transparently present it to our stakeholders. I would like to extend my thanks to our stakeholders who have contributed to our success and to everyone who took part in the preparation of this report.

Sincerely yours,

M. Tuğrul Tekbulut
Chairman




Letter from the Vice Chairman and Logo Group CEO

Dear Stakeholders,

We are going through extraordinary times where we need to re-examine our perspective on environmental and social issues, especially the climate crisis, and our corporate governance approach. Production and distribution activities have been disrupted, and trade has almost come to a halt on a global scale. Additionally, the COVID-19 pandemic has forced all industries to re-invent their business processes. We have seen that companies that focus on technology, digital transformation, talent management and customer relations in crisis management are more resilient and competitive.

We have an impact on a large ecosystem with multi-stakeholders, including our employees, customers, business partners, and society. Our sustainability strategy focuses on investing in society, environment and the future of our company, and contributing to the sustainable transformation of our ecosystem with innovative products and services. In line with our vision of coding the future together, we have created a strategy based on enhancing stakeholder experience, especially for our employees, business partners and customers, ensuring continuous development empowered by R&D and innovation, encouraging innovation and creativity at work, and being positioned as the leading enterprise application provider in target domains. We know that we have been able to accomplish to create value for our society in cooperation with all of our stakeholders. In order to achieve our targets, contribute to UN Sustainable Development Goals and create value for all our stakeholders, we build collaborations, and we take fast and effective actions thanks to our agile approach.

In 2019, as Turkey's largest publicly listed software company and most valuable IT brand, we continued to develop enterprise application solutions to increase our customers' productivity and profitability, and maintained our leading position in the industry. We have been the leader in the enterprise resource planning (ERP) industry in terms of number of customers for many years. Since our foundation, we have invested in various technologies and supported digital transformation of Turkey with our innovative products, services and business processes. We believe that sustainability, along with environmental, social, economic and corporate governance aspects, underlies digital transformation, which is essential in today's world as we need sustainable and efficient solutions. To meet this need, we continuously provide solutions to our customers ranging from micro-companies to large enterprises.

Our solutions and services are also recognized by local and international organizations. For two years, we have been named among the fastest growing technology companies in Turkey, based on revenue growth over the last four years. We received the Big Star Award at the Deloitte Technology Fast 50 Turkey 2019. For five years, we have been included in the IT category of "Turkey's 100 Most Valuable Brands – Turkey 100," a list compiled by Brand Finance, the world's leading independent brand valuation consultancy. We ranked 71st overall. For the last three years, we have been listed as Turkey's most valuable technology brand.

By integrating new technologies into our products and services through R&D and innovation, we strive to maintain the sustainability and competitiveness of our business. We allocated 123 million TRY to R&D in 2019, which amounts to 27% of our total revenues. Additionally, we aim to attract new generation talent to our company and strengthen the culture of diversity and inclusion in talent acquisition. We consider women employees in decision-making mechanisms and their important roles in Logo's workforce as one of the key factors in our success. In this respect, we aim to increase the rate of women employees. Women accounted for 44% of our employees and 40% of senior management as of 2019.

We set out with the vision of "coding the future together" to change the negative developments affecting humanity and our planet, such as the global climate crisis, and economic and social disparities, which are becoming more and more pronounced. I would like to extend my thanks to all our stakeholders, especially my esteemed colleagues, who have worked towards this transformation and development.

In Logo's 2019 Sustainability Report, we transparently present our sustainability practices within the framework of our strategic material issues, along with environmental, social, corporate governance and economic developments to our stakeholders.

Sincerely yours,

M. Buğra Koyuncu
Vice Chairman and Logo Group CEO



About the Report

As Logo Yazılım Sanayi ve Ticaret A.Ş. (Logo), we are publishing our third sustainability report, which includes our environmental, social, economic and corporate governance performance. In accordance with the sustainability vision integrated into our business model and with our objectives, we are sharing our performance for the period January 1 to December 31, 2019, and our plans.

We have prepared the report, in which we have formed the focal points according to the material issues, in accordance with GRI Standards: core option. We also used the indicators of the Sustainability Accounting Standards Board (SASB) Technology and Communications Guide, the NASDAQ OMX CRD Global Sustainability Index and the Dow Jones Sustainability Index as references.

You can forward any questions, comments and suggestions related to the report to **sustainability@logo.com.tr**.



A b o u t u s

<i>Financial indicators</i>	11
<i>Logo in 2019</i>	13



Vision

Coding the future together.

Mission

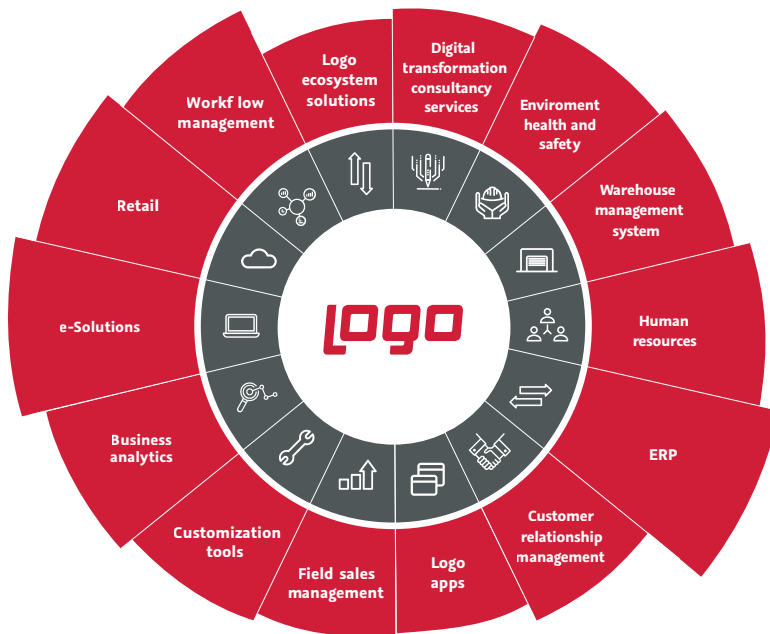
We create value for our customers with passion and agility.

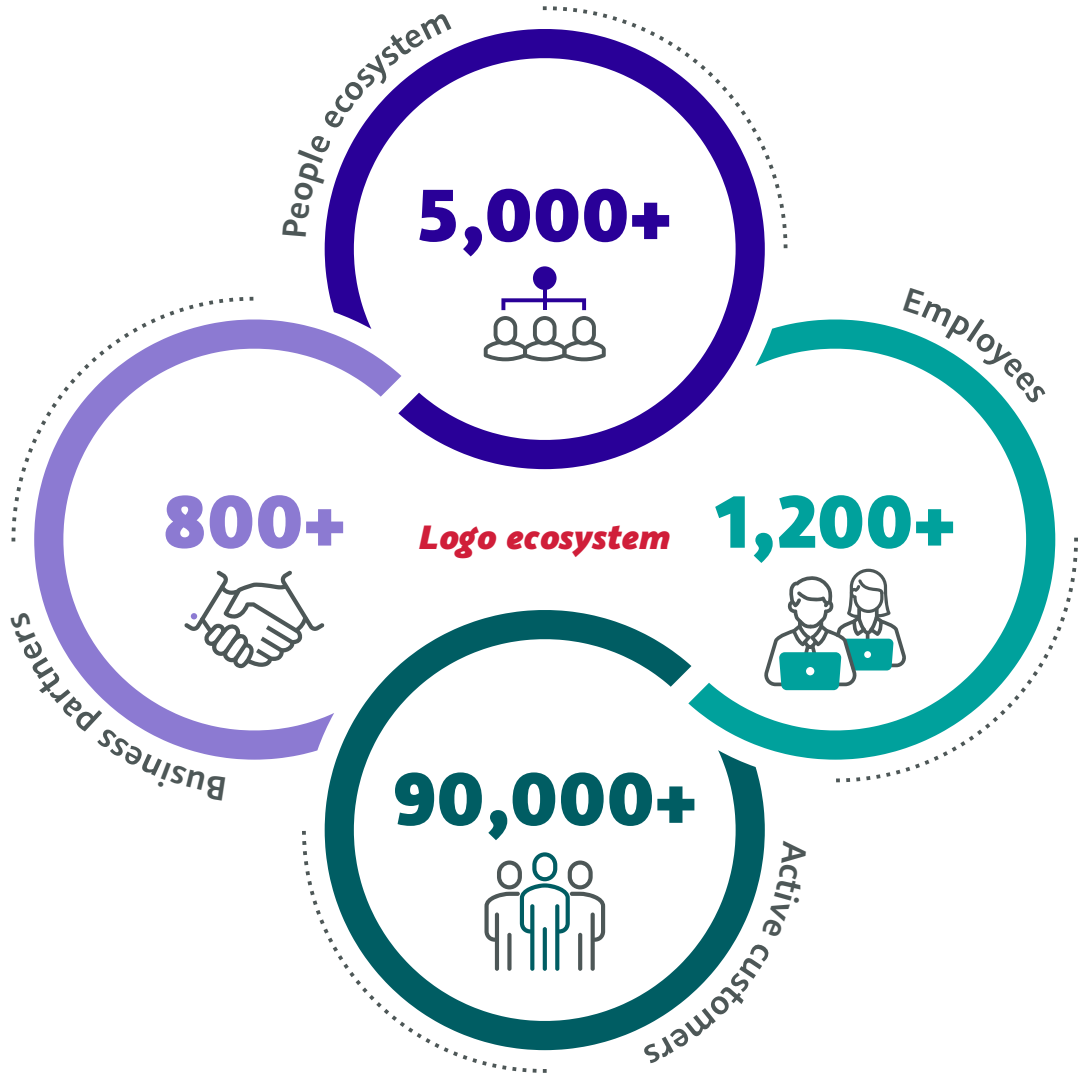
As Turkey's largest publicly listed software company and most valuable information technology brand, we develop enterprise application solutions to increase the productivity and profitability of our customers, and continue to lead the industry. Our journey began in 1984 and continues at seven different locations in four different countries, with over 1,200 employees and 800 business partners. To date, we have accompanied the growth journey of more than 200,000 companies. In 2000, we became the first software company to go public in Turkey. Currently, our free-float is 66%.

We are positioned as the solution partner of our customers that vary in size from micro-companies to large enterprises. In addition to enterprise resource planning (ERP) solutions, we offer functional solutions such as Customer Relationship Management, Human Resources Management, Work Flow Management, Warehouse Management Systems, Business Analytics Solutions and Retail Solutions. Logo Yazılım has been the leader in the ERP industry in terms of number of customers for many years.

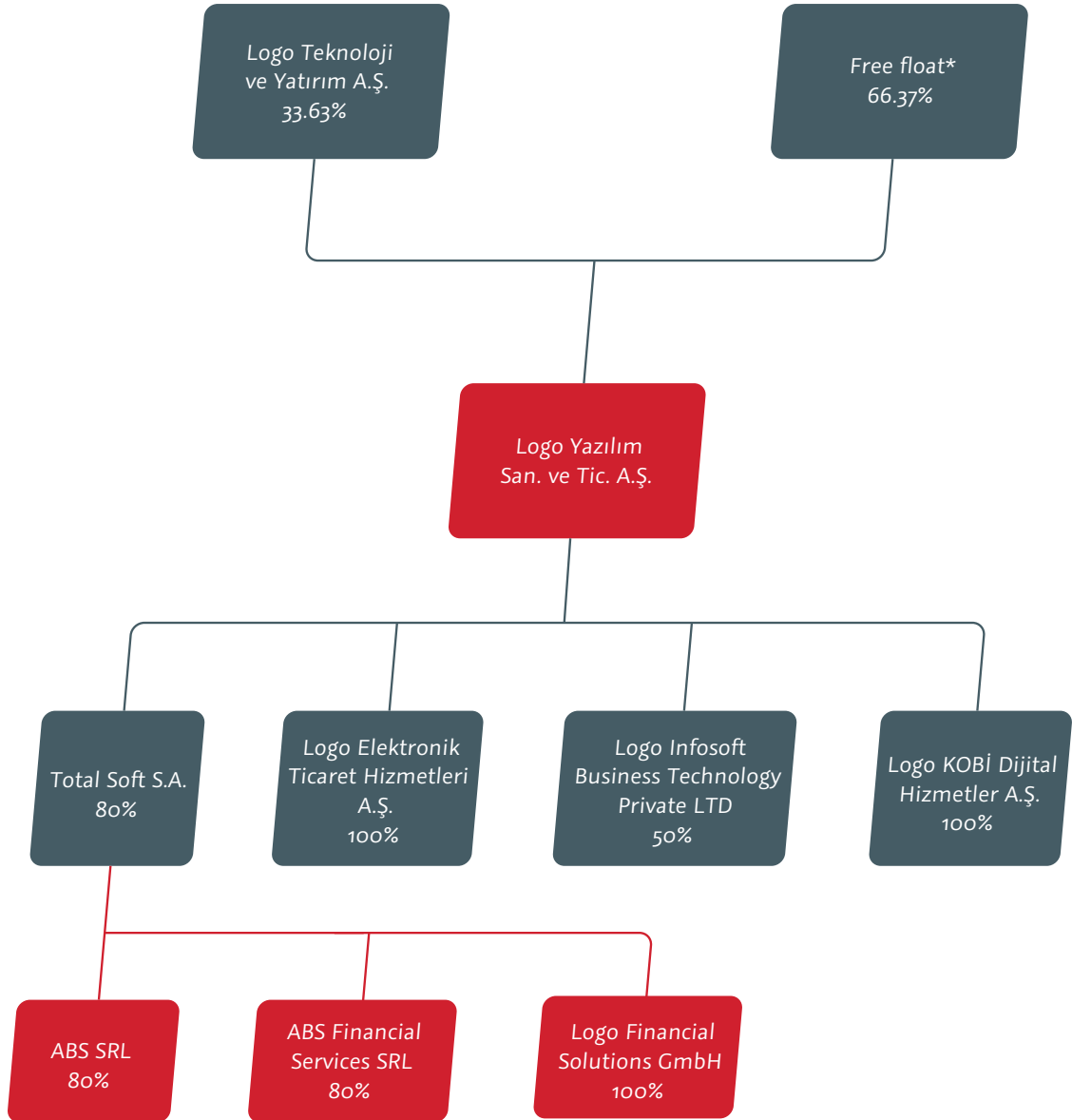
We have invested in many different businesses and technologies since our foundation, and we support the digital transformation of Turkey with our products, services, and operation processes in the software industry. We have grown and developed in a great and dynamic ecosystem extending from our business partners to users, academic faculty members to students and industry professionals, and acted with the vision of creating value and coding the future together.

- In 2019, we were named among the fastest growing technology companies in Turkey, based on revenue growth over the last four years. We received the Big Star Award at the Deloitte Technology Fast 50 Turkey 2019.
- We have been a leader in the software industry for many years in terms of number of customers. For five years, we have been included in the IT category of "Turkey's 100 Most Valuable Brands – Turkey 100," a list prepared by Brand Finance, the world's leading independent brand valuation consultancy. We ranked 71st overall. For the last three years, we have been listed as Turkey's most valuable technology brand.





We achieved 41% CAGR (compound annual growth rate) in revenues driven by our great achievements over the last decade. In 2019, we celebrated our 35th anniversary, and we are moving towards becoming a regional leader with our strategic investments, aiming to utilize our know-how and experience abroad.

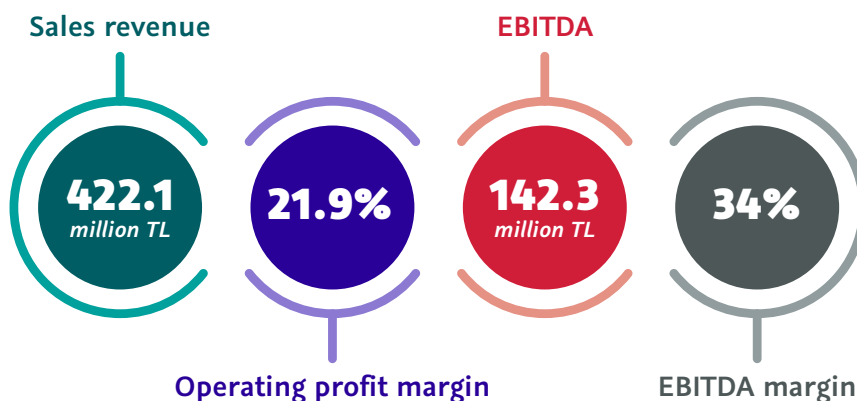


Please see the 2019 Annual Report for the countries where Logo operates, its product portfolio, partnerships, and detailed financial data.

*Including 3.48% treasury shares.

Financial indicators

We increase our financial profitability by developing applications that create a difference in our industry. Sustainable financial profitability constitutes the basis of our performance and the contribution we have provided for the development of the entire private sector ecosystem.



Million TL	2019	2018
Net sales	422.1	321.1
Cross Profit	347.1	257.1
Operating profit	92.5	64.3
Net income before tax	91.5	68.4
Net income	86.3	67.7
Earning per share (1.000 shares at 0.01 TL nominal value)	34.5	27.1

Million TL	2019	2018
Total assets	775.7	563.2
Current assets	375.9	227.5
Fixed assets	399.8	335.7
Current liabilities	242.0	131.9
Long-Term liabilities	139.1	112.6
Equity	394.6	318.6
Paid-in capital	25.0	25.0
Current ratio	1.55	1.72
Total liabilities	0.97	0.77
Equity / Total assets	0.51	0.57

Million TL	Domestic sales	International sales	Total sales
2019	275.1	147.0	422.1
2018	206.5	114.6	321.1
2017	177.2	79.0	256.2
2016	159.8	30.6	190.4

Growth
2019/2018

33%

28%

31%

	Geographical breakdown of sales (%)		EBITDA (million TL)	Net profit (million TL)
	Domestic sales	International sales		
2019	65%	35%	142.3	86.3
2018	64%	36%	101.3	67.7
2017	69%	31%	82.6	50.8
2016	84%	16%	86.1	45.3

Logo in 2019

- Our corporate governance rating increased to 9.22.
- We won the Kariyer.net Award for Respect to Human in recognition of our efficient human resources practices focused on employee experience.
- eLogo users generated 325 million e-documents and saved 4,432 trees. This corresponds to a carbon absorption of about 2,216 tons of CO₂.
- As a result of our efforts to reduce water consumption, we saved 523 m³ water.
- We recycled 92% of the non-hazardous waste.
- We allocated 123 million TRY to R&D, which amounts to 27% of our total revenue.
- We released 298 versions within Logo Agile Process Improvement System (LAPIS) that included 3,949 new features.
- Logo Total Soft is the local leader in Romania with its ERP, leasing, healthcare, human capital management and payroll solutions.
- As part of the Business Partners Development Project, 1,079 people participated in in-class trainings while 489 people joined online seminars.
- Logo Academy has trained 8,000 students since its foundation.
- Over 2,500 students of Logo Academy had the opportunity to work in various positions in the IT industry.
- The number of certified experts of Logo solutions reached 8,655.
- We participated in the Business Against Domestic Violence Project organized by Sabancı University.
- We launched the Logo Future Coders Lab. With this project, we contributed to the United Nations Sustainable Development Goals: Quality Education, Gender Equality, and Decent Work and Economic Growth. With the support of Logo Partners and ecosystem, we have reached over 2,000 children through robotic coding workshops, and we aim to organize more workshops across Turkey.

Sustainability
approach and
management
**Coding the future
together**

Sustainability management.....16 |
Material issues.....16 |



Sustainability approach and management Coding the future together

A business strategy that incorporates environmental, social and governance (ESG) issues is among the must-have tools to achieve sustainable economic performance. Individuals and the business world face the climate crisis, plastic pollution and scarcity of resources due to increasing population and consumption habits. Environmental problems, which have a social impact, can have a destructive effect on economies. Addressing the climate crisis, which affects many stakeholders, is also critical to establish a safe environment for business sustainability. Operating in a highly educated, qualified, egalitarian and prosperous environment presents opportunities to be created with human resources and financial resources. A high level of technological and data skills in a country reflects positively on its GDP and is becoming an indicator of sustainable development along with the level of development. Therefore, it is impossible to manage the environment, society and the economy independently as they are intertwined.

We have an impact on a large ecosystem with multi-stakeholders, including our employees, customers, business partners, and society. Our sustainability strategy focuses on investing in society, the environment and the future of our company, and contributing to the sustainable transformation of our ecosystem with innovative products and services.

In line with our vision of coding the future together, we have created a strategy based on improving stakeholder experience, especially for our employees and our customers, drawing from R&D and innovation to ensure continuous improvement, encouraging innovation and creativity, and becoming a business solution leader in our target areas. Collaborations and our agile structure are significant enablers to achieve our goals, contribute to the Sustainable Development Goals and create shared value for all stakeholders.

Sustainability management

At Logo, we manage sustainability at the highest level of the company. Sustainability Committee is responsible for determining the requirements for identification, implementation, review, communication and supervision of sustainability goals. Working Group consisting of team members from the Investor Relations, Corporate Brand and Communications, Human and Organizational Transformation, and Information Technologies and Business Processes departments supports the Sustainability Committee in executing decisions.

The Audit Committee reports to the Board of Directors on the findings and recommendations regarding the compliance of company activities with legislation and internal regulations, as well as sustainability issues. Matters that require the knowledge or approval of the Board of Directors are submitted by Logo Group Committee. The items approved by the Board of Directors are completed within the specified authorities and duties. All of these responsibilities are implemented in compliance with the rules covering process management along with the distribution of responsibilities and duties on occupational health and safety, business ethics, and the environment.

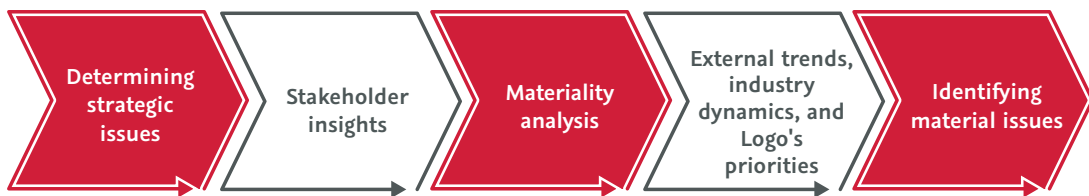
We have been listed in Borsa Istanbul Sustainability Index since 2017 thanks to our solid sustainability performance.

Material Issues

We conducted a materiality analysis to manage our environmental, social, governance and economic impact by taking into account our stakeholders, business strategy, software industry dynamics, and the global agenda. We identified the impact areas that fall within the scope of our operations in line with industry-specific evaluations from organizations such as the United Nations (Sustainable Development Goals), the Sustainability Accounting Standards Board (SASB), DigitalEurope, and the World Economic Forum (WEF).

We conducted a stakeholder analysis to determine the strategic priorities of the issues. We evaluated the stakeholder analysis in line with external trends, executive insights, and business strategies to create a matrix for material issues.

Logo and its stakeholders determined the material issues as follows: **Technology and R&D, Digital Transformation, Customer Confidentiality and Data Security, Customer Centricity, Talent Management, Responsible Products and Services, and Intellectual Property.**



Contribution to the UN Sustainable Development Goals



· Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation



· Ensure sustainable consumption and production patterns



· Strengthen the means of implementation and revitalize the global partnership for sustainable development



High Priority Issues

Technology and R&D

Digital Transformation

Customer Confidentiality and Data Security

Customer Centricity

How We Manage

We allocate substantial resources for R&D and innovation every year to offer technology solutions to increase productivity and to ensure data security of our customers as well as reduce their environmental impact.

We support our customers' digital transformation and change their way of doing business through innovative solutions, thus shaping the future of the business world.

We develop products and services to ensure customer confidentiality and data security. In this scope, we are managing our activities according to ISO 27001 standard for Information Security Management System and ISO 22301 standard for Business Continuity Management System.

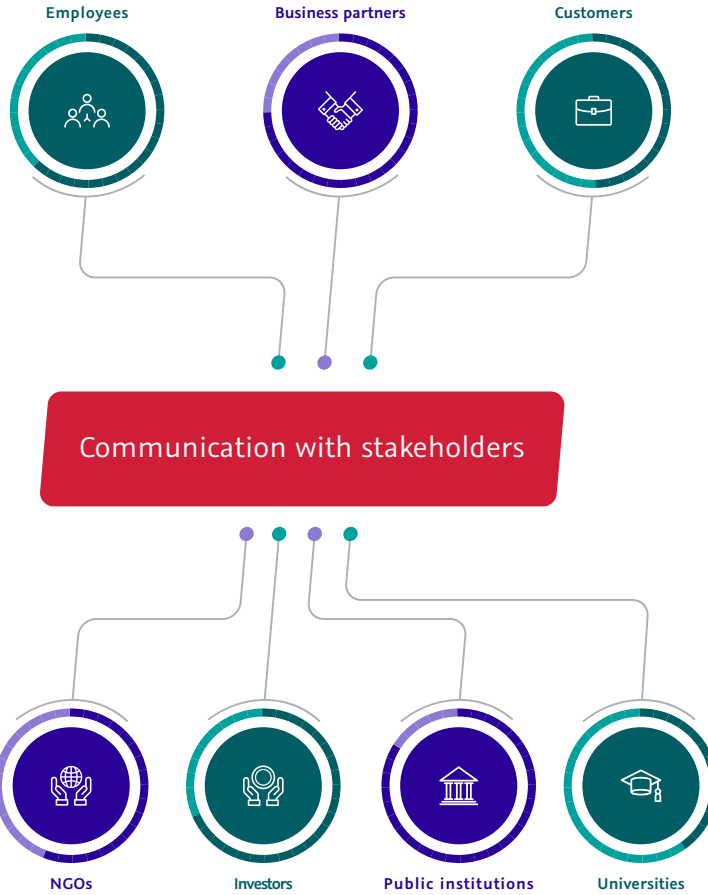
We put customer satisfaction at the center of our business processes. We create customer profiles to understand customer needs and develop solutions that meet these needs. We manage customer centricity under ISO 10002 standard for Customer Satisfaction Management System.

Contribution to the UN Sustainable Development Goals	High Priority Issues	How We Manage
 <ul style="list-style-type: none"> Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all 	<p><i>Talent Management</i></p>	<p>We design training and development programs to provide our employees with the best development opportunities. We support the career development of our employees and provide them with exchange and rotation programs across countries and functions.</p>
   <ul style="list-style-type: none"> Take urgent action to combat climate change and its impacts Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss 	<p><i>Responsible Products and Services</i></p>	<p>Our solutions bring efficiency and agility to our customers' operations, and reduce their environmental impact, including carbon footprint and natural resource consumption.</p>
	<p><i>Intellectual Property</i></p>	<p>In addition to enterprise resource planning (ERP) solutions, we offer various functional solutions such as customer relationship management, human resources management, workflow management, warehouse management systems, business analytics solutions, and retail solutions.</p>

Sustainability approach and management
Coding the future together

Communication with stakeholders

We establish strong and reciprocal communication with our stakeholders. We create strategic communication channels tailored to each stakeholder group. With this year's stakeholder analysis, we reached out to our stakeholders, including employees, business partners, customers, investors and analysts, press and universities, via an online survey. Our stakeholders helped Logo to identify material issues.



Stakeholder group	Communication methods
Employees	<ul style="list-style-type: none"> Traditional media (TV, radio, cinema, outdoor, magazines) Digital media and websites (logo.com.tr, blog.logo.com.tr, logoakademi.logo.com.tr, and so on.) Social media Human resources events Annual report and sustainability report
Business partners	<ul style="list-style-type: none"> Traditional media (TV, radio, cinema, outdoor, magazines) Digital media and websites (logo.com.tr, blog.logo.com.tr, logoakademi.logo.com.tr, and so on.) Social media Events and sponsorships (business partners meeting, third party events) Email

Stakeholder Group	Communication Methods
Business partners	<ul style="list-style-type: none"> · Direct communication (customer and business partner visits, communication via customer relations management) · Communication with customer services, sales teams
Customers	<ul style="list-style-type: none"> · Traditional media (TV, radio, cinema, outdoor, magazines) · Digital media and websites (logo.com.tr, blog.logo.com.tr, logoakademi.logo.com.tr, and so on.) · Social media · Events and sponsorships (business partners meeting, Logo events, third party events) · Mailing · Call center (444 56 46 – 444 LO GO) · Direct communication (customer visits, customer relations management) · Annual report and sustainability report
Investors	<ul style="list-style-type: none"> · Annual general meetings · Investor meetings and presentations · Teleconferences · Website and blogs, newsletters, emails · Material event disclosures on the Public Disclosure Platform · Annual report and sustainability report
Non-governmental organizations	<ul style="list-style-type: none"> · Meetings · Email, website and blogs · Sponsorships, events
Public institutions	<ul style="list-style-type: none"> · Email · Events and training
Universities	<ul style="list-style-type: none"> · Joint projects · Events and training · Email

We communicate with our stakeholders to establish a common language through collaborations and memberships on different platforms, and find solutions to social and environmental issues together.

- The Bursa Chamber of Commerce and Industry (BTSO)
- The Çorlu Chamber of Commerce and Industry (Çorlu TSO)
- The Gebze Organized Industrial Zone (GOSB)
- The Gebze Güzeller Organized Industrial Zone (GGOSB)
- The Gebze Plastic Manufacturers Organized Industrial Zone (GEPOSB)
- The Union of Chambers and Commodity Exchanges of Turkey (TOBB)
- The Izmir Chamber of Commerce (İZTO) 39th Professional Committee Software Group Membership
- The Kocaeli Chamber of Industry (KSO)
- The Association of Listed Companies' Executives (KOTEDER)
- The Gebze Chamber of Commerce (GTO)
- The Istanbul Mineral and Metals Exporters' Association (İMMİB)
- The Investor Relations Association of Turkey (TÜYİD)
- The Corporate Governance Association of Turkey (TKYD)
- The Software Industry Association (YASAD)
- The Digitalization and Industry 4.0 Association (Digit4Turkey)
- Turkish Women's International Network (TurkishWIN)
- Association of Automotive Parts and Components Manufacturers (TAYSAD)

We are
the future
partner of our
stakeholders

<i>R&D, innovation and digital transformation.....</i>	<i>24</i>
<i>Our technology solutions.....</i>	<i>26</i>
<i>Customer experience.....</i>	<i>31</i>
<i>Business partners development project.....</i>	<i>32</i>
<i>Data security.....</i>	<i>33</i>



We are the future partner of our stakeholders

We respond to the transition to cloud-based or hybrid systems, big data analytics, digital transformation and experience trends in the next generation of enterprise applications with our service-oriented approach. Accordingly, we allocate sustainable and optimum level of resources for R&D and innovation, which are the foundations of our company. We support digitalization of our customers by offering them technology solutions that increase their productivity, ensure data security and reduce their environmental impact.

We develop products and services that meet the specific needs of every customer, from micro-companies to large enterprises, and the industries they operate in. As Turkey's largest publicly traded software company, we have accompanied over 200,000 companies in their growth journey in 36 years, and with this expertise we continue to shape the future of the business world and guide our stakeholders in their digital transformation journey.

R&D, innovation and digital transformation

By integrating new technologies into our products and services through R&D and innovation, we strive to maintain the sustainability and competitiveness of our business. We support our customers' digital transformation and change their way of doing business through innovative solutions, thus shaping the future of the business world. In 2019, we allocated 123 million TRY to R&D, which amounts to 27% of our total revenue. 51% of our employees work in R&D.

We allocated 123 million TRY to R&D, which amounts to 27% of our total revenue.

Within the scope of the three-tiered “Horizon,” we manage R&D activities and budget as short, medium and long term horizons. We allocate 60% of the R&D budget and efforts towards Horizon 1. In line with the feedback from customers and business partners as well as in-house referrals, we make the necessary developments and improvements to existing products. We refer to R&D efforts for the medium and long term as Horizon 2 and Horizon 3, respectively. Horizon 2 covers product improvements along with new products meeting industry requirements in 1.5-2 years. Horizon 3 consists of innovation and R&D studies in the field of cloud, big data and machine learning, which are the focus of digital transformation. These take up approximately 30% and 10% of the R&D budget, respectively.

Logo Agile Process Improvement System (LAPIS) is one of the most important tools in implementing the R&D and innovation strategy. Developed with a lean production approach, LAPIS is designed as an agile software development application that continuously improves itself, adapts to innovations quickly, and focuses on teamwork and customer needs with its dynamic and flexible structure. With this system, we created a process that covers all phases of the software development journey of companies, including capacity planning, project management, and quality and efficiency assessment. We align new product features with the version calendar to offer our customers the agility they need. LAPIS produces output in short cycles thanks to customer feedback and minimizes the risks associated with project development through continuous feedback. Specific periods for each product group constitute the basis of LAPIS and the “pulse” of Logo. We launch a new version of each product during these periods. In 2019, our product development team added 3,949 features within 298 version releases.

Thanks to LAPIS, we released 298 versions and added 3,949 features.

Since last year, we have been focusing on machine learning specifically for enterprise application solutions through logo.us, our joint project with TÜBİTAK. In this project, we use valuable data from enterprise application solutions to improve business processes, provide value-added products and services for various industry and business functions, increase competitiveness on an international scale, support traditional software development processes with machine learning, and internalize the expertise of big data processing and machine learning. In 2019, we carried out the following activities to achieve these goals:

- We utilized Data Flow Infrastructure to design Customer Emotion Detection, Asset Recognition and Chatbot models for Customer Support models and integrated them into Logo solutions.
- We developed Customer Loss Estimation and Budget Revenue Estimation models.
- We created a model for Customer Segmentation and Campaign Duration.
- We developed models to improve service continuity.
- We also created a Headcount Estimation Model based on camera visuals for sales management in stores.

Open source code application

We launched the test automation tool Logo Tedam (Logo Test and Data Automation Manager) to be used by the software world. Offering end-to-end solutions for software test automation, Logo Tedam is published on GitHub as an open source code, making it possible for everyone to prepare, run and manage end-to-end test automation for web applications. We are not only a consumer but also a contributor in the open source code world, and thus we support high-quality software production in Turkey. Logo Tedam's source codes can be found at <https://github.com/logobs/tedam>. Docker versions of Logo Tedam are also available at <https://hub.docker.com/u/logobs>.

Our technology solutions

We offer technology solutions that meet and exceed the needs of our customers through investments in R&D and innovation. We develop application software and solutions in many areas, including Enterprise Resource Planning (ERP), Customer Relationship Management (CRM), Human Resources Management, Workflow Management, Warehouse Management System (WMS), Business Intelligence (BI) and retail. We help customers to increase their productivity, reduce their environmental impact, implement more effective risk management, and boost customer and employee satisfaction.

In 2019, we added new products and services to our portfolio while improving current solutions. We laid the foundation for the eco-PaaS project in 2018 aiming to improve software platforms for cloud-based ERP applications. This year, we consolidated all eco-PaaS services in company processes and made it scalable. As a result, millions of electronic documents (e-invoices etc.) have been stored on the eco-PaaS-based document management system, thus ensuring significant savings in terms of data storage volume. We also created API (Application Programming Interface) gateway for all eco-PaaS services. Additionally, we started to offer scenario-based thematic services through j-Platform Rest Recorder. Another important development in 2019 was the Smart Data Conversion Platform. This platform renders the conversion from Logo branded or other suppliers' enterprise applications to Logo j-Platform quickly and reliably without any data loss.

New products	Features for enhanced user experience
Logo WMS Platform	Logo WMS Platform provides a strong customer experience among channels by carrying out warehouse management operations from a single point. It reduces cost by providing integrated and automated warehouse management in large and mid-sized companies, and increases profitability and productivity as a result of effective process control.
Logo Start 3	Logo Start 3, which is updated to address current needs, is used by more than 14,000 enterprises, and controls every process from inventory tracking to sales, and from payments to collections. Thanks to its unique features such as e-Invoice and e-Archive Invoice integration, and a new and user-friendly interface, Logo Start 3 creates value for our customers.
Logo Netsis Wings Entegre	Logo Netsis Entegre became web enabled to increase efficiency in business process management and was launched as Logo Netsis Wings Entegre. Thanks to its hybrid structure that can operate as on-prem and on web browser, all processes from accounting to sales operations are managed from a single point, anywhere, anytime.
Logo GO Wings	Logo GO Wings, the web enabled version of Logo GO 3, enables all processes from accounting to sales operations to be managed from a single point, anywhere, anytime, thanks to its hybrid structure that can operate as on-prem and on web browser. Offering effective control and superior efficiency, Logo GO Wings solution provides competitive advantage to companies.
Logo Mali Müşavir 3	Developed with a brand-new interface, new Logo Mali Müşavir 3 solution enables users to easily perform all transactions, including tax statements, payrolls, ledger declaration and office management, thanks to its multiple modules. It saves time and reduces workload while increasing customer satisfaction.
eLogo e-Self-Employment Invoice	In 2019, we launched eLogo e-Self-Employment Invoice as an economical and environmental-friendly solution, offering many advantages. Thanks to this solution, invoicing is handled electronically and in compliance with the requirements of the Revenue Administration.
Web-based ERP solutions	In 2019, Logo Tiger 3, Logo Tiger 3 Enterprise, Logo Netsis 3 Enterprise and Logo Netsis 3 Standard solutions were launched on web-based platforms. They were introduced to international sales channels as Logo Tiger Wings, Logo Tiger Wings Enterprise, Logo Netsis Wings and Logo Netsis Wings Enterprise. This product group offers companies efficiency in business processes thanks to exclusive features such as fast and easy mobile access, process tracking anywhere, anytime, uninterrupted communication with internal and external stakeholders, and instant access to required information.

New products	Features for enhanced user experience
<p>Logo Bordro Plus and Logo Bordro Plus Portal</p>	<p>In 2019, we updated and relaunched Logo Bordro Plus, a Human Resources Management solution, with a new interface. Logo Bordro Plus has been completely revamped, with new background colors, page contrast and icon designs in particular, and brings convenience and speed to payroll processes, reducing workload.</p> <p>Via the web-based application Logo Bordro Plus Portal, employees can track their payroll and vacation days, and access their registered personal information.</p>
<p>Logo İşbaşı</p>	<p>Logo İşbaşı, a cloud-based bookkeeping application for small businesses from any industry, facilitates business processes and can be accessed through web browsers and mobile devices. After a quick and easy subscription process, the solution requires no installation, hardware, software or maintenance costs. No training is required to use the software thanks to its user-friendly design. You can access Logo İşbaşı through www.isbasi.com, and iOS and Android mobile applications.</p>
<p>Logo Data Backup</p>	<p>Logo Data Backup helps companies using Logo ERP solutions back up SQL data and restore it in case of data loss. Thanks to this solution, backed-up data can be stored on the desired platform.</p>

Logo and Turkcell join forces

We started to offer our enterprise application solutions for companies of different sizes via Turkcell data centers. Making technology accessible for a wide audience thanks to its large infrastructure investments, Turkcell shares its experience as a digital integrator with over 90,000 Logo customers. We provide our customers with uninterrupted and sustainable service through Turkcell's Virtual Data Centers in Gebze and Dudullu.

An outstanding digitalization project

With a special project, we aim to ensure the transformation of hardware stores that have direct or indirect relationship with one of our customers operating in the paint industry, to increase their productivity. They sell their products at hardware stores. They are in contact with 500 hardware stores directly and 3,500 indirectly, amounting to 4,000 in total. With this project, we aim to promote the hardware stores to Next Generation Dealers (NGDs) by enabling their transformation. Accordingly, we provided NGDs with Logo Diva POS, an easy-to-use software platform allowing them to track sales, inventories, and customers. Thanks to this cloud-based platform, we helped NGDs adapt to the system without overloading them with technical responsibilities outside of their expertise. We also enabled them to perform sales and inventory transactions via mobile Android devices supplied by our customer. With the system's new layout, an NGD's revenue and productivity increased by 30% and 60%, respectively. We aim to include painters in this platform later in the project.

The digital transformation solution partner eLogo

We offer our customers end-to-end technology solutions with eLogo that guides companies with their digital transformation. We reduce costs related to paper, printing, archiving, labor and distribution, accelerate financial processes by decreasing operational work load and ensure data security.

By providing e-Invoice, e-Archive, e-Ledger, e-Dispatch and storage services approved by the Revenue Administration (GIB), eLogo offers services in these fields to companies using either Logo's enterprise application solutions or other solutions. We complement these services with other value-added services such as e-Collection, e-Statement, e-Reconciliation, e-Dispatch Note, e-Trade Portal, e-Producer Receipt and Occupational Health and Safety solutions.

While maintaining our market leadership in 2019 in e-Government solutions, we also focused on value-added financial technologies. We made regular debriefings and announcements about legislative changes to increase awareness. Furthermore, we achieved to broaden eLogo's customer base by encouraging companies, that are not obligated to use e-invoices, to voluntarily adopt e-document practices. Through mass transition projects, dealer, service and distributor networks of many companies started using e-Invoice and e-Archive Invoice with eLogo and gained operational efficiency, speed and cost advantages. In 2019, eLogo customers reduced their environmental impacts and decreased their costs by producing and sending around a total of 325 million electronic documents instead of printing.

eLogo users produced 325 million electronic documents instead of printing. Therefore, 4,432 trees were saved from being cut down.

We are the future partner of our stakeholders



Our international operations

Romania

Logo Total Soft's leadership

We develop enterprise application solutions under Logo Charisma brand at our subsidiary Logo Total Soft. Logo Charisma ERP, one of the most preferred solutions of the company, was structured as a universal solution that contains modules specific to various sectors including financial services, retail, distribution, manufacturing, construction, agriculture, energy, health, and service sectors. We are the local leader in Romania with our ERP, leasing, healthcare, human capital management and payroll solutions.

Logo Total Soft is the local leader in Romania with its ERP, leasing, healthcare, human capital management and payroll solutions.

Logo Charisma HCM (Human Resources Management), is mostly preferred by local companies, international fashion retailers, leading companies of the Romanian oil and gas industry, and the market leaders of the manufacturing, mining and information technology industries. We added a new interface to the initial platform of Logo Charisma Leasing, a solution preferred by international leasing companies. This new interface enables Logo Charisma Leasing to connect with vendors via API (Application Program Interface). In addition, our project to adapt Logo Charisma with the EU Falsified Medicines Directive continued in 2019 and, as a result, Romania's largest drug companies achieved compliance with this new directive by using Logo Charisma ERP.

India

Logo Infosoft offers customized solutions for the Indian market

SMEs not only act as the main hub of growth and employment throughout the world, but also support development processes of countries thanks to their roles in improving and spreading innovation¹. However, in the digital world, SMEs, too, need change and transformation. We provide guidance to SMEs in their digital transformation in order to enable them to survive in this competitive environment and to further develop themselves.

We aim to improve the main operations of SMEs using technological solutions through Logo Infosoft, which we established in India in collaboration with GSF Software Labs LLC. India has a vibrant economy with almost 60 million SMEs which have started to prefer digitalization following the country's enforcement of Goods and Services Tax (GST). We developed GST compatible ERP "Jugnu" and the mobile solution called "Vyapari" for Indian market.

Logo Infosoft's flagship product, Jugnu, includes financial accounting, inventory management, purchasing, sales and distribution operations of companies. This product assists OEMs (Original Equipment Manufacturers) in reaching more distributors and carrying out their activities in a more efficient way.

Vyapari, on the other hand, is a powerful solution that joined an evaluation process by the Goods and Services Tax Network (GSTN) regarding the category of Invoicing and Accounting Software designed for SMEs. Logo Infosoft, together with its partner IRIS Business Services Pvt Ltd., became the only international software on the short-list of eight software programs selected by GSTN.

¹TBD Digital Transformation Guide for SMEs

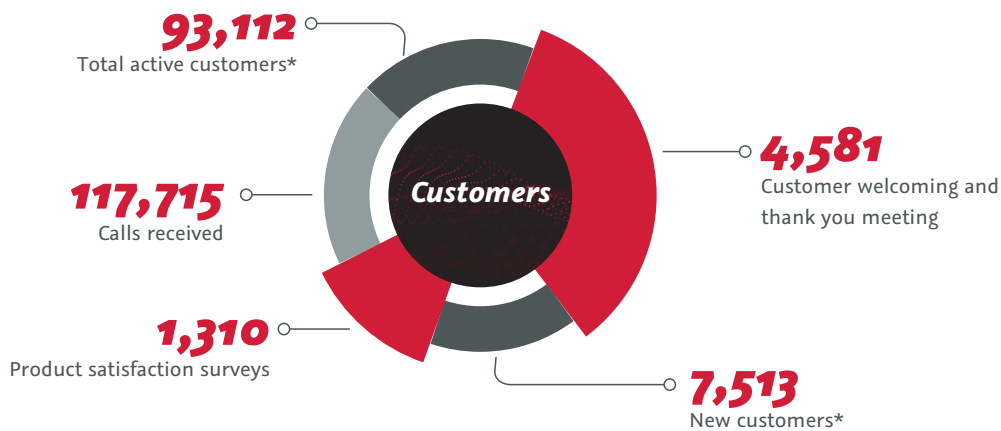
Customer experience

With the products and services that we develop, we aim to enable our customers, major part of our ecosystem, to create economic and social value in their operations and minimize their environmental impact. With more than 90,000 customers, we are the leader in Turkey's ERP industry. We serve a wide range of customers, from large enterprises to SMEs and micro companies. While technology and digitalization is transforming every sector, we provide guidance to our customers to adapt to this change and, we enable them to manage risks and opportunities with our products and services.

While contributing to the sustainable transformation of the ecosystem with innovative products and services, we need to understand our customers' expectations and their approach to new technologies. Accordingly, in 2019 we carried out a customer profiling research to have a better knowledge about the customers, based on their values, behaviors and needs. As part of this research, we obtained outputs towards understanding the needs, demands and expectations of customer segments with different sectoral behaviors and characteristics. We analyzed customer behaviors and updated our future plans accordingly to be in line with the new concepts and changing trends such as cloud software, Industry 4.0, IoT (Internet of Things) and pay-as-you-go models.

In 2019, we carried out a customer profiling research to understand our customers' expectations and their approach to new technologies.

Within the framework of our customer-oriented business approach, we manage our customers' satisfaction through the ISO 10002 Customer Satisfaction Management System. It is our goal to turn the incoming system requests and recommendations from customers into customer satisfaction after assessing them in line with the legislative requirements, and to constantly improve customer satisfaction by regularly measuring its efficiency. We undertake product experience and satisfaction measurement meetings in order to understand customers' product satisfaction. In 2019, we conducted phone surveys with 312 Logo customers for SME products, 696 Logo customers for ERP products, 228 Logo customers for Payroll solutions and, finally, with 74 strategic customers for customer satisfaction. We held Welcoming and Thank You Meetings with 4,581 customers. In 2019, our employees were provided with a total of 588 person*hour Logo CRM Training and Customer Experience Vision and CRM Training.



*Represents Logo Group figures. 18% of active customers and 38% of new customers belong to MicroSME segment. Other figures represent Turkey operations.

We are the future partner of our stakeholders

Our existing customers and companies with enterprise application solution needs can reach us through our call center at 444 56 46 (444 LO GO) or via our corporate website www.logo.com.tr. We handle feedbacks from customers according to customer satisfaction principles. In 2019, we solved 94% of the 124 complaints we received. The number of feedbacks in 2019 decreased by 22% compared to the previous year.

We provide special discounts and campaigns to customers in line with the agreements made with different brands through the Logo World of Opportunities platform. The platform, which we designed as a loyalty program, can be reached through logofirsatlardunyasi.com. With another service called Logo Enterprise Membership (LEM) subscription system, current Logo product users are able to use the new features that are not on sale as a separate module free of charge throughout the year. In the initial year of the license sale, LEM is provided to customers free of charge.

Business partners development project

We have a large service network comprised of more than 5,000 people including our employees and our business partners. For the development of this ecosystem, we implemented the Business Partners Development Project that is based on continuous progress, improving stakeholder experience, and spreading a culture of innovation and enhancement. We formed a project team comprising of Logo Channel Management, Marketing, Corporate Brand and Communications departments. We carried out different projects to help business partners perform their financial growth and sales analyses in a systematic manner and standardize their corporate identity, as well as to strengthen their loyalty to the Logo brand.

One of the projects within the program was Corporate Transformation Packages under which we provided content packages under the titles of Basic Design, Digital Transformation, Corporate Video, Digital Advertisement Consultancy, Website and SEO (Search Engine Optimization) Consultancy and Social Media Management Consultancy to help companies design their corporate materials in line with their corporate identity and improve their communication efficiency on digital platforms. Logo Academy, on the other hand, carries out activities such as giving online product trainings, scaling training sessions and installing a product certification auditing system.

In 2019, 1,079 people attended classroom trainings planned on a city basis and 489 people attended online seminars designed for Logo Business Partners. As a part of the Business Partners Development Project, we offered Logo Project Management Training, Sales & Neuro-Sales Training and LEM Sales Training. A total of 1,717 of our business partners attended the training sessions held during the year. Thanks to the Webinar application, training sessions for Logo Business Partners were made available for remote learning from all regions and cities, and thus, attendance increased. Accordingly, international Logo Business Partners also had the opportunity to increase their level of product knowledge and competency through trainings held online in 2019.

We prepared and executed action plans of these projects for more than 70 Logo Business Partners that were selected for the pilot phase. We analyzed the results, and assessed them together with Logo stakeholders in order to create references for various business partners as exemplary practices.

Data security

While sharing platforms become diversified through cloud and mobile technologies in line with the digitalization of companies' business processes, the risk factors related to data security increase as well. Cyber attacks became a hot topic on the global agenda as one of the most significant risks brought along with digitalization. With the power of R&D and innovation, we develop products and services that protect the privacy and data security of our customers.

In line with our certificate of ISO 27001 Information Security Management System, we aim for constant improvement by ensuring business continuity during our company's operations, minimizing any damages or risks arising from security violations, managing the risks that may arise from information created, processed and stored in the technology infrastructure, and taking all measures necessary to protect physical and electronic information assets. We hold training sessions with the purpose of increasing the awareness of our employees regarding the protection of information security and information assets.

By adopting ISO 22301 International Business Continuity Management Policy, in case of disasters or emergency situation which may occur outside of control or in case of a possible interruption, we aim first of all to ensure the safety of the employees and guests in all offices, to continuously meet the expectations and needs of the customers and investors, to take rapid and accurate action in the event of a possible interruption, and to prevent financial losses and damage on the company's reputation. Also, within the scope of the Personal Data Protection Law (PDPL), we formed a PDPL Commission and held awareness meetings with 65 different teams and carried out trainings and awareness activities for almost a total of 150 hours. We registered to the VERBIS (Data Controllers Registry Information System) and we updated our corporate website and provided internal disclosures. We also took all PDPL-related measures regarding any matters related to our employees. On the other hand, we provided a three-hour training on personal data protection to more than 150 Logo Business Partners. We also informed our customers on the improvements we made in line with the PDPL.

We formed a PDPL ((Personal Data Protection Law) Commission and provided trainings to our employees and business partners.

We transform
the new
generation of
workforce

<i>Investing in talent</i>	36
<i>Employee experience</i>	37
<i>Learning and development</i>	39
<i>Talent acquisition</i>	40
<i>Loyal employees</i>	41



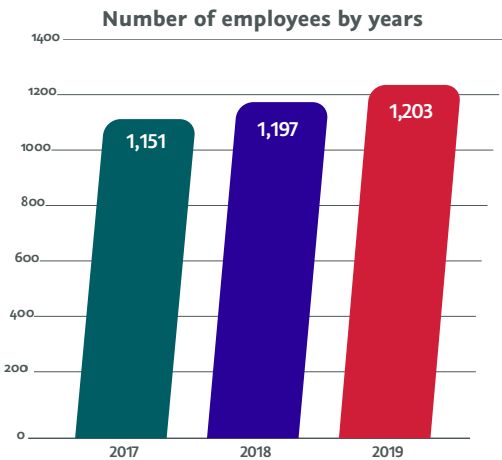
We transform the new generation of workforce

Digitalization and technological advances have long been changing the way the world thrives. As Turkey's largest publicly traded software company, we have the ability to transform and optimize our clients' traditional business models and therefore make their lives easier with our solutions suited for various industries. Seizing the opportunities of our age is only possible with innovative-minded human capital that understands this transformation. However, studies suggest that companies have problems in accessing the right talent to fit their needs, and moreover, 74% of senior managements regard this topic as a serious problem². At Logo, we focus on working with the most suitable talents to be the best at what we do. We invest in improving our talents and support their career journeys. We provide them a work environment where they can happily commit to create value for decades at Logo. Digitalization helps us continuously improve work experience so we can attract new talents. We transform the new generation of workforce with the talents who are the best at their specialized fields while we introduce the industry a talented workforce as a result of our development culture.

Investing in talent

Today, facilitating workforce to acquire the competencies required by the digital age creates a competitive advantage, and investing in their skills is among the fundamental workforce strategies³. It is one of the pillars of our business culture to become stronger as a single body with our employees in order to gain an inherent and sustainable advantage in this area. Because we believe that we can only create a difference in the software industry, where innovation is key, by leveraging our qualified and trained workforce. It is among our top priorities to invest in our human resources, which is made up of 1,203 bright individuals as of 2019⁴.

Our people-oriented company culture helps us create a transparent and safe working environment where we celebrate success, and we observe the needs for better and enjoyable working conditions. We utilize digitalization and technological means that would enhance employee experience. Adding new competencies and providing tools to improve skills are at the core of our investments in talent. It is our priority to present the best opportunities of development to our employees, and for that we design professional learning and development programs. We support each individual's career development. We implement international and inter-functional exchange and rotation programs to facilitate this development.



²Talent Trends 2020, PwC

³Future Workforce Strategy, WEF

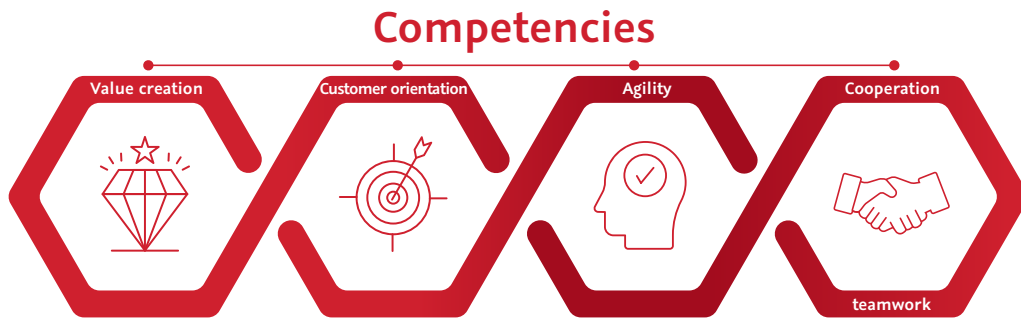
⁴Number of employees by year indicates the number of employees by year-end, including India.

Employee experience

Our understanding of a fair and ethical work environment is guided by the Universal Declaration of Human Rights – UDHR and the ILO (International Labor Organization) Declaration on Fundamental Principles and Rights at Work.

We create a work experience which fosters welfare and productivity, and enables professional development. We harness the power of digitalization in HR processes and execute the transformation strategy as a learning organization. With the People and Organizational Transformation strategy launched in 2019, we position as an employer brand that will further improve brand recognition and improve employee experience. The strategy prioritized improvement of leadership capacity as part of employee experience, assessment of working environment and climate and bringing structures, systems and processes to required level to support our vision and purposes.

In our internal workshops, we identified four main competencies to enable the culture we project for Logo. These are; **Creating Value, Customer-Orientation, Agility and Cooperation & Teamwork** and we are currently carrying an internal communication activities aimed at internalization of these competencies.



We won the Respect for Human Award 2019 from Kariyer.net with our employee experience focused human resources operations.

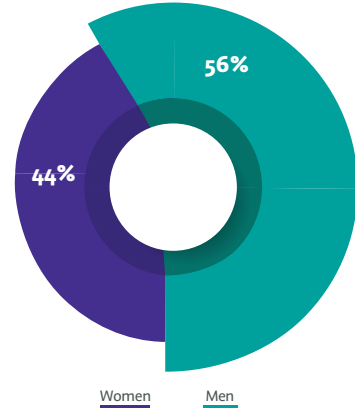
We transform the new generation of workforce

Diversity and gender equality at Logo

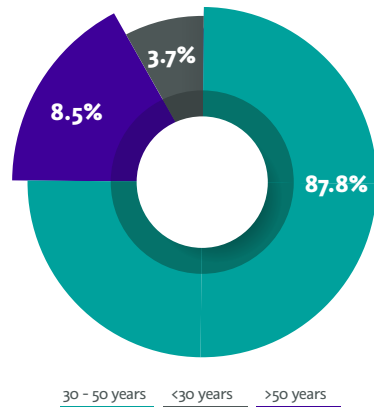
Another area which has a positive influence on employee experience is our understanding of diversity which centers around women and young people. We are completely aware that resolving discrimination problem based on based on genders hugely depends on efforts of the business world. With this respect, we support diversity by doing improvement directed towards gender equality.

- We attach importance to providing equal opportunities and means to both genders at employee and management positions, and we always focus on increasing the number of women employees. In 2019, 44% of our workforce and 40% of our senior management were women. In addition, 50% of our 76 intern candidates in Turkey were women.
- We collaborated with TurkishWIN and focused on women and young people, and as a continuation of our efforts in this area, we sponsored the Young Woman Career Day. In addition, we participated in the mentoring and reverse mentoring programs of the platform.
- For our employees with children, we grant a day's leave for the first day of their children at school, and a half day's leave for the school report card day.
- We took our part in the İş Dünyası Aile İçi Şiddete Karşı (Business Against Domestic Violence) Project organized by Sabancı University. We educated our own internal trainers in this area and launched presentations and awareness sessions in our offices. As part of our efforts, we will also publish a procedure on domestic violence.
- We also took part in various activities in this area, namely the Women Leaders Summit of Boğaziçi University, European Woman in Digital Diversity Manifesto Introduction Meeting, and the Conference on Women Who Shape Life.

Employee demographics (%)



Number of employees in management positions (%)⁵



LAPIS

Logo Agile Porcess Improvement System (LAPIS), an agile working methodology founded on inspiration from lean production philosophy in 2008, has already been in use by our product development units. This solution brought our customers much needed agility in their business processes. In order to utilize the solution in a wider scope, in 2019 we started transitioning all units under People and Organizational Transformation department to a new work scheme based on this infrastructure. The process started with the Organizational Development unit as a Non-IT LAPIS user, and then extended to Pay & Rewards and Employee Relations unit and then the Learning and Development unit. All People and Organizational Development's units will have transitioned to the LAPIS methodology, which brings significant productivity increase and agile action ability, by the year 2020.

⁵Includes Turkey and Romania operations

Learning and development

It is our priority to contribute to professional and personal-development of our employees. We aim to support personal-development of our employees, improve the leadership skills of managers, launch internal training courses, increase access to digital training resources and provide skill improvement trainings. In 2019, we provided an average of 24,5 hours of training per employee.

Logo Academy

Logo Academy's architecture was re-defined to gather learning and development activities in Logo Group under one roof and integrate these activities with Human and Organizational Transformation processes. As part of Logo Academy's learning and development programs, we provide mandatory trainings, and training in leadership improvement, technical competence and personal development categories. We have developed an internal training improvement program and procedure in order to create in-house digital expertise. In 2019, internal trainers in Logo Academy provided 93 hours of face-to-face training.

Moreover,

- In our efforts to increase digital learning opportunities, we provided memberships and access to national and international online learning platforms. **575 employees** used these platforms by registering for **1,409 online learning courses**.
- Learning and development needs were analyzed in detail for all departments, based on which the Training Catalogue was re-created. Combined development programs, technical training and competence training programs were designed for Leadership, Sales and Customer Service-Support functions.
- In order to improve communication among teams and teamwork skills, we implemented an Employee Loyalty survey, and we used the results of this survey to implement "One Team" trainings for teams with room to improve.

Leadership training

Leadership is an important part of a work experience. At Logo, we design programs to improve leadership skills and present these programs in classroom environment and/or online platforms. In order to support career development, we work on forming Personal Development Agendas with contributions from leaders.

- **Leadership Development Program:** In order to develop the leadership skills of our managers and for them to coach their teams, we developed a Leadership Development Program which consists of three phases, namely Leading Self, Leading a Team and Leading a Job. Every senior and mid-level manager in the organization completed these training sessions. We support the program with additional modules, hence reinforcing the Coaching Leader concept at Logo. Approximately 125 senior and mid-level managers completed the program. In addition, we implemented a Feedback Training Program to contribute to the performance evaluation process. A total of 42 managers at Director and Manager level were included in the Improvement Center Program and we prepared Personal Development Agendas for them.
- **Logo Leaders Platform:** In this platform, we support Logo's extended senior management team in the three-stage leadership development program and face-to-face sessions.

Talent acquisition

As part of our efforts to improve diversity in talent acquisition and strengthen the culture of involvement, we aim to continuously acquire new generations of talents to our company. Nowadays, the Y and Z generations seek to work in goal-oriented companies which operate at a global scale, can present opportunities to work abroad and flexible working hours. They also prefer to work in companies where they can improve their skills of entrepreneurship. In this context, our approach is focused on women and young people. We aim to increase company recognition with our constant interaction with students at universities' senior classes and graduate candidates.

At Logo, we plan talent acquisition processes to find employees most fitting to our company culture, business goals and position-specific skills. We look out for equal opportunities in recruitment processes and we do not base our choices on gender, nationality, religious beliefs, ethnic background, marital status or sexual orientation. We carry out our assessment based on knowledge, experience and Logo's competencies. In our recruitment process, our fundamental strategic purpose is to recruit the most qualified young individuals and experienced professionals in a just and objective elimination process to help Logo's further progress. We use the General Skill Test and Personality Inventory for this purpose.

We keep talent acquisition and candidate assessment procedures up-to-date as part of our ongoing progress and digitalization processes. In this respect, we provide a flexible environment to our candidates in the form of online communication platforms for their interviews. We use an online interview system for our candidates' job interviews, where we send them a professional invitation that contains the information they can use to connect to the online interview. These online interviews can also be monitored by managers, which enables them to finalize their assessment in a shorter time.

We implement the LOG-in Internship Program in order to feed the Logo young talent pool with high potential. This program received 400 applications in 2018, and more than 4,400 in 2019. 70% of these candidates still continue their education in engineering departments. We recruited 76 interns from the program for Logo. They were included in an orientation program, social skills and technical trainings during the process. Furthermore, a total of 18 trainees, including 15 part-time and 3 full-time, had the opportunity to continue their careers at Logo.

In 2019:

- We met students at the campuses of Bilkent, İstanbul Technical University (ITU) and METU in career days. We also introduced our programs at Dokuz Eylül and Bilkent Universities. During these events, Logo managers made presentations during the conferences attended by hundreds of students.
- We became the sponsor to the Science and Technology days of Gebze Technical University, and the Geek Day Congress. We made a presentation about Progressive Web App.

We also use digitalization while acquiring talents. For instance, we use the candidate pool much more efficiently with customized filtering options on the system or website. In order to enable efficiency in processes such as trainee and Management Trainee recruitment, we conduct video interviews, video recordings on the Internet and career portal. As of the year 2019, we held nearly 2,000 video interviews.

Loyal employees

Assessing employee satisfaction and understanding their expectations are important for us. Therefore, we carry out an Employee Loyalty Survey to acquire the insights of our employees. We shared the results of the Employee Loyalty Survey conducted at the end of 2018 with our employees in a meeting attended by our CEO in 2019. In order to thoroughly review the topics that were determined as areas of improvement in the survey, we held 12 focus group meetings attended by 179 people from all functions and levels at Logo. We created 16 project groups and produced project ideas and improvement recommendations in line with the suggestions of focus groups. Upon recommendations:

- We did improvements in working environment in all locations.
- We strengthened the reward and recognition programs so as to reinforce the employee experience.
- We launched the VAY BE! platform which can be used by Logo employees actively and consists of Instant Recognition, BUDUR Reward and Value Reward categories. Thanks to VAY BE!, employees and managers are able to provide recognition to each other instantly and submit their recommendations to executives.

We strengthen communication and transparency in the company so as to make a positive impact on employee loyalty.

We provide expert support for 24 hours and 7 days on the phone and face-to-face through LEAP Employee Support Program in order to support employees and their families in various challenges they face in their business and private lives. Apart from individual meetings, psychologists that are specialists in subjects such as communication, parental behaviors, motivation and success anxiety are present to answer employees' questions. Psychological consultancy, medical consultancy, marriage, family, child and adolescent consultancy, mother and baby program, law, finance and legislation consultancy, educational consultancy, employee welfare are among the areas of service.

Employees are able to share all the issues related to corporate business guidelines on Logo Ethics Line for 24 hours and 7 days. Besides, senior executives and employees gather and address the overall state of company as well as agenda items in meetings that are held twice a year.

We organize events such as organic bazaars, book stands, NGO promotion booths in the headquarters at certain times of the year for the employees to build a good social work environment. During the April 23rd, Logo Children Festival, which has become a traditional event for the past 6 years, children of employees attend many creative events ranging from design workshops to dancing activities. Events are held with Future Coders Lab in the Meet-up social network, the meeting point of professionals with common interests. Moreover, we contributed in the Kızımız Okuyacak project by the Buldan Foundation by forming a team for the 10-km race track under the 41st Vodafone Istanbul Marathon.

Employees can take a day off on their birthdays or any day during that month. As for the benefits, private health insurance is provided to each employee as of employment start date, in various packages, regardless of the trial period. We also offer benefits, which vary based on level groups, such as private health insurance, vehicle and fuel support, company mobile phones and plans, Private Pension System support, performance premiums, transportation support, meals. We also have applications such as gift tokens for special days and rewards system.

Performance and career management

We create a working environment where success is rewarded and development is supported. We apply employee assessment annually and follow their development on a regular basis. At the end of each year, Logo employees assess themselves first in terms of targets and competencies. Then managers share their feedbacks with all team members based on targets and competencies. Individual Improvement Agendas are created for employees when required. In 2019, we applied regular performance and career development assessments on 91% of our employees in Turkey and Romania, and assessed all those employees based on the criterion of fulfillment of measurable targets.

Outputs of the Performance Management System create inputs for Logo GROW Learning Focused Career Development Model both in the areas of pay management, and career management and succession.

Logo GROW Learning Focused Career Development Model: We defined 250 career change alternatives for 101 different positions in Logo as part of our Learning Focused Career Development Model. Within this scope, we support managers with different tools and training programs on leadership development programs, coaching skills, high performance culture, feedback skills and Coach Leadership.

We apply Korn Ferry-Hay's pay system for our performance management. We shifted from title-focused structure to level-focused structure within this scope. Along with the clarification of narrow and wide level structure definitions, we became able to map career paths on horizontal-vertical levels. We took action to extend the system to Romania and India. By this way, we aim to build equations in different organizations, and make inter-functional and inter-country transfers and rotations smoother.

To identify the annual pay increases as per assessments, we take internationally accepted systems and internal dynamics into account by making fair and balanced market comparisons. We monitor performance and always appreciate success through a rewarding system. We added competency-focused good behavior examples to the rewarding system. We also eliminated the target focus from the performance system, and started 70% target, 30% competency assessment. As part of another effort aimed at improvement and learning of Logo employees, career paths of business families and functions were defined, starting from the Turkish operations, and route of promotion processes was determined from the lowest level to the director level. Requirements/qualities of the roles were also clarified in horizontal-vertical-cross transfers.

We support career plans of Logo employees by means of internal announcements and transfers. We publish all open positions for Logo employees on our intranet.

Occupational health and safety

As a company that also offers OHS solutions in many industries, it is our responsibility to minimize or eliminate any elements that can threaten the health and safety of our employees. For this reason, we manage OHS in accordance with the legal regulations, and create a company wide culture that OHS is internalized, starting with the senior management.

At Logo, OHS is managed through voluntary participation of all employees and ownership by senior management. Top level executive responsible for OHS is Logo Group Chief People and Organizational Transformation Officer and reports directly to the Board. Created with the participation of employees, Occupational Health and Safety Coordination Council conducts activities to create a safe working environment.

We map the OHS risks as office ergonomics based risks such as back and neck disorders, vision disorders; building based risks such as slipping and falling, and traffic based risks such as use of vehicles and buses. By this way, we take precautions against risks and manage the risks effectively by grouping them. Increased employee awareness OHS issues plays an important role in creating a safe and healthy working environment. Therefore, we provide OHS training to our employees in order to increase their awareness. In 2019, we provided 8 hours of OHS training per person for a total of 124 employees in Turkey, and 6 hours for 500 employees in Romania.

Neither a fatal incident nor an occupational accident occurred at Logo in 2019. In our Gebze and Ankara offices, we fulfilled the requirements for ISO 45001 that replaced OHSAS 18001, and have the scopes of management commitment, employee involvement and risk control, and also carried out some improvements and revisions in 2019. We aim to complete the certification process following the independent audit.

We contribute to the economy of the future

<i>Investment in the industry's future.....</i>	<i>46</i>
<i>Entrepreneurship.....</i>	<i>48</i>
<i>Logo Ventures.....</i>	<i>48</i>
<i>Future Coders Lab.....</i>	<i>49</i>
<i>Other corporate social responsibility (CSR) projects by Logo..</i>	<i>49</i>



We contribute to the economy of the future

Technology industry offer products and services in various areas such as infrastructure, communication, financial management, operational services, optimization, quality control, automation and security for the main management functions of different sectors. In parallel to global trends, the need for such products and services increases each day. The size of the global software market in 2018 was recorded as 456 billion USD; it is predicted that the software industry will grow 50% between 2018-2023. On the other hand, Global Skills Index compares countries according to skills, including technology and data⁶, and measures the impact of these skills on GDP. According to the survey, Turkey listed in low-skill areas of technology and data⁷. We can no longer ignore the contribution created by the technology sector to social development which shapes the future of the business with employment created/to be created and the capacity to meet technological needs.

As a software company competing on a global scale, today we are the most valuable information technology brand in Turkey. We use our digital competencies to help the development of the youth and to support entrepreneurs. Thus, we contribute to the development of the business line of technology in Turkey and create an economic field.

Investment in the industry's future

The restructured Logo Academy architecture maintained its feature of being an educational platform which allows us to transfer our competencies and to invest in the industry's future. We aim to train experts in Logo Solutions, increase the competency of employees of the companies using Logo solutions and help them reflect those competencies acquired onto business processes. Accordingly, we prepare training programs for all Logo users, Logo Business Partners and Logo Expert candidates who desire to improve themselves in these subjects. We provide the attendants with Logo Solutions and personal development opportunities through training programs offered by experienced instructors who are experts in their fields. The training programs we provide at Logo Academy, both on an individual and corporate basis, take place in Logo Academy's classes located at the Gebze campus and in other training centers in different cities.

Since the day of its establishment, almost 8,000 people have received training at Logo Academy. **More than 2,500 students of the Academy had the opportunity to work in various positions in the IT sector.** As of 2019, the number of certificated experts of Logo products reached 8,655.

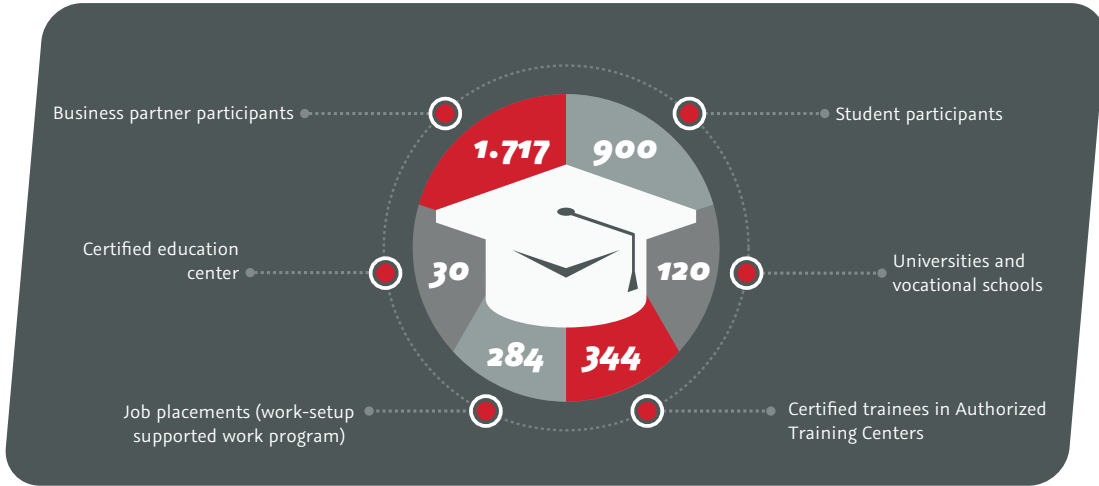
We started to give training sessions via digital platforms through webinars which are launched in the second half of 2019. Logo GO 3, Logo Tiger 3, Logo Bordro Plus and eLogo product training programs, as well as the Solution Partners training programs also took place on digital platforms.

⁶Trends in the Information Technology sector, 2019

⁷Ranking Countries and Industries by Tech, Data, and Business Skills, HBR, 2019

Partnership with educational institutions

In 2019, we continued to support the Qualified Information Technology Expert Trainee Program by İŞKUR (Turkish Employment Agency) sponsored by the Ministry of Labor. We sustained our collaboration with various universities, vocational schools of higher education and private educational institutions.



We contribute to the economy of the future

Entrepreneurship

Logo Ventures⁸

With Logo Ventures, we contribute to the development of Turkey's venture ecosystem. We support innovative ideas, and play an important role in the growth of the IT business line by ensuring the maturation of ventures. With Logo Ventures, we aim to invest high-risk venture capital through debt, capital, debt capital mix and similar means to technology companies, which are in the incubation period and have not yet proved their technology or business model, however, demonstrate high growth potential. The aim is to help such companies achieve their growth targets and create long-term value by providing them with strategic support.

In 2017, we invested \$1.2 million in Vispera, which has developed image recognition-oriented technologies for retail companies, and in 2018, we invested 500 thousand dollars in V-Count, an enterprise that produces hardware and software such as people counting, heatmap analysis, and cash register queue analysis, that can be used in many areas from retail to exhibitions, and from airports to libraries. We will continue supporting entrepreneurs to reinforce a plethora of ideas.

⁸One of the corporate venture funds in Turkey, Actus Asset Management A.Ş. Logo Ventures Venture Capital Investment Fund, was established in the second half of 2017 with a 20% shareholding of Logo Software and a 10 million TL investment target.

Future Coders Lab (Geleceği Yazanlar Atölyesi)

With Logo Future Coders Lab, initiated in 2019, we taught children robotic coding to inspire future software developers. The project is carried out in collaboration with Bütün Çocuklar Bizim Derneği (BÇBD-All Children are Our Children Association) and Atölye Vizyon. The project's official opening took place in Logo's Gebze campus, then at Şişli Mareşal Fevzi Çakmak Pakmaya Primary School and at Şehit Fikret Metin Öztürk Primary School with the support of Logo's 7 Business Partners. Furthermore, with Logo Renk Club's support, the future coders lab was built at Harmantepe Secondary School with 21 computers. In 2019, these robotic coding workshops have managed to reach more than 2,000 children and with the support of Logo Business Partners and its ecosystem, the target is to spread the initiative all around Turkey. Logo Future Coders Lab teaches coding to children by implementing fun methods and teamwork, and further aims to impact their future lives from today by developing their imagination, mechanical aptitudes and analytical skills. In the 32-week-long robotics programming training for children of 8-10 age group, there are workshops on 3D design, different drawing methods, algorithm creation, 3D material organization, robot building with the use of sensors, understanding the logic of the "if ... then" concept, interactive games and stories creation, and use of graphical programming blocks.

The children who participated in "Logo Future Coders Lab" at first stage, built robots that dance in the dark and in the light thanks to light sensors. Once the training is completed, the objects created by the children by instantiating their imagination will be exhibited.

Other corporate social responsibility (CSR) projects by Logo

- As part of the Anatolian Scholarship Program which aims to expand qualified education, we provide two women studying at Koç University with Logo Scholarship.
- We also provide 10 successful students from M. Tuğrul Tekbulut Information Technology Vocational High School with education scholarships.
- By collaborating with Bütün Çocuklar Bizim Derneği, we hold various charity projects for students with financial difficulties.
- During the 23 April Logo Children Festival, which has become a traditional event for the past six consecutive years, Logo employees' children attend many creative events ranging from design workshops to dancing activities.
- Logo Sailing Team which was formed in 2006, comprised of 16 people with many national and international achievements in their respective fields, is a concrete example of our support for sports. The team won a total of 17 cups in 27 races held in 2019, receiving four first prizes, seven second prizes and six third prizes. Furthermore, the team won the first prize in TAYK Mat1010 trophy.
- Logo Software employees formed a Corporate Running Team for the 10-km track under the 41st Vodafone Istanbul Marathon that took place on November 3, 2019. The purpose behind the formation of this team was to contribute to the project "Our Girl Will Go to School (Kızımız Okuyacak)" by the Buldan Foundation.
- In 2019, we donated a total of 498,043 TL to various non-governmental organizations.

We are coding environmental sustainability

<i>Climate crisis and energy</i>	52
<i>Waste</i>	54
<i>Water</i>	55



We are coding environmental sustainability

Climate crisis, resource depletion and environmental pollution have reached a significant level with increasing world population and industrial production. These environmental crises bear social risks such as mass migration, food crisis and unavailability of clean water, all of which poses great threat to business sustainability. Making use of the opportunities given to us by the modern world is critically important in reducing the effects of these problems. Being one of the prominent mega trends of the 21st century and a factor of growth, digitalization facilitates human life, and renders business processes managed more efficiently and effectively. This trend that is transforming various fields ranging from production lines to agility in labor force, also contributes to reducing environmental footprints.

On the other hand, the increased need for information sharing and data storing as a result of digitalization is also increasing the demand for energy. As a consequence of the change in needs and demographics, the use rate of electronics increases and as does the quantity of e-waste. Experts estimate that by 2050, the volume of the e-waste will be equal to almost 120 million metric tons globally. Among the significant tools for tech companies to better manage and reduce these impacts are energy efficiency, transitioning to clean energies and recycling of waste through a circular economy. In addition, the solutions provided by the new technologies affect the whole stakeholder ecosystem and offer various opportunities in the fight against environmental problems.

Here at Logo, we manage the environmental impact of our operations under the guidance of Logo Environmental Policy. This policy is prepared, implemented and audited under the leadership of the Board of Directors. Logo Total Soft, our affiliate in Romania, holds a ISO 14001 certificate and performs its environmental management as per this certificate. Renewable energy, the efficient use of resources and the circular economy form our focal points for reducing our environmental impact. Furthermore, with the innovative technological solutions and services we provide to our customers, we help them reduce their environmental footprint.

[Please click here to access the Logo Environmental Policy.](#)

Climate crisis and energy

According to the Global Risks Report by the World Economic Forum, the risks related to the climate crisis are among the top five global risks in terms of impact and likelihood. If global warming is not kept under 1.5 °C threshold, there results of loss of ecosystems and increase in sea levels will be much more devastating and, as a result of this, social crises will arise. In climate crisis mitigation efforts transitioning to low-carbon economy becomes prominent as a solution. In order to establish a global low carbon economy and achieve a sustainable economic growth, importance of investing in environmental sustainability increases with each passing day.

Energy consumption in our offices and R&D centers along with the business travels form our direct impact on the climate. And, the energy consumption by our business partners for storing data makes up our indirect impact. We mitigate our impact by investing in renewable energy, energy efficiency and R&D. Electricity produced by the 20 kW-capacity solar panels located on the roof of our Gebze campus make up some portion of our energy consumption. In 2019, we saved 28,394 kWh of energy thanks to energy production through solar power, server optimization and photoelectric lighting. Between 2017-2019, we reduced our energy intensity by 28% and greenhouse gas intensity by 32%.

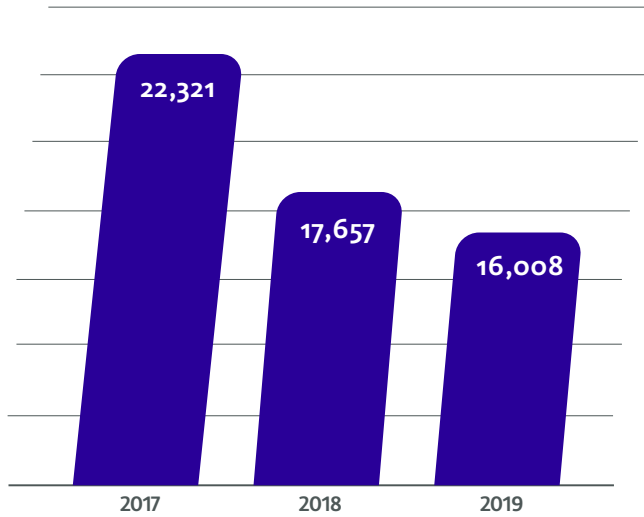
In 2019, we achieved a reduction in energy intensity by 28% and greenhouse gas intensity by 32%.

⁹World Economic Forum, Global Risks Report, 2020

¹⁰E-waste is turning into a global crisis: What are the opportunities? WEF, 2019

¹¹World Economic Forum, Global Risks Report, 2020

Energy density - MWh/turnover (billion TL)

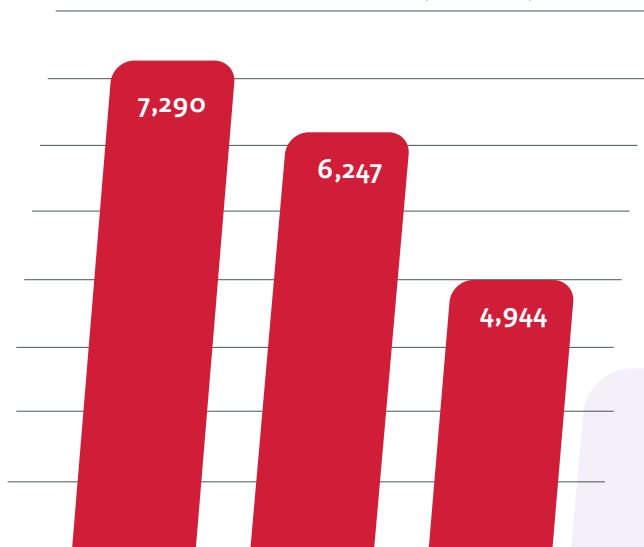


By establishing video conferencing infrastructure, we achieve efficiency in time and work, and at the same time, reduce carbon emissions resulting from business travels. In 2019, our customers who use Logo solutions produced 325 million e-documents and saved 4,432 trees from being cut down. This means the absorption of around 2,216 metric tons of CO₂-equivalent greenhouse gas from the atmosphere.

With work on infrastructure investments, we reduce our indirect energy consumption:

- Thanks to virtualization, we run 50 servers only through four servers.
- We developed a special algorithm for the compression of recurring data in e-Invoice and e-Dispatch solutions. By reducing the data size by around 14%, we ensured that the data occupies less memory space.
- We build and manage our own software programs in line with the micro-service architecture as far as possible. Thus, we prevent excessive energy consumption.
- We constantly optimize our software in terms of resource usage and develop code blocks that use caching and can operate faster.

Greenhouse gas emission density - CO₂-metric ton / turnover (billionTL)



We are coding environmental sustainability

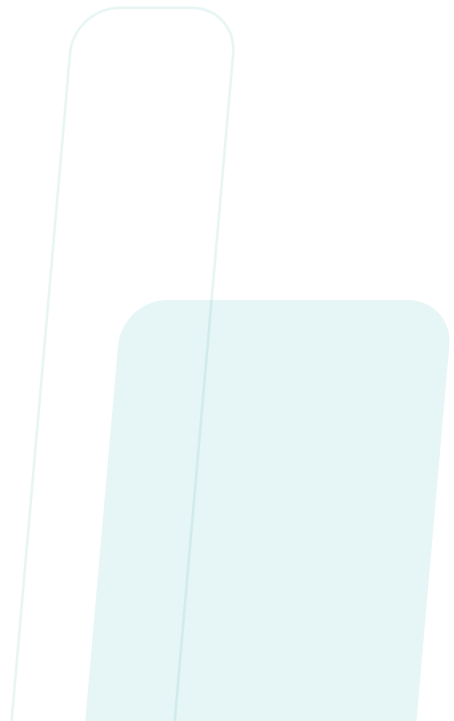
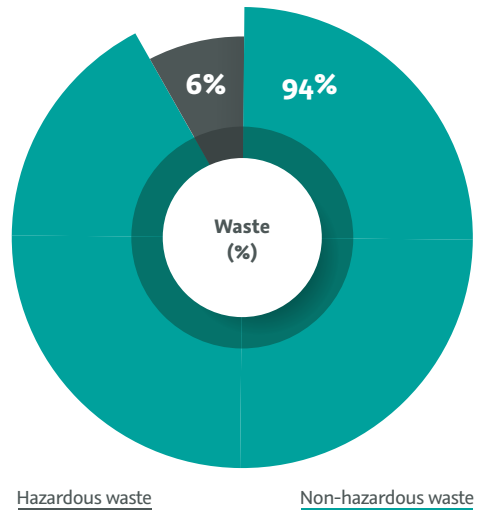
Waste

Population growth, changing consumer habits, effects of industrialization, and a modern life style turned waste into a critical global problem. While single-use plastics threaten oceans and natural life at a great scale, hazardous e-waste has also been causing significant damage to the environment. Solving this waste problem, which effects all stakeholders from individuals to the business world, can only be possible through collaborative efforts.

As a stakeholder from the technology sector, we focus on recovering waste through the circular economy approach, especially on recycling e-waste which holds an economic value. 94% of the waste at Logo is non-hazardous domestic waste while 6% is hazardous, meaning e-waste. In 2019, we recycled 92% of the non-hazardous waste. Furthermore, we recycled all of our e-waste within the scope of our Turkey operations.

We placed waste boxes (glass, paper-cardboard, metal, battery) in various locations in our office buildings to sort waste and ensure proper recycling in line with our zero-waste target. We also carry out various activities to raise awareness and inform our employees regarding this subject. In 2019, we initiated the Gebze Recycling Project and created a recycling bin area outside the office. Thanks to this project, we ensure all the waste within the offices and in common areas are collected and gathered in one single area. We make sure that the waste in all our offices are recycled through licensed companies. We are reducing paper consumption by integrating our digital products such as Virtual Shipment and Logosphere Order System to our processes. In addition to this, we place TVs in meeting rooms in order to reduce paper consumption in meetings .

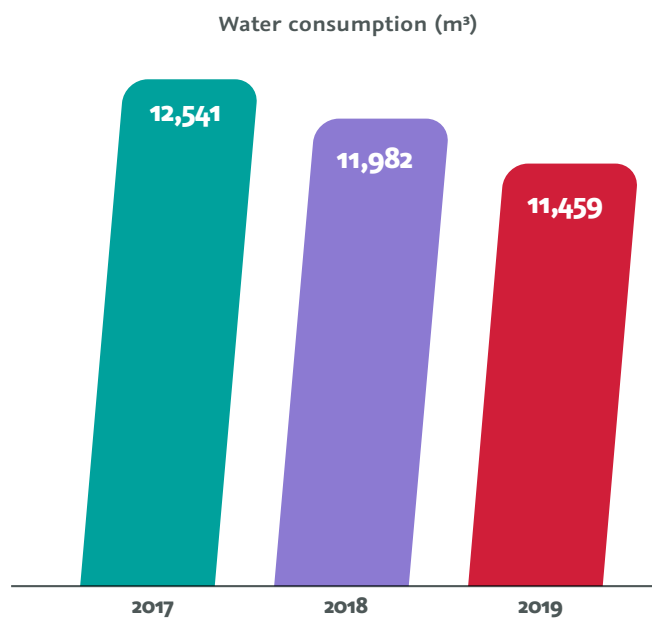
We recycle old computers with expired lifetime and various e-waste for future benefit. In 2019, we recycled more than 703 kg of e-waste which had completed its life cycle. Furthermore, by increasing the life cycle of electronic devices, we decrease the amount of e-waste generated.



Water

Drought caused by the climate crisis and rapid population growth gradually increase the pressure on water resources. According to United Nations projections, fresh water resources in the world will decrease by 40% by 2030¹². The solution for water scarcity, which is expected to cause many social crises such as mass migrations and conflicts in the future, requires every stakeholder in society from individuals to the businesses to develop conscious consumption habits.

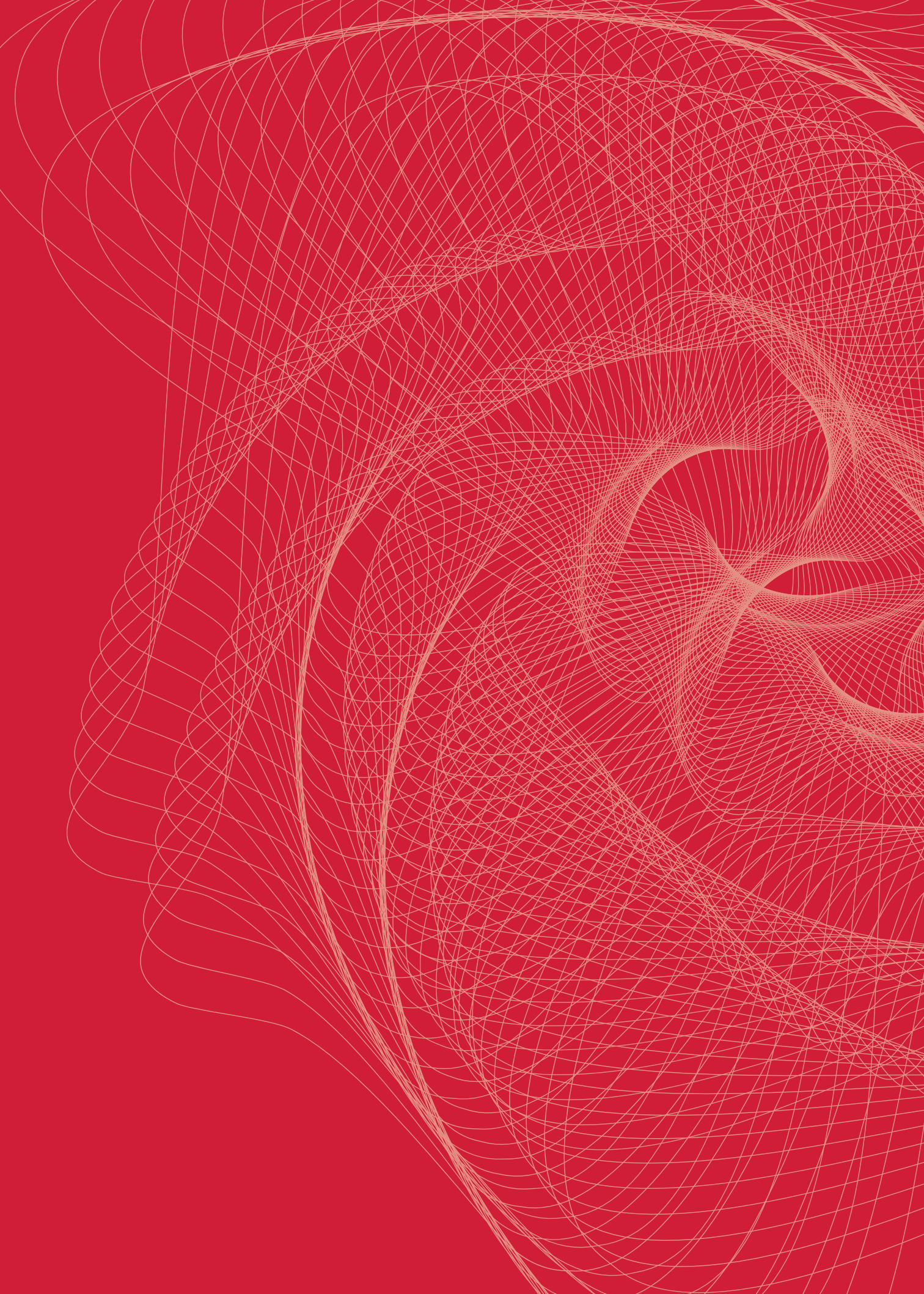
Our primary impact in terms of water is the water consumption in our offices and our R&D centers. In order to reduce water consumption in our offices, we placed water saving aerators on the faucets. We also perform communication activities to increase employee awareness on the sustainable water consumption. **In 2019, we saved 523 m³ of water as a result of our activities towards decreasing water consumption.**



¹² World Water Development Report, United Nations, 2015

C o r p o r a t e g o v e r n a n c e a n d b u s i n e s s e t h i c s

<i>Ethical rules</i>	58
<i>Risk management</i>	59



Corporate governance and business ethics

Our corporate governance approach at Logo is based on a fair, transparent, accountable and responsible management. The highest governance body in Logo is the Board of Directors. The Board of Directors consists of 6 members, 3 of which are independent members. The duties of the Chairman of the Board of Directors and the Chief Executive Officer (Group CEO) are carried out by different individuals.

Audit Committee, Corporate Governance Committee, Committee of Early Detection of Risk, Compensation Committee, and Nomination Committee operates under the Board of Directors. We comply with the mandatory provisions of the Communiqué on Corporate Governance issued by the Capital Markets Board of Turkey (CMB), and also try to be in line with the non-mandatory provisions to the greatest extent possible.

With our improvements, our Corporate Governance Rating Score increased to 9.22 from 9.08 compared to 2018.

You can find further details about Board Of Directors' Subcommittees in the 2019 Annual Report pages 97-106.

Ethical rules

In all of our activities we embrace an ethical work approach. Accordingly, we act under the guidance of Logo Code Of Ethics. The Code of Ethics regulate our relationships with employees, suppliers, customers, shareholders, other stakeholders and the public. The Board of Directors is responsible for implementing, auditing and revising the ethical rules.

In 2019, we established an Ethics Hotline and introduced it to our employees. Our processes and policies are available on our intranet that can be accessed by all of our employees. Notifications related to the Code of Ethics can be made through the Ethics Hotline by the internal stakeholders. Notifications are received, discussed and evaluated by the Ethical Committee. In case of a violation, the Committee evaluates the situation and decides on an action according to the disciplinary code and procedure, when necessary. All nine notifications received through the Ethics Hotline in 2019 were solved. There was no notification or detection of anti-corruption incidents. We are planning to give our employees training in the upcoming period as part of the Code of Ethics and the Ethics Hotline.

[Please click here to access the Code of Ethics.](#)

[Please click here to access the Ethical Committee Working Regulation.](#)

Risk management

We carry out risk management under the leadership of the Committee of Early Detection of Risk. The Committee's duties include detection of any risks that might put Logo's existence, development and sustainability in danger, implementation of measures regarding the risks detected, performance of activities regarding the management of the risks and examination of the risk management systems at least once a year. The Committee of Early Detection of Risk, the chairperson of which is an independent member, is comprised of two members and reports to the Board of Directors.

We implement risk analyses at least once a year. These analyses are based on ISO 27005 Information Technologies Risk Management and ISO 31000 Corporate Risk Management System standards. We carry out the risk analyses under two main categories, namely, corporate risk analysis and the risk analysis for information assets. Within the scope of the corporate risk analysis, we monitor primary financial and operational risks such as technological change, 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 our assets from properties to software licenses against many aspects such as environment, hardware, people (intentional or unintentional), malware codes, message and information leaks, process planning, third parties and software-related threats. We take necessary action according to the output.

Among the non-financial risks monitored are the environmental and OHS risks. Business continuity, which is another primary risk area, is managed in accordance with the ISO 22301 Business Continuity Management System. A Risk Processing Plan is prepared for all risks identified in the risk analysis.

The risks identified are analyzed, along with the classification of possibility of happening, as well as the effects they might have, and thus, a Risk Level is obtained for each risks at hand. All identified risks are assessed under the risk table according to their possibility, effect and risk values. Each year, the risks are examined during the Management Review Meetings, and revised if necessary.

You can find further details about Risk Management in the 2019 Annual Report.

A p p e n d i c e s

<i>Environmental performance indicators</i>	62
<i>Social performance indicators</i>	63
<i>GRI content index</i>	64



Environmental performance indicators

Energy Consumption (MWh)	2017	2018	2019
Electricity	1,309	1,334	1,371
Electricity purchased	1,309	1,334	1,371
Fixed burning	1,524	651	1,126
Natural gas	1,514	651	1,126
Fuel oil	0	0	0
Diesel	0	0	0
Coal	0	0	0
Generator (diesel)	10	0	0
Vehicle fuel	2,885	3,685	4,261
Diesel	2,532	3,243	3,320
Gasoline	353	442	941
Renewable energy	14	14	14
Solar	14	14	14
Total	5,732	5,684	6,772

Greenhouse gas emissions (tons of CO ₂)	2017	2018	2019
Scope 1	1,240	1,370	1,427
Vehicles	778	993	1,144
Fluorinated greenhouse gases (F-gases)	152	244	54
Fuel consumption in buildings	307	132	228
Sulfur hexafluoride (SF ₆)	1	1	1
Generators (diesel)	3	0	0
Scope 2	628	636	660
Electricity	628	636	660
Total	1,868	2,006	2,087
Scope 3	-	-	454.6*

Water consumption (m ³)	2017	2018	2019
Municipal water	12,541	11,982	11,459
Waste water	6,541	6,132	5,027

Waste (ton)	2017	2018	2019
Hazardous waste	0.73	1.32	0.7
Non-hazardous waste	33	38	10
Recycled waste	0.9	1.76	1.45

*Scope 3 data covers operations in Turkey.

Social performance indicators

	2017		2018		2019	
	Women	Men	Women	Men	Women	Men
Total number of employees*	433	604	530	628	532	644
Employees covered by collective bargaining agreements	0	0	0	0	0	0
Employees with disabilities	4	14	4	13	3	14

* Includes data on Turkey and Romania. Total number of employees including India is; 2017: 1,051, 2018: 1,197 and 2019: 1,203.

	2017	2018	2019
Employees subject to regular performance assessment*	587	675	1.068

	2017		2018		2019	
	Women	Men	Women	Men	Women	Men
Participation in management						
<30 years old	4	7	4	7	2	4
30– 50 years old	48	100	52	99	43	101
>50 years old	11	13	4	12	4	10
Board members	1	5	1	5	0	6
Parental leave*						
Employees granted parental leave	6	18	5	22	25	21
Employees who returned to work following parental leave	4	18	3	22	20	21

	2017		2018		2019	
	Women	Men	Women	Men	Women	Men
Contractors						
Number of contractors by gender	20	16	21	18	21	22
	Full-time	Part-time	Full-time	Part-time	Full-time	Part-time
Number of contractors by work hours	36	0	37	2	43	0

	2017	2018	2019
Training* (excluding OHS training)			
Total training hours	3,049	5,916	28,821
Average training hours per employee	5.2	8.7	24.5

	2017	2018	2019
OHS Data			
Accidents	0	6	0
Accidents involving death	0	0	0
Occupational disease	91	70	78
Incident rate (IR)	0.00	0.57	0
Occupational disease rate (ODR)	9.33	6.56	7.02
Lost days rate (LDR)	0.10	0.47	0
Absenteeism rate (AR)	0.00	0.00	0
OHS Training			
Total OHS training hours	-	3,946	3,992

*2017 and 2018 data does not include Romania.

GRI content index

<i>GRI Standards</i>	<i>Disclosures</i>	<i>References</i>	<i>Omission</i>
GRJ 101: Foundation 2016			
General disclosures			
Organizational profile			
102-1		4	
102-2		https://www.logo.com.tr/en/logo-urun-bulucu	
102-3		https://www.logo.com.tr/en/logo-contact	
102-4		8, 9, 10	
102-5		10	
102-6	9, Annual Report (https://cdn-nq.logo.com.tr/blog/documents/Logo_2019_annual_report_54332.pdf)		
102-7		11, 12, 36	
102-8		36, 38, 61	
102-9		24	
102-10		8, 9, 10	
102-11		56-57	
102-12		20, 21	
102-13		20, 21	
Strategy			
102-14		2-3	
102-15		16	
Ethics and integrity			
102-16		8, 56	
102-17		56	
Governance			
102-18		56	
102-19		16	
102-20		16	
102-21		16-17, 20	
102-23		56	
Stakeholder engagement			
102-40		20-21	
102-41		61	
102-42		20-21	
102-43		20-21	
102-44		17	
Reporting practice			
102-45		Annual Report 2019 (https://cdn-nq.logo.com.tr/blog/documents/Logo_2019_annual_report_54332.pdf)	
102-46		4	
102-47		17	
102-48		4	
102-49		There is no significant change	
102-50		4	
102-51		1 January 2018 -31 December 2018	
102-52		Annual reporting	
102-53		4	
102-54		4	
102-55		64-67	
102-56		No external assurance	

GRJ 102:
General disclosures 2016

<i>GRJ standard</i>	<i>Disclosures</i>	<i>References</i>	<i>Omission</i>
GRJ 200: Economic			
Economic performance			
<i>GRJ 103: Management approach 2016</i>	103-1	11, 12	
	103-2	11, 12	
	103-3	11, 12	
<i>GRJ 201: Economic performance 2016</i>	201-1	11, 12	
GRJ 300: Environmental			
Energy			
<i>GRJ 103: Management approach 2016</i>	103-1	52	
	103-2	52-53	
	103-3	52-53	
<i>GRJ 302: Energy 2016</i>	302-1	60	
	302-3	60	
	302-4	60	
Water			
<i>GRJ 103: Management Approach 2016</i>	103-1	55	
	103-2	55	
	103-3	55	
<i>GRJ 303: Water 2016</i>	303-1	60	
	303-3	60	
Emissions			
<i>GRJ 103: Management approach 2016</i>	103-1	52-53	
	103-2	52-53	
	103-3	53	
<i>GRJ 305: Emissions 2016</i>	305-1	60	
	305-2	60	
	305-3	60	
	305-4	53	
	305-5	53, 60	
Effluents and Wastes			
<i>GRJ 103: Management approach 2016</i>	103-1	54	
	103-2	54	
	103-3	54	
<i>GRJ 306: Effluents and wastes 2016</i>	306-2	60	

<i>GRJ Standards</i>	<i>Disclosures</i>	<i>References</i>	<i>Omission</i>
GRJ 400: Social			
Employment			
<i>GRJ 103: Management approach 2016</i>	103-1	36, 37	
	103-2	36, 37	
	103-3	36, 37	
<i>GRJ 401: Employment 2016</i>	401-2	41	
	401-3	61	
Occupational health and safety			
<i>GRJ 103: Management approach 2016</i>	103-1	43	
	103-2	43	
	103-3	43,61	
<i>GRJ 403: Occupational health and safety 2018</i>	403-1	43,61	
	403-2	43,61	
	403-3	43,61	
	403-4	43,61	
	403-5	43,61	
	403-6	43,61	
	403-7	43,61	
	403-9	43,61	
	Training and education		
<i>GRJ 103: Management approach 2016</i>	103-1	36-40	
	103-2	36-40	
	103-3	36-40, 61	
<i>GRJ 404: Training and education 2016</i>	404-1	61	
	404-2	36-40	
	404-3	61	
Diversity and Equal opportunity			
<i>GRJ 103: Management approach 2016</i>	103-1	38	
	103-2	38	
	103-3	38	
<i>GRJ 405: Diversity and equal opportunity 2016</i>	405-1	38	

<i>GRJ Standards</i>	<i>Disclosures</i>	<i>Referanslar</i>	<i>Omission</i>
Non-discrimination			
<i>GRJ 103: Management approach 2016</i>	103-1	38	
	103-2	38	
	103-3	38	
<i>GRJ 406: Non-discrimination 2016</i>	406-1	38	
Local communities			
<i>GRJ 103: Management approach 2016</i>	103-1	46-49	
	103-2	46-49	
	103-3	46-49	
<i>GRJ 413: Local communities 2016</i>	413-1	46-49	



logo

www.logo.com.tr

444 56 46