

2019
**Sustainability
Report**



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About the Report

As Kereviş Gıda Sanayi ve Ticaret A.Ş., we are publishing our second sustainability report covering our activities within the framework of Yıldız Holding Sustainability Platform. GRI Standards, published by the Global Reporting Initiative (GRI), is a globally accepted framework for sustainability reports.

Thus, we prepared this report in accordance with the "Core" option of GRI standards, and took Food Processing Sector Disclosures as a reference. Furthermore, we benefited from the Processed Foods Guideline of Sustainability Accounting Standards Board (SASB).

We completed our materiality analysis with the participation of both our internal and external stakeholders in line with the Accountability AA1000SE, International Stakeholder Engagement Standard. The report covers the period between January 1st and December 31st, 2019, and reflects on our sustainability performance by highlighting improvements with the data of previous years wherever required.

Please do not hesitate to send your questions, opinions and suggestions to surdurulebilirlik@kerevitas.com.tr

Message from the CEO



Dear Stakeholders,

At Kereviş, we leave behind yet another year in which we led Turkey's frozen fresh food and edible oil market thanks to our business model based on respect for people and the world. Not only did we contribute to the healthy nutrition of the entire society, but we also implemented pioneering and innovative applications in respective fields with our brands SuperFresh and Besler. Today, we are contributing to Turkey's economic and social development by exporting products to over 60 countries in 6 continents, empowered by a personnel team of more than 2,170 employees.

Over the past year, we started to experience the effects of the climate change concretely, along with mounting political and geopolitical risks, economic stagnation, technological developments and digitalization all over the world. We are taking measures to hedge the risks that may engulf our business model owing to the new coronavirus and the natural disasters that took place in early 2020, lending more resilience and sustainability to our business model. Faced with a higher demand for food products amid the global pandemic, we continue our operations without interruption thanks to the various measures we have taken as Turkey's leading frozen fresh food and edible oil producer and keep on delivering the food products needed by our customers and society at large. In this respect, we have been awarded the international COVID-19 Safe Production Certificate, following the inspections carried out by Turkish Standards Institute (TSI) experts with regard to the measures that must be taken in industrial facilities.

We conduct our sustainability studies within the framework of Yıldız Holding's approach to sustainability: "This is our World". Under the titles Product – Inspire; People – Empower; Planet – Restore, we monitor and continuously improve the economic, social, and environmental performance of our activities. Contributing to local production, reducing plastic and food waste and carrying out projects for energy efficiency to tackle climate change are among our priorities. We offer women equal opportunities. Thanks to our efforts to provide women with equal opportunities in Kereviş, women accounted for 45% of our total workforce in 2019.

We support local production in our country; to this end, local suppliers constitute 97% of our suppliers, while all our raw materials are sourced from local producers. 85% of our farmers continue to work under the contract farming model and we boost our operational efficiency thanks to planned production. In order to maintain a sustainable production chain, we pay attention to ensuring that all our suppliers comply with international standards and we conduct social and environmental inspections.

Tackling food waste, we use the waste from production activities in feeding animals in our production. In the fight against plastic pollution, a key element in combating environmental pollution, we carry out various R&D projects with our suppliers, focusing on reducing the quantity of plastics used. Thanks to a project we completed in 2019, we achieved savings of up to TRY 42 million, along with a 7.46% reduction (measured in terms of volume) in plastics usage.

As an agricultural producer, we are operational in an industry that is most affected by climate change. The drought in 2019, as well as the rapid changes in the precipitation regime impacted our efficiency in production. In that regard, we focus on applications capable of minimizing the impact of climate change in order to increase the resilience of our supply chain. Despite population growth and rising demand, we reduce energy consumption through our efforts to increase energy efficiency and invest in projects that will ensure efficient water usage. As a result of innovative water applications which we carried out in the production line in 2019, we ensured that 150 tons of hot water per day were recycled in production. Furthermore, our vehicle occupancy rate reached 95%, thanks to the investments we made in 2019 in vehicle occupancy and route optimization in logistics network. Compared to the previous year, we reduced our energy consumption by 8% and our greenhouse gas emissions by 4%.

I am glad to share with you our third Sustainability Report, in which we share the performance achieved by Kereviş in 2019. I would like to thank all our stakeholders who have contributed to our successful performance, primarily our employees.

Şükrü Çın
Kereviş, CEO

About Us

At Kerevitaş, we lead the frozen fresh food market in Turkey. In addition to our market growth, we penetrate different markets by taking advantage of the opportunities in the foreign market, introducing our products to the whole world. We have achieved cost savings and operational efficiency through a swift entry in the edible oil market upon the acquisition of Besler. Today, we export to more than 60 countries in 6 continents with more than 2,170 employees, including Besler. Our SuperFresh branded products are sold in 20 countries in 4 continents.

We boost our sales revenues through our targeted channel and category strategies, while responding to the changing expectations and needs of consumers and customers with our high quality products. At Kerevitaş, we closed the year as the strong market leader, with a market share of 56% in the frozen food category and 66% in the branded market in the edible oil group. We launched Microwave Mini Pizza, Turkey's first and only pizza cooked in microwave ovens, under our SuperFresh brand, the pioneer of innovation in the field of frozen fresh food. We also listed our products Square Pastry with Meat and Vegetables, Spinach Rolls and Croquette Mix on various channels.

Our consolidated turnover increased by 3% and we generated TRY 353 million of export revenues in 2019. As a result of the proper management of the sales channel, product portfolio and the cost-price balance, we achieved operating profit growth and profit margin increases above our sales revenue, in 2019 as well.

KEREVITAS in Figures

- More than 2,170 employees
- 5 factories in 2 countries
- 115,000+ customers
- TRY 353 million export to more than 60 countries
- TRY 2.5 billion consolidated turnover
- Nearly TRY 380 million of EBITDA

Corporate Governance

We define Kerevitaş as a company that operates to create value for the society, where employees feel valued and improve themselves, quality and food safety is never compromised, technological developments are followed with an innovative approach, environmental and social responsibilities are not seen only as legal obligations. The governance model playing a crucial role in preserving this corporate structure is based on the principles of fairness, transparency, accountability and responsibility. These principles that we rely on for defining our governance approach enable us to prevent all actions regarding injustice, corruption and violation. We review each matter that may affect the existence, reputation and operational sustainability of our company under the structure of corporate governance. We position this corporate governance approach in line with legal legislations as a considerable framework that will move us forward and contribute to sustainability.

The Board of Directors, which is the highest body in the corporate governance structure, is consisted of seven members in total, including two independent members. The Board of Directors convenes as frequently as they can without compromising their tasks and when the absolute majority is reached. The Corporate Governance Committee, the Early Detection of Risk Committee, the Audit Committee and the Sustainability Board are affiliated with the Board of Directors. The CEO acts as chairman of the Executive Board, consisting of Supply Chain and Production Vice Chairman, Director of Financial Affairs, Sales Director of Turkey, Financial Affairs Director, Marketing Director, Foreign Trade Director and Human Resources Group Senior Manager.

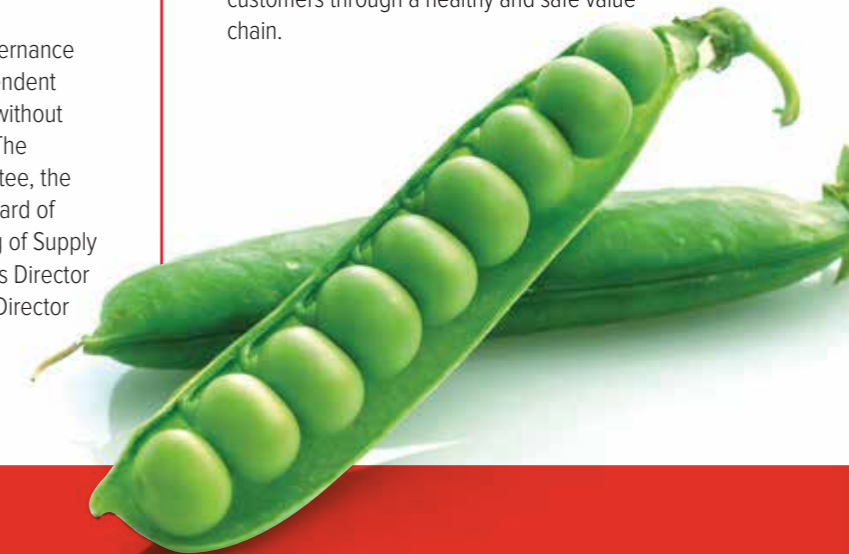
Please see the [2019 Annual Report](#) for more information regarding the corporate governance structure.

Our Vision

To be a leading food processing company that always satisfies the consumers, customers, employees and shareholders.

Our Mission

Being a leading and innovative brand that provides the most practical, the most fresh, the most delicious products to our consumers and customers through a healthy and safe value chain.



“ We aim to be a company which does not compromise on its quality and food safety, which follows technological developments and grows by creating value for the society. ”

Ethical Principles

We expect our ethical principles, defining the framework of our business manner, to be adopted and applied not only by our employees, but also by our suppliers. Through the handbook titled The Ethical Principles and Working Principles issued by Yıldız Holding, we facilitate the recognition and implementation of ethical principles across the company. A written declaration is signed by each employee indicating that they accept these ethical principles. We stick to these ethical principles in all agreements concluded by and between us and any third party. As for anti-bribery and anti-corruption operations, we also refer to these ethical principles as our guide.

We have provided training to all employees regarding the ethical principles for the last four years. The ethical principles training offered to the employees totals up to 3 hours per employee. Our employees report the breach of any ethical principle to the Kerevitaş Ethics Line that works in coordination with the Yıldız Holding Ethics Line. Reports can be made via phone (0850 209 19 98) or e-mail (etik.bildirim@kerevitas.com.tr). All other stakeholders can contact Yıldız Holding Customer Communications Center (CCC) or Yıldız Holding Ethics Line to report any undesirable situation.

The Audit Committee carries out audits with independent auditors. In the event of an infringement, the issue is referred to the Yıldız Holding Ethical Board, and, if required, an injunction is taken and applied in line with their resolution.

Please see [Ethical Principles Policy](#).

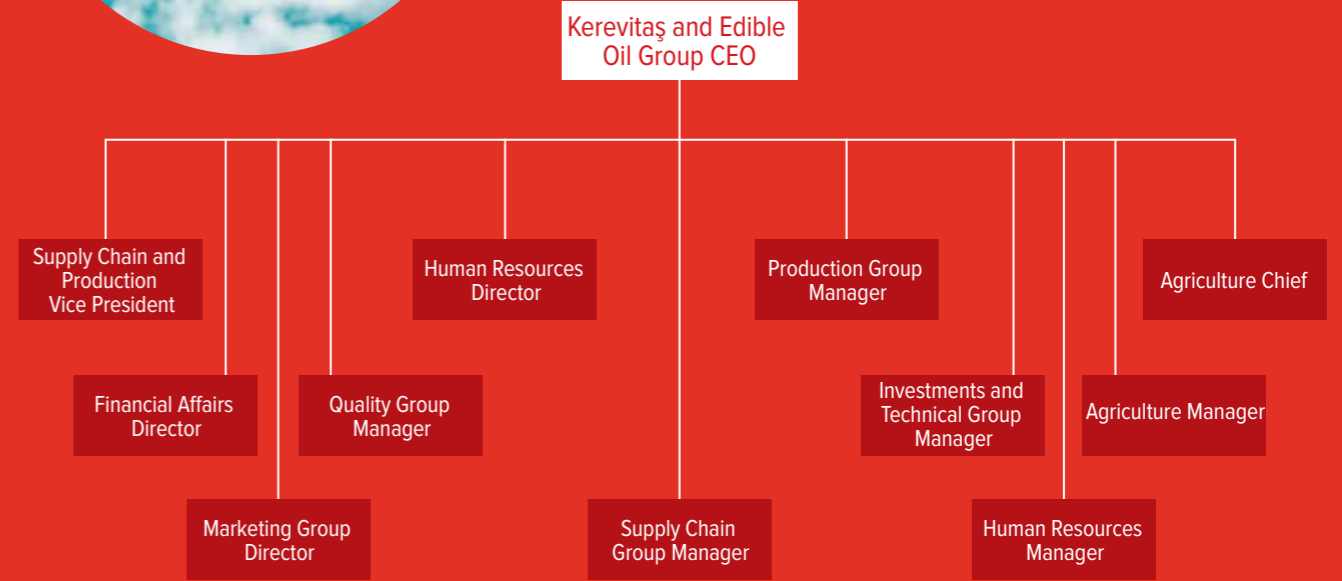
Risk Management

Our risk management approach includes detecting risks that may hinder the sustainability of our company's operations and taking the required precautions. This approach is carried out by the Committee of Early Detection of Risk. We manage the risks effectively by grouping them under the titles of financial, operational, strategical and external risks. The conducted audits enable us to control the risks. Furthermore, the findings of the audits conducted by the audit divisions of Yıldız Holding and the independent audit companies are evaluated by the Audit Committee members and submitted to the Board of Directors for review.

Riskin Erken Saptanması Komitesi görev ve çalışma esaslarına [buradan](#) ulaşabilirsiniz.



Organizational Structure of the Sustainability Committee



Sustainability Committee

The Sustainability Committee, which was established in 2017 within the structure of our company, enables us to carry out our sustainability efforts in a systematic manner. The Sustainability Committee, responsible for monitoring the performance of our company in environmental, social and governance issues and ensuring the implementation of decisions across the company, reports to the Board of Directors. Coordinating sustainability efforts with the Committee enables us to contribute to the sustainability transformation initiated under Yıldız Holding. The Sustainability Committee has 12 members, including the CEO that serves as its president: CEO, Supply Chain and Production Vice Chairman, Director of Financial Affairs, Marketing Group Director, Human Resources Director, Quality Group Manager, Investments and Technical Group Manager, Production Group Manager, Supply Chain Group Manager, Agriculture Manager, Human Resources Manager and Agriculture Chief. The coordination of the Committee is the responsibility of the Group Vice Chairman of Supply Chain and Production. The Agriculture Manager carries out the secretariat work of the Committee, which gathers at least biannually and when required.

The Sub-Committee operating under the Sustainability Committee is composed of 11 members: Agriculture Chief, Senior Vice Brand Manager, Personnel and Administrative Affairs Expert, Human Resources Manager, Quality Chief, Environment and OHS Expert, Technical Engineer, Production Engineer, Logistics Expert and Assistant Packaging Development Expert.

Please see [here](#) for more information regarding the operation and responsibilities of the Sustainability Committee.

Etik kurallarımız tüm iş süreçlerimizde şirketimize rehberlik ediyor. ”

Sustainability Approach

We adopt the sustainability approach of Yıldız Holding in line with "This is our World", which primarily focuses on the satisfaction of stakeholders for the success of the company. This approach, which defines sustainability as our promise to future generations, concentrates on three main topics: product, people and planet. As Kerevitaş, we manage our sustainability approach within this framework and manage our business processes accordingly.



Product - Inspire:

Enable access to food products, encourage healthy diets with products featuring high nutritional values and present these products as a lifestyle.



People - Empower:

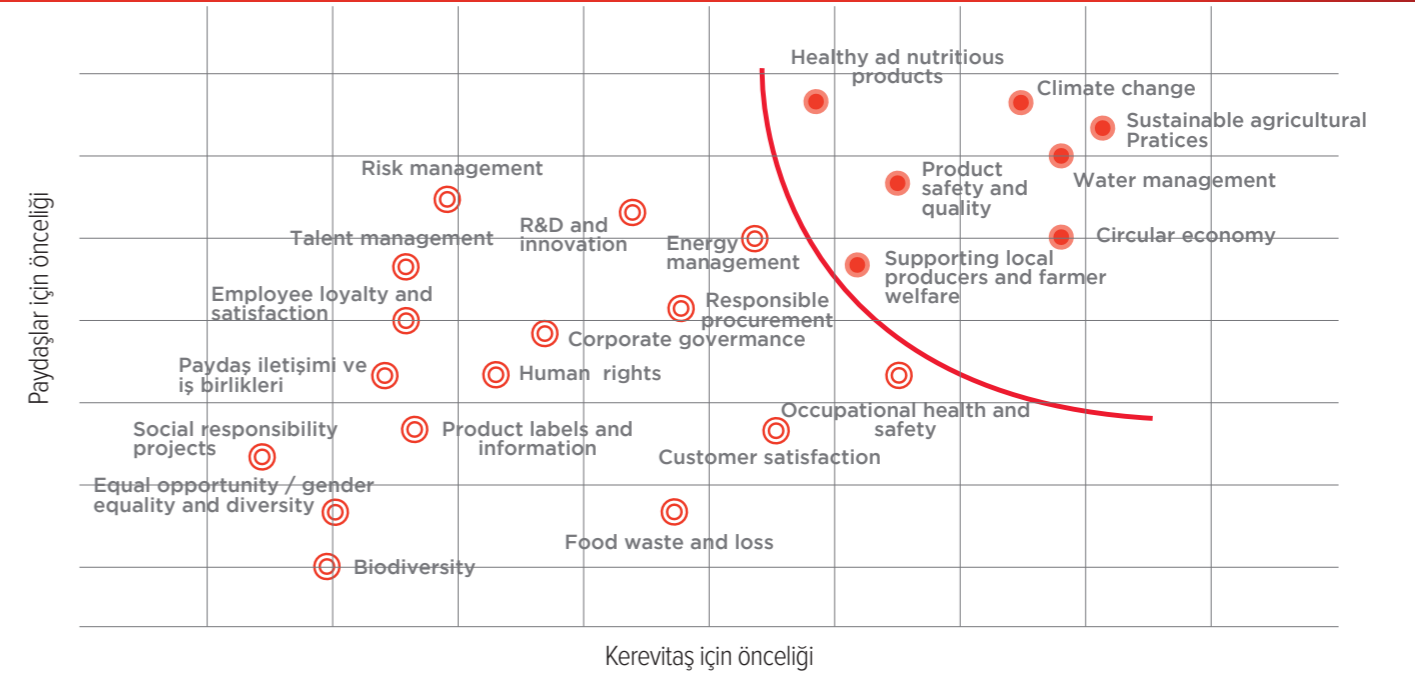
Adopt a business model that facilitates social and economic development, social equality and welfare for employees and society.



Planet - Restore:

Protect the environment for future generations by preserving natural resources, and achieve growth without any adverse effects on the environment.

Kerevitaş Önceliklendirme Matirisi



Material Sustainability Issues










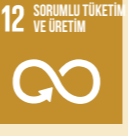

We define our material sustainability issues together with all stakeholders, in line with the global and local trends as well as the innovations in our sector. By focusing on these issues, we both achieve the medium and long-term targets of Kerevitaş and fulfill the expectations of a wide range of stakeholder groups. Thus, we create common value for all our stakeholders.

We held workshops with the participation of internal experts and executives to work on defining our material issues. We have included the opinions and advice of all our stakeholders in the process. We have included our vast stakeholder network composed of employees, public institutions, regulatory authorities, non-governmental organizations, associations, international organizations and initiatives, corporate customers, suppliers and universities into the analysis processes.

This year, we have re-assessed the materiality matrix that was first created in 2017 and approved by our board of directors, along with the material issues that we defined. Within the scope of our efforts, we have verified our material issues in the light of global and local trends, issues concerning our sector, internal and external stakeholder opinions and expectations. Additionally, the subjects of food waste and loss, occupational health and safety, responsible supply, employee and human rights stand out as increasingly significant issues. These are issues that we have been managing and attaching great importance for a long time due to the nature of our business. We focus our efforts on the material issues and transparently share our performance in these issues with our stakeholders.

In addition to our priority aspects, other matters of food waste and loss, occupational safety and health (OSH), responsible sourcing, employee and human rights stand out as increasingly material issues. We have been managing and attaching great importance to these issues for a long time given the nature of our business. We focus our efforts on our material and high importance issues, and transparently share our performance in these issues with our stakeholders.

Our sustainability efforts covering environmental, social and management areas are correlated with the Sustainable Development Goals defined by the United Nations as well as global and sector-related trends. Whilst providing recruitment opportunities for the development of local economies and supporting local production, we aim to enable access to food for all through our responsible and sustainable-agricultural practices and efficient use of resources. Furthermore, producing high-quality and healthy foods is our greatest priority. Thus, we contribute to the presence of healthy individuals in the society. With our contract farmer model and responsible supply mentality, we foster a convenient business model for farmers in order to protect their welfare. We support equal opportunities in the workplace in addition to attaching great importance to employee improvement, and occupational health and safety. We monitor our environmental footprint with the awareness that the continuity of our success and our sector is only possible with the preservation and improvement of natural capital.

Mutlu Et, Mutlu Ol	Material Issue	Relevant Report Section	Sustainable Development Goal
	Product - Safe and appealing products as part of a healthy diet and lifestyle Product safety and quality Healthy products with high nutritional values	Healthy, Safe and Innovative Products	 
	People - Diverse, safe and satisfied employees and business partners Supporting local producers Sustainable agricultural practices Employee investments, OHS, human resources policy based on equality	Sustainable Production Chain Employees	  
	Planet - Restorative environmental impact within a circular economy Water management Circular economy Climate change	Environment Management	  

Stakeholder Group	Communication Method	Communication Frequency
Employees	Internal information e-mails, meetings, workshops and surveys	Continuously
Corporate Customers	Website, online communication channels, product catalogs, customer visits, audits, information e-mails and surveys	Continuously
Suppliers	Audits, surveys	At least once a year
Investors	Information meetings, annual reports and surveys	At least once a month
Analysts	Meetings, internal information e-mails and surveys	At least once a month
Public Institutions and Regulatory Authorities	Institutional and public meetings, workshops, meetings and surveys	At least once a month
Media	Interviews, press releases, bulletins and surveys	Continuously
Non-Governmental Organizations and Associations	Project collaboration, congresses, conferences, seminars and surveys	Continuously
International Organizations and Initiatives	Congresses, conferences, seminars and surveys	Continuously
Universities	Joint projects, conferences and surveys	Continuously

Stakeholder Communications

We care about the opinions of our both internal and external stakeholders when carrying out our operations. We also share our performance and decisions with our stakeholders through various channels. We ensure the effective management of our stakeholder communications by constantly exchanging ideas with each stakeholder group through different communication methods. We carry out stakeholder analysis in order to collect stakeholder opinions as a guide for our sustainability management efforts in accordance with the international Accountability AA1000SE Stakeholder Engagement Standards. We will periodically repeat this method, which strengthens our communication regarding sustainability.



“ We inspire people to have a healthy and balanced diet with our products that have high nutritional values. We guarantee exceptionally good flavors in healthy and high-quality products with our customer-oriented approach. ”



Bezelye Tarlası
BURSA, KARACABEY

INSPIRE

01 PRODUCT

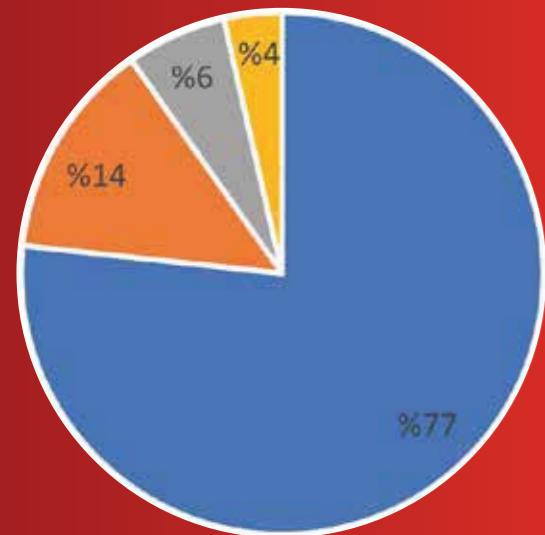
Healthy, Safe and Innovative Products

As the company that introduced frozen food to Turkey, we always offer our customers healthy, safe and innovative products and maintain our leading position in the sector. While assuring our product quality and safety with international standards, we continue to be the brand of innovative products with our R&D efforts and diversify our product portfolio in line with the demands and needs of our customers. By keeping the freshness and nutritional value of our products at the utmost level from the field to the fork, we encourage the public to eat healthy and inspire our customers to do the same. Today, we offer products to our customers through retail, commercial and out-of-home consumption channels with 529 different products under the brand of SuperFresh. In 2019, retail and out-of-home consumption products accounted for 68.35% and 31.65% of our turnover, respectively.

“ We offer products to our customers through retail, commercial and out-of-home consumption channels with 529 different products under the brand of SuperFresh.”

There are three main categories in our domestic market product portfolio: Frozen products, canned tuna fish, canned vegetables and fruits, respectively. Combined, they constitute 97% of our overall product portfolio.

Product Portfolio



Frozen Products

Canned Tuna Fish

Canned Vegetables - Fruits

Other

We benefit from state-of-the-art technology to ensure that our products have high nutritional value, quality, exceptional flavor and freshness as we have committed, and we plan our business processes effectively. We use non-GMO, high-yield seeds that fulfill flavor and appearance criteria for the products grown to be turned into frozen food. The products are grown to their ideal maturity levels and are delivered to the factory within 1/2 hour to 8 hours to maintain their freshness after harvest. After completing the preliminary processes, the products are quick-frozen at -40°C using the IQF (Individual Quick Frozen) method, keeping their core temperature at -18°C. Thus, we sustain the freshness of the products without losing their vitamin and mineral value. Furthermore, we carry out packaging and shipment processes without breaking the cold chain. Thus, the products have long shelf lives without any additives. Moreover, we guarantee the same flavor in every package and regularly conduct tasting tests (organoleptic controls).

We care deeply about the healthy diet of consumers and produce our products with that in mind. None of our products contain trans fats and we include informative logos on all of our product packages to raise the awareness of consumers regarding this issue. Furthermore, we are working on reducing salt content without compromising the flavor in our meatball product group.

Quality and Safety in Production

We carry out our production processes according to international standards by doing more than is legally required in order to ensure the quality and safety conditions in hundreds of product varieties. We maintain these standards at every stage from planting to harvesting, processing and packaging.

We produce all of our products in line with the international food safety and quality management systems. Our production facilities have had TS EN 9001:2015 Quality Management System certification since 1997. In food safety, we have a Food Safety Management System based on a prevention-oriented approach. We perform our production operations in line with HACCP (Hazard Analysis and Critical Control Points) System, which identifies the specific hazards against consumer health beforehand and removes them, and the standards of TS EN ISO 22000 Food Safety Management System. We also have TS EN ISO 22000 Food Safety Management System, Food Safety System certified by BRC (British Retail Consortium) that has an important place in the retail sector, and Halal Food Certification given by Turkish Standards Institute (TSE). Furthermore, we are being audited by our local and global customers regarding quality and safety.

We attach great importance to the protection of all kinds of information related to our customers and consumers. In 2018, we received ISO/IEC 27001 Information Security Management System certification stipulating international standards in order to manage the information security more effectively.

“ We produce all of our products in line with the international food safety and quality management systems.”

Supplier Evaluation Processes

We pay the same amount of attention at every phase of the supply chain in order to ensure the safety and quality of our products, and select our suppliers within the framework of certain standards. We prefer working with suppliers that fulfill the requirements of legal legislations, as well as the national and international quality and safety standards applied by our company. Besides the agricultural product suppliers, we also evaluate the packaging suppliers and the suppliers providing the inputs of non-agricultural products such as deli products and red meat used in the production of bakery products and pizza within the framework of the very same safety and quality standards.

We carry out a total of six different processes under the body of Quality Assurance Department: Supplier evaluation, input control, process control, microbiological control, storage-delivery and food safety-quality systems. Supplier evaluation, the first phase of the process, refers to the selection of the right suppliers in order to produce safe and quality products.

We work with suppliers that have at least one of the international quality management and food safety system certificates such as ISO 9001, ISO 22000, BRC, AIB, IFS, FSSC 22000 and constantly monitor the improvement of our suppliers.

During the input control process, we check whether the raw materials and the packaging materials conform to the defined standards or not. In case of a non-compliance, we request corrective and improvement actions within the scope of our Supplier Corrective and Improvement Actions System, and follow up the improvements through the same system.

During the third process, we assess quality control processes of the products in terms of their compliance to the standards. We enter the finished products to the system and transfer them to the quality control inventory. Once the product is approved at the end of the analysis, we move it to the dispatch inventory.

We commission accredited external laboratories for the analyses of all raw materials and inputs used in products within the scope of risk-anticipated residue (heavy metal, pesticide etc.), counterfeit or adulteration by the legal legislations in line with our annual plan. We subject all product parties to physical, chemical and microbiological analyses conducted by the expert personnel of our laboratories equipped with state-of-the-art devices in line with the set quality plans.

In the storage and delivery process, products in the inventory are delivered to the warehouses of the regional distributors or contracted distributors without breaking the cold chain. These warehouses are also audited annually in terms of quality and food safety. Improvement works are initiated according to the results of these audits. We monitor all warehouses through the remote temperature monitoring system for the safety of our products at the final point.



“ We carry out a total of six different processes: Supplier evaluation, input control, process control, microbiological control, storage-delivery and food safety-quality systems. ”



R&D and Innovation

We focus on R&D to develop innovative products addressing to customer needs, to raise food safety and quality standards and to maintain our competitiveness in the market. We carry out R&D operations in various areas, prioritizing the development of products in the categories of frozen food, bakery products, meat products (meatball and hamburger), croquette, vegetable-fruit and oil.

We have the first R&D Center to be certified by the Turkish Ministry of Science, Industry and Technology in the frozen food sector. We allocated a total budget of TRY 925 million in 2019 in order to support the operations of the R&D department where 9 competent employees work. The number of employees with graduate degree in our team has increased from two to five. We focus on increasing our collaborations with the public institutions and universities in Turkey and conducting joint studies with them. We received approval from EURIPIDES for our 'Smart Agriculture Fields in the European Region' Project within the scope of European Union projects. In the project, we aim to detect the fertilizer, water, etc. needs and diseases in advance by monitoring the potato field with drones and sensors. Another important development is that we moved product artwork-packaging process to the digital environment in 2019, which is allowing us to save time and money. In 2019, we received training on 17 different topics in the fields of R&D and innovation and published an article titled "Research on the use and effects of dietary fibers in beef meatball and hamburger products". You can find the article [here](#).

“ We have the first R&D Center to be certified by the Turkish Ministry of Science, Industry and Technology in the frozen food sector.”

Besides the projects developed in the R&D Department, we also review project ideas received through different channels. As part of our Brainbox suggestion program, employees and consumers who reach out to Yildiz Holding Customer Communication Center can share their ideas and suggestions. We design projects to put these ideas into practice. We initiate laboratory trials for the approved projects, of which the preparation phases are completed. The successful products at the end of these trials go into the production adaption process, and the product is launched after the recipe, cost and flavor are approved. The R&D Department accompanies the production of the first batch of the new product to make sure that the production is acceptable and of desired quality.

Customer Experience and Satisfaction

We listen to our customers and attach great importance to their feedback in order to fulfill their changing needs and demands and to respond to their expectations as well as possible. We are constantly expanding our product portfolio in line with the ideas of our customers, and raise our standards.

The feedbacks received by Yildiz Holding Customer Communication Center are forwarded to the respective divisions of our company. While the Quality Group Directorate reviews all feedback received by the Customer Communication Center, informs internal divisions and ensures the required actions are taken, it is the responsibility of the Sales Directorate to ensure consumer satisfaction by visiting them. The sales managers visit the customer within three days following the complaint. At the same time, the feedback is forwarded to the respective division and information is provided to the customer regarding the actions taken. All feedback received this year was responded to and all of the issues resolved. The total number of complaints communicated by customers in 2019 was 504, i.e. 4.48 per each million packages.

A Brand Health Survey is conducted once every six months in order to monitor consumers' brand perception. In the second half of 2019, 88% of consumers stated that they prefer SuperFresh for frozen products. The brand awareness of SuperFresh as a frozen products brand was 100%. We diversify our product portfolio by combining consumer trends with our innovative approach. We have options such as meat, grain, fruit and vegetable, fish products with Halal Food Certificate, and Bean Burger and Falafel products with Vegan Certificate for our consumers with different expectations. In 2019, we launched Microwave Mini Pizza, Turkey's first and only pizza cooked in microwave ovens. We introduced the Square Pastry with Meat and Vegetables, Spinach Rolls and Croquette Mix products to our consumers on various channels.

We care about the confidentiality of customer and stakeholder information and take the necessary actions in this regard. We provide awareness training to our employees as per our Information Management System and Information Security Policy, ensuring that they act in accordance with the policy and the respective procedures and principles. Our Company has ISO 27001 Information Security Management System Certificate in this field.

You can reach our the Information Security policy by [here](#).





“ We create a sustainable business model by supporting the development of our employees who play a significant role in the progress of our company and our business partner farmers. We aim to gain strength together with all our stakeholders by playing a role in the development of the geography that we are operating in. ”

Ispanak Tarlası

EMPOWER

02 PEOPLE

Sustainable Production Chain

At Kerevitaş, the sustainable production chain covers the management of our environmental, social and economic impact in all processes ranging from supplying raw materials to delivering the products to the consumers. We focus on minimizing production-related negative environmental impact, developing together with the geography we are operating in by contributing to the social development and supporting the economic development. With this perspective, we adopt a responsible purchasing approach for a sustainable supply chain and carry out applications that focus on sustainable agriculture, protecting both the soil and the farmer.

We purchase the raw material from local producers supporting the local economy and local employment. Local suppliers constituted 97% of our suppliers and 100% of supplier payments in raw material purchases were made to local producers this year.

For a sustainable production chain, we expect that our suppliers adopt the main principles that we base our production processes on. Kerevitaş Supply Chain Policy helps us identify the environmental, ethical and social criteria that we expect compliance to and we select our suppliers based on these criteria.

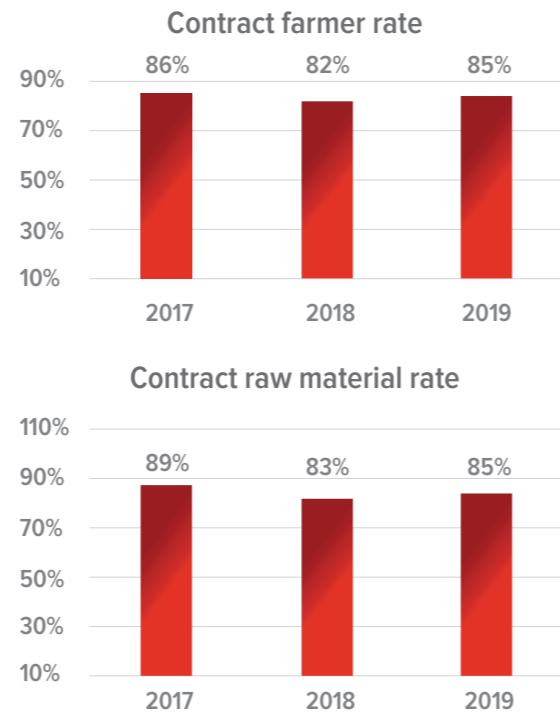
Local suppliers constituted 97% of our suppliers and 96% of total supplier payments were made to local producers this year.

Contract Farming

As a company operating in the food sector, it is our priority to support agricultural production by empowering the farmers. In this sense, contract farming model is an important tool and source of cooperation for improving commercial agricultural production of both small and large scale farmers. Within the scope of the model, where we guarantee purchase for agricultural products, we provide economic assurance to the producer, and encourage planned production by defining the production amount and price beforehand. Thus, the producers are not affected from the periodic price fluctuations resulting from production's delay in adapting to the price changes.

We supply certified seeds, fertilizers and pesticides to farmers we contract with within the scope of contract farming. Furthermore, we support the development of contract farmers through training programs, and contribute to the improvement of production through bonus payments and consulting support. Thanks to all of these practices that allow us to control agricultural production with a conscious approach, we achieve efficiency and quality in production and ensure agricultural production is not interrupted. Thus, we can respond to the needs and increasing demands of the consumers.

In 2019, we planted peas and green beans on an area of 8,218 decares (8,218 km²) on contract basis. Thanks to the rhizobium leguminosarum bacteria for peas and the rhizobium phaseoli bacteria for green beans, the free nitrogen in the air is bound to the soil, allowing the regulation of the soil structure and use of 50% less pure nitrogenous fertilizer for the next plant to be planted. We planted sweet corn, grain corn, silage corn, cauliflower, broccoli and Brussels sprouts after the 8,218 decares (8,218 km²) of peas and green beans planted on contract basis. The producer saved approximately TRY 370,000 by using 15 kg less pure nitrogen per sqm in the field of 8,218 sqm.



Please see Supply Chain Policy covering child labor, social conditions built on the ideas of decent work and equal conditions, and ethical and environmental principles.

In 2019, the ratio of farmers we work with on contract basis increased by 3% compared to 2018, reaching 85%. The ratio of contract purchases for raw materials increased from 83% in 2018 to 85% in 2019.

We have been paying premiums to farmers who use drip irrigation in sweet corn fields since 2015 within the framework of the Drip Irrigation in Contracted Farming Fields application. This method keeps the water and nutrient levels at the optimum level required by the plants. More effective use of water provides higher yield and higher quality. Moreover, the plants require less fertilizers and agricultural pesticides thanks to this method. Thus, we reduce our environmental footprint arising from the agricultural operations. In 2019, we irrigated 15,705 (75.5%) square kilometers of the corn field of 8,218 decares (8,218 km²) with the drip irrigation system and obtained 24,404 tons of product from this field. We paid an additional premium of TRY 48,810 to our farmers for using the drip irrigation system in obtaining the said 24,404 tons of product. We saved 4,648,680 tons of water by using 7,915,320 tons of water with drip irrigation. Furthermore, thanks to this method, our farmers saved TRY 706,000 in energy, while obtaining 308 kg more product per unit area and deriving a total income of TRY 4.1 million.

We saved 4.64 tons of water with drip irrigation

Training and Audit

Raising awareness among farmers regarding sustainable agricultural practices enables us to decrease our environmental impact while increasing agricultural efficiency. We continuously provide consultancy to all farmers that we purchase raw materials from to improve their knowledge on agricultural production. The trainings that we provide on issues such as plant nutrition and protection, and soil structure improvement enable them to produce higher quality products more efficiently. Thus, we support the development of our farmers while continuing to provide quality products to our customers.



In 2019, we organized a training program for our contracted farmers. Farmers were informed about plant nutrition-development regulators, plant protection and irrigation systems with the participation of various companies. A total of 76 individuals including 65 farmers, 9 company officials and 7 Kerevitaş employees attended the training. Main topics focused on and discussed during the training were:

- When and how to apply the nutrients needed by potatoes, corn, spinach, peas and green beans as of their planting and the measures that can be taken against the adverse impacts of environmental conditions, in the field of plant nutrition,
- Products having different stimulating properties than standard product groups with the developing technology and their effects,
- Diagnosing the diseases and pests which may be encountered in certain periods,
- Reducing the application of chemicals within the framework of sustainable agriculture,
- Regarding drought which is threatening humanity, efficient use of our existing water resources,
- Importance of the drip irrigation system,
- Evaluation of the previous season and determination of the points in need of improvement so that more efficient and quality products are obtained in the new season compared to previous years.

Early and correct diagnosis, accurate solutions, right timing, creating application awareness and evaluating the raw materials delivered to us from the field in terms of quality and public health are matters to which we approach with care. We continuously audit farmers to preserve product quality throughout the entire process from planting the seeds to harvesting the crops. The audits cover the entirety of soil analyses and the agricultural practice controls. Farmers have to report the fertilizers and the pesticides that they are using and ensure that there is minimum 14 days between the harvest and the last pesticide application. The Quality Department certifies that agricultural products are free of pesticide residues, GMO and heavy metals by conducting the respective analyses in line with the **Turkish Food Codex Regulation on Contaminants**.

We audited every farmer that we worked with in 2019. In our audits for 2019 which covered all our farmers, we checked the agricultural products within the scope of our company's standards and did not purchase those which did not comply with these standards.

“ We audited every contracted farmer that we worked with in 2019. ”

Production

We reach more than 42,000 customers with more than 400 products in export, retail and out-of-home consumption groups under the SuperFresh brand. At the end of the production activities carried out in our seven main production facilities in Bursa and factories in Afyon, our products are delivered to consumers by 58 distributors in 15 regions throughout Turkey. As an international brand, we export our products to more than 60 countries.

Logistics

We conduct applications to increase the efficiency in our logistics operations. Our vehicle occupancy rate reached 95%, thanks to the investments we made in 2019 in vehicle occupancy and route optimization.



Employees

Our human resource plays a great role in making a difference and creating competitive advantage in our industry. We provide our employees a fair, equitable, inclusive and safe work environment where they can improve their competencies and we empower together with them by supporting their career journeys.

We continue to contribute to Turkish employment with our human resource growing every year. We provide employment to 1,143 people at our Kerevitaş headquarters, production facilities and regional directorates.

Our Human Resources Policy is guided by the following principles:

- Measuring the performance of all employees and managing the success criteria in line with these measurements,
- Showcasing transparent management,
- Ensuring easy access to management,
- Enabling our employees to state and share their thoughts comfortably,
- Attaching importance to work discipline,
- Ensuring all our employees to work in a team spirit,
- Providing equality opportunities to successful employees in respect of training, payment, career etc.,
- Planning social activities.

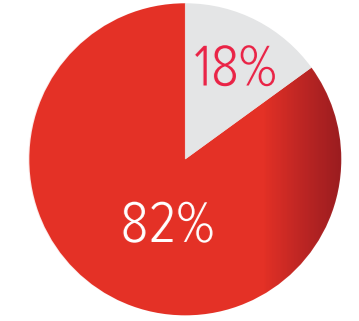
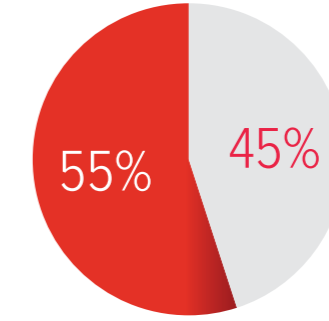
Please see [Human Resources Policy](#) for more information.

Diversity and Equal Opportunity

We carry out recruitment, career planning, performance improvement and training planning processes in line with Human Resources Policy and Personnel Regulation. We attach great importance to diversity and equal opportunity in all our processes, and recruit only individuals who have the professional and functional competencies required by the task at Kerevitaş.

We protect employee rights without any discrimination or misbehavior. We did not receive any complaints regarding discrimination in 2019.

We support the empowerment of women in the work force and their inclusion into the socioeconomic life. Women comprise 45% of our total workforce.



Female Male

White collar employee Blue collar employee

We continue to take part in the 'Equal Opportunity for Women in Work' project put into practice last year by the Ministry of Family, Labor and Social Services to empower women in the workforce and to raise the awareness of our employers in this respect.

Performance and Career Management

We want our employees to decide on their career paths based on their skills and expectations, and remain as a part of Kerevitaş family for a long time. With our career and performance management system, we aim to create training and improvement opportunities that will start with the personal development of our employees, who will then continue by contributing to the organizational development. At the Human Resources Planning Meeting held every year, we define career plans, improvement areas, coaching needs for our employees, and put the program into practice within the year. Furthermore, rotation programs are implemented with different departments and other Yıldız Holding companies to improve the communication within the company, and gather different views and competencies together.

We manage performance, career, succession, talent, training/development processes in an integrated manner within the scope of Performance and Career Management. Thus, we can assess the performance of our employees objectively and fairly based on their individual goals and competencies by also considering the business results. We follow the performance and career management rules of Yıldız Holding in these assessments.

- For our white-collar employees, we have an annual performance review system that defines their goals based on their own functions annually. The employees define their SMART goals together with their managers, and manage their work in line with these goals. All employees are assessed once a year by their managers in terms of their goals, competencies and potentials, and apply to the Career Development Program in line with the result of this assessment.
- For blue-collar employees, the performance review includes different performance indicators such as efficiency, production tonnage, customer complaint numbers and OHS.

“ We provide employment to 1,143 people at our Kerevitaş headquarters, production facilities and regional directorates.”



Compensation and Reward

Performance management is carried out in an integrated manner with compensation and reward system. We apply a compensation system with a shared grade structure, which is based on the content of the respective work. We assess the jobs via the system and aim to establish an equal, competitive compensation policy compatible with market conditions. In this scope, the performance-based compensation policy supports both corporate strategy and competitiveness.

We apply a fair, competitive compensation policy in line with market conditions taking into account the results of job assessments and market wage researches. Depending on the job definition and employee performance, we apply a raise once a year. As a result of performance reviews, we reward white-collar employees with an annual performance bonus. The employees in the sales team are given sales bonuses to encourage high performance.

Furthermore, with Immediate Rewarding, we recognize the achievements of our employees who have made significant contributions to the company. Managers are free to nominate any employee for the reward. The nominated employee is rewarded if deemed eligible after the review of the suggestions and evaluations directly reported to the respective senior manager.

You can reach our compensation policy [here](#).



Investing in Employees and Training Programs

The employees have a huge role in the achievement of our strategic goals. Thus, we offer our employees personal and professional development opportunities to become a preferred employer and provide them a happy working environment. The training subjects are planned considering the corporate goals, human resources planning processes, performance indicators and employee expectations. Accordingly, we apply executive preparation, executive development and leadership development programs.

70/20/10 model of learning is applied in these training programs. In this model, 70% of the training and development includes on-the-job experiences, 20% is based on mentorship, networking and other internal communication channels, and 10% is based on formal training methodology. Training and development include Leadership Development, mentorship and coaching, foreign languages, electronic libraries, online development tools, orientation and standard training. We provided an average of 5.3 hours of training per employee in 2019.

Learning and Development Tools

- Learning and Development Catalog / Leadership Development Programs
- Mentorship and Coaching
- Professional Expertise Programs
- Foreign Language Training
- Conferences and Summits
- Standard Training
- Orientation Program

We organize training programs to support the leadership development of employees leading teams. In this sense, we provide Executive Development Trainings and hold numerous training for employees at the manager, director, coordinator and group manager positions regarding Codes of Management Practice and Forward Steps in Management. Furthermore, we offer training under the titles of For Me, For My Team and For My Job to strengthen the personal and professional improvement areas of the employees. Moreover, we provide training to subcontract employees mainly based on OHS issues such as labor legislation, legal rights and obligations of employees, and legal consequences of occupational accidents and diseases.

Employee Satisfaction and Communication

As a leading company in the highly competitive food processing sector, we are aware that we can only maintain our success by keeping our employees' satisfaction high. We measure the loyalty of our employees with the Employee Satisfaction Survey that we conduct every two years and work on improving it.

We prioritize effective communication with our employees. We have suggestion and complaint boxes at the headquarters and facilities for our employees to provide their feedbacks. The complaints collected from these boxes are discussed in coordination meetings of the managers and then attempted to be solved. Human Resources Department takes all the feedback into consideration and plans actions to improve and shape its practices.

Yıldız Eye and Brainbox

We benefit from various platforms of Yıldız Holding to improve employee engagement and include the opinions of the employees into the product development process. The Yıldız Eye platform enables employees to provide suggestions on issues regarding control of production processes, whereas the Brainbox Platform encourages employees to make suggestions on various issues such as occupational health and safety, saving, quality and R&D. We have rewarded the owners of 156 suggestions conveyed through Yıldız Eye platform and 110 suggestions conveyed through Brainbox.

Occupational Health and Safety

We shape all our operations to achieve **Zero Work Accident** and **Zero Occupational Disease** targets by complying fully to the international standards and legal legislations. Thanks to our awareness in the field of occupational health and safety (OHS), we enable business divisions to embrace the sustainability-oriented OHS culture.

At Kerevitaş, sustainable occupational safety culture is based on the following five pillars.

We take every measure to prevent all accidents and occupational diseases and provide our employees a safe working environment at our headquarters and plants. Investments and Technical Group Manager is in charge of Occupational Health and Safety, and reports to Group Director of Operations and Investments that is only two ranks below our CEO. All white and blue-collar employees are represented at our OHS Board. We provide occupational health and safety practices in compliance with the national legislations and international standards. We manage OHS with OHSAS 18001 at all our plants. Furthermore, our affiliate Besler manages its occupational health and safety practices based on OHSAS 18001 with its own Integrated Management System.

- **Leadership and Team Belonging:** Ensuring managers support actively employee training on common occupational safety goals.
- **Training and Development:** Providing periodic occupational health and safety training to employees and ensuring constant improvement towards common goals.
- **Internal Communication:** Establishing internal communication channels to improve occupational health and safety.
- **Safe Working Environment:** Establishing a technical infrastructure at international standards to create a sustainable occupational safety culture.
- **Risk Management and Process Design:** Creating a Risk Management Project through Occupational Safety Committee established with the contributions of the Leadership Team.

We organize OHS field trips, virtual reality training, visual training against misconducts and job specific training together with our senior managers, so that all our employees embrace our safety culture. OHS training increased 40% compared to 2018 and reached 12 hours per employee in average. We work to raise the awareness of our employees, subcontractors and suppliers regarding occupational health and safety. In 2019, we gave approximately 4 hours per employee in average OHS trainings to our subcontractors.

10 Golden Rules of OHS that we have defined as a result of the survey conducted among our employees shape our operations. We distribute these rules with employee handbooks, and share our messages regarding OHS via text messages verbally or on information boards visually.

We also provide training to our subcontracted employees regarding health issues such as the reasons of occupational diseases, disease prevention principles and protection techniques, biological and psychosocial risk factors, and first aid. At the same time, we offer trainings in technical issues such as chemical, physical and ergonomic risk factors, handling and transporting, and areas such as work hygiene.



10 Golden Rules of Kerevitaş

1. Call 4444 emergency line in case of emergencies.
2. I walk on the pedestrian way.
3. I don't intervene with running machines before stopping them.
4. I wear earplugs in noisy spaces.
5. I use personal protective equipment at required points.
6. I abide by all occupational health and safety rules.
7. I don't do the work that I don't have the authorization for.
8. My top priority is occupational safety.
9. I take all safety measures before starting to work.
10. I leave the electricity work to the electrician, the mechanic work to the mechanic.



Ispanak Tarlası
ESKİŞEHİR

“ We protect the natural resources needed by future generations for the continuity of our life and business. We save energy and decrease carbon emissions to have a restoring impact on environment. ”

Ispanak Tarlası

RESTORE

03 PLANET

Environmental Management

We care about the protection of natural resources that are rapidly decreasing in the world. We try to minimize our negative impact by using these resources responsibly, since we, as a food processing company, take our raw materials from nature and thus directly connected to the resources provided by it.

We believe that all stakeholders from private sector to public sector should work together to solve environmental challenges, particularly climate change, resource scarcity and food waste. While focusing on improving our performance by monitoring the impact of our operations, we also attach importance to cooperation and endeavor to mitigate our impact in the entire value chain.

We reduce our greenhouse gas emissions, energy and water consumptions. Furthermore, we discharge our wastewater within the regulatory limits and aim to improve wastewater quality. We measure our air emissions and ensure to keep them under legal limits and work to reduce them further.

Our environmental management is based on the Environmental Policy and Framework Environmental Management System. We carry out our environmental management processes in line with the environmental laws and regulations and international standards. This year, we received ISO 14001 Environmental Management Certificate for our Bursa factory as well and consequently, all our factories and our affiliate Besler have ISO 14001 Environmental Management Certificate. Furthermore, our Emirdağ factory and Besler have ISO 50001 Energy Management System Certificate.

We continued our environmental investments also in 2019, in order to improve our environmental performance. We have not been subject to any environmental penalties in the last three years.

Please see [Kerevitas Environmental Policy and Environmental Management System Framework](#) for more information.

Circular System and Food Wastes

Given the fact that almost one third of global food is wasted, minimizing food waste is one of the most significant issues in our sector. We aim to reduce the need for new raw materials by building a circular system.

85% of our agricultural raw materials are provided through the contract farming model. We ensure demand-based production with planned production and maintain supply-demand balance. See People - Empower section of this report for more information about our contract farming model. We try to minimize the product loss in processes such as assortment, selection and washing. We reuse the majority of the food waste created during production in animal husbandry and use the rest to generate power in biogas plants. Since our frozen and canned products have long shelf lives and convenient, we also help our customers decrease their own food wastes. Therefore, we avoid food losses from soil to fork for the SuperFresh products delivered to the end-consumers.

We also aim to reduce and recycle all waste, not just food waste. We attach great importance to increasing the recycling amount of paper, cardboard, plastic, glass and metal wastes. We send mineral and vegetable oil wastes

to oil recovery facilities. We aim to expand our practices to the point of using recyclable material for packages, and minimizing and reusing food and packaging waste with a more effective environmental management. In this scope, we have launched a project for the reduction of the quantity of plastic materials used in product packaging and for reviewing the effects of this change on the product's shelf life. Under this project, we aim to reduce the use of plastic materials in packaging materials and examine the effects of this reduction on shelf life for a certain period of time, after which we will begin to use less plastic or use recycled materials, if no adverse effects are observed. For packaging materials which use a combination of plastic materials, we conduct trials by determining less dense combinations through the cooperation of suppliers and R&D and subject these to an observation process. We aim to reduce both the amount of plastic used and the packaging cost for unit product thanks to this project. In this respect, our target is to reduce the amount of plastic materials used by at least 10% per product. Thanks to the project in 2019, we created savings up to TRY 42 million, while achieving 7.46% (in weight) reduction in plastics usage.

Tackling Climate Change

Ever-accelerating climate change as a result of increased greenhouse gases is one of the most important challenges of today. Moreover, climate change has significant impacts on the agricultural sector. We have a responsibility to tackle climate change, so this subject is included in our material issues.

We aim to contribute to tackling climate change with our projects in areas such as efficient use of resources, particularly agricultural raw materials, efficient water and waste management and energy saving. We plan to launch projects that will reduce energy consumption with the "Energy Detectives Project Team" established in 2018. In limiting our coal use, we saved 114,400 TL while mitigating our environmental impacts.

Compared to 2018, we achieved a decrease both in our energy consumption and greenhouse gas emission thanks to the innovations that we made within the scope of our efficiency projects. We reduced our energy consumption by 8% and our greenhouse gas emission 4% in 2019. While the greenhouse gas emission intensity that is an indicator of the greenhouse gas amount released per unit production was 0.00006 CO₂e/ton in 2018, it dropped down to 0.000056 CO₂e/ton in 2019.

“ Thanks to the energy efficiency projects that we implemented in 2019, we reduced our energy consumption by 8% and greenhouse gas emission by 4% compared to 2018, despite the increase in our production capacity. ”

Water Management

Reduction in water resources stands out as an important issue affecting the agricultural production. Climate change impacts precipitation regimes, leading to drought and irregularities in precipitation. In this aspect, it is crucial to protect water resources.

We attach great importance to the reduction of water consumption in our supply chain as the largest consumer besides water management in our own operations. By using and encouraging drip irrigation in the agricultural fields, we reduce the consumption of both energy and water. Comparing drip irrigation method with sprinkler irrigation, drip irrigation provides 37% water saving and 30% energy saving. We reached a ratio of 80% by expanding the use of drip irrigation method in our corn fields in the last three years. This year, we have achieved approximately TRY 706,725 financial savings and 1.5 million kWh energy, by saving 4.64 million tons of water.

Water consumption occurs particularly in washing process regarding the production processes. Besides washing, we also use water for pastry dough. Thus, we focus on re-using the water used in washing. This year, we launched another project for efficient use of water in the production line. With this new project, we contribute to a significant reduction of water and energy consumption through the reuse of the hot water from the blancher in the French fries production line, by conveying the water to the destoner system. Thanks to the project, the destoner system, which consumes 560 tons of water per day, has been operated with the water recovered from the potato production line. The hot water output here allowed a better and more efficient cleaning of mud and stones. We saved 150 tons of water per day, i.e. 54,000 tons of water per year by reducing both water heating and water consumption. Next year, we will achieve a saving of approximately 162 tons of water per day by also using the water from the blanchers and including the sweet corn production line as well. Our aim is to establish a self-dependent system without spending water resources for the destoner, by including all production lines in the project, thus minimizing the use of water resources and reducing our energy consumption, resulting in less greenhouse gas emission.

“ In 2019, we achieved approximately TRY 706,725 financial savings and 1.5 million kWh energy, by saving 4.64 million tons of water. ”



Biodiversity

Biodiversity is critical for the sustainability of food and agricultural sectors. Loss of biodiversity has social and economic consequences such as its negative impact on food safety and rural income resources, besides its negative impact on agricultural production.

As one of the leading companies of the sector, it is our priority and responsibility to protect and improve biodiversity. Thus, we monitor the potential impacts of our operations on biodiversity. The biodiversity action plans prepared in line with international contracts form the basis of our approach. We identify the risk factors in our operations and we cooperate with Non-Governmental Organizations in protecting and improving biodiversity.

In order to protect biodiversity, we are conducting the project "Ecological Research on Eurasian Otter (*Lutra lutra*) Population in Lakes Uluabat and İznik" in cooperation with Hatay Nature Conservation Association in Bursa, which is the place of our establishment. In the scope of this project, we identify the rivers, creeks and lagoons that are crucial for the existence and continuity of Eurasian otter, which has been recently classified as close to extinction by the International Union for Conservation of Nature (IUCN). Within the scope of this study, the species' population size, distribution, habitat, food resources, social behaviors, relations with humans and threats on the species are identified and measures that should be taken to protect the species are determined, while obtaining information about inappropriate fishing methods, domestic and agricultural wastes and human activities such as destruction of various reed beds, which may pose risks. In the light of these



findings, it is observed that in the areas covered by the study, the quality of the common living areas of otters is threatened severely due to impact by humans. As part of the studies for detecting otters under the risk of extinction, it was also possible to identify and map some other mammal (wild cat, fox, hedgehog, beech marten) and bird (great egret and common shag) species spread out around both Uluabat and İznik Lakes.

We also carry out all our operations ensuring to protect the ecologic balance of the soil. In this respect, we attach great importance to intensifying the methods that are compatible with the natural water cycle and to continuing our agricultural activities in harmony with nature. We protect water resources with the drip irrigation method and contribute to the protection of ecologic balance in the agricultural fields with methods decreasing pesticide use.



PERFORMANCE INDICATORS

Social Performance Indicators

Number of Employees by Gender and Category	2017		2018		2019	
	Female	Male	Female	Male	Female	Male
Total number of employees	693	977	652	950	520	623
Number of white collar employees (number of employees out of scope)	73	186	65	180	40	164
Number of blue collar employees	620	791	587	770	480	459
Number of blue collar employees (number of employees out of scope) - union member	513	317	469	299	362	250
Number of blue collar employees (number of employees out of scope) - not union member	107	474	118	471	118	209

Number of Employees by Employment Status	2017		2018		2019	
	Female	Male	Female	Male	Female	Male
White collar employees	258	1	244	1	204	0
Blue collar employees	1.411	0	1.357	0	939	0

Number of New Recruits by Gender and Age	2017		2018		2019	
	Female	Male	Female	Male	Female	Male
Number of newly recruited employees	122	237	62	147	108	150
50+ years old	1	1	0	0	0	4
30-50 years old	64	132	32	66	53	84
30- years old	57	104	30	81	55	62

Number of Employees Left by Gender and Age	2017		2018		2019	
	Female	Male	Female	Male	Female	Male
Number of employees who left	334	336	334	336	221	491
50+ years old	15	7	8	6	22	14
30-50 years old	188	155	120	146	133	353
30- years old	131	174	108	136	66	124

Number of Employees by Term of Employment and Gender	2017		2018		2019	
	Female	Male	Female	Male	Female	Male
Number of employees working in the company for 0-5 years	429	738	371	615	300	330
Number of employees working in the company for 5-10 years	194	142	136	208	88	182
Number of employees working in the company for 10+ years	70	97	146	126	132	111

Parental Leave by Gender	2017		2018		2019	
	Female	Male	Female	Male	Female	Male
Number of employees on parental leave	20	71	13	61	22	36
Number of employees back from parental leave	10	71	9	58	20	36

Number of Employees Subject to Performance Review	2017		2018		2019	
	Female	Male	Female	Male	Female	Male
Number of employees subject to performance review	73	186	65	180	40	164

Managers by Gender and Age	2017		2018		2019	
	Female	Male	Female	Male	Female	Male
30- years old	-	-	-	-	0	0
30-50 years old	9	30	9	29	7	33
50+ years old	-	-	-	-	0	2

Distribution of Board of Directors and Executive Board by Gender	2017		2018		2019	
	Female	Male	Female	Male	Female	Male
Board of Directors	0	7	1	6	1	6
Executive Board	3	4	3	4	1	7

Number of Employees with Disabilities by Gender	2017		2018		2019	
	Female	Male	Female	Male	Female	Male
Number of employees with disabilities	5	37	5	38	3	30

Number of Subcontractor Employees	2017		2018		2019	
	Full time	Part time	Full time	Yarı zamanlı	Full time	Part time
Total number of employees	93	7	89	10	83	5

PERFORMANCE INDICATORS

Social Performance Indicators

Training	2017	2018	2019
Average annual training hour per employee	8,4	9	5,3
OHS training per employee	9,0	8,6	9,7

Subcontractor Training	2017	2018	2019
Average annual training hour per subcontractor employee	6,3	6,1	4,2

OHS Performance (Employees)	2017		2018		2019	
	Female	Male	Female	Male	Female	Male
Number of accidents	14	19	18	19	7	10
Number of accidents involving death	0	0	0	0	0	0
Incident rate (IR)	1,42	1,37	1,94	1,41	0,96	1,13
Occupational disease rate (ODR)	0	0	0	0	0	0
Lost day rate (LDR)	21,14	20,54	63,37	32,38	24,31	29,32
Absence rate (AR)	%0,08	%0,08	%0,25	%0,13	%0,10	%0,12

OHS Performance (Subcontractors)	2017	2018	2019
Number of accidents	0	1	1
Number of accidents involving death	0	0	0
Incident rate (IR)	0	0,07	0,79
Occupational disease rate (ODR)	0	0	0
Lost day rate (LDR)	0	0	7,53
Absence rate (AR)	%0,00	%0,00	%0,03

Environmental Performance Indicators

Energy Consumption (MWh)	2017	2018	2019
Electricity	43,284	41,456	41,456
Natural Gas & LPG & Coal	56,931	56,921	53,929
Diesel (generator)	67	64	64
Vehicle fuel oil	9,957	14,702	7,558
Total	110,239	113,143	104,000

Greenhouse Gas Emissions* (ton CO2)	2017	2018	2019
Scope 1	19,999.1	21,691.5	19,025.6
Scope 2	22,115.4	21,001.8	21,808.1
Scope 3	1,442.0	1,451.1	1,508.7
Total	43,556.5	44,144.4	42,342.5
GHG emission intensity (Scope 1 and 2/ton production)	0.000067	0.000060	0.000056

*Greenhouse gas emissions are calculated in accordance with the Greenhouse Gas Protocol methodology. Global Warming Potential (GWP) coefficients are taken from the 5th Assessment Report of Intergovernmental Panel on Climate Change (IPCC).

Water Consumption and Wastewater Amount (m3)	2017	2018	2019
Underground water	756,998	1227,891	1460,657
Wastewater amount	671,723	938,911	813,564

Waste Amounts (ton)	2017	2018	2019
Amount of hazardous wastes	11,752	10,187	11,457
Amount of non-hazardous wastes	19,216	13,689	14,014

Air Emissions (kg)	2017	2018	2019
NOx	1,331	16,296	7,367
SOx	1275	196,934	0

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GRI 103: Management Approach 2016	103-1	34, 35
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GRI 307: Environmental Compliance 2016	307-1	No incidents of non-compliance or any penalties due to this reason.

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GRI 308: Supplier Environmental Assessment 2016	308-1	"25 https://www.kerevitas.com.tr/documents/assets/pdf/Tedarik_Zinciri_Politikasi.pdf "
GRI 400: Social Standard Series		
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GRI 103: Management Approach 2016	103-1	26, 27
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GRI 103: Management Approach 2016	103-1	26, 27
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	103-3	26, 27
GRI 402: Labor/Management Relations	402-2	In case of critical operational changes, legal notice periods are complied with.
Occupational Health and Safety		
GRI 103: Management Approach 2016	103-1	30, 31
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GRI 414: Supplier Social Assessment 2016	414-1	25 https://www.kerevitas.com.tr//documents/assets/pdf/Tedarik_Zinciri_Politikasi.pdf
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