



2023 Sustainability Report



Kaplanlar



Kaplanlar

STAY COOL & KEEP FRESH

TABLE OF CONTENTS

| | |
|---|-----------|
| ABOUT REPORT | 5 |
| SENIOR MANAGEMENT MESSAGE | 6 |
| ABOUT KAPLANLAR | 9 |
| MILESTONES | 10 |
| KAPLANLAR IN NUMBERS | 11 |
| SUSTAINABILITY MANAGEMENT | 13 |
| Sustainability Strategy | 16 |
| Corporate Policies | 18 |
| Sustainability Committees | 19 |
| MainCom: Sustainability Main Committee | 19 |
| SaveCom: Environment Subcommittee (Save Nature) | 19 |
| CareCom Social Subcommittee (Care For Future) | 20 |
| ShareCom: Governance Subcommittee (Share Culture) | 21 |
| Sustainability Model | 23 |
| Global Compliance | 24 |
| Strategic Prioritization | 25 |
| Relations With Stakeholders | 27 |
| SAVE NATURE | 29 |
| Environmental Management Approach | 32 |
| Combating Climate Change | 33 |
| TESCO CO ₂ Footprint Improvement Project | 34 |
| Responsible Refrigeration and Sustainable Leadership | 35 |
| Energy Management | 36 |
| Water Management | 39 |
| Waste Management | 40 |
| Biodiversity | 43 |
| CARE for FUTURE | 45 |
| Employee Engagement and Satisfaction | 48 |
| Traditional Corporate Activities | 50 |
| Employee Development | 54 |
| Customer Satisfaction | 55 |
| Strategic Partnership Success with Sainsbury's | 57 |
| Occupational Health and Safety | 59 |
| Anti-Corruption | 63 |
| Contribution to Local Economy | 63 |
| Inclusion and Diversity | 64 |
| Consumer/Customer Health and Safety | 65 |
| Social Investment Activities | 66 |
| SHARE CULTURE | 69 |
| R&D and Innovation | 73 |
| Digitalization and Technology Use | 74 |
| Digitalization Journey | 75 |
| Ensuring Data Security | 76 |
| Supply Management | 77 |
| Supplier Development Program | 78 |
| Value Chain Flow | 79 |
| Corporate Governance Approach | 80 |
| Strategic Role and Responsibilities of the Board of Directors | 81 |
| Corporate Purpose of the Company | 83 |
| Risk and Opportunity Management | 84 |
| Ethical and Transparent Management Approach | 86 |
| Compliance with Standards | 87 |
| PERFORMANCE TABLES | 89 |



Kaplanlar

About Report

Kaplanlar continues to operate with a comprehensive, sustainability-oriented approach that has been central to its mission since its inception. Committed to fairness, transparency, and accountability in its practices, Kaplanlar remains steadfast in advancing its environmental, social, and governance (ESG) initiatives with a strong sustainability focus.

The 2023 Sustainability Report, detailing Kaplanlar's activities, has been prepared in alignment with the Global Reporting Initiative (GRI) standards, the principles of the United Nations Global Compact (UNGC), and the United Nations Sustainable Development Goals (UN SDGs).

Kaplanlar underscores its dedication to fulfilling its responsibilities, particularly in Environmental, Social, and Governance (ESG) matters, and outlines its strategy for sustainable growth.

Recognizing sustainability as a core priority across all operations, Kaplanlar is committed to building on its achievements and maintaining progress in this critical area. The 2023 Sustainability Report offers a detailed account of the company's accomplishments to date, along with its forward-looking goals and initiatives.

This report encompasses Kaplanlar's activities conducted between January 1, 2023, and December 31, 2023.

For any comments, suggestions, or contributions related to the report, please feel free to reach out to us at the email address provided below.

sustainability@kaplanlar.com

Senior Management Message

Dear Stakeholders,

As Kaplanlar, we are thrilled to reconnect with you as we embark on the second year of our sustainability journey together.

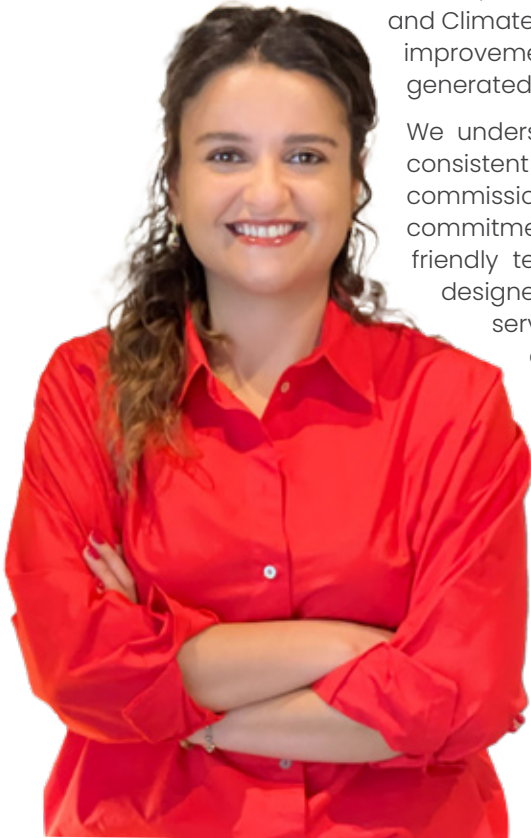
Kaplanlar's second Sustainability Report, prepared in line with international sustainability standards, including the GRI Standards and the United Nations Global Compact, highlights the innovative steps we have taken in environmental sustainability during 2023, as well as our strategic plans for the future.

We prioritize our sustainability goals at the core of our business operations, aligning our efforts to achieve them. Our sustainability approach, shaped through the Sustainability Workshop held last year and supported by materiality analyses, is founded on three core themes: "Save Nature," "Care for Future," and "Share Culture" and we align our actions with the United Nations Sustainable Development Goals (SDGs).

In 2023, we achieved significant advancements in energy efficiency, aiming to minimize the environmental impact of our production processes and value chain, in alignment with the Responsible Consumption and Production and Climate Action goals. Through our circular economy and continuous improvement approaches, we have successfully reduced the waste generated in our production processes.

We understand that sustainability demands both bold actions and consistent progress. In line with this vision, our new factory, set to be commissioned in 2025, will stand as a tangible testament to our ongoing commitment to sustainability. Equipped with advanced environmentally friendly technologies and a solar energy system (SPP) investment designed to meet LEED Certification requirements, this facility will serve as a pivotal milestone in our pursuit of achieving our "zero carbon emission" target.

At Kaplanlar, we continuously advance our R&D efforts to deliver products aligned with global trends, increasing our investments in this area each year. As a result of these efforts, we achieved significant success in 2023, increasing the number of patents registered at both national and international levels by 20% compared to the previous year. We take particular pride in the development and successful launch of our first air-cooled integral refrigerated display cabinet with CO₂ refrigerant in collaboration with Tesco.



At Kaplanlar, occupational safety remains a top priority. In 2023, we achieved the ISO 45001 Occupational Health and Safety Certification, aligning our efforts in this area with international standards. Additionally, we implemented various initiatives focused on training, talent development, and performance management, ensuring our employees are well-prepared to meet the challenges of the future.

Our transition to the SAP S/4 HANA system in 2023 marked a significant milestone in our sustainable management approach and digital transformation journey. This transformation has enhanced agility and transparency across all stages of our business processes.

We remain steadfast in our commitment to the ten principles of the United Nations Global Compact, encompassing areas such as the environment, human rights, labor rights, and anti-corruption. Beyond our commercial endeavors, Kaplanlar is dedicated to benefiting society by fostering collaborations with stakeholders and non-governmental organizations. Supporting local communities and engaging in long-term social responsibility projects rooted in circular design are integral to our mission.

With the unwavering support of our stakeholders, we are making steady progress toward leaving a more sustainable legacy for future generations. We extend our heartfelt gratitude to our dedicated colleagues, customers, suppliers, business partners, and all our stakeholders for their invaluable contributions.

Your support empowers us on this journey and broadens our sphere of positive influence.

Best Regards,,

Nazlı Kaplan

Board Member
& Chair of the MainCom Sustainability Committee



About Kaplanlar

Exporting 98% of its production, Kaplanlar ranks among the top 500 exporters.

Export rate

% 98

Founded in 1978 in Bursa, Kaplanlar began its journey by producing commercial refrigerators in its workshop, marking the first step in its growth story. With over 45 years of industry experience, Kaplanlar has become one of the leading companies in the sector, maintaining its commitment to customer satisfaction and excellence. This dedication has solidified its position in both national and international markets.

As the retail sector continued to grow, Kaplanlar steadily increased its investments to meet evolving demands. In 2008, the company relocated to its modern production facility in the Demirtaş Organized Industrial Zone, where it continues its operations today.

Kaplanlar A.Ş. specializes in the design and manufacturing of products, while Kaplanlar Pazarlama A.Ş. focuses on sales and logistics operations. In April 2019, Kaplanlar Pazarlama established its Logistics Center in Bursa, enabling the company to manage its logistics processes more effectively and efficiently.

Kaplanlar caters to its customers' refrigerated food display cabinet needs with a comprehensive product range, offering solutions in various standard sizes and designs. Upholding quality standards as a priority, the company ensures complete and timely delivery of products.

Renowned for its superior product quality and exceptional aesthetic designs, Kaplanlar products have established a strong presence in numerous markets, supermarkets, hypermarket chains, and retail consumption sectors both in Türkiye and globally. By providing customized solutions tailored to its customers' needs, Kaplanlar continues to uphold its leadership position in the industry.

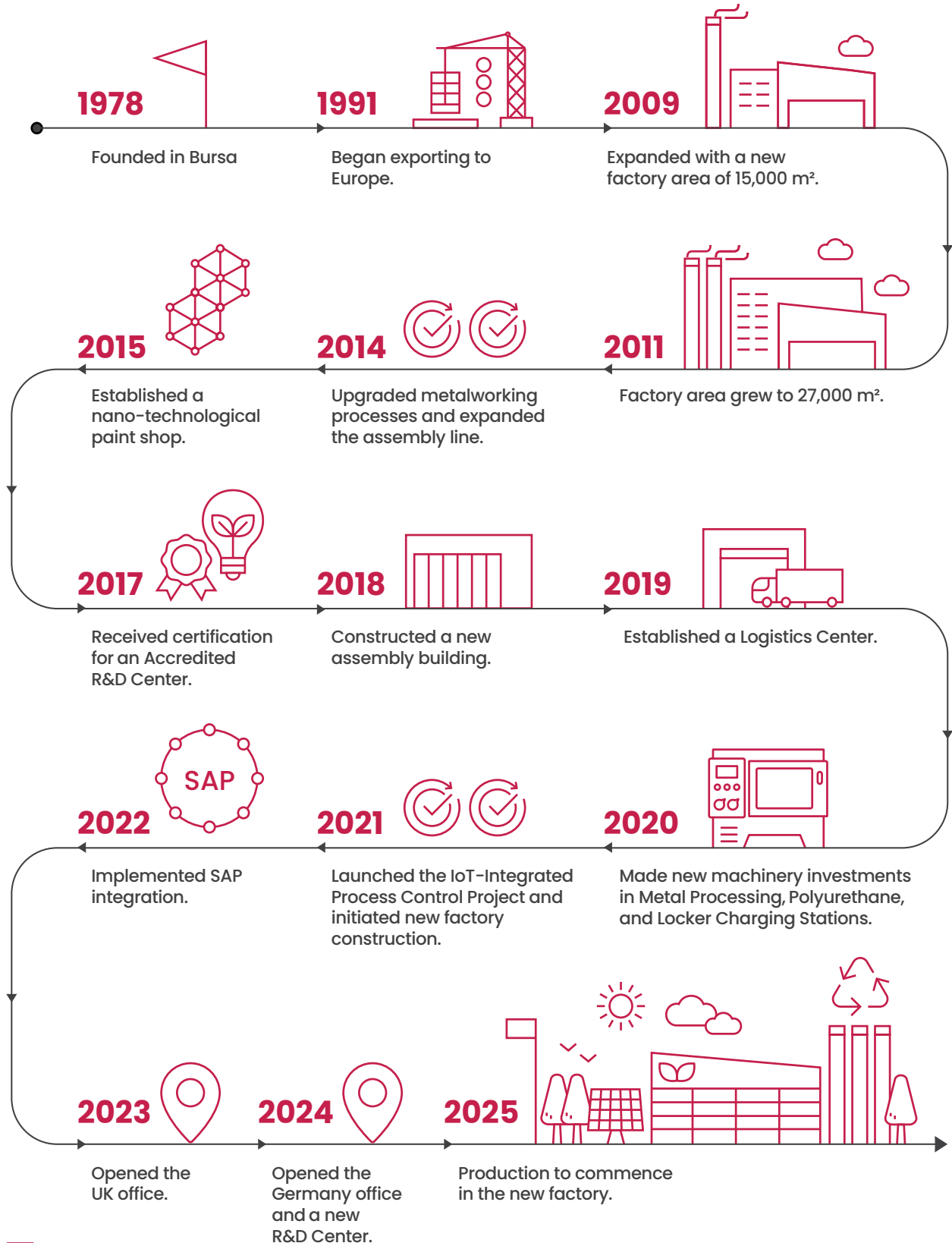
Exporting 98% of its production, Kaplanlar ranks among the top 500 exporters. Kaplanlar has established itself as a strong international player, taking significant steps toward becoming a global brand by delivering its products worldwide through offices in UK, Dubai, Australia, and Germany, as well as through distributors across Europe, America, Asia, and Africa.

Focused on sustainable growth, the company prioritizes environmentally friendly and energy-efficient production methods. With the establishment of the sector's first R&D Center, Kaplanlar aims to become a leading force in the industry, driving innovation and pioneering the reduction of its carbon footprint through environmentally friendly products.

Kaplanlar, which strives to strengthen the significance of sustainability in our evolving and changing world, emphasizes the importance of this concept both within the company and in its daily operations, continuously reflecting its success goals and enthusiasm in its approach to business. The company remains committed to innovation by consistently producing environmentally friendly and energy-efficient products, ensuring that its future-focused work continues to align with these values. Kaplanlar's growth is fueled by its integration of the latest technologies into its production processes and products, expanding its customer base daily while broadening its high-quality services in the global market.

By adhering to sustainability principles at every stage of its operations, Kaplanlar has positioned itself as one of the leading companies in the sector, excelling not only in environmental efforts but also in social and governance aspects. While progressively enhancing its activities in this context, Kaplanlar maintains transparency by sharing its efforts with the public through the Sustainability Report, with the second edition published this year.

Milestones



Kaplanlar in Numbers

46  Years of Experience




Export Rate
%98

 **CAGR**
23,8%

Number of Markets

More than

55
Countries

 R&D expenditures
as a percentage
of turnover
%1,70

6  Continents

Number of Companies

5 

Established Area

45.100  m²

Production Capacity



25.000 modules/year



Number of Employees

591

Sustainability Management



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SUSTAINABILITY MANAGEMENT

Globally, an average of 320 kcal and 10 grams of food per person is lost daily during food processing and distribution processes. Kaplanlar places great emphasis on reducing these losses and ensuring sustainability across the cold chain.

Kaplanlar considers sustainability among its core values and continues its activities by adopting this belief. Kaplanlar aims for long-term success by focusing on processes for managing ESG (Environmental, Governance, Social) impacts and achieving sustainability goals.

Sustainability management is based on a rigorous approach and effective communication with stakeholders. Kaplanlar ensures continuous engagement processes and develops a framework to effectively manage sustainability performance. This framework includes a systematic assessment of risks and opportunities, clear targets, and monitoring mechanisms. In addition, the company takes great care to present its sustainability strategies in a transparent manner through comprehensive reporting and communication.

Kaplanlar plans key processes to achieve its sustainability goals through detailed meetings and extensive discussions, and aligns its strategies with the "Stakeholder Capitalism Metrics". It shapes its strategies by conducting sustainability modeling in line with the topics of Management, Planet, and People/Society and aims to increase financial sustainability in line with the 2030 world agenda. With this modeling, the Company aims to ensure access to sustainable financing.

Approaching sustainability with a great sense of responsibility, Kaplanlar plays an important role in reducing and preventing major losses in the food chain. Beyond the production of food preservation and refrigeration systems, the company develops solutions to prevent food waste and protect the planet. With this approach, Kaplanlar contributes to building a greener future.

Kaplanlar's sustainability efforts are mainly shaped by its research and development activities, and its innovative solutions in this field set an example for the industry. While contributing to the prevention of food loss, the company inspires other actors in the industry and sets an example of sustainability. Kaplanlar does not limit its high-quality products and strong R&D capacity to product development but also aims to create a business environment that meticulously analyzes its environmental and social impacts. This holistic approach plays a critical role in achieving Kaplanlar's sustainability goals and ensures that all processes are managed effectively in line with these goals.



Sustainability Strategy

Kaplanlar aims to achieve environmental, social, and economic goals by putting sustainability at the center of its business strategy. To achieve these goals, it adopts a comprehensive approach that addresses all three dimensions in a balanced manner.

Environmental Sustainability: Kaplanlar aims to increase energy efficiency and minimize waste. It aims to reduce its carbon footprint by investing in renewable energy sources and taking concrete steps with projects such as solar energy and heat recovery. It also encourages recycling practices and incorporates these processes into its business processes.

Social Sustainability: The Company prioritizes the health and safety of its employees and organizes preventive measures and education against various risks. While creating a working environment that promotes diversity and inclusion, the Company fulfills its social responsibilities by supporting social projects and local collaborations.

Corporate Policies

The sustainability policy plays a critical role in ensuring the long-term success of organizations by balancing environmental, social, and economic factors. These policies aim to establish strong communication with both internal and external stakeholders by prioritizing efficient resource use, environmental protection, and social responsibility. Having prepared the main and sub-policies that will form the foundation of its sustainability management efforts, Kaplanlar has begun working on aligning existing policies with global developments according to prioritizations. Kaplanlar has developed policies under the headings of Environmental, Social, and Governance (ESG).

Kaplanlar in Environmental Field:

Environmental Compliance Policy:

Developed a policy that covers all stakeholders and outlines the company's overall environmental approach.

Energy Policy: Set targets to increase energy efficiency and transition to renewable energy sources.

Water Policy: Developed strategies to

minimize water use across all processes.

Biodiversity Policy: Created strategies to protect ecosystems, minimize negative impacts on local flora and fauna, and ensure the sustainability of biodiversity..

Kaplanlar in Social Field:

Human Rights Policy: Ensures that universal human rights and principles are applied across all processes.

Human Resources Policy: Adopts a development-oriented human resources approach aligned with the United Nations Global Compact (UNGC).

Equality and Inclusion Policy: Implements an inclusion policy that covers gender and other aspects of diversity.

Corporate Social Responsibility Policy: Defines the organization's social citizenship responsibilities.

Community Development Policy: Outlines the contribution of activities to social development.

Financial Contribution Policy: Defines both direct and indirect contributions to the economic system.

Personal Data Protection Law Policy: Ensures full compliance with legal regulations on the protection of personal data, safeguarding the rights of data owners, and ensuring data is processed and stored in accordance with the law.

Occupational Health and Safety Policy: Develops an effective occupational health and safety management system to protect employee safety at the highest level and prevent occupational accidents and diseases.

Kaplanlar in Management Field:

Corporate Purpose: Ensures that the corporate purpose is effectively communicated to all stakeholders in a simplified manner.

Compliance with Corporate Governance Principles:

Aims to extend goal-oriented management quality across all levels of the organization.

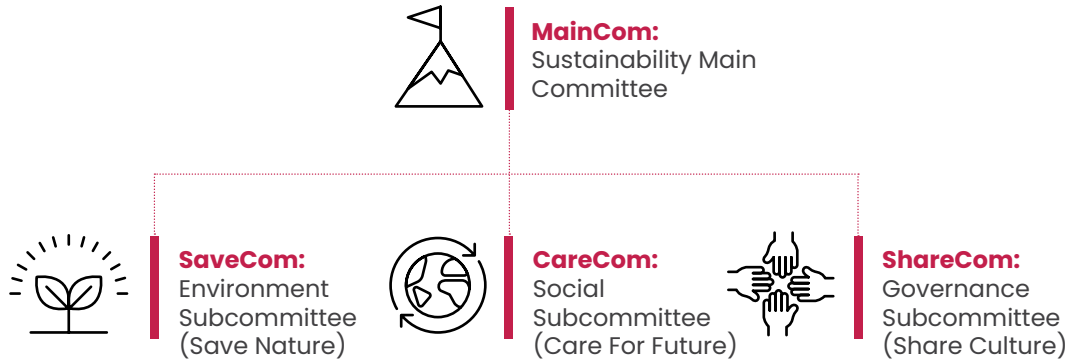
Code of Ethics Charter: Ensures the implementation of ethical principles that apply to all stakeholders and business contracts.

Quality Policy: Focuses on maximizing customer satisfaction, adhering to continuous improvement principles, and ensuring full compliance with national and international quality standards.

Information Security and Management Systems Policy: Minimizes information security risks by managing all information security processes within the company according to international standards.

Sustainability Committees

Sustainability committees play a crucial role in supporting Kaplanlar's sustainability purpose and vision across all its activities, guiding strategic decisions. The MainCom approves the objectives of the subcommittees and determines the necessary activities and investments. The Environmental (SaveCom), Social (CareCom), and Governance (ShareCom) committees operate in alignment with the strategic goals set within their respective fields.



MainCom: Sustainability Main Committee

MainCom functions as the highest-level decision-making body for all of Kaplanlar's sustainability activities. It approves the goals and commitments analyzed by the subcommittees and determines the necessary supporting activities and investments to achieve them.

SaveCom: Environment Subcommittee (Save Nature)



Kaplanlar' sustainability model is designed to fully comply with the United Nations Sustainable Development Goals 2015–30.

SaveCom, responsible for executing the necessary actions and defining goals to achieve climate neutrality and create a climate-resilient structure, plans activities based on the roadmap it has established. It also facilitates the continuous monitoring and management of performance.

SaveCom's prioritized strategic goals and activities are outlined as follows:

Strategic Objectives:

- **Emission Reduction:** Minimizing direct and indirect emissions impacting land, water, and air.
- **Climate Resilience:** Developing strategic plans in accordance with IPCC scenarios.

Priority Activities:

- **Water Protection:** Identifying and remediating water losses.
- **Biodiversity:** Protecting local biodiversity, including crops and other living elements.
- **Logistics of Tomorrow:** Mitigating the environmental impact of logistics through technological support.

CareCom: Social Subcommittee (Care for Future)



Kaplanlar' sustainability model is designed to fully comply with the United Nations Sustainable Development Goals 2015-30. Accordingly, Save Nature, Care for Future, and Share Culture are in interactive alignment with the changing degrees of importance of UN goals.

CareCom has defined a road map and continuously monitors its performance to improve stakeholder relations and prepare all stakeholders for the future, to constantly improve working conditions, and to carry out innovative activities in line with global trends. Strategic goals and activities are set out below.

Strategic Objectives:

- **Employment Continuity Strategy:** Ensuring the long-term stability and continuity of employment within the organization.
- **Stakeholder Relations Strategy:** Establishing and maintaining reliable, ethical, and ongoing relationships with all stakeholders.
- **Participation in Decision-Making Processes:** Promoting the involvement of all stakeholders in functional decision-making processes.
- **Social System Strategy:** Enhancing positive local and global awareness of the organization's social structure.

Priority Activities:

- **Occupational Health and Safety Practices:** Implementing health and safety measures for both internal and external stakeholders.
- **Talent Development Programs:** Enhancing the skillsets and capabilities of employees.
- **Stakeholder Support Programs:** Strengthening the economic and social resilience of stakeholders.
- **R&D/Innovation Activities:** Expanding research and development efforts to ensure the organization's long-term success.
- **Innovative Suggestion Systems:** Encouraging contributions to innovation by monitoring global trends and changes.
- **Social Responsibility Projects:** Executing initiatives that promote social development.

ShareCom: Governance Subcommittee (Share Culture)



Kaplanlar' sustainability model is designed to fully comply with the United Nations Sustainable Development Goals 2015–30. Accordingly, Save Nature, Care for Future, and Share Culture are in interactive alignment with the changing degrees of importance of UN goals.

ShareCom has created a roadmap to conduct risk and opportunity analyses, disseminate an ethical business approach, constantly monitor and improve performance, and set targets in coordination. Accordingly, performance management will be carried out continuously. Strategic goals and activities are set out below.

Strategic Objectives:

- **TCFD Aligned:** Ensuring alignment of governance, strategy, risk management, measurement, and target setting.
- **Organizational Structure and Strength:** Ensuring that the management structure effectively supports the functioning of all organizational functions.
- **Performance Management System:** Establishing a system that motivates stakeholders to participate in and contribute to organizational processes.
- **Remuneration System:** Implementing a rational, fair, and equitable compensation structure for all employees.
- **Economic System Strategy:** Leading efforts to strengthen and enhance the economic system.

Priority Activities:

- **Risk and Opportunity Analysis:** Continuously maintaining global, local, and sectoral ESG risk and opportunity analyses.
- **Strategic Planning and Monitoring:** Defining and monitoring short, medium, and long-term organizational goals.
- **Stakeholder Communication Practices:** Employing diverse communication channels tailored to the needs and composition of stakeholders.



Sustainability Model

Protect, Care and Share

The Kaplanlar sustainability model is designed to align with the globally recognized ESG approach prevalent in the sector. All company activities are integrated with this model, and targets and commitments are established in accordance with it.

According to the ESG sustainability model, Kaplanlar positions itself as a company dedicated to

- Protecting the environment,
- Caring deeply about the future,
- Sharing its culture with stakeholders.



Protecting the Environment

Kaplanlar is committed to becoming a climate-neutral stakeholder in the short term, setting measurable performance targets and taking concrete actions to achieve this goal.



Caring About the Future

Kaplanlar collaborates to establish a work environment and social structure that prepares all stakeholders for future challenges.



Sharing Culture

Kaplanlar strives to extend its sustainable business practices throughout the value chain, fostering a robust and healthy economic system.

Global Compliance

Kaplanlar's sustainability model is fully aligned with the United Nations Sustainable Development Goals (SDGs) for 2015-2030, reflecting its commitment to global sustainability objectives. In this context;

- **Save Nature:** Aligns with UN SDGs 13, 14 and 15.



- **Care for Future:** Aligns with UN SDGs 1, 2, 3, 4, 5, 6, 7, 9 and 10.



- **Share Culture:** Aligns with UN SDGs 8, 11, 12, 16 and 17.



Kaplanlar's sustainability model is the result of a comprehensive assessment and prioritization process involving all stakeholders. The model is aligned with the United Nations Sustainable Development Goals and in line with the World Economic Forum's stakeholder capitalism indicators. In addition, a performance and management mechanism that is compatible with ESG-based valuation and reporting systems and meets different stakeholder needs has been developed. Materiality and double materiality analyses, which are the basis of the model, are presented in detail in the report.

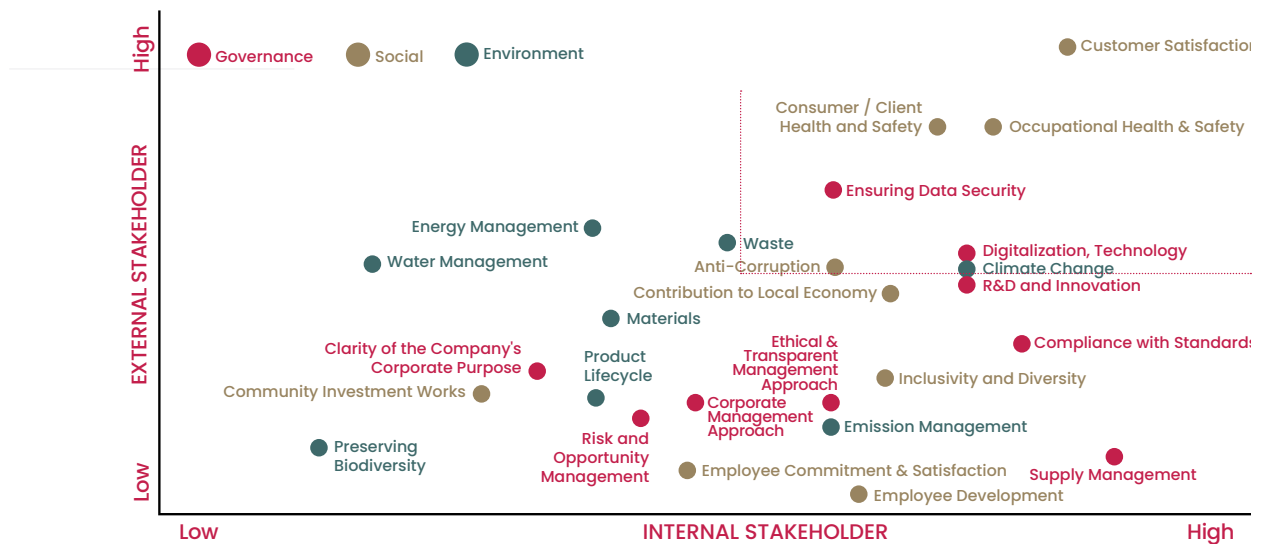
Strategic Prioritization

Number of
Stakeholders
Consulted

226

In determining the priorities, stakeholders were reached through an online survey and questioned on area prioritization and WEF risks for Today and Tomorrow in Sustainability. The survey was answered by 198 Tigers employees and 28 domestic and international external stakeholders.

With the results of the survey, the issues that most impact sustainability performance were identified and an online impact assessment was conducted between March 13 – April 07, 2022. Stakeholders used a 5-point Likert scale and the results were analyzed by calculating average values for both internal and external stakeholders.





Relations with Stakeholders



EMPLOYEES

| Method of Communication | Communication Frequency |
|---|-------------------------|
| Internal procedures, motivational activities, company days, reports | Throughout the year |
| Ming App Information | Throughout the year |
| Regularly published internal communication magazine | Throughout the year |
| Announcements, surveys | Throughout the year |



LOGISTICS, RAW MATERIAL AND PRODUCT SUPPLIERS

| Method of Communication | Communication Frequency |
|-------------------------|-------------------------|
| Information e-mails | Weekly |
| Performance evaluations | Once a year |
| Error notifications | In case of occurrence |



CUSTOMERS

| Method of Communication | Communication Frequency |
|--|-------------------------|
| Visit or at the factory | Throughout the year |
| Online-meetings | Throughout the year |
| Fair talks | Throughout the year |
| social media, e-mail greetings, electronic communication | Throughout the year |



SOCIETY

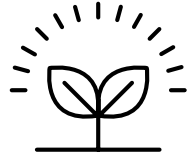
| Method of Communication | Communication Frequency |
|--|-------------------------|
| Interviews, assessments, meetings with interns | Throughout the year |
| Interviews, assessments, meetings with scholars | Throughout the year |
| Assessments, meetings with government agencies | Throughout the year |
| Press releases and announcements on social media | Throughout the year |



MEMBER ORGANIZATIONS

| Method of Communication | Communication Frequency |
|---------------------------------------|-------------------------|
| Visits, collaborations, reports, etc. | Whenever necessary |

**Save
Nature**



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Save Nature

Kaplanlar provides effective solutions to reduce emissions in the retail process by offering environmentally friendly cabinets, which help minimize the impact of food loss and enhance retail presentation.

Globally, the food sector accounts for 26% of total emissions. Of this, 18% is generated during food processing, packaging, logistics, and retail activities. Additionally, food loss across the entire food sector contributes to 6% of total emissions.

Our impact in this area is significant, even if it's not immediately apparent!

The invisible protector...

With over 100,000 cabinets integrated into the retail chain, particularly across EU countries, Kaplanlar plays a daily role in the lives of end customers, even if it often goes unnoticed.

Kaplanlar addresses the environmental challenges of the retail process by offering eco-friendly and smart refrigerants, effectively reducing emissions, minimizing food loss, and improving retail presentation standards.

Through its expert team and technology-driven R&D efforts, Kaplanlar designs environmentally sustainable products that cater to the food industry's needs and ensures their implementation worldwide.

Environmental Management Approach

Increase in Environmental Investment Expenditures (2021/2023)

9,5%

Kaplanlar recognizes environmental responsibility as a core value, emphasizing its commitment to reducing its ecological footprint. Through a comprehensive approach, the company undertakes planned and impactful actions to safeguard natural resources and mitigate environmental impacts.

Kaplanlar adopts a business approach in its procurement and production processes that aligns with the principles of the circular economy, emphasizing energy efficiency and water conservation. The company actively strives to achieve climate neutrality across its entire value chain, demonstrating a commitment to sustainability and a performance focused on safeguarding the future.

Kaplanlar holds the **ISO 14001 Environmental Management System Certificate**, demonstrating full compliance with the standard requirements under its Environmental Management Policy. As part of this commitment, the company identifies and reviews risks and opportunities, monitors key parameters, and implements necessary improvements.

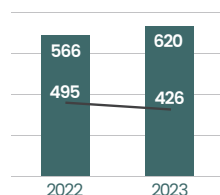
In addition to significant environmental protection measures, Kaplanlar conducts regular training and awareness programs to foster environmental consciousness among its employees. This approach actively encourages all employees to contribute toward achieving the company's sustainability goals.

Kaplanlar, to protect the environment, undertakes the following actions:

- Acts responsibly at every stage of its operations. Complies with all relevant laws and striving to enhance its contributions to an environmentally sustainable society.
- Continuously improves its environmental performance by providing appropriate information, training, and resources to all team members.
- Identifies significant environmental factors that impact its business.
- Ensures its employees are equipped with response procedures for accidents and emergencies, taking proactive measures to prevent or mitigate environmental impacts.
- Conducts regular audits at each unit to minimize the environmental footprint of its operations in all areas.
- Complies with global standards to limit waste discharges and emissions.
- Implements a policy focused on reducing, reusing, or recycling materials as extensively as possible.
- Encourages suppliers and subcontractors to adopt practices that minimize their environmental impact.
- Regularly shares information and updates with stakeholders regarding its environmental performance.
- Çevresel performansı hakkında paydaşlarına düzenli olarak bilgi ve güncellemeler sağlar.

Environmental Training Hours

■ Total Training Hours
— Total Attenders



At Kaplanlar, every new employee participates in Environmental Training as part of their orientation program. In 2023, the total number of participants in environmental training decreased by 14%, attributed to a lower employee turnover rate. However, training hours increased by 9.5% due to the expansion of programs like ISO 1464 Corporate Carbon Footprint Management, ISO 14001 Environmental Management System, and ISO 50001 Energy Management System.

Fighting Against Climate Change

It is observed that carbon dioxide refrigerant is used at a rate of

80%

Kaplanlar acknowledges the critical importance of addressing climate change and is acutely aware of the current state of our planet. It recognizes its responsibility to take meaningful action in combating this global challenge.

Türkiye's energy sector is one of the largest sources of greenhouse gas emissions. Fossil fuels, particularly coal, natural gas, and oil, significantly contribute to Türkiye's carbon footprint. However, Türkiye is taking significant steps to invest in renewable energy sources and improve energy efficiency to combat climate change. Kaplanlar supports these national efforts by implementing similar sustainability strategies within its own operations.

Kaplanlar thoroughly analyzes and manages its greenhouse gas emissions as part of its commitment to combating climate change. The company follows a detailed process to identify and measure its emissions. During this process, the amount of greenhouse gases released into the atmosphere is calculated by considering factors such as energy consumption, product and service processes, logistics activities, and indirect operations. Kaplanlar enhances the reliability and transparency of its calculations by adhering to international standards and guidelines. Verified greenhouse gas emissions will be disclosed in the 2024 report.

In this process, Kaplanlar not only calculates its emissions but also continuously develops strategies to reduce emissions and minimize its environmental impact.

Kaplanlar has taken a pioneering role in sustainability and environmental awareness by working to incorporate carbon dioxide (R744-CO₂), one of the refrigerants with the lowest global warming potential (GWP), across its entire product portfolio. When analyzing the entire product portfolio, it is evident that 80% of the refrigerants used are carbon dioxide. This approach serves as a concrete indicator of Kaplanlar Refrigeration's vision to provide environmentally friendly and innovative solutions.

As a result of its R&D activities in 2023, Kaplanlar, in collaboration with Uludağ University, developed an internal motorized refrigerated display cabinet using carbon dioxide refrigerant, one of the first of its kind in the world. This project received financial support from TÜBİTAK and stands as a successful example of university-industry cooperation. The project reduces environmental impact with low greenhouse gas emissions and lowers operating costs due to its low energy consumption. This groundbreaking innovation strengthens Kaplanlar's leadership in the sector by providing sustainable and environmentally friendly solutions for the future. Not only does this project minimize environmental impact, but it also redefines industry standards and sets an innovative model for other companies to follow. This effort, which promotes the adoption of sustainable technologies, is regarded as a significant step in supporting Kaplanlar's vision for the future. The successful implementation of this project significantly contributes to the expansion of environmentally friendly production processes and sustainable technologies. With such projects, Kaplanlar Refrigeration is not only leading advancements in the sector but also working to leave a cleaner world for future generations through its environmentally friendly production model.



CO₂ Footprint Improvement Project

In its door-to-door carbon footprint analysis for Tesco Mablethorpe as a reference, Kaplanlar conducted a comprehensive project aimed at reducing carbon emissions. Along with a product lifecycle analysis of selected cabinets, a detailed assessment was performed to evaluate the emission sources along the delivery route to the store.

The project is based on Kaplanlar's product carbon footprint calculations, which follow the UK DEFRA Standards. This analysis goes beyond corporate carbon footprint calculations by including all production processes, such as the components used and their raw materials. In doing so, the project considers not only operational emissions but also the environmental impact of products throughout their entire lifecycle.

As a result of the analysis, a 28.05% reduction in carbon emissions is projected from 2022 to 2026. This projection is based on a three-year improvement plan designed to gradually decrease carbon emissions.

The carbon improvement study developed by Kaplanlar for the Tesco Mablethorpe store as a reference, serves as a key example of the company's committed efforts to reduce carbon emissions.

AIR EMISSIONS

Mass flow measured among
air emissions (kg/hour)

| | 2021 | 2022 | 2023 |
|-----------------------------------|--------|--------|--------|
| Particulate Matter (Dust) | 0,5861 | 0,0287 | 0,0287 |
| NOx | 0,0105 | 0,2482 | 0,154 |
| Volatile Organic Compounds (VOCs) | 0,4750 | 0,4534 | 0,4534 |

Responsible Refrigeration and Sustainable Leadership

The first air-cooled integral refrigerated display cabinet with CO₂ refrigerant has been successfully deployed in cooperation with Tesco.

The use of CO₂ as a refrigerant in plug-in display cabinets is an innovative approach that stands out in the industry, drawing attention for its reduction of environmental impact and improvement in energy efficiency. It also offers a higher Coefficient of Performance (COP).

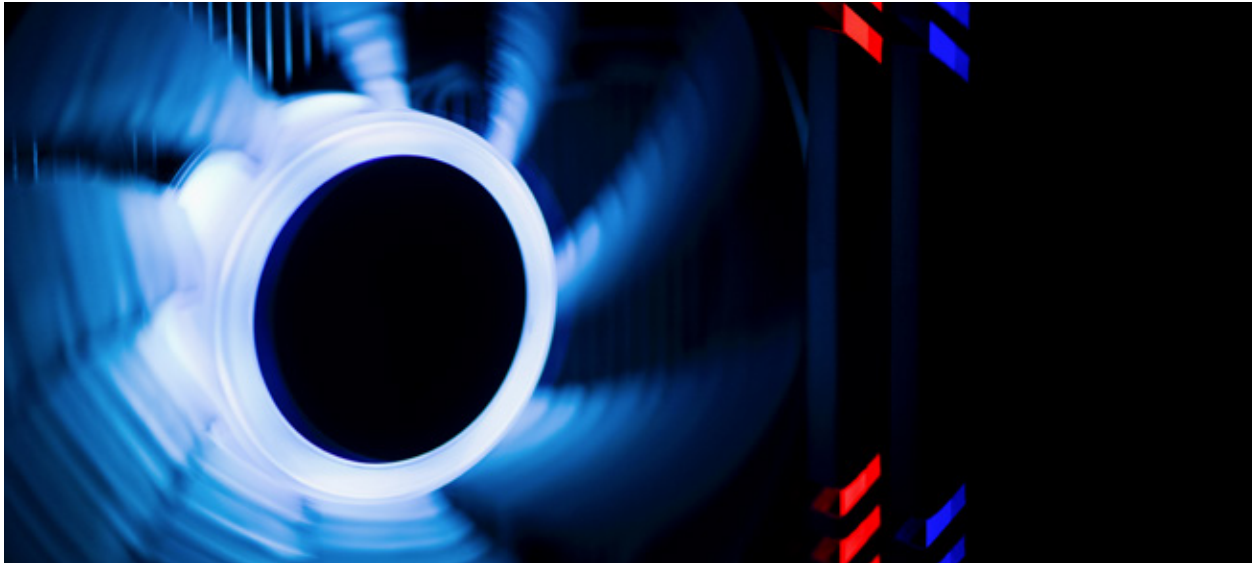
CO₂ has the lowest Global Warming Potential (GWP) among refrigerants, significantly reducing the environmental impact and lowering the industry's carbon footprint.

The first phase of this innovative project was launched in March 2023. The production of the first display cabinets was reviewed and approved by TESCO in November 2023, followed by the successful installation, commissioning, and delivery of two display cabinet models to the Tesco store in Bristol in December 2023.

In its fight against climate change, Kaplanlar are committed to reducing their environmental impact by transitioning to renewable energy sources. By utilizing solar energy and other renewable sources, Kaplanlar diversifies its energy production and decreases its reliance on fossil fuels. The SPP system invested in for the new factory, set to begin operations in 2025, is designed to meet the entire electricity consumption required for producing 25,000 modules. Furthermore, the new factory is being built to compatible LEED (Leadership in Energy and Environmental Design) Certification standards, focusing on energy efficiency, water conservation, and the use of sustainable materials.

Collaboration with stakeholders in the supply chain has been a crucial aspect of Kaplanlar's efforts to combat climate change. Together with its supply chain, Kaplanlar coordinates initiatives to reduce its carbon footprint and fosters sustainable practices. This partnership helps mitigate environmental impacts at every stage of the supply chain, further minimizing the carbon footprint.

Kaplanlar consistently strengthens its commitment to fighting climate change, continuously developing strategies to support its environmental sustainability objectives. Recognizing the long-term effects of climate change, Kaplanlar remains dedicated to taking the necessary steps for a sustainable future.



Energy Management

**Improvement Rate in
Energy Consumption
per Cabinet Produced
(2021-2023)**

16,21%

Kaplanlar places energy management at the core of its sustainability strategy. Its Environmental and Quality Policies emphasize “reducing energy and natural resource consumption by using resources effectively and producing long-lasting products,” forming the foundation of its energy approach. Energy management focuses on optimizing energy use, improving efficiency, and minimizing consumption.

This approach not only supports environmental sustainability but also enhances overall sustainability performance. Kaplanlar conducts comprehensive analyses of its energy consumption to identify areas for improvement. In alignment with its efficiency improvement goals, Kaplanlar develops strategies to reduce energy consumption and enhance energy efficiency. These strategies include reducing energy intensity, utilizing renewable energy sources, and exploring alternative energy solutions.

Kaplanlar consistently monitors its energy consumption using “Tons of Oil Equivalent” (TOE) calculations. By identifying key energy-consuming segments, Kaplanlar determines the necessary investments to reduce energy intensity. Kaplanlar adopts energy-saving technologies and practices to enhance energy efficiency, undertaking significant efforts in this area. For example, Kaplanlar has meticulously implemented many measures, such as smart lighting systems that optimize energy consumption, automatic time clocks, regular maintenance and cleaning works to increase the efficiency of natural and artificial lighting sources, insulation and energy loss prevention projects that increase the efficiency of air conditioning sources, as well as improvements in production planning studies that ensure production efficiency, and the implementation of projects on regular and planned maintenance.

To achieve its targeted energy management improvements, Kaplanlar has made significant investments in its new factory, set to begin operations in 2025. As part of these investments, an economizer will be added to the system to recover waste heat from the chimneys of the drying and baking ovens. Kaplanlar:

- Aims to meet 15% of the thermal demand of the dye house boiler with the addition of this economizer.
- Plans to improve the natural gas consumption of the dye house by 1.3% with the installation of the infrared drying oven in front of the natural gas dye house drying ovens.

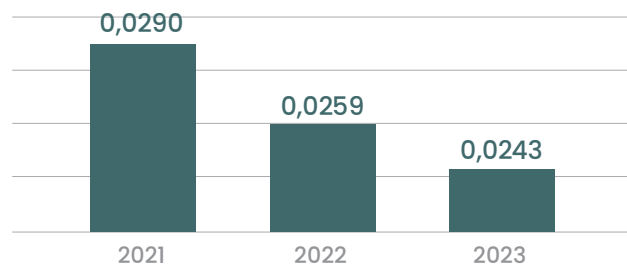
Kaplanlar will install a Solar Power Plant (SPP) with half-cut monocrystalline panels on the roof:

- The SPP system will have the capacity to meet the entire electricity demand for the production of 25,000 cabinet.
- Kaplanlar plans to save 27% in lighting energy by utilizing daylight, thanks to the roof design.
- The electricity generated by the SPP system will be used to create electric vehicle charging station areas.

Energy Efficiency
Increase Rate
(2021-2023)

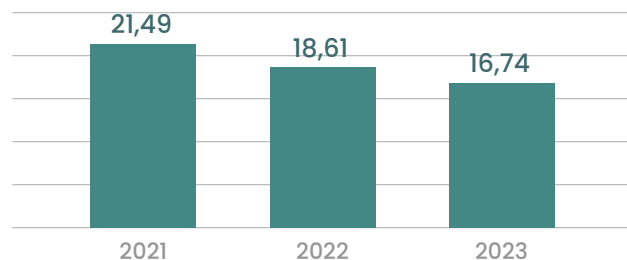
% **6,2**

ENERGY
CONSUMPTION
PER METER OF
PRODUCED
CABINET (TOE/m)

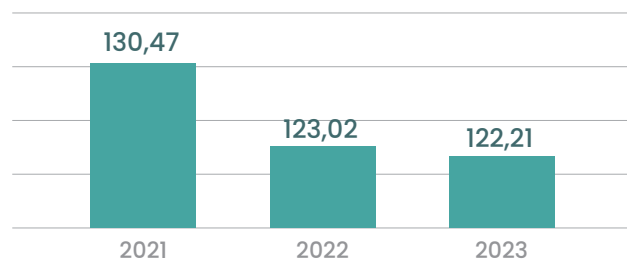


The amount of energy produced decreased from 0.0259 to 0.0243, representing a 6.2% improvement in our energy efficiency. This reduction shows that the measures we have taken to increase our energy efficiency have been effective.

NATURAL GAS
CONSUMPTION
PER METER OF
PRODUCED
CABINET (m³/m)



ELECTRICITY
CONSUMPTION
PER METER OF
PRODUCED
CABINET (kWh/m)





Water Management

Rate of Improvement
in Water Usage
(2020–2023)

9%

Since 2020, water usage per meter of production has improved by 9% through implemented conservation measures.

Kaplanlar recognizes that water is a vital resource for sustaining life and maintaining the health of our planet’s ecosystems. The conservation of natural resources is essential for both human health and economic development. With challenges such as rapid population growth, climate change, and the expansion of industrial activities putting increasing pressure on water resources, issues like water scarcity and pollution are becoming more pronounced.

Kaplanlar is implementing key strategies to enhance water management, including water recycling and reuse, regular maintenance and inspections to prevent leaks, and the use of water-saving technologies. By adopting these measures, Kaplanlar aims to reduce water consumption and minimize its environmental impact.

To achieve these targets, Kaplanlar has made significant investments in its new plant, set to begin operations in 2025. These investments will support efforts to recover and reuse waste and process water through advanced water treatment and recovery systems. Kaplanlar:

- Plans to recover 67% of the water used in dyeing processes and reuse it in the production cycle.
- Aims to recover 17% of the water used in its processes, repurposing it for reservoir and environmental irrigation purposes through water treatment and rainwater harvesting systems.

WATER CONSUMPTION

| | 2021 | 2022 | 2023 |
|----------------------------------|--------|--------|--------|
| Total Water Consumption (m³) | 28.902 | 32.545 | 33.007 |
| Water Consumption Density (m³/m) | 0,83 | 0,83 | 0,82 |



Waste Management

40%

Since 2020, a 40% improvement has been achieved in the total waste amount.

Kaplanlar manages its waste processes in a comprehensive and proactive manner to promote environmental sustainability. Effectively managing waste is essential to reducing environmental pollution, conserving energy and materials, and minimizing waste's negative impact on the environment. Kaplanlar has designed these processes to comply not only with environmental regulations but also with the principles of a circular economy.

As part of its waste management efforts, Kaplanlar focuses on separating and recycling waste at the source. Kaplanlar continuously works to reduce waste generation and increase recycling rates through ongoing improvement initiatives. To support this, Kaplanlar regularly monitors and analyzes waste, updating its waste management strategies accordingly. Through these efforts, Kaplanlar has successfully minimized its overall waste production.

Circular Economy and Waste Management

Kaplanlar goes beyond traditional waste management by integrating the principles of a circular economy. The circular economy approach focuses on conserving natural resources by treating waste as a valuable raw material and recycling it. Kaplanlar views waste not as a burden to be discarded, but as a resource to be reused.

Environmental Management Policy and Waste Policy

Kaplanlar's waste management strategies are structured within the framework of its Environmental Management and Waste Policies. These

policies aim to minimize waste, increase recycling rates, and ensure the safe disposal of waste. Reducing, reusing, and recycling waste at the source are key priorities in the company's environmental management approach.

ISO 14001 Environmental Management System

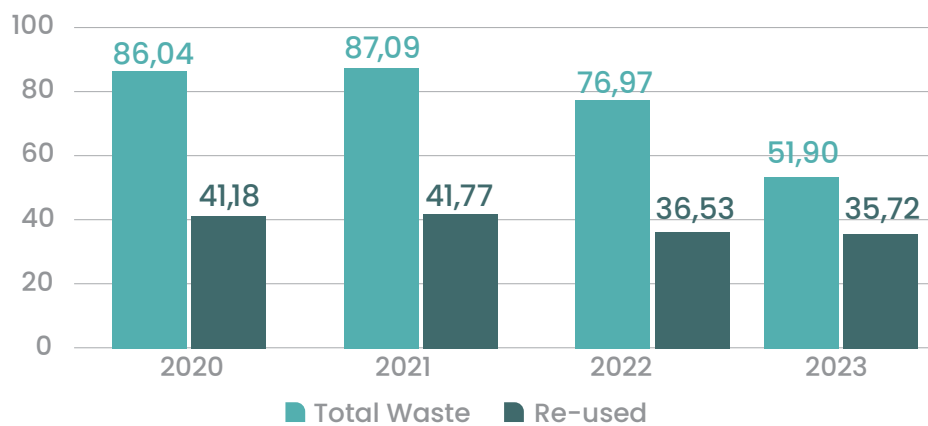
Kaplanlar continuously enhances its environmental performance by fully adhering to the ISO 14001 Environmental Management System standard. This system provides a framework for identifying and managing environmental risks while monitoring performance.

The company regularly reviews and improves its waste management processes, effectively reducing its environmental impact. In addition, Kaplanlar is taking significant steps to contribute to building a sustainable society. These holistic approaches help Kaplanlar meet its environmental sustainability goals and fulfill its social responsibilities.

Increase Rate in Waste Management Efficiency (2021-2023)

% **32,7**

Amount of Waste Per Meter of Product (kg / m)



The total amount of waste decreased from 76.97 to 51.90, increasing our efficiency in waste management by 32.7%. This decrease shows that we have taken an essential step towards achieving our sustainability goals and have made successful progress in reducing our environmental impact.

| Hazardous Waste Amount | 2020 | 2021 | 2022 | 2023 |
|--|-------|-------|------|-------|
| Total Amount of Hazardous Waste (tons) | 111,2 | 114,5 | 120 | 130,8 |
| Recycled (tons) | 55 | 57 | 59 | 65 |

| Amount of Non-Hazardous Waste | 2020 | 2021 | 2022 | 2023 |
|--|-------|-------|-------|-------|
| Total Amount of Non-Hazardous Waste (tons) | 2.664 | 2.928 | 2.906 | 1.947 |
| Recycled (tons) | 1.273 | 1.402 | 1.377 | 1.377 |



Biodiversity

1.950

*Number of Saplings
Planted in 2023*

Biodiversity is essential for the healthy functioning and sustainability of ecosystems. The conservation and management actions taken at both global and local levels will shape the future of our world. Conservation efforts at the international and national levels are crucial for sustaining biodiversity and play a significant role in preserving ecosystems and species.

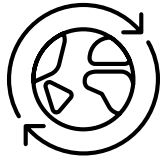
Kaplanlar has established its Biodiversity Policy to manage and mitigate the impacts on flora and fauna resulting from its operations, ensuring the protection of existing biodiversity. In line with this policy, Kaplanlar is committed to the following:

- Complying with all relevant national legislation and contributing to pertinent national strategies and action plans.
- Preventing environmental pollution, including soil, air, and water pollution, to protect the ecosystem.
- Minimizing the consumption of natural resources through the efficient use of resources.
- Reducing the negative environmental impact of its products in order to protect biodiversity.
- Engaging in activities that support biodiversity in its region.

In addition, projects are reviewed during the Environmental Impact Assessment (EIA) process, and potential impacts on species are reported to the Ministry of Environment, Urbanization, and Climate Change.

Beyond this policy, Kaplanlar collaborates with NGOs that support biodiversity and contributes to its protection by donating saplings on behalf of its employees and customers on special occasions. In 2023, a total of 1,950 saplings were planted as part of this initiative.

Care for Future







Care for Future

Together, we're ready for tomorrow—with all our stakeholders!
It's 'we,' not 'me'...

Recent trends suggest that nearly a quarter of the global workforce will transition to roles that differ significantly from their current positions. Technological advancements, driven by sustainability trends and expectations, are reshaping the business and social lives of all stakeholders in the value chain, necessitating their readiness for these changes.

"Together, we're ready for tomorrow—with all our stakeholders!
It's 'we,' not 'me'..."

Kaplanlar is a manufacturer dedicated to safeguarding and sustaining qualified staff, aligning with the evolving business landscape across various sectors.

The company continuously invests in R&D and innovation to ensure its products meet global trends and expectations, while also preparing its stakeholders for the future.

Kaplanlar undertakes initiatives to ensure its internal and external stakeholders, including suppliers and corporate clients, are ready for the world of tomorrow.

With a strong focus on human health and occupational safety, Kaplanlar places great emphasis on talent management to ensure all stakeholders are well-prepared for the future.

Employee Engagement and Satisfaction

Employee satisfaction and loyalty are key priorities in Kaplanlar's sustainability strategy. To monitor employee experiences and satisfaction levels, the company conducts a comprehensive "Employee Loyalty, Motivation, and Satisfaction Survey." The survey assesses various important areas such as working conditions, training and development opportunities, salary and benefits, communication and cooperation, relationships with immediate managers, company reputation, people-oriented approaches, work-life balance, career opportunities, company management and policies, work quality, and occupational health and safety (OHS).

A total of 465 employees participated in the surveys, with the majority describing Kaplanlar as a company that values its people. Employees gave positive feedback on the company's people-oriented approach and working conditions, highlighting the effectiveness of Kaplanlar's strategies in boosting employee satisfaction and loyalty. Based on this feedback, Kaplanlar continuously drives improvement processes and takes necessary actions to enhance the workplace experience for its employees.



Employee Satisfaction Score

58,7%

White Collar

61,7%

Blue Collar

Employee Engagement Rate

62,9%

White Collar

66,2%

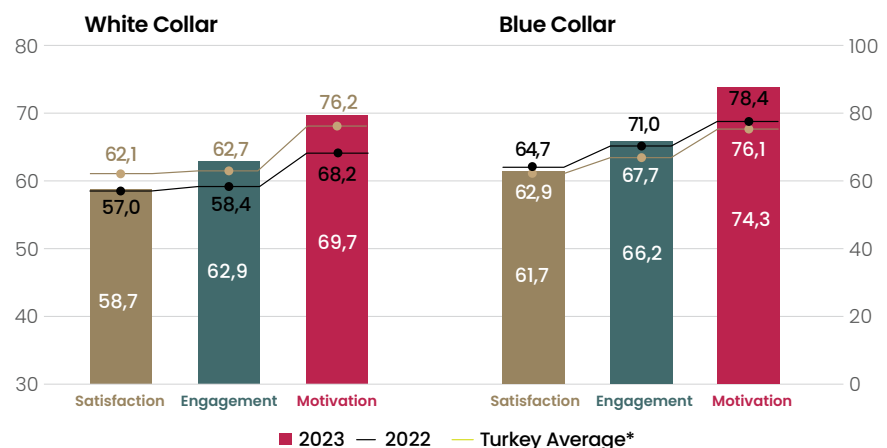
Blue Collar

According to the survey results, employee satisfaction has become a key motivator in Kaplanlar's sustainability journey. Employee satisfaction and engagement are central to Kaplanlar's sustainability strategies, positively influencing the company's business processes and culture. Kaplanlar analyzes the survey results in depth through FOCUS GROUPS formed by both blue-collar and white-collar employees, working to identify areas for improvement. FOCUS GROUP's Identified improvement areas are translated into action plans and projected for implementation. All actions taken during this process are regularly communicated to employees.

Kaplanlar prioritizes the professional development of its employees by offering various mentoring opportunities and career paths that enhance both personal and professional skills, while also fostering open and effective communication channels to boost employee satisfaction.

In 2023, Kaplanlar launched Ming, an innovative internal communication platform designed to strengthen employee interaction. Ming facilitates communication and information sharing among employees, incorporating gamification elements to enable all employees—whether desk or production workers—to communicate instantly, participate in events, stay informed with announcements, provide feedback, and share socially. The platform also features a system that rewards users with points for in-app activities, which can be redeemed for rewards through the market module. By leveraging gamification, Kaplanlar uses this powerful tool to encourage socialization, development, feedback, and collaboration among its employees.

Employees at Kaplanlar work in an environment where they can freely express their opinions and feedback through annual performance evaluations. This strengthens transparency and trust within the workplace. To demonstrate the value it places on its employees, Kaplanlar organizes various events, fostering a culture of recognition. The company also recognizes the importance of togetherness, organizing social events such as get-togethers and family picnics to enhance employee motivation and strengthen team bonds.



* AdisaPin "Kaplanlar 2023 Employee Loyalty and Satisfaction Survey"



Kaplanlar Family Picnic

Kaplanlar's traditional family picnic was held with great enthusiasm in 2023. On Sunday, July 30th, at the Kestel Green Valley Picnic Area, employees and their families enjoyed a pleasant day immersed in nature. Around 2,400 people attended the event, which featured team races and fun activities for both adults and children. The event began with an opening speech by Nazlı Kaplan, General Manager, followed by the presentation of seniority plaques to employees with 5, 10, and 20 years of service by Duygu Kaplan, Vice Chairman of the Board of Directors.





Morale Event After a Busy Period

The Barbecue Party, a traditional event held annually at Kaplanlar after the inventory count, was filled with enjoyable moments in 2023. The Barbecue Party, a traditional event held annually at Kaplanlar after the inventory count, was filled with enjoyable moments in 2023. This gathering, where employees savored delicious treats and spent quality time with their teammates, once again highlighted Kaplanlar's commitment to employee satisfaction and motivation.

Kaplanlar Bowling Tournament

The traditional Bowling Tournament, held annually among the teams of Kaplanlar Refrigeration, kicked off on February 12 at Bowling Hall. The tournament, which spanned three rounds of intense competition, concluded with a prize-giving ceremony on March 4, where the winning teams were celebrated. This event played a key role in strengthening team spirit among employees while offering a fun and competitive environment.





Healthy Living and Social Responsibility

Kaplanlar participated as a Corporate Running Team in the Eker I Run event in Bursa on October 1. The event provided a valuable opportunity for employees to embrace a healthy lifestyle and stay active through sports. Through their participation, employees demonstrated a sense of social responsibility, raising awareness and donations for the Association for Supporting Contemporary Life (ÇYDD). Thanks to contributions made through the İyilik Peşinde Koş Platform (Pursue Goodness), a total of TRY 10,650 was donated to ÇYDD. This involvement underscores the importance Kaplanlar Refrigeration places on both employee satisfaction and social impact.



A Success that Fosters Employee Creativity and Team Spirit

The theater play "Talk as Much as Your Strength," prepared by the Kaplanlar Theater Club, was presented to the audience on the Podium Art Mahal stage on August 17, 2023. The team, composed entirely of Kaplanlar Refrigeration employees, received enthusiastic applause from the audience for their dedicated work. At the conclusion of the performance, General Manager Nazlı Kaplan presented flowers to the team and expressed gratitude for their efforts.

Employee satisfaction is also supported through fringe benefits. Blue-collar employees receive bonuses, holiday allowances, food, fuel, child, and education allowances, while white-collar employees receive bonuses, food, fuel, and education allowances. In addition, white-collar employees are provided with complementary health insurance, and executive-level employees receive fuel support.

In this context, employees are provided with all the resources and support needed to realize their individual potential and are encouraged to enhance their personal and professional skills. Kaplanlar fosters employee development through training programs, seminars, and individual coaching services, enabling them to succeed in their career journeys.



Employee Development

Training Hours
Provided to Employees
in 2023

15.770

Kaplanlar aims to support both personal and organizational success by enhancing the professional skills and competencies of each individual. The company implements a comprehensive training strategy to ensure that its employees have access to continuous learning opportunities. In line with its sustainability policies, Kaplanlar supports the development of all white-collar employees through language training and online courses via the Azera Education Platform. This approach encourages both professional and personal growth, helping employees enhance their competencies and contribute to the company's overall performance.

In 2023, Kaplanlar provided a total of 15,770 hours of training to its employees. The training programs cover not only technical skills but also broader topics such as environmental awareness and sustainability in the workplace. Through these programs, Kaplanlar enhances the professional competencies of its employees while positively influencing the environmental and social impact of the work environment.

In addition to in-house training, Kaplanlar provided a total of 2,149 hours of outsourced training support in 2023 to enhance the professional, technical, and personal development of employees. These trainings aim to foster personal growth while deepening employees' technical knowledge and skills. Through these trainings, Kaplanlar seeks to improve employee work performance and help them achieve their career goals. The diversity and scope of the trainings reflect the company's strategic approach to employee development and its long-term vision.

This year, Kaplanlar introduced a new Performance Management System for white-collar employees. The system ensures that departmental and individual goals, aligned with company objectives, are defined for all employees. Managed in three phases—goal setting, interim evaluation, and year-end evaluation—with this system Kaplanlar aims to objectively assess employee performance. Employee performance is evaluated based on an 80% evaluation score, with the remaining 20% derived from a competency assessment.

The Performance Management System analyzes employee performance in detail using a 5-point scale. For employees scoring 1 and 2, tailored development plans are created, and the Persono software system is utilized for these evaluations. A total of 155 white-collar employees participate in this Performance Management System. Through this system, Kaplanlar continues to support the professional development of its employees and assist them in achieving their business goals.

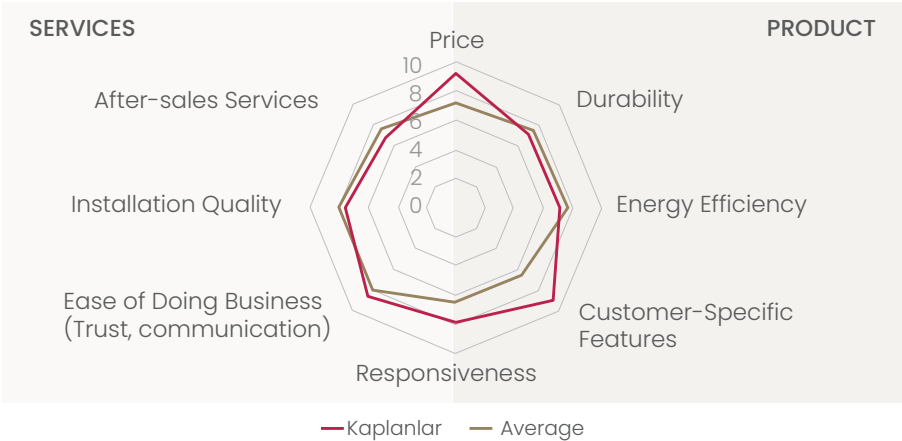
Customer Satisfaction

Kaplanlar prioritizes customer satisfaction, viewing every customer interaction as an opportunity. The company carefully manages all interactions to ensure positive customer experiences and meet expectations. Kaplanlar has implemented a comprehensive feedback system to thoroughly understand its customers’ needs and provide personalized solutions. This system includes the regular collection and evaluation of customer feedback, complaints, and suggestions. Customer feedback serves as a key foundation for the continuous improvement of services and products, with necessary adjustments made based on this input.

Kaplanlar regularly utilizes performance measurement tools to drive continuous improvement in customer satisfaction. The company assesses the effectiveness of its services and customer experience in detail through various performance measurement tools and customer satisfaction surveys. These tools evaluate different aspects of customer satisfaction, pinpoint areas for improvement, and ensure that appropriate actions are taken. Survey results and performance data offer vital insights for enhancing service quality and improving the overall customer experience. Below are the results of surveys conducted with customers:

Kaplanlar also analyzes customer feedback and adopts a continuous improvement approach in service processes and product development. Customer feedback guides the company in reviewing its operational processes and making necessary adjustments. This systematic approach allows Kaplanlar to take the essential steps to meet and exceed customer expectations, thereby enhancing customer satisfaction. By considering the voice of customers in managing these processes, Kaplanlar aims to deliver better and more effective services.

QUALITATIVE
ASSESSMENT OF
PERCEPTIONS
BETWEEN USERS
AND NON-USERS



Kaplanlar consistently works to enhance customer satisfaction and adopts a proactive approach to improve service quality. The company takes all necessary steps to positively influence customer experiences, maintaining high levels of satisfaction, and regularly reviews this process. Kaplanlar's commitment to customer satisfaction, its strategic focus on customer relationship management, and its ongoing efforts in this area are fundamental to the company's success.

Summary of Special Customer Perceptions / Overall, Extremely Positive

| | Price | Durability | Energy Efficiency | Customer-Specific Features | Accountability | Ease of Doing Business | Installation Quality | After-sales Services |
|----------------------|-------|------------|-------------------|----------------------------|----------------|------------------------|----------------------|----------------------|
| Tesco | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Sainsbury's | ✓ | ✓ | ✓ | ✓ | — | ✓ | — | — |
| M&S | ✓ | — | ✓ | ✓ | — | ✓ | ✓ | ✓ |
| Morrisons | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Wave | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Frimex | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| K2 Heating & Cooling | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |



Strategic Partnership Success with Sainsbury's

On May 23, 2023, Kaplanlar received the "Strategic Partnership Award" at the Sainsbury's Property Strategic Partners Conference and Awards Night. The prestigious award was presented by Sainsbury's CMO Mark Given and Property Director Patrick Dunne. Nazlı Kaplan, General Manager, and Anja Biyedic, UK Country Sales Manager, accepted the award on behalf of Kaplanlar. Receiving this esteemed award in front of industry leaders reflects the company's commitment to the quality of services it provides and the strength of its business partnerships. This recognition motivates Kaplanlar to continue striving for excellence and innovation to further enhance customer satisfaction.



Occupational Health and Safety

Kaplanlar places the safety and well-being of its employees at the core of its corporate strategy by prioritizing occupational health and safety (OHS). In 2023, the company achieved ISO 45001 – Occupational Health and Safety Certification from BSI, standardizing its occupational safety practices. The company rigorously manages its OHS protocols, implementing comprehensive measures to minimize workplace risks. Kaplanlar is audited annually by reputable certification organizations, such as BSI, to ensure compliance with legal regulations and to adopt industry best practices, ensuring the safety of its employees. As part of its commitment, Kaplanlar continuously updates essential OHS practices, including risk analysis, hazard assessment, and emergency plans. Additionally, Kaplanlar has diversified its emergency drills, increasing their number and variety, including scenarios such as earthquakes, fires, and night shifts.

Kaplanlar organizes continuous training programs to develop a workforce that is knowledgeable and skilled in occupational health and safety. The company provides its employees with comprehensive training that covers safe working practices, emergency procedures, and first aid protocols. These training initiatives are designed to foster a culture of occupational safety, raising awareness among employees and ensuring that everyone works in a safe environment. Through these programs, Kaplanlar aims to empower its employees to identify potential risks, take proactive measures, and respond effectively in emergency situations.

Kaplanlar continuously reviews and enhances its occupational health and safety management systems, adhering to international standards and industry best practices. The company organizes the physical workspace, ensures ergonomic conditions, and regularly maintains work equipment to support employee safety. Additionally, Kaplanlar consistently monitors risk factors to prevent occupational accidents and diseases, making necessary improvements promptly. This structured approach is vital for safeguarding employees' health and minimizing workplace accidents.

Kaplanlar conducts regular internal audits and risk assessments to evaluate the effectiveness of its occupational health and safety practices. Through these audits, the company ensures that safety practices comply with established standards and takes corrective actions when necessary. Kaplanlar also considers employee feedback regarding occupational health and safety, making continuous improvements to the work environment to guarantee a safe workplace. These practices underscore Kaplanlar's commitment to occupational health and safety and its dedication to protecting its employees.

Kaplanlar organizes various campaigns and events to promote a culture of occupational health and safety throughout the organization. The company enhances employee knowledge and awareness of OHS by hosting events such as information campaigns, safety weeks, and health days that encourage safe working practices.

These events contribute to raising awareness about occupational health and safety, continuously improving safety standards in the workplace. Kaplanlar's comprehensive approach to OHS ensures that employees work in a safe and healthy environment, positively impacting the company's overall performance.

BUDGET ALLOCATED TO OCCUPATIONAL HEALTH AND SAFETY (TRY)

| | | |
|------|-------------|-----------|
| 2022 | <div></div> | 2.989.758 |
| 2023 | <div></div> | 4.913.561 |

OHS TRAINING HOURS DATA

| | Total Training Hours | Per Person |
|------|----------------------|------------|
| 2022 | 6.502 | 10 |
| 2023 | 8.690 | 14,7 |



142

*Corrective Action
Implemented*

Kaplanlar aims to manage activities within its operational boundaries with high OHS performance. To achieve this goal, it has established an OHS policy and made specific commitments within this policy. These commitments include:

- o Adhering to legal rules and requirements regarding occupational health and safety.
- o Recognizing occupational health and safety as an integral part of daily operations.
- o Identifying risks related to occupational health and safety and preventing potential hazards.
- o Providing a safe occupational health and safety environment to prevent physical injuries and lacerations from work-related accidents.
- o Collaborating with contractors to raise their awareness and reduce operational risks.
- o Offering information, resources, and training to support occupational health and safety.
- o Receiving and responding to employee feedback on occupational health and safety to improve and maintain performance.

Kaplanlar has meticulously identified hazards and conducted comprehensive risk assessments to ensure the safety of all work environments and processes. These assessments are designed to systematically analyze potential hazards and minimize the risks they may pose.

To prevent occupational accidents and diseases, Kaplanlar consistently conducts risk analyses and implements necessary safety measures based on the findings. Additionally, the company carefully investigates near-miss incidents and works to identify their root causes. The PIU notification system serves as an effective tool for tracking risk situations, near misses, and non-compliances. Notifications received through this system also address environmental concerns and continuous improvement initiatives. Actions related to these notifications are managed via the QDMS system to ensure that no open issues remain unresolved. In 2023, Kaplanlar received a total of 75 improvement requests via the PIU system, resulting in 142 remedial actions, 15 of which were identified on-site, and 52 of which were determined through board decisions. Kaplanlar continually enhances its occupational health and safety (OHS) practices by analyzing the data gathered from these processes.

Comments and requests regarding occupational accidents, occupational diseases, near-miss incidents, and OHS issues are managed effectively by Kaplanlar. The company regularly evaluates employee feedback on OHS and implements significant improvements based on this feedback.

Employee health is closely monitored through regular health checks at Kaplanlar. The company continuously tracks the health status of its employees by conducting regular health screenings and checks to identify potential health issues in advance. Through these assessments, Kaplanlar evaluates the health condition of its employees and takes the necessary steps to minimize potential health risks in the work environment.

Kaplanlar also conducts regular assessments of its working environment. In this process, the company reviews various factors, ranging from ergonomic arrangements in the workplace to ventilation systems. Additionally, in October, female employees who requested mammography and smear tests were provided with these services through KETEM. A total of 24 employees voluntarily

Occupational Health and Safety Training Provided to Employees in 2023

8.690 hours

benefited from this service. Kaplanlar prioritizes the health and well-being of its employees and contributes to continuous improvement through health screening programs.

Kaplanlar increased the capacity of its first aid equipment by 50% and placed it in fixed locations where emergency interventions can be made. The company ensures that first aid kits are complete and readily available to respond quickly and effectively to emergencies. Regular maintenance and inspections of this equipment are carried out, and any deficiencies identified are promptly addressed.

OHS documents and actions are tracked electronically through Kaplanlar's QDMS (Quality Documentation Management System) software system. This system ensures the regular and systematic monitoring of all OHS documents, reports, and action plans in a digital environment. QDMS enables OHS processes to be managed effectively, with any updates being monitored instantly. Through this software system, Kaplanlar guarantees the accuracy and timeliness of all OHS-related documents and actions. This increases the effectiveness of the company's OHS practices and contributes to their continuous improvement.

Kaplanlar provided a total of 8.690 hours of OHS training in 2023.

In 2023, there was an improvement in both first-aid incidents and lost-time accidents, with a significant reduction in the overall number of accidents. The data indicates that the steps Kaplanlar has taken to improve occupational safety have begun to produce positive results. Specifically, there was a notable decline in the total number of accidents. A decrease of 29.73% in accidents was recorded in 2023 compared to the previous year. This reduction in accidents demonstrates that Kaplanlar's implementation of occupational safety standards has become more effective in 2023, leading to a significant drop in incidents.

The increase in lost days was primarily due to employees who had occupational accidents taking longer treatment and recovery periods, focusing on their recovery process with more care. This increase in lost days is not solely due to the severity of the accidents but also reflects employees' commitment to fully recovering before returning to work.

Anti-Corruption

In 2023, Kaplanlar undertook significant initiatives and assessments concerning its ethical policies. The company is committed to elevating its ethical values and business processes to higher standards. Starting in 2024, Kaplanlar plans to strengthen its practices to adopt even higher ethical standards.

Kaplanlar conducts all of its operational processes in accordance with its ethics policy, regularly reviewing and updating this policy. In addition to managing its operations based on ethical principles, the company prioritizes combating bribery and corruption. Kaplanlar carries out necessary audits to maintain high ethical standards in its dealings with business partners, reinforce its anti-corruption stance, and promote transparency in business relations.

The company provides employees with the required information and training to ensure strict adherence to its ethical policies. These training programs ensure that employees understand ethical issues and implement company policies effectively. In alignment with business ethics and transparency principles, Kaplanlar fulfills its societal responsibilities while advocating for high ethical standards.

As a result of these efforts, Kaplanlar did not encounter any instances of misconduct or corruption during the reporting period. The company is committed to upholding ethical standards in the future, with a focus on creating a sustainable business environment.

Contribution to Local Economy

Through its policy of favoring local suppliers, the company highlights regional products, supporting the economic vitality of the region and empowering local producers. By utilizing local resources in its supply chain, Kaplanlar leverages regional labor, increasing local business potential. This approach aims to create economic value and support regional development through strong business relationships with local suppliers. Kaplanlar's policy ensures support for the local workforce and strengthens local production. Accordingly, 87.7% of payments made to suppliers in 2023 were directed to local suppliers.

Inclusion and Diversity

Kaplanlar recognizes diversity and inclusion as a cornerstone of its corporate culture. The company values the different perspectives, experiences, and talents that employees bring to the workforce, aiming to create a work environment where every individual has equal opportunities. By supporting diversity in the workforce, Kaplanlar sees the differences among employees as an asset, encouraging both individual and corporate success.

The company is committed to treating all employees equally, regardless of gender, race, religion, age, disability, or any other differences. Kaplanlar takes the necessary measures to create a work environment where every employee has equal rights and discrimination is prevented. The company integrates this commitment into all business processes, ensuring that employees' rights are protected, fairly evaluated, and equal opportunities are provided.

Kaplanlar recognizes that having a diverse workforce and an inclusive culture strengthens the company and enhances its effectiveness. The company is committed to creating equal opportunities at every stage, from recruitment processes to career development, providing fair support and valuing each employee. This approach not only boosts employee satisfaction but also strengthens customer relations and improves overall business performance. By fostering an inclusive working environment, Kaplanlar successfully meets the expectations of both employees and customers.

Kaplanlar operates a Performance-Based Bonus system and also has a Remuneration Procedure approved by the Board of Directors. The determination of remuneration scales, developed in consultation with experts, is crucial to ensuring the principle of equal pay for equal work. Through the HAY Group Survey, Kaplanlar aligns its grading structures with industry wages, aiming to prevent wages from falling below the sector average, regardless of factors such as age and gender. The company has identified the implementation of a fair remuneration policy as a key priority in its sustainability strategy. Kaplanlar aims to enhance the motivation and loyalty of its workforce by offering fair and competitive remuneration to its employees.

Consumer/ Customer Health and Safety

Kaplanlar adopts a rigorous and systematic approach to ensure its products and services are designed and manufactured to safeguard consumer health and safety. The company conducts thorough audits throughout every stage of the product development process, identifying health and safety risks and implementing appropriate measures. Kaplanlar enhances the performance and safety of its products by sourcing and utilizing only reliable, high-quality raw materials. This meticulous approach guarantees that products are free from potential risks and comply with the highest industry standards.

Consumer and Customer Health and Safety is a top priority for Kaplanlar, its employees, and external stakeholders. In line with this priority, the company firmly underscores its commitment to ensuring the health and safety of consumers and customers. Kaplanlar continuously reviews and updates its health and safety standards to maintain industry-leading benchmarks. Through these efforts, the company strives to achieve excellence and set the highest standards in consumer and customer health and safety.

For consumer health, Kaplanlar conducts cabinet tests in compliance with ISO 23953 standards, ensuring product temperatures align with customer specifications as stated in test reports. To prevent products from posing risks to consumer health, all necessary tests are conducted while the products are still within the factory. Potential issues in factory-produced items are simulated in a test environment to identify component-related problems beforehand, with customers informed of the necessary precautions. Kaplanlar continuously invests in research and development (R&D) activities to ensure its products meet health and safety standards. These R&D investments facilitate the application of advanced technologies and methods, enhancing product quality and minimizing health risks. The company leverages cutting-edge technologies and scientific approaches within its R&D processes to improve product safety and effectiveness.

Kaplanlar remains steadfast in its commitment to upholding the highest standards of health and safety in its products and services. This dedication plays a vital role in preserving the company's reputation and ensuring customer satisfaction. By prioritizing health and safety, Kaplanlar reinforces its leadership position in the industry and builds lasting customer trust. In pursuing its sustainability objectives, the company simultaneously strengthens its focus on consumer and customer health.

Social Investment Activities

Kaplanlar aligns its social investment activities and Corporate Social Responsibility (CSR) projects with the principles of sustainable development and societal benefit. The Company undertakes well-planned and impactful initiatives to improve social welfare and address various societal needs. Through its CSR efforts, Kaplanlar strives to foster social progress and provide effective solutions to critical social challenges.

Beyond its commercial objectives, Kaplanlar prioritizes societal benefit by partnering with non-governmental organizations for meaningful collaborations. Kaplanlar places high value on supporting local communities and developing long-term, circularly designed CSR projects that deliver lasting impact. The Company aspires to act as a catalyst for social progress and transformation, emphasizing the importance of present actions for a sustainable future. Accordingly, the Company focuses its CSR projects on the following priorities, aligned with the United Nations Sustainable Development Goals:

Health and Quality of Life: Supporting sports and the arts.

Gender Equality: Empowering women in business and social life.

Quality Education: Equal access to affordable vocational training and ending discrimination in education.

Industry, Innovation, and Infrastructure: Supporting technology development.

Responsible Production and Consumption: Preventing food waste.

Life in Water: Protecting coastal and marine areas.

Life on Land: Stop deforestation.

Kaplanlar has supported theater and performing arts since 2023 and sponsors Podium Sanat Mahal, a local art center in Bursa. The company organizes theater club activities and play screenings to encourage employees to engage with the arts.

In partnership with the Gönüllü Hareketi Sivil Toplum Kuruluşu (Volunteer Movement NGO), Kaplanlar provides financial and technical support to a food banking program that assists individuals and families facing economic difficulties. The company has also invested in the cold storage facility required for this program.

Through collaborations with universities, Kaplanlar provides resources and technical support to student groups developing new technologies, offering them opportunities to showcase and advance their inventions in technology and innovation competitions in Türkiye and abroad.

Within the framework of its 2023 cooperation with the Association for Supporting Contemporary Life (ÇYDD), Kaplanlar contributes to the cultural and artistic activities of supported students and provides funding for their education and accommodation expenses. The company has taken significant steps to ensure that girls have equal opportunities in education. Additionally, Kaplanlar managers offer mentoring support to young people preparing for professional careers.

As part of the MESEM Mastery Compensation Program, which aims to enhance the quality of vocational education in Türkiye, Kaplanlar supported 61 young individuals in receiving training from skilled masters. These trainees,

mentored by experienced professionals working in the factory, acquired extensive industry experience and earned mastership certificates, opening opportunities for their careers.

Kaplanlar collaborates with the TEMA Foundation to combat deforestation. The company contributes to TEMA Foundation through donations and initiatives such as planting saplings in place of thank-you gifts for customers and seniority plaques for long-term employees.

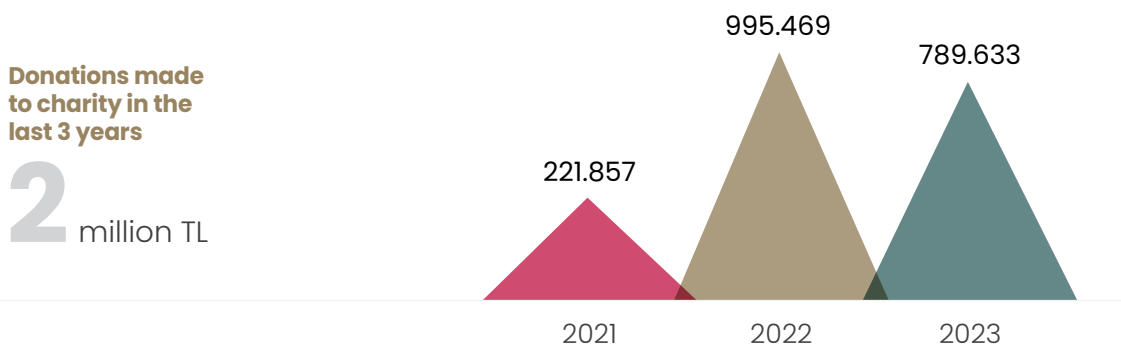
Kaplanlar's Corporate Running Team and Kaplanlar Volunteers took part in the traditional Eker I Run event organized in Bursa. This event not only encouraged employees to embrace healthy lifestyle habits but also contributed to raising funds for non-governmental organizations. In addition to organizing awareness campaigns for the Association for Supporting Contemporary Life (ÇYDD) via their social media accounts, the employees in the running team also collected donations through the İyilik Peşinde Koş Platform, creating a significant resource for ÇYDD.

Kaplanlar's CSR projects not only enhance the company's social impact but also raise social responsibility awareness among employees and strengthen its corporate culture. Kaplanlar encourages employees to engage in projects, provides volunteering opportunities, and empowers them to take an active role in social responsibility initiatives. This approach boosts employee satisfaction and reinforces their commitment to social causes.

To enhance the effectiveness of its social projects, Kaplanlar collaborates closely with local communities to better understand their needs. By partnering with local NGOs and social enterprises, the company amplifies the impact of its projects and ensures the efficient use of its resources. Kaplanlar also actively involves the local community in project implementation, fostering a strong sense of commitment and ownership toward these initiatives.

As a result, Kaplanlar aims to improve societal welfare and promote social justice by supporting sustainable development through its social investment and CSR projects. The company's comprehensive and thorough approach maximizes social benefit, strengthens its sense of social responsibility, and generates long-term social impact. By building a strong and sustainable connection with society, Kaplanlar consistently prioritizes contributing to social development.

CHARITABLE DONATIONS



Share Culture



Kaplanlar

STAY COOL & KEEP FRESH





Share Culture

Kaplanlar is a manufacturer that continuously adapts to the technological advancements and digitalization trends within the retail sector.

Kaplanlar is a manufacturer that continuously adapts to the technological advancements and digitalization trends within the retail sector. The company has a well-defined corporate purpose, clear vision, strategic goals, and a dedicated management team that ensures it remains a reliable partner for the retail industry in the future. Kaplanlar has already established itself as a preferred solution partner, thanks to its technological development, R&D activities, and a management team that effectively analyzes global risks, particularly climate change, and is committed to taking proactive steps to mitigate these challenges.

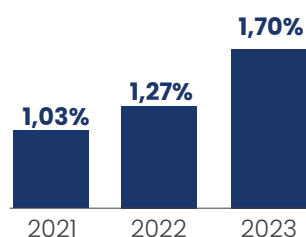
Kaplanlar is dedicated to promoting an ethical and egalitarian business approach, which forms the foundation of the collaborative efforts of stakeholders shaping the future, and places significant value on these initiatives.



R&D and Innovation

R&D Investment for 2023

27.1
million TRY



Ratio of Annual R&D
Expenditure to Turnover (%)

Increase in the Number of Patents Registered:

% 20

Kaplanlar consistently evaluates its operations and swiftly adapts to evolving conditions. For Kaplanlar, R&D is a critical function that enhances the value of its products. As a result, Kaplanlar increases its annual budget for R&D and innovation to foster continuous growth and improvement.

Patent Applications:

Kaplanlar achieved significant success by increasing the number of patents registered both nationally and internationally by 20% compared to the previous year. This accomplishment not only highlights Kaplanlar's commitment to contributing to the national economy but also strengthens its competitiveness in the global market. The growing number of patents underscores Kaplanlar's expertise in developing innovative solutions and reinforces its leadership in the sector.

Additional R&D Rebate and Sustainable Innovation:

Considering the growth in the number of national and international patents registered in 2023 and the proportion of R&D investments in turnover, Kaplanlar was awarded the "additional R&D discount" by the Ministry of Industry and Technology. The company views this opportunity as a foundation for advancing sustainable innovation and value creation, further strengthening its existing R&D strategies with these achievements. With the support of these additional discounts, Kaplanlar is able to develop innovative projects more efficiently, using its R&D budget to make more substantial investments in achieving its long-term sustainability goals.

IP and Industrial Property Rights Projects and Future Perspectives:

The three projects developed by Kaplanlar within the framework of IIPR (Intellectual and Industrial Property Rights) processes showcase its forward-thinking innovation and design capabilities. These projects highlight the company's dedication to providing innovative solutions and adding value to the industry's needs. Kaplanlar remains committed to refining existing technologies and pioneering new product development processes through continuous efforts in these areas. By consistently updating its R&D and innovation strategies, Kaplanlar continues to create solutions that align with and support its sustainability objectives.

Digitalization and Technology Use

Emerging Trends in Kaplanlar's Digitalization and Use of Technology

Kaplanlar strives to enhance efficiency and bolster its competitive edge by embedding digitalization and technology usage at the core of its business processes. The company's digital transformation strategy emphasizes executing all operations with greater speed, precision, and efficiency, leveraging the integration of cutting-edge technologies to achieve these goals. Kaplanlar's approach to digitalization drives comprehensive improvements and innovations, reshaping business processes at both operational and strategic levels.

Technology Integration and Productivity Increase

By embedding technology into its operations, Kaplanlar achieves remarkable efficiency gains. The company employs digital solutions across diverse functions, including production, logistics, customer service, and human resources. Advanced technologies such as intelligent automation systems, artificial intelligence, and data analytics enhance operational efficiency by streamlining processes and boosting accuracy. For instance, automated control systems and robotic solutions implemented on production lines enable error-free manufacturing and support high production capacities.

Within the strategic roadmap established in early 2021, Kaplanlar sets a goal to transition to cloud-based systems that support operations across geographies, reduce energy consumption, and enable efficient resource planning and management. To achieve this, the Company conducted SAP S/4HANA workshops following a detailed needs analysis and began the SAP S/4HANA migration process. By the end of 2022, Kaplanlar had completed the project, digitizing all business processes while ensuring seamless integration between S/4HANA and other applications. This transition enabled sustainable management practices and secure access to digital portals.

Additionally, Kaplanlar implemented Robotic Process Automation (RPA) systems to automate routine tasks and enhance operational efficiency. This initiative minimized time and resource waste, allowing robots to perform repetitive tasks as part of the workforce. Looking ahead, Kaplanlar plans to adopt the O365 cloud-based email system by 2025, further reducing energy consumption and aligning with its energy-saving objectives.

In line with its green transformation goals, Kaplanlar prioritizes environmentally friendly technologies when selecting equipment for the data center in its new factory. These measures aim to boost energy efficiency and advance the Company's sustainability strategies.

Digitalization Journey

2008 

Canias ERP 603
Installation with
Basic Modules

2016 

Dissemination of
Canias ERP 604 with
All Modules

Establishment of
Attendance and
Payroll System

E-Transformation
Integration

2017 

Setup of Server
Rooms Running
Cluster in Disaster
Recovery Sites

Launch of Kaplanlar
E-Catalog with a
Mobile App

2018 

Establishment of
Kaplanlar Aura
Intranet

Integration of
Canias ERP with
Payroll System

2019 

Transition to the
Business Intelligence
Reporting Tool
PowerBI

Development of
Kaplanlar DDMRP
and Production
Planning Application

Creation of
Production Kiosk
and Mobile Approval
Applications

2020 

Transition to TRY and
EUR Monthly Actual
Cost Structure

Revamp of
Kaplanlar.com
website

Achievement of
27001 Information
Security
Certification

Deployment of
HRWEB Payroll
and Self-Service
Applications

Integration of
MetalX and
Canias ERP

2021 

Implementation
of BORGÜMRÜK
Integration

Automatic
Configuration in
Press Lines

Bank Integrations

Transition to
E-Waybill system

Acquisition of
SAP S/4HANA

2022 

Implementation of
QDMS

Launch of PUB ISG/5S/
Environment Mobile
Notification App

NFC Vcard
implementation

2023 

SAP S/4HANA Live
Migration

Deployment
of SAP Mobile
Applications

Introduction of
SALES CLOUD App

Implementation
of Konzek MES
Solution

Launch of Persona
Performance
Management
System

Implementation of
the Ming Internal
Communication
Platform

Start of RPA (Robotic
Process Automation)
implementation

Establishment of
Anzera Education
Portal

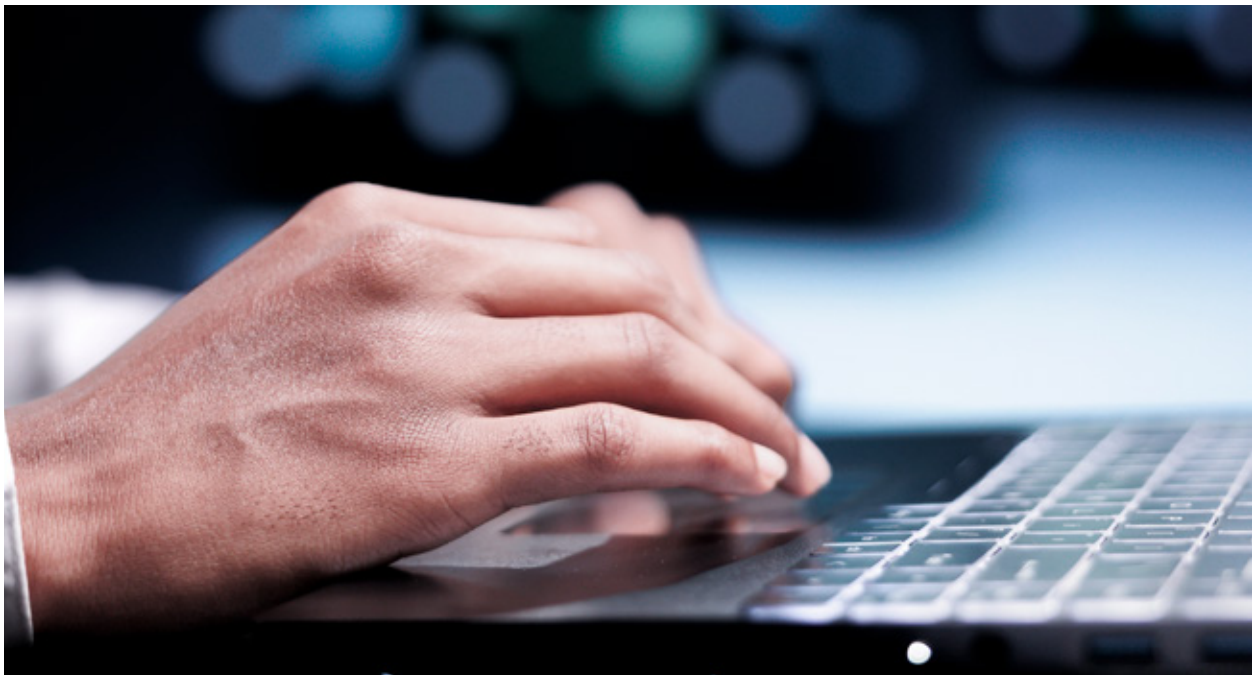
Ensuring Data Security

Ensuring data security is one of the top priorities for both businesses and individuals in today's digital world. This involves implementing measures to protect information from unauthorized access, data breaches, and cyber-attacks. Data security involves a wide range of strategies and practices designed to safeguard the integrity, confidentiality, and availability of information at both personal and organizational levels.

Kaplanlar follows a comprehensive risk management approach to defend against attacks on personal data and other cyber threats. The company has taken essential steps to protect its infrastructure from cyberattacks and is committed to developing both technology and a skilled workforce. By implementing the Information Security Management System (ISMS), Kaplanlar has established a policy aligned with the ISO 27001 standard, and all employees are committed to adhering to this policy.

Information Security Management System Policy:

- To allocate the necessary resources for staying updated with technological advancements, innovations, and changes within the scope of the information security management system,
- To manage information assets across processes, identify risks related to these assets, develop controls for these risks, and implement effective risk and opportunity management,
- To comply with obligations arising from relevant legal legislation, national, international, and sectoral regulations and agreements, and to provide information security requirements for both internal and external stakeholders,
- To ensure the achievement of information security goals and objectives, and to continuously improve the Information Security Management System through business continuity efforts.



Supply Management

The Importance of Sustainable Supply Chain Management

In today's global business environment, managing supply chains is critical for businesses. Sustainability is one of the key drivers not only of business operations but also of supply chain management. Sustainable supply chain management aims to increase social welfare and supply chain profitability while minimizing environmental impacts by integrating economic, environmental, and social dimensions. This approach aims to adopt sustainable practices at all stages of the supply chain and ensure that these practices contribute positively to business performance.

Sustainable supply chain management is the process of effectively managing supply chain operations, resources, information, and funds. Businesses are held responsible not only for their own internal operations but also for the environmental, social, and economic consequences arising from the activities of their suppliers. In this context, sustainable supply chain management offers strategies to ensure that businesses not only survive, but also thrive and succeed in the long term. Businesses have to assess various risks and opportunities to ensure the sustainability of their supply chains.

Kaplanlar's Supplier Performance Management System

To promote sustainable supply chain management, Kaplanlar has implemented a comprehensive Supplier Performance Management System since 2021. This system evaluates supplier performance based on specific criteria and conducts a thorough annual evaluation, involving all relevant departments at Kaplanlar. The evaluation criteria include the following key areas:

- **Delivery:** The supplier's ability to deliver products or services on time and in line with the terms of the contract.
- **Price:** The supplier's capability to offer competitive pricing while ensuring cost-effectiveness.
- **Quality:** The quality of the products or services and their compliance with established standards.
- **Communication:** The supplier's ability to communicate effectively and transparently.
- **Flexibility:** The supplier's ability to quickly adapt to changing needs and conditions.
- **Problem Solving:** The supplier's approach to resolving issues and their strategies for addressing challenges.
- **Quality and Management Systems:** The effectiveness of the supplier's quality management systems.

Supplier Development Program

Kaplanlar has launched a comprehensive Supplier Development Program to address both its current and future needs. This program focuses on building and enhancing its supplier portfolio. Currently, Kaplanlar collaborates with approximately 975 suppliers for both direct and indirect products and services, of which 934 are domestic suppliers. This approach aims to minimize procurement risks while supporting local suppliers. By prioritizing local suppliers, Kaplanlar not only contributes to the local economy but also strengthens the resilience of its supply chain and fosters long-term business relationships.

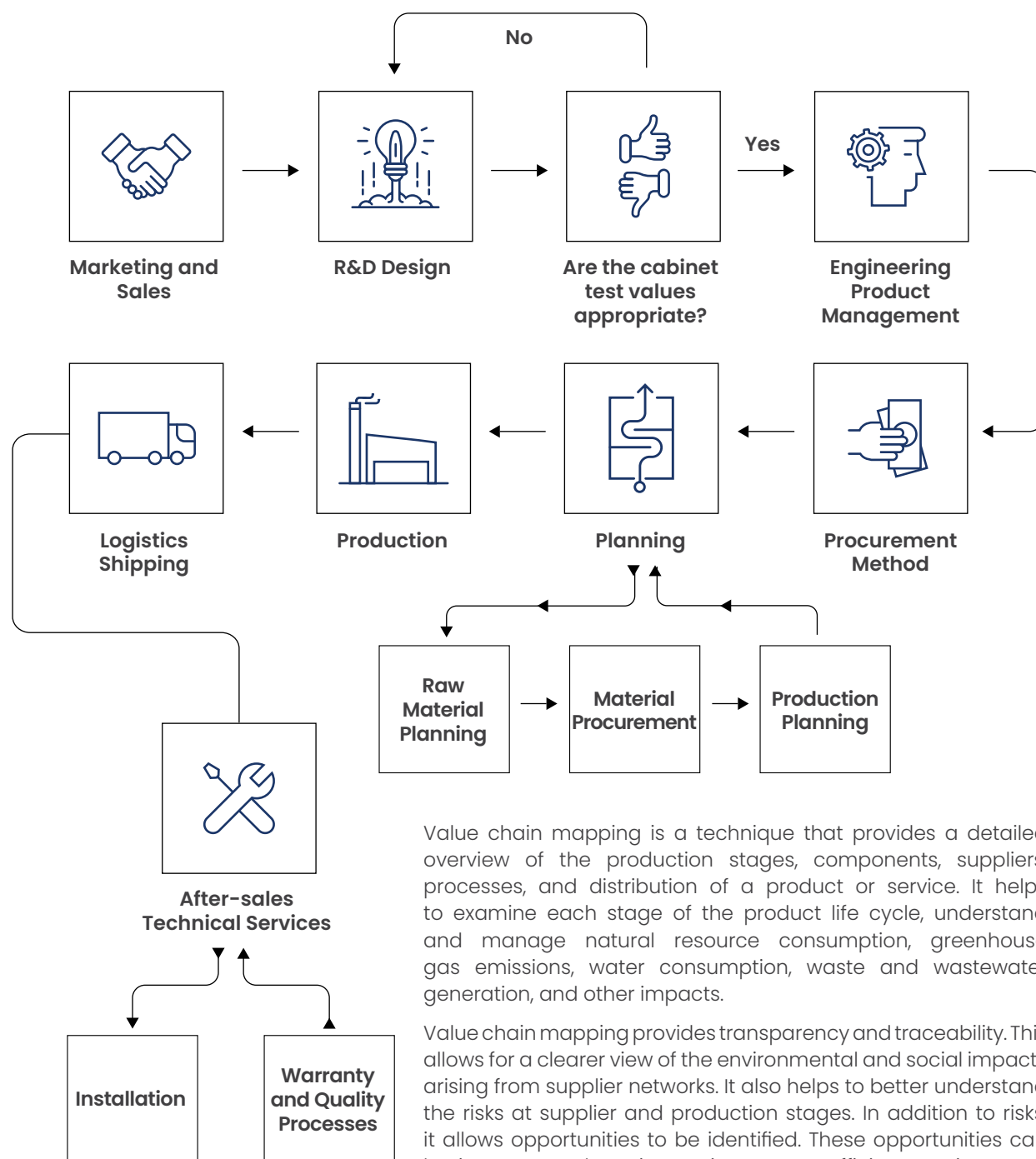
Sustainability and Performance Improvement

Kaplanlar continuously monitors and enhances supplier performance to achieve its sustainability goals. Supplier performance assessments not only evaluate the current status but also provide recommendations for suppliers to improve their performance. These assessments aim to foster long-term strategic partnerships with suppliers and enhance the overall effectiveness of the supply chain. In this process, Kaplanlar offers feedback to suppliers and provides the necessary support to help them achieve their sustainable performance targets.

Kaplanlar's Sustainable Supply Chain Strategy

As part of its sustainable supply chain strategy, Kaplanlar aims to reduce environmental impact, fulfill social responsibilities, and increase economic profitability. The company incorporates sustainability criteria at every stage of the supply chain and prioritizes these factors in supplier selection and evaluation. By integrating a sustainable supply chain management approach into all its business processes, Kaplanlar takes a leading role in both environmental and social impact.

Value Chain Flow



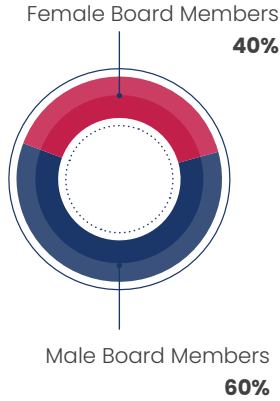
Value chain mapping is a technique that provides a detailed overview of the production stages, components, suppliers, processes, and distribution of a product or service. It helps to examine each stage of the product life cycle, understand and manage natural resource consumption, greenhouse gas emissions, water consumption, waste and wastewater generation, and other impacts.

Value chain mapping provides transparency and traceability. This allows for a clearer view of the environmental and social impacts arising from supplier networks. It also helps to better understand the risks at supplier and production stages. In addition to risks, it allows opportunities to be identified. These opportunities can be in areas such as increasing energy efficiency, using more renewable energy sources, and reducing waste.

| SUPPLIERS | 2021 | 2022 | 2023 |
|---------------------------|------|------|------|
| Total Number of Suppliers | 984 | 1029 | 975 |

Corporate Governance Approach

Board Composition



Kaplanlar continually takes the necessary steps to meet the highest standards in corporate governance and remains committed to implementing advisory provisions.

The principles of ethics, transparency, fairness, responsibility, and accountability are integral to Kaplanlar's corporate culture.

Kaplanlar's Board of Directors consists of five members, including the Chairman, two Deputy Chairmen, and Board Members. Forty percent of the Board of Directors is composed of women, with an average age of 53.

Kaplanlar is managed in line with corporate governance principles, adopting a consistent and effective management approach.

Ertuğrul Kaplan

Chair of the Board

(aged 72)

Faruk Kaplan

Vice Chair of the Board

(aged 69)

Duygu Kaplan

Vice Chair of the Board

(aged 43)

Nazlı Kaplan

Board Member

(aged 35)

Ceyhun Araz

Independent Board Member

(aged 47)

Strategic Role and Responsibilities of the Board of Directors

Kaplanlar's Board of Directors is responsible not only for setting the company's strategic direction but also for ensuring that corporate governance standards remain high. Board members define the company's long-term vision and play a critical role in making strategic decisions. Additionally, they regularly assess the company's performance and provide recommendations for improvement in key areas. The effective role of the Board of Directors ensures a governance structure that supports the achievement of the company's strategic objectives and long-term success.



1 GROWTH

Expanding into new markets, increasing market share in existing markets, and developing a market-specific product portfolio strategy.



2 GLOCALIZATION

Decentralizing market operations to enhance global reach.



3 SUSTAINABLE PROFITABILITY

Optimizing costs and improving operational efficiency to ensure long-term profitability.



4 BRANDING

Strengthening brand recognition on a global scale and enhancing market positioning.



5 CORPORATE GOVERNANCE

Ensuring full compliance with corporate governance principles to maintain transparency and accountability.



6 SUSTAINABILITY

Aligning with the UN Sustainable Development Goals to drive long-term environmental and social value.



7 OPERATIONAL EXCELLENCE

Adhering to EFQM (European Foundation for Quality Management) standards to achieve excellence in operations.



8 DIGITALIZATION AND INNOVATION:

Fostering product and process development through technological advancements and innovative approaches.



Corporate Purpose of the Company



VISION

To become one of the top 5 global companies with the highest brand value in the refrigerated display cabinets sector by growing with a customer-oriented and innovative approach.



MISSION

To develop energy-efficient refrigerated display cabinets that focus on customer needs and innovation, while protecting the freshness and safety of food with sustainable solutions centered on people and nature, contributing to a sustainable future for the world.

VALUES



In Harmony with Nature

Committed to protecting the future by making effective efforts to ensure that production and products are climate-neutral throughout the entire value process..



Guardian of Food

Driven by the responsibility of ensuring food safety, playing a crucial role in maintaining the integrity of the cold chain.



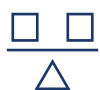
Customer Oriented

Building a customer-centric culture as a trusted partner with 45 years of experience, prioritizing quality standards while offering flexible solutions that meet the evolving demands of customers.



Innovation for the Future

Enhancing quality standards through new technology, R&D, energy efficiency, and digitalization investments, and working towards a better future.



Equitable Governance

Investing in the protection, development, and continuity of qualified staff with an ethical and transparent governance approach, and preparing internal and external stakeholders for the future.

Risk and Opportunity Management

Kaplanlar's Risk and Opportunity Management Approach

Risk and opportunity management is a key process that supports Kaplanlar in achieving its strategic objectives. This process systematically evaluates potential threats and opportunities, aiming to enhance the performance and sustainability of the organization. By adopting this dynamic approach, Kaplanlar strives to adapt quickly and effectively to evolving business conditions, ensuring the maintenance of its competitive edge.

Risk Management Processes

Kaplanlar integrates risk management as a core component of its business strategy. To minimize the impact of risks, the company follows these steps:

- **Risk Identification and Assessment:** Kaplanlar identifies potential risks across all operational areas, including financial, operational, strategic, and environmental risks. These risks are analyzed in detail, then classified and prioritized based on their likelihood and potential impact.
- **Risk Management Strategies:** Kaplanlar develops effective strategies to manage identified risks. These strategies involve mitigating, transferring, accepting, or avoiding risks. The company implements necessary control measures and procedures to minimize the impact of these risks.
- **Risk Monitoring and Reporting:** Kaplanlar ensures continuous monitoring and assessment of risks to maintain the effectiveness of its risk management process. Regularly updated risk management reports are presented to senior management, providing an overview of the current risk status and the effectiveness of mitigation strategies.
- **Emergency and Crisis Management:** Kaplanlar develops emergency plans and crisis management protocols to prepare for potential crisis situations. These plans are tested and updated regularly. The company identifies the necessary resources and teams for quick and effective responses during crises.

Opportunity Management Processes

Kaplanlar also views opportunity management as a key driver in achieving its strategic objectives. The company follows these steps to identify and capitalize on opportunities:

- **Identifying Opportunities:** The company identifies potential opportunities by analyzing market trends, customer demands, and technological advancements. These opportunities may relate to business growth, innovative products and services, or strategic business partnerships.
- **Opportunity Assessment:** Kaplanlar evaluates identified opportunities based on their potential benefits and risks. The company examines whether these opportunities align with its strategic objectives and can be realized using its available resources.
- **Opportunity Assessment and Implementation:** Kaplanlar develops implementation plans for pursuing identified opportunities. The company determines the necessary resources and strategies to maximize the benefits of these opportunities. The implementation processes are continuously monitored and optimized to ensure the achievement of targeted results.

Continuous Improvement Cycle

Kaplanlar approaches risk and opportunity management through a continuous improvement cycle. Risks and opportunities are regularly reviewed, and strategies are updated based on evolving business conditions. This dynamic approach enables the company to quickly adapt to changing environments and maintain its competitive edge.

Kaplanlar's risk and opportunity management processes are essential for ensuring the long-term success and sustainability of the company. These processes provide a systematic framework for both managing existing risks and seizing new opportunities, offering Kaplanlar a strong foundation for achieving its strategic goals.

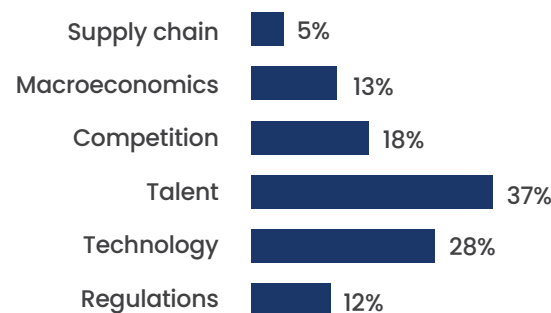
DEVELOPMENTS

- ✓ Sustainable and environment friendly solutions
- ✓ Increasing trend towards remotely managed devices
- ✓ Increasing interest of users in connected devices
- ✓ Increasing preference for self-service cabinets
- ✓ Technologies to reduce leakage rate in open cabinets
- ✓ Increasing consumer preference towards quick service restaurants
- ✓ Legislation and regulations

OPPORTUNITIES

- ✓ Expansion of production facilities to increase production capacity and speed
- ✓ Investment in innovation for more efficient customized products
- ✓ Collaboration with dealers and distributors to develop strategic partnerships and channel access
- ✓ Increasing awareness of remote access refrigerated display cabinets and their benefits

MAIN RISKS



Ethical and Transparent Management Approach

In the global economy, ethics and transparency are crucial as key elements of sustainability and trust. Ethical behavior and transparency principles not only protect a company's reputation but also support economic and social stability in the global business environment. With the growing emphasis on ethics, numerous legal and managerial regulations have emerged regarding ethical infrastructure.

In establishing its code of conduct, Kaplanlar has adopted an approach that aligns with the relevant conventions published by the International Labor Organization (ILO).

Kaplanlar has prepared a "Code of Ethics" document that outlines the principles and practices all managers and employees must adhere to. Through these rules, Kaplanlar aims to ensure that its managers and employees uphold high standards of behavior, are mindful of the corporate impact of their actions, and that all members of the Kaplanlar family follow best practices. The Code of Ethics encompasses honesty and reliability, confidentiality and protection of trade secrets, conflict of interest, as well as social, legal, and environmental responsibilities. It also covers responsibilities toward customers, shareholders, employees, the industry, competitors, and business partners, alongside other rules employees must follow.

Company employees diligently avoid actions that may lead to conflicts of interest, prioritize the Company's interests during their duties, and refrain from actions or behaviors that may provide personal benefits to themselves or their relatives. Conflicts between the company's interests and personal interests, as well as employees obtaining inappropriate personal benefits due to their position or providing benefits to relatives or third parties, are strictly prohibited.

Kaplanlar has developed its Code of Ethics and made it publicly available through its website. The Code of Ethics covers various principles, including compliance with laws and regulations, zero tolerance for discrimination and harassment, ensuring a safe and healthy working environment, minimizing environmental impact, strict adherence to competition laws, compliance with anti-bribery and anti-corruption legislation, proper handling of "business courtesies," avoiding conflicts of interest, protecting sensitive and personal information, and the responsible use of company assets.

The Company also undergoes annual audits by an independent auditing firm, ensuring compliance with internationally recognized accounting standards. Employees are required to notify the Human Resources Department, either in writing or verbally, if they encounter any practices that fall outside the ethical working rules. This notification is a fundamental duty for all Kaplanlar employees. The reported issues are then communicated to the Company's Board of Directors, where they are carefully evaluated and addressed by the Board.

Compliance with Standards

Compliance with standards ensures the effective management of both internal processes and external relationships. This adherence not only enhances reliability, efficiency, and competitiveness but also contributes to long-term success.

Kaplanlar is dedicated to maintaining compliance with both international and local standards, consistently pursuing the highest benchmarks to meet quality, reliability, and regulatory requirements. This commitment to compliance guarantees the quality of Kaplanlar's products and services, elevates customer satisfaction, and strengthens the company's brand reputation.

ISO 14001 Environmental Management System: This international standard assists organizations in managing their environmental impact and enhancing sustainable environmental performance. ISO 14001 offers a structured approach to environmental management, allowing for a systematic assessment of environmental performance and continuous improvement.

ISO 45001 Occupational Health and Safety Management System: This standard establishes a framework for managing health and safety in the workplace. It helps organizations develop systematic approaches to prevent workplace accidents and health issues, reduce safety risks, and safeguard employee well-being.

ISO 27001 Information Security Management System: ISO 27001 provides a comprehensive framework for managing information security within an organization. It outlines methods for protecting information assets, ensuring data security, and managing information security risks to prevent data breaches and maintain confidentiality.

ISO 50001 Energy Management System: This standard offers a framework for enhancing energy management and increasing energy efficiency. ISO 50001 helps organizations monitor energy consumption, optimize energy performance, reduce energy costs, and minimize environmental impact, contributing to sustainability goals and cost savings.

STANDARD/CERTIFICATE NAME

| Standart/Sertifika adı | Year received / year planned to be received |
|--|--|
| TSE 12859 Service Competence Certificate | 2000 |
| ISO 9001 Quality Management System | 2004 |
| EN 60335-2-89 Safety Standard for Electrical Equipment | 2013 |
| ISO 27001 Information Security Management | 2019 |
| PED Module B Pressure Equipment Safety Standard | 2019 |
| EN 60204-1 Central Systems Electrical Safety Standard | 2019 |
| ISO 14001 Environmental Management System | 2021 |
| ISO 45001 Occupational Health and Safety | 2023 |
| Turquality | 2023 |
| ISO 50001 Energy Management System | 2024 |
| ISO 14064 Greenhouse Gas Calculation and Verification System | 2024 |





ENERGY MANAGEMENT

| | 2021 | 2022 | 2023 |
|-------------------------------------|-----------|-----------|-----------|
| Electricity Consumption | | | |
| Total Electricity Consumption (kWh) | 4.557.978 | 4.836.784 | 4.892.642 |
| Electricity Usage Intensity (kWh/m) | 130,47 | 123,02 | 122,21 |
| Natural Gas Consumption | | | |
| Total Natural Gas Consumption (m³) | 750.778 | 731.769 | 670.271 |
| Natural Gas Usage Intensity (m³/m) | 21,49 | 18,61 | 16,74 |
| Water Consumption | | | |
| Total Water Consumption (m³) | 28.903 | 32.545 | 33.007 |
| Water Usage Intensity (m³/m) | 0,83 | 0,83 | 0,82 |
| TOE (Tons of Oil Equivalent) | | | |
| Total Energy Consumption | 1.011 | 1.020 | 974 |
| Energy Usage Intensity (TOE/m) | 0,029 | 0,026 | 0,024 |

WASTE MANAGEMENT

| | 2021 | 2022 | 2023 |
|---|-------|-------|-------|
| Hazardous Waste Amount | | | |
| Recycled (tons) | 57 | 59 | 65 |
| Total Hazardous Waste Amount (tons) | 114,5 | 120 | 130,8 |
| Non-Hazardous Waste Amount | | | |
| Recycled (tons) | 1.402 | 1.377 | 1.365 |
| Total Non-Hazardous Waste Amount (tons) | 2.928 | 2.906 | 1.947 |

AIR EMISSIONS

| | 2021 | 2022 | 2023 |
|--|--------|--------|--------|
| Measured Mass Flow of Air Emissions | | | |
| Particulate Matter / Dust (kg/hour) | 0,5861 | 0,0287 | 0,0287 |
| NOx (kg/hour) | 0,0105 | 0,2482 | 0,154 |
| SOx (kg/hour) | 0 | 0 | 0 |
| Volatile Organic Compounds / VOC (kg/hour) | 0,475 | 0,453 | 0,453 |

BREAKDOWN OF EMPLOYEES BASED ON GENDER

| | 2021 | | | 2022 | | | 2023 | | |
|---------------------------|--------|------|-------|--------|------|-------|--------|------|-------|
| | Female | Male | Total | Female | Male | Total | Female | Male | Total |
| Total number of employees | 85 | 485 | 570 | 100 | 500 | 600 | 100 | 491 | 591 |
| White-collar employees | 55 | 91 | 146 | 71 | 108 | 179 | 70 | 100 | 170 |
| Blue-collar employees | 30 | 394 | 424 | 29 | 392 | 421 | 30 | 391 | 421 |

BREAKDOWN OF EMPLOYEES BASED ON TYPES OF EMPLOYMENT

| | 2021 | | | 2022 | | | 2023 | | |
|--|-----------|-----------|-------|-----------|-----------|-------|-----------|-----------|-------|
| | Full time | Part time | Total | Full time | Part time | Total | Full time | Part time | Total |
| Number of employees by working hours (Total) | 570 | 0 | 570 | 600 | 0 | 600 | 591 | 0 | 591 |
| White-collar employees | 146 | 0 | 146 | 179 | 0 | 179 | 170 | 0 | 170 |
| Blue-collar employees | 424 | 0 | 424 | 421 | 0 | 421 | 421 | 0 | 421 |

BREAKDOWN OF EMPLOYEES BASED ON AGE

| | 2021 | | | 2022 | | | 2023 | | |
|---------------|--------|------|-------|--------|------|-------|--------|------|-------|
| | Female | Male | Total | Female | Male | Total | Female | Male | Total |
| Under 30 | 32 | 215 | 247 | 41 | 206 | 247 | 36 | 181 | 217 |
| Between 30-50 | 52 | 243 | 295 | 58 | 266 | 324 | 62 | 281 | 343 |
| Over 50 | 1 | 27 | 28 | 1 | 28 | 29 | 2 | 29 | 31 |

NUMBER OF NEW RECRUITS

| | 2021 | | | 2022 | | | 2023 | | |
|--|--------|------|-------|--------|------|-------|--------|------|-------|
| | Female | Male | Total | Female | Male | Total | Female | Male | Total |
| Number of new recruits within the year | 34 | 185 | 219 | 52 | 230 | 282 | 18 | 133 | 151 |
| Under 30 | 19 | 135 | 154 | 32 | 146 | 178 | 8 | 74 | 82 |
| Between 30-50 | 15 | 43 | 58 | 20 | 81 | 101 | 9 | 53 | 62 |
| Over 50 | 0 | 7 | 7 | 0 | 3 | 3 | 1 | 6 | 7 |

BREAKDOWN OF EMPLOYEES IN THE R&D, INNOVATION, DIGITALIZATION DEPARTMENTS

| | 2021 | | | 2022 | | | 2023 | | |
|---|--------|------|-------|--------|------|-------|--------|------|-------|
| | Female | Male | Total | Female | Male | Total | Female | Male | Total |
| Number of employees at the departments R&D, innovation and digitalization | 3 | 22 | 25 | 6 | 25 | 31 | 9 | 22 | 31 |

EMPLOYEE TURNOVER

| | 2021 | | | 2022 | | | 2023 | | |
|---|-----------|------------|------------|-----------|------------|------------|-----------|------------|------------|
| | Female | Male | Total | Female | Male | Total | Female | Male | Total |
| Number of employees under 30 who quit their jobs | 12 | 106 | 118 | 21 | 131 | 152 | 5 | 75 | 80 |
| Number of employees between the ages of 30 and 50 who quit their jobs | 14 | 58 | 72 | 15 | 78 | 93 | 12 | 57 | 69 |
| Number of employees over 50 who quit their jobs | 0 | 9 | 9 | 1 | 6 | 7 | 1 | 10 | 11 |
| Total number of employees who quit their jobs | 26 | 173 | 199 | 37 | 215 | 252 | 18 | 142 | 160 |

EMPLOYEE SENIORITY

| | 2021 | | | 2022 | | | 2023 | | |
|--|--------|------|-------|--------|------|-------|--------|------|-------|
| | Female | Male | Total | Female | Male | Total | Female | Male | Total |
| Number of employees who have worked for 0-5 years | 70 | 352 | 422 | 81 | 365 | 446 | 75 | 326 | 401 |
| Number of employees who have worked for 5-10 years | 11 | 90 | 101 | 15 | 90 | 105 | 21 | 116 | 137 |
| Number of employees who have worked for 10 or more years | 4 | 43 | 47 | 3 | 46 | 49 | 4 | 49 | 53 |

MATERNITY/PARENTAL LEAVE

| | 2021 | | | 2022 | | | 2023 | | |
|---|--------|------|-------|--------|------|-------|--------|------|-------|
| | Female | Male | Total | Female | Male | Total | Female | Male | Total |
| Number of employees benefiting from maternity/parental leave | 2 | 30 | 32 | 3 | 28 | 31 | 2 | 24 | 26 |
| Number of employees returning to work after the end of maternity/parental leave | 2 | 30 | 32 | 3 | 28 | 31 | 2 | 24 | 26 |

NUMBER OF EMPLOYEES WITH DISABILITY

| | 2021 | | | 2022 | | | 2023 | | |
|---|--------|------|-------|--------|------|-------|--------|------|-------|
| | Female | Male | Total | Female | Male | Total | Female | Male | Total |
| Number of employees with disability based on gender | 1 | 14 | 15 | 1 | 14 | 15 | 1 | 16 | 17 |

TOTAL HOURS OF PROFESSIONAL TRAINING (EXCLUDING OHS)

| | 2021 | | | 2022 | | | 2023 | | | |
|--|--------|-------|-------|--------|-------|-------|--------|-------|-------|--------|
| | Female | Male | Total | Female | Male | Total | Female | Male | Total | Unit |
| Training hour | 1.048 | 4.130 | 5.151 | 933 | 6.253 | 7.186 | 1.701 | 5.379 | 7.080 | person |
| Average annual training hours per employee | 12 | 8 | 9 | 9 | 13 | 12 | 17 | 11 | 14 | * hour |

ACCIDENT AND NEAR MISS STATISTICS

| | 2021 | 2022 | 2023 | Total Frequency Rate: (Total number of accidents with lost days * 1 000 000) / accrued premium day hours. It shows how many accidents there are for every 1,000,000 working hours worked in a calendar year. Total severity rate : (Number of lost days *1000) / accrued premium days. Indicates how many working days are lost due to work accidents in 1,000 days worked in a calendar year. |
|---------------------------------------|-------|--------|-------|---|
| Number of accidents with loss of days | 25 | 38 | 31 | |
| Number of fatal accidents | 0 | 0 | 0 | |
| Lost days | 120 | 160 | 257 | |
| Accident frequency rate* | 94,63 | 114,41 | 62,71 | |
| Accident severity rate* | 0,98 | 1,24 | 1,55 | |

KURUMSAL ÜYELİKLER



United Nations
Global Compact

United Nations Global Compact
Signatories Association (UNGC)



Turkish Industry and Business
Association (TUSIAD)



Turkish Exporters Assembly
(TİM)



Central Anatolia Exporters'
Association (OAİB)






Heating and Cooling
Exporters' Association (İSİB)



Bursa Chamber of Commerce
and Industry (BTSO)

THE UNITED NATIONS GLOBAL COMPACT (UNGC) CONTENT INDEX

| Sections | Global Principles | Reference | Page |
|---|--|--|------------------|
|  Human Rights | Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights. | Corporate Policies Inclusivity and Diversity Ethical and Transparent Management Approach | 16, 53, 68 |
| | Principle 2: Businesses should avoid complicity in human rights abuses. | Anti-Corruption Ethical and Transparent Management Approach | 51 68, |
|  Labor Standards | Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining; | Corporate Policies Inclusivity and Diversity Ethical and Transparent Management Approach | 16, 53, 68 |
| | Principle 4: Elimination of forced and compulsory labor. | Corporate Policies Ethical and Transparent Management Approach | 16, 68 |
| | Principle 5: Elimination of any form of child labor. | Corporate Policies Ethical and Transparent Management Approach | 16, 68 |
| | Principle 6: Elimination of discrimination in respect of employment and occupation. | Corporate Policies Inclusivity and Diversity Ethical and Transparent Management Approach | 16, 55, 68 |
|  Environment | Principle 7: Businesses should support a precautionary approach to environmental challenges. | Save Nature Environment Management Approach Combatting Climate Change | 25, 28, 29 |
| | Principle 8: Businesses should undertake initiatives to promote greater environmental responsibility. | Save Nature Environment Management Approach Combatting Climate Change | 25, 28, 29 |
| | Principle 9: Businesses should encourage the development and diffusion of environmentally friendly technologies. | Environment Management Approach The Factory of Future R&D and Innovation | 28, 30, 60 |
|  Anti-Corruption | Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery. | Anti-Corruption Ethical and Transparent Management Approach | 51, 68 |

GRI CONTENT INDEX

| GRI Standard | Disclosures | Remarks | Page |
|---------------------------------|--|--|-----------------|
| GRI 1: Foundation 2021 | | | |
| GRI 2: General Disclosures 2021 | 2-1 Organizational Profile | About Kaplanlar | 8 |
| | 2-2 Organizations Included in Sustainability Reporting | About the Report | 5 |
| | 2-3 Reporting Period, Frequency, and Contact Information | About the Report | 5 |
| | 2-4 Information Reorganized from Previous Reports | No information available | - |
| | 2-5 External Audit | External audit has not been conducted for this report. | - |
| | 2-6 Activities, Value Chain, and Other Business Relationships | About Kaplanlar Kaplanlar in Figures Supply Chain Management | 8, 11, 64 |
| | 2-7 Employees | Performance Indicators | 77 |
| | 2-8 Employees of Subcontractor Firms | Employees of Subcontractor Firms are not included in this report. | - |
| | 2-9 Governance Structure | Sustainability Committees Corporate Management Approach | 17, 62 |
| | 2-10 Process for Determining the Competencies and Qualifications of Members of the Highest Governance Body | Restriction Kaplanlar does not share this information publicly because of the company's confidentiality policies. | - |
| | 2-11 Chair of the Highest Governance Body | Corporate Management Approach | 62 |
| | 2-12 Role of the Highest Governance Body in Managing the Organization's Activities-Related Impacts | Sustainability Management | 14 |
| | 2-13 Responsibility Intent in Managing Activities-Related Impacts | Sustainability Committees | 17 |
| | 2-14 Role of the Highest Governance Body in Sustainability Reporting | Sustainability Committees | 17 |

Kaplanlar has reported in accordance with the GRI Standards for the period of 1 January 2022 to 31 December 2022.

GRI CONTENT INDEX

| GRI Standard | Disclosures | Remarks | Page |
|---------------------------------|--|--|--|
| GRI 2: General Disclosures 2021 | 2-15 Processes to prevent conflicts of interest | Ethical and Transparent Management Approach | 68 |
| | 2-16 Process for escalating critical issues to the highest governance body | Sustainability Committees | 17 |
| | 2-17 Competencies of the highest governance body | Restriction Kaplanlar does not share this information publicly because of the company's confidentiality policies. | - |
| | 2-18 Evaluation of the performance of the highest governance body | Restriction Kaplanlar does not share this information publicly because of the company's confidentiality policies. | - |
| | 2-19 Compensation policies | Annual Total Compensation Ratios | 53 |
| | 2-20 Process for determining compensation | Annual Total Compensation Ratios | 53 |
| | 2-21 Annual total compensation ratio | Annual Total Compensation Ratios | 53 |
| | 2-22 Statement on sustainability strategy | Sustainability Strategy Save Nature Care Future Share Culture | 15, 25, 39, 57 |
| | 2-23 Policy commitments | Corporate Policies | 16 |
| | 2-24 Implementation of policy commitments | Corporate Policies | 16 |
| | 2-25 Processes to improve negative impacts | Risk and Opportunity Management Ethics and Compliance Anti-Bribery and Anti-Corruption Management Sustainability Priorities Objectives | 73, 68, 51, 17,18,19, 17,18,19 |
| | 2-26 Mechanisms for receiving and addressing concerns about ethical and legal behavior | Ethical and Transparent Management Approach | 68 |
| | 2-27 Compliance with legal requirements | Ethical and Transparent Management Approach | 68 |
| | 2-28 Corporate memberships | Corporate Memberships | 81 |
| | 2-29 Stakeholder engagement | Stakeholder Relations | 23 |
| | 2-30 Percentage of employees subject to collective bargaining agreements | There is no workforce working under a collective bargaining agreement at Kaplanlar. | - |

GRI CONTENT INDEX

| GRI Standard | Disclosures | Remarks | Page |
|--|---|--|------------------------|
| GRI 3: Key Issues | | | |
| GRI 3: Key Issues 2021 | 3-1 Process for identifying key issues | Strategic Prioritization | 22 |
| | 3-2 List of key issues | Strategic Prioritization | 22 |
| | 3-3 Management of a key issue | Basis of Our Sustainability Approach Sustainability Management Objectives | 14, 14, 17,18,19 |
| Customer Satisfaction | | | |
| GRI 3: Key Issues 2021 | 3-3 Management of a key issue | Occupational Health and Safety | 39-40 |
| Occupational Health and Safety | | | |
| GRI 403: Occupational Health and Safety 2018 | 403-1 Occupational health and safety management system | Occupational Health and Safety | 48 |
| | 403-2 Injury type and accident frequency rates, occupational diseases, lost days and absenteeism, and total number of work-related deaths | Occupational Health and Safety Performance Indicators | 48 |
| | 403-5 Occupational health and safety training for employees | Occupational Health and Safety | 48 |
| | 403-7 Prevention and reduction of occupational health and safety impacts directly related to employment relationships | Occupational Health and Safety | 48 |
| Consumer / Customer Health and Safety | | | |
| GRI 3: Key Issues 2021 | 3-3 Management of a key issue | Consumer / Customer Health and Safety | 50 |
| Ensuring Data Security | | | |
| GRI 3: Key Issues 2021 | 3-3 Management of a key issue | Ensuring Data Security | 74 |



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