



2022 Sustainability Report



Kaplanlar

 Kaplanlar

STAY COOL & KEEP FRESH

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A photograph of a dense, lush green forest. Sunlight filters through the canopy, creating a hazy, golden glow. The trees are tall and leafy, with various shades of green. The overall scene is vibrant and natural.

**We protect
the environment,
we care about future,
we share our culture.**

About the Report

As an indication of strategic sustainability management aligned with main policies in environmental and social domains, Kaplanlar proudly presents this Sustainability Report to all stakeholders.

The report reflects activities conducted within the framework of the United Nations (UN) Sustainable Development Goals and has been prepared in accordance with the requirements of the Global Reporting Initiative (GRI) standards and the United Nations Global Compact (UNGC).

Being the first Sustainability Report that reflecting Kaplanlar's performance in environmental, social, and governance aspects, the report has been issued within the framework of sustainability priorities identified through internal and external stakeholder engagement. Kaplanlar monitors and presents its sustainability performance to valuable stakeholders through the Sustainability Report. Kaplanlar aims to share the Sustainability Report regularly every year starting from the year 2022.

The Kaplanlar 2022 Sustainability Report addresses the activities conducted between January 1, 2022, and December 31, 2022. For your feedback, suggestions, and contributions related to the report, you can contact us at the following email address:

sustainability@kaplanlar.com

A Message from the Senior Management

Dear Stakeholders,

As Kaplanlar, we embarked on our journey by manufacturing refrigerators in 1978 and have since become a leader in the industry with over 45 years of experience. We consider sustainability as an integral part of our business processes. It is with great pleasure that we share our first sustainability report with you, reporting our commitments and progress in this field.

Today, the world is increasingly confronted of environmental and social challenges. The impacts of the climate crisis, rapid depletion of natural resources, and the difficulties which communities are faced with, are increasing the responsibility of businesses in terms of sustainability. As Kaplanlar, we acknowledge our responsibilities and we are committed to take decisive actions.

We approached our sustainability strategy within three main frameworks.

The year 2022 was pivotal for strengthening our commitments and adopting a broader perspective in sustainability. In this reporting period, we approached our environmental, social, and governance sustainability within three main frameworks:

Save Nature: We identified our short-term goal of becoming climate-friendly and highlighted the commitments and achievements in this direction. We reflected our performance in areas such as environmental management and combating climate change, including emission control, energy management, water resource management, waste management, and the preservation of biodiversity.

Care for Future: We detailed our efforts to create a working environment and social structure that would help all our stakeholders to prepare for sustainability-related impacts that they may face in the future. We reported on employee commitment and satisfaction, employee development, customer satisfaction, occupational health and safety, consumer/customer health and safety, anti-corruption efforts, contribution to the local economy, inclusivity and diversity, and our social investment projects.

Share Culture: We expressed our commitment to mainstream sustainable business practices throughout all our processes and efforts to establish a robust and resilient economic structure.



As Kaplanlar, we remain committed to build a sustainable future.

In this context, we shared our efforts related to research and development (R&D) and innovation, corporate governance principles, supply chain management, digitalization, technology, ethics, transparent management, the company's corporate purpose, risk and opportunity management, and data security.

We have disclosed our initiatives aimed at sustainability goals by analyzing critical processes and setting priorities in our sustainability journey. These significant steps emphasize our commitment to achieving sustainability objectives.

We have presented our 2022-2026 strategic plan in alignment with our corporate policies. This plan is devised to enhance our economic, environmental, social, and governance aspects, making them more robust, dynamic, and advanced. We developed our sustainability model in accordance with the United Nations Sustainable Development Goals.

Our goal is to reduce our carbon footprint by focusing on environmentally friendly products.

As Kaplanlar, our goal is to achieve a level of success by reducing our carbon footprint with the environmentally friendly products we produce, preventing waste and food loss, and facilitating access to prominent global sustainable finance by 2023.

Acting with the future in mind is crucial for our working principles. As Kaplanlar Soğutma, we remain committed to build a sustainable future, and are excited to move forward on this path in collaboration with all stakeholders.

We would like to express our gratitude to all our valued colleagues, customers, suppliers, business partners, and all stakeholders who support us for their valuable contributions in our shared commitment to sustainability.

Best Regards,

Nazlı KAPLAN

Member of the Board of Directors

& Chair of the MainCom Sustainability Committee



We are one of the
top 500 exporters
in Turkey.

About Kaplanlar

Having started as a small workshop in 1978, Kaplanlar was expanded into an organization exporting to six continents in 2008 when it was relocated to modern manufacturing facility.

Kaplanlar started its commercial refrigerator production in a small workshop in Bursa in 1978 and, with over 45 years of experience and a commitment to excellence, has become a leader in the industry by focusing on customer satisfaction.

Adapting to the evolving retail sector, the company directed its focus towards new investments and, in 2008, transitioned to a modern production facility in Demirtaş Organized Industrial Zone to continue its operations. While Kaplanlar Soğutma A.Ş., handles the design and manufacturing of products, Kaplanlar Pazarlama A.Ş. manages sales and logistics activities. The Logistics Center, affiliated with Kaplanlar Pazarlama and operational since April 2019 in Bursa, has efficiently and effectively managed the company's logistics processes.

Kaplanlar meets the comprehensive and timely commercial refrigerator needs of its customers with a broad product range and various standard-sized products. With superior product quality and aesthetic design, it has firmly established itself in many markets, supermarket chains, hypermarkets, and various retail consumer sectors across the country. Kaplanlar Soğutma continues to impress with its leadership in the industry by offering solutions that align with the needs of its customers.

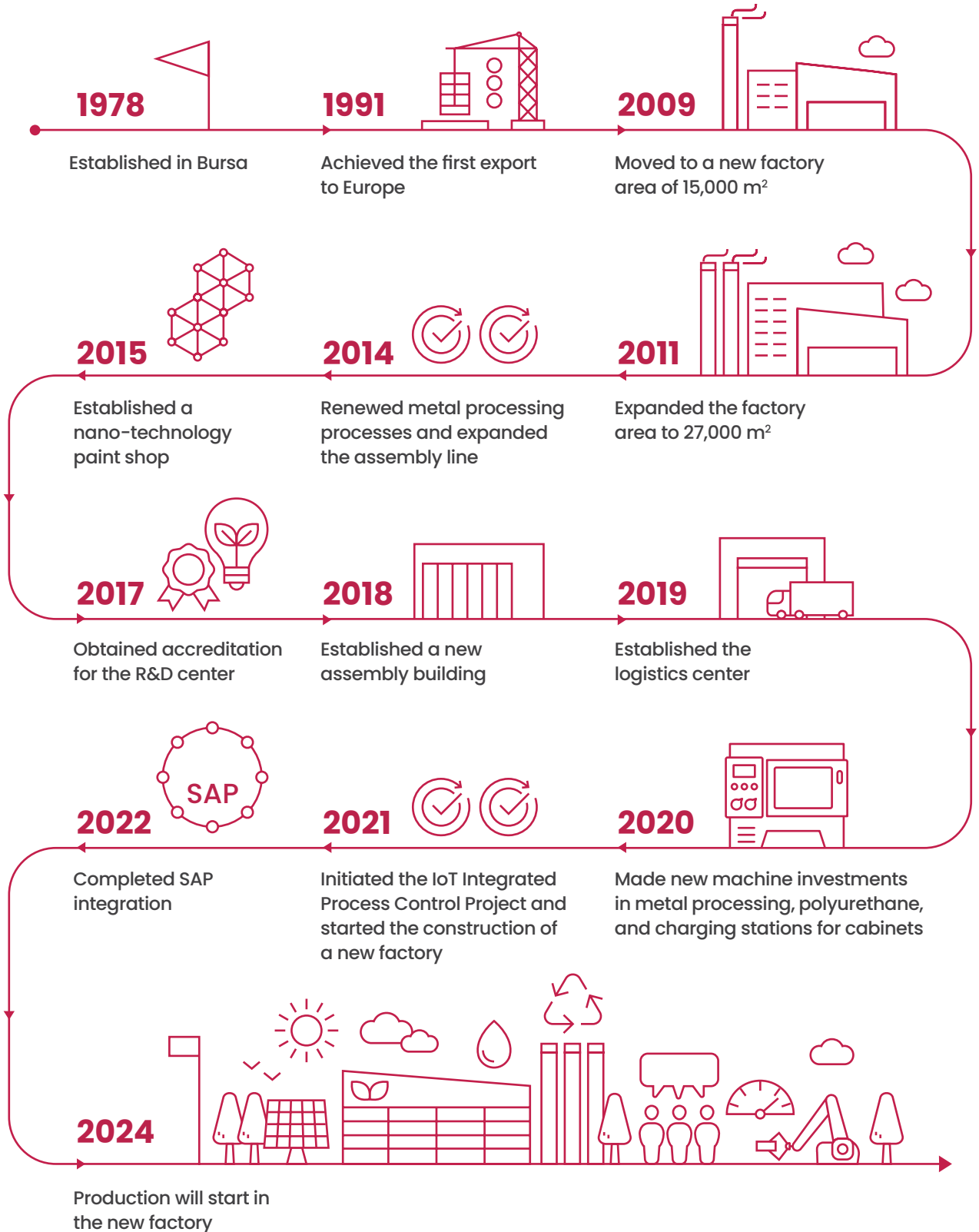
Exporting 94% of its production, Kaplanlar Soğutma has secured its place among the top 500 exporters in Turkey. The company has become a formidable player on the international stage, taking significant steps towards becoming a global brand. Through its offices in Dubai, Australia, and Germany, as well as distributors on multiple continents including Europe, America, Asia, and Africa, the company reaches global markets, delivering its products worldwide.

Focused on its future goals, Kaplanlar aims to achieve sustainable growth and development through environmentally friendly and energy-efficient productions. Leveraging the strength derived from being the first R&D center in its industry, the company aspires to be one of the most effective entities in the sector through its research and development efforts. Kaplanlar will continue to be a pioneer in reducing its carbon footprint by offering eco-friendly products.

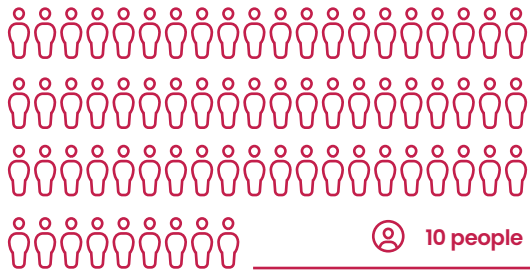
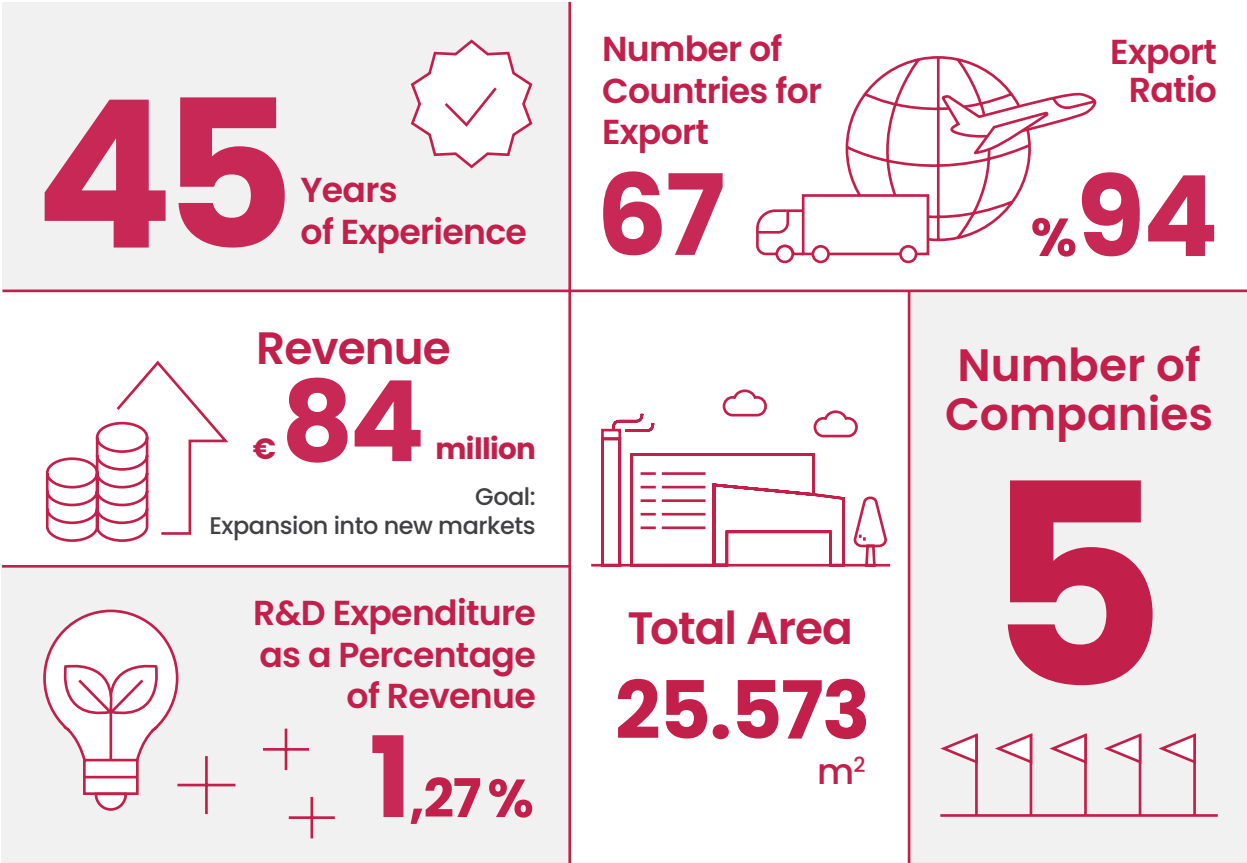
Kaplanlar's commitment to sustainable success and its enthusiastic pursuit align with the company's goal of being a leading organization in both the domestic and international markets. As it is today and will be in the future, Kaplanlar aims to maintain a leadership position in the industry with its environmentally friendly, energy-efficient, and innovative products. The company strives to continue offering professional solutions that bring together the latest technologies for its customers.

Export Ratio
94 %

Milestones



Kaplanlar in Figures



Number of Employees (2021)

691

Employee Motivation



88,4%



Employee Satisfaction

72,3%



According to a research conducted by AdisaPin Research with 35 companies and 3,300 employees, the average employee satisfaction was 61.9%, and motivation was 77.8%.



Sustainability Management



SUSTAINABILITY MANAGEMENT

Globally, there is an average daily loss of 320 kcal and 10 grams per person in food processing and distribution processes. Kaplanlar places significant importance on sustainability in the food chain to minimize this loss.

The sustainability management approach encompasses managing governance, environmental, and social impacts and processes to achieve sustainability goals.

Kaplanlar considers sustainability management as a strategic framework for long-term success. In this regard, the company adopts a sustainability management approach that includes steps such as identifying the context, communicating and engaging with stakeholders, managing sustainability performance, evaluating risks and opportunities, establishing mechanisms for monitoring goals and objectives, identifying improvement activities, and ensuring communication and reporting.

The company meticulously outlines processes that play a crucial role in achieving sustainability goals through detailed studies. It has developed a sustainability modeling that corresponds to the content of the Management, Planet, and People/Society categories, in alignment with "Stakeholder Capitalism Metrics." Thus, the company aims to achieve a performance that is in harmony with the 2030 global agenda, providing access to sustainable finance.

2.530
kcal/day

Globally, out of the 9,750 kcal spent per person per day on food production, only 2,530 kcal, approximately 25%, is consumed as food.

Today, global food production involves spending 9,750 kcal per person per day, but only 2,530 kcal, approximately 25%, is consumed as food. Similarly, when analyzing protein production, out of the 235 grams of protein produced per person for food purposes, only 81 grams, around 35%, is consumed as food. The significant differences stem from food loss occurring for various reasons from the farm to the table.

In food processing and distribution processes alone, there is a loss of 320 kcal and 10 grams per person. Accordingly, the global daily loss for these processes corresponds to 2.6 trillion kcal and 80 billion grams of protein.

Recognizing the significant responsibility in the food chain to reduce and ultimately prevent this substantial loss, Kaplanlar approaches sustainability with a strong awareness. The sustainability initiatives carried out by Kaplanlar, primarily centered around research and development activities, set an example for the industry on a global scale and have the potential to contribute to preventing this considerable loss.

For Kaplanlar, sustainability is not just about having a strong R&D capability and providing high-quality products and services; but also creating an environment that can support these efforts, analyzing environmental and social impacts in all activities, conducting rational risk analyses in light of global developments, and managing all processes with clear goals with qualified teams.

Sustainability Strategy

Kaplanlar has a strategic sustainability management strategy based on its main policies in environmental and social domains. The company's 2022-26 strategic plan addresses the followings:

- With the purpose of capacity development; roadmaps have been established for sustainability performance goals, addressing lean production principles, global expansion, global brand strategy, focus on awareness, employer brand development, human resources transformation, supply chain restructuring, governance structure and future planning, R&D, innovation, new product development, and corporate risk management.
- With the purpose of reducing environmental impact and achieving climate neutrality; emission reduction, energy efficiency and savings, renewable energy sources, waste management, compatibility with circular economy and water conservation.
- With the purpose of enhancing social interaction; analyzing social impact, preserving and ensuring the continuity of qualified personnel, safeguarding employee and consumer health and analyzing customer expectations.
- With the purpose of generalizing of qualified management and business practices; clarifying the corporate purpose and sustainability model, enhance stakeholder communication and conducting risk analyses systematically.



Corporate Policies

Having clarifying the main and sub-policies as the basis for sustainability management, Kaplanlar has started working on studies developing and aligning of the current policies with global developments by prioritizing them in accordance with identified needs.

The policies have been developed and enhanced under the three main pillars of Environment, Social, and Governance (ESG).

Environmental Policies

- **Environmental Compliance Policy:** Kaplanlar outlines a stakeholder-inclusive approach, detailing the general environmental stance.
- **Energy Policy:** Clarifying goals for energy efficiency and renewable energy transformation.
- **Water Policy:** Aiming to reduce water usage for all processes across various resource types.

Social Policies

- **Human Rights Policy:** Implementing universal human rights and principles across all processes.
- **Human Resources Policy:** Adopting a developmental human resources approach in accordance with UNGC principles.
- **Equality and Inclusion Policy:** Encompassing all forms of diversity, particularly gender, within the organization.
- **Social Responsibility Policy:** Defining the scope of corporate social citizenship.
- **Community Development Policy:** Identifying the societal development contributions of core activities.
- **Financial Contribution Policy:** Defining direct and indirect contributions to the economic system.

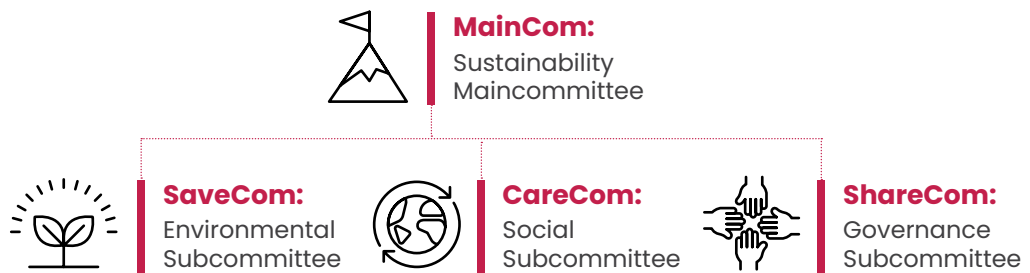
Governance Policies

- **Corporate Purpose:** Simplifying and conveying the corporate purpose to all stakeholders.
- **Compliance with Corporate Governance Principles:** Widespread adoption of goal-oriented management quality across all levels.
- **Code of Ethics Agreement:** Implementing principles covering all stakeholders and business contracts.

Sustainability Committees

MainCom: Sustainability Main Committee

All sustainability subcommittees work in coordination to support the corporate purpose and vision, align with global developments, be sensitive to global and local risks, and approve the goals and commitments clarified by the sub-committees through analysis. MainCom is the highest decision-making body for all activities at Kaplanlar, deciding on facilitative activities and investments necessary to achieve these goals.



SaveCom: Environmental Subcommittee



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

The subcommittee focuses on conducting the necessary efforts to achieve climate neutrality and develop a resilient structure against climate change. The committee is dedicated to clarifying goals and commitments in this area. In this context, it establishes a roadmap for the activities to be carried out, ensuring continuous monitoring and management of performance.

The strategic goals and primary activities of SaveCom are outlined below:

Strategic Goals

- **TCFD Compliance:** Ensuring alignment in governance, strategy, risk management, measurement, and target setting.
- **Emission Reduction Strategy:** Reducing direct/indirect emissions to soil, water, and air.
- **Climate Resilience Strategy:** Monitoring IPCC scenarios and developing a strategic plan.

Prior Activities

- **Water conservation activities:** Identifying and improving all points of water loss.
- **Biodiversity activities:** Preserving local diversity in products and other living elements.
- **Logistics of Tomorrow:** Addressing logistics challenges with technological support.

CareCom: Social Subcommittee



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

The subcommittee aims to develop stakeholder relations, prepare all stakeholders for the future, continuously improve work and employment conditions, and carry out innovative activities that are in line with global trends and meet the needs. It establishes a roadmap for these purposes, ensuring continuous monitoring and management of performance.

The strategic goals and primary activities of CareCom are outlined below.

Strategic Goals

- **Employment Continuity Strategy:** Ensuring the organization's future employment continuity.
- **Stakeholder Relations Strategy:** Establishing reliable, ethical, and ongoing relationships with all stakeholders.
- **Participation in Decision-Making Processes:** Ensuring the participation of all stakeholders in functional decision-making processes.
- **Environmental System Strategy:** Protecting and improving the environmental elements of operational areas.
- **Social System Strategy:** Increasing positive local/global awareness of the social structure.
- **Economic System Strategy:** Pioneering the strengthening of the economic system.

Prior Activities

- **Occupational health and safety practices:** Health and safety practices covering internal and external stakeholders.
- **Talent development programs:** Expanding the skill areas of corporate employees.
- **Stakeholder support programs:** Increasing the economic and social resilience of stakeholders.
- **R&D/Innovation activities:** Increasing activities that will secure the corporate future.
- **Innovation suggestion systems:** Monitoring global changes and increasing contributions to innovation.
- **Social responsibility projects:** Implementing concrete projects that support social development.

ShareCom: Governance Subcommittee



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

ShareCom will establish a roadmap to ensure the continuous monitoring and management of performance, as well as the coordination of goals and commitments, with the aim of conducting risk and opportunity analyses for the future, covering all stakeholders and our entire value chain, starting from the main sector in which we operate. ShareCom will focus on maintaining the competence of personnel capable of conducting such analyses, ensuring their continuity, promoting ethical business practices, and continuously improving and coordinating the performance.

Strategic Goals

- **Organizational structure and strength:** Ensuring that the management structure contributes to the efficiency of all functions.
- **Performance management system:** Establishing a system structure that motivates stakeholder participation and contribution to processes.
- **Compensation system:** Implementing a fair and equitable rational system structure for all employees.

Prior Activities

- **Risk and opportunity analysis:** Keeping the global/local and sectoral ESG risk/opportunity analysis up to date.
- **Strategic planning and monitoring:** Setting and monitoring short, medium, and long-term goals.
- **Stakeholder communication practices:** Utilizing different communication channels suitable for the stakeholder composition.

Global Compliance

Kaplanlar's sustainability model is based on prioritization and double materiality studies conducted through detailed discussions and evaluations with the participation and representation of all stakeholders.

The sustainability model comply with the UN SDGs and it is also compatible with stakeholder capitalism, where performance indicators and metrics are determined by the World Economic Forum (WEF). Similarly, the sustainability assessment and reporting systems developed in recent years, based on ESG principles, have been harmonized, creating a performance and management mechanism that can be reported in a way that meets the needs of different stakeholder groups.

This report contains prioritization and double materiality studies that provide basis of Kaplanlar sustainability model.



**We focus on
the fundamental
principles of save,
care and share.**

Sustainability Model

Kaplanlar' sustainability model is designed to comply with the globally accepted ESG (Environmental, Social, and Governance) approach in the industry. The alignment of all company activities with this model and the creation of goals and commitments based on the model have been ensured.

According to Kaplanlar's ESG sustainability model, the company positions itself as a stakeholder that:

- Protects the environment
- Cares about the future
- Shares its culture



Protecting the Environment

Save Nature, encompasses Kaplanlar's short-term goal of becoming a climate-neutral stakeholder, the commitments made in this regard, and measurable tangible performance.



Caring About the Future

Care Future includes Kaplanlar's efforts to create a working environment and social structure that will enable all stakeholders to be prepared for the future, collaboratively.



Sharing Culture

Share Culture encompasses Kaplanlar's efforts to disseminate a sustainable business approach throughout the entire value chain and to create a healthy economic system.

Strategic Prioritization

Number of stakeholders consulted:

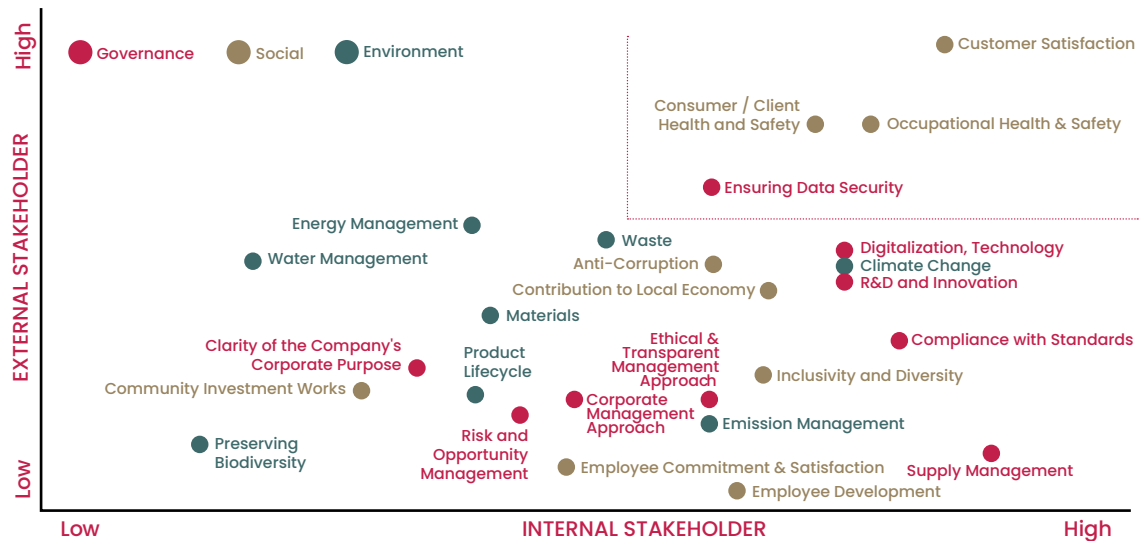
226

Kaplanlar conducted a comprehensive prioritization analysis process in 2022 to identify key sustainability-related issues.

To determine sustainability issues of strategic importance for Kaplanlar, a prioritization workshop was held with the Sustainability Committee. Following an overview of global sustainability developments and sectoral dynamics, a general review was conducted.

In the subsequent phase of this study, governance, social, and environmental priority issues, which are fundamental indicators of sustainability, were reviewed. Subsequently, 26 potential sustainability issues were identified in collaboration with Kaplanlar executives.

During the criteria definition, various sources were reviewed, including the United Nations Sustainable Development Goals, standards and frameworks, ESG ratings, sustainability standards, and frameworks such as the Global Reporting Initiative (GRI).



The priorities were identified by contacting stakeholders through an online survey with a questionnaire. The survey addressed Kaplanlar employees and 28 domestic and international external stakeholders, questioning Sustainability Prioritization for Today and Tomorrow and WEF risks. A total of 198 Kaplanlar employees and 28 domestic and international external stakeholders participated in the online survey.

To understand which issues, within the framework of the identified sustainability topics, most affect sustainability performance for both internal and external stakeholders and therefore should have the highest priority, an online impact assessment survey was conducted from March 13 to April 7, 2023. Stakeholders used a 5-point Likert scale in their assessments. Additionally, average values were calculated for Kaplanlar’s internal and external stakeholders both overall and in subcategories.

Stakeholder Relations



EMPLOYEES

Communication Method	Communication Frequency
Internal procedures, motivation campaigns, company events, reports	Throughout the year
Announcements, surveys	



LOGISTICS, RAW MATERIAL AND PRODUCT SUPPLIERS

Communication Method	Communication Frequency
Information emails	Weekly
Performance evaluations	Once a year
Error notifications	As needed



CUSTOMERS

Communication Method	Communication Frequency
Visits	
Online meetings at the factory	
Fair meetings	Throughout the year
Social media, congratulatory emails, electronic communication	



COMMUNITY

Communication Method	Communication Frequency
Internships	
Scholarships	
Interviews, meetings, and evaluations with Government Institutions	Throughout the year

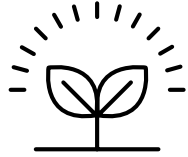



MEMBER ORGANIZATIONS

Communication Method	Communication Frequency
Media	
Visits	As needed
Collaborations, reports, etc.	



**Save
Nature**



An aerial photograph of a glacier, showing its characteristic blue and white ice formations and deep crevasses. The text is overlaid on the left side of the image.

**We strive at
being the guardian
of food and natural
resources.**

Save Nature

Kaplanlar provides effective solutions to reduce emissions in the food retail processes, minimizing the impact of food loss and retail presentation by utilizing environmentally friendly, advanced and intelligent refrigeration systems.

Globally, 26% of total emissions are attributed to the food sector. Within the food sector, 18% of total emissions occur during food processing, packaging, logistics, and retail activities. On the other hand, food loss across all processes in the food sector corresponds to 6% of total emissions.

Perhaps you might not realize it, but our impact is significant!

Invisible Protector...

Especially in EU countries, Kaplanlar is a manufacturer with over 100,000 refrigeration units in the retail chain, encountered every day by end customers who may not pay attention.

Kaplanlar produces effective solutions to minimize the impact of food loss and retail presentation on emissions in the retail process with environmentally friendly and smart refrigeration units. With expert teams and high-tech R&D efforts, Kaplanlar designs eco-friendly products that meet the needs of the food sector and ensures their global use.

In addition, Kaplanlar has a business approach that is compatible with the circular economy in supply and production processes, and is sensitive to energy efficiency and water conservation. The company is committed to effective efforts to achieve climate neutrality throughout the entire value chain of its production and products, demonstrating a performance-oriented towards preserving the future.

Environment Management Approach

Kaplanlar considers limiting its environmental impact as an integral part of its business. The senior-management of Kaplanlar works to define objectives and goals to achieve the highest applicable environmental performance standard for the company.

In line with the current approach, Kaplanlar has obtained ISO 14001 Environmental Management System certification within the scope of its Environmental Management Policy, and fully complies with the standard requirements. Accordingly, risks and opportunities are identified and reviewed, monitoring and measurement parameters are tracked, and training and awareness programs are managed.

All initiatives receive support from the upper-management. Employees can directly communicate to reflect their opinions on the environment and/or request information.

In 2022, Kaplanlar, with the belief in increasing environmental awareness within the company and making the environmental management approach a culture, provided a total of 566 person*hours of environmental training to 495 employees. Compared to the previous year, the number of employees receiving training increased by approximately 53%, and the training hours provided increased by approximately 75%.

Number of person who received environmental training (2022)

495

Increase in Environmental Investment Expenditure (2021/2022)

9,2%

Environmental goals of Kaplanlar:

- Reducing the number of environmental accidents
- Decreasing third-party companies with environmental impacts
- Increasing environmental training hours per person
- Conducting environmental emergency drills
- Reducing the amount of waste resulting from production activities
- Reducing water consumption
- Reducing natural gas consumption
- Reducing electricity consumption
- Organizing environmental campaigns

Kaplanlar has seen an average increase of 9.2% in environmental investment expenditures in 2022 compared to 2021 to achieve its goals. The aim is to further increase investments in the environmental field each year.

Additionally, you can access Kaplanlar's Environmental Policy by [clicking here](#).

Fighting Against Climate Change

The impacts and damages resulting from climate change will rapidly increase with further warming, generating risks that, in many cases, humans and nature will struggle to adapt to.

Climate change involves significant and long-term alterations in weather patterns and rising temperatures, both of which poses great threat to the life on Earth. Atmospheric greenhouse gases are the primary causes of the climate change. Human-generated gases such as CFCs, HCFCs, HFCs, and PFCs are all potent greenhouse gases with significant impacts on climate change. The year 2022 witnessed critical developments in the field of climate change, with the effects of the climate crisis strongly felt.

The 27th Conference of the Parties (COP27) to the United Nations Framework Convention on Climate Change, held from November 6 to 20, discussed how climate disasters such as droughts and extreme rainfall, leading to floods, would cause severe damages in many countries. Additionally, according to the Intergovernmental Panel on Climate Change (IPCC) 6th Assessment Report, we are expected to face complex climate hazards in the next 20 years, accompanied by a global temperature rise of 1.5 degrees Celsius.

In this context, several national and international institutions, along with regulatory bodies, are focusing on building resistance against the climate crisis. These relevant institutions to enhance the adaptability to climate change are introducing various new standards, regulations, and requirements. Leveraging collaborations will be inevitable for the company to transform its impact to a positive stance. Therefore, a collaborative approach with partnerships should be adopted, and collective intelligence should guide the actions towards climate change goals.

Additionally, under the United Nations umbrella, the Montreal Protocol on Substances that Deplete the Ozone Layer was adopted in September 1987. The protocol includes provisions related to the control measures of Ozone-Depleting Substances (ODS), quota obligations, control of trade with non-party countries, the special situation of developing countries, and reporting data. Worldwide efforts to phase out Ozone-Depleting Substances and the widespread use of Fluorinated Greenhouse Gases as alternatives to these substances were addressed by the Montreal Protocol through the inclusion of controlled substances in the appendix of the Kigali Amendment, adopted in 2016. This addition was made due to the high greenhouse gas effects associated with Fluorinated Greenhouse Gases, effectively bringing these substances under the control of the Montreal Protocol.

Taking steps to reduce these gases with very high global warming potentials is a significant move towards combating climate change. Turkey became a party to the Kigali Amendment on November 10, 2021. The Kigali Amendment is designed to gradually reduce the production and consumption of 18 Hydrofluorocarbon (HFC) gases with high global warming potential among fluorinated greenhouse gases. Countries that are parties to the protocol are divided into four groups, each with different reduction schedules. Turkey is part of the group involving developing countries. Accordingly, as of the year 2024, a commitment has been made to start reducing HFC production and consumption.

Kaplanlar is taking steps to reduce HFC usage by following national and international requirements. With this vision, the company produces refrigerated displays using low Global Warming Potential (GWP) HFC/HFO blend refrigerants. This provides an environmentally friendly alternative along with CO₂ and hydrocarbon reduction. Kaplanlar operates with the awareness of reducing its impact on the climate crisis and aims to increase investments and efficiency projects that support this goal in the upcoming years.

**We have started
the construction
of our Green
Factory Building!**



The Factory of the Future

In the Factory of the Future;

The goal is to reduce the carbon footprint and energy consumption.

The current use of 100% fossil fuels in the existing factory is planned to change to 50% fossil and 50% renewable energy in the new factory.



European Union Infrastructure



LEED Certification



Use of renewable energy sources



Heat Recovery

Number of Facilities



Transition from 5 Facilities to 1 Integrated Facility

Installed Area



3-fold increase in the existing factory area

Capacity



50% increase in existing capacity



Emission Management

The World Economic Forum (WEF) identified the climate crisis as one of the biggest risks in its Global Risk Report for the year 2022. According to the Emissions Gap Report by the United Nations Environment Programme (UNEP), the climate crisis requires rapid transformation from societies. The report suggests that this rapid transformation can be achieved by limiting greenhouse gas emissions by the year 2030.

The United Nations Global Compact (UNGC), focusing on reducing greenhouse gas emissions, has shared a roadmap proposal policy document for companies to achieve net-zero. As a signatory of the UNGC, Kaplanlar closely monitors these goals and continues efforts to integrate them into the company's strategy.

Kaplanlar actively manages a comprehensive process to measure and analyze the amount of greenhouse gas emissions resulting from the company's activities to assess its impact on the climate crisis. In this process, factors such as energy consumption, product/service processes, logistics activities, and indirect activities are taken into account to calculate emissions released into the atmosphere. Additionally, Kaplanlar adheres to international guidelines when calculating emissions, ensuring the reliability and transparency of the calculations. The results obtained have been reviewed in a manner that will serve as the basis for Kaplanlar's sustainability strategy.

Kaplanlar aims to achieve its emission reduction goals in future periods by adopting environmentally friendly practices and developing innovative solutions. The company intends to share the results of emission calculations, which are a result of its environmental sustainability efforts, through the 2023 Sustainability Report.

- 1. Pre-Production**
 - Metal processing with computer numerical control (CNC) machines
- 2. Polyurethane Processing**
 - Injection molding of polyurethane frames and end walls of showcases
 - Internal supports for insulated frames
- 3. Painting Process**
 - Powder coating: Minimum paint thickness of 50 microns (µm)
 - 5-7% paint savings with the new automated painting booth
- 4. Welding Processes**
 - Use of gas metal arc methods for semi-finished materials
- 5. Assembly Processes**
 - Environmentally friendly and lower carbon footprint assembly methods

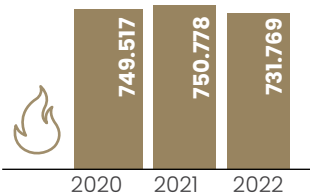
AIR EMISSIONS

Measured among air emissions are mass flow rates (kg/hour) for:	2020	2021	2022
Particulate Matter (Dust)	0,07474	0,5861	0,0287
NOx (Nitrogen Oxides)	0,03631	0,0105	0,2482
Volatile Organic Compounds (VOCs)	0,09779	0,47502	0,4534

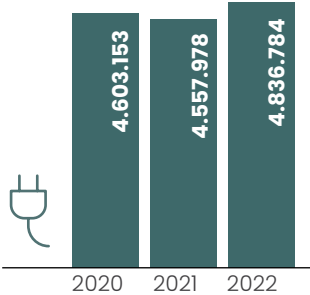
Energy Management

Internal Energy Consumptions (Scope 1)

Natural gas (m3)



Electricity (kWh)



Today, energy performance standards are used in more than 80 countries. However, these standards may not be sufficient to achieve the necessary improvements since they fall below the current technological potential.

Turkey’s electricity consumption, which was 132.6 billion kWh in 2002, reached around 303.7 billion kWh by 2019, and it is estimated to be around 375.8 billion kWh in 2023.

With the Paris Agreement, which came into effect in 2016, international carbon policy has been renewed, numerical targets have been updated, and strategic objectives have been revised in conjunction with the global climate change convention. Turkey has signed the agreement and announced that new regulations will be introduced regarding renewable and clean energy to comply with these goals.

The inclusion of the commitment to “Efficient use of resources, minimizing the consumption of energy and other natural resources, and producing durable products” in Kaplanlar’s Environmental Policy and Quality Policy demonstrates Kaplanlar’s sensitivity to energy issues. Energy management is a part of Kaplanlar’s sustainability strategy, with a primary focus on energy efficiency. Kaplanlar adheres to an energy management approach that emphasizes effective use of energy resources, optimization of energy consumption, and increasing energy efficiency.

The energy management approach not only supports environmental sustainability but also enhances overall sustainability performance. In this context, Kaplanlar thoroughly analyzes, monitors, and identifies improvement opportunities for energy consumption. By setting goals to improve efficiency within the company, the objective is to reduce energy consumption. Additionally, goals to increase energy efficiency encompass objectives such as reducing energy density, leveraging renewable energy sources, and exploring alternative energy sources.

Working to reduce energy consumption and ensure energy efficiency across all operations, Kaplanlar has shown a decrease in energy density compared to the previous year, despite an increase in production. You can find tables below that illustrate Kaplanlar’s performance regarding energy consumption and energy density.

ENERGY CONSUMPTION

	2020	2021	2022	Unit
Total energy consumption	5.352.670	5.308.756	5.568.553	mWh
Energy density (total energy/total production)	165,94	151,96	141,63	mWh/meter

Water Management

Climate change is primarily a water crisis. Due to the climate change, there is a crisis on water resources, and water scarcity threatens the global population and production continuity. Moreover, global water usage is increasing every day. Sustainable water management helps society adapt to climate change by building resilience, protecting health and saving lives.

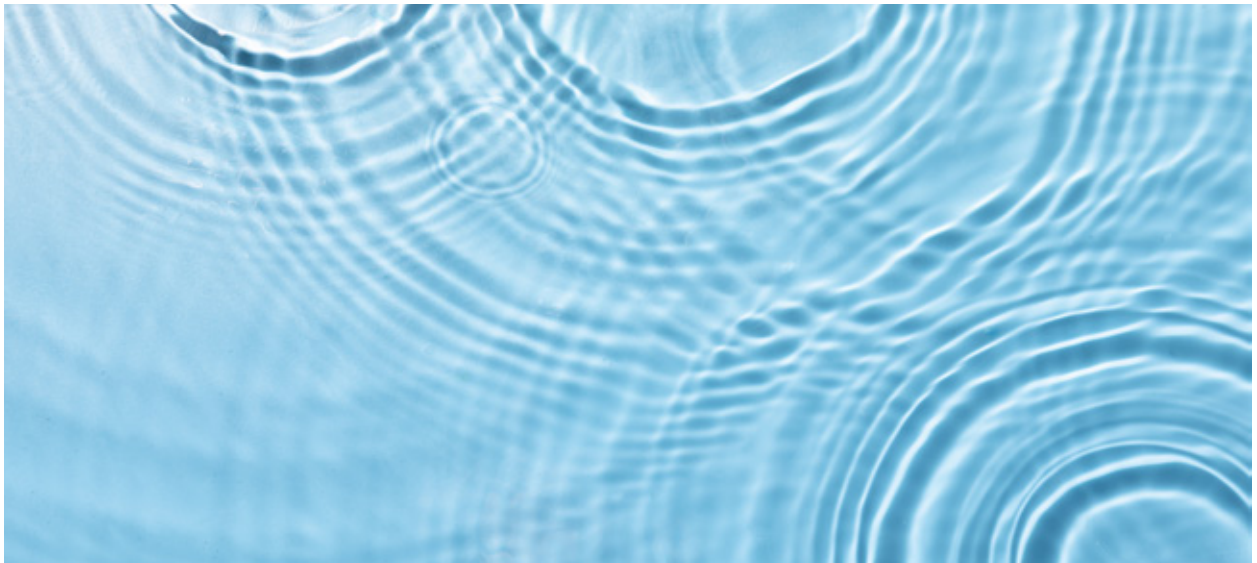
The World Economic Forum (WEF) consistently ranks water crises as one of the most prominent issues in its annual Global Risks Report. The Global Risks Report (GRR) has listed water crises among the top five risks in terms of impact for eight consecutive years. In the 2022 report, five of the top eight risks, including threats posed by climate change and water scarcity, were environmentally focused risks. The demand for water is increasing not only to meet the basic needs of growing populations but also due to the expansion of industries.

Turkey is not a water-rich country. In terms of per capita annual water availability, our country is in a position of water scarcity. According to the data from the General Directorate of State Hydraulic Works, the per capita available annual water supply in our country was 1,652 m³ in the year 2000, 1,544 m³ in 2009, and 1,346 m³ in 2020. When looking at the per capita available water potential, Turkey is among the countries experiencing water stress and will continue to face this challenge in the future.

Kaplanlar actively monitors its water usage and focuses on reducing water consumption to mitigate its environmental impact on natural resources. Additionally, surface and freshwater sources are not used within Kaplanlar; instead, the water used on-site is sourced from DOSAB (Bursa Organized Industrial Zone Water and Sewerage Administration).

WATER CONSUMPTION AND WATER CONSUMPTION DENSITY

	2020	2021	2022	Unit
Total water consumption (mains water)	29.196	28.903	16.095	m ³
Water consumption density (total energy/total production)	0,91	0,83	0,41	m ³ /meter

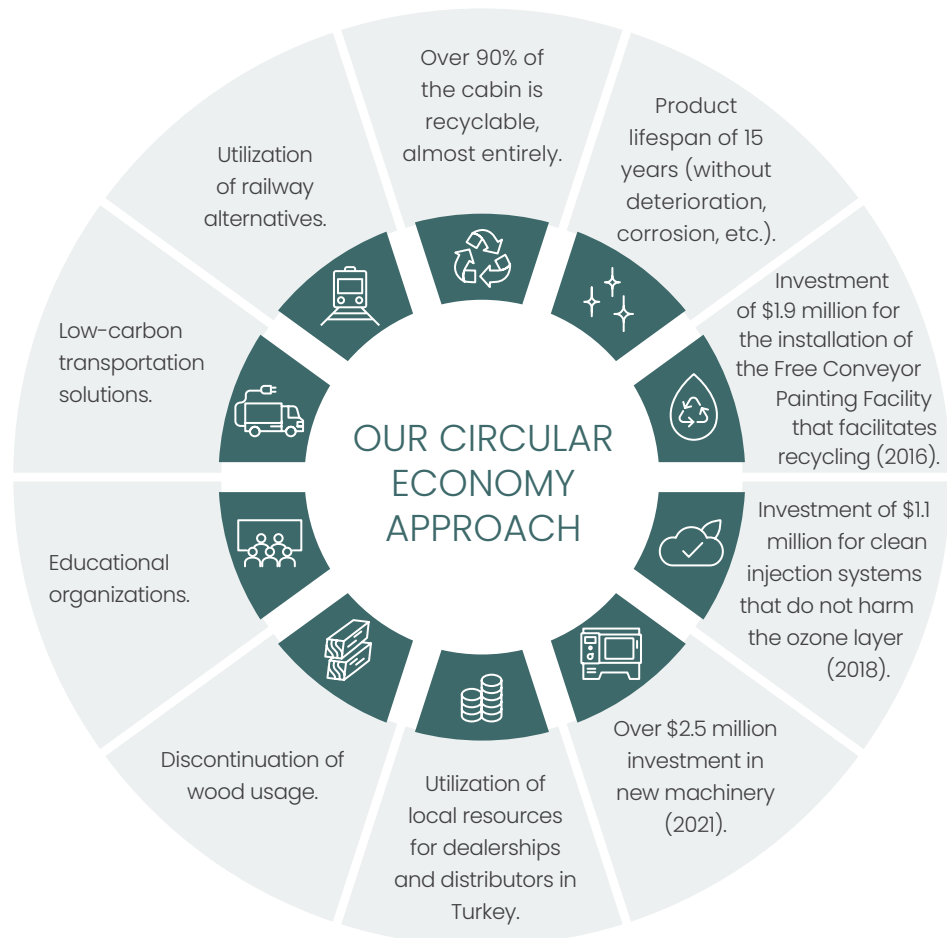


Waste Management

With increasing economic prosperity, the volume of waste in developing countries is rapidly growing. The rise in population and production has elevated waste quantities to significant levels. Therefore, the prevention, separation, and integration into the circular economy of waste at its source have become crucial.

The European Green Deal and the Circular Economy Action Plan are part of a clean growth plan aimed at enhancing the sustainability of the European economy, decarbonizing it, and developing decarbonization strategies. The Circular Economy Action Plan, a major component of this plan, focuses on increasing resource efficiency, extending the life cycle of products, and prioritizing recycling.

Supporting these goals, Kaplanlar sustain all activities by ensuring that waste becomes part of the system again and by reviewing industrial symbiosis opportunities. In this context, the amount of reused waste is increased every year. As a result, sustainable waste management plays a crucial role in determining strategies for preserving natural resources, protecting the environment, reducing pollution, and creating economic benefits. Additionally, Kaplanlar’s waste management approach is an integral part of the company’s Environmental Policy and Quality Policy.



AMOUNT OF HAZARDOUS WASTE

(tons)	2020	2021	2022
Energy-recovered	4,8	8,7	8,8
Reused	46,3	46,3	46,3
Electronic waste	1,4	0,4	0,3
Other	0,0	0,0	0,6
Total	52,5	55,4	55,9

AMOUNT OF NON-HAZARDOUS WASTE

(tons)	2020	2021	2022
Recycled	66	80	102
Energy-recovered	26	28	33
Reused	1.119	1.306	1.243
Other	35	38	76
Total	1.246	1.452	1.453



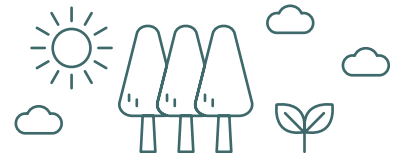
Conservation of Biodiversity

In recent years, the loss of biological diversity has increasingly become a urgent and systemic environmental risk due to its impact on global food security, public health, and the resilience of natural life.

Turkey stands out with its rich plant diversity compared to other countries in its surroundings. In comparison with the European continent, Turkey hosts nearly 12,500 plant species, making it one of the countries with the richest plant diversity on the entire continent. Turkey is also one of the world's richest countries in terms of endemic plants. Today, humanity faces significant global challenges in social, economic, and environmental dimensions. As a member of numerous international agreements and conventions related to biodiversity Turkey closely monitors all processes and contributes actively to various initiatives.

Furthermore, the most significant agenda item of COP15 has been the "Post-2020 Global Biodiversity Framework (GBF)" document developed in Kunming-Montreal 2020. This document outlines the steps and objectives expected to be taken in the coming period regarding biodiversity. Additionally, a commitment has been made to protect 30% of the world's terrestrial, aquatic, and marine resources by 2030 (30x30) and to provide \$200 billion USD for biodiversity-related projects by the year 2030.

We planted 1650 trees in 2022 on behalf of our customers to take root in a better and greener future.



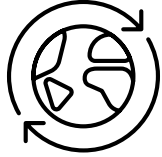
The European Green Deal, which takes significant steps towards achieving sustainability goals, has adopted the Deforestation Act. This act aims to combat the causes of deforestation, promote the sustainable management of forest areas, and encourage reforestation. In doing so, it aims to play an active role in combating deforestation and developing strategies to address the root causes of deforestation.

The European Green Deal has also adopted the Nature Conservation Package alongside the Deforestation Act. This package aims to halt biodiversity loss, protect ecosystems, and implement policies and measures to achieve these goals. It includes important steps to understand natural capital, conserve ecosystems, and promote the sustainable use of natural areas.

At Kaplanlar, essential measures are implemented to address and safeguard the effects on flora and fauna resulting from its activities, aiming to preserve the current biodiversity. As part of this effort, a thorough examination of pertinent impacts is undertaken during the Environmental Impact Assessment (EIA) process for our projects, and any potential effects on species are reported to the Ministry of Environment, Urbanization, and Climate Change.



**Care
for Future**





We engage in activities to be ready for the future World.

Care for Future

We are ready for tomorrow with all our stakeholders!

Global developments indicate that approximately a quarter of global employment will work in a job different from today, driven by sustainability trends and accelerated technological advancements. These developments are reshaping the work and social lives of all stakeholders in the value chain, necessitating preparedness for these changes.

We are ready for tomorrow with all our stakeholders!

Embracing the philosophy of "by saying we, not me"...

Kaplanlar is a manufacturer that values the preservation and continuity of qualified personnel aligned with the new business approach undergoing transformation in all areas.

Kaplanlar continuously engages in R&D and innovation efforts to ensure that its products align seamlessly with global trends and expectations. Simultaneously, the company pays attention to preparing all stakeholders for the future.

Addressing internal stakeholders and external stakeholders throughout the value chain, especially suppliers and corporate customers, Kaplanlar undertakes activities to ensure their readiness for the world of tomorrow.

Emphasizing a high degree of concern for human health and occupational safety, Kaplanlar also focuses on talent management to ensure that all stakeholders are prepared for the future.

Employee Commitment and Satisfaction

Satisfaction

White Collar	94,7%
Blue Collar	84,5%
Total	86,8%

White Collar	91,5%
Blue Collar	83,7%
Total	85,9%

In Kaplanlar's sustainability journey, prioritizing employee satisfaction and commitment is essential. We support our employees' well-being by conducting a survey on Employee Engagement, Motivation, and Satisfaction. The survey dimensions cover working conditions, education and development, income and benefits, communication and collaboration, first-line management, image and reputation, the value placed on individuals, work-life balance, career and advancement, company management and policies, and occupational health and safety assessments.

553 people participated in the survey conducted within the framework of research, and the majority of the surveyed employees express that Kaplanlar is a company that values its people.

At the core of Kaplanlar's approach that values people is a company culture characterized by collaboration within the organization, the image and reputation created by the company, a culture that is sensitive to environmental and societal issues, and takes action accordingly. Additionally, it includes a company policy that recognizes and allows for the needs of employees, and a working environment that is dignified and well suited to meet the needs of individuals.

Seeing in the survey results that employees express satisfaction with their work has been one of Kaplanlar's significant motivators in their sustainability journey.

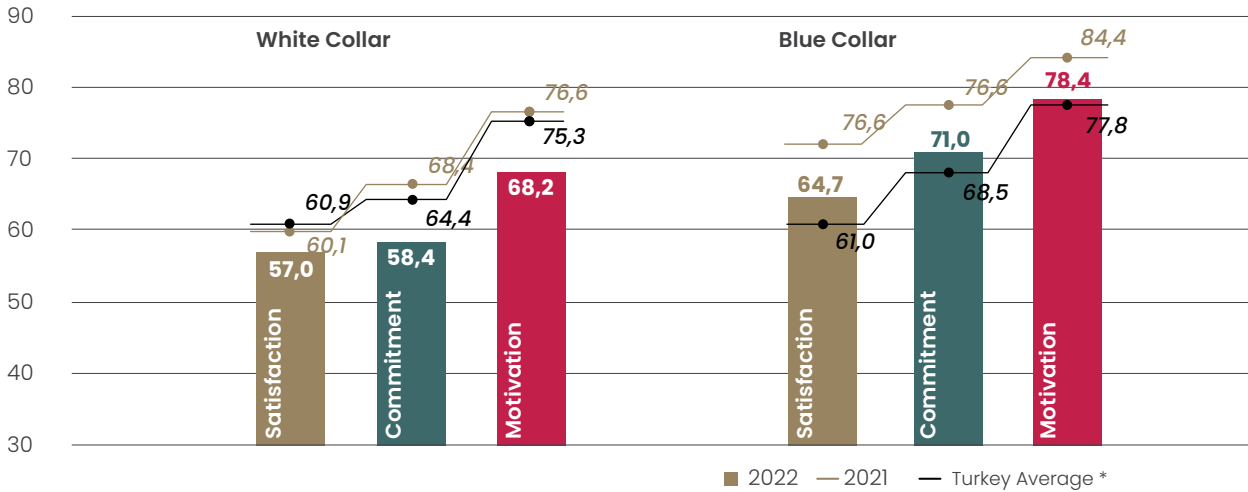
Within Kaplanlar, employees take on responsibilities in line with their competencies.

Managers are those who inspire and accompany the journey with an exemplary representation throughout the process. Another important point of employee satisfaction within Kaplanlar is clear and open communication in all business processes.

Being there for employees on their special days, joyful and painful moments is part of the value given to individuals at Kaplanlar. Employees emphasize that the company supports them on their special days.

Kaplanlar places importance on collaborations that can leave a positive impact on employees' lives and be beneficial for them. Collaborations that benefit employees, involving art, sports, health, and educational activities, are actively implemented. Kaplanlar values creating periods that employees enjoy being together, and various events and family picnics are organized.

RESULTS OF THE EMPLOYEE SATISFACTION SURVEY



* The average of companies that conducted Employee Engagement and Motivation Research with AdisaPin Research in the last year.

Within Kaplanlar, there is an employee suggestion system aimed at creating an environment where every employee’s voice can be heard without leaving anyone behind. Through this system, employees can communicate their ideas and opinions to the company, contributing to improvement. Efforts are strategically ongoing within Kaplanlar to advance the high-satisfaction working environment day by day.

Kaplanlar aims to keep its employees’ motivation at the highest level and seeks to improve areas that are open to development by receiving feedback from employees. In this regard, out of the 39 feedback received in the previous year, 34 have been addressed. Examples of improvement actions taken for areas open to development include the establishment of a position-based grading structure for the compensation policy and the extension of complementary health insurance coverage to all white-collar employees.

Employee satisfaction is promoted by various side benefits. Blue-collar employees receive bonuses, holiday allowances, provisions, child support, and educational support. In a similar way, white-collar employees are promoted with bonuses, provisions and educational support. White-collar employees are also granted with complementary health insurance. Fuel support is provided to executive level employees.

Employee Development

It is critically important for Kaplanlar that employees can easily find opportunities in their organization to develop their skills and maximize their potential, and that these opportunities continue to evolve and be maintained. Kaplanlar actively participates in employees' development journeys.

In-house professional training supports employees' competency development processes. Kaplanlar employees, who can constantly find opportunities for continuous improvement within the organization, express that their jobs are aligned with their talents.

Believing in the importance and power of accurately identifying needs in the training and development processes, Kaplanlar regularly gathers training requests from employees and shapes the processes by evaluating the received requests and identified needs. Acceleration roles in the adaptation processes of new employees to the corporate culture are provided through orientation programs, while opportunities for employees to develop their competencies continue throughout the year.

For Kaplanlar, it is crucial that employees are aware of their potentials, shape their careers effectively, and find support where they need it. With the strength derived from valuing employees and the power it brings, team coaching and coaching programs are incorporated within the company.

In 2022, Kaplanlar provided a total of 3,151 hours of training, with an annual average of approximately 8.8 training hours per employee. It is important for Kaplanlar that the employees get the maximum benefit from the training, can apply what they learn to their lives, and access training in relevant areas. Environmental awareness, creating value, and fostering a workspace that contributes positively to the world are also among the goals of the training programs within the company. In addition to all the training, 3,660 hours of professional, technical, and personal development training were conducted.

Within the scope of the Learning Management System (LMS), an online training platform has been implemented to allow employees to access training materials anytime and anywhere. The platform includes 100 online training sessions.

In 2022, a Performance Management System with a value-focused perspective was introduced to enable employees to clearly understand performance criteria, make well-defined career plans, and progress in a healthy work environment. Kaplanlar, which values the efforts and work of its employees, prioritizes visibility through the Performance Management System.

Performance evaluations are conducted through an online platform with the goal of identifying employees' development areas, creating roadmaps where necessary, measuring their contributions to improving work processes, and rewarding them fairly based on this measurement.

Total Training

3,151 hours

Average Time of Training Per Person

8,8 hours



The key point of adapting to the changing process is to be determined and solution-oriented.



Change is not an instantaneous event, but a journey that occurs throughout the process.



None of the system is perfect. The system evolves and renews itself with us.



To own the success, the change is also to be embraced.

In this context, there is a Performance Management System designed to ensure that all employees progress in line with the company's defined goals, measure their contributions to improving work processes, create a fair reward system based on rational data, identify employees' talents and potentials, and receive the necessary support where needed.

Believing that change and success are processes that require responsibility, we continue our efforts.

The Performance Management System process consists of steps such as goal setting, interim assessment, and year-end evaluation.

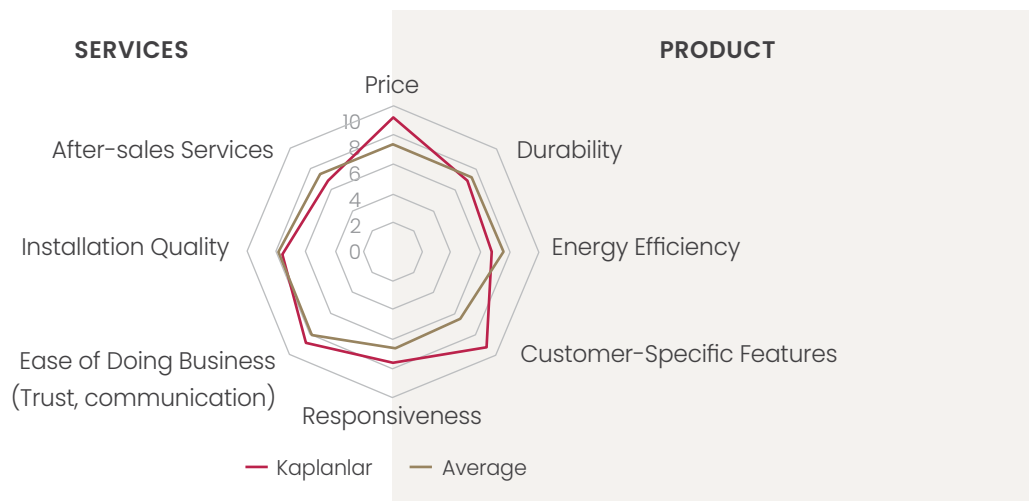
Trusting in the continuity of development, Kaplanlar regularly evaluates the processes within the company for the development of employees and sets new goals based on these evaluations.

Customer Satisfaction

Increasing customer satisfaction every year is an important strategic goal for Kaplanlar, driven by the values of Customer Focus on Quality, Service, Innovation, and Flexibility within its existential values. When we look at the stakeholder strategy of the organization, being customer-oriented is a guiding principle at its core.

Below are the results of surveys conducted with customers:

QUALITATIVE ASSESSMENT OF PERCEPTIONS BETWEEN USERS AND NON-USERS



SUMMARY OF KEY CUSTOMER PERCEPTIONS – GENERALLY VERY 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	✓	✓	✓	✓	✓	✓	✓	✓

The perception of the Kaplanlar brand is positive due to the quality of the product offerings and the depth of customer relationships.

Assessment Results

- ✔ Customized solutions provided at reasonable prices offering without compromising quality is very well perceived among existing customers.
- ✔ Non-users are less aware of this reasonable prices offering, and there are some perceptions of lower quality and/or potentially outdated and inaccurate.
- ✔ Existing customers report strong relationships with Kaplanlar, highly appreciating the supplier's responsiveness. However, customers have reported some issues related to installation/maintenance quality.
- ✔ Customers, hindering the supervision of installations and delivering of spare parts on time, consider the lack of a strong presence in the market less than ideal.
- ✔ A strong level of trust has been established with existing customers, with only some issues in communication and highlighting potential issues.



Placing the customer at the center and treating all customers with honesty and fairness, being sensitive to customer problems, providing quick and permanent solutions, ensuring the highest level of customer trust, making the necessary effort to fulfill commitments, and maintaining honesty in all services to customers are the responsibilities that all Kaplanlar employees, from the lowest to the highest level, have set towards customers.

In this context, all employees have embraced the consciousness of closely monitoring customer needs, continually enhancing products, services, and understanding, making it a central goal for the organization. With this awareness, teams have concentrated on accurately identifying customer needs and focusing on developing products by evaluating customer requests.

Occupational Health and Safety

According to the World Economic Forum (WEF), stakeholders increasingly expect organizations to prioritize the health of their employees and their families, ensuring the protection of adequate physical and mental well-being rights.

Organizations are required to ensure the health, safety, and mental, physical, and social well-being of all individuals in their operations and value chains. Companies that maintain high standards in health, safety, and employee rights will experience higher levels of employee productivity and operational efficiency.

Occupational Health and Safety (OHS) is considered one of the essential building blocks in the workplace and has recently become a significant area of research.

Kaplanlar considers Occupational Health and Safety (OHS) management as an integral part of its business and aims to achieve OHS in collaboration with all stakeholders. The company manages all activities based on Law No. 6331 on Occupational Health and Safety. The company provides a safe working environment for its employees and all relevant parties. It conducts corrective activities to eliminate potential hazards in work environments and minimizes risks.

Using the OHS approach, Kaplanlar aims to manage activities within the business boundaries with high OHS performance. To achieve this goal, the company has defined its OHS policy and made specific commitments therein. These commitments are as follows:

- Adhering to legal rules and requirements related to Occupational Health and Safety (OHS),
- Considering OHS as an integral part of daily operations,
- Identifying and preventing risks for OHS, mitigating potential hazards,
- Providing a safe OHS environment to prevent physical injuries and damages related to work accidents,
- Collaborating with contractors to increase awareness and reduce operational risks,
- Offering information, resources, communication, and training for OHS,
- Receiving and responding to employees' feedback on Occupational Health and Safety,
- Improving and sustaining OHS performance.



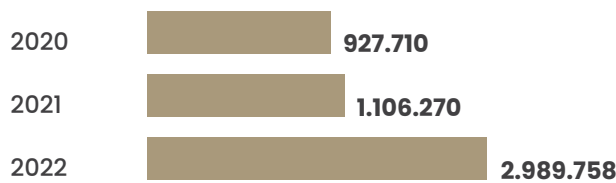
Kaplanlar organizes an Occupational Health and Safety (OHS) Board Meeting on a monthly basis with the aim of continuously improving OHS performance and ensuring sustainable OHS management. The OHS Board not only focuses on maintaining a safe working environment but also aims to involve employees in OHS. The board evaluates work accidents, root causes of relevant accidents, discrepancies identified in the field, OHS hazards, actions taken regarding discrepancies and hazards, and requests conveyed to the employee representative.

Kaplanlar has identified hazards and conducted risk assessments for all work environments and processes within the organization. Processes such as tracking work accidents and occupational diseases, recording near misses, receiving opinions, suggestions, and requests related to OHS, are also managed. Practices including periodic health check-ups for employees, health assessments of work environments, and inspections of first aid kits are implemented for employee health. Additionally, the tracking of OHS documents and actions are electronically managed through the QDMS software system.

The company has established the processes where Personal Protective Equipment (PPE) should be used, and provides employees with suitable PPE for their tasks. Kaplanlar' employees can access PPE at any time through available vending machines.

Various training sessions are provided to all employees, including periodic Occupational Health and Safety (OHS) training, OHS orientation training for new hires, job-specific OHS training for role changes, and single point and toolbox awareness training. Additionally, emergency team training has been conducted, and employees are informed within the framework of the Emergency Action Plan. Practical exercises such as building evacuation drills and fire drills are carried out to observe the effectiveness of the Emergency Action Plan.

BUDGET ALLOCATED TO OCCUPATIONAL HEALTH AND SAFETY (TRY)



OHS TRAINING HOURS DATA (2022)

	Total Training Hours	Per Person
Permanent Employees	5.902	9,8
Contracted Employees	600	12
Total	6.502	10

Consumer / Customer Health and Safety

The reflections of Kaplanlar's awareness in customer orientation are also evident in Consumer/Customer Health and Safety. Kaplanlar exerts meticulous efforts to ensure high-quality products and services along with processes that comply with safety standards. Kaplanlar is firmly committed to health and safety measures in all its production and services. The fundamental motivation behind this commitment stems from the value it places on humanity, nature, and society.

In Kaplanlar, where the continuous improvement of quality control systems is emphasized, product safety is also a top priority.

Sharing health and safety information with customers, clearly conveying usage instructions related to the products, and providing necessary warnings are critical points for Kaplanlar.

Examining the matters prioritized by Kaplanlar's employees and external stakeholders, Consumer/Customer Health and Safety stands out as one of the foremost concerns. Consequently, Consumer/Customer Health and Safety is within Kaplanlar's commitments, striving to uphold the highest standards in this domain.



Anti- Corruption

Kaplanlar recognizes that business ethics are an indispensable requirement. In alignment with this awareness, Kaplanlar has defined “Ethical Working Rules,” outlining the principles and practices that all managers and employees must adhere to. Similarly, Kaplanlar has demonstrated an approach consistent with relevant conventions published by the ILO when establishing working principles.

One of Kaplanlar’s goals is for its managers and employees to exhibit high standards of behavior, be aware of the corporate impact of their conduct and attitudes, and for all members of the Kaplanlar family to employ the most accurate methods.

Kaplanlar operates with business ethics and transparency, maintaining zero tolerance for any form of corruption. While aiming to minimize corruption risks in its internal policies and procedures, the company has also shared its Ethical Codes transparently with the public. Within the Ethical Codes, the significance of compliance with “legislation against bribery and corruption” is highlighted to raise awareness on this matter.

Continuing their work in a fair and honest manner, Kaplanlar remains steadfast in their commitment to fight.

Contribution to Local Economy

Contributing to sustainable economic development by working collaboratively with the local community is highly valuable for Kaplanlar. In this context, Kaplanlar prioritizes working towards ethical and fair economic processes expected by the community. Supporting local employment to enhance the economic strength of the local community is among its goals.

As a dimension of supporting the local economy, Kaplanlar prioritizes local products in product selection and contributes to preserving local diversity. Committed to offering products that best meet local needs, Kaplanlar also contributes to the local economy through employment opportunities.

Initially serving the local market, Kaplanlar quickly expanded its operations nationwide, becoming one of Turkey's leading manufacturers of refrigeration equipment.

Aware of its responsibilities to the community and local governments, Kaplanlar continues to increase its contribution to the local economy, aiming to contribute to long-term sustainable growth and increased societal well-being.



Inclusivity and Diversity

At Kaplanlar, discrimination based on language, race, color, gender, political views, beliefs, religion, sect, age, physical disability, or any similar reasons is not tolerated in any way. Kaplanlar operates with an egalitarian and inclusive approach in every step it takes and in every activity that carries out.

In an inclusive working environment, Kaplanlar places great importance on the rights of its employees. The company ensures the protection of these rights in accordance with national and international norms through its internal policies.

All forms of discrimination are rejected in the corporate culture of Kaplanlar. In a work environment free from discrimination, with a significant number of female employees, Kaplanlar emphasizes that diversity management should not be limited to women-focused initiatives and aims to encompass all diversities. The demographic structure within the organization is also highly diverse, serving as an indicator of the importance given to diversity.

ANNUAL TOTAL COMPENSATION RATIOS

The percentage increase in the annual total compensation of the highest-paid individual in the organization compared to the median percentage increase in the annual total compensation of all employees (excluding the highest-paid individual)

113,32%

The ratio of the annual total compensation of the highest-paid individual in the organization to the median annual total compensation of all employees (excluding the highest-paid individual) is 1,147.88%

At Kaplanlar, a system of Performance-Based Rewards is in place, complemented by an approved Compensation Procedure by the Board of Directors. Kaplanlar places importance on determining salary scales through consultation with consultants to establish an equal pay structure for equal work. The establishment of a fair wage policy stands out as one of Kaplanlar's key objectives within its sustainability strategy.

Additionally, there is a monthly fixed net salary and variable pay up to 4 months annually. In the case of relocation, if the current salary of the employee exceeds Kaplanlar's salary, a bonus is applied. Moreover, in accordance with labor law, payments are made based on the termination method of the personnel; in case of no legally justified or valid termination, an additional bonus is provided. There is no clawback in the compensation policy. Statutory periods are applied to all employees in case of resignation.

Social Investment Initiatives

In the rapidly changing environment we find ourselves in, it is a reality that socially responsible organizations are in a more advantageous position. Corporate Social Responsibility and Sustainability (CSR) are significant business commitments. In CSR, employees work together with their families, local communities, and society in general to enhance the quality of life, the environment, and the economy in the long term.

At Kaplanlar, beyond commercial activities, establishing partnerships with civil society and creating benefits in the community are among the top priorities. Kaplanlar is dedicated to developing collaborations that provide benefits in the fields of education, arts, and sports for its employees and the community.

COLLABORATIVE WORKS

Paydaşlar

Birlikte Yürütülen Süreçler

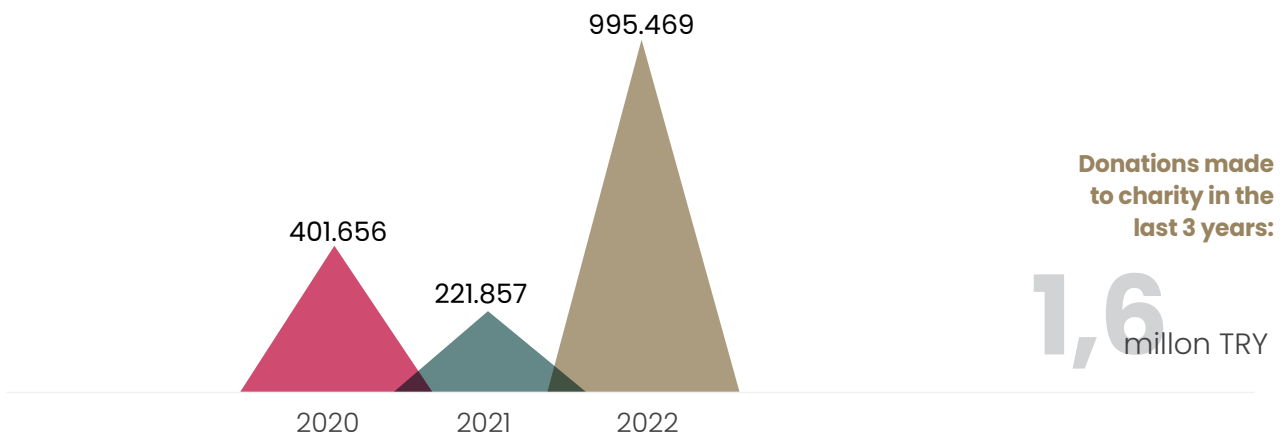
Coşkunöz Education Foundation	Education-Development	Mesem Mastery Compensation Program (Apprenticeship Program)
Podyum Sanat Mahal (Art Center)	Art	Employee Theater Club
Frutti Ekstra Bursaspor	Sports	Board Membership
Individual Internship Participation	Education-Development	Internship Programs
University Students	Education-Development	Scholarships for Dozens of Students
Uludağ University	Education-Development	Project-based Collaborations
Association for Supporting Contemporary Life (ÇYDD)	Education-Development	Support for Students



The implementation of concrete projects that support social development is at the top of Kaplanlar’s strategic goals. Supporting local communities and contributing to circularly designed CSR projects with long-term impact are valuable for Kaplanlar.

Aspiring to be an institution that inspires and acts as a driving force for societal benefit and transformation, Kaplanlar is aware of the importance of current efforts for a sustainable future goal. With this awareness, the company continues its efforts to enhance the well-being of society, employees, and all stakeholders by always taking into account the needs of the community.

DONATIONS TO CHARITY (TRY)





Share Culture



An aerial photograph of a solar farm. The image shows numerous rows of blue solar panels, each divided into a grid of smaller cells. The panels are mounted on metal frames and are arranged in a somewhat irregular pattern across a landscape of green trees and vegetation. The lighting suggests it might be late afternoon or early morning, as the panels have a slight purple and blue tint. The overall scene is a mix of technology and nature.

**We follow and develop
the technology and
digitalisation trends
of our industry.**

Share Culture

Kaplanlar is a continually evolving manufacturer that aligns with the technological and digitization trends in the food retail.

The food retail sector is undergoing a significant transformation as the food industry is.

In addition to technological advancements, digitalization is changing both the business model of the retail sector and the habits and behaviors of end consumers of food retailers. This transformation is reshaping the design and the relationship of all traditional equipment in the food retail sector.

Can there be an innovation in a hundred years old product?

Solution partner of the future...

Kaplanlar is an ever-evolving manufacturer aligned with the technological and digitalization trends in the retail sector.

With a clear corporate purpose, vision, rational goals, and commitments, Kaplanlar possesses a management approach and staff that will enable the company to be a reliable future partner in the retail sector.

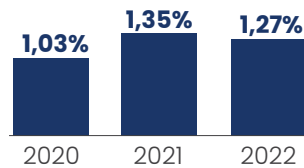
Kaplanlar has already achieved the status of a preferred solution partner, thanks to its management that analyzes and takes the necessary steps to prevent risks experienced at the global scale, including climate change, as well as the company's technological development and R&D activities.

Kaplanlar is also actively working with great importance to promote an ethical and inclusive business approach that forms the basis of agreement among actors and stakeholders who will be involved in building the future. The company attaches great importance to these efforts.

R&D and Innovation

R&D Expenditures

13,8
million TRY



*Budget/revenue (%)
allocated to R&D and
Innovation*

R&D and innovation capabilities are essential for a country's economic growth, competitiveness, and sustainable development. The World Economic Forum evaluates the performance of many countries in this regard and shares the results through the Global Competitiveness Report. Some of the information provided for Turkey in the Global

Competitiveness Report is as follows:

Overall Competitiveness Ranking:

According to the 2021 report, Turkey ranked 65th out of 144 countries. This indicates a middle-level position for Turkey in terms of global competitiveness.

Innovation Capability:

Turkey's innovation capability, which is evaluated by factors such as R&D investments, access to science and technology, innovation, and technological readiness, is highlighted as an area that needs to be developed, according to the report.

According to global research on R&D and Innovation Capabilities, Turkey:

Global Innovation Index (GII) 2021:

The Global Innovation Index is a report that assesses the innovation capabilities of countries. According to the 2021 report, Turkey ranked 51st out of 132 countries. Turkey has made progress in its innovation performance by three ranks compared to 2020. According to data published by the World Intellectual Property Organization (WIPO), international patent applications in Turkey increased significantly in 2020. Turkey is among the countries that have recorded significant growth in international patent applications.

R&D Expenditures:

Turkey has implemented various policies to increase R&D expenditures in recent years. According to data from the Turkish Statistical Institute (TÜİK), Turkey's R&D expenditures have increased as a percentage of gross domestic product. This shows that more investment is being made in R&D and innovation activities.

Innovation Ecosystem:

Turkey has taken important steps to create an innovation ecosystem in recent years. Measures have been taken to encourage university-industry cooperation, support entrepreneurship, and establish innovation centers and technoparks. These efforts have contributed to the creation of an environment aimed at increasing Turkey's innovation potential.

Kaplanlar is constantly adapting to changing conditions by reviewing its operations. R&D is defined as a function that adds value to the product developed for Kaplanlar. For this reason, the budget allocated to R&D and innovation is increased every year. In 2022, approximately 2.5 times more R&D and innovation investments were made compared to the previous year, and the budget allocated to R&D and innovation amounted to TRY 13,789,779.61.

The first and only certified refrigeration R&D center in Turkey.

Increase in the Number of Registered Patents

20%

Number of ongoing FSMH processes

3

In 2023, Kaplanlar achieved a significant success by increasing the number of registered national and international patents by 20% compared to the previous year. This success demonstrates our commitment to not only growing our business with the value we create, but also positively influencing our national economy and international competitiveness.

Because of these efforts, Kaplanlar was granted the "additional R&D deduction" in 2023. This is a gain for not only our company, but also our country. We see this advantage as an opportunity to go further, create sustainable innovation and value.

Three of our projects for the Intellectual and Industrial Property Rights (FSMH) processes are ongoing; demonstrate our future innovation and design capabilities. We will continue to work diligently in these processes to produce innovative solutions and create more value.





**Transparency, fairness,
responsibility and
accountability are our
guiding values.**

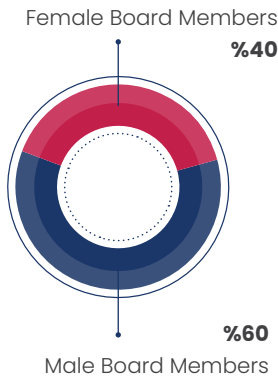
Corporate Governance Approach

Kaplanlar is constantly taking steps to reach the highest standards in corporate governance and is working tirelessly to implement some of the provisions that are in the form of recommendations. Kaplanlar sees the principles of ethics, transparency, fairness, responsibility, and accountability as part of the corporate culture.

The Board of Directors of Kaplanlar consists of five members: the Chair of the Board, two Vice Chairs of the Board, and two Board Members. Forty percent of the board is consisted of women. The average of age for the board members is 52.

Kaplanlar is managed in accordance with corporate governance principles and adopts a consistent management approach.

Board Composition



Ertuğrul Kaplan

Chair of the Board
(aged 71)

Faruk Kaplan

Vice Chair of the Board
(aged 68)

Duygu Kaplan

Vice Chair of the Board
(aged 42)

Nazlı Kaplan

Board Member
(aged 34)

Ceyhun Araz

Independent Board Member
(aged 46)



1

REVENUE

Grow revenue by over \$250 million in five years.



2

PROFITABILITY

Maintain sustainable profitability.



3

GOVERNANCE

Establish a trusted governance structure.



4

EXPANSION

Enter new global markets.



5

SUSTAINABILITY

Invest in sustainability and carbon net zero solutions.



6

INNOVATION

Create a difference in innovation and technological solutions.



7

PROCESSES

Improve quality, efficiency, and strive for excellence.

Supply Chain Management

The World Economic Forum (WEF) states that organizations and supply chains need to be redesigned to meet the challenges that will be faced in the future. Until recently, supply chain priorities were “production and transportation” and “employees,” today, supply chains are focused on developing and implementing their capabilities and strategies in terms of “digital readiness and data sharing.”

Climate change is already negatively affecting supply chains. In 2011, the flood disaster that occurred in Thailand caused a 2.5% decrease in global industrial production of semiconductors, while the prices of hard drives increased by 80% to 190%.

It is obvious today that how fragile and easily disrupted global supply chains are. Kaplanlar has supply and value chain map available in compliance with Supply Chain Management Strategy in order to maintain business continuity.

The value chain map facilitates collaboration between suppliers, manufacturers, and other stakeholders. This enables Kaplanlar to take the necessary and effective steps to achieve its sustainability goals. With this work, Kaplanlar aims to achieve its sustainability goals, manage its risks, assess its impacts, and seize opportunities. We believe that it is essential to carefully analyze every stage of the supply chain and to use the value chain map effectively in order to build a sustainable future.

In this context, Kaplanlar has implemented a Supplier Performance Management system since 2021. Suppliers are evaluated once a year based on the following criteria, with the participation of all relevant departments within Kaplanlar.

Delivery*	Price	Quality	Communication	Problem Solving	Flexibility	Quality and Management Systems
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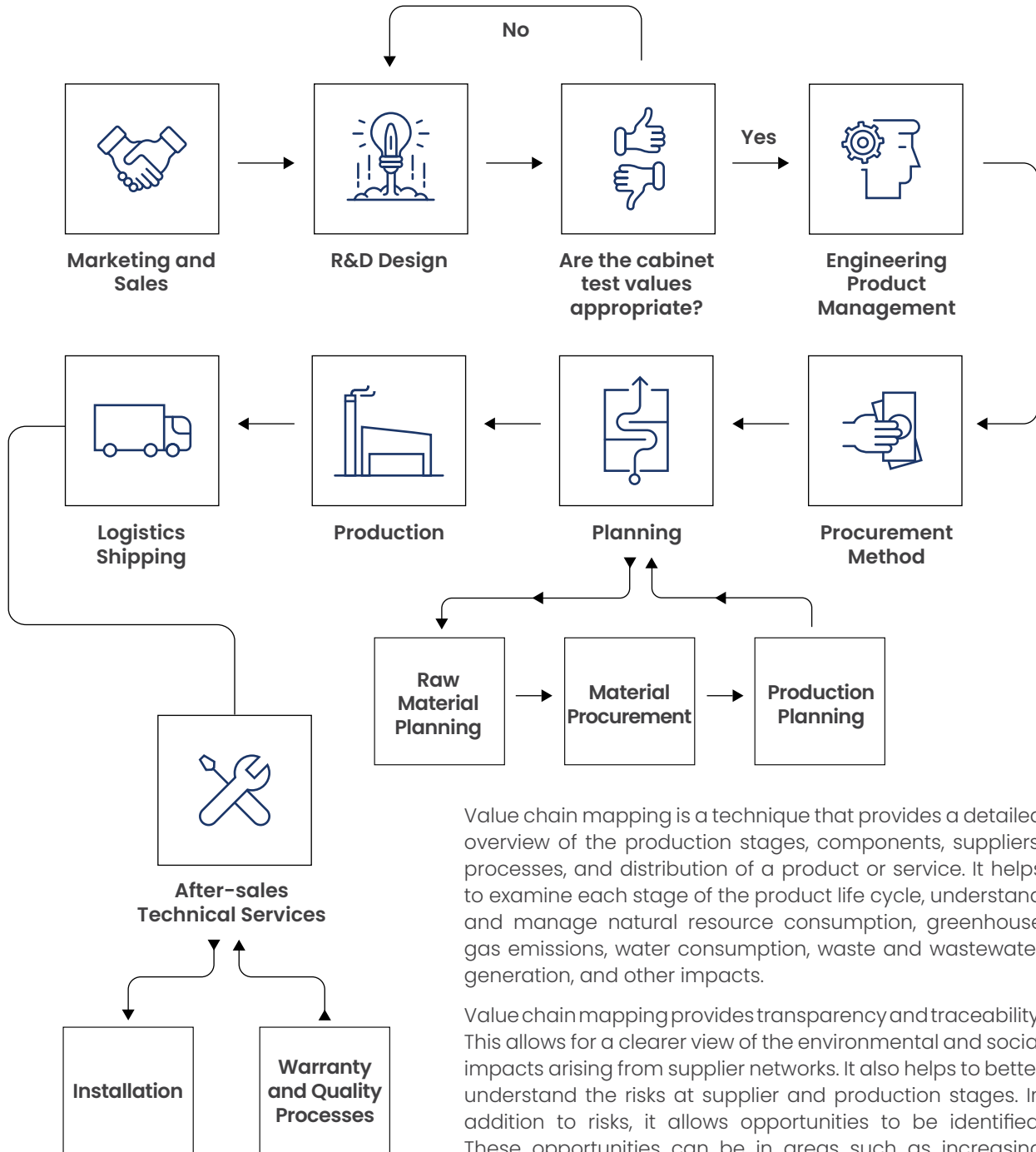
* Compliance with delivery schedules, amounts, and packaging type.

Procurement and Quality Departments prepare an annual audit plan by determining the suppliers that are to be audited annually on the approved supplier list. The suppliers are determined taking into account the results of the supplier performance evaluation and the feedbacks and comments of the Planning, Production, Logistics, and R&D departments.

Suppliers are also mapped by scoring them according to supplier satisfaction (supplier partnership, delivery performance, on-time delivery, communication, cost improvement) and supplier importance (product complexity, number of alternative suppliers, availability in the market, working tendency in the coming years, and share in turnover). According to this, suppliers are categorized as strategic, routine, bottleneck and competitive, and a strategy is being developed. The work keeps updated annually with the participation of concerned departments.

Kaplanlar has employed a Supplier Development Specialist and the project of Supplier Development Program has been initiated in order to create and develop a supplier pool that will meet Kaplanlar’s needs today and in the future at the desired level. Kaplanlar works with approximately 1,000 of suppliers for direct and indirect products and services. Ninety percent of these suppliers are domestic suppliers. Thus, risks are to be minimized, local suppliers are to be supported.

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

	2020	2021	2022
Total number of suppliers	858	984	1,029
Total number of local suppliers	812	931	984

Digitalization and Technology Use

Kaplanlar believes in the power of digitalization and emerging technologies. The company uses this power to create opportunities to automate dangerous and error-prone tasks, and to improve the efficiency of operations.

Kaplanlar is constantly developing the digital systems it uses within the organization in line with the needs of the organization. The company also attaches importance to the design of new digital processes according to these needs. Digital transformation studies are also included in the organization's operational management. Kaplanlar, which uses the SAP system, has also carried out studies to make the system easy for everyone to use and to adapt to digital processes.

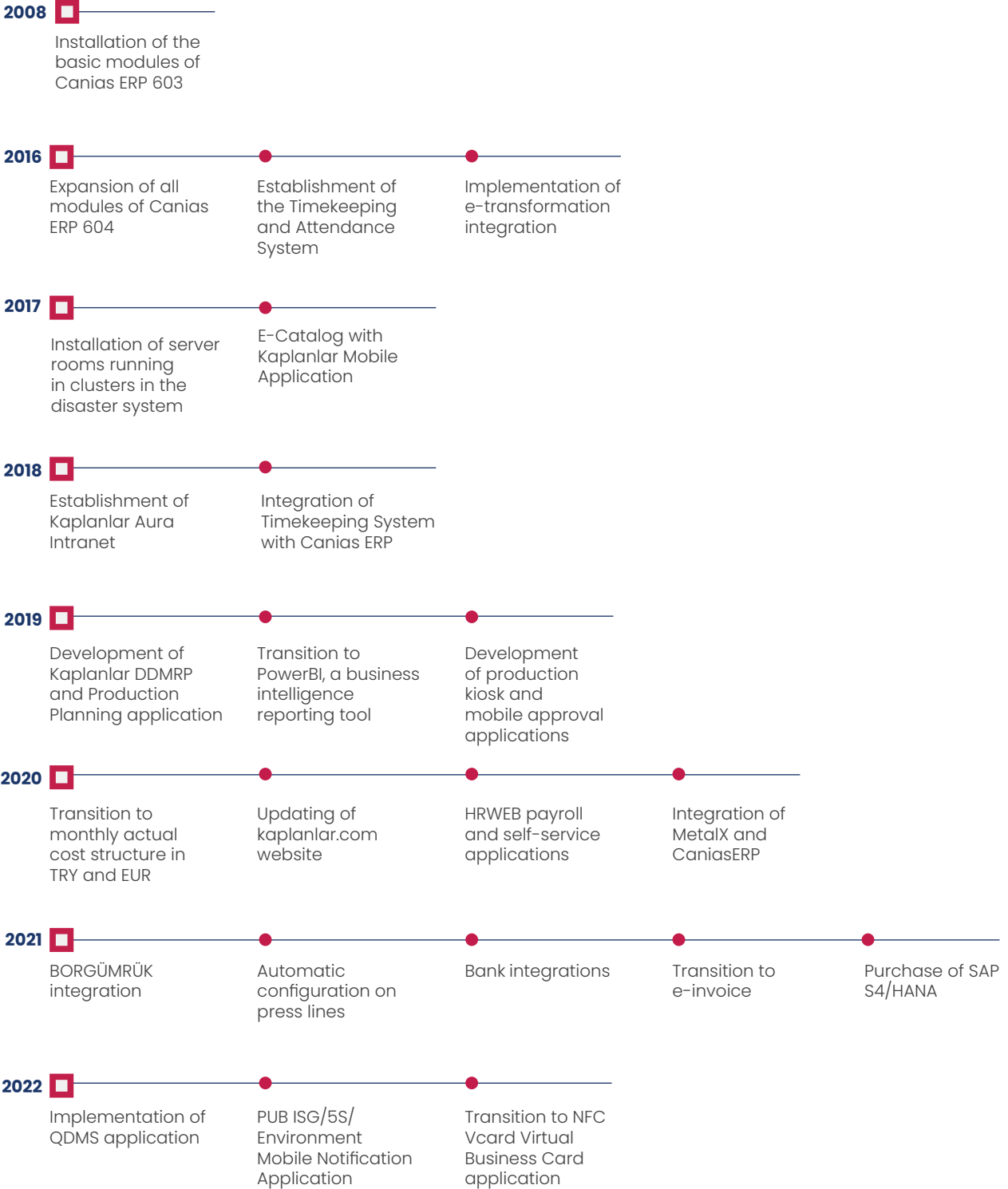
In 2022, in addition to SAP, the QDMS software system was also put into operation, reporting examples were started with the RPA technology, and studies continued on the digitization of products with the Kaplanlar Sense Technology.

Kaplanlar follows the trends and developments in digital technology in the world. Believing in collective development within stakeholder relations, the company evaluates technology transfer and horizontal digitalization opportunities.

The development and dissemination of all technological development and digitization studies is an important part of Kaplanlar's sustainability strategy.



Digitalization Journey



We have defined
our principles and
practices aligning
with ethical
working rules.



Ethical and Transparent Management Approach

In the globalized world economy, business ethics has become an indispensable necessity for businesses. The ethical behaviors of businesses positively affect the success of businesses in the long term, while the opposite behaviors have the power to negatively affect them.

According to the Turkey Ethics and Compliance Survey prepared by KPMG Turkey and the Ethics and Reputation Association (TEİD), 62% of the participants reported that a misconduct case occurred in their company in the past year, and 81% of them stated that 1 to 5 employee misconduct cases occurred in their company in the past year.

The OECD's guidelines and other ethical principles include measures against corruption and efforts to create a fairer global trading environment. Corruption control measures are one of the most important issues of these ethical principles. The OECD and International Transparency Organization are doing long-term studies to measure and eliminate corruption.

With the increasing importance of ethics, there are many legal and administrative regulations regarding the ethical infrastructure today.

Kaplanlar has taken a compatible approach with the relevant contracts published by the ILO in determining its working principles.

Kaplanlar has prepared a document called "Ethical Working Rules" that defines the principles and practices that all managers and employees must comply. These rules aim to ensure that Kaplanlar managers and employees behave at high standards, are aware of the institutional impact of their behavior and attitudes, and use the most correct methods by all members of the Kaplanlar family. Ethical Working Rules cover the rules that employees must comply with, including honesty and reliability, confidentiality and protection of commercial secrets, conflict of interest, social, legal, responsibility to society and the environment, customers, shareholders, employees, sectors, competitors and commercial partners.

Company employees carefully avoid actions that could lead to conflict of interest and take care to protect the company's interests during their duties, and avoid any action or behavior that could mean providing benefits to themselves or their relatives. Conflicts of personal interests with the Company's interest and employees obtaining inappropriate personal benefits due to their position, providing benefits to their relatives or third parties are not allowed under any circumstances.

Kaplanlar has prepared its Ethical Codes and announced them to the public through its website. These ethical codes include compliance with laws and regulations, zero tolerance for discrimination and harassment, a safe and healthy working environment, limiting our environmental impact, strict adherence to competition laws, compliance with anti-bribery and corruption legislation, "commercial courtesy", avoiding conflict of interest, protection of sensitive and personal information, and proper use of company assets.

In addition, the company audits its accounts each year by an independent auditing company according to internationally accepted accounting standards. If employees within the company encounter a practice outside of the ethical working rules, they must report it to the Company Human Resources department in writing and/or orally. This notification is an essential duty for each Kaplanlar employee. The notified issues are reported to the company's Board of Directors to be evaluated.

Compliance with Standards

Compliance with standards is critical for a company to effectively and efficiently manage its management processes and meet the established management standards.

By fully complying with standards, Kaplanlar achieves improved processes and efficiency, customer satisfaction, competitive advantage, effective risk management, and a management approach that is compatible with sustainability. The company ensures the implementation of management processes, increases quality, manages risks, and implements sustainability principles.

In addition, the implementation of management systems standards within the company has a strong relationship with sustainability.

ISO 14001 Environmental Management System provides a framework for the management and reduction of environmental impacts. It is effective in increasing energy and resource efficiency, reducing waste and emissions, minimizing environmental impacts, and achieving sustainability goals.

ISO 45001 Occupational Health and Safety Management System aims to protect the health and safety of employees. It allows for the assessment of risks in the workplace, the taking of protective measures, the management of occupational accidents, and the development of a safety culture.

ISO 9001 Quality Management System is an important element for customer focus, process improvement, strengthening brand reputation, and sustainable communication.

ISO 27001 Information Security Management System is an important standard for ensuring information security, compliance with laws, meeting the expectations of regulatory institutions, gaining customer trust, strengthening reputation, and improving internal processes and efficiency. In addition to such important standards, Kaplanlar has many security standards and service qualification certificates.

The implementation of ISO 50001 Energy Management System is an important step in increasing energy efficiency, reducing environmental impacts, lowering energy costs, and aligning with sustainability goals. Kaplanlar has started the necessary work for the ISO 50001 Energy Management System certification, which will support its sustainability goals and effectively manage its future energy needs, and aims to complete the certification process in 2024.

Kaplanlar has the Turquality Brand Support certificate within the framework of the Turquality program, which is a sign of support for exporting companies. With this certificate, Kaplanlar continues its activities with a competitive approach in international markets.

Because of all these processes of all these processes, improved performance, quality, customer satisfaction, effective risk management, full compliance with laws, meeting the expectations of national and international standards, encouragement of innovation, continuous improvement, increased employee participation, and increased motivation are achieved. Kaplanlar continues to increase its sustainability and success through management systems.

QUALITY STANDARDS / CERTIFICATES

Certificate Name	Year Granted / Projected to be Granted
ISO 9001 Quality Management System	2004
ISO 14001 Environmental Management System	2021
ISO 27001 Information Security Management System	2019
ISO 45001 Occupational Health and Safety Management System	2023
ISO 50001 Energy Management System	2024
ISO 14064 Greenhouse Gas Validation and Verification System	2024
Turquality	2023
TSE 12859 Service Qualification Certificate	2000
EN 60335-2-89 Safety Standard for Electronic Devices	2013
PED Modul B Safety Standard for Pressurized Equipment	2019
EN 60204-1 Electronic Safety Standard for Centralized Systems	2019



Corporate Objectives

Vision: To be a leading global brand in the commercial refrigeration sector by using our innovative and flexible technical competencies based on respect for life, humanity, nature, society, and the world.

Mission: As Kaplanlar, we will develop and provide high-efficiency and environmentally friendly products and services for our customers in the food retail sector, and we will achieve sustainable success with customer-oriented innovations, flexibility, and competitive offers arising from the teamwork of our employees.

Values: Openness, Honesty and Fairness, Compliance with Ethical Rules and Laws, Teamwork and Common Goals, Quality, Service, Innovation and Flexibility in Customer Orientation, Process Excellence



Risk and Opportunity Management

Indicating the significant risks and opportunities and integrated them to the business process that organization face in considering with company and all stakeholders' perspectives is now an important part of sustainability.

Risk management is an important issue in many sectors and areas around the world. Especially in sectors such as finance, health, energy, food, and environment, risk management is of great importance.

Risk management is one of the essentials of business processes at Kaplanlar. All strategic, operational, financial, and other elements that are considered to pose a risk to the company's short and long-term goals are evaluated at all levels of the organization, starting from the Board of Directors level.

With detailed risk and opportunity assessment studies, Kaplanlar defines risks in the best and most accurate way, and keeps the risk in a manageable position when faced with an unexpected situation.

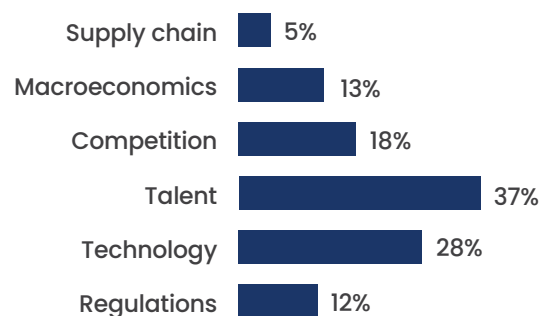
DEVELOPMENTS

- ✓ 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 cases and their benefits

ANA RISKLER



We have constituted
our Information
Security Management
Policy in compliance with
ISO 27001 Standard.



Ensuring Data Security

According to the World Economic Forum's 2022 Global Risks Report, the protection of personal data and cyberattacks against such data have become the biggest risks today.

Kaplanlar follows and implements the Personal Data Protection Law in protecting the personal data of its employees and real persons.

In addition to attacks against personal data, Kaplanlar has a strong risk management approach against other cyber threats. The company has taken measures to protect all infrastructure activities from cyberattacks. It focuses on developing human resource capacity and qualified workforce in addition to benefiting from technologies for the protection of information.

To manage all these processes and guarantee its systems, the company implements the Information Security Management System. It manages the process with its policy established within the scope of the ISO 27001 Information Security Management System Standard. All employees have committed to implementing the Information Security Management System Policy.

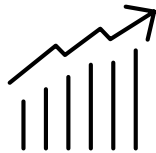
Within this policy framework, Kaplanlar signs a confidentiality agreement with business partners to perform its the obligations arising from the protection of confidential information.

Information Security Management System Policy

- To provide the necessary resources to keep up with technological developments, innovations, and changes within the scope of the information security management system.
- To manage information assets, identify risks associated with these assets, develop controls to address these risks, and implement effective risk and opportunity management.
- To meet the obligations arising from relevant legal regulations, national-international and sectoral regulations and agreements, and to provide information security requirements for internal and external parties.
- To ensure the achievement of information security objectives and goals, and to continuously improve the Information Security Management System with business continuity.



Performance Indicators



BREAKDOWN OF EMPLOYEES BASED ON GENDER

	2020			2021			2022		
	Female	Male	Total	Female	Male	Total	Female	Male	Total
White collar employees	50	86	136	55	91	146	71	108	179
Blue collar employees	27	387	414	30	394	424	28	393	421
Total number of employees	77	473	550	85	485	570	99	501	600

BREAKDOWN OF EMPLOYEES BASED ON TYPES OF EMPLOYMENT

	2020			2021			2022		
	Full-time	Part-time	Total	Full-time	Part-time	Total	Full-time	Part-time	Total
White collar employees	136	0	136	146	0	146	179	0	179
Blue collar employees	414	0	414	424	0	424	421	0	421
Total number of employees	550	0	550	570	0	570	600	0	600

BREAKDOWN OF EMPLOYEES BASED ON AGE

	2020			2021			2022		
	Female	Male	Total	Female	Male	Total	Female	Male	Total
Under 30	33	206	239	32	215	247	41	206	247
Between 30 – 50 (including 30 and 50)	44	243	287	52	243	295	57	267	324
Over 51	0	24	24	1	27	28	1	28	29

NUMBER OF NEW RECRUITS

	2020			2021			2022		
	Female	Male	Total	Female	Male	Total	Female	Male	Total
Number of new recruits within the year	31	212	243	34	185	219	50	231	281
Under 30	21	148	169	19	135	154	32	146	178
Between 30 – 50 (including 30 and 50)	10	62	72	15	43	58	18	82	100
Over 51	0	2	2	0	7	7	0	3	3

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

	2020			2021			2022		
	Female	Male	Total	Female	Male	Total	Female	Male	Total
Number of employees at the departments of R&D, Innovation, Digitalization	0	14	14	3	22	25	6	25	31

EMPLOYEE CIRCULATION

	2020			2021			2022		
	Female	Male	Total	Female	Male	Total	Female	Male	Total
Employees under the age of 30 who have left the company	14	80	94	12	106	118	21	131	152
Employees between the ages 30 and 50 (including 30 and 50) who have left the company	9	43	52	14	58	72	14	78	92
Number of employees over the age of 50 who have left the company	0	3	3	0	9	9	1	6	7
Total number of employees who have left the company	23	126	149	26	173	199	36	215	251

EMPLOYEE SENIORITY

	2020			2021			2022		
	Female	Male	Total	Female	Male	Total	Female	Male	Total
Employees who have worked for 0-5 years (up to 5 years)	68	351	419	70	352	422	81	365	446
Employees who have worked for 5-10 years (up to 10 years)	5	87	92	11	90	101	15	90	105
Employees who have worked for 10 years or more	4	35	39	4	43	47	3	46	49
MATERNITY/PARENTAL LEAVE									
Number of employees who have taken advantage of maternity/parental leave	1	25	26	2	32	34	3	28	31
Number of employees who returned to work after the end of maternity/parental leave	-	-	-	2	-	2	3	-	3

NUMBER OF EMPLOYEES WITH DISABILITY

	2020			2021			2022		
	Female	Male	Total	Female	Male	Total	Female	Male	Total
Number of employees with disability based on gender	1	15	16	1	14	15	1	14	15
Number of employees of foreign nationality	1	2	3	1	2	3	1	3	4

PROFESSIONAL TRAININGS (EXCLUDING OHS)

	2020			2021			2022		
	Female	Male	Total	Female	Male	Total	Female	Male	Total
Total number of employees receiving training	127	516	643	366	1.661	2.027	472	3.420	3.892
Number of white-collar employees receiving training	102	143	245	269	326	595	284	541	825
Number of blue-collar employees receiving training	25	373	398	97	1.335	1.432	188	2.879	3.067

TOTAL HOURS OF PROFESSIONAL TRAINING (EXCLUDING OHS)

	2020			2021			2022		
	Female	Male	Total	Female	Male	Total	Female	Male	Total
(person*hour)									
Training hour	85	495	580	244	1.351	1.595	384	2.767	3.151
Average annual hours of training per employee	124	1.409	1.533	494	2.814	3.308	1.089	7.693	8.782

Corporate Memberships



United Nations
Global Compact

United Nations Global Compact Signatory Association



Turkish Industrialists' and Businessmen's Association



Turkish Exporters' Assembly



Central Anatolia Exporters' Association



Heating and Cooling Exporters Association



Bursa Chamber of Commerce and Industry

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			
	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
GRI 2: General Disclosures 2021	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



STAY COOL & KEEP FRESH

www.kaplanlar.com